The sound of a *suona* horn reverberates from the loess plateau.

*Photo by Shi Li*
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<td>COVER: Dr. Chen Zhangliang, aged 27, is an associate professor at Beijing University and head of the State Plant Genetics Work Office. Chen Zonglie</td>
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### On Negotiations with the Dalai Lama
- Observers here see that there still is a gap to cover between the Dalai Lama and the central government before negotiations can begin. The Dalai Lama insisted on basing the negotiations on his "new proposal" made last June, which claimed that Tibet had been an independent country; and the central government's position is that anything is negotiable except the independence of Tibet (p. 24).

### Sending Students Overseas
- Yu Fuzeng, director of the State Education Commission's Foreign Affairs Bureau, discusses the development of China's overseas study programme with our staff reporter Wei Liming. As China opens its doors wider, he suggests national policy on sending students abroad will grow increasingly liberal until it matches that of other countries (p. 15). Also printed is a report on the role returned students play in China's socialist construction (p.19).

### Population Landmark Serves as Warning
- Since China first introduced family planning in the 1970s, an estimated 200 million births have been prevented. But with the population set to hit 1.1 billion this month and a birth rate on the rise since 1986, efforts must be redoubled if the country wants to keep within its target of around 1.2 billion people by the year 2000 (p. 4).

### Dwindling Forest Resources Arouse Nationwide Concern
- China is a country poor in forests, and it's forest area per person is numbered 121st in the world. Yet, such small resource is still reducing sharply. Experts urge to take measures to control the situation. The Afforestation Committee set a medal system, encouraging people to make greater efforts in the country's afforestation campaign (p. 5).

### Namibian Independence
- On April 1, after two centuries of colonization, Namibia is due to become the last African country to secure its independence. However, once the initial euphoria of nationhood has passed, Namibians face a series of severe challenges, particularly over relations with South Africa (p. 9).
Countering the Surge in Population

by Yang Xiaobing

During the first quarter of 1989, China faces the grim prospect of its population hitting 1.1 billion. In response, a new family planning publicity campaign is being launched across the country.

Since China first introduced its family planning programme in the early 1970s, an estimated 200 million births have been prevented—a major contribution towards curbing the rapidly increasing population of Asia and the world.

But the future now looks none too optimistic. Since 1986, China's birth rate has been rising. Last year, a sample survey put the figure at 23.26 per thousand for 1987, and 20.78 per thousand for 1988. Annually, the population has been growing by around 15 million people.

Originally China had planned to keep its population below 1.2 billion by the year 2000. Subsequently this was amended to around 1.2 billion. But even meeting this target will be no easy task, given the population growth of recent years.

China is now experiencing its third baby boom since 1949. The principal reason for the rise in the birth rate is that 11-13 million women are reaching child-bearing age annually. This peak will not decline until 1995.

In addition, the implementation of family planning policies across China has been uneven. In many places, particularly culturally and economically backward rural areas, deep-rooted traditional ideas remain stubbornly entrenched—especially the notion that "the more sons, the more blessings." Some local authorities have also failed to take their family planning responsibilities sufficiently seriously, and others have even adopted a "laissez-faire" attitude.

Furthermore, since China began invigorating its economy, the floating population has risen to around 50 million. And with the difficulties of monitoring this group and effectively implementing family planning, they have produced a large number of over-large families.

A recent study revealed that some 3 million babies born in 1987 were unauthorized third or fourth children and around 2.5 million people married below the legal age, putting them in the position to give birth earlier than they should.

Although China's gross national product (GNP) has doubled over the past decade, with its vast population, its per-capita GNP lags far behind the world average. Its grain production is also high at 400 billion kg a year, but divided among the population, this leaves just 370 kg per head. Similarly, the per-capita share of China's huge natural resources is small, and the per-capita area of cultivated land, forest, grasslands and water resources is not only beneath the world average but is continuing to drop.

Under these circumstances, unless population growth is curbed, China's increase in wealth will be offset by the ever-larger number of people who have to share it. Simultaneously, as the contradiction between population and resources grows, environmental deterioration will follow. If this happens, it will prove impossible to increase national strength and difficult to raise living standards.

To curb the rise in the birth rate, the state has reaffirmed its current family planning policies: marriage and birth at a mature age, the one child family, and with fewer births, better healthcare. Rural families facing genuine difficulties (including households with a single girl) are permitted to have a second child after an interval of several years. But in no circumstances will a third be allowed. Family planning is also being encouraged among national minorities, but with greater latitude and after paying due attention to local conditions and customs.

The government has stressed that the relevant departments must strengthen their publicity and educational work, and that campaigns should be conducted patiently, painstakingly and continually, especially in rural areas.

To control births among the floating population, the State Family Planning Commission, the State Administration for Industry and Commerce, and the Self-Employed Workers' Association have joined forces to draw up a series of measures which are now being tested in several localities.

Civil affairs departments are now starting to check up on illegal marriages across the country, punishing people who have married and given birth under age.

Medical and health departments are expanding technical guidance on birth control into a wider area, as well as looking for simpler, safer, more effective and cheaper means of contraception.
At the Seventh Representative Conference of the Chinese Association of Forestry in January this year, more than 200 experts put forward a suggestion that governments at all levels and relevant departments of society take immediate measures to control the sharp reduction of China's forest resources.

China is a country poor in forests. Its forest area per person is so small that it ranks 121st in the world. According to statistics of the past 10 years, the state-owned forest area has shrunk 23.1 percent, and usable reserves, 22 percent. Experts said that by the end of this century, China's usable forest reserves that are approaching maturity will drop from the present 2.6 billion cubic metres to 1.248 billion cubic metres and that mature forests will be entirely spent.

Experts stressed that, compared with the economic benefits derived from timber-felling, the forest's ecological function is more important. It has been calculated that its ecological benefit is eight to 25 times the profit of timber sales. When forests are all depleted and the land becomes bare, draught, flood and other natural disasters may occur. Due to the disappearance of many forest resources and the decrease in quality, China's land area suffering soil erosion has increased 400,000 square kilometres since 1949. The total quantity of wasted soil equals 5 billion tons, which means an annual loss of a one-centimetre layer of rich soil in the country's cultivated land. The nitrogen, phosphorous and potassium lost with the eroded soil each year is equivalent to one year's supply of fertilizer used by the country. Because of excessive lumbering and a subsequent decrease in water conservation, an average of 31.3 million hectares throughout the country in the past 10 years have suffered from draught and floods. This is an increase of 65 percent from the time when New China was founded in 1949.

Experts said that the problem of forest destruction has become acutely serious, yet people are still not conscious of it. At present, immediate interests have taken priority: construction needs timber, government needs profit taxes, enterprises need to exist and develop; and people need to get rich. Forests have been viewed as a rich resource for meeting these needs. Yet, forests are now facing a crisis and their protection and development is a difficult task to accomplish.

Thus, experts put forth the following urgent suggestions:

—Alert the whole nation and all of society to the crisis and let them know the value of forests. Since 1949, the value of consumed timber tallies 800 billion yuan while the funds seeding forests is somewhat less than one-tenth the amount. So, the state should carry out a policy of supporting forestry and help this constructive investment obtain the funds deserved.

—Measures should be taken to synthesize administration, economy and law for the protection of old forests in the northeast and the southwest. In the meantime, fast-growing and high-yielding forests should be developed in the south and the northeast where conditions are suitable, as well as short-period industrial forests in the designated 13—17 million hectares of land there. Likewise, mountain greenery should always be insured.

—Science and technology should be relied upon to protect forests and develop forestry.

Vice Premier of the State Council and head of the Afforestation Committee Tian Jiyun said at the committee's eighth meeting held in Guangzhou on February 19 that in the seven years since China started the afforestation campaign, seven billion trees have been planted. Yet there are still problems because only one-third of the eligible people took part in this campaign. In some places, people lack an awareness about the country's afforestation programme. So great emphasizes should be placed on promoting this work.

The price of camels is going up! CHEN SHAOMIAN
Water pollution is becoming increasingly serious. At present, about 34.9 billion tons of waste water are discharged annually throughout the nation, resulting in an economic loss of 43.4 billion yuan each year.

A survey by the National Bureau of Environmental Protection shows that 80 percent of the nation's urban surface water sources are contaminated and that the underground water sources in 21 out of 27 cities surveyed are of poor quality.

According to the monitoring, the Changjiang (Yangtze) River, which accounts for 36 percent of China's fresh water sources, has 40 kinds of pollutants. The contaminated zones along its banks add up to a length of about 500 km. It has to endure the industrial waste water and domestic sewage of cities such as Chongqing, Wanxian, Wuhan, Nanjing and Shanghai. Overall statistics show that within the Changjiang River Basin there are more than 40,000 factories and mines and 16,000 urban contamination sources that drain 36,000 tons of sewage away into the river every day.

What is more formidable is that the river accepts 700 million tons of silt each year, which will eventually clog the river's arteries.

It is not easy to find a virgin river. The Liaohe River Basin, where heavy industries are concentrated, receives 7.07 million tons of waste water and sewage. Shenyang, one of China's well-known heavy industrial and machine manufacturing cities, dumps 240 million tons of industrial waste water into the Hunhe River, making that part of the river passing through the city a veritable escape canal.

Besides the above-mentioned rivers, the Huanghe (Yellow) River, Haihe River, Huaihe River, Zhujiang River have already sounded serious warnings. Even the Songhuajiang River and Minjiang River, which impress most people as being clean, are no exceptions.

The fate of China's lakes fares no better than that of the rivers. Dongting Lake, which used to be the largest freshwater lake in China, has had three-fifths of its total area reclaimed for cultivation. Its volume has been reduced to the present 17.8 billion cubic metres from 29.3 billion cubic metres in 1949. As a result, it has lost its ability to serve as an overspill for the Changjiang River during flood season. Man-made destruction plus silt deposition have robbed this freshwater lake of its distinction as China's largest. Furthermore, some experts predict that it will disappear from the map in 60 years.

Just like rivers, lakes have suffered from the pollution of industrial waste water and domestic sewage. The beautiful Taihu Lake has to endure each year 10 million tons of sewage of which half is industrial waste water.

For years, owing to an undue emphasis on the pursuit of economic gains, people have done a lot to rivers and lakes that should not have been done. Since 1985, there have been more than 10 incidences in which fish and ducks in Weishan Lake were poisoned by industrial waste because more than 300 nearby factories and mines were carelessly discarding 700,000 tons of pollutants into the lake every day. Hubei Province, once renowned as a province of "one thousand lakes," had only 309 left in 1981.

It is perhaps still remembered that a street in Wuhan City, the capital of Hubei Province, was suddenly swallowed up by the earth in May, 1988. A few houses, trees and wire poles disappeared before one could blink an eye. This was caused by an over-extraction of underground water, instead of by an earthquake.

The rate of extracting underground water in North China has reached 83.5 percent, forming a funnel area of 10,000 square kilometres. Even Suzhou, Changzhou and Wuxi, which are known as a golden economic triangle and are located in a region of rivers and lakes, have formed a funnel of 7,000 square kilometres. Here the underground water level has declined due to an extended period of excessive siphoning.

An expert on international water pollution has said, "The pollution of fresh water in the world is getting more and more serious. All fresh water will be polluted by early in the next century." China's to-
Water is a source of life. It must be protected just as the very air we breathe.

**Lhasa Riot Causes Deaths**

Eleven people were killed and over 100 injured in a riot staged by Tibetan separatists on March 5.

At 12 o'clock, 13 monks and nuns began an illegal parade in the Bargor Street, flying banners and shouting “Independence for Tibet!” Soon several hundred people joined the paraders and they started throwing stones at a police station in the Bargor Street.

By 3:00 pm, over 600 rioters marched onto the East Beijing Road, smashing windows, looting more than 20 restaurants, hotels and shops, and setting fire to goods and furniture.

The rioters made four attacks on the office buildings of the Chengguan District government and Communist Party Committee, breaking the signboard of the district government. They also smashed traffic control posts and lights, and damaged more than 20...
police vehicles.
During the riot, the separatists fired at the policemen. One policeman was killed and more than 40 were injured. Eleven of the injured policemen are now in hospital.
The police were forced to fire shots as no other means could stop the rioters.
In the chaos, 10 were killed and over 60 injured among the rioters and onlookers.
When medical workers rushed to the spot to rescue the injured, they were also attacked by the rioters. An ambulance was damaged and the driver injured.
The rioters also smashed the doors and windows of a primary school.
Since February 13, some separatists have held four illegal parades in Lhasa prior to the March 5 riot. Local government departments have taken pains to dissuade them from making trouble and educated them as a measure for maintaining social order.

Huan Xiang Passes Away

Huan Xiang, a noted Chinese expert on international studies, passed away on February 28 at the age of 80.
Huan was a member of the Foreign Affairs Committee of the Seventh National People's Congress (NPC) and director of the Centre of International Studies of the State Council. He was also a member of the Sixth NPC Standing Committee and vice-chairman of its Foreign Affairs Committee and vice-president of the Chinese Academy of Social Sciences.
Huan Xiang was a consultant of Beijing Review, too.
Namibia: Independence in Sight

On April 1, 1989, Resolution 435 on the independence of Namibia, adopted by the United Nations Security Council, is to take effect. Having been a colony for two centuries, Namibia is the last country on the African continent to win its independence. The issue has received international attention for a long time, but due to resistance from South Africa, it was not resolved until last spring, when a historical breakthrough was finally made.

by Sun Qiaocheng

There has never been an established nation in the area now known as Namibia. Before the 15th century, when Europeans invaded the land, various black tribes were scattered here. In 1793, the South Africa-based Dutch first occupied two bays. Two years later, the British took over the bays from the Dutch. In 1882, a German purchased most of today’s Namibian coastal areas in deal with a native chieftain. Shortly after that, the Bismarck government announced that the area was under the protection of the German empire. In 1890, Germany signed an agreement to divide its sphere of influence with its rival in Southern Africa, Britain, and called its own sphere of influence — i.e. what is now Namibia — German Southwest Africa, which was recognized by Britain.

South African Rule

After the war, the land was mandated to South Africa by the League of Nations. In 1945, when the United Nations was founded, former territories under the mandate of the League of Nations were then transferred to the trusteeship of the United Nations as a step towards autonomy and independence. Namibia fell precisely into this category.

However, as a founder of the United Nations, South Africa refused to accept this system and demanded the right to formally annex Namibia. This was naturally rejected by the United Nations. Disagreement over the fate of this land led to a resolution by the United Nations in 1949 to submit the issue to the International Court for an opinion. In 1950, the court ruled that South Africa was not entitled to alter the international status of South-west Africa but that South Africa was still obliged to administer the territory. The United Nations accepted the verdict of the International Court in the same year, and thus it came to be that Namibia remained under the mandated rule of South Africa.

Since World War II, the Namibian people have been struggling to overthrow the colonial rule. In 1959, the Ovambo people formed a revolutionary group called the Ovamboland People's Organization, which changed its name to South West Africa People's Organization (SWAPO) in 1960. In 1963, upon its founding, the Organization of African Unity (OAU) declared that SWAPO is the representative of the Namibian people. SWAPO began its armed struggle against South Africa’s rule in 1966. In October 1966, at the strong behest of most member states, the UN General Assembly passed a resolution announcing an end to South Africa's mandate over Namibia. It called for the United Nations to take over the administration. In 1968, the United Nations changed the name of the territory to “Namibia” in accordance with the will of the local people. In 1973, the UN General Assembly recognized the SWAPO as the sole legitimate representative of the Namibian people and decided to set August 26 of each year as the “United Nations Namibian Day” to commemorate the armed struggle of the Namibian people, which had begun on that day in 1966.
The independence of Namibia thus was put on the agenda of the international community.

**Freedom Talks**

The various UN General Assembly sessions since 1966 have discussed the Namibian issue and passed corresponding resolutions demanding that Namibian people hold free and fair elections under the supervision of the United Nations and declare independence. The most famous of all was Resolution 435/78 passed on September 29, 1978, which won widespread approval and became the recognized formula for the independence of Namibia.

Resolution 435 called for the removal of illegal power organizations stationed in Namibia by South Africa and the return of power to the Namibian people. It further called for the establishment of a temporary, transitional group under the authority of the UN Security Council. This group, with a life span of up to 12 months, would help the Secretary-General's special envoy to ensure the independence for Namibia through free elections under the supervision and control of the United Nations. Resolution 435 also noted with satisfaction that the SWAPO is willing to co-operate with the UN Secretary-General and sign a ceasefire pact. It therefore urged South Africa to immediately co-operate with the Secretary-General to implement the resolution.

South Africa, however, refused to accept this resolution. Faced with mounting international pressure, it released an "internal resolution formula" in an attempt to resist the trend through so-called autonomy. By the end of 1978, South Africa orchestrated a so-called constitutional congressional election, which resulted in a puppet congress. In 1980, a Ministers' Council was set up with some executive and legislative power. In 1985, South Africa further signed a statement that proclaimed the autonomy for Namibia. All these tricks, however, deceived nobody.

