PEKING REVIEW



January 27, 1978



Develop Productive Forces And Continue the Revolution



How Did Marx and Engels Differentiate Europe's Political Forces?

- Answering questions regarding the "Renmin Ribao" article on the theory of the three worlds



Shanghai: A Coastal Industrial Base

PEKING **REVIEW** 比京周报

BEIJING ZHOUBAO

Vol. 21, No. 4 January 27, 1978

Published in English, French, Spanish, Japanese, German and Arabic editions

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ON

Commune- or Brigade-Run Enterprises Storing Grain Morning in Peking

> Published every Friday by PEKING REVIEW, Peking (37), China Post Office Registration No. 2-922 Printed in the People's Republic of China

Premier Barre Visits China

"I have brought you the salute of the Republic of France." This was what French Premier Raymond Barre said when he came down the ramp and met Chairman Hua Kuofeng who was at the plane-side to welcome him.

Vice-Premiers Teng Hsiaoping and Ku Mu, Minister of Foreign Affairs Huang Hua and Minister of Foreign Trade Li Chiang were also present at Peking Airport to welcome Premier Raymond Barre and Madame Barre, Minister of Foreign Affairs Louis de Guringaud, Minister of Foreign Trade Andre Rossi and Madame Rossi.

While shaking hands with Vice-Premier Teng Hsiao-ping, Premier Barre said: "This is the first time we meet, but my French friends often spoke to me about you in the past several years."

Coming from the second world, the French Premier paid a five-day official visit to China starting from January 19. On the evening of the distinguished guests' arrival in Peking, Vice-Premier Teng Hsiao-ping hosted a grand banquet given by the

Confronted with the threat of superpower aggression and expansion, the existence of an increasingly united and strong Europe is in the interests of the European people. We appreciate the efforts of the French Government to promote the unity of Western Europe. — Teng Hsiao-ping

Indeed, both China and France treasure their own national independence, and they do not allow the superpowers to dictate to them or ride roughshod over them. Both believe that, in order to defend national independence and security, it is necessary in this troubled world to strengthen their defence capability and oppose any attempt of hegemonism to weaken their defence. — Teng Hsiao-ping

The relations between France and China are good and they can develop further. It is our duty to extend and deepen our cooperation. This co-operation seems to me to conform not only to the possibilities but also to the fundamental interests of our two peoples. — **Raymond Barre**

Among these principles, I mention in particular respect for national independence and identity, renouncement of blocs, rejection of all attempts to bring pressure to bear upon other countries, and the right for each country or a number of countries freely grouped together to solve their own problems free from outside interference. — Raymond Barre State Council in their honour. Vice-Premier Teng and Premier Barre both spoke on the occasion. (For highlights of their speeches see box below.) While in Peking, Premier Barre held talks with Vice-Premier Teng and they attended the signing ceremony of an agreement on science and technology between the Governments of China and France signed by the foreign ministers of both countries.

THE WEEK

January 21 was a busy day for the French friends. Chairman Hua met Premier Barre and his entourage in the afternoon and exchanged views with him on the development of friendly relations between China and France and on international issues of common concern. During the meeting, Chairman Hua accepted with pleasure President Giscard d'Estaing's invitation to visit France and expressed the hope that President Giscard will visit China at a time convenient for him. To the dozens of French journalists who were busy covering and taking shots of the meeting between the leaders of the two countries, Chairman Hua said: "I request you, on your return home, to convey our regards to the French people. The French people have a glorious tradition and the French nation is a great nation."

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That evening, Premier and Madame Barre gave a grand reciprocal banquet. On the afternoon of January 22, Vice-Chairman of the Standing Committee of the National People's Congress Teng Yingchao met with Premier and Madame Barre. Before their departure for home, the French guests toured northeast China and Shanghai.

Vice-Chairman Teng Ying-chao Visits Phnom Penh

Teng Ying-chao, Member of the Central Committee of the Communist Party of China and Vice-Chairman of the Standing Committee of the National People's Congress, was accorded a warm welcome by the Communist Party, the Government and people of Kampuchea when she paid a 3-day friendship visit to Democratic Kampuchea last In the years of raging week. war when Kampuchea was fighting for national liberation, Vice-Chairman Teng had cherished the wish to visit the country as a comrade-in-arms of the Kampuchean people. Last year when Secretary Pol Pot of the Central Committee of the Communist Party of Kampuchea visited China, he personally extended an invitation to her. Now this wish has come true.

On the day of her arrival at Phnom Penh, Pochentong Airport was permeated with a In defending the country, we have surmounted and are overcoming obstacles to fight and safeguard our sacred territories. — Nuon Chea

We Kampuchean people cherish the desire to enjoy dignity as the master of the land, lead an independent, free and peaceful life and build the country in accordance with our profound aspirations and in the way we have chosen. We Kampuchean people are filled with the most ardent and justified patriotism. — Nuon Chea

Our fraternal, close and deep friendship is based on Marxism-Leninism and proletarian internationalism and has stood the test of protracted struggles.—Teng Ying-chao

Democratic Kampuchea is an independent and sovereign state. The just cause of the Kampuchean people in upholding the Five Principles of Peaceful Coexistence and in safeguarding the independence, sovereignty and territorial integrity of their own country is winning broad sympathy and support from the people of the whole world. — Teng Ying-chao

warm atmosphere of revolutionfriendship and militant ary solidarity between Kampuchea and China. Pol Pot. Secretary of the C.P.K. Central Committee and Prime Minister of the Government of Democratic Kampuchea, and Nuon Chea, Deputy Secretary of the C.P.K. Central Committee and Chairman of the Permanent Committee of the People's Congress of Kampuchea, were at the airport to welcome her. That evening, the Kampuchean hosts gave a grand banquet in her honour. Chairman Nuon Chea said at the banquet: "Today, we welcome in high spirits Vice-Chairman Teng Ying-chao, because she is not only a noble envoy of the glorious Communist Party of China, the National People's Congress and the Chinese Government, but also an intimate comrade-in-arms of the late and beloved Premier

Chou En-lai." (See speech highlights in box above.)

