PEKING BAY

28 July 9, 1976









Eternal Glory to
Comrade Chu Teh,
Great Proletarian Revolutionary of
The Chinese People!

Successful Reunification of Viet Nam

← Message of greetings and "Renmin Ribao" editorial

PEKING REVIEW

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Comrade Chu Teh Passes Away

Obituary Notice Issued by C.P.C. Central Committee, N.P.C. Standing Committee and State Council

Central Com-THE mittee of the Communist Party of China, the Standing Committee of the National People's Congress and the State Council of the People's Republic of China announce with deep grief: Comrade Chu Teh, Member of the C.P.C. Central Committee, Member of the Political Bureau of the C.P.C. Central Committee. Member of the Standing Committee of the Political Bureau ofC.P.C. Central Committee and Chairman of the Standing Committee of the National People's Congress, died of illness at 15:01 hours on July

6, 1976 in Peking at the age of 90, after failing to respond to medical treatment.

Comrade Chu Teh was a fine member of the Communist Party of China, a great revolutionary fighter and proletarian revolutionary of the Chinese people and one of the outstanding leaders of the Party, the state and the army.

The life of Comrade Chu Teh was one of fighting for the cause of communism and one of continuing the revolution with perseverance. Loyal to the Party and the people, Comrade Chu Teh fought heroically and selflessly dedicated all his energies throughout his life to the implementation of Chairman Mao's proletarian



revolutionary line and to the victory of the liberation of the Chinese people and the cause of communism. Under the leadership of Chairman Mao, Comrade Chu Teh performed immortal services for the Party and the people in the building and development of our invincible people's army, in the building and expansion of the revolutionary bases, in the overthrow of the reactionary rule of perialism, feudalism and bureaucrat-capitalism and the bringing of the newdemocratic revolution to victory and in the building of China's revolutionary political power,

the consolidation of the dictatorship of the proletariat and the struggle for the victory of the socialist revolution and construction. He thus won the wholehearted love and respect of the whole Party, the whole army and the people of the whole country.

The death of Comrade Chu Teh is a great loss to our Party, our army and the people of our country. We should turn our grief into strength. The whole Party, the whole army and the people of the whole country should learn from Comrade Chu Teh his proletarian revolutionary spirit and noble revolutionary qualities and, under the leadership of the Party Central Committee headed by Chairman Mao, take class struggle as the key

link, adhere to the Party's basic line, persist in continuing the revolution under the dictatorship of the proletariat, deepen the great struggle to criticize Teng Hsiao-ping's counter-revolutionary revisionist line and repulse the Right deviationist attempt at reversing correct verdicts, consolidate and develop the victories of the Great Proletarian Cultural Revolution and, uniting

as one, strive to consolidate the dictatorship of the proletariat, combat and prevent revisionism, build our country into a powerful modern socialist state and bring the cause of communism to triumph.

Eternal glory to Comrade Chu Teh, a great proletarian revolutionary of the Chinese people!

(Hsinhua News Agency, July 6)

Name List of Funeral Committee for the Late Comrade Chu Teh

AO Tsetung, Hua Kuo-feng, Wang Hung-wen, Yeh Chien-ying, Chang Chun-chiao, Wei Kuo-ching, Liu Po-cheng, Chiang Ching (female), Hsu Shih-yu, Chi Teng-kuei, Wu Teh, Wang Tung-hsing, Chen Yung-kuei, Chen Hsi-lien, Li Hsien-nien, Li Teh-sheng, Yao Wen-yuan, Wu Kuei-hsien (female), Su Chen-hua, Ni Chihfu, Saifudin, Soong Ching Ling (female), Kuo Mo-jo, Hsu Hsiang-chien, Nieh Jung-chen, Chen Yun, Tan Chen-lin, Li Ching-chuan, Chang Ting-cheng, Tsai Chang (female), Ulanfu, Ngapo Ngawang-Jigme, Chou Chien-jen, Hsu Teh-heng, Hu Chueh-wen, Li Su-wen

(female), Yao Lien-wei, Teng Ying-chao (female), Tsao Yi-ou (female), Kang Ke-ching (female), Su Yu, Wang Chen, Yu Chiu-li, Ku Mu, Sun Chien, Shen Yen-ping, Chiang Hua, Chin Tsu-min, Hsieh Ching-yi (female), Yang Po-lan (female), Yang Cheng-wu, Liang Pi-yeh, Chang Tsung-hsun, Hsiao Ching-kuang, Ma Ning, Chang Yao-tzu, Chi Peng-fei, Wu Ching-tung, Hu Wei, Lin Li-yun (female), Tsai Hsiao, Chu Yun-shan, Shih Liang (female), Hu Yu-chih, Sha Chien-li, Chi Fang, Huang Ting-chen, Chou Pei-yuan and Tien Fu-ta.

(Hsinhua News Agency, July 6)

Announcement by Funeral Committee for the Late Comrade Chu Teh

(1) In deep mourning for Comrade Chu Teh, Member of the Central Committee of the Communist Party of China, Member of the Political Bureau of the C.P.C. Central Committee, Member of the Standing Committee of the Political Bureau of the C.P.C. Central Committee and Chairman of the Standing Committee of the National People's Congress, it is decided that last respects will be paid to the remains of Comrade Chu Teh on July 8, 1976 and a mourning ceremony held on July 9 and 10. A memorial meeting will be held on July 11, 1976. The national flag will be flown at half-mast throughout the country and all recreational activities suspended the same day.

In the capital, the national flag will be flown at half-mast at Tien An Men, Hsinhuamen, the Working People's Palace of Culture and the Ministry of Foreign Affairs from the day the obituary notice was issued to July 11 inclusive.

(2) In accordance with China's customs and revised protocol, it is decided that no foreign government, fraternal Party or friendly personage will be invited to send delegations or representatives to China to take part in the mourning activities.

Hence the announcement.

(Hsinhua News Agency, July 6)

Peking Review, No. 28

Message of Greetings to Leaders of Viet Nam

Comrade Ton Duc Thang,

President of the Socialist Republic of Viet Nam,

Comrade Le Duan,

First Secretary of the Central Committee of the Viet Nam Workers' Party,

Comrade Truong Chinh,

Chairman of the Standing Committee of the National Assembly of the Socialist Republic of Viet Nam,

Comrade Pham Van Dong,

Premier of the Government of the Socialist Republic of Viet Nam,

Hanoi

The Sixth National Assembly of the Socialist Republic of Viet Nam solemnly proclaimed the reunification of the whole of Viet Nam. This is a brilliant achievement of the long and valiant struggle waged by the people in both north and south Viet Nam. On behalf of the Communist Party of China and the Chinese Government and people, we wish to extend our warmest congratulations to you as well as the Viet Nam Workers' Party, the Government of the Socialist Republic of Viet Nam and the fraternal Vietnamese people, and warmly congratulate you on assuming respectively the offices of President of the Republic, Chairman of the Standing Committee of the National Assembly and Premier of the Government.

Under the leadership of the Viet Nam Workers' Party, the heroic Vietnamese people, holding high the brilliant banner of "firm resolve to fight and win" of President Ho Chi Minh and having waged an extremely

arduous anti-imperialist struggle for decades, finally drove out and overthrew the external and internal reactionary forces and won independence and liberation for the entire nation, complete victory in their war against U.S. aggression and for national salvation and accomplishment of the great cause of reunifying their fatherland. The national reunification of Viet Nam is a big event in the political life of the Vietnamese people today, and is of tremendous significance in the history of Viet Nam's struggle for national liberation. The Chinese people heartily rejoice at every victory and success won by the fraternal Vietnamese people. We are sure that the Vietnamese people with their glorious tradition of revolutionary struggle will win new and still greater victories in the cause of building a peaceful, independent, unified and socialist Viet Nam.

May the Socialist Republic of Viet Nam enjoy prosperity.

May the great friendship between the Chinese and Vietnamese peoples grow stronger and develop steadily.

1

Mao Tsetung,

Chairman of the Central Committee of the Communist Party of China

Chu Teh.

Chairman of the Standing Committee of the National People's Congress of the People's Republic of China

Hua Kuo-feng,

Premier of the State Council of the People's Republic of China

Peking, July 3, 1976

Congratulating O.A.U. Summit Conference

Premier Hua Kuo-feng on June 30 sent a message to the 13th Session of the Assembly of Heads of State and Government of the Organization of African Unity, extending the warmest congratulations to the assembly on behalf of the Chinese Government and people. The message reads in part:

"At present, an excellent situation prevails in Africa. The African countries and people, holding high the banner of combating imperialism, colonialism, neo-colonialism, big-power hegemonism, white racism and Zionism, have carried on courageous and tenacious struggles to win or safeguard national independence and develop their national economies and cultures and have won continuous new victories. With the powerful sup-

port of African states, the peoples of Zimbabwe, Namibia and Azania are carrying on extensive armed struggle and mass movements against white racism and for national liberation. Since the birth of O.A.U., the militant unity forged by the African states in their common struggle against the enemy has continuously developed and grown in strength, We sincerely hope that, through the joint efforts of the great African

states, the current assembly will make a new contribution to further strengthening their militant unity, supporting the liberation struggles of the peoples in southern Africa and advancing the just and united struggle of the African and Arab countries and of the third world as a whole against imperialism, colonialism and hegemonism.

"May the assembly be a complete success!

"May the militant friendship between the peoples of China and Africa continuously grow in strength and develop!"

IIth Anniversary of Chairman Mao's Directive on Medical And Health Work Marked

Some 18,000 people from medical and health circles in Peking met at a rally on June 26 to mark the 11th anniversary of Chairman Mao's directive on medical and health work, criticize Teng Hsiao-ping and repulse the Right deviationist attempt to reverse correct verdicts.

On June 26, 1965 Chairman Mao issued the great directive: "In medical and health work, put the stress on the rural areas." Since then, great achievements have been made in the revolution in medical and health work with the smashing of the two bourgeois headquarters of Liu Shaochi and Lin Piao and the overthrow of the "Ministry of Health for Urban Overlords" during the Great Proletarian Cultural Revolution and the implementation of Chairman Mao's June 26 Directive. The co-operative medical service has been introduced all over the countryside, the 1.5 million barefoot doctors have made steady progress, and a medical network serving the poor and lowermiddle peasants has been set up. Medical and health departments have step by step shifted the stress of their work to the countryside with regard to the deployment of medical personnel and the allocation of funds and appliances. Practically all the people's communes in the country have

their own hospitals. All this is an earth-shaking change compared to the situation prior to the Great Cultural Revolution when the country-side was short of doctors and medicine.

Medical workers in the People's Liberation Army and in Peking have made their contributions to the deepgoing revolution on the health front. In the 10 years since the start of the Cultural Revolution in 1966, the People's Liberation Army has organized more than 60,000 medical teams made up of half a million medical workers to tour the countryside and army units at the grass-roots level. They have treated 75 million peasants and helped 29,000 production brigades set up or further improve their cooperative medical service and train -770,000 barefoot doctors and health workers. Medical and health departments in Peking have sent out more than 15,000 medical and health workers in over 300 mobile teams touring mountainous areas and the country-Many medical workers have settled in the border areas and villages to help carry on the revolution in medical and health work.

