JIANG ZEMIN VISITS THE SOVIET UNION

The Dalai Lama and Agreement on Tibet's Peaceful Liberation
**Beijing Review / Yangzhuang Coal Mine**

**"Black-Diamond" Cup National Photo Competition (1990-1991)**

**Selected Works**

- **Torch Festival (first prize)**
  *by Sun Shuqing (Beijing)*

- **Return of the Native (2nd prize)**
  *by Tan Enkuan (Shandong)*

- **A Vast Expanse of Fields (3rd prize)**
  *by Zhu Zhengming (Hubei)*

- **The Largest Calligraphy Scroll in the World (3rd prize)**
  *by Hou Heliang (Shandong)*

  It reads "New Look of the Divine Land" (China)
HIGHLIGHTS OF THE WEEK

China’s Top Leader to Visit Moscow
□ General Secretary of the Chinese Communist Party Jiang Zemin’s visit to the Soviet Union on May 15-19 will mark a new development in the Sino-Soviet relations. Jiang’s visit will further cooperation between the two Parties and be conducive to peace and stability in Asia and the world as a whole (p. 4).

The Eighth Five-Year Plan (1991-95)
□ This issue of Beijing Review publishes excerpts of the Eighth Five-Year Plan. The plan includes comprehensive economic indexes and the goals for agricultural development, priority industrial expansion, science and technology, education and public health, support for poverty-stricken areas and minority regions and employment (p. 10).

The Dalai Lama’s About-Face
□ In response to rumours that the 1951 Agreement on Measures for Peaceful Liberation of Tibet was “forced” on Tibet and that the central government “breached” the agreement, this article points out that it is not until 1959 that the Dalai Lama changed his attitude from supporting to opposing the agreement (p. 16).

Amateur Art Creation Flourishes
□ Some 500 amateur writers and artists recently met in Beijing to review achievements made in amateur literary and art creation (p. 24).
Jiang Zemin, general secretary of the Central Committee of the Chinese Communist Party and chairman of China's Central Military Commission, is going to pay an official visit to the Union of Soviet Socialist Republics from May 15 to 19 at the invitation of Mikhail Gorbachev, Soviet president and general secretary of the Soviet Communist Party. It is the first visit to the Soviet Union by the top leader of China's Party since the late Chairman of the Party Mao Zedong visited Moscow in 1957 and also a return visit to President Gorbachev's visit to China in May 1989.

During Jiang's visit, the two leaders will have an overall and in-depth exchange of views on international issues and bilateral relations. This will help further mutual understanding, strengthen co-operation between the two Parties and develop good-neighbourly relations between the two countries, rather than reverting to the alliance relationship which existed back in the 1950s.

In the past 40 years Sino-Soviet relations have traversed a tortuous course. Neither an alliance nor confrontation is what we want with the Soviet Union because the times have changed. Since the normalization of Sino-Soviet relations in May 1989, the two sides have committed themselves to a new type of relationship based on the Five Principles of Peaceful Coexistence. For more than a year the relationship between the two countries has witnessed healthy and sound progress in the political, economic, trade, scientific and technological, cultural, educational and military fields. The scope of co-operation between the two countries has increasingly expanded.

Contacts between leaders of the two countries have increased. In 1990 the number of mutual visits above the vice-premiership level were seven. Most important of them was Chinese Premier Li Peng's visit to the Soviet Union on April 23-26 last year. While visiting Moscow, Premier Li Peng exchanged views on a series of major international and bilateral issues with Soviet Party and government leaders. The two sides briefed each other on their internal situations, pointing out that each country should explore the road of building socialism according to its national conditions. They stressed that they must observe the principle of non-interference in each other's internal affairs and respect the people's choice in their relations. The two sides also signed agreements on a long-term co-operation and development programme of economy, science and technology, on the peaceful use and study of space, on mutual reduction of military forces in border areas and the guidelines for enhancing trust in the military field and three other agreements, laying down the legal basis for Sino-Soviet relations in the form of treaties. Last year the international situation underwent great changes. Under such a circumstance the leaders of China and the Soviet Union increased consultations and dialogues of various forms, deepening mutual understanding and consolidating the normalization of Sino-Soviet relations.

The relations between the two Parties, which were suspended for many years, were also normalized in May 1989 when Gorbachev visited China. The two sides affirmed the four principles of independence, complete equality, mutual respect and non-interference in each other's internal affairs as the basis for further developing the relations between the two Parties as written in the Sino-Soviet Joint Communiqué. Over the past two years mutual visits between heads of departments of the two Parties have increased.

The military exchanges between the two countries have resumed on a new basis. When Premier Li Peng visited the Soviet Union in April last year, high-level military leaders of the two countries made contact. Following this, Vice-Chairman of China's Central Military Commission Liu Huaqing and Vice-Chairman of the Soviet Council of Ministers and Chairman of Defence Industrial Commission Igor S. Belousov exchanged visits. Soviet Defence Minister Dmitry Yazov visited China last week.

Pursuant to the Sino-Soviet Joint Communiqué, the two countries have conducted positive negotiations on the boundary question left by history. Diplomats and military experts of the two countries held two rounds of negotiations last September and October. This year they will continue to negotiate. All these negotiations are conducive to the maintenance of tranquility and stability along the Sino-Soviet border and prom-
China, France Renew Relations

In Beijing, Chinese State Councillor and Foreign Minister Qian Qichen and visiting French Minister of State for Foreign Affairs Roland Dumas claimed that Sino-French relations have returned to normal.

At the invitation of Qian, Dumas arrived April 29 for an official visit to China.

On bilateral relations, Dumas said that France and China have a long history of friendly relations and share identical interests on a number of international issues.

As permanent members of the United Nations Security Council, both countries shoulder a huge responsibility in the world arena, he said, adding that it is very important for them to maintain close political ties.

Dumas said that after 1989, difficulties surfaced in Sino-French ties, but his current visit to China shows that relations have returned to normal.

Qian said that France was the first major Western country to establish diplomatic relations with China about 27 years ago. Despite recent difficulties for both countries, he said, relations have returned to normal.

With the present rapid changes in the international situation, it is even more important for the two countries to exchange views, he said.

Concerning bilateral economic and trade relations, Qian said that last year's Sino-French trade volume exceeded US$2.3 billion. France has become China's second largest trade partner among members of the European Economic Community, he said.

Qian also suggested that the two countries enhance exchanges in the areas of science and technology as well as in cultural and educational fields. Dumas agreed.

On April 30, Chinese Party leader Jiang Zemin met with Dumas and his party. Jiang said that China and France have a tradition of friendly relations, and the two countries should strengthen contacts and enhance understanding.

In a separate meeting the same day, Premier Li Peng briefed his French guest on China's economic situation. He said that by improving the economic environment and rectifying the economic order, China has effectively controlled inflation.

He said that the sluggish market is changing, as evidenced by a 13 percent economic growth in the first quarter and an expected

...
10 percent rise in the second quarter.

China's economic development during the next decade will focus on communications, energy, steel production and petrochemicals, the premier said, adding that China and France have good prospects for co-operation in these fields.

At a press conference held in Beijing, Dumas told reporters that France and China have identical or similar views on many world issues. Both countries believe that the world should be a multipolar one, instead of being dominated by one or two superpowers.

The two countries also held that the United Nations is a very important international organization and that its role, especially that of the Security Council, should be enhanced and expanded.

Dumas noted that the United Nations had played an important part in the Gulf crisis.

He also noted China's decisive place in world affairs as one of the five permanent members of the UN Security Council, as well as its importance in Asian matters.

Qian and Dumas signed an "exchange of note" on establishing consulates general in China and France.

US Solon's Falsehood Exposed

United States Congressman Frank Wolf's charge that a Beijing prison is making stockings for export is entirely groundless, Chinese officials who were with the congressman during his visit to the prison stated on May 6.

According to the Washington Post, Wolf, who visited China last March, displayed five pairs of stockings he received during a visit to a Beijing prison factory at a hearing held recently by the Foreign Relations Committee of the US Senate. Wolf viewed the stockings as proof that China exports prisoner-made products to the United States.

Zhou Dejun, warden of the Beijing Municipal Prison who played host to Wolf during the visit, recalled that Wolf and four others came to his prison at two o'clock on the afternoon of March 27.

He said that he gave the stockings to Wolf as a gift, adding that the others in the group received the same gifts.

"I stated clearly that our products had never been exported," the warden said.

During the tour of the prison workshop, Zhou said, he discovered that Wolf had picked up some semi-finished products from the work table with the intention to keep them. When told he was not allowed to do so, the US solon said he would like to buy them as souvenirs. The warden then promised to present the visitors with finished stockings at the end of the tour, since the American legislator was so interested in them.

As they were showed around the workshop, Wolf asked whether those stockings were for export. Zhou told him that most of those products were only for sale within the reform-through-labour units, while a small percentage of the products were sold on the domestic market through normal channels. He stressed that none had ever been exported.

"Wolf himself should know this very well since we stated it clearly at the time," Zhou said.

"It is really difficult to understand why the congressman ignored all the facts and brought a charge on China that it relied on prisoners' products to expand its exports."

Wolf had inquired about China's criminal reforms, Zhou said, but he did not wait for the warden to finish a general introduction of the prison. He cut his host short with a question about the prison's management and reform of criminals.

Wang Deren, an official from the Chinese People's Institute of Foreign Affairs who helped arrange the visit and was also on the scene, expressed his surprise at the congressman's abuse of his host's hospitality by spreading such a sensational allegation.

The machinery and equipment he saw in the prison factory, Wang said, were so out-dated that they were not fit for producing export commodities.

However, the congressman chose to ignore all those facts without bothering to find out whether any American businessman had imported such stockings or whether any US stores had sold such products before he made the allegations, Wang said.

According to Wang, the visit to the prison was arranged at the request of the congressman, who claimed his daughter worked in a US prison while he himself was also interested in Chinese prison management and reform of criminals.

A senior official in charge of the Chinese foreign economic relations and trade noted earlier this year that Chinese economic and trade departments have never granted reform-through-labour units any right to engage in foreign trade.

China controls its foreign trade by such administrative measures as export licenses and export quotes. The export is also subject to strict supervision and examination by the Chinese Customs Administration. Moreover, the reform-through-labour units are not allowed to do any export business.

Wang Dongli, a Justice Ministry official, said that two diplomats from the US Embassy in Beijing conducted an on-the-spot
survey in the prison last year and knew that the prison offered no products for export.

China's prison labour is in conformity with not only Chinese Criminal Law but also a United Nations ruling that prisoners must work, the official said.

The purpose of organizing prisoners in productive labour is to educate them and turn them into useful citizens. This is also designed to prepared inmates for a normal life when they finish their imprisonment terms and to improve the livelihood and welfare of the prisoners, he went on.

Chinese prisoners engaged in productive labour are accorded the same labour protection and medical service as workers in state-owned enterprises, the official added.

**Nuclear Reactor For Peaceful Use**

**Nuclear Reactor in Algeria.**

China agreed to provide Algeria with a heavy-water reactor for research purposes according to a co-operative pact signed in February 1983, said a Chinese Foreign Ministry spokesman on April 30.

The reactor is small, the spokesman said, with a designed capacity of 10 megawatts and a maximum thermal power of 15 megawatts.

"Western media's concern that the reactor might be used to make nuclear weapons is groundless," the spokesman noted.

China was not yet a member of the International Atomic Energy Agency (IAEA) in 1983, the spokesman went on, so there was no question of submitting the deal to the IAEA safeguards or supervision at the time.

However, he added, China asked the Algerian government to pledge that the reactor be used only for peaceful purposes and the Algerian government did make a clear promise to that effect.

Since China joined the IAEA in 1984, the spokesman noted, China has made acceptance of the IAEA safeguards and supervision one of the preconditions for its nuclear export.

He stated that the Algerian side will brief the IAEA on nuclear co-operation with China and discuss with it the issue of submitting the reactor to the Agency's safeguard and supervision.

Guided by its policy against nuclear proliferation, the spokesman said, China does not stand for, encourage or engage in nuclear proliferation, nor does it help other countries develop nuclear weapons.