Before the banquet, Vice-Teng called Chairman on Secretary Pol Pot and other Kampuchean Party and government leaders at the State Palace. They had a very cordial and friendly conversation. Before leaving Kampuchea for home, Vice-Chairman Teng and other Chinese guests, accompanied by Chairman Nuon Chea, visited Siem Reap in the northern part of Kampuchea on January 20.

Bright Prospects for Iron And Steel Production

China's iron and steel industry got off to a flying start this year. Production plans for the first half of January were overfulfilled, with daily output consistently high and stable. Major iron and steel products in

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the first ten days registered substantial increases over the same period of last year and the output of steel, in particular, was up by more than 120 per cent.

The situation is so good that it has surpassed all expectations. Take for instance the city of Tangshan where a strong earthquake in summer 1976 caused heavy damage to its iron and steel works. But after more than a year of arduous efforts, the workers there have successfully restored and developed production. By December last year, the city's average daily steel output had reached 2,710 tons, which was well over the prequake level.

Like the other industrial departments, China's iron and steel industry was in a state of stagnation, fluctuation and even back-sliding when the "gang of four" was running wild. With the downfall of the gang, its followers in the Ministry of Metallurgical Industry and in the key enterprises were dismissed from office. Since then, things have begun to turn for the better and a big leap forward is taking shape. In his recent talks with reporters, the newly appointed Minister of Metallurgical Industry Tang Ke declared that the goal was to develop the metallurgical industry at high speed, with top quality and by advanced standards and strive to catch up with and surpass the United States by the end of this century.

Developing the metallurgical industry as fast as possible is of paramount importance to putting an end to the backward state of China's economy and realizing the modernization of agriculture, industry, national defence and science and technology Unless we achieve a high-speed development of our economy, our country will not be powerful enough and would be subjected to foreign aggression. But what does high speed mean? The participants in the national learn-from-Taching conference of the metallurgical industry which had recently closed in Peking were of the unanimous opinion that high speed means China should rank among the world's most advanced countries in the iron and steel industry before the end of this century.

More Exports Than Imports

Last year saw the overfulfilment of state plans for both exports and imports whose total volumes were over 12 per cent higher than in the previous year. With exports exceeding imports, there was a favourable balance of foreign exchange.

Heavy and light industrial products, minerals and textiles

accounted for 63 per cent of the total exports and farm and sideline products 37 per cent. Industrial exports included crude oil, coal, machine tools, cotton cloth and silk fabrics as well as arts and crafts which are export items of long standing.

With a view to learning from other countries and accelerating socialist construction, China also imported some equipment and technology for oil exploration and coal mining and for chemical fertilizer plants, power generation, the petrochemical industry and steel rolling mills.

IN THE NEWS

• Premier Hua Kuo-feng on January 14 sent a message to His Highness Sheikh Jaber Ahmed al Sabah, warmly congratulating him on his ascension to the Emirate of the State of Kuwait.

• Soong Ching Ling, Vice-Chairman of the Standing Committee of the National People's Congress, on January 19 gave a dinner at her residence in honour of Madame Welthy Fisher, an American friend, and her Canadian assistant Miss Sally Swenson.

• Premier Hua on January 22 sent a message to Bulent Ecevit, congratulating him on his assumption of the office of Prime Minister of the Republic of Turkey.

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Is It Necessary to Develop the Productive Forces in Continuing the Revolution?

by Lin Kang

 T^{O} develop the social productive forces is one of the basic tasks of the dictatorship of the proletariat, and to bring about such development, with technical innovations and technical revolution as the prime mover, constitutes an important aspect of continuing the revolution under the proletarian dictatorship.

Socialism Calls for Development of Productive Forces

Some people do not understand why the productive forces, techniques, production tools and the like should have anything to do with class struggle. In their eyes, "revolution" is always a political concept in a society where there are classes and class struggle. It is, therefore, necessary to get this question clear: In a socialist country like China, which is not developed economically, can we ultimately defeat and eliminate the bourgeoisie and ensure the transition from socialism to communism simply by carrying on the struggle in the superstructure and not rapidly developing the social productive forces?

Marx and Engels held that socialist revolution was possible only in countries where capitalism was highly developed. This thesis was based on the conditions of their time. Later when conditions changed with the emergence of imperialism, it gave way to the new thesis that socialist revolution could triumph first in one country, even if it was economically backward.

In his article Our Revolution written in 1923, Lenin castigated the revisionist view of some people who, on the ground that "the development of the productive forces of Russia has not attained the level that makes socialism possible," refused to seize political power even when the situation for revolution was ripe and the proletariat had made every preparation for it. At the same time, he pointed out clearly that the productive forces must be of a sufficiently high level in order to realize socialism, that is, to firmly establish the socialist system, and he maintained that this was an "incontrovertible proposition." Lenin said that after seizing political power, the proletariat must use it to subdue the enemy and develop the social productive forces so as to achieve the lofty goal of the revolution.