Implementing Chairman Mao's June 26 Directive is a profound revolution on the medical and health front. It is of great immediate importance and of far-reaching historical significance in consolidating and developing China's socialist economic base, gradually narrowing the three major differences between worker and peasant, between town and country and between mental and manual labour, restricting bourgeois right, combating and preventing revisionism and strengthening the allround dictatorship of the proletariat over the bourgeoisie.

The medical workers at the rally, which was jointly organized by the Ministry of Public Health, the General Logistics Department of the Chinese People's Liberation Army and the Peking Municipal Revolutionary Committee, hailed the great victories of Chairman Mao's revolu-

tionary line, the Great Proletarian Cultural Revolution and the revolution in medical and health work. They roundly criticized the archunrepentant capitalist-roader in the Party Teng Hsiao-ping for his crimes in pushing the revisionist line and opposing barefoot doctors, the cooperative medical service and other socialist new things. They also denounced his attempt to sabotage the revolution in medical and health work and to reverse the verdict passed on the former "Ministry of Health for Urban Overlords."

Similar commemorative activities also took place in various provinces, municipalities and autonomous regions as well as in medical and health units at the grass-roots level.

All-China Sports Federation Reiterates China's Just Stand

The All-China Sports Federation (the Chinese Olympic Committee) sent a message on July 2 to the International Olympic Committee (I.O.C.). The message reads: "It is learnt that the 78th International Olympic Committée (I.O.C.) Session and the 21st Olympic Games will soon be held in Montreal, Canada. The All-China Sports Federation (the Chinese Olympic Committee) reiterates that the All-China Sports Federation (the Chinese Olympic Committee) is the sole legitimate national sports organization governing sports on the entire territory of China (including Taiwan Province). Only the All-China Sports Federation (the Chinese Olympic Committee) is entitled to represent China in the I.O.C. international Olympic movement and other international sports organizations. The usurpation of China's representation by the so-called sports organization of the Chiang clique is entirely illegal. The I.O.C. must not allow the Chiang clique's so-called sports organization to participate in the coming I.O.C. Session and Olympic Games activities."

Warmly Greet Successful Reunification of Viet Nam

THE first session of the National Assembly of a unified Viet Nam which opened in Hanoi, capital of Viet Nam, on June 24 came to a successful close on July 3. The session formulated the domestic and foreign policies of unified Viet Nam, set up new leading organs of the state, elected state and government leaders, decided on the name, national flag, national emblem, capital and national anthem of the country and formed the Constitution Drafting Commission. The event is of great significance in the political life of the entire Vietnamese people and marks a splendid milestone in the history of Viet Nam. At a time of national rejoicing in Viet Nam, the Chinese people, full of joy, extend the warmest congratulations to the fraternal Vietnamese people.

In 1969, when the Vietnamese people's war against U.S. aggression and for national salvation reached an extremely fierce and arduous stage, the late President Ho Chi Minh, the great leader of the Vietnamese people, with firm resolve to win, solemnly predicted in his testament: "Our fatherland will be reunified. Our compatriots in the north and in the south will be reunified under the same roof." Today, this prediction of President Ho Chi Minh's has successfully come true.

The reunification of the fatherland is the strong national aspiration of the entire Vietnamese people. They have waged a protracted and most arduous struggle for the independence of the fatherland and the liberation of the nation. Particularly since the August Revolution in 1945, the Vietnamese people, holding high the glorious banner of "firm resolve to fight and win" under the leadership of the Workers' Party of Viet Nam, have successively resisted two imperialist aggressors in an unrelenting spirit of revolutionary heroism and achieved one victory after another. In the spring of 1975, they thoroughly defeated the domestic and foreign reactionary forces with an irresistible momentum and completely liberated south Viet Nam. This victory of the Vietnamese people brought to a glorious end the war for saving and defending the fatherland, which began with the August Revolution and lasted 30 years, thus paving the way for the reunification of the whole country. The holding of the first session of the National Assembly of a unified Viet Nam represents a summingup of the victories in the Vietnamese people's protracted revolutionary struggle. The Chinese people are convinced that the successful reunification of Viet Nam will give a powerful impetus to the Vietnamese people's cause

of building a peaceful, independent and unified socialist Viet Nam.

The wheel of history rolls on and will not be held back. Since the Vietnamese, Kampuchean and Lao peoples won great historic victories more than one year ago, the situation in Southeast Asia, like the whole international situation, has continued to develop in a direction favourable to the people of all countries. The great current that countries want independence, nations want liberation and the people want revolution surges on. The revolutionary struggles waged by the people of Asian countries including those of the three countries in Indochina have dealt very heavy blows to imperialism, colonialism and hegemonism. The two superpowers are still locked in fierce rivalry for hegemony; but it can be said with certainty that their hegemonic policy of interfering in other countries' internal affairs and carrying out aggression and expansion everywhere is doomed to failure. The historical trend of the people of Asian countries determining their destiny and getting united in the struggle against hegemonism can never be checked. It will surely be crowned with victory.

China and Viet Nam are friendly neighbours linked by mountains and rivers. There is a long-standing, traditional friendship between the people of the two countries. They have sympathized with and supported each other in their protracted revolutionary struggles. against imperialism. The Chinese people acclaim the great historic victory of the Vietnamese people in the war against U.S. aggression and for national salvation and heartily rejoice at the achievements scored by the Vietnamese people in their efforts to heal the wounds of war, restore and develop the economy, carry out socialist transformation and socialist construction. The Chinese people have always treasured their revolutionary friendship with the Vietnamese people. We maintain that safeguarding and developing this friendship on the basis of Marxism-Leninism and proletarian internationalism is the common desire of the people of our two countries and conforms to their fundamental interests. The Chinese people will, as always, continue to make contribution to the enhancement of the revolutionary friendship between our two peoples.

May the Vietnamese people achieve new and still greater victories in the cause of revolution and construction in the future.

("Renmin Ribao" editorial, July 4)

Poland's Working Class Strikes Back With a Vengeance

by Jen Hua

HE recent revolutionary storm raised by Poland's working class and broad sections of the people swept the country with great force. It dealt a blow at the Soviet revisionists, shook Eastern Europe and won the sympathy and support of the people the world over. The Chinese people stand four-square behind the just struggle of the Polish people.

On June 25, workers in the capital of Warsaw, as well as in Radom, Gdansk, Szczecin, Plock and many other cities, ignoring all risks, demonstrated their strong protest against the government's decision to raise the prices of essential food by a big margin. They held large-scale strikes and slowdowns, took violent actions and waged struggle in other forms. They threw up street barricades, disrupted communication lines, cut off electricity supply, set vehicles afire and organized pickets. And so a strong, irresistible revolutionary storm was unleashed. The workers put forward explicit political slogans such as "All power to the working class" and "Oppose exploitation by the Soviet Union." The spearhead of their struggle was directed at the Polish ruling clique and its behind-thescenes boss, Soviet social-imperialism. In terms of the swiftness of action, unanimity of popular feeling and vastness of areas involved, the recent struggle, with the courageous working class standing in the van and other sections of the people responding on a wide scale, surpassed the revolutionary struggle which erupted in 1970 in the coastal cities of Poland and led to the fall of Władysław Gomulka. Confronted by this revolutionary situation characterized by courageous counterattacks of the working class, the Polish authorities backed down and withdrew the price-hike decision the following day. The action of the protesters once again gives vivid expression to the revolutionary spirit of the Polish working class, which has a glorious tradition of struggle, a spirit of not yielding to revisionist rule, and its powerful fighting strength in daring to hold aloft the banner of revolutionary rebellion.

The decision of the Polish authorities to raise food prices by a big margin directly sparked off this revolutionary storm. For years, there have been loud complaints by the Polish people about the ever worsening economic difficulties and soaring prices in the country. As the economic situation has begun to deteriorate still further this year, there is an extreme shortage of farm and subsidiary products following a steady drop in production. In these circumstances the Polish authorities decided to raise the prices of essential food by 30 to nearly 100 per cent. Driven beyond forbearance by

such callous disregard of the fate of the people, the working class and the masses hit back resolutely by revolutionary means.

The Polish economy has for years been bogged down in inextricable difficulties. Polish leaders are obliged to admit in public speeches that the country is beset with economic difficulties. The total value of agricultural production drops from year to year, agriculture and animal husbandry failed to fulfil the targets for the past two years, foodgrain output in 1975 was 15 per cent lower than the previous year, output of oil-bearing crops, potatoes, vegetables, fruits and sugar fell markedly, the number of domestic animals decreased sharply, meat procurement fell short of plan and milk production declined. The country's foreign debts have now reached 8,000 million U.S. dollars and foreign trade deficits keep mounting. Inflation is serious, the volume of currency in circulation has more than doubled the figure of five years ago and there is an acute shortage of supplies in the market. This is the disastrous consequence of long years of Soviet plundering and of the revisionist line pursued by the Polish ruling clique in tailing after the Soviet revision-

The revisionist masters in the Kremlin are the archcriminals who must be held accountable for the deep politico-economic crises in Poland. Starting from their counter-revolutionary global strategy of contention for world hegemony, the Soviet revisionists, wishing to maintain their domination of Eastern Europe and harbouring aggressive designs on Western Europe, have long been stepping up their political control, military occupation and economic plunder of Poland. The result is indescribable disaster for that country. advantage of their overlord position in the "socialist community" and using "the Council for Mutual Economic Assistance" as a tool, the Soviet revisionists plunder and exploit Poland flagrantly by hook or crook or even force and by legal or illegal means. They are, as Lenin put it, "skinning the ox twice." (Imperialism, the Highest Stage of Capitalism.) Last year, the Soviet revisionists, turning to account their monopoly position as Poland's oil supplier, openly violated a previous agreement and raised the oil price by 140 per cent and jacked up prices of more than ten export commodities to the country. They also used their clout to get Poland to contribute manpower, capital and equipment for exploiting natural resources and building huge joint projects in the Soviet Union, thus compel-

(Continued on p. 21.)

A Confession of Attempts at Reversal Of Verdicts and Restoration

- Criticizing an article concocted at Teng Hsiao-ping's bidding

by the Mass Criticism Group of Peking and Tsinghua Universities 1

WHEN the unrepentant capitalist-roader in the Party Teng Hsiao-ping stirred up the Right deviationist wind to reverse correct verdicts last year, he issued instructions for the concoction of an article entitled "On the General Programme for All Work of the Party and the Country." It went to great lengths to preach that "taking the three directives as the key link" was the "general programme for all work" not only "for the present" but also "for the next 25 years." This big poisonous weed of more than ten thousand words, which he had not yet had the time to publish, is an excellent teaching material by negative example and a confession of his attempts at reversal of verdicts and restoration. A critical analysis of the article shows that Teng Hsiao-ping's "taking the three directives as the key link" was an out-and-out revisionist programme, that Teng Hsiao-ping and his followers had theory and a programme in their organized Right deviationist activities to reverse correct verdicts, and that they had resorted to intrigues and conspiracies.