In 1981, the Reagan administration offered to help South Africa out of the mire. On the pretext of Cuba's intervention in Angola's civil war, Angola's support for SWAPO's guerrilla activities and South Africa's support for the National Union for the Total Independence of Angola, the United States advocated that South Africa accepted Resolution 435 and Cuba pulled out of Angola. Following this, South Africa issued a plan which linked the two separate issues together and, in reality, put Cuba's withdrawal as a precon-
dition. Subsequent negotiations were blocked by Pretoria’s obstinate stance towards the issue.

By the end of 1984, to break the deadlock, Angola put forward a 4-point proposal in regard to the realization of peace in Southwestern Africa, which in actuality accepted South Africa’s linkage formula. This package plan was a major concession from Angola and eliminated a big obstacle to Namibia’s independence. But South Africa was half-hearted about resolving the Namibian issue, and the negotiations did not progress much. Instead, South Africa engineered counter-proposals and set preconditions, thus dashing hopes for any breakthrough by the end of 1987.

The Breakthrough

Last year saw a major turn of events in regard to the international situation. Soviet-US relations were improved, disarmament negotiations made progress and international relations tended to change from tension to relaxation and from confrontation to dialogue. The negotiations on peace in Southwestern Africa, with positive promotion by the Soviet Union, the United States and other parties concerned, also made decisive headway.

On January 28-29 last year, Angola and the United States continued their bilateral talks, which had been held off and on. This time, however, Cuba’s representatives took part in the talks upon invitation. It was the first time Cuba had agreed to attend negotiations concerning Angola’s internal peace and the presence of Cuban troops in that country. Therefore, the bilateral talks became trilateral. On April 28-29, US Assistant Secretary of State on African Affairs Chester Croker and Soviet Vice Foreign Minister Anatoly Adamishin met in London. It was subsequently announced that Angola, Cuba, South Africa and the United States would hold talks on peace in Southwestern Africa in London at the beginning of May. The action, a first-time agreement by the four parties to hold joint talks under mediation of the United States and the Soviet Union, marked a major breakthrough on a peaceful settlement of the Angolan and Namibian issues.

On May 3-4, the four parties held first-round talks in London and agreed to continue the talks because progress was realized. During the latter half of 1988, ten rounds of talks were held in Cairo, New York, Geneva and Brazzaville. Angola and Cuba met together with the United States and then with South Africa to negotiate on some details and technical problems. After 11 rounds of talks in seven months, agreements in principle on Namibian independence and Cuba’s withdrawal from Angola were finally reached in December last year.

During the talks, rival parties sometimes had great differences and even broke up the meetings in discord. However, neither side killed the talks due to considerations of their own interests. Both tried their best to bargain so as to win
Although Adamishin was not a direct participant, he, too, made great efforts. He met Croker many times, jointly promoting the negotiations. The issue of peace in Southwestern Africa was also included in Soviet-US summit talks, so the agreement was also one of the results of Soviet-US conciliation.

The Chinese people and government give warm support to the signing of the agreement. From the beginning, China has supported the Namibian people's just struggle for national independence and liberation under the leadership of the SWAPO. In various international conferences, it also has strongly condemned South Africa's unlawful occupation of Namibia and refusal to implement UN resolutions. The Chinese people provided political and material support to the Namibian people and supported many proposals put forward by African countries. On December 23 last year, the second day after the signing of the agreement, a Chinese Foreign Ministry spokesman called the event “an important step toward peace” in the region and said it is “in keeping with the tide of our era and the popular will of this region.” “We hope that all the parties concerned will implement the agreements in earnest so as to ensure the sovereignty and security of Angola and other southern African countries and the realization, as scheduled, of the independence of Namibia,” the spokesman said.

**Looking Ahead**

After UN Resolution 435 is put into effect on April 1, the UN will hold main responsibility in Namibia. The administrator of South Africa will send a delegate to help in the work. Every party will begin its campaign for the presidency, including the SWAPO, then to be recognized as a legal party. The election will be held seven months later under the control and supervision of the UN. The elected congress will draw up a constitution, form a government and fix the date for independence. The whole independence process is scheduled for completion in one year, and the permanent members of the UN Security Council will play a role in guaranteeing the implementation of the agreement.

The UN resolution and the tripartite agreement have only set the basic principles and the general independence process. Many details and concrete questions are waiting to be brought up by the UN and resolved through consultations among the parties concerned. How to deal with these questions is of vital importance to the process of carrying out the agreement.

The first question is related to the scale of the UN mission assisting in the transition period. According to Resolution 435, the assisting mission is to be made up of 7,500 peacekeeping troops and 1,300 civilian officials. However, because the UN has some financial difficulties, the Security Council is planning to cut the number of peace-keeping troops. This situation has aroused concern among the Namibian people and some African countries, who fear that this might invite violations of the agreements.

The most important question to be solved is about the principles regarding the election and drafting of a constitution. This includes such matters as universal adult suffrage, election procedures, the nature of the new state and
political system, and basic human rights to be guaranteed. It also includes the question of how to deal with the white people and their positions and the foreign companies which are controlling the country's economic lifeline.

The attitude of South Africa, which is now still controlling Namibia's politics, economy and defence, is another important factor to consider in implementing the agreements. Although Pretoria was forced to accept the UN resolution and sign the tripartite agreement last year under the pressure from the international community and its own economic difficulties, it will not be reconciled to giving up its rule in Namibia. It will try to find every pretext to obstruct and sabotage the implementation of the UN resolutions and agreements. And this undermining will carry with it the support of a handful of whites and pro-South Africa forces in Namibia. South Africa may also be expected to stir up troubles on the questions involving the withdrawal of Cuban troops, the reconciliation among the Angolan parties and the activities of the African National Congress in Angola. It will even probably delay the withdrawal of its troops and the implementation of the agreements.

It is evident that there are many difficulties involved in the Namibian independence process. The signing of the agreement is only the first step. It will need the continuous efforts of the Namibian people and the parties concerned to put it into effect. But the move towards independence cannot be turned back, especially in light of current world trends, which are favourable to the people of Namibia. So, it is entirely possible for Namibia to gain independence in one year.

**New Challenges**

The new country of Namibia, once established, will face problems, both internal and external, which will be more complicated than those resolved during its drive for independence. The most important of these will be questions of economic self-reliance, national unity and political power construction.

First, at present, Namibia's economy is completely under the control of South Africa. All the big companies in South Africa have subordinative and branch companies in Namibia. Mining and animal husbandry are the two primary sectors of the Namibia's economy. Its industry is not developed, and manufacturing is extremely limited. Out of the gross domestic products of 1987, mining contributed 35 percent; animal husbandry, 15 percent; industry 10 percent; and tertiary industry, 40 percent. Mineral products are diamonds, uranium, copper, zinc and lead. The annual output of diamonds once amounted to 2 million carats and now has dropped to 1 million carats. The annual uranium output currently stands at 4,000 tons, and copper, zinc and lead outputs are more than 10,000 tons each.

Namibia is the world's chief producer of diamonds and uranium. The mineral production, however, is entirely under the control of foreign companies. There are more than 200 of these and over half of them are South Africa's. The animal husbandry mainly involves cattle and sheep production. Annually more than 2 million head of the former and 4 million of the latter are raised. The annual output of sheepskins is more than 2 million pieces, and Namibia's lamb skins are world renowned. There are 5,200 farms in Namibia, and all of them are owned by the whites.

The railway is only 2,350 kilometres long and the highways are 42,000 kilometres long. There are two sea ports and an international airport in Namibia. All these major communication and transportation facilities are somewhat controlled by South African railway and navigation companies. Of Namibia's export goods, 50 percent are sold to South Africa, and 90 percent of its imports are from there. South Africa also has a monopoly on sea and land transportation.

In finance and money matters, all banks in Namibia are South African, and up to now it has had no money of its own. Namibia's financial income is mainly dependent on the taxes from companies and customs duties. But because of foreign companies' privileges and preferential treatment, its financial income has not been enough to meet expenditure. One-third of the annual budget expenditure has been compensated by South Africa.

The above situation proves that economically, Namibia is dependent on South Africa. After its independence, even if the SWAPO is at the state's helm, this situation can hardly change very quickly. That's why some on the South African side say that they still will have the means to control any new government.

How to handle its relations with South Africa after its independence is the primary issue that Namibia faces. In this respect there is something to learn from others' experiences. For example, in 1986 Lesotho...
suffered from a grain crisis and the collapse of its government due to South Africa's boundary blockade. Therefore, the new Namibian government should adopt a safe policy, i.e. gradually shed its dependence on South Africa without causing any crisis and disorder.

The second issue is one of national unity. Namibia is a multi-tribal country, with a population of 1.7 million. More than 90 percent of the inhabitants are black; whites only make up 6-7 percent. There are 11 main tribes and the Ovambo tribe accounts for half of the country's entire population. Although the whites are in the minority, under the shelter of South Africa they assume a position of authority, controlling all the farms, most of the wealth and 80 percent of the major posts of various administrative organs. In view of such a situation, the new government must dexterously handle the two relationships -- the relations between the blacks and the whites and the relations between the tribes.

In regard to the treatment of these whites, Namibia has a lesson to learn from Angola and Mozambique. After their independence, these countries adopted some extremist policies and thus caused a large number of whites to flee, taking with them funds and technology. This outflowing crippled the two countries' economies. In light of these experiences, Namibia will have to gradually change the situation in which the whites control everything, while guaranteeing their legal rights and interests, letting them live in peace so as to avoid destroying production and disrupting society.

Namibian tribes differ in terms of population, degrees of economic development and interests. Besides, there are more than 20 political parties based on the tribes. All this has caused many contradictions among the tribes and between them and SWAPO. The tribal issue in Africa has been the main impetus for the civil war and international conflict. It remains a thorny problem to be dealt with and solved. How to co-ordinate the tribal interests, as well as the relations between the political parties, and make various social and political forces unite and strive to build a new country are also the important matters for the new Namibian government to ponder.

Third, in regard to the build-up of political power, the present situation seems to indicate that even if SWAPO is not the only one in power after independence, it will be a leading force in the new government. However, because the SWAPO has for a long time been outlawed and waged struggle abroad, its members are not many, and the organization is loose. Lacking experience and sufficient cadres, it will surely rely on the original organs and administrative personnel to run the country. Since these organs have been set up by the South African colonialists, they will not be entirely suitable to the new administration. And because the loyalties of many of the staff members lie with South Africa, they will not fully accept the new leadership and follow the new policies. Some of them will probably resist openly and attempt to undermine the new government. If they choose to flee en masse, this will sap the life out of the administrative organs. Besides, the present systems in some tribes are not fundamentally government organs, or democratic. Therefore, to reform the old political structure, establish new power and appoint new administrative personnel to make the new government become a strong ruling tool will be an arduous task.

The resolution of these three issues is fundamental to the realization of Namibia's full independence and the guarantee of a steady development. Whether the new country can properly deal with these problems will be a decisive factor in regard to Namibia's future. It is reported that the SWAPO is prudently making policy decisions in order to set a steady and successful course of development for its country as it wins its independence.

International Studies
(A Quarterly in Chinese)

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BEIJING REVIEW, MARCH 13-19, 1989
Overseas Students: the World of Education

Our staff reporter Wei Liming recently interviewed Yu Fuzeng, director of the State Education Commission's Foreign Affairs Bureau, on Chinese students studying overseas.

Wei: Since 1979, China has sent more than 60,000 people to study abroad, 22,000 of whom have returned. In your opinion, how should China's policy on overseas study be assessed, and has it been successful?

Yu: On the whole, I think our policy has been successful and should be continued. This success has principally been manifested in three areas:

1. Since the implementation of the open policy, an unprecedented number of students have been sent to study in Western countries. So far, more than 60,000 have gone, including those selected by work units and studying at public expense and those financing themselves, but excluding students studying foreign languages in remedial schools in Japan, Australia or elsewhere.

During the last decade, the kind of problems we have faced in establishing principles and policies for overseas study have been which students to send abroad, which countries they should go to, and what channels they should be sent through. There has also been the issue of how countries that admit Chinese students view China.

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2. To date, more than 90 percent of government-funded students have returned on completion of their studies. Many countries share our view that this is a reasonably high rate.

Looking back, our initial experiments in sending undergraduate students abroad were not quite as good. The first 1,000 or so have needed large amounts of money and have stayed for a long time (usually about ten years) as after graduating they have stayed on for postgraduate courses. As a result, they lack knowledge of the present domestic situation and what courses would be best suited to China's current needs. In the future, we will not send any more students of this type, and we intend to send only a small number of people to study foreign languages.

Of the large numbers of postgraduates dispatched abroad since 1982, more than 600 were awarded doctorates last year or returned home after a period of advanced studies following their acquisition of a doctoral degree.

At present, the Chinese government is funding more than 7,000 people taking postgraduate courses overseas, with another 5,000 sent from various departments. We are striving hard to create better working and living conditions for their return. We believe most of them will come back to serve the motherland.

3. Viewed in terms of the roles students have performed on their return, China's overseas study policy has proved successful. A large number of the 22,000 returnees have become a vital part of the state's production management and scientific research programmes. Working in partnership with colleagues who have stayed at home, they have helped close the scientific gap between China and the developed countries, which widened during the "cultural revolution."

In particular, returned students have played a major role in establishing areas of study and research new to China. Many have become leading figures in their subjects, and 30-50 percent of all tutors of postgraduate courses are students who returned in the last few years.

Clearly, China's encouragement of overseas study is proving productive in terms of both the state's overall interests and the local interests of specific departments. The development of the programme, however, has not been entirely smooth. As Chi-
China's opening to the world has been gradual, so has the development of its overseas study policy. And as China opens its doors wider, so its policy on sending students abroad will become more liberal, until it's identical with the practices of other countries. Overall, the number of people we have been sending overseas has increased with time, although some years less have been sent than others.

Wei: How many students do not return after completing their studies, and what's your opinion on this issue?

Yu: Only a small percentage, at most 10 percent, of government-funded students have failed to return on completion of their studies. These are people who have remained abroad without gaining permission from their work units.

Most postgraduates sent abroad, however, are still studying. It's hard to predict how many of them will not return. It can be said with certainty that they will not all come back—we already know that some have taken out foreign nationality or have married foreigners.

In general, because postgraduates are working towards academic degrees, they need to remain abroad for a relatively long time. Many of them also continue their studies after obtaining doctorates. It's not easy say when they will come back. Some people will remain away for five to six years, others for seven or eight years, or even longer.

The state clearly demands that all those studying at public expense are obliged to return to serve the country. As for the 18,000 self-financing students, only several hundred of them have returned. The government has clearly stated that these people are not required to come back and work for their country, but they are welcome to return. In job assignments, they will be treated the same as students who studied at public expense.

Concerning the small number of students who refuse to return on completion of their courses, I have the following things to say:

1. Since China introduced its open policy it is normal that the number of students studying overseas has increased.

2. As a developing country, China has a great need for qualified personnel. The government hopes that once they have acquired knowledge of advanced scientific, technological and managerial techniques, students will return to serve their country. This, after all, is the basic purpose of sending people abroad. Therefore, we expect people to return, whether publicly-funded or self-financed.

3. It's inevitable that a considerable number of students from developing countries sent abroad to study do not return. Every developing country suffers from this problem to a greater or lesser extent.

As regards those students who do not want to return to serve their country, especially those studying at public expense, although they may have various reasons for doing so, it's not what we expect of them. However, even after they have decided to remain abroad, our policy is to keep in contact with them and hope they may return some time in the future. We will not close our doors simply because a few fail to return.

Wei: With the increase in the number of students studying abroad, and bearing in mind that China is not so strong economically, can this expendi-
ture truly be justified? Is China considering reducing the number of students it will send overseas?
Yu: No, we don't intend to do so. Although more students have been sent in some years than in other over the past decade, their numbers are on the increase. It is certain that the number of self-financing students will increase in the future, and the number of government-funded students will depend largely on the country’s needs and resources, especially financial resources. Maybe many students should be sent abroad, but we can't send them without money. Therefore, training students overseas is not a matter of simply reducing or raising numbers, it's a matter of needs and having the resources. We will send more if it is both necessary and feasible.

As sending visiting scholars overseas has proved fruitful, we now intend to send more people in senior positions, in general, those with doctorates or those with senior professional titles and many years of work experience behind them.

With the development of the Chinese economy, both demand for qualified personnel and funds for overseas training should increase. Being able to afford the demand will be the main factor in deciding how many students are sent abroad in the future.

Wei: Many returned students have said that an irrational system, shortages of advanced equipment, and many other things have seriously affected their work efficiency. How can these kinds of problems be overcome?
Yu: Whether returned students can fully utilize their newly-acquired skills depends largely on how urgently the state needs them. For most people, however, the answer can be seen in their experience: the state has needed them and they have filled important roles on their return. This is true for both government-funded and self-financing students.

Of course, some people have knowledge of extremely sophisticated matters which China cannot utilize at the moment because we lack the necessary facilities. But these cases are uncommon. Overall, I do not agree with the sweeping statement that “returned students have no place to exercise their abilities after their return.”