Comrade Mao Tsetung taught us in the same way. As soon as victory was basically won in the socialist transformation of the system of ownership, he stressed: Only when "the productive forces of our society have been fairly adequately developed" over a certain period of time "will it be possible to regard our socialist economic and political system as having obtained a fairly adequate material base (now far from adequate), and will it be possible to regard our state (the superstructure) as fully consolidated and our socialist society as fundamentally built." (The Situation in the Summer of 1957.) He also pointed out: "This is an obligation. You have such a big population, such a vast territory and such rich resources, and what is more, you are said to be building socialism, which is supposed to be superior; if after working at it for 50 or 60 years you are still unable to overtake the United States, what a sorry figure you will cut!" (Strengthen Party Unity and Carry Forward Party Traditions, 1956.) Here Comrade Mao Tsetung pointed up the tremendous significance of developing the productive forces under socialism to strengthening the dictatorship of the proletariat, guarding against capitalist restoration and supporting the world revolution.

If prior to the seizure of political power by the proletariat, its basic economic interests could be satisfied only through a political revolution which would replace the dictatorship of the bourgeoisie with the dictatorship of the proletariat, then after the seizure of political power, the basic economic interests of the proletariat and other labouring people will be met not only by relying on a strong dictatorship of the proletariat but also by building a powerful socialist economy and achieving a productivity of labour which is higher than that under capitalism. Lenin regarded this as a twofold or dual task, or a twofold guarantee, political and economic, for reaching the goal of communism.

A powerful dictatorship of the proletariat and a highly developed and modernized material base are the hallmark of a strong socialist country and the prerequisite for the abolition of classes and the transition to communism. That was why Comrade Mao Tsetung made class struggle, the struggle for production and scientific experiment the three great revolutionary movements for building a strong socialist country.

Giving Chang Chun-chiao the Lie

In countries where the economy was backward in the past and where small-scale production predominated, the task of the proletarian dictatorship in developing the social productive forces is especially important and pressing after the socialist transformation of the system of ownership has in the main been completed. Chang Chun-chiao of the "gang of four," however, ranted that to develop the productive forces under the dictatorship of the proletariat was tantamount to "preparing dowries for"

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capitalism, meaning "paving the way for capitalist restoration." This is sheer nonsense. What do the enemies of socialism rely on for existence? And what is their most deep-rooted basis? Lenin held that in countries with a smallscale peasant economy, capitalism has a firmer economic base than communism and small production engenders capitalism and the bourgeoisie daily and hourly. For this reason, he pointed out: "The latter [the internal enemy] depends on small-scale production, and there is only one way of undermining it, namely, to place the economy of the country. including agriculture, on a new technical basis, that of modern large-scale production." (The Eighth All-Russia Congress of Soviets, 1920.) Failing to do so, it would be impossible for the proletariat to triumph over the bourgeoisie and the socialist road over the capitalist road.

With regard to the social change in agriculture, the switch-over from the small-scale peasant economy to collective ownership with a low level of public ownership merely frees the productive forces from the trammels of outdated relations of production. Even in the absence of technical revolution, this change can be effected on the basis of hand tools and draught animals already in use. But the switch-over or transition from collective ownership to ownership by the whole people in agriculture is quite a different matter. It can be achieved only through a large-scale technical revolution for accomplishing the mechanization and electrification of agriculture and creating a new kind of agricultural productive forces based on modern techniques. This is an important distinction between ownership by the whole people and collective ownership in agriculture. And that was why Comrade Mao Tsetung held that in agriculture the revolution in social system must be combined with technical revolution and that without the latter it would be impossible to turn collective ownership into ownership by the whole people.

Chang Chun-chiao, however, said that "the transition is possible even without a material base," adding that the poorer the country, the easier the transition and that "it's better for China with a population of 800 million to remain poor." This is a downright adulteration of Marxism.

There may be in the world (and actually there is) undeveloped socialism or developing socialism (this being a great Marxist truth discovered by Lenin in the era of imperialism), but there can never be undeveloped communism or poor communism. According to the presentday definitions, "undeveloped" and "communism" are two incompatible concepts. The founders of scientific socialism told us: A high level of development in production is the prerequisite for the realization of communism. The proletariat in economically backward countries makes great sacrifices to seize political power because it wants to use its own dictatorship to create this "prerequisite." This historical task. as Lenin put it, is to complete the great political revolution by slow, hard and laborious economic work over a very long period. It was for this reason that the resolution adopted at the Sixth Plenary Session of the Eighth National Congress of the Communist Party of China in 1958 correctly pointed out: "Since we are dedicated to the cause of communism, we must, first and foremost, be enthusiastic about developing our productive forces."

The "gang of four" did just the opposite. According to their logic, it seems that only by sticking to small-scale production, doing nothing to achieve modernization and relying on a poor and backward economy can we defeat the bourgeoisie, prevent revisionism and advance easily to communism. If the people's material and cultural life is improved, they alleged, revisionism is bound to emerge. How absurd this is! Under the signboard of "continuing the revolution under the dictatorship of the proletariat," this bunch of anti-Marxist political swindlers completely negated the role played by the dictatorship of the proletariat in the economic field, tried to undermine the economic strength of this dictatorship, and indulged only in empty talk about communism.

Relationship Between Politics and Economics

In an attempt to deceive the people, the "gang of four" also distorted Lenin's famous thesis that "politics cannot but have precedence over economics," and attacked those people who devoted their energy to socialist construction.