It must be pointed out that Teng Hsiao-ping pinned great hopes on this article. "When this article is published," he exclaimed, "it means a blow has been delivered." What kind of "blow" was it? And what did they want to strike at? A look at the counter-revolutionary incident that took place at Tien An Men Square, where a handful of class enemies committed arson and beat up people, shows that the bourgeoisie both inside and outside the Party invariably brandishes two "fists"—counter-revolutionary public opinion and counter-revolutionary violence. Their revisionist "blows" were directed at the Great Proletarian Cultural Revolution, at Chairman Mao's revolutionary line and at the

socialist system under the dictatorship of the proletariat.

Attacking Cultural Revolution on the Pretext of "Opposing Leftism"

From beginning to end this article on the "general programme" attacked the Great Cultural Revolution on the pretext of "criticizing Lin Piao" and "opposing Leftism." Lin Piao pushed an ultra-Right revisionist line but the authors of the article, out of ulterior motives, called it an "ultra-Left" line. They raised a hue and cry, saying that there could be no political stability and unity unless the "pernicious Leftist influence is completely wiped out." Since these people consistently took an ultra-Right stand, they looked on the Cultural Revolution as "ultra-Left." What they meant by "opposing Leftism" was in fact opposing Chairman Mao's Marxist-Leninist line. Their so-called "criticizing Lin Piao" was a mere sham; what they really wanted to do was to negate the Cultural Revolution.

What is the Great Proletarian Cultural Revolution for? To wage class struggle. The Great Proletarian Cultural Revolution is in essence a great political revolution carried out under the conditions of socialism by the proletariat against the bourgeoisie and all other exploiting classes. The main target of the movement is those Party persons in power taking the capitalist road. Chairman Mao has pointed out recently: "You are making the socialist revolution, and yet don't know where the bourgeoisie is. It is right in the Communist Party - those in power taking the capitalist road. The capitalist-roaders are still on the capitalist road." To negate the fact that the main target of the Great Cultural Revolution is the capitalist-roaders in the Party means negating the entire Cultural Revolution. Teng Hsiao-ping slandered that the Cultural Revolution had "harmed experienced cadres," and the article concocted at his bidding made a concentrated attack on the Cultural Revolution for having "overthrown good Party cadres." Shouldn't the two bourgeois headquarters of Liu Shao-chi and Lin Piao be overthrown? Shouldn't the handful of renegades, special agents and counterrevolutionaries who had wormed their way into the Party be expelled? Shouldn't those Party persons in power taking the capitalist road be exposed and criticized? The Great Cultural Revolution has given the cadres a profound education in class struggle and the two-line struggle and has saved a number of cadres who committed mistakes. This is of great help to them in continuing the revolution under the dictatorship of the

^{*}The revisionist programme of "taking the three directives as the key link" was dished out in summer last year. Waving "red flags" to oppose the red flag and using an eclectic sleight of hand, the unrepentant capitalistroader Teng Hsiao-ping with ulterior motives distorted Chairman Mao's directives, putting the directive on studying the theory of the proletarian dictatorship and combating and preventing revisionism on a par with the directives on stability and unity and on pushing the national economy forward and describing all three as the "general programme for all work." This trick of confusing the principal with the secondary and replacing the former with the latter was an attempt to negate the Party's basic line and Chairman Mao's repeated instructions on taking class struggle as the key link for all work in the period of socialism.

proletariat. The article, however, did not say a word about Chairman Mao's important instructions on the nature, target and tasks of the Great Proletarian Cultural Revolution, but slandered the criticism of capitalist-roaders as "ultra-Left," viciously attacked the Cultural Revolution, made complaints on behalf of those capitalist-roaders who refused to mend their ways, and instigated those cadres who had committed mistakes and been criticized by the masses to resent the Great Cultural Revolution. This revealed once again that when Teng Hsiao-ping declared "I'll never reverse the verdict," he was only following the trick of "recoiling in order to extend" practised by the disciples of Confucius and Mencius.

The Great Proletarian Cultural Revolution is an unprecedented great mass movement. "Never before in any mass movement have the masses been aroused so thoroughly and on so broad a scale." Chairman Mao has highly commended and warmly praised the revolutionary spirit of hundreds of millions of people who rose to rebel against the capitalist-roaders in the Party during the Cultural Revolution. The historical experience of the proletarian dictatorship proves that, to prevent revisionists from coming to power, it won't do to depend only on a few persons, but the people of the whole country must be aroused to fight. The Great Cultural Revolution is a great practice to combat and prevent revisionism by mobilizing and relying on the broad masses. Teng Hsiao-ping consistently held the idealist conception of history that "the highest are the wise and the lowest are the stupid" as advocated by Confucius, and alleged that "reliance on the workers, peasants and soldiers is relative." Following his cue, the authors of the article vilified the masses as being liable to follow others blindly and to rebel in a wanton manner. In the eyes of Teng Hsiao-ping, the masses are an ignorant mob. His venomous attack on the mass movement of the Cultural Revolution shows that this struggle has hit the capitalist-roaders in the Party where it hurts and demonstrates the immense power of the revolutionary mass movement. Setting themselves against the masses and venting their hatred on them, these capitalist-roaders fully revealed their reactionary features as bourgeois lords in the Party. In 1959 when he refuted the fallacy of Peng Teh-huai, ringleader of the revisionist line, in opposing the revolutionary mass movement, Chairman Mao said: "Do you see how Lenin criticized the renegade Plekhanov and those 'bourgeois gentlemen and their hangers-on,' 'the curs and swine of the moribund bourgeoisie and of the petty-bourgeois democrats who trail behind them'? If not, will you please have a look?"

While giving instructions to write the article, Teng Hsiao-ping spread the idea: "Forget everything about the Great Cultural Revolution; don't think about it and don't mention it. My memory is bad, I've forgotten everything." These few sentences completely revealed his hatred and grudge against the Cultural Revolution. What he was driving at was: I don't give a hang about the Cultural Revolution; I just consider nothing had happened. I'll go on following the capitalist road the

way I did before the Cultural Revolution! As to his tale about "bad memory" and that he had "forgotten everything," it was only meant to deceive the people. The series of unbridled activities he had carried out fully showed that what he was engrossed in day and night was to settle old scores and restore capitalism, and that he would not be reconciled unless the proletariat and the revolutionary people were put down and the correct appraisal of the Great Cultural Revolution was reversed.

Reversing the Correct Appraisal of Cultural Revolution by So-Called "Rectification"

In order to reverse the correct appraisal of the Great Cultural Revolution, Teng Hsiao-ping maliciously proposed that "there is the need at present to carry out rectification in all fields of work." The article written on his instruction alleged: "It is imperative to take the three directives as the key link to sum up the rich experience gained since the start of the Great Proletarian Cultural Revolution, formulate specific policies for different fields of work, and use this general work programme and various policies to guide and rectify all fields of work." When Teng Hsiao-ping and his followers proposed "taking the three directives as the key link" to "sum up" the Cultural Revolution, didn't they mean to say that the summing-up of the Cultural Revolution at the Ninth and Tenth Party Congresses was no longer valid? "The current Great Proletarian Cultural Revolution is absolutely necessary and most timely for consolidating the dictatorship of the proletariat, preventing capitalist restoration and building socialism." Doesn't this directive of Chairman Mao's still hold good? It is quite obvious that to make a summing-up in accordance with Teng Hsiao-ping's revisionist programme and line could only mean a counterattack on the Great Cultural Revolution. In advocating "formulating" various policies and "rectifying" all fields of work, he simply wanted to negate and oppose the proletarian policies laid down by Chairman Mao for our Party and transform the work in all fields as well as transform our Party and state in the image of the bourgeoisie.

The article on the "general programme" listed nine aspects which needed to be "rectified," the "emphasis" being on Party rectification and the "key point" on the leading bodies. It clamoured for overthrowing the "class enemies who oppose Marxism" and for "seizing back the leadership." The so-called "class enemies who oppose Marxism" had a specific reactionary implication; it referred to the proletarian revolutionaries who firmly implemented Chairman Mao's revolutionary line. It is only too natural for those who practise revisionism to regard those who uphold Marxism and the dictatorship of the proletariat as their class They also maliciously linked the "class enemies. enemies who oppose Marxism" with the renegade and traitor Lin Piao, describing them as having "inherited Lin Piao's mantle" and "followed in Lin Piao's steps." Actually, these words are most suitable for describing themselves. The vast amount of facts brought to light during the struggle to beat back the Right deviationist wind prove that it is none other than the unrepentant capitalist-roader Teng Hsiao-ping who had inherited the mantle of Liu Shao-chi and Lin Piao's revisionist line, used the old trick of waving "red flags" to oppose the red flag and frenziedly opposed Marxism-Leninism-Mao Tsetung Thought. In trying to hoodwink the people and create confusion, in vilifying the Great Proletarian Cultural Revolution and the proletarian revolutionaries and in speaking out what the handful of overt and covert counter-revolutionaries dare not speak, Teng Hsiao-ping's real aim was to split our Party, sow discord among the masses and seize power from the proletariat.

What was Teng Hsiao-ping up to in pressing ahead so recklessly with his attempt to reverse the correct appraisal of the Great Cultural Revolution and seize power from the proletariat? The article on the "general programme" gave the best answer! He wanted to change the Party's basic line and bring about an all-round restoration of capitalism.

Effecting Capitalist Restoration in the Name Of Grasping Production

The article on the "general programme" started off with this statement: The Second Plenary Session of the Party's Tenth Central Committee and the Fourth National People's Congress put forward the magnificent task of developing the national economy for the next 25 years. Immediately following this, the authors of the article specified that "taking the three directives as the key link" was to be the "general programme for all work" for the remaining quarter of this century. Here they deliberately tampered with the spirit of the Second Plenary Session of the Party's Tenth Central Committee and the Fourth National People's Congress, distorted our Party's slogan for persistently taking class struggle as the key link in achieving socialist modernization in the next 25 years, and by a sleight of hand took over the "25 years" and wedded it to the so-called "taking the three directives as the key link," turning upside down the relationship between revolution and production and between politics and economy, which is a relationship between the commander and the commanded. They placed the achievement of modernization above everything else and in command of everything and declared that "taking the three directives as the key link" was precisely for the purpose of modernization. In this way, class struggle as the key link was liquidated, and so was the fundamental task of continuing the revolution under the dictatorship of the proletariat, leaving only the so-called "modernization." If this were followed, wouldn't our Party become a "party for production" and a revisionist party? And wouldn't our Party's programme have to be revised? If things were to develop along this line, then it would take less than 25 years for the whole of China to change its political colour.

Marxism holds that in general the productive forces and the economic base play the principal and decisive role in the development of history as a whole;

at the same time, however, we must recognize the reaction of the relations of production on the productive forces and that of the superstructure on the economic When the old relations of production and the superstructure become a hindrance to the development of the productive forces and the economic base, then changes in the relations of production and the superstructure play the principal and decisive role. Chairman Mao pointed out in his On Coalition Government during the democratic revolution: "In the last analysis, the impact, good or bad, great or small, of the policy and the practice of any Chinese political party upon the people depends on whether and how much it helps to develop their productive forces, and on whether it fetters or liberates these forces." He went on to say: "The social productive forces of China can be liberated only by destroying the Japanese aggressors, carrying out land reform, emancipating the peasants, developing modern industry and establishing an independent, free, democratic, united, prosperous and powerful new China — and this will win the approbation of the Chinese people." Here Chairman Mao emphasizes that only revolution can liberate the productive forces. In the period of socialism, Chairman Mao also has always emphasized the role played by continuous changes in the relations of production and the superstructure in promoting the development of the productive forces and has laid down for our Party the principle of grasping revolution, promoting production. The vigorous development of all undertakings in China's construction since the start of the Cultural Revolution has eloquently proved that this great revolution is a powerful motive force for developing the country's social productive forces.