**Arms Shipment to Iraq Denied.**

The British Observer's report on April 28 that China was trying to provide weapons to Iraq through Iraq's office in Jordan is "a fabrication with ulterior motives," said the Foreign Ministry spokesman.

**Working Class: 'Masters of the Land'**

Premier Li Peng said that the working class is the leading class in China. It is a productive force and a united social force guaranteeing the country's stability and solidarity.

"By strengthening the unity between workers, peasants and intellectuals and giving full play to the working class, we will be invincible, and no difficulties and setbacks can prevent China from realizing its modernization goals," Li said. He called for wholehearted reliance on the working class in carrying out the 1-year development plan.

The premier made the above remarks in an address marking the 105th anniversary of May 1 International Labour Day held at the Great Hall of the People in Beijing April 29. At the ceremony, 1,047 workers, 191 pace-setting work groups and 135 model enterprises were cited for their outstanding contributions.

Li also said that model workers are excellent working class representatives. With their meritorious deeds and selfless devotion, they have set good examples for all workers, he added.

With the goal already set, Li said, what the country needs now is unity and concerted effort of the working class to achieve it.

Li noted that increasing economic efficiency and revitalizing all enterprises, especially state-owned large and medium-sized firms, is the key to achieving the goals of the Eighth Five-Year-Plan (1991-95) and the 10-year plan.

"The new entrepreneur" he said,"should be a good manager who relies on Party leadership and knows how to tap worker initiative and creativity."

Li stressed that the director's responsibility system must be integrated with the workers' democratic management. As masters of enterprises the worker must be respected and the interests between the state, enterprise and the workers should be correctly handled.

Without increased economic efficiency and productivity, it is impossible to improve the economy and raise the standard of living. As 1991 is "Year of Quality, Variety and Efficiency," Li urged all workers to make greater efforts to this end by actively participating in emulation and technical innovation and also by making suggestions on how to improve production and management.

Workers should support reform in all fields, including enterprises management, housing, social welfare, labour and wage policies, Li said.

Yet another historical task for
the working class is to help maintain social stability, he added.

Rural Businesses Go International

Craft industries in rural China are setting eyes on the competitive world market. Success at home has prompted them to look for joint ventures abroad and a wider production scope.

CaiDuansheng, deputy head of the Changshu Polypropylene Fibre Factory in Jiangsu Province, expressed confidence in an expansion plan, especially abroad. His factory, run by Yushan Town, has a joint venture, C and T (Holdings) Co., Ltd., in Bangkok, Thailand.

Cai worked in Thailand for three years as his factory's representative to the company, with an investment of US$2.92 million, of which 49 percent came from the Chinese and 51 percent from the Thais.

Founded in June 1988, the joint venture's equipment is from China. At present, 97 percent of its products are of quality grade and sell well in Southeast Asia and Middle East.

The company's technology and management methods were adopted from the Changshu Polymethyl Fibre Factory, which employs 970 and has fixed assets worth more than 35 million yuan. The company's annual production of polypropylene fibre in Thailand is rising from the present 500 tons to 1,500 tons.

Another township firm, the Huangyan Ink and Chemical Factory of Huangyan, Zhejiang Province, founded a joint venture producing a new type of bandage in Bangladesh.

The Beibei Shoe Making Co. Ltd. is another joint venture between the Beibei Shoe Making Company in Xizhang Town in Jiangsu and the Jerda Enterprises Corp. of the United States. After more than a year's production of shoes, both sides are satisfied with the outcome.

Statistics show there are now seven township enterprises that have opened factories abroad; all are reported successful.

According to Cai Yangui, deputy director of the Jiangsu Provincial Bureau of Township Enterprises, foreign firms are showing increasing interest in setting up joint ventures with Chinese rural enterprises because their management systems are similar to those of foreign firms.

China now has 18.2 million rural enterprises, including private and co-operative businesses. The development of the rural enterprises has greatly changed China's rural economic structure and has also improved farmers' lives.

Rural enterprises have accounted for half of the increases in the state revenue since 1985; they have delivered 184 billion yuan to the state in taxes over the past decade.

News in Brief

Carter Stands for MFN Status for China

Former US President Jimmy Carter called for renewing the most-favoured-nation trade status for China in an article published in the New York Times on April 30.

"It is extremely valuable to have continuing trade and cooperation with this nation of more than a billion people, for its strategic influence is crucial to stability, peace and progress in Asia," Carter said.

He said: "A reconciliation between our countries is very important. Most-favoured-nation trade status should be extended, and trade and visitation encouraged."

Li Peng Meets Japanese Leaders

Premier Li Peng met with former Japanese Prime Ministers Yasuhiro Nakasone and Noboru Takeshita the first week of May while they attended the opening ceremony of the China-Japan Youth Exchange Centre in Beijing.

Li expressed hope that relations between the two countries will grow on the basis of peace and friendship, equality and mutual benefit, mutual trust and long-term stability.

Takeshita said next year would be the 20th anniversary of the normalization of bilateral diplomatic ties and both sides should take that opportunity to give greater impetus to the Japan-China friendship and cooperation.

Jiang Zemin, General Secretary of the Central Committee of the Chinese Communist Party, also met with Nakasone on May 3.

Taiwan-Mainland Ties to Improve

After the Taiwan authorities proclaimed the end of the so-called "Mobilization to Suppress the Communist Rebellion" from May 1, and at the same time abolished the "Provisional Regulations for the Mobilization to Suppress the Communist Rebellion," Tang Shubei, deputy director of the Taiwan Affairs Office of the State Council, met on May 2 with a visiting group from Taiwan's "Foundation for Exchange Across the Taiwan Straits." The visitors were here to discuss problems involved in the development of relations between the two sides.

They discussed issues such as public security in the straits, and cracking down on piracy and smuggling.
Tunisia: Economic Achievements Recorded

by Zhao Zhangyun

When serious natural disasters and the economic crisis plagued many parts of African continent, Tunisia has experienced a stable economic growth for three years running under the leadership of President Zine al-Abidine Ben Ali. According to the World Bank, the country's economic growth rate was 3.1 percent and 5 percent in 1989 and 1990 respectively, both higher than the global average. Its per capita national income amounted to US$1,230 in 1990.

Tunisia has pursued a policy of opening to the outside world and revitalizing the economy by making necessary adjustments. In the mid-1980s, Tunisia's economy was on the verge of bankruptcy. In 1986, its foreign exchange reserve could pay for imports for 20 days. After taking office in 1987, President Ben Ali adopted a readjustment programme to reform the banking and the tax system. He opened investments, adjusted prices and upped imports, thus rectifying state-owned enterprises and improving the administrative and educational structure. As a result, the country's industrial and agricultural production took a turn for the better and the economic growth rate rose again. Although Tunisia met draught in 1987, the Tunisian government made agriculture a priority development project with a target of self-sufficiency in grain. In its Seventh Five-Year Plan, agricultural investments reached 20 percent of total investments, occupying the first place among various economic sectors. The government also adopted a series of measures to improve agricultural investment environment, develop basic products, build water conservancy projects, plant trees, encourage technology, as well as improve the living standard of farmers. In 1990, the agricultural growth rate rose by 27 percent over 1989, the credits allocated to agriculture increased greatly, agricultural investments doubled, and the state's deficit on foods reduced in half.

Another important factor responsible for the steady economic development in Tunisia is the expansion of exports. Tunisia's foreign trade concentrates on export of industrial finished products and foods. In past years the rigid foreign trade system resulted in a huge deficit, a sharp reduction of foreign exchange reserves, the bankruptcy of many small and medium-sized enterprises and serious unemployment. Facing the situation, the Tunisian government readjusted its foreign trade policy beginning in 1987. It decided to stimulate economic growth by expanding exports. The government took a series of measures to encourage exports. These measures included revising the industrial investment and tariff laws, devaluing the country's currency, readjusting prices, relaxing control on imports, simplifying export formalities, and granting loans and subsidies to export-oriented enterprises. Meanwhile, Tunisia tried to mobilize all social forces for the expansion of exports. In recent years, its export value has increased by a big margin, and hit an all-time high of 35.4 percent in 1989.

The third important factor is the development of tourism. Though deficient in natural resources, Tunisia has a 1300-km-long sea beach, 200 famous scenic and historical sites and favourable weather conditions. The Tunisian government planned to develop tourist industry early in the 1960s. Since the 1970s, it has adjusted the strategy of tourist development. While allocating more funds every year, the government has encouraged domestic and foreign investments in the tourist industry. As a result, the growth rate of tourism went up by 15 percent annually. Now Tunisia has become a major tourist attraction in Africa and the Arab world. In 1989 it received 3.22 million tourists with a foreign exchange income of US$1 billion, one-fifth of the country's total foreign exchange income.

Of course, Tunisia's economy also encounters difficulty. Affected by the Gulf war, its unemployment rate remains high, and the foreign trade deficit is over US$1 billion. Moreover, its grain production is still not self-sufficient. However, with continued efforts to implement the economic readjustment and revitalization programme, maintain social stability and arouse the enthusiasm of all people for production, Tunisia can certainly expect to achieve greater successes in its economic development.
Excerpts of the Eighth Five-Year Plan (1991-95)

The Fourth Session of the Seventh National People’s Congress approved on April 9, 1991 the Outline of the Ten-Year Programme and the Eighth Five-Year Plan for National Economic and Social Development. Following are excerpts of the Eighth Five-Year Plan.

Economic Indexes

The comprehensive economic indexes set for the Eighth Five-Year Plan period are as follows:

**Economic growth — scale and speed.** The 1995 gross national product (GNP) will reach 2,325 billion yuan, as calculated on the 1990 prices, a 33.6 percent increase over 1990. This calls for an average annual growth rate of 6 percent. The total agricultural output value will go up to 878 billion yuan, an 18.9 percent increase over 1990 or an average annual increase of 3.5 percent, and the industrial output value will reach 3,270 billion yuan, 37.1 percent more than in 1990 or an average annual increase of 6.5 percent. The added value of the tertiary industry in 1995 will be 53.9 percent more than in 1990 or an average annual growth of 9 percent.

**Overall economic efficiency.** By 1995, the proportion of goods produced according to international or advanced foreign standards will increase from the current 30 percent to about 50 percent. The energy consumed for every 10,000 yuan of the GNP will be reduced from 9.3 tons of standard coal in 1990 to 8.5 tons in 1995, an average annual energy conservation of 2.2 percent. The energy and raw materials consumed by the production of a major product by large and medium-sized enterprises will be reduced to the advanced international level of the early 1980s. The labour productivity of the community as a whole will increase by an average of 3.5 percent annually. The turnover period for working capital in state-run industrial enterprises covered by the budget will be shortened to 95 days in 1995 from the 127 days required in 1990.

**National income and its distribution.** The net national income will reach 1,825 billion yuan by the end of the five-year plan period, 27.6 percent more than the 1,430 billion yuan in 1990 or an average annual increase of 5 percent. In the next five years, a total of 8,105 billion yuan in national income will be used and the state investment in fixed assets will be set at 2,600 billion yuan which averages 5.7 percent annually, not including such factors as price increases. The national consumption level by residents will rise by an average annual rate of 3 percent.

**Finance and credit.** During the Eighth Five-Year Plan period, financial revenue from domestic sources will increase by an average annual rate of 6.1 percent while domestic expenditures will grow by 5.7 percent. This will be used mainly in agriculture, education, science, national defence and other key state construction projects. In the next five years, the total amount of loans will increase at a rate of 12 percent a year. Of this, working capital loans will up by 11.7 percent annually and investment loans for fixed assets will grow at an average annual rate of 15.3 percent.

**Agriculture**

Further improvement and development of agricultural production and the rural economy are the primary tasks of economic and social development during the Eighth Five-Year Plan period. The rural reform will be continuously deepened and the household contract responsibility system with remuneration linked
to output stabilized and improved. All types of social services will be developed. The collective economic strength will be boosted and the two-tier system of unified management combined with decentralized management be improved. Some localities with favourable conditions will implement various kinds of management to a scale suitable to their concrete circumstances. Agriculture will be invigorated by relying on science, technology and education, great efforts will be made to popularize agricultural scientific and technological achievements. The input in agricultural production will be increased step by step and basic agricultural production conditions be improved.