Lenín advanced the above thesis and explained it with due emphasis towards the end of 1920 and at the beginning of 1921 when he was carrying on a debate with Trotsky over the question of the trade unions. What did Lenin say about the economic tasks at the time? In December 1920 when the debate was on, he declared at the Eighth All-Russia Congress of Soviets: "Economic tasks, the economic front, are again and again assuming prominence as the chief and fundamental factor." (Report on the Work of the Council of People's Commissars.) During this debate brought on by Trotsky, Lenin expressed his regret that the Party's attention was distracted from economic tasks for some time. He said: "I have always said, and will continue to say, that we need more economics and less politics, but if we are to have this we must clearly be rid of political dangers and political mistakes." (Once Again on the Trade Unions, the Current Situation and the Mistakes of Trotsky and Bukharin, 1921.) He further pointed out that Trotsky's political mistakes, aggravated by Bukharin, "distract our Party's attention from economic tasks and 'production' work, and, unfortunately, make us waste time on correcting them ... instead of having a practical and business-like 'economic' discussion." (ibid.) From February to May 1921, during which time the Tenth Congress of the Russian Communist Party (Bolsheviks) was held, Lenin time and again stressed the great significance of economic construction. In October. he began to concentrate his attention on solving the problems and correcting the mistakes with regard to economic policies at the time.

Did Lenin go against his own famous thesis? Of course not.

Lenin said that attention should be concentrated on economic work at that time. This did not at all mean that politics no longer played the commanding role. While stressing economic work, Lenin never meant that politics no longer took precedence over economics. On the contrary, the more urgent the economic tasks, the more important it was to put politics in command of economics. When we say politics takes first place and plays the commanding role, we mean that politics should determine the orientation and point out the way for fulfilling

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economic tasks in the struggle against all sorts of capitalist tendencies and all acts detrimental to the socialist economy (Lenin's controversy with Trotsky and others over the question of the trade unions was precisely a struggle of this nature). We do not mean in the least that politics can brush aside or supersede economics, for this is what people who know nothing about the relationship between politics and economics or deliberately undermine the socialist revolutionary cause do.

The "gang of four" asserted that putting the stress on economic tasks would lead to departing from class struggle. Such an argument is completely groundless. Our economic construction is carried out as a task of the state which, in itself, means the dictatorship of the proletariat and politics. Here politics is playing the commanding role, issuing orders and decrees according to the law governing the development of the socialist economy. During the period of the First Revolutionary Civil War, Comrade Mao Tsetung said that we must engage in economic construction for the purpose of gaining victory in the revolutionary war, bettering the life of the people and so stimulating their more active participation in the revolutionary war and consolidating the democratic dictatorship of workers and peasants. He added that this was a great task, a great class struggle. Likewise, we are now devoting ourselves to economic construction and the modernization of agriculture, industry, national defence and science and technology so as to build a powerful socialist country, improve the people's material and cultural life and thus stimulate their enthusiasm for building socialism, consolidate the dictatorship of the proletariat and finally defeat the bourgeoisie. How can this be regarded as "a movement giving all importance to the productive forces" and not as "a great class struggle"?

The "gang of four" also babbled that the development of the productive forces would

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inevitably hamper the heightening of people's political consciousness and that the realization of the four modernizations would inevitably turn people's minds to capitalism. This is also very absurd. Engels once said: "It is the revolutionizing of all traditional relations by industry as it develops that also revolutionizes people's minds," (Engels to F.A. Sorge, 1892.) Here Engels spoke of one of the consequences arising from the development of capitalist industry. Such being the case, doesn't it follow that under socialism the development of largescale industry, and the growth of industry in the rural areas and the realization of farm mechanization in particular, will bring about the revolutionization of relations among all the

small collectives which will in turn . revolutionize the peasants' minds?

The Need for Technical Revolution

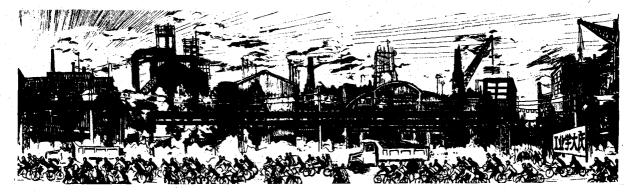
With the rapid development of the social productive forces, the task of carrying out technical innovations and technical revolution is bound to become the order of the day. World history shows that big advances in the productive forces in any society always take place after a new class has firmly established its rule. Industrial revolutions under capitalism generally took place after the bourgeoisie had seized political power. Likewise, the establishment of political rule and socialist relations of production by the proletariat must be followed by its own industrial revolution and technical revolution. This is a great revolutionary task history has entrusted to the dictatorship of the proletariat.

Beginning from 1957, that is, from the basic completion of the socialist transformation of the system of ownership, Comrade Mao Tsetung drew attention to this question more than once. In January 1958 he told Party members: China is backward economically and has a weak material basis; that is why we still remain in a passive position and are shackled mentally and have not been liberated in this respect. So he called on Party members to make an effort and launch a technical revolution. The whole Party, he added, must pay attention to this question.

Needless to say, we do not propose to give first place to techniques while carrying out technical revolution. Our slogan is: Revolutionization commands modernization. But it won't do either for us to engage solely in politics and know nothing about techniques and vocational work. For this reason, Comrade Mao Tsetung called on us to study hard to master techniques and acquire proficiency in our work and become both red and expert.

While putting forward the task of carrying out technical revolution, Comrade Mao Tsetung in 1958 called on the whole Party to study natural science and technology. One who attaches no importance to natural science cannot claim to be a good Marxist, for what has been achieved in natural science has played an important revolutionary role in promoting the development of the Marxist theory and in bringing about social changes. After seizing political power and becoming its own master in society, the proletariat must not only thoroughly transform society and fight against enemies of all descriptions but also transform nature. In the era of socialist revolution and construction, the revolution in science and technology cannot but become an indispensable and important part of our work.

The Party Central Committee decided to convene a national science conference in spring this year. (For details see our issue No. 40, 1977.) This is a decision of great importance to the realization of the four modernizations, a decision made in line with Comrade Mao Tsetung's consistent teachings after sweeping away the interference of the "gang of four."