However, in order to push ahead with the revisionist programme of "taking the three directives as the key link," the article on the "general programme" vehemently attacked the principle of grasping revolution, promoting production, lashed at putting proletarian politics in command, and peddled the theory of productive forces. It openly distorted the above-mentioned passage from Chairman Mao's On Coalition Government and, employing the vile practice of quoting out of context, deliberately deleted that part of Chairman Mao's statement about carrying on the revolution. Instead, it dwelt only on production and considered that so long as production developed, it would be "real revolution" and following the "correct line" no matter what road was taken. In a word, it still harped on Teng Hsiao-ping's theory of "white cat and black cat." According to this logic, aren't the two superpowers the "most correct" and the "most revolutionary" because they have the highest output of steel and the greatest number of atom bombs? Many third world countries are still economically underdeveloped owing to imperialist and social-imperialist control and plunder. Does this mean they are the "most incorrect" and the "most non-revolutionary"? How absurd these persons were who styled themselves as people "well versed in Marxism"!

Historical experience shows that both old and new revisionists often make a fuss about economy in order to oppose the proletarian revolution and the proletarian dictatorship. Following in their footsteps and wearing the mask of an "expert" in developing economy, Teng Hsiao-ping pretended to be most concerned about production and most acquainted with it. But what he actually did was trying to restore capitalism on the pretext of grasping production. Using "everything for modernization" as his slogan, he did his utmost to oppose the revolution in all spheres of the superstructure and at the same time stubbornly pushed a revisionist line in the economic field in a vain attempt to change the orientation of China's socialist construction. He vigorously peddled bourgeois ideas about economy and preached giving top priority to science and technology, the omnipotence of revisionist rules and regulations, putting personal material gains first, and so on and so forth. But he never mentioned people and revolution as the most important factors, and evaded the question of criticizing the capitalist-roaders, his aim being to liquidate the class struggle waged by the proletariat against the bourgeoisie. He opposed the leadership of the Party and advocated "relying on specialists to run the factories"; he opposed putting proletarian politics in command and advocated material incentives; he opposed relying on the masses and launching mass movements and advocated reintroducing rigid regulations to "control, check and suppress the workers" and stifle their enthusiasm for socialism; he opposed bringing into play the initiatives of both central and local authorities and, in his attempt to stress one-sidedly the initiative of the central authorities, he wanted to implement once again the principle of "direct and exclusive control of enterprises by the ministry concerned"; he opposed the principle of "walking on two legs" and one-sidedly stressed things ostentatious and foreign; he opposed the principle of independence and self-reliance and spread the philosophy of servility to things foreign and the doctrine of trailing behind at a snail's pace. By worshipping everything foreign, Teng Hsiao-ping exposed his real features as a slavish comprador-capitalist and caused grave consequences in China's socialist construction. If things were to develop the way he wished, China's economic construction would be led astray on to the road of capitalism and our country would once again be reduced to the status of a colony or semi-colony.

Reversing Correct Verdicts Goes Against The Will of the People

The concocting of the article on the "general programme" once again shows that class struggle is an objective reality independent of man's will. How haughty and ferocious Teng Hsiao-ping was when he, thinking that he had his way, launched an attack on the proletariat! Pledging to overthrow the so-called "class enemies who oppose Marxism" and to "fight for the truth" "with undaunted faith," he really wished he could strike down the proletariat with one blow.

However, the Right deviationist attempt to reverse correct verdicts might gain the upper hand for a time, it was in essence extremely feeble. Reversing correct verdicts goes against the will of the people. The truth was not in the hands of those who tried to reverse correct verdicts and bring about capitalist restoration. They feared the truth the most and were very afraid of the masses possessing the truth. Not long after the article had been written, they sensed that the general trend was not to their advantage, so they took great pains to rewrite it again and again, taking out such words as overthrowing the "class enemies who oppose Marxism." How strange all this was! Why was it that all of a sudden there was no need for them to overthrow the "class enemies" who "oppose Marxism"? Why was it that the authors who pledged to "fight for the truth" "with undaunted faith" had suddenly become irresolute and weak-minded? In rewriting the article, the authors added some sentences which they had no intention at all to say, and deleted some sentences which reflected their real intentions, and they resorted to a more crafty and more disguised way to attack the proletariat. But the result was the more they wanted to cover up their designs, the more they exposed themselves for what they really were.

In any great revolution in history, it takes more time to consolidate and develop the achievements of the revolution than to carry out the revolution itself. And during that revolution and for a very long time after it, there is always the struggle between attempts at reversal of verdicts and counter-reversal and between restoration and counter-restoration. The Great Proletarian Cultural Revolution personally initiated and led by Chairman Mao has opened up broad vistas for continuing the revolution under the dictatorship of the proletariat. It shoulders the task of mobilizing the masses to make revolution against the bourgeoisie, especially the bourgeoisie within the Party, in the period of socialism. It has provided extremely valuable experiences for combating and preventing revisionism, consolidating the dictatorship of the proletariat, preventing capitalist restoration and building socialism. The nature, tasks and significance of the Great Cultural Revolution determine that all those who practise revisionism and advocate restoration and retrogression will inevitably try to reverse the correct appraisal of the Cultural Revolution. To affirm or to negate the Great Cultural Revolution is a question of building genuine or sham socialism and a question of carrying the continued revolution under the dictatorship of the proletariat through to the end or giving it up halfway. The current great struggle against the Right deviationist trend is a continuation and deepening of the Great Proletarian Cultural Revolution and an issue of cardinal importance concerning the destiny and future of our Party and state. We must resolutely smash the attack launched by the bourgeoisie, consolidate and develop the great achievements of the Great Cultural Revolution so as to ensure that our country will advance triumphantly along Chairman Mao's revolutionary line.

Change of the System of Ownership

by Our Correspondents Hsiang Jung and Chin Chi-chu

One thing that marks the excellent situation prevailing in China's economy is that markets are flourishing and prices remain stable. This has been made possible by the joint efforts of the workers and staff of the commercial departments and the people of the whole nation, who, guided by Chairman Mao's revolutionary line and taking class struggle as the key link, have waged a sustained struggle against capitalism and revisionism.

Not long ago our correspondents visited some urban and rural commercial organizations in Hunan Province, and this is the first of a series of their reports giving some basic facts about China's socialist commerce.—Ed.

E paid a visit to Hunan Province in central south China, where natural conditions are good and natural resources and products plentiful. That is why Hunan is known as a "region of fish and rice." It is also one of China's major grain producers.

The train took us to Changsha, the provincial capital. This 3,000-year-old city of more than 800,000 people lies on the banks of the picturesque Hsiangchiang River. A bustling, prosperous scene met our eyes as we entered the city. In the city proper and in the suburbs there were many factories, some very large and some smaller; the flat tidy fields on the city's outskirts were lovely. The many shops in the city were full of customers and the shelves well stocked with a variety of goods.

Comrades of the provincial bureau of commerce provided us with the following figures: The total volume of commodities purchased in 1975 was 18 per cent higher than the previous year and 2.6 times that of 1965, the year before the start of the Great Proletarian Cultural Revolution. This meant that there had been a huge increase in industrial and agricultural products. In 1975 the province sold 8.7 per cent more commodities than it had done in 1974, and which was more than double the amount sold in 1965. This is a reflection of a brisk market, stable prices and the people's rising purchasing power.

State Commerce Predominates

Taching Road is the busiest street in Changsha, lined with large and small department stores, shops selling clothes, foodstuffs and other daily necessities,

various specialized shops and also premises of service and catering trades.

Nearly all these shops are owned and run by the state. Some of them were started after liberation, such as the fairly large establishment catering exclusively to women. Some were once owned by capitalists and were later turned into state-owned shops after the socialist transformation and got expanded. The Chiujuchai Foodstore is an example. Another one is the shop which sells special foodstuffs from other parts of the country. It has been expanded into a state-owned store which; besides handling retail business itself, also controls several other retail outlets. Most of the 900 items on sale are delicacies, each with a distinctive taste peculiar to the place where it comes from. Hence quite a large clientele.

Comrades of the bureau of commerce said: All these state-owned shops are socialist enterprises owned by the whole people. Like the state factories, their total assets belong to the proletariat and other working people. All their activities must be geared to serve them. The socialist state of the dictatorship of the proletariat owns and controls these shops on behalf of the proletariat and other working people. The Communist Party, the political party of the proletariat, exercises centralized leadership over commercial work. Those working in these shops are all state employees.

Following the stream of people we came to a not very large department store where people were selecting and buying fireworks for a forthcoming festival. We were told that this was one of the very few shops which were still co-operatively run. At first it was set up by several small traders and peddlers pooling their funds. There are now 19 people working in it. The 400 items on sale here are supplied wholesale by the state company handling goods for department stores which also determines the prices. The shop earns a seven per cent commission on goods sold. Out of its earnings the shop deducts overhead and taxes; the rest goes into the shop's public accumulation fund and the welfare fund for its employees. Actually, such shops serve as retail outlets for the state shops.

Changsha has many shopping centres like this one on Taching Road. The more than 1,400 wholesalers and retailers in the city belong to 17 companies handling goods for department stores, stationery (including

sports goods, musical instruments and others), hardware and electrical appliances, pharmaceutics, coal, petroleum, sundry goods, vegetables, non-staple food, meat, local products, or in charge of delicatessens and restaurants and service trades. While the shops engage in the sale of commodities at retail, the companies handle wholesale bulk trade. These companies are under the leadership of the various commercial bureaus of the city's revolutionary committee (the People's Government). They buy and sell according to a unified plan. At the moment only a few cobblers, barbers and others in certain service trades are still working on their own.

Hunan Province was liberated in 1949. From the following table of the province's total volume of commodities retailed by different sectors in different periods one can see the fundamental change that has taken place in the system of ownership in commerce.

	State Commerce	State-Private and Collectively Owned Commence	Private and Individual Commerce		
1950	4.5 per cent	0.1 per cent	95.4 per cent		
1956	66.8 per cent	27.1 per cent	6.1 per cent		
1975	96.89 per cent	3 per cent*	0.11 per cent		

Total retail trade in Changsha shows similar changes.

ii.	State Commerce	State-Private and Collectively Owned Commerce	Private and Individual Commerce		
1950	11.7 per cent		88.3 per cent		
1957	80:8 per cent	19:1 per cent	0.1 per cent		
1975	92.89 per cent	7.05 per cent*	0.06 per cent		

Hunan is a microcosm of the whole country. National retail figures also show the dominant position of state commerce.