The targets for major agricultural produce set for the Eighth Five-Year Plan period are: average annual grain output will reach 447 million tons (455 million tons in 1995); cotton, 4.64 million tons (4.75 million tons in 1995); oil-bearing crops, 17.26 million tons (18 million tons in 1995); sugar-bearing crops, 73.72 million tons (75 million tons in 1995). In 1995, the acreage of hybrid rice and corn will be more than 16.67 million hectares and about 18.67 million hectares respectively. The acreage of wheat, corn and rice cultivated with advanced technology will be about 6.67 million hectares each. In 1995 a total of 4 million hectares of cultivated land will use plastic sheets.

In the next five years, 25 million hectares of land will be forested, 12 million hectares of hillsides will be closed off in order to facilitate afforestation and 18 million hectares of forests will be added to bring the proportion of national forest cover from the present 12.9 percent to about 14 percent. The second phase of the shelter belt construction projects in northeast, north and northwest China and the shelter belt projects on the upper and middle reaches of Yangtze River will be placed on the top of the development list.

By the year 1995, meat output will reach 30 million tons, 2 million tons more than in 1990. The number of pigs will be around 350 million head. Beef, mutton, rabbit and poultry will account for 25 percent as compared with the current 20 percent. The output of aquatic products will up to 14.5 million tons, 2.32 million tons more than in 1990. The total output value turned out by the village and township enterprises will be 1,400 billion yuan, a 66 percent increase over 1990.

Key Industries

**Energy.** The energy industry will grow by a big margin during the Eighth Five-Year Plan period and at the same time persist in both development and energy savings with a focus on the latter. In 1995, the national output of energy will be up to 1.172 billion tons of standard coal, 132 million tons more than in 1990 or an average annual increase of 2.4 percent. In the next five years, a total of 100 million tons of standard coal will be saved.

In 1995 the coal output will go up to reach 1.23 billion tons, 150 million tons more than in 1990. The construction will continue of the Huolinhe, Yimin, Yuanbaoshan and Jungar open-cut coal mines in Inner Mongolia, the Datong coal mining area in Shanxi Province, the Shenfu-Dongsheng mining area in Shaanxi and the Tiefa and Shuangyashan coal mining areas in northeast China and the Yanzhou, Huainan and Yongcheng coal mining areas in east and central-south China. The construction of new projects will also start in the Huangling coal mining area in Shaanxi, the Lingwu coal mining area in Ningxia and the Anjialing open-cut mine at Pingshuo in Shanxi Province.

The power industry will be developed according to the principles of proceeding from actual local conditions and developing hydroelectric and thermal power simultaneously and appropriate development of nuclear power during the 1991-95 period. Priority will be given to the construction of hydroelectric power stations at Ertan in Sichuan Province, Yantan in the Guangxi Zhuang Autonomous Region, Manwan in Yunnan Province, Geheyuan in Hubei Province, Wuqiangxi in Hunan Province, Yamzhog Yumco Lake in Tibet Autonomous Region and Lijiaxia in Qinghai Province, the thermal power stations at Yimin and Yuanbaoshan in Inner Mongolia, at Suizhong in Liaoning, Waigaoqiao in Shanghai and Changshu in Jiangsu Province, and the second-phase project of the Qinshang Nuclear Power Plant in Zhejiang Province. By 1995, the total output of electricity will reach 810 billion kwh, 192 billion kwh more than in 1990.

The goal for development of oil industry will be to stabilize the oil production in east China and develop it in west China. The output of crude oil in 1995 will top 145 million tons (including 5 million tons from offshore oilfields) and that of natural gas 20 billion cubic metres.

**Transportation.** Priority will be given to increasing the railway transport facilities while speeding up the construction of coal transport lines, the new south-north trunk line and the trunk lines in northwest and southwest China. Some main lines will use internal-combustion engines and be electrified step by step. A few will be reconstructed for heavy-hauling trains. The focus will be on the construction of the second-phase
project of the Datong-Qinhuangdao railway, the line to ship the coal out of the Shenfu Coal Mine, the Baoji-Zhongwei, Jining-Tongtiao, Houma-Yueshan, Nanning-Kunming and Beijing-Jiu long (Kowloon) railway lines, on double-tracking the Zhejiang-Jiangxi, Jiaozuo-Liuzhou and Lanzhou-Urumqi railway lines and on electrifying the lines from Beijing to Guangzhou, from Beijing to Shanghai, from Harbin to Dalian and from Chengdu to Kunming.

During the next five years, efforts will focus on the construction of the Beijing-Guangzhou, Beijing-Shanghai, Beijing-Harbin and Lianyungang-Lanzhou state highways, expressways and motorways in busy coastal areas. Priority will be given to construction of key ports of the trunk offshore waterways connecting south and north China, especially berths for handling coal, containers, roll-on-and-roll-off cargo and passengers.

In air transport, emphasis will be on construction of infrastructure facilities, including follow-up projects at the Hongqiao Airport in Shanghai, the Wujiaba Airport in Kunming, the Sanya Airport in Hainan, the Tianhe Airport in Wuhan and the new air station at the Capital Airport in Beijing. At the same time, the air transport capacity will be further increased on both trunk and branch lines.

**Posts and telecommunications.**

Based on the rapid progress achieved during the Seventh Five-Year Plan period, the posts and telecommunications will be continuously developed at a high speed during the next five years and total business volume will increase from 8 billion yuan in 1990 to 30 billion yuan in 1995.

During this current five-year plan period, China will speed up the automation of long-distance telephones lines and stimulate the popularization of telephones in order to form a quick and convenient telecommunication network. Efforts will be focused on the construction of the Shanghai-Fujian, Fuzhou-Guangzhou and Beijing-Shenyang-Harbin optical fibre cable lines and the expansion of telephone networks in Beijing, Tianjin, Shanghai and the provincial capital cities.

The number of telephone exchanges will increase by 15 million channels, including 10 million channels in city proper areas during the 1991-95 period. The long-distance telephones will go up by 150,000 circuits, long-distance automatic exchanges by 400,000 terminals and optical fibre cable lines by 8,000 km.

**Iron and steel.**

The national steel output will be more than 70 million tons, reaching 72 million tons in 1995, about 6 million tons more than in 1990.

The emphasis will be on the continued construction of projects at the Baoshan, Wuhan, Panzhihu and Maanshan iron and steel complexes, the Tianjin Seamless Steel Tubing Mill and Jianshan iron ore mine of the Taiyuan Iron and Steel Works, on the new development projects of Jinbeizhuang iron mine for the Xuanhua Iron and Steel Works, Pingchuan iron mine for the Chongqing Iron and Steel Works, the Qidashan iron mine for the Anshan Iron and Steel Complex, the triple steel-making project of the Wuhan Iron and Steel Complex, the hot-rolling project of the Meishan Iron and Steel Works and the cold-rolling project of the Benxi Iron and Steel Works. At the same time, China will accelerate technological transformation of some key iron and steel enterprises. According to the plan, the output of rolled steel will reach 59.5 million tons in 1995 and the rolled steel produced according to the international or advanced international standards will make up 50 percent in 1995 against 40 percent in 1990, steel plates and pipes 40 percent against 37 percent and the continuously cast steel 35 percent against 22.4 percent. The comprehensive consumption of energy for every ton of steel will decrease from 1.63 tons to 1.55 tons of standard coal.

**Science and Technology**

Promotion of the application of science and technology. During the Eighth Five-Year Plan period China will emphasize the application of scientific and technological achievements in order to speed up the transformation of science and technology into practical productive forces. In the next five years, China will undertake 100 industrial experimental projects, 88 projects to update technical level of enterprises and 120 items to spread technical achievements. At the same time, China will continue to implement the "Spark Programme" and the "Torch Programme" and accelerate the transfer of key military industrial technology to civilian use.

The advanced science and technology to be spread in the next five years include high-yielding technology, farm produce storage and processing technology, development technology of new consumer goods, production and technology of basic machinery, parts and components and basic materials, manufacturing technology for modern equipment, large-scale production of energy, communication and raw and semi-finished materials, technology to save energy, water and materials, and technology to apply microelectronics to traditional industries.

The "Spark Programme" and the "Torch Programme" aimed
at promoting the application of scientific and technological achievements were begun in the previous five-year plan period. In the past five years, a total of 14,000 items were implemented according to the "Spark Programme" and 6.5 million technicians and managerial personnel were trained for rural areas. Some 261 of the items won the state "Spark Prize."

**Scientific and technological research projects.** More than 90 percent of the scientific and technological research projects set for the Seventh Five-Year Plan period have been fulfilled with some achievements approaching or reaching the international level. The scientific and technological research projects set for the Eighth Five-Year Plan period are concentrated in the following eight fields:

- **Agricultural technology,** mainly for the development and cultivation of good varieties, the tackling of medium- and low-yielding fields in a comprehensive way, prevention of insect pests and crop diseases, development of livestock and aquatic products, storage and processing of farm produce and engineering projects of forestry.

- **Exploration of resources,** mainly the exploration of oil and natural gas reserves in the Tarim Basin, the gas fields in the East China Sea and the nonferrous metal reserve resources along the Jinsha and Nujiang rivers and the upper reaches of the Lancang River in southwest China as well as in Xinjiang Uygur Autonomous Region.

- **Development and manufacture of large complete sets of equipment,** mainly including complete sets of equipment for 20 million-ton-class open-cut mines, 600,000-kw nuclear power generating units, 500,000-voltage direct current transmission and transformation equipment, heavy-hauling train equipment and 300,000-ton ethylene production equipment.

- **Energy technology,** mainly stable and high output technological system of the oil and gas fields in east China, coal mining and safety production systems, pollution free coal combustion technology, building technology for new-type dams for hydropower stations, 200-megawatt nuclear thermal producing engineering technology and energy-saving technology.

- **Communication technology,** mainly administering and controlling railway transport, passenger transport through express railways, new locomotives, high-grade highway construction and materials, telecommunications for civilian air navigation, management and control of air routes and transport, designing and manufacturing of trunk airliners, dredging of inland river waterways and new ships for inland river transport and for loading and unloading in ports.

- **Raw and semi-finished materials technology,** mainly technology for producing domestic chemical catalytic agents for key products, coal chemical technology, production technology of oxidized coal, nonferrous metals' conservation and multi-purpose technology and technology to save building-materials and to manufacture fire-proof materials.

- **Micro-electronics and newly developed technology.**

- **Other technologies to promote family planning, better pre- and post-natal care, prevention of diseases, comprehensive treatment and prevention of pollution, water and soil conservation and for the monitoring and forecasting of serious and frequently occurring natural calamities.**

**High-tech research.** In the next five years, China's high-tech research will proceed hand-in-hand with basic research in natural sciences.

With regard to high-tech research and development, China will arrange for a number of special research projects in the fields of bio-technology, information, automation, new energy, new materials and aeronautics and aeronautics. Some of the projects will produce experimental prototypes, targeted products or important phased results; other projects will make breakthroughs in key technology and fulful lab research, produce performance prototypes and start intermediate experiments; other projects will trace high-tech frontier and narrow the gap between China's high-tech and the advanced world level.

With regard to basic research in natural sciences over the next five years, the emphasis will be on the research of subjects with prospects for major application in the development of new technology and in other technological fields, on subjects conducive to bringing China's resource advantages into full play and on the most dynamic subjects which strengthen the development of science and technology. These mainly include: basic research on high critical temperature superconductivity, research on the structure, performance, numerator design and equipment manufacture of photoelectrical functional materials, research on climatic dynamics and weather forecast theory, research on the theory and method for large-scale scientific and engineering computation, and modern metrological science and technology based on quantum physics, basic research on the utilization of sterile male hybrid cereal, cotton and oil crops and research on predicting changes in the living environment and policy for coping with it in the future.

This plan was worked out on the basis of a rapid development of China's science and technology during the Seventh Five-Year
Plan (1986-90). During this period, China scored 14,139 items of state-level scientific and technological results, 846 state approved invention prizes, 237 natural science prizes, 2,330 scientific and technological progress prizes and 44 major state laboratories were built.