As to the problems of an irrational system, this is faced by all Chinese working in China, and is by no means unique to returned students. China's reforms aim at changing irrational rules and regulations. Our students who have studied abroad should be the initiators of China's development, not the recipients of its benefits. Their task is active participation in reform, not passive spectating.

It's true that our working conditions and equipment are not as good as in the developed countries. Even after ten or 20 years, China may still have not caught up. But it should be noted that conditions for scientific research have improved greatly over the last few years, particularly in institutions of higher learning. These places have received large sums in government investment and loans from the World Bank to acquire instruments and equipment. Now the task is to fully exploit them, and this is exactly the time when professionals such as the returned students are most needed in China.

All Chinese who hope for the existence of a powerful China should be mentally prepared to work under relatively severe conditions. It is unrealistic for people to want to return to the country only after all the hard work has been done. Take for example of one student who studied in Japan, specializing in a subject badly needed in a Chinese university. Before he came back, he made careful preparations, buying laboratory materials and so on. But on his arrival, he discovered there was no department for his subject in this university. Utterly discouraged, he wanted to leave immediately. However his university president explained how, because no one had ever worked in this field before, no
equipment had ever been bought for it. The student had been specially invited back to develop this discipline.

Clearly, therefore, students should be prepared to do arduous and enterprising work when they come back home. Sometimes, this means they may have to engage in different areas of research from the ones they worked in overseas. But the point remains, research ability acquired abroad should be utilized directly to serve the country.

Wei: Does China have preferential policies for returned students, and what does China do to ensure people return? 
Yu: The Chinese government adheres to the principle of treating all doctorates equally, whether they were trained at home or abroad. Students studying abroad support this policy. However, where financial circumstances permit, we do strive to create better working and living conditions for people who studied overseas. From 1979-87, we concentrated largely on who was to be selected to go abroad. Last year, however, the emphasis was switched to the treatment of students on their return. It’s important to create better conditions for those who have been abroad, although, of course, we want them to work hard and be enterprising anyhow.

At present, the state allocates 10 million yuan annually to scientific research programmes for returned students. This is to help overcome the difficulties people have experienced applying for funds and getting projects started. Some researchers, for example, have had good programmes but no equipment to work with.

We also have the Fok Ying Tung (Henry Fok) Young Teachers’ Fund, that both supports outstanding young teachers with doctorates and supports returned students, and many presidents in institutes of higher educations and directors of research institutes...
Basic Law of HKSAR, PRC (Draft)
(Adopted by the Standing Committee of the National People’s Congress on February 21, 1989)

The Basic Law of the Hong Kong Special Administrative Region of the People’s Republic of China (Draft)

Preamble

Hong Kong has been part of China’s territory since ancient times, but it was occupied by Britain after the Opium War in 1840. On 19 December 1984, the Chinese and British Governments signed the Joint Declaration on the Question of Hong Kong, affirming that the Government of the People’s Republic of China will resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997, thus fulfilling the long-cherished common aspiration of the entire Chinese people for the recovery of Hong Kong.

In order to uphold national unity and territorial integrity and to maintain Hong Kong’s prosperity and stability, and taking account of the history of Hong Kong and its realities, the People’s Republic of China has decided that upon China’s resumption of the exercise of sovereignty over Hong Kong, a Hong Kong Special Administrative Region will be established in accordance with the provisions of Article 31 of the Constitution of the People’s Republic of China and that under the principle of “one country, two systems,” the socialist system and policies will not be practised in Hong Kong.

The basic policies of the People’s Republic of China regarding Hong Kong have been elaborated by our Government in the Sino-British Joint Declaration.

In accordance with the Constitution of the People’s Republic of China, the National People’s Congress hereby enacts the Basic Law of the Hong Kong Special Administrative Region of the People’s Republic of China, prescribing the systems to be practised in the Hong Kong Special Administrative Region, in order to ensure the implementation of the basic policies of the People’s Republic of China regarding Hong Kong.

Chapter I: General Principles

Article 1
The Hong Kong Special Administrative Region is an inalienable part of the People’s Republic of China.

Article 2
The National People’s Congress authorizes the Hong Kong Special Administrative Region to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of this Law.

Article 3
The executive authorities and legislature of the Hong Kong Special Administrative Region shall be composed of permanent residents of Hong Kong in accordance with the relevant provisions of this Law.

Article 4
The Hong Kong Special Administrative Region shall safeguard the rights and freedoms of the residents and other persons in the Region in accordance with law.

Article 5
The socialist system and policies shall not be practised in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years.

Article 6
The Hong Kong Special Administrative Region shall protect the right of private ownership of property in accordance with law.

Article 7
The land and natural resources within the Hong Kong Special Administrative Region shall be the state property of the People’s Republic of China. The Government of the Hong Kong Special Administrative Region shall be responsible for their management, use and development and for their lease or grant to individuals, legal persons, or organizations for use or development. The revenues derived shall be exclusively at the disposal of the Government of the Hong Kong Special Administrative Region.

Article 8
The laws previously in force in Hong Kong, that is, the common law, rules of equity, ordinances, subordinate legislation and customary law shall be maintained, except for those that are inconsistent with this Law or have been amended by the legislature of the Hong Kong Special Administrative Region.

Article 9
In addition to the Chinese language, English may also be used as an official language by the executive authorities, legislature and judicial organs of the Hong Kong Special Administrative Region.
Article 10
Apart from displaying the national flag and national emblem of the People's Republic of China, the Hong Kong Special Administrative Region may also use a regional flag and regional emblem.

The regional flag of the Hong Kong Special Administrative Region (to be drafted).

The regional emblem of the Hong Kong Special Administrative Region (to be drafted).

Article 11
In accordance with Article 31 of the Constitution of the People's Republic of China, the systems and policies practised in the Hong Kong Special Administrative Region, including the social and economic systems, the system for safeguarding the fundamental rights and freedoms of its residents, the executive, legislative and judicial systems, and the relevant policies, shall be based on the provisions of this Law.

No law enacted by the legislature of the Hong Kong Special Administrative Region shall be inconsistent with this Law.

Chapter II: Relationship between the Central Authorities and the Hong Kong Special Administrative Region.

Article 12
The Hong Kong Special Administrative Region shall be a local administrative region of the People's Republic of China, which shall enjoy a high degree of autonomy and come directly under the Central People's Government.

Article 13
The Central People's Government shall be responsible for the foreign affairs relating to the Hong Kong Special Administrative Region.

The Ministry of Foreign Affairs of the People's Republic of China shall establish an office in Hong Kong to deal with foreign affairs.

The Central People's Government shall authorize the Hong Kong Special Administrative Region to deal with relevant external affairs on its own in accordance with this Law.

Article 14
The Central People's Government shall be responsible for the defence of the Hong Kong Special Administrative Region.

The Government of the Hong Kong Special Administrative Region shall be responsible for the maintenance of the public order of the Region.

Military forces sent by the Central People's Government to be stationed in the Hong Kong Special Administrative Region for defence shall not interfere in the local affairs of the Region.

The Government of the Hong Kong Special Administrative Region may, in times of need, ask the Central People's Government for assistance from the garrison in the maintenance of public order and in disaster relief.

In addition to abiding by national laws, members of the garrison shall abide by the laws of the Hong Kong Special Administrative Region.

Expenditure for the garrison shall be borne by the Central People's Government.

Article 15
The Central People's Government shall appoint the Chief Executive and the principal officials of the executive authorities of the Hong Kong Special Administrative Region in accordance with the provisions of Chapter IV of this Law.

Article 16
The Hong Kong Special Administrative Region shall be vested with executive power. In accordance with the relevant provisions of this Law it shall, on its own, manage the administrative affairs of the Region.

Article 17
The Hong Kong Special Administrative Region shall be vested with legislative power.

Laws enacted by the legislature of the Hong Kong Special Administrative Region shall be reported to the Standing Committee of the National People's Congress for the record. The reporting for record shall not affect the entry into force of such laws.

If the Standing Committee of the National People's Congress, after consulting its Committee for the Basic Law of the Hong Kong Special Administrative Region, considers that any law enacted by the legislature of the Region is not in conformity with the provisions of this Law regarding affairs within the responsibility of the Central Authorities or the relationship between the Central Authorities and the Region, it may return the law in question but it shall not amend it. Any law returned by the Standing Committee of the National People's Congress shall immediately cease to have force. This cessation shall not have retroactive effect, unless otherwise provided for in the laws of the Hong Kong Special Administrative Region.

Article 18
The laws of the Hong Kong Special Administrative Region shall be this Law, the laws previously in force in Hong Kong as stipulated in Article 8 of this Law, and the laws enacted by the legislature of the Region.

National laws shall not be applied in the Hong Kong Special Administrative Region except for those listed in Annex III to this Law. The laws listed in Annex III to this Law shall be applied locally in the Region by way of promulgation or legislation.

The Standing Committee of the National People's Congress may make additions to or deletions from the list of laws in Annex III after consulting its Committee for the Basic Law of the Hong Kong Special Administrative Region and the government of the Region.

Laws listed in Annex III to this Law shall be confined to those relating to defence and foreign affairs as well as other laws outside the limits of the autonomy of the Region as specified by this Law.

In case the Standing Committee of the National People's Congress decides to declare a state of war or, by reason of turmoil within the Hong Kong Special Administrative Region which is beyond
the control of the Region, decides that the Region is in a state of emergency, the State Council may decree the application of the relevant national laws in the Region.

Article 19

The Hong Kong Special Administrative Region shall be vested with independent judicial power, including that of final adjudication.

Courts of the Hong Kong Special Administrative Region shall have jurisdiction over all cases in the Region, except that the restrictions on their jurisdiction imposed by Hong Kong's previous legal system shall be maintained.

Courts of the Hong Kong Special Administrative Region shall have no jurisdiction over cases relating to the acts of state. Courts of the Region shall obtain a statement from the Chief Executive on questions concerning the facts of state whenever such questions arise in any legal proceedings. This statement shall be binding on the courts.

Before issuing such a statement, the Chief Executive shall obtain a certificate from the Central People's Government.

Note: This article was not adopted as it received only 35 votes, two votes short of a two-thirds majority.

Article 20

The Hong Kong Special Administrative Region may enjoy other powers granted to it by the National People's Congress, the Standing Committee of the National People's Congress of the Central People's Government.

Article 21

Chinese citizens who are residents of the Hong Kong Special Administrative Region shall be entitled to participate in state affairs in accordance with law.

In accordance with the assigned number of seats and the election method specified by the National People's Congress, the Chinese citizens among the Hong Kong residents shall locally elect deputies of the Hong Kong Special Administrative Region to the National People's Congress to participate in the work of the highest organ of state power.

Article 22

Departments of the Central People's Government as well as provinces, autonomous regions, and municipalities directly under the Central Government shall not interfere in the affairs which the Hong Kong Special Administrative Region administers on its own in accordance with this Law.

If there is a need for departments of the Central Government as well as provinces, autonomous regions, and municipalities directly under the Central Government to set up offices in the Hong Kong Special Administrative Region, they must have the consent of the government of the Region and the approval of the Central People's Government.

All offices set up in Hong Kong by the departments of the Central Government, or by provinces, autonomous regions, and municipalities directly under the Central Government and the personnel of these offices shall abide by the laws of the Hong Kong Special Administrative Region.

People from other parts of China must apply for approval for entry into the Hong Kong Special Administrative Region.

The Hong Kong Special Administrative Region may establish an office in Beijing.

Article 23

The Hong Kong Special Administrative Region shall enact laws on its own to prohibit any act of treason, secession, sedition or theft of state secrets.

Chapter III: Fundamental Rights and Duties of the Residents

Article 24

Residents of the Hong Kong Special Administrative Region (hereinafter referred to as "Hong Kong residents") shall include permanent residents and non-permanent residents.

The permanent residents of the Hong Kong Special Administrative Region shall be:

1. Chinese citizens born in Hong Kong before or after the establishment of the Hong Kong Special Administrative Region;
2. Chinese citizens who have ordinarily resided in Hong Kong for a continuous period of no less than seven years before or after the establishment of the Hong Kong Special Administrative Region;
3. Persons of Chinese nationality born outside Hong Kong of those residents listed in categories (1) and (2);
4. Persons who are not of Chinese nationality but who have ordinarily resided in Hong Kong for a continuous period of no less than seven years and have taken Hong Kong as their place of permanent residence before or after the establishment of the Hong Kong Special Administrative Region;
5. Persons under 21 years of age born in Hong Kong of residents listed in category (4) before or after the establishment of the Hong Kong Special Administrative Region; and
6. Persons other than those residents listed in categories (1) to (5), who had the right of abode only in Hong Kong before the establishment of the Hong Kong Special Administrative Region.

The above-mentioned residents shall have the right of abode in the Hong Kong Special Administrative Region and shall be qualified to obtain, in accordance with its law, permanent identity cards which state their right of abode.

The non-permanent residents of the Hong Kong Special Administrative Region shall be persons who, in accordance with its laws, shall be qualified to obtain Hong Kong identity cards but shall have no right of abode.

Article 25

All Hong Kong residents shall be equal before the law.

Article 26

Permanent residents of the Hong Kong Special Administrative Region shall have the right to vote and the right to stand for election in accordance with law.
Article 27
Hong Kong residents shall have freedom of speech, of the press and of publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade unions and to go on strike.

Article 28
The freedom of the person of Hong Kong residents shall be inviolable.
No Hong Kong resident shall be arbitrarily or unlawfully arrested, detained or imprisoned. Arbitrary or unlawful search of the body of any resident or deprivation or restriction of his/her freedom of the person shall be prohibited. The torture of any resident or arbitrary or unlawful deprivation of his/her life shall be prohibited.

Article 29
The homes and other premises of Hong Kong residents shall be inviolable. Arbitrary or unlawful search of, or intrusion into, a resident's home or other premises shall be prohibited.

Article 30
The freedom and privacy of communication of Hong Kong residents shall be protected by law. No department or individual may, on any grounds, infringe upon the residents' freedom and privacy of communication except that the relevant authorities may censor communication in accordance with legal procedures to meet the needs of public security or of investigation into criminal offences.

Article 31
Hong Kong residents shall have the freedom of movement within the Hong Kong Special Administrative Region and the freedom of emigration to other countries and regions. They shall have the freedom to travel and the freedom of entry and exit. Unless restrained by law, Hong Kong residents who hold valid travel documents shall be free to leave the Region without special authorization.

Article 32
Hong Kong residents shall have the freedom of conscience.
Hong Kong residents shall have the freedom of religious belief and the freedom to preach and to carry out and participate in religious activities in public.

Article 33
Hong Kong residents shall have the freedom of choice of occupation.

Article 34
Hong Kong residents shall have the freedom of academic research, of literary and artistic creation, and of other cultural pursuits.

Article 35
Hong Kong residents shall have the right to confidential legal advice, access to the courts, and choice of lawyers for timely protection of their legitimate rights and interests, and for representation in the courts, and the right to judicial remedies.
Hong Kong residents shall have the right to institute legal proceedings in the courts against the actions of the executive organs or their personnel.

Article 36
Hong Kong residents shall have the right to social welfare as prescribed by law. The welfare benefits of the labour force shall be protected by law.

Article 37
The freedom of marriage of Hong Kong residents and their right to raise a family freely shall be protected by law.

Article 38
Hong Kong residents shall enjoy the other rights and freedoms safeguarded by the laws of the Hong Kong Special Administrative Region.

Article 39
The provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and international labour conventions as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region.
The rights and freedoms enjoyed by Hong Kong residents shall not be restricted unless prescribed by law. Such restrictions shall not contravene the provisions of the preceding paragraph of this Article.

Article 40
The legitimate traditional rights and interests of the indigenous inhabitants of the "New Territories" shall be protected by the Hong Kong Special Administrative Region.

Article 41
Persons in the Hong Kong Special Administrative Region other than Hong Kong residents shall, in accordance with law, enjoy the rights and freedoms of Hong Kong residents prescribed in this Chapter.

Article 42
Hong Kong residents and other persons in Hong Kong shall have the obligation to abide by the laws in force in the Hong Kong Special Administrative Region.

Chapter IV: Political Structure
Section 1: The Chief Executive
Article 43
The Chief Executive of the Hong Kong Special Administrative Region shall be the head of the Hong Kong Special Administrative Region and shall represent the Region.
The Chief Executive of the Hong Kong Special Administrative Region shall be accountable to the Central People's Government and the Hong Kong Special Administrative Region in accordance with the provisions of this Law.

Article 44
The Chief Executive of the Hong Kong Special Administrative Region shall be a Chinese citizen of no less than 40 years of age who is a permanent resident of the Region and has ordinarily resided in Hong Kong for a continuous period of 20 years.

Article 45
The Chief Executive of the Hong Kong Special
Article 48

The method for selecting the Chief Executive shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim shall be the selection of the Chief Executive through general election.

The specific method for selecting the Chief Executive is prescribed in Annex I: “Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region”.