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Shanghai: A Coastal Industrial Base

ONCE described by the capitalists of the West as a "paradise for adventurers," the city of Shanghai which had a lopsided economy has been transformed from a consumer city into a socialist industrial base.

Achievements and Development

From 1949, the year of Shanghai's liberation, to 1976, its total industrial output value had increased 19.3 times. Heavy industry, which accounted for only 13.6 per cent of the total in the past, took up 53.4 per cent. Shanghai has become a comprehensive base embracing various branches of industry and with heavy and light industries proportionately developed.

Over the past two decades and more, Shanghai has provided large amounts of machinery and equipment, funds and technical force for developing industries in the interior. From 1950 to 1976, investments by the state in, Shanghai's capital construction amounted only to 7.6 per cent of its revenue delivered to the state, while the accumulation funds it provided for the country amounted to 41.9 per cent of the nation's total investments in capital construction for this period. Since liberation, Shanghai has sent hundreds of thousands of technicians and skilled workers to other parts of the country and helped train over 100,000 young workers for these places.

Situated on the east coast, Shanghai was China's biggest industrial city before liberation. At that time, however, it had only some light industry and very little heavy industry. Annual production of steel was no more than several thousand tons and the machine-building industry could only do repairs and assembling jobs.

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Chairman Mao's instruction on making good use of and developing coastal industry pointed out the way for Shanghai's industrial development. In his On the Ten Major Relationships, he scientifically explained the relationship between industry in the coastal regions and industry in "Without doubt, the He said: the interior. greater part of the new industry should be located in the interior so that industry may gradually become evenly distributed; moreover, this will help our preparations against war." He added: "Making good use of the old industries in the coastal regions and developing their capacities will put us in a stronger position to promote and support industry in the interior."

Capitalist industrial and commercial enterprises in Shanghai became state-private enterprises in the fifties. With this change, the nature of their ownership changed too. However, these enterprises were small in scale and their means of production and labour force were scattered. This was not advantageous to adopting advanced techniques or to changing the disproportionate development of light and heavy industries.

Regroupings of whole trades were carried out so as to change that part of the socialist relations of production which did not correspond to the productive forces. Through merger, expansion and the building of a few new enterprises, the number of large and medium-sized enterprises increased while that of small ones decreased.

Later, heavy industrial branches developed rapidly. They included the iron and steel and chemical industries, the making of heavy-duty machines, motor vehicles and tractors, shipbuilding and the making of electronic instruments and meters. A great many light industrial factories and textile mills were concentrated in the city; they were merged and new technology was introduced to raise their production capacity. At the same time workers were assigned and factory buildings allocated for the development of heavy industry and new industrial branches making wristwatches, cameras and television sets.

While effecting the reorganization of the economy, technical innovations and technical revolution were carried out. The emphasis of technical transformation was not on building new factories or buying complete sets of new equipment, but on technical innovations to tap the potential of existing equipment. Take the textile industry for instance. It now has reached advanced levels by introducing technical innovations and renovating the old machines left over from the 1920s and 1930s. Although the number of spindles has been reduced by onefourth in the past 28 years and the workers by one-eighth, output of cotton yarn has increased 2.4 times. Shanghai's metallurgical industry was very backward in the early post-liberation days, having only a few small open-hearth furnaces. Through expansion, reconstruction and building of some key projects, steel output has now risen to several million tons annually, and daily output today is greater than that of two years before liberation.

Fluctuations in Output

These achievements have been obtained under the guidance of Chairman Mao's revolu-

tionary line. But in the post-liberation years Shanghai suffered from interference and sabotage by Liu Shao-chi, Lin Piao and, in particular, the Wang-Chang-Chiang-Yao anti-Party "gang of four" which had entrenched itself in Shanghai for ten years and caused the greatest damage.

To develop the national economy in a planned and proportionate way under the unified leadership of the central authorities is the characteristic of China's socialist economy. But the "gang of four" and their followers in Shanghai opposed the unified leadership of the central authorities, which they slandered as "fascist dictatorship." One of the followers even babbled: "Take orders from Shanghai, not Peking."

The gang also sabotaged co-operation between Shanghai and other provinces, municipalities and cities, and opposed and undermined the mass movement to learn from Taching in industry.

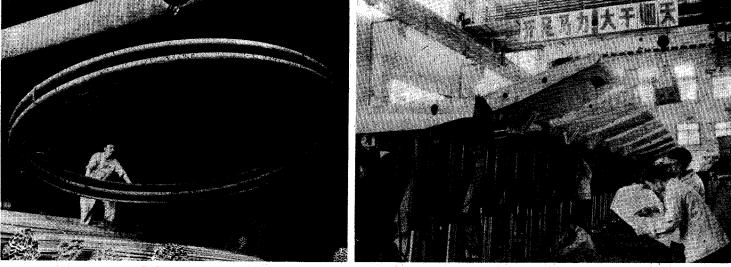
The gang labelled veteran cadres, veteran workers, engineers and technicians as "democrats," "capitalist-roaders," "people with vested interests" and the "stinking ninth category" (they placed intellectuals in the ninth category after the other eight categories of class enemies). This dampened the enthusiasm of the abovementioned.

In the last few years, investments in capital construction and the number of workers in

> Shanghai kept increasing, but industrial development slowed down. This was due to the sabotage by the "gang of four." Annual increase of industrial output value fell

Workers of a Shanghai electronic tube factory testing tricolour tubes.

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Left: Bellows for blast furnaces manufactured by the Shanghai Shaped Tubing Plant. Right: Hydraulic metal posts for coal-mining produced in Shanghai.

from 14.8 per cent in 1970 to only 2 per cent in 1976.