**Education, Public Health**

**Education.** In the next five years, China will strive to universalize primary school compulsory education in areas with over 80 percent of the nation's population and junior middle school compulsory education in areas with over 30 percent of the nation's population.

In the past five years, China's elementary education has continued to be universalized. The country's entrance rate of school-age children rose from 95.95 percent in 1985 to 97.9 percent and the number of counties with universalized elementary education increased from 731 in 1985 to 1,459 in 1990.

During the Eighth Five-Year Plan (1991-95), the emphasis of China's education work will be on optimizing the educational structure, reforming the educational content and teaching methods and improving educational quality.

With regard to secondary vocational education, an overall plan will be made for regular senior middle schools, secondary technical schools, vocational senior middle schools and technical training schools. The country will ensure that various forms of vocational education will develop rapidly and efforts will be made to raise the level of running secondary vocational and technical schools. In 1995, the proportion of students of various types of secondary vocational and technical schools to the student body of the senior middle school stage will increase from the present 45 percent to over 50 percent. Within five years, China will strive to turn out 11 million graduates from full-time secondary vocational and technical schools, a 30 percent increase over the number of graduates during the Seventh Five-Year Plan period.

The structure of higher-education will be rationalized, great efforts will be made to improve the quality of education and the efficiency of school management. During the Eighth Five-Year Plan, post-graduate education and under-graduate education will be appropriately stepped up, co-ordinated and strengthened. In 1995, some 35,000 post-graduates will be enrolled and more than 90,000 post-graduate students will be in school; 650,000 under-graduates will be enrolled, and 2.1 million students will study in school.

**Medical and Health Services.** It is planned that by 1995, half of the country's counties will have reached the lowest standard set for China's rural areas to achieve the planned goal for the year 2000 —every citizen enjoying primary medical and health services. During the Eighth Five-Year Plan, the medical and health undertakings will implement the policy of putting prevention first, relying on scientific and technical progress; mobilizing the public's participation to work for the public health.

During these five years, the nation's infantile death rate will drop by 10 to 15 percent; the incidence rate of major infectious diseases will fall by 20 percent, snail fever will be kept under effective control; the immunity rate of inoculation will reach 85 percent in townships and towns; the number of people benefiting from treated drinking water will reach 85 percent of the rural population; and there will be 450,000 more hospital beds, or 55,000 beds more than in the Seventh Five-Year Plan period, and there will be 500,000 more professional technical health workers.

During the Eighth Five-Year Plan, China will restore and develop the three-level rural medical and health network, efforts will be made to support construction of the medical facilities in minority areas, poverty-stricken areas and remote border regions. At the same time, China will strengthen its detection and prevention of major diseases which seriously endanger people's health.

**Combating Poverty**

During the Eighth Five-Year Plan, efforts will be made to basically solve the problem of ensuring enough food and clothing for people in poverty-stricken areas. The state will adopt a series of measures to strengthen the financial resources and economic vigour of these areas so that they can become economically independent and prosperous:

—Strengthening agricultural construction, improving the production conditions for agriculture, forestry and animal husbandry. Actively popularizing technology which increases production so that areas can gradually become self-sufficient in grain supplies. Exploiting the advantages of mountain areas to develop the forest and fruit industries.

—Proceeding from local conditions, properly select development projects to support poverty-stricken areas and provide good services before, during and after production, particularly services for science and technology and sales so as to promote resource development and economic growth.

—Stepping up the construction of water, electricity, road and communication infrastruc-
MINORITY AREAS

During the Eighth Five-Year Plan period, China will continue to implement various preferential policies in the minority areas, gradually changing the relatively backward conditions of the minority areas so that their economies will be in line with the nation's overall economic development.

Regarding agriculture, in the next five years the state will continue to construct commodity grain bases in the Hetao areas of the Yellow River in Inner Mongolia and Ningxia, gradually developing the Yarlung Zangbo, the Lhasa and the Nyangqu river valleys and constructing beet bases in Inner Mongolia, Xinjiang and Ningxia, as well as the sugar-cane bases in Guangxi and Yunnan and cotton bases in Xinjiang. There will be an active development of tropical cash crops in Hainan, Guangxi and Yunnan.

In communications and transportation, the state will focus on expanding urban and rural production channels and increase jobs, develop labour-intensive and tertiary industries, agricultural and sideline product processing industries, absorb manpower and resources, the collective economy and labour service enterprises. The country will continue to develop the individual economy, private economic ventures and other economic sectors, and give full play to their important role in expanding employment, implementing more open and flexible measures and continuing to expedite the export of various forms of labour services.

—Continuing to implement a policy which encourages surplus rural manpower "to quit the farmland but not the township and transfer themselves to other posts in the same locality." Guiding farmers to engage in intensive farming and to diligently engage in the construction of infrastructure, reclaiming wasteland for afforestation, building farmland and water conservation and rural roads, increasing labour accumulation and promoting the substitution of funds with labour accumulation. At the same time, speeding up the development of non-agricultural industries in the rural areas.

—Deepening the reform of the employment system, gradually establishing a labour system which uses "state macro-control, independent recruitment of workers by enterprises and various forms of employment." Strengthening personnel training, instituting training before employment in order to improve the quality of labourers. Introducing a flexible labour hourly employment system in some trades and types of work.
Dalai Lama and 17-Article Agreement

by Yuan Shan

It was not until 1959 that the Dalai Lama changed his attitude towards the Agreement on Measures for Peaceful Liberation of Tibet signed in 1959. His attitudinal change can be accounted for by changes in the political climate and primarily by the changes of the political clique that he represented. The central government still welcomes his return to the homeland as long as he renounces his "Tibetan independence" stance.

Forty years ago, on May 23, 1951, representatives from the Central People’s Government and the Tibetan local government signed the Agreement on Measures for Peaceful Liberation of Tibet, or the 17-Article Agreement. The signing, which took place in Beijing, was of historic significance.

In the past four decades, under the unified leadership of the central government, the Tibetan people, marching along the course charted by the agreement, have accomplished democratic reforms, overthrown the feudal serf system, implemented regional autonomy and are carrying out the socialist construction for modernization. Great changes have taken place in Tibet's political, economic and cultural life.

However, there remains a handful of Tibetan separatists abroad insistent in spreading rumours of a “forced” agreement that was “breached” by the central government. These lies run counter to historical facts. The change of attitude by the Dalai Lama on the signing of the agreement best illustrates the truth.

The peaceful liberation of Tibet was an integral part of liberation of the nation and was an internal affair of China. However, imperialist forces in Britain and the United States, taking advantage of the fact that a revolution was going on in China, that the rule of the Kuomintang was shaky and that the People’s Liberation Army (PLA) had not yet reached Tibet, intervened in Tibet.

At that time there existed a real danger in Tibet of imperialist intervention and obstruction in the liberation. The imperialists attempted to force Tibet to break away from China. Within the Tibetan ruling clique, a struggle was being fought between pro-imperialist separatist forces and anti-imperialist patriotic forces. Where did the Dalai Lama stand under such a situation?

Takeover

The 14th Dalai Lama Tenzin Gyatso was born on July 6, 1935 into a Tibetan's family in Qinghai Province. Confirmed in 1938 as the reincarnation of the 13th Dalai Lama, he succeeded as the 14th Dalai Lama in 1940 without going through the traditional lot-drawing procedure with approval from the Kuomintang government. According to traditional practice, the Dalai Lama could not take over the reins of the government until he was 18. The 14th Dalai Lama, however, took over the government in November 1950 at the age of 15. This had political reasons.

On October 1, 1949 the People’s Republic of China was proclaimed. The central government proposed a peaceful liberation of Tibet. In March 1950, while ordering the PLA to march into Tibet, the central government notified the local government in Tibet to send representatives to Beijing to discuss the peaceful liberation of Tibet.

The local government in Tibet, headed by Regent Tagecha, a pro-imperialist separatist, went against the proposal. While refusing to send delegates for the talks in hopes of waiting for changes in its favour, the Tibetan government deployed massive troops around Chamdo in an attempt to use the Jinsha River to block the PLA from entering Tibet. In order to liberate the Tibetan people, the PLA crushed the armed resistance put up by the Tibetan troops and took over Chamdo in October 1950. The central government issued another invitation to the local government of Tibet to
send delegates to Beijing for talks and promised that before an agreement was reached, the PLA would not march into Lhasa. This decision greatly encouraged the patriotic forces in Tibet and frustrated imperialists and separatist forces headed by Tagecha. The local Tibetan government held a meeting to discuss what to do. At the meeting, the proposal for peace talks favoured by patriotic officials gained approval and support from the majority of attendants. Finally, it was decided that the Dalai Lama would assume control of the government immediately. All the ecclesiastic and secular officials present at the meeting appealed to the Dalai Lama in a petition to take over the government. In early November, or October 8 in Tibetan calendar, Regent Tagecha stepped down and the Dalai Lama took over the government at the age of 15.

According to historical practice, the Dalai Lama has to seek approval from the central government before he can lawfully assume government office. After rounds of consultation among the officials concerned, it was decided at last that Chief Kaloon Surkang Wangchung Gelei would personally hand two letters from the Dalai Lama and the officials' meeting to Yuan Zhongxian, China's ambassador to India. In the letter, the Dalai Lama said he had already assumed control of the government and expressed the desire for peace talks with the central government. He wished his letter could be forwarded to Chairman Mao Zedong of the central government as soon as possible.

On January 29, 1951 Chairman Mao wrote a letter to the Dalai Lama congratulating him on taking over government. The Dalai Lama promptly responded to Chairman Mao explaining why he took over the government when he did not come of age. “I wish you could understand me and extend your blessings to me and the Tibetan people,” he said in his letter. The fact that the Dalai Lama assumed control of the government before coming of age represented a change in the balance of forces between patriotic and separatist officials in the Tibetan leadership, which led to a change in the attitude and stance of the Tibetan local government headed by Regent Tagecha.

**Talks in Beijing**

After Chamdo was liberated, Kaloon of the local government of Tibet and the chief governor of Chamdo Ngapoi Ngawang Jigme and other officials wrote to the Dalai Lama and Kasha...
The Dalai Lama (right), Chairman Mao Zedong (centre) and the 10th Bainqen Erdini Qoigyi Gyaincain on September 21, 1954.

CHINA

(the local government of Tibet) conveying the central government’s and Chairman Mao Zedong’s intentions of liberating Tibet peacefully. Kasha was asked to send delegates to Beijing for negotiation. At that time Regent Tagecha had stepped down and the 14th Dalai Lama had taken over. However, the separatists in the local government of Tibet still had certain influence. Their plot resulted in the Dalai Lama’s departure from Lhasa for Yadong. They waited for changes in the situation and an opportunity to take the Dalai Lama abroad. There perverse action aroused dissatisfaction and opposition from the broad masses of the Tibetan people and strong opposition from the monks of three big monasteries (Gahdan, Zhaibung and Sera). Many persons of kaloons and Kampus (the abbots of large monasteries) in the company of the Dalai Lama also opposed the Dalai Lama’s fleeing to India and advocated negotiations with the Central People’s Government. After considerable negotiations and correspondence between the Dalai Lama and Yadong Kasha and Lhasa Kasha, an agreement was reached.

It was decided to send delegates for negotiation to Beijing and the list of delegates issued by the Dalai Lama and Kasha of Yadong was unanimously passed.

In February 1951 the Dalai Lama appointed Ngapoi Ngawang Jigme as the chief delegate with full power of the local government of Tibet and Khentrung Thupten Lekmuun and Rimshi Samposey Tensin Thundup as delegates with full power, who would leave for Beijing from Chamdo. He also appointed Khentrung Thupten Tenthbar and Dzasak Khemey Sonam Wangdi as delegates with full power, who would arrive in Beijing via India. The Dalai Lama issued sealed certifications to each delegate invested with full power of authorization to deal with all the matters of peaceful liberation of Tibet during the negotiation with the Central People’s Government.