Article 46

The term of office of the Chief Executive of the Hong Kong Special Administrative Region shall be five years. He/she may serve for no more than two consecutive terms.

Article 47

The Chief Executive of the Hong Kong Special Administrative Region must be a person of integrity, dedicated to his/her duties.

The Chief Executive, on assuming office, shall declare his/her assets to the Chief Justice of the Court of Final Appeal of the Hong Kong Special Administrative Region. This declaration shall be put on record.

Article 48

The Chief Executive of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

1. To lead the government of the Region;
2. To be responsible for the implementation of this Law and other laws which, in accordance with this Law, apply in the Hong Kong Special Administrative Region;
3. To sign bills passed by the Legislative Council and to promulgate laws;
4. To decide on government policies and to issue executive orders;
5. To nominate and to report to the Central People's Government for appointment the following principal officials: Secretaries and Deputy Secretaries of Departments, Directors of Bureaus, Commissioner Against Corruption, Director of Audit and Commissioner of Police; and to propose to the Central People's Government the removal of the above-mentioned officials;
6. To appoint or remove judges of the courts at all levels in accordance with legal procedures;
7. To appoint or remove public office bearers in accordance with legal procedures;
8. To implement the directives issued by the Central People's Government in respect of the relevant matters provided for in this Law;
9. To deal with, on behalf of the Government of Hong Kong Special Administrative Region, external affairs and other affairs authorized by the Central Authorities;
10. To approve the introduction of motions regarding revenues or expenditure to the Legislative Council;
11. To decide, in the light of security and vital public interests, whether government officials or other personnel in charge of government affairs should testify or give evidence before the Legislative Council or its committees;
12. To pardon persons convicted of criminal offences or commute their penalties; and
13. To handle petitions and complaints.

Article 49

If the Chief Executive considers that a bill passed by the Legislative Council is not compatible with the overall interest of the Hong Kong Special Administrative Region, he/she may return it to the Legislative Council within three months for reconsideration. If the Legislative Council passes the original bill again by no less than a two-thirds majority, the Chief Executive must sign and promulgate it within one month, or act in accordance with the provisions of Article 50 of this Law.

Article 50

If the Chief Executive refuses to sign the bill passed by the Legislative Council for a second time, or the Legislative Council refuses to pass an appropriation bill or any other important bill introduced by the government if consensus still cannot be reached after consultations, the Chief Executive may dissolve the Legislative Council.

The Chief Executive shall consult the Executive Council before dissolving the Legislative Council. The Chief Executive may dissolve the Legislative Council only once in each term of his/her office.

Article 51

If the Legislative Council refuses to pass the appropriation bill introduced by the government, the Chief Executive may apply to the Legislative Council for temporary appropriations. If appropriation of public funds cannot be approved because the Legislative Council has already been dissolved, the Chief Executive may approve temporary short-term appropriations according to the level of the previous fiscal year's expenditure prior to the election of the new Legislative Council.

Article 52

The Chief Executive shall have to resign under any of the following circumstances:

1. When he/she loses the ability to discharge the functions of his/her office due to serious illness or other reasons;
2. When, after the Legislative Council was dissolved because he/she twice refused to sign the bill it passed, the new Legislative Council has again failed to reach a two-thirds majority the original bill in dispute, but he/she still refuses to sign it; and
3. When, after the Legislative Council was dissolved because it refused to approve an appropriation bill or any other important bill, the new Legislative Council still refuses to pass the original bill in dispute.

Article 53

If the Chief Executive of the Hong Kong Special Administrative Region is not able to discharge his/her duties for a brief period, such duties shall
temporarily be assumed by the Administrative Secretary, Financial Secretary or Secretary of Justice in this order of precedence.

In the event that the office of Chief Executive becomes vacant, a new Chief Executive shall be selected within six months in accordance with the provisions of Article 45 of this Law. During the period of vacancy, his/her duties shall be assumed according to the provisions of the preceding paragraph.

**Article 54**

The Executive Council of the Hong Kong Special Administrative Region shall be an organ for assisting the Chief Executive in policy-making.

**Article 55**

Members of the Executive Council of the Hong Kong Special Administrative Region shall be appointed by the Chief Executive from among the principal officials of the executive authorities, members of the Legislative Council and public figures. Their appointment or removal shall be decided by the Chief Executive. The term of office of members shall not exceed that of the Chief Executive who appoints them.

Members of the Executive Council of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents of the Region.

The Chief Executive may invite other persons concerned to sit in at meetings of the Council as he/she deems necessary.

**Article 56**

The Executive Council of the Hong Kong Special Administrative Region shall be presided over by the Chief Executive.

Except for the appointment, removal and disciplining of officials and the adoption of measures in emergencies, the Chief Executive shall consult the Executive Council before making important decisions, introducing a bill to the Legislative Council, enacting subsidiary legislation, or dissolving the Legislative Council.

If the Chief Executive does not adopt a majority opinion of the Executive Council, he/she shall put his/her specific reasons on record.

**Article 57**

A Commission Against Corruption shall be established in the Hong Kong Special Administrative Region. It shall function independently and be accountable to the Chief Executive.

**Article 58**

A Commission of Audit shall be established in the Hong Kong Special Administrative Region. It shall function independently and be accountable to the Chief Executive.

**Section 2: The Executive Authorities**

**Article 59**

The Government of the Hong Kong Special Administrative Region shall be the executive authorities of the Region.

**Article 60**

The head of the Government of the Hong Kong Special Administrative Region shall be the Chief Executive of the Region.

Department of Administration, Department of Finance, Department of Justice, bureaus, divisions and commissions shall be established in the Government of the Hong Kong Special Administrative Region.

**Article 61**

The principal officials of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents and have ordinarily resided in Hong Kong for a continuous period of 15 years.

**Article 62**

The Government of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

1. To formulate and implement policies;
2. To manage administrative affairs;
3. To manage the external affairs authorized by the Central People's Government under this Law;
4. To draw up and introduce budgets and final accounts;
5. To draft and introduce bills, motions and subsidiary legislation; and
6. To designate officials to sit in at the meetings of the Legislative Council.

**Article 63**

The prosecuting authority of the Hong Kong Special Administrative Region shall handle criminal prosecutions independently, free from any interference.

**Article 64**

The Government of the Hong Kong Special Administrative Region must abide by the law and shall be accountable to the Legislative Council of the Region in the following respects: implementing laws passed by the Council and already in force; presenting regular reports on its work to the Council; answering questions raised by members of the Council; and obtaining approval from the Council for taxation and public expenditure.

**Article 65**

The previous system of establishing advisory bodies by the executive authorities shall be maintained.

**Section 3: The Legislature**

**Article 66**

The Legislative Council of the Hong Kong Special Administrative Region shall be the legislature of the Region.

**Article 67**

The Legislative Council of the Hong Kong Special Administrative Region shall be constituted by election.

The method for forming the Legislative Council shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim shall be the selection of all the members of the Legislative Council through general election.

The specific method for forming the Legislative
Article 68
The term of office of the Legislative Council of the Hong Kong Special Administrative Region shall be four years, except the first term which shall be two years.

Article 69
If the Legislative Council of the Hong Kong Special Administrative Region is dissolved by the Chief Executive in accordance with the provisions of this Law, it shall, within three months, be reconstituted by election as prescribed by Article 67 of this Law.

Article 70
The President of the Legislative Council of the Hong Kong Special Administrative Region shall be elected from among the members of the Legislative Council.

The President of the Legislative Council of the Hong Kong Special Administrative Region shall be a Chinese citizen of no less than 40 years of age, who is a permanent resident of the Region and has ordinarily resided in Hong Kong for a continuous period of 20 years.

Article 71
The President of the Legislative Council of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

1. To preside over meetings;
2. To decide on the agenda, giving priority to bills introduced by the government for inclusion in the agenda;
3. To decide on the time of meetings;
4. To call special meetings during the recess; and
5. Other powers and functions as prescribed in the rules of procedure of the Legislative Council.

Article 72
The Legislative Council of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

1. To enact, amend or repeal laws in accordance with the provisions of this Law and legal procedures;
2. To examine and approve budgets submitted by the government;
3. To approve taxation and public expenditure;
4. To hear and debate the policy addresses of the Chief Executive;
5. To raise questions on the work of the government;
6. To hold debates on any issue concerning public interests;
7. To endorse the appointment and removal of the judges of the Court of Final Appeal and the Chief Judge of the High Court;
8. To receive and deal with complaints from Hong Kong residents;
9. If a motion initiated jointly by one-fourth of the members of the Legislative Council accuses the Chief Executive of serious breach of law or dereliction of duty and if he/she still refuses to resign, the Council may, after passing a motion for investigation, give a mandate to the Chief Justice of the Court of Final Appeal to form and chair an independent investigating committee. The committee shall be responsible for carrying out the investigation and reporting its findings to the Council. If the committee considers the evidence sufficient, the Council may pass a motion of impeachment by a two-thirds majority and report it to the Central People's Government for decision; and
10. To summon, as required when exercising the above-mentioned powers and functions, the persons concerned to testify or give evidence.

Article 73
Members of the Legislative Council of the Hong Kong Special Administrative Region may introduce bills in accordance with the provisions of this Law and legal procedures. Bills which do not relate to public expenditure or the structure and operation of the government may be introduced individually or jointly by members of the Council. Written consent of the Chief Executive shall be required before bills relating to government policies are introduced.

Article 74
The quorum for the meeting of the Legislative Council of the Hong Kong Special Administrative Region shall be no less than one half of its members.

Unless otherwise provided for in this Law, the passage of any bill or motion in the Legislative Council of the Hong Kong Special Administrative Region shall require the votes of more than one half of its members present. The rules of procedure of the Legislative Council shall be established by the Council on its own, but they shall not be inconsistent with this Law.

Article 75
A bill passed by the Legislative Council of the Hong Kong Special Administrative Region shall take effect only after it is signed and promulgated by the Chief Executive.

Article 76
Members of the Legislative Council of the Hong Kong Special Administrative Region shall not be legally liable for speeches made at meetings of the Council.

Article 77
Members of the Legislative Council of the Hong Kong Special Administrative Region shall not be subjected to arrest when attending or on their way to a meeting of the Legislative Council.

Article 78
The President of the Legislative Council shall declare that a member of the Council is no longer qualified for the office under any of the following circumstances:

1. When he/she loses the ability to discharge the functions of his/her office due to serious illness or other reasons;
2. When he/she, with no valid reason, is absent from meetings for three consecutive months without the consent of the President of the Legislative Council;
3. When he/she loses or renounces his/her stat-
us as a permanent resident of the Hong Kong Special Administrative Region;
(4) When he/she accepts government appointment and joins the public service;
(5) When he/she is bankrupt or fails to comply with a court order to repay debts;
(6) When he/she is convicted and sentenced to imprisonment for one month or more for a criminal offence committed within or outside the Hong Kong Special Administrative Region and is relieved of his/her duties by a motion passed by two-thirds of the members of the Legislative Council present; and
(7) When he/she is censured for misbehaviour or breach of oath by a vote of two-thirds of the members of the Legislative Council present.

Section 4: Judicial Organs

Article 79
The courts of the Hong Kong Special Administrative Region at all levels shall be the judicial organs of the Region, exercising the judicial power of the Region.

Article 80
The Court of Final Appeal, the High Court, district courts, magistrates' courts and other special courts shall be established in the Hong Kong Special Administrative Region. The High Court shall comprise the Court of Appeal and the Court of the First Instance.

The judicial system previously in practice in Hong Kong shall be maintained except for those changes consequent upon the establishment of the Court of Final Appeal of the Hong Kong Special Administrative Region.

Article 81
The power of final adjudication of the Hong Kong Special Administrative Region shall be vested in the Court of Final Appeal of the Region, which may as required invite judges from other common law jurisdictions to sit on the Court of Final Appeal.

Article 82
The structure, powers and functions of the courts of the Hong Kong Special Administrative Region at all levels shall be prescribed by law.

Article 83
The courts of the Hong Kong Special Administrative Region shall decide cases in accordance with the laws applicable in the Region as prescribed in Article 18 of this Law and may refer to precedents of other common law jurisdictions.

Article 84
The courts of the Hong Kong Special Administrative Region shall exercise judicial power independently and free from any interference. Members of the judiciary shall be immune from legal action in respect of their judicial functions.

Article 85
The principle of trial by jury previously practised in Hong Kong shall be maintained.

Article 86
In criminal or civil proceedings in the Hong Kong Special Administrative Region, the principles previously applied in Hong Kong and the rights previously enjoyed by the parties to the proceedings shall be maintained.

Anyone who is lawfully arrested shall have the right to a fair trial by the judicial organs without delay and shall be presumed innocent until convicted by the judicial organs.

Article 87
Judges of the courts of the Hong Kong Special Administrative Region shall be appointed by the Chief Executive on the recommendation of an independent commission composed of local judges, persons from the legal profession and other eminent persons.

Article 88
A judge of a court of the Hong Kong Special Administrative Region may be removed for inability to discharge the functions of his/her office, or for misbehaviour, by the Chief Executive on the recommendation of a tribunal appointed by the Chief Justice of the Court of Final Appeal and consisting of no fewer than three local judges.

The Chief Justice of the Court of Final Appeal of the Hong Kong Special Administrative Region may be investigated for inability to discharge the functions of his/her office, or for misbehaviour, by a tribunal appointed by the Chief Executive and consisting of not fewer than five local judges and may be removed by the Chief Executive on the recommendation of the tribunal and in accordance with the procedures prescribed in this Law.

Article 89
The Chief Justice of the Court of Final Appeal and the Chief Judge of the High Court of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents of the Region.

In addition to the procedures prescribed in Articles 87 and 88 of this Law, the appointment and removal of judges of the Court of Final Appeal and the Chief Judge of the High Court of the Hong Kong Special Administrative Region shall be made by the Chief Executive with the endorsement of the Legislative Council of the Region and reported to the Standing Committee of the National People's Congress for the record.

Article 90
The Hong Kong Special Administrative Region shall maintain the previous system of appointment and removal of members of the judiciary other than judges.

Article 91
Judges and other members of the judiciary of the Hong Kong Special Administrative Region shall be chosen by reference to their judicial and professional qualities and may be recruited from other common law jurisdictions.

Article 92
Judges and other members of the judiciary serving in Hong Kong before the establishment of the Hong Kong Special Administrative Region may all remain in employment and retain their seniority with pay, allowances, benefits and conditions of service no less favourable than before.

The Government of the Hong Kong Special Ad-
ministrative Region shall pay to judges and other members of the judiciary who retire or leave the service in compliance with regulations as well as to those who have retired or left the service before the establishment of the Hong Kong Special Administrative Region, or to their dependants, all pensions, gratuities, allowances and benefits due to them on terms no less favourable than before, and irrespective of their nationality or place of residence.

Article 93
On the basis of the system previously operating in Hong Kong, the Government of the Hong Kong Special Administrative Region may make provisions for local lawyers and lawyers from outside Hong Kong to work and practise in the Region.

Article 94
The Hong Kong Special Administrative Region may, through consultation and in accordance with law, maintain judicial relations with the judicial organs of other parts of the country, and they may render assistance to each other.

Article 95
With the assistance or authorization of the Central People's Government, the Government of the Hong Kong Special Administrative Region may make appropriate arrangements with foreign states for reciprocal judicial assistance.

Section 5: District Organizations

Article 96
District organizations which are not organs of political power may be established in the Hong Kong Special Administrative Region, to be consulted by the government of the Region on district administration and other affairs, or to be responsible for providing services in such fields as culture, recreation and environmental sanitation.

Article 97
The powers and functions of the district organizations and their composition shall be prescribed by law.

Section 6: Public Servants

Article 98
Public servants serving in all government departments of the Hong Kong Special Administrative Region must be permanent residents of the Region, except where otherwise provided for in Article 100 regarding public servants of foreign nationalities in this Law and except for those below a certain rank as prescribed by law.

Public servants must be dedicated to their duties and be responsible to the Government of the Hong Kong Special Administrative Region.

Article 99
Public servants serving in all Hong Kong government departments, including the police department, before the establishment of the Hong Kong Special Administrative Region, may all remain in employment and retain their seniority with pay, allowances, benefits and conditions of service no less favourable than before.

Article 100
The Government of the Hong Kong Special Administrative Region may employ British and other foreign nationals previously serving in the public service in Hong Kong, or those holding permanent identity cards of the Region, to serve as public servants at all levels, but only Chinese citizens among permanent residents of the Region may fill the following posts: the Secretaries and Deputy Secretaries of Departments, Directors of Bureaus, Commissioner Against Corruption, Director of Audit and Commissioner of Police.

The Government of the Hong Kong Special Administrative Region may also employ British and other foreign nationals as advisers to government departments and, when required, may recruit qualified candidates from outside the Region to professional and technical posts in government departments. These foreign nationals shall be employed only in their individual capacities and shall be responsible to the government of the Region.