After the smashing of the "gang of four," Shanghai's industrial production has gone up steadily. Gross industrial output value in 1977 was 8.6 per cent higher than that of 1976. This brought an end to the continuous drop in the annual rate of increase of industrial production. Profits from industry rose more than 10 per cent, which was higher than the percentage of increase in production. This reversed the situation of the city's failure in fulfilling its revenue plan set by the state for three years running.

Plans and Prospects

China's socialist revolution and construction have now reached a new stage of development. Making full use of its industrial conditions, Shanghai is striving to make greater contributions to the state by producing more technical equipment of advanced level, training large numbers of outstanding engineers and technicians and providing bigger sums of accumulation.

To achieve this, Shanghai will develop the basic industries at top speed. The goal set for the period between now and 1985 is to concentrate efforts on speeding up the development of the iron and steel, petrochemical and electronics industries. The machine-building industry will provide the state with large, extralarge, precision and new types of machinery and equipment.

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Accelerated development of the basic industries will promote the growth of the other industries.

Attention will also be paid to light industry and handicrafts while stepping up the development of heavy industry.

Industry's support for agriculture will be strengthened. The city will produce and supply to the whole country low-cost and high-quality farm machinery, chemical fertilizer, effective but less toxic insecticides as well as water conservancy and power equipment and transport facilities for the rural areas.

Attention will be paid to the modernization of science and technology so that Shanghai will become a scientific base ranking among the world's advanced.

The city proper is already too large; emphasis in the future will be on construction in the suburbs and the building of smaller industrial towns in the outlying districts, which will co-ordinate with enterprises in the city proper. Production of industrial goods related to agriculture will be partially taken over by factories run by the rural people's communes. Planned readjustment will help improve the distribution of industry and more land in the city proper will be available for new housing estates and for tree-planting as well. Bases producing non-staple food will be built so that the metropolis will be self-sufficient in pork, eggs, poultry and aquatic products within three to five years.

CHINESE PRESS SURVEY

Afforestation in the Capital

B EIJING RIBAO (Peking Daily) published an editorial on January 6 calling for further efforts to speed up tree planting in and around Peking.

On the outskirts of the capital (embracing nine counties and five suburban districts), 230,000 hectares or 49 per cent of the area suitable for growing trees have been afforested. In addition, some 95 million trees have been planted around the houses and villages and along the roads and waterways, averaging 25 trees for each person in the rural areas. The rapid increase in fruit trees has made Peking basically self-sufficient in the supply of apples, pears and other kinds of fruit grown only in the northern part of the country. Peking's annual output of dried and fresh fruit has reached 150,000 tons. Forest resources have been expanding year after year. The tree belts have proved to be an enormous help to farm production, protecting the land from windstorms, anchoring drifting sands and preserving top soil and moisture. Over the years, a number of advanced units and workers in forestry have come to the fore in the various counties and districts of the Peking municipality.

However, owing to the interference of the "gang of four" and the lack of sufficient attention on the part of some leading cadres, the pace of afforestation in Peking fell short of expectations.

During the movements for agricultural producers' co-operatives and the people's communes in the fifties, Chairman Mao called on the whole nation to cover the country with trees. He also pointed out that agriculture, forestry and animal husbandry are interdependent and that the three are of equal importance and none can be dispensed with. Recently when Chairman Hua Kuo-feng took part in physical labour at the Miyun Reservoir on the outskirts of Peking, he also instructed that the nation should go in for afforestation in a big way.

The editorial spoke of the great significance of developing forestry at top speed and demanded that the Party organizations at various levels on the capital's outskirts attach importance to this work. It called for efforts to combine the work of full-time tree-planting teams with the mass movements. They must make the best of spring, autumn and rainy season to mobilize the peasants and city dwellers to plant trees. The goals for 1980 are: Plant as many trees as possible on the plains, build up timber centres by planting conifers and other fast-growing species on the hills to the west and north of Peking, and plant fruit trees and tree belts for soil and water conservation on the fringes of the hills. Meanwhile, efforts must be made to cover scenic areas around the Great Wall, the Ming Tombs and the Miyun Reservoir with trees as quickly as possible.

Readers' Comments

R ENMIN RIBAO had made many improvements in its coverage, style of writing and layout in the past year. This was greatly appreciated by its readers.

Striving to do still better, this newspaper on January 10 started a new column entitled "Readers' Comments" on its fourth page. Two of the three short articles published that day made suggestions and requested that the press co-ordinate efforts in deepening the revolution in education.

One of the two articles, contributed by a Peking middle school, stressed that, despite interference and sabotage by the revisionist line of Liu Shao-chi and the "gang of four," Chairman Mao's proletarian revolutionary line has always held the dominant position on the educational front in the 28 post-liberation years. It suggested that the press should give publicity to those educational workers who, in the face of interference from the revisionist line, have worked hard in the interest of the people and made contributions to socialism. The press, it added, should also help the readers gain an

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accurate understanding of Chairman Mao's instructions concerning the revolution in education and acquaint them with good experiences in bringing order to educational work so as to meet the needs for modernizing agriculture, industry, national defence and science and technology.

The other article from a state farm in Heilungkiang Province brought up the question of teaching materials for primary and middle schools. It said that textbooks for mathematics, physics and chemistry leave much to be desired, parts of which were illogical and disconnected. More serious was the fact that many of the "gang of four's" fallacies were inserted in the history and politics textbooks. The article called for further exposure and criticism of the gang's crimes in this respect and for greater efforts to compile and put out new and better textbooks as soon as possible.