The delegates with full power of the local government of Tibet sent by the Dalai Lama had three characteristics: First, the Dalai Lama authorized them to deal with all negotiations. Second, Ngapoi Ngawang Jigme was appointed the chief delegate with full power, thus putting the Tibetan patriot in a leading position among delegates. Third, the agreement on peaceful negotiations to be held in Beijing foiled the attempt of pro-imperialist separatists and some foreign forces to hold negotiations in India or Hong Kong to repeat the plot of “Simla conference.” This marked the development of patriotic forces within the Tibetan ruling clique.

Support for the Accord

After the delegates of the local government of Tibet got to Beijing, the Central People’s Gov-
ernment immediately appointed Li Weihan, Zhang Jingwu, Zhang Guohua and Sun Zhiyuan as delegates and Li Weihan as the chief delegate. They started negotiations with the delegates of the local government of Tibet on the basis of friendship on April 29, 1951. In compliance with the policy of the government towards the nationalities and the actual situation in Tibet, the delegates of the Central People's Government put forward a series of proposals and at the same time they did their utmost to listen to and accept the suggestions made by the Tibetan delegates. During the negotiations the Tibetan delegates kept contact with the Dalai Lama. Because the two sides had the same stand on the fundamental issue of strengthening the unity between the Han and Tibetan nationalities and maintaining the unification of China, the negotiations went smoothly. After many friendly consultations, an agreement on all the major issues concerning the peaceful liberation of Tibet was reached and the 17-Article Agreement was signed on May 23, 1951.

This agreement has two major components: One is the central government's requirements of the local government of Tibet: The local government of Tibet shall resolutely drive out imperialist aggressive forces from Tibet and actively assist the People's Liberation Army to enter Tibet; the Central People's Government shall conduct the centralized handling of all external affairs of Tibet; and Tibetan troops shall be reorganized by stages into the People's Liberation Army. Meanwhile, in accordance with the policy towards nationalities and the reality of Tibetan region, the Central People's Government adopted an extremely lenient policy towards the Tibetan internal affairs. For example, the funds needed by the People's Liberation Army and working personnel entering Tibet shall be provided by the Central People's Government and not undertaken by Tibet. The existing political system in Tibet and the established status, functions and powers of the Dalai Lama will not be altered. The religious freedom of the Tibetan people will be fully respected and protected. From the contents of the agreement people can see clearly that the 17-Article Agreement is fair and reasonable. It correctly answers the questions raised by the historical development of Tibet.

The agreement was published, and this aroused strong reaction in Yadong. At a conference attended by monks and laymen and Kampus of the three big monasteries the officials and persons who supported the agreement and pro-imperialist forces who opposed it sharply debated. Then the conference passed a resolution in support of the agreement and asking the Dalai Lama to go back to Lhasa.

The central government appointed Zhang Jingwu as delegate of the Central People's Government to Tibet. On July 16 Zhang met with the Dalai Lama in Yadong and gave Chairman Mao's letter to the Dalai Lama, conveying his praise to the Dalai Lama for sending delegates to Beijing to negotiate and sign the agreement. On July 21 the Dalai Lama and his entourage started to return to Lhasa. This proved that the patriotic forces won victory after repeated contests between them and separatist forces in the Tibet's upper ruling clique.

In September 1951, shortly after its delegates returned to Lhasa, the local government of Tibet held a meeting at which Ngapoi Ngawang Jigme made a report on the 17-Article Agreement. He also talked of the central government's sincerity in liberating Tibet peacefully and refuted rumours from those trying to undermine the agreement. Through warm discussion, officials attending the meeting commended the work done by the negotiation delegates, expressed their support for the agreement and submitted it to the Dalai Lama. On October 24, the Dalai Lama telegraphed Chairman Mao Zedong, expressing his approval and full support for the agreement. He said: "The local Tibetan government's five delegates plenipotentiary arrived in Beijing at the end of April 1951 and carried out peaceful negotiations with the plenipotentiaries of the Central People's Government. Based on friendship, the two sides signed the Agreement on the Measures of Peaceful Liberation of Tibet on May 23, 1951. The local government of Tibet and Tibetan monks and laymen all support it and help the PLA troops consolidate national defence, drive imperialist forces out of Tibet and protect the motherland's territorial integrity." On October 26, Chairman Mao Zedong answered in a telegram: "I am grateful for your efforts in carrying out the agreement on the peaceful liberation of Tibet. Hereby I express my sincere congratulations."

Before 1959, the Dalai Lama had been supporting the agreement as seen in the following facts: The Dalai Lama deprived Lukaungwa and Losang Zhaxi of the position as Sicao and set up an executive group headed by Ngapoi Ngawang Jigme to implement the agreement. At the end of 1951 and in the spring of 1952, Lukangwa and Losang Zhaxi secretly supported a reac-
tionary organization, "People's Assembly," and made turmoil in Lhasa to oppose the agreement and undermine national unity and unification. With the efforts made by the central government's representatives and high-level Tibetan patriots, the local government of Tibet, in the name of the Dalai Lama, on April 27, 1952 dismissed Lukangwa and Losang Zhaxi from their post as Sicao and declared that the so-called "People's Assembly" was an illegal organization. An executive group headed by Ngapoi Ngawang Jigme and with Garco Xarsur and Zhaxi Lingbar as group members was set up to be in charge of communicating and discussing with representatives of the central government all matters related to the implementation of the agreement.

The second example is that when the preparatory committee for Tibet Autonomous Region was established in April 1956, the Dalai Lama said: "In 1951, I sent delegates to Beijing to negotiate with the Central People's Government and signed the 17-article Agreement on Measures for the Peaceful Liberation of Tibet on the basis of unity and friendship. From then on, Tibet got rid of the enslavement and bondage by imperialism, returned to the big family of the motherland and began to share equal rights with other nationalities. Tibet is now on the road of freedom and happiness, and is building a prosperous new life on the road of socialist construction." He also listed the work done by the local government in carrying out the agreement, such as giving support to the PLA troops' entry and stationing at border and other important spots.

The third example took place in November 1956 to February 1957, when separatists in exile tried to keep the Dalai Lama in India while he was there attending the 2,500th anniversary of Sakyamuni's nirvana. During the time, Premier Zhou Enlai, in India on a visit, held long talks with the Dalai Lama, giving him an overall explanation on work in Tibet. Through discussion, the Dalai Lama's entourage recognized that after peaceful liberation, the general situation in carrying out the agreement was good, and they had no complaints to make about it. The Dalai Lama also expressed his positive attitude, and returned to Lhasa in February 1957. The separatists did not achieve their scheme.

Struggle

After the 17-Article Agreement was signed, an acute and complex struggle took place on its implementation. The struggle focused on two issues: One, maintenance of the nation's unification; the other, reform of the social system. Maintaining national unification and reform of the social system are two very important principles laid down in the agreement. Tibetan separatists repeatedly violated and sabotaged these principles by attempting to split the country and hinder social reform in Tibet. In 1952 two officials, all separatists, secretly supported and incited the reactionary organization "People's Assembly" to demonstrate in Lhasa opposing the agreement. In 1956, the separatists presented to the government a petition publicly opposing the establishment of the Preparatory Committee for the Tibet Autonomous Region, voiced against democratic reform, and attempted to detain the Dalai Lama in India for so-called "independence of Tibet." In 1957, a few separatists again set up reactionary organizations and organized armed rebellious forces. By March 1959, the separatists destroyed the agreement by launching an armed rebellion in Tibet. The Dalai Lama escaped from Tibet and exiled himself in India, where he remains today. These facts indicate clearly that it was the separatists who tore up the 17-Article Agreement.

Since his exile abroad, the Dalai Lama no longer supports the agreement but opposes it. Why and how did such great change take place in the Dalai Lama's political attitude? The answer is found in the change of political group that the Dalai Lama now represents. After 1959, among the members of the Tibetan ruling clique the separatists who plotted and participated in the rebellion exiled themselves to foreign countries, while the patriots who opposed or did not participate in the rebellion stayed at home. Surrounded and controlled by separatists abroad as well as backed up and encouraged by some foreign anti-China forces, the Dalai Lama has further supported the separatists' thinking. He not only is a religious leader in exile but has become involved in political activities to split the motherland.

Nevertheless, the central government's policy towards the Dalai Lama is consistent. The government welcomes the Dalai Lama's return provided he stops all separatist activities and renounces his stand for Tibetan independence. The government hopes that he can contribute to the maintenance of the country's unity and to the promotion of solidarity between nationalities, and to the wealth and happiness of the Tibetan people.

It is hoped that the Dalai Lama is able to grasp a clear understanding of the situation and thus make a correct choice.
On the eve of the 1990 World Housing Day (October 1), the Tangshan City People's Government was awarded the Habitat (the United Nations Centre for Human Settlements) Scroll of Honour, for successfully housing the one million earthquake victims and scientific housing management.

Tangshan was destroyed by an earthquake registering 7.8 points on the Richter scale in 1976. Fourteen years later, however, Tangshan is a new city. During this period, the city built 14.79 million square metres of residential housing, an average of 10 square metres per resident. More than one million residents have moved into new homes. All residential homes have running water and 81 percent have natural gas or liquified petroleum gas. A total of 5.48 million square metres of roads were built, 1,454 km of sewer pipes laid and 1,750 hectares of land beautified with greenery. The infrastructure and the housing conditions are better than in the days preceding the earthquake. The rapid reconstruction of Tangshan is a good illustration of China's ability to rebuild its cities and improve housing conditions.

Construction and Renovation

Since the late 1970s, Beijing has quickened the pace of large-scale urban construction. Numerous high-rises have shot up, impressive in their quality and style. In addition to the rapid development of posh hotels and restaurants, unique art museums and gymnasiums and practical office buildings and apartment buildings have been constructed at an annual rate of 5 million square metres in the last decade. With more than 20 new residential areas developed, including the Zuoqiazhuzhuang, Jinsong, Xibianmen, Fangzhuang and Yonggle areas, many people have left their traditional compounds and moved into new, well furnished buildings.

In the last two years, moreover, the Beijing municipal government has started to rebuild old houses. The city has more than 30 old residential areas built before or just after the nationwide liberation in 1949. The areas are crowded and disordered. The reconstruction of the Juer Lane in the East District and the Xiaohoucang Alley in the West District provided an example of what good could be done in other areas and the renovation of other areas is now in full swing.

Many cities have followed Beijing's suit and made much headway in the construction of new residential areas and renovation of old cities. Statistics from the Ministry of Urban and Rural Construction and Environmental Protection show that between 1979 and 1990 a total of 1.5 billion square metres of new housing was constructed with 280 billion yuan in investment, accounting for more than 75 percent and 85 percent respectively of the total housing built and put into use in the 40 years following liberation. The average per capita living space for city and town residents increased to 7.1 square metres in 1990 from 3.6 square metres in 1978, an increase all the more striking given the rapid growth in urban popu-
Due to China's large population, limited land area and relatively backward economy, residential areas have been the main model for China's housing construction. Since 1979, China has accelerated its construction of urban residential areas. As of now, more than 2,000 residential areas of various scales have been built. Some pilot urban residential areas have been constructed in Tianjin, Jinan, Wuxi and other cities in the last few years. These residential areas are of a high level in practical use, style, arrangement and surrounding and their experience will be popularized nationwide.

The reconstruction of the old city districts is one of the most important tasks. In the past decade, a total of 120 million square metres of dangerous housing were rebuilt or repaired in urban areas (not including counties and towns). This has greatly improved the living conditions for 3 million households. During reconstruction, moreover, various national styles and local features have been maintained.

The rapid development of housing construction can be attributed to the great support and the flexible policies of local governments and to the reform of the funding and construction systems. Before 1978 the urban housing construction mainly relied on investment made by the central and local governments and investment from financial organizations of different levels accounted for more than 90 percent of the total for housing construction. Housing construction, however, slowed down because of limited state revenues and an underestimation of non-productive housing projects. As the national economy has been readjusted with China's introduction of economic reform and open policies, the proportion of funds channeled to productive and non-productive projects has been regulated; generally, the state financing for housing has been greatly increased. At the same time, the central government stipulated a policy for bringing into play the initiative of the central and local governments, enterprises and individuals in solving the housing problem. At present, the structure of funds for housing construction in cities and towns has changed greatly. Some 20-25 percent of the investment for housing come from the state and 60-65 percent from enterprises. The reform of housing system has increased the proportion of investment by individuals to 10-20 percent. This trend is still growing.