	State Commerce		State-Private and Collectively Owned Commerce			Private and Individual Commerce		
1950	14.9	per cent	0.1	per cent	•	85	per cent	
1957	65.7	per cent	31.6	per cent	٠.	2.7	per cent	
1974	92.5	per cent	7.3	per cent*		0.2	per cent	

The above figures show that great victories have been won in establishing socialist ownership by the whole people and collective ownership by working people in China's commerce as is also the case with industry and agriculture. As a result, the system of ownership in China has undergone a change, the proletariat and other working people, in our country have basically shattered the fetters of private ownership and the socialist economic base has been gradually consolidated and developed.

Fruits of Class Struggle

The establishment of socialist public ownership has enabled industry, agriculture and commerce to achieve gigantic development.

The transformation of the system of ownership and the establishment of socialist public ownership were accomplished through fierce class struggle. Under the leadership of Chairman Mao and the Communist Party, the people of the whole country seized political power after decades of valiant struggles; and only then were conditions created for bringing about such a great change.

After liberation the People's Government immediately confiscated all bureaucrat-capital and turned it into the property of the socialist state.

The numerous individual handicraftsmen and small traders were organized and guided to take the socialist road of collectivization.

The policy towards industrial and commercial enterprises owned by the national capitalists was to utilize, restrict and transform them. It means making use of their positive role which was beneficial to the national economy and the livelihood of the people, restricting their negative aspect detrimental to the national economy and the people's livelihood, and encouraging and guiding them to change into various forms of state-capitalist economy and gradually transforming them into socialist enterprises owned by the whole people.

The elementary forms of state capitalism in commerce include private enterprises making purchases and selling goods on behalf of the state enterprises.

The higher form of state capitalism was joint state-private ownership. Apart from investing in these joint state-private enterprises, the government also sent cadres to take up leading posts there. In this manner the socialist element was in the leading position in enterprises and their supply, production and marketing were brought under the state plan and the exploitation of labour by capital was thus greatly restricted. The development of this higher form of state capitalism actually involved two stages: the stage of private enterprises individually switching over to state-private ones and that of private enterprises being turned into state-private ones by whole trades.

At the end of 1955 and the beginning of 1956, agricultural co-operation was in the main brought about

^{*} After 1966 state-private enterprises were all transformed into socialist enterprises. Asterisks denote figures for collectively owned commerce;

throughout the country and this ultimately terminated the nexus between the capitalist economy and the individual economy, forcing the bourgeoisie to accept the socialist transformation and take the road of forming state-private enterprises by whole trades.

After the establishment of state-private enterprises by whole trades, the state continued to buy the capitalist enterprises out by paying interest to the capitalists for a certain period of years at a fixed rate according to the total value of their fixed assets before joint stateprivate ownership was introduced. Thus the capitalists' income from exploitation was no longer connected directly with production development. By this stage these enterprises were basically socialist in nature. After the start of the Great Proletarian Cultural Revolution, the state, according to the timetable set for paying out interest and in compliance with the wish of the broad masses, decided to stop paying interest to the capitalists. Thus the state-private enterprises were turned into enterprises under socialist ownership by the whole people.

In the process of socialist transformation the struggle between restriction and counter-restriction was very acute. In the early years after liberation some lawbreaking capitalists tried by every means to jack up prices, engage in speculation and corner the market. The state moved rapidly and set up state companies and wholesale depots to control the market and the sources of supply. This tit-for-tat struggle eventually curbed the bourgeoisie's profiteering and stabilized prices. At that time, many capitalists engaged in all kinds of underhanded activities, such as bribery of government workers, tax evasion, theft of state property, cheating on government contracts, and stealing economic information from government sources for private speculation. In the first half of 1952 the whole nation energetically unfolded the san fan movement (against the three evils of corruption, waste and bureaucracy in the Party and government organs) and the wu fan movement (against the above-mentioned five criminal activities by the bourgeoisie) which dealt the bourgeoisie a severe blow both politically and economically.

Liu Shao-chi, Lin Piao and Teng Hsiao-ping who represented the interests of the landlord and capitalist classes always feverishly opposed Chairman Mao's revolutionary line. The course of setting up socialist public ownership was one of acute struggle against their counter-revolutionary revisionist line. The basic completion of the socialist transformation of the ownership of the means of production in 1956 did not in any way mean the end of class struggle. This applied also to the field of commerce. Liu Shao-chi, Lin Piao and Teng Hsiao-ping, while vociferously clamouring for "free trade," "free markets" and "putting profits in command," resorted to many other base means in a vain

attempt to change the socialist nature of China's commerce and restore capitalism. Like the rest of the country, it was in the course of repeated struggles against the revisionist line and capitalist tendencies, particularly after the start of the Great Cultural Revolution, that Hunan Province's commerce was able to develop rapidly and healthily.

Marked Superiority

During our visit to Hunan we had talks with people now holding leading posts in state-owned shops who were once shop assistants in capitalist-run shops before liberation. Speaking of the essential differences between socialist and capitalist commerce in the light of their personal experience in the new and old societies, they said:

Socialist commerce is based on socialist public ownership and the workers and staff are the masters of the enterprises.

Another essential difference between socialist and capitalist commerce is that the latter operates in such a way as to ensure that the capitalists amass fortunes and get rich, whereas the former is aimed at promoting industrial and agricultural production, meeting the ever growing needs of the state in production and the people in their livelihood, developing the socialist economic base and consolidating the dictatorship of the proletariat based on the alliance of workers and peasants.

Socialist and capitalist commerce also differs in the fact that socialist commerce operates according to the requirements of the law of planned and proportionate development of the national economy, whereas capitalist commerce operates through competition and in a state of anarchy. Under socialism, owing to the elimination of the contradictions between social production and private ownership of the means of production, socialist commerce can organize and supply commodities in a planned way according to the situation in production and the needs of the people, thus linking in a planned way social production and social needs.

Today, although the system of ownership has changed, the soil and conditions for engendering capitalism and the bourgeoisie are still there owing to the existence of a commodity system, exchange through money and bourgeois right. Hence socialist commerce is not purely a matter of buying and selling, it must, through its operations, restrict bourgeois right, publicize new socialist behaviour, change old habits and customs and wage struggles against bourgeois ideology. Socialist commerce is an important instrument for eliminating what is bourgeois and promoting what is proletarian, consolidating the socialist positions and strengthening the dictatorship of the proletariat.

The Polemics Between Liu Tsung-yuan And Han Yu

IN Chinese history, from the 5th and 6th centuries (B.C.) onwards all conservatives who were politically reactionary as a rule preached Confucianism, opposed changes and obstinately worked for restoring the old order and retrogression, while all politically progressive reformists invariably upheld the ideas of the Legalist school, advocated reforms and opposed retrogression and restoration of the old order. Hence a two-line struggle in the history of Chinese political thought. One manifestation of the struggle was the polemics between Liu Tsung-yuan* and Han Yu** in the period from 742 to 820 A.D., which was in the middle years of the Tang Dynasty (618-907). The polemics reflected the acute antagonism and fierce struggle in political thinking between the reformists and the conservatives within the landlord class.

Background of the Struggle

Towards the end of the rotten and corrupt Sui Dynasty (581-618), there were widespread peasant uprisings which caused its downfall and led to the founding of the Tang Dynasty. While hitting hard at the big feudal families, which made up the most reactionary force within the landlord class, these large-scale uprisings helped promote the growth of the social productive forces. This made it possible for the Tang Dynasty to enjoy a period of economic prosperity marked by a development in production. But the boom did not last long for new crises were brewing. Contradictions between the landlords and the peasant masses sharpened as the rulers of the Tang Court indulged more and more in a life of extravagance and dissipation and their exploitation of the peasants grew harsher day by day.

Meanwhile, the infighting and scramble for power and wealth among members of the ruling class intensified. In the middle of the Tang Dynasty and afterwards, separatist forces in various parts of the country rose in opposition to the central government. This came to be known as the "fan chen peril."

Fan chen (governor of an outlying province) was the common name for the post officially known as chieh tu shih. Originally, a chieh tu shih was a highranking commissioner sent by the Tang Court to station in frontier regions to handle military and government affairs. Later on, similar posts were set up in inland areas and, as time went by, holders of these posts became feudal warlords and local tyrants lording it over their own domains. Wielding political, military and financial powers in areas under their jurisdiction (all having a large army under their command, some with upwards of 100,000 officers and men), the chieh tu shih or governors were so arrogant that they even set the central government at naught. Some not only made themselves lifelong rulers of their domains but ordained their sons to succeed them as if these areas were their hereditary kingdoms. These separatist forces seriously threatened the very existence of the Tang Dynasty and greatly hampered the development of production.

Meanwhile, the autocratic rule by the eunuchs in this period became increasingly rampant. In ancient China, eunuchs serving the feudal courts were originally palace officials attending the emperor and members of his household. They exerted, as was often the case, their influence on the politics of the country by taking advantage of their unique positions. By the middle of the Tang Dynasty, they had become a close-knit political group, taking the political, military and economic powers of the central government into their own hands. They could even dethrone an emperor or install a new one. Thus, from mid-Tang to the end of the dynasty, practically all the emperors ascended to the throne or were ousted at the discretion of the eunuchs. To underpin their position, the eunuchs as a political group often colluded with the provincial governors to fide roughshod over the people in the country. They became another extremely reactionary splittist force in the country.

Alongside these separatist forces were the slave-owning aristocrats of the minority people in the frontier regions openly defying the central government. Some of them staged frequent revolts, others exploited the

^{*}Liu Tsung-yuan (778-819), a native of Hotung (now Yungchi in Shansi Province), was a prominent Legalist and a materialist thinker of the Tang Dynasty. He took part in the political reforms initiated in 805 by Wang Shu-wen and was attacked and persecuted by the big landlords and big bureaucrats. He had since lived in exile for the rest of his life, His writings were collected and published under the title The Works of Liu Tsung-yuan of Hotung.

^{**}Han Yu (768-824), a native of Hoyang (now Menghsien County in Honan Province), was the chief exponent of the Confucian school in the Tang Dynasty and a fanatic advocate of the doctrines of Confucius and Mencius. Politically belonging to the conservative faction of the big landlord class, he had held various important posts in the central government and was the chief political and ideological representative of the conservatives. He opposed both the political reforms introduced by Wang Shu-wen and the progressive thinking of Liu Tsung-yuan and others.

situation to grab more land, while still others often made forays into the interior.

The Tang rulers themselves were keenly aware of their plight. So, to maintain their rule, they energetically promoted Buddhism as a means to intensify their control over the people ideologically. As a result, numerous Buddhist sects came to the scene, each trying hard to expand its own influence. With this there emerged large numbers of privileged monastic landlords who were immune from taxation and corvee. The daily expansion of the monastic economy, however, sharpened the contradictions between the monastic and lay landlords as they scuffled for farm hands and land.

By that time the Tang Court was ridden with crises and enmeshed in contradictions. What was to be done by the central government in the face of this grave situation? Should it allow the malignant growth of the provincial governors' separatist activities and the eunuchs' exclusive control of the government to continue, or should it take positive measures to curb them? This became a vital issue that touched off fiery controversies in the ruling class itself. Regarding this question of vital importance, sharp differences developed between the reformists and the conservatives who formed the two major factions at that time.