Article 101
The Government of the Hong Kong Special Administrative Region shall pay to public servants who retire or leave the service in compliance with regulations as well as to those who have retired or left the service in compliance with regulations before the establishment of the Hong Kong Special Administrative Region, or to their dependants, all pensions, gratuities, allowances and benefits due to them on terms no less favourable than before, and irrespective of their nationality or place of residence.

Article 102
The appointment and promotion of public servants shall be on the basis of their qualifications, experience and ability. Hong Kong's previous system of recruitment, employment, assessment, discipline, training and management for the public service, including special bodies for their appointment, pay and conditions of service, shall be maintained, except for any provisions for privileged treatment of foreign nationals.

Article 103
The Chief Executive, principal officials, members of the Executive Council and of the Legislative Council, judges of courts at all levels and other members of the judiciary in the Hong Kong Special Administrative Region must be sworn in according to law when assuming office.

Chapter V: Economy

Section 1: Public Finance, Monetary Affairs, Trade, Industry and Commerce

Article 104
The Hong Kong Special Administrative Region shall, in accordance with law, protect the right of individuals and legal persons to the acquisition, use, disposal and inheritance of private property and their right to compensation for lawful deprivation of their property.

Such compensation shall correspond to the real value of the property concerned and shall be freely convertible and paid without undue delay.
The ownership of enterprises and the investments from outside the Region shall be protected by law.

Article 105
The Hong Kong Special Administrative Region shall have independent finances.

The Hong Kong Special Administrative Region shall use its financial revenues exclusively for its own purposes, and they shall not be handed over to the Central People's Government.

The Central People's Government shall not levy taxes in the Hong Kong Special Administrative Region.

Article 106
The Hong Kong Special Administrative Region shall follow the principle of keeping expenditure within the limits of revenues in drawing up its budget, strive for a fiscal balance, avoid deficits and ensure that the budget is commensurate with the growth rate of its gross domestic product.

Article 107
The Hong Kong Special Administrative Region shall practise an independent taxation system.

The Hong Kong Special Administrative Region shall, taking the low tax policy previously pursued in Hong Kong as reference, enact laws on its own concerning types of taxes, tax rates, tax reductions and exemptions and other matters of taxation.

Article 108
The Government of the Hong Kong Special Administrative Region shall create an appropriate economic and legal environment for encouraging investments, technological progress and the development of new industries.

Article 109
The monetary and financial systems of the Hong Kong Special Administrative Region shall be prescribed by law.

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate monetary and financial policies, safeguard the free operation of financial business and financial markets, and regulate and supervise them in accordance with law.

Article 110
The Hong Kong dollar, as the legal tender in the Hong Kong Special Administrative Region, shall continue to circulate.

The authority to issue Hong Kong currency shall be vested in the Government of the Hong Kong Special Administrative Region. The system regarding the issue of Hong Kong currency and the reserve fund system shall be prescribed by law.

The Government of the Hong Kong Special Administrative Region may authorize designated banks to issue or continue to issue Hong Kong currency under statutory authority, after satisfying itself that any issue of currency will be soundly based and that the arrangements for such issue are consistent with the object or maintaining the stability of the currency.

Article 111
No foreign exchange control policies shall be applied in the Hong Kong Special Administrative Region. The Hong Kong dollar shall be freely convertible.

Markets for foreign exchange, gold, securities and futures shall continue.

The Government of the Hong Kong Special Administrative Region shall safeguard the free flow of all capital within, into and out of the Region.

Article 112
The Exchange Fund of the Hong Kong Special Administrative Region shall be managed and controlled by the government of the Region, primarily for regulating the exchange value of the Hong Kong dollar.

Article 113
The Hong Kong Special Administrative Region shall maintain the status of a free port and shall not impose any tariff unless otherwise prescribed by law.

Article 114
The Hong Kong Special Administrative Region shall pursue the policy of free trade and safeguard the free movement of goods, intangible assets and capital.

Article 115
The Hong Kong Special Administrative Region shall be a separate customs territory.

The Hong Kong Special Administrative Region may, using the name "Hong Kong, China", participate in relevant international organizations and international trade agreements, including preferential trade arrangements, such as the General Agreement on Tariffs and Trade and arrangements regarding international trade in textiles.

Export quotas, tariff preferences and other similar arrangements, which are obtained by the Hong Kong Special Administrative Region or which were obtained and remain valid, shall be enjoyed exclusively by the Region.

Article 116
The Hong Kong Special Administrative Region may issue its own certificates of origin for products in accordance with prevailing rules of origin.

Article 117
The Government of the Hong Kong Special Administrative Region shall create an economic and legal environment for encouraging investments, technological progress and the development of new industries.

Article 118
The Government of the Hong Kong Special Administrative Region shall formulate appropriate policies to promote and co-ordinate the development of various trades such as manufacturing, commerce, tourism, real estate, transport, public utilities, services, agriculture and fishery.

Section 2: Land Leases

Article 119
All leases of land granted, decided upon or renewed before the establishment of the Hong Kong Special Administrative Region which extend beyond 30 June 1997, and all rights in relation to such leases, shall continue to be recognized and protected under the law of the Region.
Article 120
As regards leases of land granted or renewed where the original leases contain no right of renewal, during the period from 27 May 1985 to 30 June 1997, which extend beyond 30 June 1997 and expire not later than 30 June 2047, the lessee is not required to pay an additional premium as from 1 July 1997, but an annual rent equivalent to 3 per cent of the rateable value of the property at that date, adjusted in step with any changes in the rateable value thereafter, shall be charged.

Article 121
In the case of old schedule lots, village lots, small houses and similar rural holdings, where the property was on 30 June 1984 held by, or, in the case of small houses granted after that date, where property is granted to, a lessee descended through the male line from a person who was in 1898 a resident of an established village in Hong Kong, the previous rent shall remain unchanged so long as the property is held by that lessee or by one of his lawful successors in the male line.

Article 122
Where leases of land without a right of renewal expire after the establishment of the Hong Kong Special Administrative Region, they shall be dealt with in accordance with laws and policies formulated by the Region on its own.

Section 3: Shipping
Article 123
The Hong Kong Special Administrative Region shall maintain Hong Kong’s previous systems of shipping management and shipping regulation, including the system of management concerning seamen.

The Government of the Hong Kong Special Administrative Region shall, on its own, define its specific functions and responsibilities in respect of shipping.

Article 124
The Hong Kong Special Administrative Region shall be authorized by the Central People's Government to continue to maintain a shipping register and issue related certificates under its legislation, using the name “Hong Kong, China”.

Article 125
With the exception of foreign warships, access for which requires the special permission of the Central People's Government, ships shall enjoy access to the ports of the Hong Kong Special Administrative Region in accordance with the laws of the Region.

Article 126
Private shipping businesses and shipping-related businesses and private container terminals in the Hong Kong Special Administrative Region may continue to operate freely.

Section 4: Civil Aviation
Article 127
The Government of the Hong Kong Special Administrative Region shall create conditions and take measures for the maintenance of the status of Hong Kong as a centre of international and regional aviation.

Article 128
The Hong Kong Special Administrative Region shall continue the previous system of civil aviation management in Hong Kong and keep its own aircraft register in accordance with provisions laid down by the Central People's Government concerning nationality marks and registration marks of aircraft.

Access of foreign state aircraft to the Hong Kong Special Administrative Region requires the special permission of the Central People's Government.

Article 129
The Hong Kong Special Administrative Region shall be responsible on its own for matters of routine business and technical management of civil aviation, including the management of airports, the provision of air traffic services within the flight information region of the Hong Kong Special Administrative Region, and the discharge of other responsibilities allocated to it under the regional air navigation procedures of the International Civil Aviation Organization.

Article 130
The Central People’s Government shall, in consultation with the Government of the Hong Kong Special Administrative Region, make arrangements providing for air services between the Region and other states and regions of the People’s Republic of China for airlines incorporated in the Hong Kong Special Administrative Region and having their principal place of business in Hong Kong and other airlines of the People's Republic of China.

Article 131
All air service agreements providing for air services between other parts of the People’s Republic of China and other states and regions with stops at the Hong Kong Special Administrative Region and for air services between the Hong Kong Special Administrative Region and other states and regions with stops at other parts of the People’s Republic of China shall be concluded by the Central Government.

In concluding the air service agreements referred to in the first paragraph of this Article, the Central People’s Government shall take account of the special conditions and economic interests of the Hong Kong Special Administrative Region and consult the government of the Region.

Representatives of the Government of the Hong Kong Special Administrative Region may participate, as members of the delegations of the Government of the People’s Republic of China, in air service consultations with foreign governments concerning arrangements for such services referred to in the first paragraph of this Article.

Article 132
Acting under specific authorizations from the Central People's Government, the Government of the Hong Kong Special Administrative Region may:

(1) renew or amend air service agreements and arrangements previously in force;
Article 133

The Central People's Government shall give the Government of the Hong Kong Special Administrative Region the authority to:

1. negotiate and conclude with other authorities all arrangements concerning the implementation of the air service agreements and provisional arrangements referred to in Article 132 of this Law;

2. issue licences to airlines incorporated in the Hong Kong Special Administrative Region and having their principal place of business in Hong Kong;

3. designate such airlines under the air service agreements and provisional arrangements referred to in Article 132 of this Law;

4. issue permits to foreign airlines for services other than those to, from or through the mainland of China.

Article 134

Airlines incorporated and having their principal place of business in Hong Kong and civil aviation related businesses there prior to the establishment of the Hong Kong Special Administrative Region may continue to operate.

Chapter VI: Education, Science, Culture, Sports, Religion, Labour and Social Services

Article 135

On the basis of the previous educational system, the Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on the development and improvement of education, including policies regarding the educational system and its administration, the language of instruction, the allocation of funds, the examination system, the system of academic awards and the recognition of educational qualifications.

Community organizations and individuals may, in accordance with law, run educational undertakings of various kinds in the Hong Kong Special Administrative Region.

Article 136

Educational institutions of all kinds may retain their autonomy and enjoy academic freedom. They may continue to recruit staff and use teaching materials from outside the Hong Kong Special Administrative Region. Schools run by religious organizations may continue to provide religious education, including courses on religion.

Students shall enjoy freedom of choice of educational institutions and freedom to pursue their education outside the Hong Kong Special Administrative Region.

Article 137

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies to develop Western and traditional Chinese medicine and to improve medical and health services. Community organizations and individuals may provide medical and health services in accordance with law.

Article 138

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on science and technology and protect by law achievements in scientific and technological research, patents, discoveries and inventions.

The Government of the Hong Kong Special Administrative Region shall not restrict the freedom of religious belief, interfere in the internal affairs of religious organizations or restrict religious activities which do not contravene the laws of the Region.

Religious organizations shall, in accordance with law, enjoy the rights or acquire, use, dispose of and inherit property and the right to receive financial assistance. Their previous property rights and interests shall be maintained and protected.

Religious organizations may, according to their previous practice, continue to run seminaries and other schools, hospitals and welfare institutions and to provide other social services.

Religious organizations and believers in the Hong Kong Special Administrative Region may maintain and develop their relations with religious organizations and believers elsewhere.

Article 141

The Government of the Hong Kong Special Administrative Region shall, on the basis of maintaining the previous systems concerning the professions, work out on its own the methods of assessing the qualifications for professional practice for the various professions.

Persons with professional qualifications or qualifications for professional practice obtained prior to the establishment of the Hong Kong Special Administrative Region may retain their previous qualifications, in accordance with the relevant regulations and codes of practice.

The Government of the Hong Kong Special Ad-
ministrative Region shall continue to recognize the professions and the professional organizations recognized prior to the establishment of the Region, and these organizations may, on their own, assess and accredit professional qualifications.

The Government of the Hong Kong Special Administrative Region may, as required by developments in society and in consultation with the parties concerned, recognize new professions and professional organizations.

Article 142
The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on sports.

Non-governmental sports organizations may continue to exist and develop in accordance with law.

Article 143
The Government of the Hong Kong Special Administrative Region shall maintain the policy previously practised in Hong Kong in respect of subventions for non-governmental organizations in fields such as education, medicine and health, culture, art, recreation, sports, social welfare and social work. Staff previously serving in subvented organizations in Hong Kong may remain in their employment in accordance with the previous system.

Article 144
On the basis of the previous social welfare system, the Government of the Hong Kong Special Administrative Region shall, on its own, formulate laws and policies on the development and improvement of this system in the light of the economic conditions and social needs.

Article 145
Voluntary organizations providing social services in the Hong Kong Special Administrative Region may, on their own, decide their forms of service, provided that the laws of the Region are not contravened.

Article 146
The Government of the Hong Kong Special Administrative Region shall formulate labour laws and policies on its own.

Article 147
The relationship between non-governmental organizations in fields such as education, science, technology, culture, art, sports, the professions, medicine and health, labour, social welfare and social work as well as religious organizations in the Hong Kong Special Administrative Region and their counterparts on the mainland shall be based on the principles of non-subordination, non-interference and mutual respect.

Article 148
Non-governmental organizations in fields such as education, science, technology, culture, art, sports, the professions, medicine and health, labour, social welfare and social work as well as religious organizations in the Hong Kong Special Administrative Region may maintain and develop relations with foreign countries and other regions and with relevant international organizations. They may, as required, use the name “Hong Kong, China” in the relevant activities.

Chapter VII: External Affairs

Article 149
Representatives of the Government of the Hong Kong Special Administrative Region may participate, as members of delegations of the Government of the People’s Republic of China, in negotiations conducted by the Central People’s Government at the diplomatic level and directly affecting the Region.

Article 150
The Hong Kong Special Administrative Region may, on its own, using the name “Hong Kong, China,” maintain and develop relations and conclude and implement agreements with states, regions and relevant international organizations in the appropriate fields, including the economic, trade, financial and monetary, shipping, communications, tourism, cultural and sports fields.

Article 151
Representatives of the Government of the Hong Kong Special Administrative Region may participate, as members of delegations of the Government of the People’s Republic of China, in international organizations or conferences in appropriate fields limited to states and affecting the Region, or may attend in such other capacity as may be permitted by the Central People’s Government and the international organization or conference concerned, and may express their views, using the name “Hong Kong, China.”

The Hong Kong Special Administrative Region may, using the name “Hong Kong, China,” participate in international organizations and conferences not limited to states.

The Central People’s Government shall take the necessary steps to ensure that the Hong Kong Special Administrative Region shall continue to retain its status in an appropriate capacity in those international organizations of which the People’s Republic of China is a member and in which Hong Kong participates in one capacity or another.

The Central People’s Government shall, where necessary, facilitate the continued participation of the Hong Kong Special Administrative Region in an appropriate capacity in those international organizations in which Hong Kong is a participant in one capacity or another, but of which the People’s Republic of China is not a member.

Article 152
The application to the Hong Kong Special Administrative Region of international agreements to which the People’s Republic of China is or becomes a party shall be decided by the Central People’s Government, in accordance with the circumstances and needs of the Region, and after seeking the views of the government of the Region.

International agreements to which the People’s Republic of China is not a party but which are implemented in Hong Kong may continue to be implemented in the Hong Kong Special Adminis-
Amendment of the Basic Law

Article 157

The power of interpretation of this Law shall be vested in the Standing Committee of the National People's Congress.

The Standing Committee of the National People's Congress shall authorize the courts of the Hong Kong Special Administrative Region to interpret on their own, in adjudicating cases before them, the provisions of this Law which are within the limits of the autonomy of the Region.

The courts of the Hong Kong Special Administrative Region may also interpret other provisions of this Law in adjudicating cases before them. However, if the courts of the Region, in adjudicating cases before them, need to interpret the provisions of this Law concerning affairs which are the responsibility of the Central People's Government, or the relationship between the Central Authorities and the Region, and if such interpretation will affect the judgments on the cases, the courts of the Region shall, before making their final judgments which are not appealable, seek an interpretation of the relevant provisions from the Standing Committee of the National People's Congress through the Court of Final Appeal of the Region. When the Standing Committee makes an interpretation of the provisions concerned, the courts of the Region, in applying those provisions, shall follow the interpretation of the Standing Committee. However, judgments previously rendered shall both be affected.

The Standing Committee of the National People's Congress shall consult its Committee for the Basic Law of the Hong Kong Special Administrative Region before giving an interpretation of this Law.

Article 158

The power of amendment of this Law shall be vested in the National People's Congress.

The power to propose amendments to this Law shall be vested in the Standing Committee of the National People's Congress, the State Council and the Hong Kong Special Administrative Region. Amendment proposals from the Hong Kong Special Administrative Region shall be submitted to the National People's Congress by the delegation of the Region to the National People's Congress after obtaining the consent of two-thirds of the deputies of the Region to the National People's Congress, two-thirds of all the members of the Legislative Council of the Region, and the Chief Executive of the Region.

Before a proposal for an amendment to this Law is put on the agenda of the National People's Congress, the Committee for the Basic Law of the Hong Kong Special Administrative Region shall study it and submit its views.

No amendment to this Law shall contravene the established basic policies of the People's Republic of China regarding Hong Kong.