Construction methods have also changed in the last few years. Formerly, residential construction by various enterprises or organizations was decentralized and this caused some trouble for the overall urban management, rational distribution and infrastructure construction. Presently, therefore, a new method is carried out step by step. Urban construction companies undertake urban development and construction of the infrastructure according to an overall plan. Apartment buildings, for example, will be commercialized by various undertakings and enterprises and, as the housing system is reformed, individual purchase of apartment houses has increased in the last two years. Today there are more than 3,000 companies engaged in commercial real estate business nationwide. The proportion of commercial houses to apartment buildings was 37 percent in 1989.

According to the government's economic development plan, the living standard will be of quite a comfortable level by the year 2000 with each urban household having an economical and practical apartment, eight square metres per person in average. China has taken a big step forward in urban housing construction, though, it is still a long way before it reaches this target. Today there are more than 5.4 million urban households who have a per-capita living space of less than four square metres. Of these, nearly 500,000 households have a per-capita living space of less than two square metres. The housing problem, clearly, is still serious in China and the problem will be given top priority in the coming decade. Both the Ten-Year Programme and the Eighth
Five-Year Plan (1991-95) for the national economic and social development approved by the recent Fourth Session of the Seventh National People's Congress determined the policies for the future urban housing construction. Urban housing construction will be undertaken at a reasonable scale and at increasing speed and the comprehensive development of real estate and commercialization of houses will be promoted during the reform of the housing system.

According to current plans, China will build about 1.65 billion square metres of apartment buildings in cities and towns in the coming decade. By 1992, living conditions for households with less than two square metres of living space for each member will have improved. By 1995, the per-capita living space of city and town residents will be 7.5 square metres with half of housing being apartment buildings. Living conditions for households with the per-capita living space of less than four square metres will also have improved then. By the year 2000, the per-capita living space will increase to eight square metres on the average and apartment buildings will account for 80 percent of all residential houses. The minimum living space for city and town residents will be six square metres each.

Rural Conditions

Hongxin is a village inhabited by the Korean minority people on the outskirts of Harbin, capital of Heilongjiang Province. Quan Guangxiu and his wife Jin Haishu are the head of a four-member family. Quan works outside the village. The brick-and-tile flat house, about 100 square metres in size with very clean and comfortable rooms, is located in a courtyard. Two bedroom rooms are carpeted and have heated brick beds which are common in cold north China. Two sitting rooms are carpeted as well and the wall is lined half with wooden panels. The rooms are beautiful with orange lamps hanging from the ceiling. The kitchen is practical and neat and both the stove and wall are tiled in white.

There are a lot of rural families who have living conditions as good as the Quans in the developed coastal areas or on the outskirts of big cities. At present, the per-capita building floor space in rural areas is about 20 square metres and the living space an average of 17.8 square metres. The farmers have better living conditions than urban residents.

Farmers build their own houses. The house property is owned by farmers but the land on which houses are built is owned by the state. Farmers generally have profited from the diversified economy and the household contract responsibility system with remuneration linked to output introduced in 1979. As farmers' income has increased, there has been a boom in building rural housing. Statistics show that farmers spent a total of 61.14 billion yuan on building houses in 1988 and that an average of 700 million square metres of new houses were built each year after 1979. Half of the rural households have moved into new houses.

The living space for farm families has increased and the quality of housing improved greatly. In the past, farmers lived in thatched and earthen houses. Today, more than 85 percent of the new houses are built with bricks, tiles and prefabricated cement materials. The proportion of buildings of two or more storeys is increasing too. In 1980, only 3 percent of the new houses were two- or more-storeyed buildings, but the figure soared to 37.44 percent in 1989. It is as high as 87.85 percent in rich rural areas of Zhejiang Province. “Villa-style” buildings have been built in some places and farmers pay more attention to indoor decorations.

However, there are also some problems in rural housing. Although the per-capita living space has expanded greatly, the heating, drinking water and hygienic facilities are lagging behind urban centres and, currently, 90 percent of rural villages do not have running water and 30 percent are without electricity. These problems are caused by limited construction funds. The central and local governments have not presented any funding source. In addition, the housing construction in some rural areas is spontaneous and without overall planning. Some farmers have indiscriminately occupied cultivated land for building houses.

The main tasks ahead for rural housing construction are unified planning and construction of supporting facilities. The rural houses will need to be built in a small space, with less money and be of multiple functions.
Amateur Art Creation Flourishes

by Our Staff Reporter Wei Liming

More than 500 amateur literary and art workers recently gathered in Beijing, a gathering which the leader of the China Federation of Literature and Art Circles, Lin Mohan, dubbed "a grand event for literature and art circles."

Cashing in on their respective work in factories, mines, rural areas and army, these amateurs have created many well-received works of literature in a variety of forms such as TV plays, movies, music, fine arts and quyi (folk art forms including ballad singing, story telling, comic dialogues, clapper talks, and crosstalks). Most of the writers are under 40 years old.

Lin Mohan said that flourishing literary creation indicates the improved quality of culture and enhanced level of science and knowledge in society. "Amateur literary creation plays an inestimable role in our artistic creation," said Lin. "The Party and government has always taken it as a salient feature of and important basis for socialist literature and art."

In the last ten years, with the vigorous development of the mass cultural undertakings, amateur literary and art workers have grown in rank. They number some 600,000 in the fields of culture, trade unions and the military. Lin believes that this is the result of the country's prosperity and the enriched cultural life of the public.

Achievements

During the Future Acrobatic Festival held in France in February 1990, with the playing of a traditional Chinese folk music A Mushroom Picking Girl, a Chinese girl mounted the stage and entered a world of fantasy. Gigantic mushrooms growing under tall trees moved her to ecstasy, her excited, happy feelings expressed by her graceful, acrobatic movements. The performance was so good that all the judges gave her full marks and the Chinese entry won the festival's gold prize. The designer of the piece was Li Xining, a literary worker with the army. Formerly a top-notch gymnast, Li began designing acrobatic performance in 1986 and has since made much progress in the field. Her Hand Skill and Rope Skill won the national acrobatic gold medal and she has published Teaching Material for Acrobatic Students and Artistic Treatment of Ropes. "As an artist, one should dare to challenge oneself and embark on the tough road to success," she said.

There are many other famous amateur literary and artistic workers. Some of the most accomplished ones include Xin Xianlin, who created A Family of Happiness and Our Niu Baishui, movies that created a stir in the country; Shi Yukun, a worker who composed the nation's prize-winning factory song; Liang Zuo, a teacher who has created many popular crosstalks; Meng Shuzhen, a specialist of Oreqen nationality in story telling and folk songs; Zheng Xiaonong, winner of national photograph award, winner of national dancing contest, and co-author of Expectation, a TV play much loved by the audience; and Zhang Dingquan, a PLA writer.

As these amateur literary and art workers are themselves workers, farmers and army men, they have access to a fund of rich material. A case in point is Bao Yingchun, a worker painter with the Liaoning No.2 Construction Engineering Co. In recent years, he has created many oil and traditional Chinese paintings, the themes of which are steeped in the rich ordinary life of his colleagues. Many of his masterpieces were exhibited at the provincial, municipal and prefectural exhibitions. His oil painting Women Construction Workers won first prize at China's First Construction Workers' Fine Art Exhibition in 1989; his oil painting Youth and Cause won a prize for brilliance at the 1987
An orchestra composed of Yi nationality farmers in Yunnan perform.

Liaoning Provincial Workers’ Fine Art Exhibition; and his oil painting *Bull Dozer Driver* won the 1985 China’s Second Workers’ Fine Art Exhibition. During my interview with this self-taught worker artist, I told him how impressed I was that his work almost were all related to the workers. With an affirmative tone, he said, “You’ve got it. I am deeply touched by their down-to-earth manner; I experienced it during my years of work with them. This has always prompted me to paint them. I’ll continue to do so in the future.”

**Great Contribution**

Harbin in northeast China is famous for its ice carvings and the miners of the Jilin Provincial Shulan Mining Bureau long yearned to have a chance to view them. Their dream came true in early 1991 when an ice carving show was held in their own mining area. The show drew a constant flow of visitors. The local ice carvings were created by the cultural and art workers of the Cultural Palace of the Mining Bureau especially for the miners, most of whom have spent their life working in tunnels.

During the Beijing conference, I discovered that amateur literary and art workers have made a great contribution to the diversified cultural life of the nation’s 7 million strong miners.

Liu Zhongyi, the head of the Song and Dance Ensemble of the Shanxi Jingcheng Mining Bureau, told me that despite the fact that his mining area is located in the remote Taihang Mountains, mechanization has been achieved. The workers now work six hours a day, compared to eight hours of manual labour in the days proceeding mechanization. With more spare time, the miners demand more cultural activities. “We have built auditoriums and a ‘Home for Workers’ in all mining zones under the bureau which are equipped with various cultural and recreational facilities,” Liu said. “Four art troupes have also been organized to entertain the workers. Twice, they have performed on China Central Television.”

Wu Xing of the Yima Mining Bureau in Henan is known as an organizer of calligraphy activity. “In the eyes of the others, miners are unlettered. As a matter of fact, some of us are accomplished calligraphers.” He is now the secretary-general of the China Coal Mine Calligraphy Society which holds annual meetings to facilitate exchange of experience. Famous calligraphers are frequently invited to give lectures at his mining bureau.

*China’s Calligraphy*, a special magazine of the China Calligraphers’ Association, will soon devote one special issue to the coal miners and carry their works. “The calligraphy of our miners is so well done that some works have been shown in Poland,” Wu said.

The rich cultural life exerts great influence on the mental outlook of the miners. “After learning calligraphy, some young people who used to get into fights became less belligerent and model workers,” Wu said. “Some who were disabled in mining accidents had their confidence in life reinforced. A few became accomplished calligraphers.”

**Support**

Literary and artistic creations by amateur workers have received the support from leaders at various levels. Those in the coal mining in-
Coal miners perform their own artistic creations.

PANG CHONGYA

Coal miners owe their success also to the support of the China Coal Mine Culture Foundation. Set up in 1982 with funds pooled by various major coal mines, this foundation is composed of six research societies which specialize in literature, fine arts, calligraphy, photography, TV drama and movies, music and dance. In order to enrich the cultural life of the coal miners, the foundation has held two fine art and calligraphy exhibitions. In 1985 and 1988, it sponsored a contest for TV plays devoted to miners' life and work; in 1983 and 1989, it sponsored a contest for literary and artistic works by coal miners throughout the country. Pang Chongya from the foundation said, "The coal miners' working and living conditions are very tough. We encourage works depicting their life and work in order to let the public know them."

In order to create favourable conditions for literary and art creation by amateur workers, the foundation has held special classes at the Central Institute of Fine Arts, the Central Drama Institute and the Zhejiang Fine Art Academy for the coal miners.

At the Beijing conference, the Chinese Writers' Association invited veteran writers, painters, musicians and literary and art commentators to lecture. Although Cao Yu, a famous playwright, could not come because of his poor health, he wrote a letter of encouragement to the participants. The letter reads in part, "You have never left your work posts. Some of you are farmers, some are workers and some are soldiers. This is very important because only with true feelings can one produce good works. To be an artist who lives up to the need of the times, however, one must always study.'

Wei Bangfen, a papercut artist of the Shui nationality in Guizhou, won a prize from the First China Papercuts Contests.

The young amateur literary and art workers benefited a lot from these lectures. After listening to a report by composer Wang Liping, Li Xining, an acrobatic movement designer, said that she was enlightened. "As an artist, one's works should not be an improvisation but be a process of accumulation. The study session in itself is a kind of accumulation."