The reformists were people with Legalist ideas, represented by Wang Shu-wen*, Liu Tsung-yuan and others. Opposed to the provincial governors' separatist activities and the eunuchs' autocratic rule, they stood for reforms and for a unified government and centralism. The conservatives were a conglomeration of old bureaucrats coming from big feudal families, provincial governors who had entrenched themselves in their domains and eunuchs who had usurped power. They were represented politically and ideologically by Han Yu. With a view to preserving their vested interests and hereditary prerogatives, they were strongly opposed to reforms and were adamant in carrying out separatist and splittist activities. This being the case, a head-on conflict between the reformists and the conservatives became unavoidable.

Emperor Shun Tsung who reigned only a few months in the year 805 was a protagonist of reforms, eager to do something for the country. Conscious of the fact that the provincial governors' separatist activities and the eunuchs' autocratic rule were a threat to the court, Shun Tsung made reformists Wang Shu-wen, Liu Tsung-yuan and others hold the reins of government upon his accession to the throne, entrusting them with the task of carrying out reforms. After assuming office, they adopted important measures to effect reforms.

Politically, they took resolute steps to whittle down the conservative forces and strengthen the ranks of

the reformists. They demoted or removed from office a number of bureaucrats of the conservative faction who had committed serious offences against the law, called to office enterprising officials hitherto discriminated against by the conservatives and promoted a number of officials of the lower echelons to leading posts in the central government.

Economically, they regulated the country's finance and strengthened their control of the salt tax which, as a main source of revenue for the Tang Court, had long been under the clutches of the provincial governors. As soon as they assumed office, the reformists reduced the price of salt and sent competent officials to strengthen the management and control of the salt tax, thereby imposing restrictions on and dealing blows at the separatist forces of the provincial governors in the economic field.

Militarily, they sent trustworthy officials to take over the central palace guards from the eunuchs, but they failed in this endeavour because of the resistance and sabotage by the conservatives.

All these measures taken by the reformists were conducive to preserving national unity and achieving greater centralism, and to a certain extent they dealt blows to the two forces of reaction, namely, the provincial governors and the eunuchs. They therefore conformed to the needs of historical development at that time. But because the reforms did not have a sound social basis, and especially because the reformists did not have military power and failed to extirpate the conservative forces in the central government organs, the conservatives were able to bide their time and stage a comeback, using Shun Tsung's illness as a pretext to force him to abdicate. This was how the conservatives toppled the reformist regime, then only five months old. Immediately after the coup, the conservatives made frenzied counterattacks to settle accounts with the reformists who were brutally persecuted. The chief participants in the reforms including Wang Shu-wen and Liu Tsung-yuan were banished to remote regions and were permanently denied an amnesty. Later, Wang Shu-wen was murdered.

In addition to the sanguinary suppression of the reformists, the conservatives also saw to it that their spokesmen including Han Yu were to launch frenetic attacks on the political programme of the reformists, vainly trying to completely eradicate the ideological influence of the reformists. In these circumstances, Liu Tsung-yuan, defying brute force, carried out protracted polemics with Han Yu so as to uphold and safeguard the reformists' political programme.

Differences in Political Line

In the polemics over what political line to follow, Liu Tsung-yuan and Han Yu were divided mainly on the following three issues.

The first was: which was better, the system of establishing prefectures and counties or the system of parcelling out the land and installing hereditary nobles

^{*}Wang Shu-wen (753-806), a native of Shanyin (presjent-day Shaohsing in Chekiang Province), became prime minister in 805 and carried out political reforms in collaboration with Liu Tsung-yuan and others. As a result of frenzied counterattacks by the conservatives, he was in office for only 146 days. He was killed when in exile.

to rule their domains? After the Chinese society entered the age of slavery, especially in the Western Chou Dynasty (11th century-771 B.C.), when the slave-owners' rule was at its zenith, the system adopted was for the Son of Heaven (the king) to parcel out the land to the chu hou ("enfeoffed" patricians or dukes) who were installed as hereditary nobles. This system was a form of political power based on a slave economy and patriarchal blood relations.

Under this system, the king was the supreme ruler; to preserve the rule of the slave-owning aristocrats, he conferred cities, land and the slaves therein on his relatives and courtiers. The "enfeoffed" courtiers established on their "fiefs" semi-independent states over which they ruled. Such a state was customarily known as a "ducal" state whose chief was called chu hou (the duke). A duke took orders from the king and paid him visits and valuable tributes at regular intervals. In the ducal states, the dukes in turn parcelled out the land and slaves to their subordinates of different ranks, such as ta fu and shih (both being senior officials) to rule on their behalf. The "fief" and title of a duke, a ta fu or a shih were all hereditary; the king, however, had the power to rescind the "enfeoffment."

The "parcelling out" system in slave society, under which the slaves were subject to ruthless rule and exploitation, inevitably led to the division of the country into various ducal states which frequently fought each other. It was a system that, as time went by, seriously held back social development. Its eventual abolition took place in 221 B.C. when, thanks to slave uprisings and the new emerging landlord class' struggles over a long period of time, Chīn Shih Huang unified China and introduced the prefecture and county system.

In the post-Chin (221-206 B.C.) period, all succeeding rulers of the landlord class basically kept to the prefecture and county system. But those who clung to the Confucian ideology and were bent on restoring the old order were always under the illusion that they could some day restore the system of parcelling out the land and installing hereditary nobles. Their chief representative in mid-Tang Dynasty was Han Yu, an ardent disciple of the doctrines of Confucius and Mencius. Although he had fought in a war to quell a rebellious provincial governor, he took pains to idealize the system of the hereditary ducal states, describing it as the way of former kings that must in no way be changed. He wantonly distorted history by saying that the Chou Dynasty (referring to the historical period from the founding of the Western Chou Dynasty in the 11th century B.C. to the unification of China by Chin Shih Huang in 221 B.C.) lasted a long time, with so many kings reigning one after another, because it had implemented the "parcelling out" system, whereas the Chin Dynasty came to an end with only two successive reigns because it did not adopt this system. He accused the Chin Dynasty of having abolished the "parcelling out" system and introduced the system of establishing prefectures and counties, burnt the Confucian canons and buried alive the Confucian scholars. He spread the nonsense that all this was contrary to the practice of former kings and herein lay the cause of the Chin Dynasty's rapid collapse. Here Han Yu was naturally not talking idly about the merits and démerits of ancient political systems; he was in fact trying to whitewash the separatist activities of the provincial governors when he prettified the "parcelling out" system. That he had laid it on thick in his praise of the provincial governors enables us to see more clearly his sinister motive in lauding this system. He prated that these governors were "great servants" of the state and the king's "confidants" who were as indispensable to the king as the four limbs, ears and eyes are to men. He even likened the governors to a bulwark or a city wall that ensured the king's safety.

Contrary to Han Yu's fallacies, Liu Tsung-yuan did not think these governors were bulwarks safeguarding the king or defenders of the central government, but they were the chief culprits guilty of splitting the country, each "occupying a piece of land" and thus splitting a unified country into territories that "look more like remote foreign lands." Basing himself on historical facts, he pointed out that the "parcelling out" system adopted in the Chou Dynasty was responsible for "the self-importance shown by various ducal states and the haughtiness assumed by the dukes" with the result that the king was merely a figurehead above the chu hou. That was why, with but a few exceptions, the political situation in most of the ducal states was unstable.

Liu Tsung-yuan held Chin Shih Huang in high esteem, saying he had destroyed the six unruly ducal states and replaced the "parcelling out" system with the prefecture and county system. (Under this system, administrative units of the whole country were divided into two levels, the prefecture and the county, directly under the central government which alone had the power to appoint or remove prefectural and county officials.) He believed that these two things had promoted the development of the social economy and culture and contributed to the unification of a multinational country that had long been divided. He thus came to the conclusion that abolition of the "parcelling out" system and introduction of the prefecture and county system in the Chin Dynasty were in conformity with the trend of social development. He also added that in the long years between the Chin and Tang Dynasties, only noblemen with hereditary ranks had turned against the feudal central government but there never was a case of a prefectural or county head doing so. Liu Tsung-yuan therefore maintained that the prefecture and county system was vastly superior to the "parcelling out" system, that it increased the power of the central government to rule and that it alone could help consolidate and unify the Tang empire. With these well-grounded arguments, Liu Tsung-yuan forcefully repudiated Han Yu's fallacies which were in favour of the provincial governors' separatism.

The next issue was: Who was to command the troops? In the early years of the Tang Dynasty, the

those stationed in the frontiers, were all under the unified command of the central government. But after the mid-Tang period, because the provincial governors gradually grew in strength and the eunuchs had the emperors under their thumbs, the central government lost its control over the troops. By now there were governors all over the country, each forming a clique of feudal warlords supported by an army of "haughty soldiers and fierce generals." Making the troops their private property, they either turned a deaf ear to central government orders for troop movements or openly resisted them. On the strength of their military forces, they conferred titles on themselves, supported each other and deliberately opposed the central government.

After the mid-Tang period, the eunuchs had the emperors and the central palace guards under their sway. With a view to preserving their prerogatives, they increased their own military strength by expanding the central palace guards from the prescribed 2,000 to 150,000. They were thus in a positon to do what they liked. When they stayed in the capital, they manipulated the appointment and removal of the ministers; when they were away to take up a job elsewhere, they kept their hands on the local forces.

Regarding this extremely abnormal situation, the attitudes of the conservatives and reformists were poles apart. Han Yu, as the mouthpiece of the conservatives, did his level best to extol the provincial governors who had large numbers of troops at their disposal. He advanced the absurd idea of making the governors restrict the governors, that is, sending influential noblemen or ministers with the mission of checking the provincial governors' unruly behaviour to reside in big cities lying between territories controlled by those powerful governors. Ostensibly Han Yu was talking about clipping the wings of the provincial governors, but in actual fact he wanted to let feudal separatism continue indefinitely and further split the Tang Dynasty.

Distorting the real situation, Han Yu alleged that the central palace guards, which were already in the grip of the eunuchs, were still under the emperor's personal command.

Liu Tsung-yuan, however, took quite a different stand. In clear-cut terms he proposed: "Be good at controlling the soldiers and be prudent in choosing the commanders." What he meant was that the central government must choose people who could be trusted to command the army. He said that this was the only way to change the situation in which the country was carved up by warlords with armies of "haughty soldiers and fierce generals" and that this was the only way to ensure national stability and unity. He cited the Western Han Dynasty (206 B.C.-25 A.D.) as an example to illustrate the point. In the early period of the Western Han Dynasty, he noted, there were some semi-independent feudatory states with land parcelled out by the emperor, though the prefecture and county system had by and large prevailed. The result was that central

government orders and decrees could take effect only in the prefectures and counties, but not in the feudatory states. In other words, the central government only had authority over the prefectural and county heads, but not the princes of the feudatory states. Liu Tsungyuan viewed the situation in his time to be similar to that in the Western Han Dynasty when there were only rebellious provincial governors but no rebellious prefectural or county heads. Accordingly, he proposed that something be done to put an end to the existing situation in which the eunuchs were allowed to take military command and the provincial governors to become local warlords.