Chapter IX: Supplementary Provisions

Article 159

Upon the establishment of the Hong Kong Special Administrative Region, the laws previously in force in Hong Kong shall be adopted as laws of the Region except for those which the Standing Committee of the National People's Congress declares to be inconsistent with this Law. If any laws are later discovered to be inconsistent with this Law, they shall be revised or cease to have force in accordance with the procedure as prescribed by
Annex I: Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region

1. The Chief Executive shall be elected by a broadly representative Election Committee and appointed by the Central People's Government.

2. The Election Committee shall be composed of 800 members from the following sectors:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial, commercial and financial sectors</td>
<td>200</td>
</tr>
<tr>
<td>The professions</td>
<td>200</td>
</tr>
<tr>
<td>Labour, social services, religious communities and other sectors</td>
<td>200</td>
</tr>
<tr>
<td>Legislative Councillors, members of district organizations, Hong Kong deputies to the National People's Congress, Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference</td>
<td>200</td>
</tr>
</tbody>
</table>

3. The delimitation of the various sectors and the number of Election Committee members returned by individual organizations in each sector shall be prescribed by the electoral law of the Hong Kong Special Administrative Region.

4. Candidates for the office of Chief Executive may be nominated jointly by no less than 100 members of the Election Committee. Each member may nominate only one candidate.

5. The Election Committee shall, in accordance with the list of nominations, elect the Chief Executive designate by secret ballot on a one-person-one-vote basis. The specific election method shall be prescribed by the electoral law.

6. The Election Committee shall be dissolved after the appointment of the Chief Executive by the Central People's Government.

7. The first Chief Executive shall be selected in accordance with the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region".

   The second and third Chief Executives shall be selected in accordance with the method specified in this Annex.

   During the term of office of the third Chief Executive, the Legislative Council shall formulate a specific method to decide, through a referendum in the Region, whether the Chief Executive shall be selected by general election after nominations are made by a broadly representative nominating committee in accordance with democratic procedures. The result of the referendum shall be reported to the Standing Committee of the National People's Congress for the record.

   The above-mentioned referendum shall only be held with the endorsement of the majority of members of the Legislative Council, the consent of the Chief Executive and the approval of the Standing Committee of the National People's Congress. The result of the referendum shall only be valid and effective with the affirmative vote of more than 30 per cent of the eligible voters.

   If it is decided by the above-mentioned referendum that the Chief Executive shall be selected by general election, general election shall be held from the fourth term onwards. If it is decided otherwise by the referendum, referendum shall be held every ten years in accordance with the provisions of Item 7 of this Annex.

8. Apart from the provisions of Items 7 and 8 of this Annex, if there is a need to make other amendments to the method for selecting the Chief Executive, such amendments may be made with the endorsement of a two-thirds majority of the members of the Legislative Council and the consent of the Chief Executive, and shall be reported to the Standing Committee of the National People's Congress for the record.

Annex II: Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region

1. The Legislative Council of the Hong Kong Special Administrative Region shall be constituted as follows for the first four terms:

   First Term
   Total number of members of the Legislative Council: 65
   (1) Representatives selected by district general election: 25
   (2) Representatives from the industrial, commercial and financial sectors: 16
   (3) Representatives from the labour, social services, religious communities and other sectors: 12

   Second Term
   Total number of members of the Legislative Council: 80
   (1) Representatives selected by district general election: 40
   (2) Representatives from the industrial, commercial and financial sectors: 16
   (3) Representatives from the labour, social services, religious communities and other sectors: 12

   Third and Fourth Terms
   Total number of members of the Legislative Council: 65
   (1) Representatives selected by district general election: 25
   (2) Representatives from the industrial, commercial and financial sectors: 16
   (3) Representatives from the labour, social services, religious communities and other sectors: 12

2. The division of constituencies, voting method, delimitation of various sectors and corporate bodies, term allocation of seats, election method, etc. shall be specified by the electoral law of the Hong Kong Special Administrative Region.

3. Each voter shall have one vote only.

4. The first Legislative Council shall be constituted in accordance with the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region".

   The Legislative Council of the first four terms shall be constituted in accordance with the provisions of this Annex. During the term of office of the fourth Legislative Council, the Legislative Council shall formulate a specific method to decide, through a referendum in the Region, whether all members of the Legislative Council shall be selected by general election. The result of the referendum shall be reported to the Standing Committee of the National People's Congress for the record.

   The above-mentioned referendum shall only be held with the endorsement of the majority of members of the Legislative Council, the consent of the Chief Executive and the approval of the Standing Committee of the National People's Congress. The result of the referendum shall only be valid and effective with the affirmative vote of more than 30 per cent of the eligible voters.

   If it is decided by the above-mentioned referendum that all members of the Legislative Council shall be selected by general election, general election shall be held from the fifth term onwards. If it is decided otherwise by the referendum,
Annex III: National Laws to be Applied in the Hong Kong Special Administrative Region

The following national laws shall be applied locally by the Hong Kong Special Administrative Region by way of promulgation or legislation from 1 July 1997:

1. Resolution on the Capital, Calendar, National Anthem and National Flag of the People's Republic of China
2. Resolution on the National Day of the People's Republic of China
3. Order on the National Emblem of the People's Republic of China Proclaimed by the Central People's Government
5. Nationality Law of the People's Republic of China
6. Regulations of the People's Republic of China Concerning Diplomatic Privileges and Immunities

The Standing Committee of the National People's Congress, after the Basic Law of the Hong Kong Special Administrative Region takes effect, an institution will be needed to study questions concerning the implementation of certain articles of the Basic Law and to submit its views to the Standing Committee of the National People's Congress. Hence, we recommend that upon the coming into force of the Basic Law, a working committee under the Standing Committee of the National People's Congress be established. The working committee shall be composed of mainland and Hong Kong members appointed by the Standing Committee of the National People's Congress. Enclosed is a detailed plan for your consideration and decision.

The Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region

Proposal by the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region on the Establishment of the Committee for the Basic Law of the Hong Kong Special Administrative Region of the Standing Committee of the National People's Congress

1. Name: The Committee for the Basic Law of the Hong Kong Special Administrative Region of the Standing Committee of the National People's Congress.
2. Affiliation: A working committee under the Standing Committee of the National People's Congress.
3. Function: To study questions concerning the implementation of Articles 17, 18, 157 and 158 of the Basic Law of the Hong Kong Special Administrative Region and submit its views thereon to the Standing Committee of the National People's Congress.
4. Composition: Twelve members, six from the mainland and six from Hong Kong, including persons from the legal profession, appointed by the Standing Committee of the National People's Congress for a term of office of five years. Hong Kong members shall be Chinese citizens who are permanent residents of the Hong Kong Special Administrative Region and shall be nominated jointly by the Chief Executive, President of the Legislative Council and Chief Justice of the Court of Final Appeal of the Region for appointment by the Standing Committee of the National People's Congress.
5. Decree of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region (Drafted for the National People's Congress)

1. The first Government and the first Legislative Council of the Hong Kong Special Administrative Region shall be formed in accordance with the principles of state sovereignty and smooth transition.
2. Within the year of 1996, the National People's Congress shall establish a Preparatory Committee for the Hong Kong Special Administrative Region, which shall be responsible for preparing the establishment of the Region and shall decide on the specific method on the formation of the first government. The Preparatory Committee shall be composed of mainland members and of Hong Kong members who shall constitute no less than 50 percent of its membership. Its chairman and members shall be appointed by the Standing Committee of the National People's Congress.
3. The Preparatory Committee for the Hong Kong Special Administrative Region shall be responsible for preparing the establishment of the Election Committee for the First Government of the Hong Kong Special Administrative Region (hereinafter referred to as the "Election Committee").

The Election Committee shall be composed entirely of permanent residents of Hong Kong and must be broadly representative. It shall include Hong Kong deputies to the National People's Congress of the People's Republic of China, representatives of Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference, persons with practical experience who served in Hong Kong's executive, legislative and advisory organs prior to the establishment of the Hong Kong Special Administrative Region, and persons representative of all strata and sectors of society.

The Election Committee shall be composed of 400 members from the following sectors:

- Industrial, commercial and financial sectors: 25 percent
- The professions: 25 percent
- Former political figures, Hong Kong deputies to the National People's Congress, and representatives of Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference: 25 percent

The Election Committee shall recommend the candidate for the first Chief Executive through local consultation or through local election after consultation, and report the recommended candidate to the Central People's Government for appointment. The term of office of the first Chief Executive shall be the same as the regular term.

The Chief Executive of the Hong Kong Special Administrative Region shall be responsible for preparing the formation of the first government of the Region according to this Law.

The first Legislative Council of the Hong Kong Special Administrative Region shall be composed of 55 members, with 15 district representatives, 16 from the industrial, commercial and financial sectors, 12 from the professions, and 12 from labour, social services, religious communities and other sectors. Former members of the last Hong Kong Legislative Council who support the Basic Law of the Hong Kong Special Administrative Region, are willing to loyalty serve the Hong Kong Special Administrative Region, and meet the requirements set forth in the Basic Law will, upon confirmation by the Preparatory Committee, become members of the first Legislative Council of the Region. Any vacancy therein shall be filled through election conducted by the Election Committee.

The term of office of members of the first Legislative Council of the Hong Kong Special Administrative Region shall be two years.

The first Chief Executive and members of the first Legislative Council of the Hong Kong Special Administrative Region shall be sworn in to office on 1 July 1997.
Better Conditions for Returned Students

As increasing numbers of students go to colleges and universities overseas, the Chinese government strives to create better living and working conditions for their return. At the same time, it calls on the returnees to make special efforts to readapt to working in China.

by Our Correspondent Wei Liming

During August 1987, more than 100 students studying for doctoral degrees in Japan received questionnaires from the State Education Commission asking about their job preferences on their return. When the forms were returned, the commission passed them on to 100 universities around China. Two months later, the universities supplied information about the kind of people they were looking for. As a result of this two-way consultation, more than 90 percent of the students secured jobs they desired on their return.

The organization linking the students and the universities is the Chinese Returned Students Service Centre, located in the Beijing Institute of Linguistics. With China sending increasing numbers of people to study abroad, and about 1,000 returning annually, the centre was established to help students both before they left and on their return.

According to Zhang Yuqing, an official at the centre, its major task is arranging placements for returnees by finding work units that require their direct funds towards academically capable returnees.

As many postgraduates have been abroad for a long period of time, they often experience difficulties in everyday life when they come back. Because of this, many institutes and research units try everything possible to help them, allotting suitable housing for example. The state tries to help as well.

To accommodate returned students properly, the following tasks remain to be done:

1. Give them more chances to select their own job. Some will be encouraged to work in companies, including collectively-owned businesses, Sino-foreign joint ventures, co-operative enterprises and solely foreign-owned firms. They can also start their own companies, and, in line with the state’s strategy of developing an outwards looking economy, some will be encouraged to start up in the coastal cities.

2. Students specialized in sophisticated subjects which cannot be applied in China at present because of a lack of facilities can work both at home and abroad. They will be encouraged to continue studying overseas while establishing their discipline at home.

The state intends to draw up terms of service for government-funded students on their return. People have expressed fears after they have been abroad once they will not be permitted to leave the country again. These fears are unnecessary: once returned students have fulfilled their terms of service, they can go overseas again. During their term of service, they also have chances to go abroad in official capacities, for example to attend international conferences.

3. A government department is now tackling the question of balancing the number of returned students accepted by work units with their quotas of senior professional titles.

4. A service centre has been established specially to serve students overseas and arrange suitable work for them on their return. It operates a dual system of supplying information on students studying abroad to employers while giving information about work unit vacancies to people due to return.

Finally, we hope that all the relevant departments across the country will mobilize their resources to make proper arrangements for returned students this year.
skills—preferably before they return. He said the centre's guiding principle was "to help talents flow through reasonable competition so that students and units can mutually choose each other," while its staff always bear in mind the motto of "speed, accuracy, friendliness and satisfaction."

A wide variety of opportunities are open to returned students, from central or regional government posts and international organizations, through higher education and scientific research units to Chinese or foreign-funded companies across the country, and even in mainland-owned businesses in Hong Kong and Macao.

By October 1988, the centre had helped 109 students with advanced degrees find jobs—60-plus of them had secured a placement before they returned. Now it receives several dozen letters from overseas each month inquiring about possible job vacancies.

Guo Kangquan is one student who has benefited from the centre's work. Before returning from Japan, he applied for a post at Beijing's Agricultural University or its Agricultural Engineering University, but neither of them had vacancies. Faced with the prospect of no work and the added difficulty of getting city residence registration for his wife who lived in the countryside, he turned to the centre for help. It discovered suitable positions at the Nanjing Agricultural Machinery Research Institute and the Northwest Agricultural University. Guo was immediately informed, and finally opted for the latter of the two.

Zhang Xiang, another student who studied in Japan and received aid from the centre, is fulsome in his praise of its work. After being assigned to Shanghai's prestigious Fudan University he wrote, "I am deeply impressed by the warmth and efficiency of your service. Your unit is an example to all those who do not stress work efficiency."

The centre, however, does not restrict itself to finding jobs. It continues to maintain an interest in returned students after they start work. Last October, for example, 100 letters were posted out to discover how people were faring in their new posts. According to Zhang Yuqing, the answers they received indicated that the returned students could be divided into two categories.

First, there were those with doctorates now living in large cities. For the most part, these people were satisfied with their working conditions: their laboratories were well-equipped and readily available reference material kept them abreast of the latest developments in their subjects. There were some complaints about shortages of money for studying basic theory, and although most of them had been allocated flats with two rooms, housing problems remained outstanding with some of them. Finally, some people had difficulties gaining city residence registration for their spouses living in the countryside.

Second, there were those assigned to medium-sized cities. This group was almost universally dissatisfied with their working conditions, although their accommodation was better than in Beijing, Shanghai and other big cities. Many of these people had been appointed to high-level posts and were
responsible for important scientific work, which compensated to a certain extent for their working conditions.

Research Stations

A recent development in Chinese science has been the establishment of special post-doctorate research stations. Since 1985, altogether 145 of these stations have been opened in 89 institutes across the country. Spread across 21 branches of science, they now house 40 percent of all students who gained their doctorates abroad (130 students in total).

Wang Xinding, 38, is one of them. After a year's post-doctorate research in Canada he returned to the research station attached to the Shanghai Plant Physiology Research Institute to study the biology of wheat development, writing a thesis on the physiology and biochemistry of its cell formation in its embryonic stage.

Li Lianwei, deputy section chief with responsibility for post-doctorate researchers at the Ministry of Personnel, said that one of China's most crucial tasks was ensuring students returned from overseas, “We must do our best to create a better environment for their scientific research and help them adapt to domestic conditions when they leave these research stations.”

Because students studying overseas often find it hard to judge which unit offers the best conditions for them to apply their knowledge, the government has stipulated that research stations can only be established when an institute can attract at least one overseas-trained doctorate.

All students with doctorates awarded overseas enjoy the right to be post-doctorate researchers—regardless of whether they maintained organizational ties with their work units and remained on their payrolls, or were publicly funded or self-financed.

Li said the government intended to grant returned students further preferential treatment this year. There would be no limits on the number of overseas-trained doctorates for the research stations, and if the stations had problems with housing or special subjects they could apply directly for aid to the Ministry of Personnel's Commission for the Administration of Post-Doctorate Researchers.

Subject to approval, the students could choose to work in any research station or conduct post-doctorate research at any unit without a station. Each of these students would qualify for 15,000 yuan to fund scientific research, 25 percent of which could be used to subsidize living costs—which would be further subsidized by a direct grant of 100 yuan a month for living expenses.

Post-doctorate researchers would also be free, Li said, to move to any other unit with their spouses and children, as any unit taking them on would be responsible for finding a placement for their spouses.

In addition, the state has esta-
China published the Post-Doctorate Researchers Science Foundation. This can supply funding in two categories: Class-A, with 10,000 yuan and US$2,000, and Class-B, with 5,000 yuan and US$1,000. The foundation already provides economic support to 125 researchers, most of whom are returned students, with an American doctorate in sociology. Ma Rong (left) delivers a paper at an international conference in Hong Kong.

Any equipment bought with this money becomes the researcher's own personal property, and so can be transferred if he or she takes up a new position.

Recently, the State Planning Commission allocated funds to build apartment buildings special for post-doctorate researchers. Already, blocks have been completed in Shanghai and Tianjin, and others are under construction.

To date, a dozen or so returned students with doctorate degrees have completed their post-doctorate research programmes and been employed as researchers, professors, associate researchers or associate professors in domestic research institutes, while a few have been sent abroad again to work on co-operative research programmes.

Gene Engineer

A four-storey building beside Weiming Lake at Beijing University houses Associate Professor Chen Zhangliang's plant gene engineering laboratory. Already his group has realized some major achievements.

Chen, 27, is Beijing University's youngest associate professor. In 1987, he was awarded his doctorate by the biological and biomedical department of America's Washington University. There, he had studied several theoretical and applied matters concerning the technology of genetic engineering, accomplishing what are best described as "forward experimental results."