Liu Li, 26, has been engaged in the study of folk literature for many years. "I gain a lot from this conference. Many amateur literary and art workers are unknown to the public but this conference shows that the state values our work. The reports delivered during the conference were all of value and we were able to learn from each other through discussions and an exchange of experience," Liu said.
Hong Kong's Foreign Trade Role Emphasized

At the Second Beijing International Fair (from April 8-15), the Hong Kong Trade Development Council and the Ministry of Foreign Economic Relations and Trade co-sponsored the "Gateway for China Trade—Hong Kong" seminar, at which Shen Jiuren, vice-minister of Foreign Economic Relations and Trade, representing Minister Li Lanqing, spoke about Hong Kong's role as a window for China's foreign trade.

Shen said that Hong Kong, adjacent to Guangdong Province, is conveniently located for trade with the mainland. It is a free harbour where the entrepot trade of commodities from all over the world is conducted, thus a significant commodity collection, distribution and financial centre. Hong Kong has excellent communication facilities and convenient transportation with extensive channels for trade. It has long been a very important market for the mainland's foreign trade. In particular, since China adopted the policy of reform and opening to the outside world, the trade and economic co-operation between the mainland and Hong Kong has developed rapidly. Statistics indicate that the trade volume between the mainland and Hong Kong was US$3.538 billion in 1979, and increased to US$26.437 billion in 1990, representing a 7.47 fold increase, an average annual increase of 20 percent. As of now, the mainland and Hong Kong are each other's largest trading partners.

With the continuous expansion in the scale of trade, trading methods are becoming more flexible. At present, apart from import and export trade, the processing and assembling with supplied materials and compensatory trade have all taken shape.

At the same time, all sorts of economic co-operation including investment in the establishment of enterprises, fund co-operation, contracts for projects and labour service co-operation have developed drastically. By the end of 1990, Hong Kong and Macao had invested in 22,000 enterprises in the mainland, with the negotiated value reaching more than US$23 billion. Among the countries and regions which have invested in China's mainland, Hong Kong ranked first both in investment volume and number of investment projects. At the same time, many provinces and municipalities in the mainland have also gone to Hong Kong to set up enterprises. In regards to contracts for projects and labour service, the mainland companies signed a total of 1,700 contracts in Hong Kong by the end of 1990, worth a total of US$2.1 billion. Of which US$1.5 billion have been fulfilled.

Shen said that there is still a large potential to be tapped in economic and trade relations between Hong Kong and the mainland. The mainland is abundant in labour and natural resources, strong in its industrial foundation and technological forces, huge in market capacity and powerful in its capacity for hi-tech development. Hong Kong is advanced in communication, financing and shipping industries. It has extensive contacts with international market and modern management experiences. Each side can thus strengthen its co-operation and learn from its partner's strong points in order to offset weaknesses and promote mutual development. After Hong Kong returns to the People's Republic in 1997, the mainland's policy towards Hong Kong will remain unchanged. It will be favourable to Hong Kong's prosperity and stability which in turn will be beneficial to the economic development in the mainland. Shen concluded by saying he hoped that the industrial and commercial enterprises in both Hong Kong and the mainland will exert efforts to further expand economic co-operation and trade exchanges.

by Li Ming
Xiamen: A Good Place for Foreign Investment

The Xiamen Special Economic Zone was still a hot place in 1990 for foreign investment. A total of 262 contracts, three folds more than in 1989, with a direct foreign investment of US$72.73 million, were approved during the year. Of the 980 foreign invested projects set up since the establishment of the zone, 506 had begun operation by the end of 1990.

Of these projects, enterprises engaged in agriculture, industry, construction, transportation and communication made up 93 percent. Last year, output value of the foreign-funded industrial enterprises was 3.65 billion yuan (calculated in accordance with the constant prices), a five-time increase over 1989 and some 56 percent of the city's total industrial output value. Their proportion of the city's export value reached 86 percent. The taxes and profits of 15 foreign-owned enterprises exceeded 1 million yuan.

The Taiwan-invested projects numbered 401, or 16 percent of the total investment projects undertaken by Taiwan businessmen in the mainland. The investment volume made up 55 percent of the total Taiwan investment in the mainland and accounted for 46.6 percent of the total foreign investment in Xiamen.

Statistics indicate that the output value of 180 Taiwan-funded enterprises put into operation last year reached 1.5 billion yuan and accounted for 23 percent of the city's total industrial output. These enterprises employ nearly 40,000 workers and staff members and manufacture such products as silicone rubber products, computer high-frequency converters, solar lamps and engaged in electronic printing. The manufacturing technology has reached a high level and the export rate passed 80 percent.

The economic returns of the Taiwan-funded enterprises in Xiamen are generally good. An investigation of 26 Taiwan-funded productive enterprises last year indicates that most enterprises increased their funds by some 148 percent over the initial investment volume.

Currently, Taiwan businessmen in Xiamen are expanding their investment and will shift from short-term to long-term plans, from individual to group investment and from labour intensive to technology intensive industries.

by Yang Xiaobing

China to Buy French Copters

The China National Machinery Import and Export Corp. signed a contract with the Aérospatiale of France on April 8 for purchasing eight two-ton-class helicopters worth 70.9 million French francs.

The helicopters are to be purchased with the World Bank loans for the restoration of forest resources and prevention of forest fire in the Greater Xinggan Mountains in northeast China. Together with the Aérospatiale, the China Harbin Aircraft Manufacturing Co. also won the international bidding for selling two four-ton-class helicopters.

Of the eight French helicopters, six are special for extinguishing forest fire, each with a 800-litre water tank and a 75-kg chemical foam tank. The rest two are command helicopters.

The forest zone of the Greater Xinggan Mountains is one of China's main timber sources. On May 6, 1987, a forest fire burnt down 1.043 million hectares of trees, causing an economic loss of more than 500 million yuan.

The World Bank provided US$56.9 million loans for the fire prevention and the restoration of the forest resources. With the money the Chinese government has since 1988 felled damaged trees and shipped them out. Also the Chinese government is going to install microwave, ultra-high frequency-communication equipment, automatic meteorological and lightning monitoring system and a computer information processing system for preventing forest fire.

World Bank Loans for Jiangsu Province

On April 9, the World Bank decided to provide Jiangsu Province with US$153.6 million loans for its communications construction.

According to a Word Bank official, the loans include 20-year-term soft loans of US$100 million and 35-year-term credit of 38.5 million yuan (about US$53.6 million) from the unit which has special rights to draw money from the World Bank. The loans will be used to reconstruct the Nanjing-Shanghai Highway, renovate the Danyang section of the Grand Canal, build a new ship lock in Nantong and construct the Jiufang Bridge. In addition, the World Bank will provide technical help in such fields as engineering design, data base and the research of transport passageway and training of personnel.

Jiangsu Province led China in industrial and agricultural output value in the past seven years. Although it has good water transport facilities, the highway facilities are comparatively backward.

The short-term target of the World Bank loans is to help the province improve its communications facilities in order to keep
aboard with rapid development of economy, according to the World Bank official. The long-term target is to help the province revise its construction plan and budget and implement communications construction projects. At the same time, it will help define investment focuses.

So far, the World Bank has provided US$10 billion loans for China’s 100 projects. The majority of the projects put into operation have done well and some yielded good economic results.

by Yao Jianguo

Orientation Week For Taiwan Investors

The Hebei people’s government held an orientation conference on economic and technological cooperation between the province and Taiwan in Xiamen, Fujian Province, from May 7 to May 13 this year.

At the conference, the resources, investment environment and preferential policies of Hebei Province were introduced. Such fields as textile, metallurgy, light industry, chemical industry, medicine, building materials, machine-building, electronics, telecommunications and transport, labour service, technology export, contract engineering, compensatory land lease, the development of large tracts of adjoining land and tourism, whether they are solely foreign-owned, joint venture or co-operative management and whether such means of production as processing with imported materials, designed processing, designed assembly or compensatory business is used will be discussed.

In recent years, in order to accelerate reform and opening up, Hebei Province opened the Qinhuangdao-Tangshan-Cangzhou Economic Development Zone and 40 cities. It has formulated and promulgated a variety of preferential policies to encourage Taiwan investment and has made progress in economic co-operation with Taiwan.

by Wan Fang

Ferruzzi Strengthens Ties With China

The Ferruzzi Group of Italy signed another two contracts with China on April 9, according to the announcement by Dr. Italo Trapasso, chairman and executive director of the Montecatini Co. and deputy chairman of the Tecnimont Co. affiliated with the Ferruzzi at a news conference on the same day.

The first contract was signed by the Montecatini Co., the principal company in charge of the chemical products, medicine and energy business under the Ferruzzi and the Beijing Chemical Engineering Research Institute. Both sides will co-operate on a series of research projects of common interest. The Montecatini will contribute new techniques of chemical production which are environmentally sound, particularly for polyolefin and new catalysts, while the Beijing Chemical Engineering Research Institute will apply the research results to the Chinese markets.

The second contract was signed by the Tecnimont, an architectural engineering company under the Ferruzzi, and the Ministry of Chemical Industry for establishing an engineering joint venture. The joint venture will set up chemical factories, petrochemical and fertilizer factories both at home and abroad.

At the news conference, Dr. Italo Trapasso introduced the Ferruzzi’s past and present cooperation with China’s economic departments. During this year alone, the Ferruzzi will help China construct many installations for chemical production, including two in Shanghai, two in Henan Province, one in Heilongjiang Province and one in Sichuan Province.

by Li Ping

News in Brief

- The International Maintenance Technology, Equipment and Tool Exhibition, co-sponsored by the China Equipment Management Association, the China Association for Science and Technology, and the China Electric Machinery Equipment Corp. under the ministry of Materials and Equipment, will be held at the Beijing Agricultural Exhibition Centre on November 23-27 this year. The exhibition will display technologies and facilities for detecting equipment breakdown, and monitoring equipment operation, alarming technology, new technologies, techniques and materials for equipment maintenance and computer-aided management technologies and equipment, instruments and tools for general or special-purpose maintenance.

- The high power capsule gate turn-off thyristor (GTO), the powerline transistor (GTR) and their modules have been put into production in batches at the Beijing Chunshu Rectifier Factory. GTO and GTR are hi-tech, high-efficiency and energy-saving electronic components of advanced 1980 world level and are widely supplied in the speed adjustment of A.C. and D.C. for industrial gears, electric locomotive, subway, electric locomotive in mines and trolley-bus.

The two technological items were imported from Marconi Co. of Britain in 1987. At the end of last year, the factory turned out its first batches of products. All quality indexes of which were found to meet the standard of the British Marconi Co.

The head of the factory said that the quality and price of the products are competitive at the international market.

by Han Baochen
China's Vocational and Technical Education

GUANGMING RIBAO
(Guangming Daily)

Vocational and technical education in China has developed rapidly in the past decade. Ten years ago it was unknown.

For a long time after the resumption of college entrance exams in 1978, colleges were regarded as the only way out for millions of senior middle school students seeking additional education.

With the development of education and the reform of the educational system, various vocational and technical schools emerged across the country. There are now 16,000 such schools with 5.88 million students. The annual entrance rate of students is 2.25 million, three times higher than that of 1980. The student entrance ability has increased 2.5 times. Since 1980, the country's vocational and technical schools have provided the society with more than 11.3 million graduates. China has set up more than 2,000 vocational training centres which, in cooperation with various schools, have trained 100 million junior and senior middle school students. Since 1988, a total of 10 million people have received training.

Graduates of professional and technical schools have played an active part in promoting local economic and technical development. In the countryside, many graduates have become pace-setters. In cities, they are a vital new force in service work, more than one-third of the service staff for the games.

Thanks to the rapid development of professional and technical education, opinions on education, talent and value are gradually changing. More and more people are aware of the important role of professional and technical education in socialist construction. And more and more youths have volunteered to receive vocational and technical education. Though some of vocational schools in Beijing plan to enroll only 300 or 400 students, the number of applicants is often several times as big.

(Jan. 3, 1991)

Enterprise Groups Come to the Fore

JINRONG SHIBAO
(Financial Times)

The development of China's enterprise groups will have the following characteristics according to experts, scholars and entrepreneurs.

—Small and medium-sized groups will tend to become larger as strong enterprises merge with other financially strong enterprises and, as well, take over weaker enterprises.

—Production management will become more a question of asset management, the common denominator among groups. The main form of association of enterprises will be mergers, the shareholding system and free transfer of funds.