Liu Tsung-yuan resolutely opposed Han Yu's reactionary idea of using the governors to restrict the governors. During the Chou Dynasty which adopted the "parcelling out" system, he pointed out, the dukes were all very arrogant and imperious and there were endless wars among them. Emperor Kao Tsu (or Liu Pang, founder of the Western Han Dynasty, who reigned from 206 to 195 B.C.), after unifying the country, "enfeoffed" his own kinsmen and some ministers with distinguished services to be princes and dukes who before long rebelled against the central government one after another. In view of this, Liu Tsung-yuan firmly proposed the abolition of the provincial governorship as a means to achieve long-term unity and avert a split.

The third issue was: Should government officials be hereditary or should they be appointed and subject to removal? In feudal society there had always been quarrels within the ruling class over the question of who were to run the government. In the Tang Dynasty, the conservatives insisted on keeping to the hereditary system under which the son inherited his father's title and rank and passed them down in lineal succession. The conservatives, who wished to see state power remain in their hands from generation to generation, shuddered at the thought of a reformist takeover. So the moment the reformists emerged as a new political force, they would use every means to nip them in the bud. When Wang Shu-wen and Liu Tsung-yuan were in power, they had promoted some people of "low birth" not connected with the provincial governors to work in the central government. Han Yu was bitterly aganist this, venomously complaining that "some inferior men had taken this opportunity to usurp the power of the state." This shows the strong hatred of the conservatives for the reformists and their mortal fear of the new emerging political force.

To support the conservatives' attempt to keep state power for ever in their own hands, Han Yu insisted that "the country should be governed hereditarily." He claimed that the conservative bureaucrats had natural endowments and therefore should hold the reins of government from generation to generation. Even if their offspring turned out to be bad people, he added, they could still be expected to stick to the institutions of the establishment when they took office.

The reformists, on the other hand, were firmly opposed to the hereditary system. Basing himself on the

historical experience, Liu Tsung-yuan fully affirmed the superiority of the practice of appointing and removing officials by the central government. In the Han Dynasty, he pointed out, the handling of personnel affairs was strictly in the hands of the central government. This had its advantages for officials at all levels were thus "subject to dismissal if they abused their authority" and they were "rewarded for discharging their duties with competence." "Install him in office in the morning but discharge him in the evening if he goes against the principle; assign him to a post in the evening but discharge him the next morning if he breaks the law." In this way, "good officials will move to the top while bad ones will be downgraded, and there will be a good government." He further pointed out that if the Han emperors had changed all the prefectures and counties into feudatory states, there was nothing the central government could do if the princes of the feudatory states chose not to obey-its orders. This was how Liu Tsung-yuan exploded Han Yu's reactionary fallacies and pointed to the harm caused by the proposal that "the country should be governed hereditarily."

All in all, the polemics between Liu Tsung-yuan and Han Yu boiled down to one single issue: to safeguard national unity or insist on a split. The long history of China has proved that national unity is the common aspiration of the people of all nationalities in our country. In the last 2,000 years and-more, China has for the greater part preserved its unity which has played a very important part in the Chinese people's struggle to resist foreign aggression, defend national independence and develop the social economy. To safeguard national unity, there must be a unified central government that follows the trend of historical development and fights against the various reactionary splittist forces. Liu Tsung-yuan was worthy to be called a patriot for, under the historical conditions of his time, he stood for strengthening the centralized government of the Tang Dynasty, strove to preserve national unity and showed great interest for social progress. Han Yu, however, stubbornly stood on the side of the separatist forces, working for a split and opposing social progress. For this he had won the favour of the conservatives and was given important government posts, but in the end he could not escape the fate of being spurned by history.

Struggle in Ideological Line

The polemics between Liu Tsung-yuan and Han Yu was in fact a continuation and development of the struggle between the Legalists and the Confucianists, that is, the struggle between those opposing Confucianism and those worshipping it, which had taken place since the Spring and Autumn Period (770-476 B.C.) and the Warring States Period (475-221 B.C.).

Taking the stand of the conservatives, Han Yu energetically spread the reactionary thinking of restoring the old order and retrogression. He talked a great

deal about tao, or the way of the Confucian school: What was tao? According to Han Yu, "Fraternity is the essence of jen (benevolence) which finds expression in man's concrete actions. When actions are proper, it is yi (righteousness), and when things are done in accordance with yi, it is tao." This tao trumpeted by Han Yu was the same as the benevolence, righteousness and virtue preached by Confucius and Mencius, and the same as the "three cardinal guides" and the "five constant virtues" concocted by Tung Chung-shu. In other words, it was what the landlord class needed in safeguarding its reactionary rule — its political institutions, moral code, social order and ideological indoctrination. Han Yu also declared that the tao he was talking about was "as time-honoured as heaven and earth," that the world could have peace only when the people followed the "three cardinal guides" and the "five constant virtues." In other words, these were the principles that would for ever remain unalterable and had to be abided by everyone. But these reactionary sermons by Han Yu were nothing original; they were actually the way of retrogression and restoration which Confucius and Mencius had taken pains to promote and which Tung Chung-shu had elaborated and enriched.

Han Yu further elaborated this by saying that the tao he was referring to was a priori, that it was embodied in the nature of the sages and was brought out through their words and deeds. This tao was handed down from the sage of one era to the sage of another, thereby forming a continuous tradition. He then went on to specify that there were two kinds of people who were sages: first, those famous "sage emperors and enlightened kings" living in the period between the dawn of civilization and the age of the slave system in China; second, the founders of Confucianism and their successors in the early days. Confucius, Han Yu said, inherited this traditional doctrine and then passed it on to Mencius whose death resulted in its discontinuation. Such was the notorious "traditional doctrine" invented by Han Yu to make his reactionary fallacies sound like the loftiest of all lofty things. When he said this "traditional doctrine" was discontinued after Mencius' death, he actually meant to give people the impression that he was the person to carry on the "traditional doctrine" then on the verge of extinction. His real intention in preaching the reactionary "traditional doctrine" was to shore up the conservatives who clung to the hereditary system and refused to part with their political and economic prerogatives. His vain attempt was to hold back social reforms and stay the advance of history.

Liu. Tsung-yuan took the stand of the reformists in the landlord class, insisting on political reforms and

^{*}The "three cardinal guides" refer to the three principles: Subjects should be guided by the sovereign, the son should be guided by the father, and the wife should be guided by the husband. The "five constant virtues" refer to the five moral principles, namely, benevolence, righteousness, propriety, knowledge and honesty. All these were reactionary political principles and moral concepts used by the Confucianists to preserve feudal rule.

trying his best to help promote social progress. He had absorbed into his thinking the positive aspects of the ideas of the Legalists before him and considered that human society was in constant progress and the social system had to be changed from time to time. He was of the opinion that trying to restore the old order was like going up a blind alley. He bitterly denounced Han Yu for preaching restoration of the old order and retrogression which, he said, was nothing but "a return to the old order and disregard for the present." Liu Tsung-yuan, too, talked about tao, but with an interpretation diametrically opposed to that of Han Yu. In Liu Tsung-yuan's view, tao meant "assuming the responsibility of helping the people to make a living"; once this fundamental task was fulfilled, "bad people would not be able to survive, the disasters endangering the country would be eliminated, and the people would live in security and happiness." Here, in speaking of the bad people and disasters, he apparently had in mind the governors of the outlying provinces who had carved up the country and the eunuchs who had exclusive control of the government. What Liu Tsungyuan proposed to do was aimed at strengthening centralism and preserving national unity.

Han Yu was an adherent of the theory of the "mandate of heaven" preached by Confucius and Mencius. He wanted to make people believe that heaven was a supernatural power which dominated and decided everything under the sun. It exercised retributive justice by rewarding those who did good things and punishing those who did evil. That is to say, those who did something good for heaven would be rewarded and those who offended heaven would be punished.

Liu Tsung-yuan who developed the ideas of classical materialism and atheism sharply criticized Han Yu's

theory of the "mandate of heaven." He held that heaven was filled with gaseous substances and there was no such thing as an all-powerful god. Heaven was just part of nature, like any gourd, fruit, grass or tree.' It did not have a will and was incapable of dispensing rewards or punishment. He held that "every good thing is good by itself and every bad thing is bad by itself." According to him, it was absurd to expect heaven to exercise retributive justice, and it was equally absurd to appeal to heaven, to bear grudges against heaven or to ask heaven to show mercy. He also clearly stated: Heaven, as part of nature, was not an irresistible force which manipulated the affairs of mankind: He said it was human effort that decided everything; as long as men took steps that were in keeping with the trend of development of the objective world, human effort would prevail over nature. In history, he noted, only those who were weak and helpless would turn to god for help, and their real aim in asking help from god and in talking about the "mandate of heaven" was to fool the people. These clear-cut views of Liu Tsung-yuan's showed the confidence of the reformists in their own strength and reflected their militant spirit of daring to defy the so-called mandate of heaven and to stand up to the conservatives.

Liu Tsung-yuan's ideology was, of course, limited by the class he belonged to and the time he lived in. His conception of history remained trammelled by idealism. But under the historical conditions of his time, his reformist ideas and activities had played a positive role in pushing social development forward and exerted a considerable influence on progressive statesmen and thinkers of later generations after the Tang Dynasty.

(Continued from p. 8.)

ling Poland to cut back on its own capital construction. Because of the terrible decline of its own agricultural production, the Soviet Union has not only reduced food supply to Poland, but also demanded meat, potatoes and butter from that country. The Soviet socialimperialists' diabolical oppression and fleecing of Poland have encountered strong opposition and resistance by the Polish people. To safeguard national independence and state sovereignty, the Polish people bitterly opposed attempts early this year to insert the clause of "alliance with the Soviet Union" in their constitution. Polish workers have time and again refused to load and transport Polish meat, potatoes, butter and other goods to the Soviet Union. The Polish people's long, pent-up bitter hatred for the new tsars once again made itself felt in the eruption of the recent strike. They said indignantly: "It's Soviet exploitation that has brought Poland to such a mess today." "The Soviet Union refuses to give us the raw materials we need, but exploits us economically and controls us politically." "People hate the Russians now for occupying our land and taking away our goods." These remarks express the firm will of the Polish people against exploitation and enslavement by Soviet social-imperialism.

At present, tranquillity has not returned to the situation in Poland. The contradictions remain unsolved, and the struggle has not ceased. The Soviet revisionist authorities, deeply alarmed by the Polish workers' strike, have kept mum on the surface but actually they are taking stock of the situation and looking for an opportunity to strangle the revolutionary struggle of the Polish working class so as to stabilize their colonial rule in Eastern Europe. But the Polish working class, tempered in the flames of many struggles, has raised its political consciousness and experience in struggle to a new level. Neither fearing violent counter-revolutionary suppressions nor allowing themselves to be taken in by any new tricks, the Polish workers are constantly summing up their experience, accumulating strength and continuing their advance along the road to self-emancipation. It is certain that the day will come when the Polish working class and people will free themselves from Soviet control and really take their destiny into their own hands.