The third article praised *Renmin Ribao* for openly admitting its mistake in publishing a report which proved to be incorrect. Written by several workers of Peking's Tungfeng Market, it said: "*Renmin Ribao*'s open self-criticism of its mistake shows that our Party paper has revived and carried forward the Party's' fine tradition and style of work. This is a great inspiration to us all."

Chairman Mao always advocated that we must follow the mass line in running newspapers. The introduction of this new column will help *Renmin Ribao* further strengthen its ties with the readers in accordance with Chairman Mao's consistent teachings.

Explanatory Notes to Volume V of "Selected Works of Mao Tsetung" (3)

The land law

(See p. 25, Vol. V, Eng. Ed.)

Here the land law refers to the Outline Land Law of China published in October 1947 with the approval of the Central Committee of the Communist Party of China. It stipulated, among other things, that in carrying out the agrarian reform all the land and other property of the landlords should be confiscated and distributed among the peasants; in the case of the rich peasants, their surplus land and other property would be requisitioned.

After the founding of the People's Republic of China, the Central People's Government promulgated in June 1950 the Agrarian Reform Law of the People's Republic of China which made amendments to the Outline Land Law of 1947. Under the Agrarian Reform Law, all the land owned by the rich peasants and tilled either by themselves or by hired labourers and

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their other property should be protected, and the small portion of land they rented out would not be requisitioned. But in certain special areas where the peasants would not get the proper portion of land unless that part of land rented out by the rich peasants was requisitioned, such land should, with approval by the People's Government, be partly or wholly requisitioned. With regard to those rich peasants of a semi-landlord type who rented out large tracts of land, all such land should be requisitioned.

Revision of the Outline Land Law of China meant a change of policy: the policy of requisitioning the rich peasants' surplus land and other property was changed to one of maintaining the rich peasant economy. This was conducive to the speedy restoration and development of farm production at that time. Later, the rich peasant economy finally disappeared with the deepening of the movement for agricultural cooperation.

Relations between the state sector and the private sector of the economy

(See p. 28.)

These were relations between the stateowned and private-owned industry and commerce in the early post-liberation years. In handling the relations between the state sector and the private sector of the economy, the People's Government followed the policy of firmly establishing the leading position of the state economy and enabling the state enterprises to develop steadily, while at the same time placing the private capitalist economy under the leadership of the state economy. In industry, the state enterprises helped the private ones in accordance with the needs of the national economy by placing orders with them for processing and manufacturing goods and purchasing their products. As to private commercial enterprises, state trade departments made leeway for them with regard to the scope of transactions, prices and market management, provided they did not engage in speculation. In addition, private industry and commerce were given state loans when they were in need. All this was aimed at making use of the positive factors of private industry and commerce that were beneficial to the nation's economy and the people's livelihood and restricting activities inimical to the nation's economy and the people's livelihood, so that the private capitalist economy would be led gradually onto the path of state capitalism.

Relations between labour and capital

(See p. 28.)

This is a reference to the relations between workers and capitalists in private industry and commerce. In essence, they were relations of oppression and exploitation of the proletariat by the bourgeoisie. With a view to improving the relations between labour and capital in the early years after liberation, the state laid down three principles: 1. The working class' democratic rights must be guaranteed. 2. Both labour and capital should strive to develop production in the interest of the economy. 3. Problems arising from labour-capital relations, including those of wages and welfare, must be solved through consultations, on the basis of which a more stable form of labour-capital contracts was to be introduced step by step.

Agrarian reform

(See p. 29.)

This was a revolutionary movement in which the Chinese Communist Party led the peasants in abolishing the feudal system of land ownership and introducing the ownership of land by the peasants. In old China, the system of land ownership was feudal or semifeudal in nature, under which the poor peasants, farm labourers and middle peasants who made up over 90 per cent of the rural population owned only 20 to 30 per cent of the country's total cultivated acreage, whereas the landlords and rich peasants who accounted for less than 10 per cent of the rural population owned as much as 70 to 80 per cent of the land under cultivation. The landlords' savage exploitation of the peasants by taking advantage of the land they owned seriously hampered the development of the productive forces.

To overthrow imperialism and feudalism and accomplish the basic task of the democratic revolution, the Communist Party of China led the peasants in the struggle against corrupt officials, local tyrants and evil gentry and against extortionate taxes and levies and exorbitant rent and interest in the period of the First Revolutionary Civil War (1924-27). The agrarian revolution was carried out further in the revolutionary base areas in the period of the Second Revolutionary Civil War (1927-37). During the War of Resistance Against Japan (1937-45), the Chinese Communist Party changed the policy of confiscating the landlords' land into one of reducing rent and interest. This was aimed at uniting with various classes and political parties in the common struggle against Japanese aggression. With the start of the Third Revolutionary Civil War (1945-1949), the Chinese Communist Party led the peasants in the liberated areas in carrying out agrarian reform. On May 4, 1946, the Party Central Committee issued the Directive on the Land Question, changing the policy of reducing rent and interest which was effective during the anti-Japanese war period into one of confiscating the land of the landlords and distributing it among the peasants. The Outline Land Law of China

was published in October 1947 and a land reform movement was launched in the liberated areas which had a population of 150 million. This satisfied the peasants' demand for land and ensured the victory of the War of Liberation.

After country-wide liberation, the Central People's Government in June 1950 promulgated the Agrarian Reform Law of the People's Republic of China. This was followed by the agrarian reform movement in the new liberated areas. By the winter of 1952 agrarian reform was basically completed throughout the country, with the exception of Taiwan Province and some minority nationality areas. In the old and new liberated areas, about 300 million landless or land-deficient peasants received some 47 million hectares of land, and the peasants stopped handing over to the landlords about 35,000 million kilogrammes of grain as land rent every year. Thanks to the agrarian reform, the political consciousness of the peasants was enhanced, the worker-peasant alliance was consolidated and favourable conditions were created for the socialist transformation of agriculture.