—Group management system will develop from that based on factories to one based on companies. Groups will be managed separately according to investment, profit and cost centres.

—The function of enterprise groups will be changed from single production or single management to unified functions of science, industry, trade and finance.

—Group management strategy will be gradually transferred from a domestic-orientation to an export orientation. By the introduction of technology and capital, initiation of Sino-foreign joint ventures, and setting up of factories abroad, enterprise groups will become increasingly international in scope and trans-national in structure.

(Jan. 5, 1991)

Technology Market Thriving in China

ZHONGGUIO SHANGBAO
(China Business News)

The technology market has grown rapidly in the past ten years. The transaction volume increased from 720 million yuan in 1984 to 8.1 billion yuan in 1989. The transaction volume in the first half of last year rose by 12.58 percent compared with the same period of 1989.

Statistics from the China Technology Market Development Centre show that China has made nearly 20,000 important scientific research achievements annually in recent years, laying a solid foundation for the technology market.

The prosperity of China's technology market is due to the formulation of a series of measures and preferential policies by the government, such as the Technology Contract Law, Patent Law and Trademark Law; the reduction and exemption of business and income taxes for the development and transfer of advanced technologies and new products; and the government's efforts to encourage scientific research institute to get involved in economic construction.

Another factor contributing to the prosperity of the technology market is the establishment and perfection of technology market administrative organizations. Such organizations have been established in all the provinces, autonomous regions and municipalities. Nationwide, there are now 2,000 establishments specializing in technological development, which are staffed with 360,000 employees. The development of technology market has promoted the commercialization of technical
achievements, accelerated the popularization of technological achievements in production and increased the capacity of scientific research institutes for self-development. A survey shows that 50 percent of scientific research results have been applied in production.

While developing the domestic market, China has set its eyes on the international commodity market. The Guangzhou National Advanced Technology and Product Exhibition Centre, affiliated to the State Science and Technology Commission, signed more than 300 contracts last year, with transaction volume reaching nearly 1.2 billion yuan.

The technology market in China has become an integral part of its socialist commodity market, which accelerated personnel flow and regional economic development. (Jan. 3, 1991)

Five Major Points of Economic Reform

DANGZHENG LUNTAN
(Party & Government Forum Magazine)

Five major points of reform in China's economic system are:

First, refrain from seeking short-term gain and regard reform as a systematic long-term project. Formulate a general plan, giving careful attention to stability and development of reform.

Second, forestall a comeback of the old commodity economic system characterized by extreme centralization while preventing the excessive growth of private ownership and market economy. Reform should be developed toward a planned commodity economy with public ownership as the mainstay.

Third, cease seeking a reform miracle and avoid frequent changes. Pay attention to a sound framework of macro-control, market system and enterprise mechanism. Stress co-ordination of plan, price, salary, tax, revenue, employment and export, as well as the overall results of the reform.

Fourth, establish a new area to experiment utilizing the reform framework.

Fifth, promote political democracy and the legal process in order to create a sound social environment for the economic reform. (No.11, 1990)

Ailing Abacist Gets Back on Track

RENMIN RIBAO
(People's Daily)

World famous mathematician Chen Jingrun, who undergone treatment for Parkinson's disease, is recovering so well that even his physician is startled.

As supplementary therapy physical training was encouraged, a bicycle was brought to his room. Chen is busily writing papers and tutoring postgraduates all during the day, while at night he listens to foreign broadcasts on the radio. He sleeps only three or four hours at a time.

Now he is able to read in six languages. According to his wife You Kun, Chen's daily life is not regular; whenever he bogs down on a question he forgets to eat and sleep.

However, the family plays cards together on Sunday. Chen's son is proud of himself when he can get the better of his father.

Chen never let his wife, whose role is often that of both mother and father, give up her own interests. In 1985 when he was seriously ill, Chen refused to let his wife stay at home to take care of him though the hospital where she worked had rectified her leaves. He said that other patients were waiting for her treatment. With a crew-cut 57-year-old Chen looks much younger. He always has hair done by his wife in order to save time.

Now he is striving to remove the obstacles on the road of advancing Goldbach's conjecture of 1+1. As soon as Chen enters the study room, family members leave so as not to interrupt, even during holiday and at night. (Jan. 14, 1991)

Key to Deng Xiaoping's Longevity Revealed

ZHONGLGUO LONIANBAO
(China's Elderly)

Eighty-six-year-old Deng Xiaoping, chief architect of China's reform, attributes his good health to "optimism and sports."

Deng's 16-member family of four generations live in harmony under the same roof. According to his daughters and sons, he is a very respectable old man who dotes on his children. With an amiable disposition and a democratic life-style, he never interferes in the children's work arrangements. The great-grandchildren added sparkle and happiness to the home and they often amuse Deng.

During his student days in Paris he liked football and now often watches football games on television. Although skilful at billiards, his interest in bridge is keen, having won an international award in 1981. "My brain has a complete rest when I play bridge," he explained.

Senior though he is in age, Deng often goes swimming, claiming it his favorite sport. When in Dalian, Liaoning Province, in 1984, he swam every morning in the sea.

Deng once said, "My good health is perhaps due to my hobby of swimming." (Jan. 9, 1991)
'Caught in Passion'

A n ordinary-looking young man happens to come across a beautiful young woman doctor who is suffering from a hopeless disease, and the two fall in love. In this "last love," the two lovers discover the beauty of life and come to know the value of life. Caught in Passion, a recent film produced by the Beijing Film Studio, depicts the passionate love between a young man and a young girl.

The film praises the sincerity, friendship and self-sacrifice of people which give an unusual charm to this somewhat stereotyped story. Xia Gang, director of the film, said, "Human feeling is the core of the story, and a humorous presentation is the style of the film which distinguishes it from films dealing with a similar subject. The unity and contrast between deep emotion and a humorous approach adds to the expressiveness of the film and its artistic appeal."

The first meeting of the hero, Liu He, and the heroine, Liang Xiaoqing, is quite accidental. Liu He goes to the railway station to meet his girlfriend, an actress. But Liu finds that she has met someone else. Forlorn Liu enters a small restaurant to have a drink. But just as he sits down, he realizes that he does not have enough money. Just at that movement, he is attracted by a young girl in the corner of the room, her eyes filled with tears. He approaches the girl to start a conversation. The girl's name is Liang Xiaoqing, and she is a doctor. Liang says she has leukaemia and has only a few days to live. She feels great sorrow because she has barely started a real life yet.

Liu, sympathetic with this girl, offers to give her a "quick life course" to help her experience all life can offer so that she can say goodbye to this world with a peaceful mind. With Liu's repeated encouragement, Liang, who has not drunk nor eaten for two days, begins to eat.

After that, Liu goes to Liang's home. He accompanies her to have her hair styled, to buy the most fashionable clothes and to a Karaoke club to sing a song for her. Liang takes on a new look and becomes cheerful. They go sightseeing in the suburbs where they experience the loveliness of life.

Liang's life finally comes to an end. Liu sits silently before the bed and listens to her last words recorded on a tape. Liang fearlessly came to her end with the best of life's memory.

Xia Gang has been praised before for his ability to touch the emotions of the audience, and this special quality has been demonstrated again in this film. The development of the plot unfolds with the gradual recognition of the meaning of life. The girl dies without regrets for she finds the true meaning of life. The young man, while attempting to give the joy of life to the girl, also realizes the truth of life.

Young actor Yuan Yuan successfully plays the part of Liu He. The character of Liu He, though also suffering from life's frustrations, does not become cynical; he is kind-hearted and sincere, and he considers these as basic human virtues; he is considerate and always ready to help others without caring about any reward.

It is said that when Yuan was chosen to play the hero, many people said he was not the right person, for in his previous 30 films, Yuan has played villainous parts. However, when the film was completed, critics had to admit that he had done an excellent job.

Lu Liping, who plays Liang Xiaoqing in the film, is a promising young actress. She has played many successful parts in films and TV productions. In this film she again leaves the audience with a deep impression.

by Hong Lanxing
CULTURE / SCIENCE

Invited by the China National Performing Agency, Carlos Paredes, one of the best guitar players in Portugal, held a recital at the Beijing Concert Hall on March 26, which was greatly enjoyed by the audience. Carlos Paredes demonstrating his mastery of the Portuguese guitar.

ZHANG SHUXIN

Popplewell's famous comedy, “Busybody,” was recently staged at Beijing's Palace Hotel, with reputed British comedians Dora Bryan and Alfred Marks playing leading roles. The play was enjoyed by both Chinese and foreign audiences. Here is a scene from the play.

Weight-losing Capsule Has No Side Effects

Slender Capsule, a weight-losing product with no side effects has recently been developed in Beijing. In Japan, 200 packs of the product quickly sold out.

Prepared by using secret recipes of traditional Chinese medicine, the weight-losing capsule has an effectiveness rate of 100 percent, as proven by clinical studies at Xiyuan Hospital and several other hospitals in Beijing. In a 30-day-course in which 100 obese people participated, 70 lost 8.5 kg, 20 lost 7 kg, and 10 lost 4.5 kg. The participants' waist measurements were reduced by 2-8 cm, while the thickness of their abdominal fat was reduced by 3-8 cm. What merits special attention is that Slender Capsule produces no side effects to the human body because it is made from natural land and sea plants such as plant fibre, sea cucumber, black fungus, kelp, tea, etc., thus containing no chemical substances.

Slender Capsule is manufactured under the authority of the Beijing Traditional Chinese Medicine and Health Co. Ltd. The company is the first Sino-foreign joint venture on China's mainland to use traditional Chinese medicine, diet and nutriology to serve Chinese and foreign customers.

by Zhou Chunnong

US College Football Teams to Visit China

Invited by the China International Sports Tourist Company, football teams from the US Pacific Lutheran University and Evangel College will visit China from May 28 to June 16. Numbering 130 athletes, the two teams will have dual meets in Beijing, Guangzhou and Shanghai. Having achieved good results in US football league matches, they are the first foreign football teams to visit China, where football has not yet formally developed. The China International Sports Tourist Company will bear all the costs. It is reported that US news agencies such as CNN will come to cover the teams and telecast the competitions live via satellite to America.

by Lou Linwei

BEIJING REVIEW, MAY 13-19, 1991
In order to promote Chinese photographic art and to discover and encourage promising young photographers, Beijing Review and the Yangzhuang Coal Mine in Anhui Province, east China, jointly sponsored the "Black Diamond Cup" Photography Competition from October 1990 to March 1991.

More than 1,200 works from 29 provinces, municipalities and autonomous regions were entered in the competition. The works represented the comprehensive and profound achievements of China's socialist construction and in particular of the reform and open policy. Most of the photos are of people's daily life and work and hence exude a rich vitality.

A panel of judges, including Yuan Yiping, vice-chairman of the Chinese Photographers' Association, Zhang Yun, senior correspondent from China Pictorial, Wu Jiguo, He Yanguang and Jiang Yan, had selected 36 pictures as distinctive works, they included two first place winners, four runner-ups, ten third-place winners and 20 outstanding pictures.

*Thirsty for Knowledge* by Shanghai photographer, Wang Guonian, won first place for its vivid and authentic depiction of pupils in a rural primary school. The other first place winner is entitled *Torch Festival* by Sui Shuqing, a correspondent from China Pictorial. The picture records the exciting scene at the Torch Festival put on by the Yi Nationality in Yunnan Province, southwest China. The picture shows the young Yi people, in their colourful national costumes, joyfully celebrating their traditional festival.

Apart from the first place pictures which appear in this issue, Beijing Review will publish other award-winning works and outstanding photos in coming issues.

Yuan Yiping (second right) discusses the chosen pictures with other judges.
Work With One Heart (prize for excellence)
by Wang Changhe (Henan)

Visiting the Huangshan Mountain (honorary mention)
by Jiang Yan (Anhui)

My Coal Miner's Helmet Makes Me Feel Proud (prize for excellence)
by Wang Laisheng (Jiangsu)

A Glimpse at the Yangzhuang Coal Mine (merit prize)
by A Jiang (Huaibei, Anhui Province)
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