ROUND THE WORLD

YEMEN ARAB REPUBLIC

No More Arms From Soviet Union

The Government of the Yemen Arab Republic has decided to cease buying military equipment from the Soviet Union. This was announced on June 24 by Ahmed Al Ghasmi, Deputy Commander-in-Chief and Chief of General Staff of the Yemeni Armed Forces, in his interview with AFP during his visit to France.

Explaining the whys, he said: "The Soviet Union, which has equipped our armed forces, will no longer provide us with spare parts, neither will it furnish us with sophisticated or even modern military equipment. It is for these and many other reasons that we have decided not to procure any more arms from the Soviet Union."

A June 27 AFP dispatch reported that "to observers the visit of the Chief of General Staff of the Yemeni Armed Forces seems to give evidence to such a desire: to accelerate the process of freeing the Arabian Peninsula and the Gulf region from the influence of the Soviet Union."

SAN JUAN CONFERENCE

Economic Problems Confronting The Western World

The heads of state or government of the United States, Britain, France, West Germany, Italy, Japan and Canada met in San Juan, Puerto Rico, on June 27 and 28 to discuss economic problems confronting the Western world.

The economic summit was sponsored by U.S. President Ford with a view to co-ordinating the political and economic policies of the seven countries which are still beset with political instability and economic difficulties. The main topic on the agenda was "how the seven nations can co-operate" to prevent the process of the current economic recovery from sparking "another boom-bust cycle."

Following the most serious postwar economic crisis that broke out in major Western capitalist countries in late 1973, there has been a pickup in industrial production over the past few months in these countries. However, they are still facing many problems, with very high unemployment rates. The inflation rates in Britain and Italy still run at 15 to 20 per cent and the pound and the lira continue to fall considerably.

In the course of the two-day summit, the heads of state or government could not cover up their worries about such a bleak prospect, though both inside and outside the conference they tried to create the impression that they were optimistic about economic recovery. U.S. President Ford said: "Some old problems remain and new ones confront us." Italian Prime Minister Moro admitted that his country's economy has been much weaker than that of any other major Western industrial country. "This is why we are going through a rather difficult phase," he said. British Prime Minister Callaghan said: "Britain may lag behind the rest, and is moving slower than some." French President Giscard d'Estaing stressed the need to avoid a new upsurge of inflation which would stifle the economic pickup. Japanese Prime Minister Miki held that the goal should be one of getting rid of the recession without causing inflation.

A declaration issued at the end of the summit claimed that the heads of state or government will make efforts. to achieve an "orderly and sustained expansion," "reduce unemployment" and "eliminate the problem of inflation." However, it fails to advance any effective measures to this end. On the contrary, it admitted, "some currencies have suffered substantial fluctuations. The needed stability in underlying economic and financial conditions clearly has not yet been restored." It also noted that "imbalances in world payments may continue in the period ahead" and a recession has taken place in the field

of trade recently. In such circumstances, as pointed out by an AP dispatch, major Western countries could henceforth follow only "a goslow approach in their economic policies."

The declaration added that the summit discussed "East-West economic relations." West German Chancellor Schmidt predicted that the Soviet Union and East European countries would owe the West a total of 40,000 million dollars by the end of this year. Callaghan called close attention to the trend of the Soviet Union running into heavy debt. To restrict such a tendency and prevent Western countries from easing their terms of deferred payment in their effort to increase exports to the Soviet Union, the seven countries have reportedly adjusted their conditions on extending to the Soviet Union export credits the repayments of which can be deferred.

The declaration also touched on the relations between the West and the developing countries. UPI reported that "the French want the Western powers to take more accommodating position with developing nations" while the United States "wants a tough, unified Western front."

PORTUGAL.

General Election Ends

Portugal held its presidential election on June 27 for the first time in the last 50 years.

The election returns showed that Antonio Ramalho Eanes, who became Army Chief of Staff for taking an active part in crushing a military rebellion last November, was elected president with over 61 per cent of the votes.

In a televised message to the nation on June 28, Eanes said that he would ask Socialist Party leader Mario Soares to be premier and form a government.

Pato, presidential candidate of the revisionist Portuguese communist party, came by 7.6 per cent of the votes. Speaking of the results of the presidential election on June 28, Soares referred to the Portuguese revisionist communist party as "the big loser."

ON THE HOME FRONT

More New Housing in Peking

NEW housing estates are built in Peking every year.

To the south and east of the Tientan (Temple of Heaven) Park in the southern part of Peking, a new housing estate has been built with more than 30 four- to six-storeyed buildings covering a total floorspace of 150,000 square metres. Willows and other trees are planted there, making the surroundings salubrious and wholesome.

In the petrochemical district set up during the Great Proletarian Cultural Revolution on Peking's southwestern outskirts, five new settlements with a total floorspace of over 300,000 square metres have been built for the workers.

Since the founding of New China, Peking's industry and city construction have developed in a planned way, and the state has allocated large sums of money for housing conyear every struction and welfare and service facilities. To date, apart from more than 50 new large housing estates, Peking has built more than 100 residential centres, each consisting of dozens of multi-storeyed buildings. The floorspace of the city's new housing is one and a half times the total floorspace of residential quarters in Peking before liberation, while stores, restaurants and other service facilities have increased threefold. Housing construction in Peking has moved ahead much more quickly over the past few years. Last year the city put up new houses with more than a million square metres of floorspace, a 20 per cent increase over 1965, the year before the Great Cultural Revolution started.

The new houses have piped water, electricity, central heating and other modern conveniences. Many of the new housing estates are near scenic spots or parks. In pre-liberation Peking, however, only a small number of imperialist elements, bureaucrat-compradors and capitalists lived in luxurious houses while the vast majority of the labouring people were crammed in slums and hutments.

The scale of this year's housing construction in Peking is the largest since liberation more than vears ago. Many projects are underway in the city proper and on Among the larger its outskirts. projects under construction are 10storeved blocks of apartment houses along a 5.5-kilometre-long road from Chungwenmen and Chienmen to Hsuanwumen, with a total floorspace of half a million square metres when completed. The Peking

Petrochemical Works plans to build 50,000 square metres and the Shoutu Iron and Steel Company 100,000 square metres of new workers' houses before the end of this year. Factories on the city's northeastern and eastern outskirts will also build new housing for the workers.

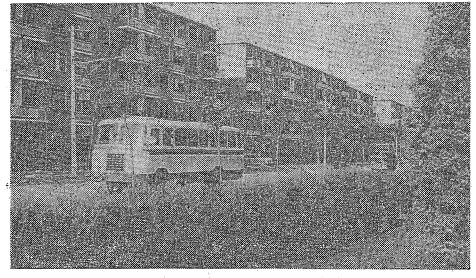
Housing construction is a component part of the capital's overall construction programme. The people's interests are taken into full consideration. While the new housing estates are generally not far from where the residents work, they are also away from the busy noisy centres. This is beneficial to production and convenient to the residents. As Peking hasa rather long winter and summer; most houses face the south so as to get the maximum sunshine in winter and yet remain relatively cool in summer. Each estate has its complement of service and trade facilities, kindergartens, schools and clinics. New roads are built and public transport facilities extended to the new residential districts, and all the new estates have community bicycle parks. In every district there are people responsible for planting and looking after trees; the saplings are supplied by the state free of charge, and the residents help with planting. In this way, each new housing estate is actually an afforested area. .

Apartments are distributed in principle according to the size of one's family and not according to one's position or income. When new apartments are being distributed, many leading cadres in the factories let the workers move in first. The rent is nominal, being only 3 to 5 per cent of most workers' monthly wages. The rent collected is used by the state for the upkeep of the buildings.

Yunnan-Tibet Highway Opened to Traffic

THE Yunnan-Tibet Highway, another trunk highway built in China's southwest frontier region, is now open to traffic. It is the fourth trunk line from the hinterland to Tibet following the building of the Szechuan-Tibet, Chinghai-Tibet and Sinkiang-Tibet Highways.

Starting from Hsiakuan in Yunnan Province in the south and ter-



New residential quarters to the south of Tientan Park.

minating in Mangkang in the Tibet Autonomous Region in the north, this highway is 716 kilometres long and links with the Szechuan-Tibet Highway leading to Lhasa.

Some 4,300 metres above sea level, the Yunnan-Tibet Highway crosses the Chinsha and Lantsang Rivers and winds its way through two snow-capped mountains.

- The building of this highway started in 1967, the year after the Great Cultural Revolution began. The terrain traversed by the highway is part of the Hengtuan Mountain Range. Because of the region's loose geological formation, bourgeois "experts" once declared that it was impossible to build a highway there. But a contingent of road builders composed of people from over ten nationalities in China, including

Tibetans, Hans, Yis and Pais, gave full play to the spirit of fearing neither sacrifices nor fatigue and working continuously, overcame various difficulties arising from glaciers, shifting sand and frozen earth, and succeeded in building the highway. For the local people to cross the Chinsha and Lantsang Rivers by means of a suspension cable is now a thing of the past. Today, three double-arch bridges and a steel suspension bridge have been put up.

The highway runs through the Tiching Tibetan Autonomous Prefecture in Yunnan Province and the Chamdo Prefecture in the Tibet Autonomous Region which were practically inaccessible before liberation. The Tibetan people who lived in these two prefectures

generation after generation had to cross mountains and rivers to buy salt and tea: The founding of New China has created favourable conditions for them to develop industrial and agricultural production rapidly. But a highway was needed in order to speed up construction in the frontier areas.

The opening to traffic of the Yunnan-Tibet Highway will play an important role in promoting socialist construction in China's southwest frontier region. Now fully loaded trucks can be seen in places where even horse caravans could not reach in the past. Hydropower stations have been set up in the snow-bound ravines which have slumbered for centuries, and tractors and other machinery have been sent to these areas to meet the needs of socialist construction.

RADIO PEKING

Transmissions in Chinese Beamed to Southeast Asia

Beginning July 5, 1976, Radio Peking inaugurates five transmissions in Chinese beamed to Southeast Asia.

Times and frequencies of these broadcasts are as follows:

		Times (Local)	Wavelengtl	ns (Metres)	Frequenc	cies (Kc/s)
Standard Chinese Peking (Putonghua) Manila		06:30-07:00 06:30-07:00	75.7	47.6	3960	6290
Singapore, Kuala	Lumpur	06:00-06:30	42.6	42.4	7035	7060
Bangkok, Jakarta Rangoon		05:30-06:00 05:00-05:30	30.1	25.5	9945	11720
Kwangchow dialect Peking Manila		07:00-07:30 07:00-07:30	75.7	47.6	3960	6290
Singapore, Kuala	Lumpur	06:30-07:00	42.6	42.4	7035	7060
Bangkok, Jakarta Rangoon		06:00-06:30 05:30-06:00	30.1	25.5	9945	11720
Amoy dialect		07:30-08:00 07:30-08:00	75.7	32.0	3960	9365
la la	Lumpur	07:00-07:30	31,9	30.1	9390	9945
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and for the graph of the graph		08:00-08:30 08:00-08:30	39.1	32.0	7660	9365
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cess of the current econ	mpur	08:00-08:30	31.6	26.0	9470	11515
from sparking "another", cycle."	1 1	07:30-08:00 07:00-07:30	24.9	19 <u>.</u> 8	12015	15080