Like some others studying abroad, Chen considered remaining in the United States. Indeed, several American companies and universities offered him jobs or post-doctorate studies in comfortable conditions.

However, Chen then heard that China planned to establish a high-tech laboratory for plant gene engineering. Considering China's lack of development in this field and its potential role in the growth of the national economy, Chen decided to return. He says, "This was a challenge. I wanted to prove I had the ability to achieve results even under harsh conditions."

Despite the support of Beijing University, the State Planning Commission, the State Science and Technology Commission and the State Education Commission, Chen still met with many difficulties. Because his laboratory building had no elevator, with his colleagues he had to carry equipment weighing 300 kg up four floors and install his own plug sockets.

Then much time was spent ordering instruments and purchasing other necessities. The chemical reagents they bought from abroad had to be stored in refrigerators. But in the two or three days it took Chen to complete all the airport and customs formalities, the dry ice preserving them melted: the consignment was useless. Chen says, "These kinds of things happened again and again—they really were a pain in the neck."

The subsequent success of his work has somewhat eased his complaints of the lack of rationality in organization. The close co-operation of all laboratory's members has resulted in substantial progress. The synthesis of two kinds of viral genes for the first time worldwide has drawn the attention of Chinese and foreign specialists. Technological transfer agreements should soon be finalized with foreign companies to sell some of their results. Excited, Chen says "Before, we always purchased technology from other countries. Now, we have something to sell back to them."

Recently, several American companies have expressed a desire to send people to his laboratory to do post-doctorate research. "This is my biggest consola-
Alienation and Historical Personality

President of Beijing University

He gives full credit to the support of Ding Shisun, president of Beijing University. For example, when the State Planning Commission allocated his laboratory a special fund to build a greenhouse, there was no obvious place to put it. Ding, however, consented to their proposal to erect it on the laboratory's roof. Chen says that the attitude of leaders determines whether projects succeed or fail. "Without their support at all levels, a returned student can accomplish nothing," he concludes.

Philosophical Progress

In 1979, Li Zhongshang became a post-graduate student in the Philosophy Department of the Chinese People's University. The following year, he embarked on a doctorate at Bonn University in the Federal Republic of Germany. In 1984, his 200,000-word *The Marx-Reception of Early Marcuse* was published in Federal Germany, with *The Historical Development of the Notion of Alienation and Historical Materialism* coming the year after. He became a foreign member of the Deutsche Philosophical Society in October 1984, and was later made a presidium member of the International Feuerbach Society.

In October 1984, he returned to China, confident he could contribute to the country with his learning. He was appointed director of the Research Department of Contemporary Marxism at the Chinese People's University, and was made an associate professor at the end of 1985. In 1986, he was invited to be a guest professor at the Karl Marx University in the German Democratic Republic. In 1988, he founded and was appointed director of the Research Institute of Soft Science at the Chinese People's University.

Since returning from abroad, Li has completed a 200,000-word book titled *The New Analysis of Marxism*, and written a series of essays totalling 100,000 words. He has also participated in the compilation of the 1.5 million-word *A Dictionary of Soft Science*. Now he would like to write more books, but finds his time is limited.

Although his own experience has followed a smooth upward trajectory, Li pays a lot of concern to the fate of other returned students. He is now secretary-general of the Beijing Council for the Promotion of Academic Studies for Young and Middle-Aged Doctors, which helps returned students resolve problems in their academic studies. In December 1988, when representatives of returned students met Zhao Ziyang, Li Tieying and other Party and government leaders, Li said the returnees were not looking for comfortable living conditions and high posts, but the facilities to use their learning to serve the motherland.

He added that returned students must adapt themselves to the environment at home, in particular, they must strive to readjust their relations with people around them. Some of them had failed to do so and angrily gone abroad again.

Because returned students often bring back new knowledge, techniques and theories, some people in domestic academic circles either feel threatened or fail to understand these new things. Consequently, they often intentionally or unintentionally suppress their growth. "In fact," Li says, "all people should compete under equal conditions no matter whether they gained their doctorates abroad or at home."

Like Chen Zhangliang, Li owes much of his success to support from the older generation, particularly his university president, Yuan Baohua, who, he says, has frequently inspired him with his inexhaustible strength.

As Li points out, coming to terms with Chinese working conditions and re-establishing ties with colleagues can cause problems. It took some time for Wang Zhibin to realize this on his return from Japan. When Wang received his doctorate from Tsukuba University in 1984, he learnt that Beijing had opened a modern hospital, the Sino-Japanese Friendship Hospital. Immediately he applied to work there, declining the invitation of his former tutor to work at the Shenyang Medical College.

Unexpectedly, he was assigned to study how diseases could be diagnosed from the tongue instead of his speciality, blood. He was also frequently asked to work as an interpreter for visiting Japanese colleagues. Although he has now been back for more than four years, he has never been inside the hospital's laboratory. While working hard at his present post, he hopes he can resume studying his speciality soon.

Complaints

At the Chinese Academy of Sciences' Institute of Biophysics, three recently returned scholars gave voice to some complaints.

Ma Xingqi, who specializes in studying the crystal structure of Trichosanthes Kiri-
On Negotiations With the Dalai Lama

by Hua Zi

More than eight months have passed since the Dalai Lama brought forth his “new proposal” in Strasbourg, France, which he considered to be the basis for negotiations with the central government. Responses have been made from both sides towards these proposals.

The central government has made it clear that, first, it is willing and ready to talk with the Dalai Lama, and that it will never receive any delegation or visiting group sent by the “Kasha government” since the central government has never recognized such a government-in-exile. Second, the Dalai Lama’s “new proposal” cannot be regarded as the basis for negotiations since it has not relinquished the idea of “independence of Tibet.” Third, the central government is ready to negotiate with the Dalai Lama in person either in Beijing, Hong Kong or a Chinese diplomatic compound in any place in the world. If the Dalai Lama still feels uneasy in any of these places, he is free to choose another location, as long as no foreigners are present.

Lowii, said he was not appointed an associate professor before he went abroad because of quota limits. While away, he was informed that people studying overseas would not be given the title. Now he has returned, only to be told that he will have to wait until the next round of appraisals. Clearly, he has been quite dissatisfied with this system.

Wu Bomu, who studied the crystal structure of viruses in the United States, has discovered that his institute has no such subject, and there is no suitable job for him elsewhere in China. He now plans to go abroad again.

Lou Meizhen, back from Britain, said she dared not stay abroad longer because she had signed a contract with her unit and would have faced dismissal.

These expressions of dissatisfaction were put to Li Zhixian, a China Academy of Sciences official in charge of overseas and returned student affairs. Li said that in other countries it was common practice not to reserve posts for those who did not return on time. In dealing with concrete matters, of course, the result should be acceptable and not viewed as a kind of punishment.

Li also quoted a letter written by Zhou Guangzhao, the academy’s president, to a research fellow who was dismissed for not coming back on time. It runs, “Currently, we are conducting reforms in the scientific and technological system aimed at eliminating the life-tenure system and egalitarianism (everybody eating from the same big pot). An appointment system has been introduced here for all staff, including those who have gone abroad. It will generally be assumed that staff who have exceeded the time limit on their sabbatical leave have left their jobs of their accord, and their personal choices will be respected. But, to ensure the work of the research institutes, such vacancies will be filled. This is the only feasible method for both respecting personal choices and the normal work of the research institutes.” Li thought Zhou’s words quite reasonable.

As for the professional titles of some returned students, Li said the quota limits were a problem. But, consideration should also be given to the academic level of the applicants.

He added that those who could find no suitable conditions to continue their scientific research at home would be allowed to do so in cooperation with other countries abroad.

Since 1978, the China Academy of Sciences has sent more than 6,000 people to study in 35 countries and regions, half of whom have returned. Another 600 doctorates are expected to come back in the next couple of years. The academy plans to establish a returned students service centre to help arrange their work and life.
The Dalai Lama hastily published the name list of the negotiation group, although he has been unable to recruit unanimous support from his followers for the "new proposal." Once the central government gave him the choice of venue and time for the negotiations, he announced that the negotiations would be held in Geneva in January 1989. However, the central government, the second party to the negotiations, was not informed of the decision until after the announcement was made.

Moreover, the Dalai Lama delivered two speeches to the world between September 1987 and June 1988. This he did despite the fact that Tibet is a domestic issue and that the central government had maintained contact with the Dalai Lama since 1979. Naturally the Dalai Lama's propaganda efforts in the world scene have given rise to suspicions of his honesty in negotiating with the central government.

Observers here think that there are two purposes for the Dalai Lama's negotiation proposals, which were brought forth thirty years after he fled the country. One, politically he has not gained anything to be proud of in the last three decades. And two, it has become a trend in the world to peacefully solve both international and domestic disputes. It is a wise choice for the Dalai Lama to follow suit.

Part of the consideration of the central government to negotiate with the Dalai Lama is the religious feeling of the Dalai Lama's believers in Tibet. The policy of the freedom of religion has been reintroduced gradually since 1979. The central government has openly expressed its welcome for the return of the Dalai Lama for the sake of the unification of the motherland, national unity and socialist construction. When the Dalai Lama expressed his willingness to negotiate, the central government responded not only with a welcome but also offered him the privilege of choosing the time and location for the negotiations, thus showing the good will of the central government.

However, as many observers see it, there still is a gap to cover between the Dalai Lama and the central government before the negotiations, which are sure to take place someday, can begin. Both parties have not agreed on the substantial issue of the basis for the negotiations in the first place. The Dalai Lama insisted on basing the negotiations on his "new proposal," whereas the central government is against it. The stand of the latter is that anything is negotiable except the independence of Tibet. Although the Dalai Lama did not use such a phrase as "independence of Tibet" in his proposal, he emphasized that Tibet had been an independent country which was later "invaded" by China. He said that Tibetans have the right to resistance and "national self-determination" and that Tibet should be restored as an "independent country." It has been a hard fact that ever since the Yuan Dynasty exercised its sovereignty over Tibet in the mid-13th century, it has always been a part of China, even during the Qing Dynasty (1644-1911) and the rule of the Kuomintang. So there is no concession to be made by the central government as regards China's sovereignty over Tibet.

Another obstacle to the negotiations is the interference of foreigners. This is, indeed, an issue of concern. Imperialists have had their eyes on Tibet for over a century. They even fostered a handful of pro-
A Village by the Lhasa River (I)

Thirty years have gone by since the 1959 democratic reform in Tibet. What changes have taken place for the farmers and herdsmen there? To get a first-hand view, two of our reporters visited a village in the suburbs of Tibet's capital of Lhasa. Following is one of a series of reports on this visit.—Ed.

by Our Staff Reporters Yang Xiaobing and Zhang Wei

We paid a visit to Lhasa, capital of Tibet, between late January and early February. We told the hospitable local officials the instructions of our editor in chief at Beijing Review and asked them not to show us model, wealthy villages, but rather, very ordinary ones. Our hosts readily accepted our request and arranged for us to visit Xiangga Village, eight kilometres southeast of Lhasa. The village is skirted by the Lhasa River on the north and is screened by towering Painbo Mountain to the southwest. It is cut into southern and northern halves by the Lhasa-Chengdu Highway. After a survey we discovered that Xiangga Village is really little known, just as we wanted. Seeing the satisfaction on our faces, our hosts sent two interpreters, Kangna Meiduo and Zhuoma Yangjin.

Under the jurisdiction of Caigongtang Township, Xiangga Village now has 69 households tilling about 46 hectares of land. Thanks to relaxed government policies, village production has developed very fast. Now one third of the village households have tractors or trucks. This forms a sharp contrast to the tragic situation 30 years ago. Under the rule of serfdom, the village then had 17 households, including one lord who owned more than 80 percent of the village land, and two chaba (serfs), whose economic position was in comparatively better shape. Many households had neither land nor any means of production.

Although Xiangga Village is only eight kilometres from Lhasa, it was isolated from the capital by the Lhasa River, making it difficult for the villagers to visit the city. Taking advantage of this natural barrier for several hundred years, lords of various generations in the village had ordered their chaba to set up ferries on the river, using cattle-hide boats, and they had profited from the transactions. While the lord's family made a fortune from this business, the chaba led a hard life.

A 44-year-old woman, Langjie Zhuoga, said her father was one of the ferrymen; he was carried away by a flood while rowing the boat.

In the late 1950s, Xiangga Village was stirred by a group of engineers who began building a bridge over the Lhasa River at a point only two kilometres from the village. This sent the villagers on the southern bank of the river into ecstasy. Suolang Luobu, now 63, imperialists among the reactionary Tibetan upper class after their armed occupation of Tibet. And this kind of interference and instigation has never stopped even after the founding of the People's Republic of China.

For honest negotiations, a favourable atmosphere should be created and maintained. However, a number of riots were initiated by a few separatists in Lhasa, the local capital in Tibet. According to some of the participants of these riots, they were instigated by the Tibetan separatists in exile. Although the Dalai Lama has denied any connection with these incidents, the Tibetan Youth Congress in exile has never denied their involvement. Hence the Dalai Lama's honesty towards the negotiations is difficult to trust. He will have to be responsible for the results if the current situation is unchecked.

More efforts will have to be made before both parties can finally sit down at the negotiation table.

(This article first appeared in China's Tibet quarterly issue No. 1, 1989.)
still cherishes the memory of the event. He recalled how the workers, wearing diving suits, dived into the river to work. "Many of the workers were of the Han nationality, and the bridge was hence built by both Hans and Tibetans," said the old man. "People from the other villages often lent the builders a helping hand."

The completion of the bridge put an end to the ancient situation in which people from both sides of the river found it hard to visit each other. The Xiangga villagers and local Tibetans decorated the bridge with hada (silk scarves used as blessing gifts among the Tibetan and Mongolian nationalities). Some even sang, "The bridge built across the river, just like a paper strip seal put on the mouths of ferrymen." This meant that they no longer would be extorted by the lord for crossing the river.

"The Lhasa Bridge opens not only for good people," said Suolang Luobu, whose wrinkled face lent credence to his knowledge of the history of the bridge.

In March 1959, he said, he and his fellow villagers heard gunshots from the direction of Lhasa and then saw a dense crowd swarming across the bridge, fleeing eastward; the lord of Xiangga Village was among them. They were later informed of the armed rebellion that attempted to oppose "the Han people's exploitation and oppression of Tibet." A democratic reform was conducted under the leadership of the Communist Party of China after the rebellion was quelled, and he understood that it was a good thing the rebellion was put down.

Prior to the democratic reform, all the 17 families in Xiangga Village except the lord's family often found it hard to keep the wolf from the door. Most of the chaba, like Suolang Luobu, had not an inch of land nor any means of production. They subsisted by toiling for the lord.

Suolang Luobu's family had a dozen members and he was the only able-bodied labourer. He often drove ten yaks belonging to the lord to the Shan-nan area after trekking several days to get firewood. He gave nine loads of firewood to the lord in return for less than 30 kg of highland barley. He also bartered his load of firewood on the market for some food. This is how his family made a living. During the democratic reform, his family was given half a hectare of land, a cow and some farm tools. Gradually their lives became better. "I don't think we Tibetans are exploited and oppressed by the Hans," said the old man.
In 1962, another contingent of engineers came to Xiangga Village. And two years later, a concrete bridge was built to replace the wooden one. The workers on the project included 700 people of Han nationality, who came from other parts of the country. These Hans got along well with the Xiangga villagers.

One of them was Li Jinyong from Yanqing in the suburbs of Beijing. During the work, he fell in love with a local girl, Luobu Quezhen. Upon completion of the bridge, his fellow workers returned, but he chose to marry the Tibetan girl, making his home in Xiangga Village.

Li Jinyong is now nearly 70 years old. Holding his five-year-old granddaughter, he told us that no Xiangga villagers opposed his making his home there. “One who does not perpetrate any evil won’t have people to oppose,” Li said while his wife, Luobu Quezhen listened and smiled. Li has five children who, unlike Han children, who take their names from their fathers, have only given names, names considered to be lucky, just like the local people.

In Xiangga Village there is another family in which the husband, Ding Xuenian, is of Han nationality, and the wife, Langjie Zhuoga, 44, is Tibetan. They got married 22 years ago. Unfortunately, while we were there, Ding was out of the village working in a fuel warehouse for a nearby construction team. Unlike the Lis, the Dings fell in love in a different way. Langjie Zhuoga fell in love with Ding and “asked Ding’s hand” herself. Langjie said that her husband got along very well with the villagers and never hesitated to help the others with tasks, such as building houses. She also said that the villagers in return often invited him to attend wedding feasts. Last year, Ding had an operation at Lhasa Hospital and almost all the families in the village sent people to visit him there, bringing along delicious foods for him.

During our stay in Xiangga Village, we discovered that the villagers are very objective. Talking about emancipation, some Tibetans have said they have been living there for many generations and would be leading a better life if the Hans had not come. But Suolang Luobu said that the Tibetans won emancipation under the leadership of the Communist Party of China and the Hans also won their freedom under the same leadership.

The old man said that it is not bad to have Han leaders in Tibet. According to a Tibetan saying, anyone who is able to help people lead a happy life can be an emperor. “Just like the Lhasa Bridge, which was built by both the Hans and the Tibetans,” he said, “unity between the Hans and the Tibetans is very important.”
Beijing to Sell Off Land

In a bid to improve Beijing's investment environment, the municipality's authorities have drawn up plans to sell three plots of land in the city's suburbs to foreign companies. According to Zhang Ming, director of the Beijing Foreign Economic Relations and Trade Commission, each plot covers 1-2 square kilometres.

Sales of land to foreigners have already been conducted in Shenzhen, Guangzhou, Fuzhou, Xiamen and Shanghai.

Zhang was quick to point out that there were essential differences between these sales and the territorial concessions forced on the Chinese government between the late 19th century and the 1940s. He said it was only land use rights that were being sold: in accordance with China's Constitution, land ownership remains with China.

He added that foreign businesses would be allowed to develop and resell any land bought, and that laws and regulations detailing the rights of buyers were now being drafted. Zhang said nothing about land management rights for foreign buyers.

According to this senior official responsible for foreign economic relations and trade, many problems currently exist in Beijing's investment environment. He said the municipal authorities would soon be drafting a series of policies, laws and regulations covering foreign investment in the capital.

Among the difficulties facing foreign investors in Beijing have been the nationwide shortages of raw materials. Zhang Ming said the city had already decided to expand import rights for foreign-funded enterprises and would pay more attention to the development of major joint ventures, ensuring their supplies of steel products and other raw materials.

Zhang also said the municipality would give new joint ventures support and priority in the supply of materials and energy resources to enable them to go into operation rapidly. Recently, the city's authorities have concentrated on soliciting suggestions from foreign investors.

Beijing now has 409 foreign-funded enterprises with a total investment of US$900 million. Most of their general managers are foreign employees. And some of them have recently complained to the Chinese government of interference in routine management from Chinese board chairmen. According to Zhang, regulations are in the pipeline to guarantee managerial rights for general managers in foreign-funded enterprises.

Zhang said Beijing would be concentrating on developing its automobile, electronics, foodstuffs, building materials, textiles, printing and light industries over the next few years.

Far North Expands Sino-Soviet Ties

China has negotiated dozens of construction and labour service agreements with the Soviet Union, Liu Guojian, director of the Harbin Foreign Economic Relations and Trade Commission, reported recently.

They mainly cover cooperative projects to develop Soviet forestry, processing and light industry in cities near the border, and include a plan to send some 10,000 textile workers and technicians to work in the USSR. Chinese workers will enjoy the same wages as local workers.

Liu said that Harbin's trade with the Soviet Union had doubled over the last few years with the normalization of relations between the two countries.

To date, some 60 agreements on co-operative projects have been signed. In 1988, bilateral trade totalled 105 million Swiss francs, of which Chinese exports accounted for more
US$700 Million Spent on Update

The largest steel complex in northeast China, the Anshan Iron and Steel Co., has attracted US$700 million in foreign funds for its modernization programme in the last three years.

According to Liang Yaohao, deputy director of the company's planning division, it was originally decided to invest US$340 million of foreign currency between 1986 and 1990. But by the end of last year, around US$300 million had been spent importing 35 items of equipment. And this figure excluded US$400 million spent on Italian seamless steel tube machinery.

Already the company has met annual production targets of 7 million tons of pig iron and 8 million tons of steel two years ahead of time. By 1990, it plans to be producing 8 million tons of steel annually, rising to 10 million tons in 1995 and 15 million tons by the end of the century.

The imports of advanced technology and equipment have both increased and diversified production. The plant's semi-continuous rolled steel output meets international standards, and production of rolled plates increased by 270,000 tons last year, earning profits of nearly 100 million yuan more than before.

Although the company has a 70-year history, it could not produce colour-clad plates until it imported from Japan a slab-caster and some colour cladding equipment from the United States and built a wire rod factory with an annual output of 500,000 tons.

Liang said that the company had so far imported machinery or secured funding from a dozen countries including the United States, Japan, the Federal Republic of Germany, Italy and the Soviet Union.

He said the only way the Anshan complex could meet its ambitious targets and become a modern iron and steel production centre was by utilizing foreign capital to update technology and machinery and quicken the pace of technological transformation.

than 50 million Swiss francs.

The Soviet Union's principal exports have been steel products, chemical fertilizers, timber and cement, which China has exchanged with light industrial goods and labour. The Soviet Union has also started to send technicians, machinery and spare parts to help renovate and update the large-scale factories China constructed with Soviet aid in the 1950s.

After sending a delegation to the Soviet Union, China's State Council Port City Office and the Ministry of Communications have negotiated a navigation agreement for Chinese cargo ships to travel along the Songhua River through Khabarovsky to the Sea of Okhotsk.

Harbin, capital of Heilongjiang Province, is north China's largest city. Through history, 170,000 Russians have lived there, engaging in industry and commerce.

A city leader said that because of the long suspension in Sino-Soviet trade relations, people were eager to expand economic ties rapidly. He predicted a bright future for co-operation between the two countries.

by Liu Jianjun
Sino-Polish Trade Expands

Since the establishment of the Sino-Polish Committee of Economic and Scientific Technological Co-operation in 1985, bilateral trade and economic ties have made China one of Poland's largest trade partners.

Long-term agreements proposed bilateral trade valued at 6.5 billion Swiss francs for 1986-90. After three years of the programme, more than 65 percent of the planned trade has been realized, and last year contracts for another 1.4 billion Swiss francs were added.

Despite this progress, trade officials from both countries said the pace of development in industrial co-operation remained low. Last year, each supplied the other only 30 million Swiss francs worth of industrial goods.

Zbigniew Grabowski, the head of Poland's State Office for Scientific and Technological Development, said both China and Poland were interested in further expanding economic and technological links.

He said prospects for further growth in Sino-Polish ties largely depended on developments in scientific-technological and industrial co-operation. He voiced the hope that these would particularly involve government departments and enterprises in areas of new technology.

Galaxy Inc. Gets Off the Ground

The Galaxy Development Inc. is one of the latest companies to join the ranks of China's rapidly expanding electronics industry.

Established towards the end of last year in Beijing's Zhongguancun “electronic street,” the company now employs nearly 300 scientists and technicians, mainly drawn from the Chinese Academy of Sciences. Some of them have won patents and invention awards both from China and other countries.

Zhu Weiheng, vice-chairman of Galaxy's board of directors, said the company's aim was promoting the establishment of a knowledge- and technology-intensive structure for China's industry, as well as developing foreign trade and co-operation in high technology.

Production of the company's QD-500A pulse electroplating power source and its 2D energy-saving lamps has already commenced, and both products have readily found customers.

The QD-500A power source, invented by general manager Lu Shiqin, is particularly suitable for use with the noble metals. Compared with direct current electroplaters, it offers 30 percent savings of gold and silver, and has reached international norms of reliability.

Zhu said the company plans to unveil its products to international customers at an exhibition to be held from April 20-30. He added that Galaxy hopes to establish co-operative links with companies from Hong Kong, Macao, Taiwan and overseas countries, who are also welcome to participate in the exhibition.

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News in Brief

- The annual cargo handling capacity at Qinhuangdao Harbour increased by 600,000 tons when two 15,000-ton berths on the C and D wharves were put into operation on December 27 last year.

- Designed to handle a wide range of cargos, the wharves were solely Chinese-designed and built. Finance for the project's principal building materials and machinery came from a loan provided by Japan's Overseas Economic Cooperation Fund.

- When fully completed, the project will have six berths. The first two went into operation in 1977, and the final two should be finished by the end of 1990.

- The Jiangsu Foreign Economic Co-operation and Trade Symposium will be held in Nanjing from February 27-March 8. Its main aim is to discuss import-export trade, projects for local processing industries, compensatory trade and other forms of economic co-operation.

- Some 23 trade delegations will attend the symposium: a comprehensive trade delegation from 18 local foreign trade companies, a delegation representing more than 50 foreign-funded enterprises, delegations from Suzhou, Wuxi, Nantong and Nanjing, and separate delegations for textiles, cotton knitwear, garments, silk, cereals, edible oils and foodstuffs, native produce and animal by-products, light industrial goods, arts and crafts, health products, hardware, minerals, non-ferrous metalurgy, chemicals, electronics, and machinery and equipment.
Harbin Hosts Ice Festival

At night, hundreds of outdoor ice sculptures in different styles and shapes, illuminated by colourful lights, attract thousands of guests from China and abroad. People step on to the magnificent Great Wall built with thousands of ice bricks, immerse themselves in a fairy land palace and enjoy seeing some abstract art works.

This once-a-year ice and snow festival in Harbin, Heilongjiang Province brings an air of vitality to northern China's first large city. Known as an "Ice City," Harbin, which is covered with ice up to 199 days a year, has temperatures that plunge to more than 30°C below zero. With its world-famous ice sculptures as a centrepiece, Harbin's various local customs and activities provide a rich and colourful culture that may be experienced throughout the winter.

At the most recent festival, ice-sculpture artists from the United States, Japan, Canada and France participated in a two-day competition here. A husband and wife from the American team carved a dolphin figure with an electric saw. Their unrestrained spirit was like that of a couple of lumberjacks, while the work of the French team was more refined. At last, the work Ploughing Girl and the Sun, a French creation, won first place in the competition.

Such a display of beautiful, well-done ice lanterns was first initiated in the 1960s. As festival time approached, people would light up lanterns. Some thought that it would be more interesting to encase the lights in ice, so they began carving ice blocks into various shapes. Gradually this practice developed into an art of magnificent ice sculptures. Moreover, the scope and variety of such a display grew and continues to do so.

Today, in this great ice-sculpture art world, one can see the intermingling of Chinese and Western cultures, with both traditional and modern styles. One can also enjoy the reproduction of various domestic and foreign scenic spots and legends. Thousands of local people and artists moved ice blocks from the Songhua River to carve scenes from everyday life, recollections and dreams into vivid figures.

In addition to ice sculptures, this festival offers a taste of other cultural delights. Coloured lanterns are another festive feature. People use paper and other materials to make various figures, buildings and scenes, and decorate them with lanterns. Depicted are such themes as the legend of Eight Immortals Crossing the Sea, The Shanhaiguan Pass, the first pass from the east end of the Great Wall, and the Tripitaka-Master of the Tang Dynasty and his disciples in the Journey to the West.

Visitors may also get a view of other activities that occur in this brisk and festive climate. In the early morning, the coldest time in a day, hundreds of old men and women do exercises on the frozen surface of the river, sometimes as thick as one metre, to the accompanying beat of disco music.

Later in the morning, a winter swim team composed of old people and children aged from ten to 70 may come to the river, jump into its icy water and paddle about. One lady, who
has done this for years, said that it has cured her arthritis and a chronic disease.

Besides, there are also motorboat races on ice and even wedding ceremonies to enjoy. Recently, 50 couples from all parts of China came to Harbin to exchange their vows.

Locals also use the ice and snow to create a unique ice banquet. Foods such as frozen pears, frozen persimmons, frozen jiaozi (dumplings), fried popsicle and ice cream are served. According to the local tradition, to constantly eat cold food can prolong one's life. It can eliminate the "internal heat" (symptoms such as constipation, inflammation of the nasal and oral cavities, conjunctivitis, etc.) referred to in traditional Chinese medicine.

Besides, festival goers and other visitors can get a taste of more exotic, local dishes. In a village of Korean nationality in the city's suburbs, dog meat and white liquor is offered to guests, accompanied by plenty of singing and dancing.

Another permanent attraction is one of historical significance. Outside the city, there is the old homesite of Jinwushu, forefather of the Manchu people who later founded the Qing Dynasty. In the Song Dynasty, he once fought with the famous Han General Yue Fei. Eventually the Manchu people were to capture Beijing and entered into the annals of the Palace Museum.

Hence, Harbin's winter festival offers a unique blend of local culture, national history, and international exchange.

According to Zhao Xichen, director of the city's Travel and Tourist Bureau of the city, preparations are being made to launch Harbin's concept of ice-sculptrue art into other parts of the world. To this end, Harbin and Canada have jointly established a centre dedicated to the development of ice and snow art and are expected to hold an ice-sculpture exhibition in the United States next winter.

by Liu Jianjun

Singer Wei Wei Wins Acclaim

Wei Wei, one of China's top pop music stars today, has recently won international acclaim as well.

In December 1988, she sang Search for Love, which was then popular in China, at the Fifth Yugoslav Mesam International Music Festival, hosted by more than 20 singers from 17 countries, and was awarded a special performance prize. In early 1987, Wei Wei was first given a special prize at the 24th Sopot International Popular Song Festival held in Poland. After that she won the gold prize at the Beijing 1988 World Ten Cities International Popular Song Invitational Tournament. Presently, she is a Chinese mainland singer awarded the most prizes at international popular song competitions.

Wei Wei has a wide voice range that is rich in tone, pure and beautiful, and she sings full of emotion. She enjoys singing songs that are both sentimental and thematically meaningful, such as Search for Love, which was written and composed by Guo Feng. This song is sweet, mild and has a two-octave range. Although not an easy piece, Wei Wei sings it perfectly with her rhythmic voice, expressing freely its sentiments. She intoxicates both her foreign and Chinese fans with delight.

Wei Wei, gifted with a good voice, has enjoyed singing since childhood. When she was in primary school, she spent almost all her free time singing, dancing and acting on stage. At the age of 14, this Zhuang nationality girl was admitted to the Guangxi Liuzhou Song and Dance Ensemble where she formally began her singing career. A year later, she was admitted to the
Money Motions

Film Trend

Last year saw China's film industry producing a lot of entertainment movies, about 60 percent of all the films made. This is unprecedented in the film history of New China. Even director Zhang Yimou, who has gained fame from his Red Sorghum, produced Code Name “American Leopard,” an action-packed film centred on anti-hijacking efforts.

Other well-known directors also joined the ranks of those producing movies for entertainment, with flicks such as Tian Zhuangzhuang’s Young Breakers, Zheng Dongtian’s Stealthily Entering the Golden Triangle, Yan Xueshu's Murderer's Sentiment and Xu Lei's Girls of Revenge. Many of them actually accepted the job in haste and not every one of them was skilful at directing these movies.

Xu Lei of the Beijing Film Studio, who won a TV film prize in 1986 for her Looking for the Lost World, admitted frankly that it was against his free will that he did the Girls of Revenge, although the movie was a No. 1 record-breaker in regard to copies sold last year. Xu was originally partial to a script entitled The White Horse, an artistically sound piece, yet the studio director asked him to produce a money-maker first.

After director Li Shaohong produced the Silver Snake Murder Case, predicted to be a best-seller, she found it very embarrassing and told others: “The movie may damage my image. I’ll not do it again. I did it this time to make money for the studio.”

Some other directors, however, are making entertainment movies willingly. Liu Guoquan is one among them. In her Crazy Girl-Singer, she enlisted singing-star Mao Ahmin to play the leading role. The movie has been very successful, stimulating Liu to produce more good entertainment movies. Regarding such movies as an artistic challenge, she said: “The more entertaining a movie is, the more difficult it is to produce and the more work it creates for the director.”

It is true that Chinese directors are still unfamiliar with films for entertainment. A noted director, after doing such a movie, said, “The techniques I was familiar with were of no use here, and the production required lots of what I didn’t know.” Even for Zhang Yimou, one who has won many prizes for his new ideas in film creation, it is not an easy job to produce an entertainment movie. His Code Name “American Leopard” gives one the impression that it was a routine effort. The episodes are handled loosely and far from memorable beyond the movie’s 80 minutes. No wonder a critic said, “Zhang Yimou has disappeared.”

The above-mentioned at least reveals the following: 1) An accomplished director or artist should never drift with the tide; 2) like other kinds of movies, entertainment films have their own laws. It is no easy task to produce a good entertainment movie.

Some people think that China's film industry can only depend on entertainment features to pull it out of its economic strain. In fact, the saturation point of the film market is rather limited; and low-quality movies for entertainment are by no means welcomed.

Critics think that entertainment movies produced nowadays lack imagination and depth in regard to life experience. They are nothing but copies of oriental kungfu films or Western adventure pictures. Some artists think that entertainment films can be done at will and that flashy techniques and skills are required instead of realism and a presentation of social contradictions. This kind of confused thinking allows many films to lose their fresh contents and lively details. Hence they become stereotypic, mediocre pieces. It is expected that more movies for entertainment will be shown in China’s cinemas this year. People are looking forward to seeing better movies to amuse themselves.

by Wei Liming
Han Jiuxiang was born in Luochuan, Shaanxi Province, in 1920. She is a folk papercut artist. Her papercuts voice the traditional bold and elegant styles of the papercuts from the north western areas in China. Her works convey an inheritance of ancient folk customs and traditional decorative patterns. For example, a papercut of a baby, used as a hair-bun decoration is a sign of new life and wards off evil according to ancient legends.
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