Taxes should be readjusted

(See p. 30.)

In line with Chairman Mao's instructions, the Administrative Council (which later became the State Council) adopted the decision that the agricultural tax in kind to be collected in the summer of 1950 in the new liberated areas should be reduced by 4 per cent as compared with the average tax rate in autumn 1949, the salt tax should be cut by half beginning from June 1950, commodity taxes should be reduced from 1,136 to 358 kinds as from July that same year, and the industrial and commercial business taxes should be levied according to the rates fixed by the state. All these measures were of great significance to lightening the people's burden and boosting production.

The principle of making overall plans and taking all factors into consideration

(See p. 30.)

This is an important strategic principle of the Chinese Communist Party in dealing with problems in socialist revolution and socialist construction. It consists of overall plans, allround consideration and proper arrangements for all sectors of the economy and for the 800 million people of various classes and strata, so that they will play their due roles. In other words, it is necessary to correctly handle the contradictions among the people and those between ourselves and the enemy, bring into play all positive factors and turn negative factors as far as possible into positive ones, all for the purpose of building a great socialist country.

In his Talks at a Conference of Secretaries of Provincial, Municipal and Autonomous Region Party Committees in January 1957, Chairman Mao pointed out: "Our policy is still one of overall planning and all-round consideration so that everyone is provided for. This includes providing for all the army and government personnel left behind by the Kuomintang. Even those who fled to Taiwan can come back. All counter-revolutionaries not to be put to death will undergo remoulding and be given a chance to earn a living. The democratic parties will be preserved and coexist with us for a long time and their members will be provided for. In a word, we will take care of all our country's 600 million people..., What kind of policy is this? It is one of mobilizing all positive forces to build socialism."

The following month when he made the speech On the Correct Handling of Contradictions Among the People, he again stated: "By overall consideration we mean consideration that embraces the 600 million people of our country. In drawing up plans, handling affairs or thinking over problems, we must proceed from the fact that China has a population of 600 million, and we must never forget this fact. Why do we make a point of this? Is it possible that there are people who are still unaware that we have a population of 600 million? Of course, everyone knows this, but when it comes to actual practice, some people forget all about it and act as though the fewer the people, the smaller the circle, the better. Those who have this 'small circle' mentality abhor the idea of bringing every positive factor into play, of uniting with everyone who can be united with, and of doing everything possible to turn negative factors into positive ones so as to serve the great cause of building a socialist society."

(To be continued.)

Three-World Theory: Questions and Answers

How Did Marx and Engels Differentiate Europe's Political Forces in the Latter Half of The 19th Century?

In No. 45, 1977 of "Peking Review" we carried in full the article "Chairman Mao's Theory of the Differentiation of the Three Worlds Is a Major Contribution to Marxism-Leninism" by the Editorial Department of "Renmin Ribao." Recently, "Peking Review" requested a number of historians, economists and journalists to answer some questions raised by our readers concerning the article. Beginning with this issue, we will publish these questions and answers. — Ed.

QUESTION: What was the political situation of Europe like in the latter half of the 19th century? Why did Marx and Engels in 1848 and afterwards consistently stressed that tsarist Russia was the chief bulwark of European reaction? And why did Marx and Engels regard to the end of their days resolute opposition to the aggressive policy of tsarist Russia as the criterion by which to differentiate Europe's political forces and to determine to which national movement in Europe the international proletariat should give its support? What significance has a review of historical events in that period to our analysis of current international political forces?

ANSWER by Li Yuan-ming, historian: The political situation of Europe in the latter half of the 19th century was very complicated.

The contradiction between the proletariat and the bourgeoisie in this period grew more and more acute. With the publication of the *Manifesto of the Communist Party* in 1848 and the founding of the First International in 1864, the proletariat for the first time had a programme and an organization of its own. In the international arena the two major forces, the proletariat and the bourgeoisie, were locked in fierce struggle.

At the same time, the development of capitalism brought in its wake bourgeois democratic revolutionary movements all over Europe. Some had as their aim the overthrow of the autocratic feudal system, some the elimination of all feudal vestiges, and others an end to national disunity. A number of oppressed nations were striving to achieve their independence. All these different demands mirrored the contradiction between capitalism and feudalism and between oppressed and oppressor nations.

In this period the bourgeois revolution in Britain and France had already on the whole been accomplished; tsarist Russia, Austria, Prussia, and the Ottoman Empire (Turkey) astride Europe, Asia and Africa were the remaining feudal powers. There were contradictions between capitalist countries, between feudal countries and between capitalist and feudal countries.

These multifarious contradictions interweaved to form an extremely complicated international situation.

How did Marx and Engels, revolutionary teachers of the international proletariat at that time, treat such a complex situation in international class struggle? They took a firm hold of the basic contradiction between the proletariat and the bourgeoisie on an international scale without overlooking any of the other contradictions. Proceeding from the general interests of the international workers' movement, they made a concrete analysis of the various contradictions in the international arena and analysed the main feudal countries in Europe, which stood in the way of the development of capitalism, determined that the empire of tsarist Russia was the principal enemy of the European revolutionary movements and called on the revolutionary people of Europe to throw themselves into the struggle to destroy this biggest scourge.

This proposition advanced by Marx and Engels had a sound scientific basis and was completely in conformity with the objective overall situation in Europe at that time.

Tsarist Russia — Principal Enemy of European Revolutionary Movements

To begin with, tsarist Russia was an autocratic feudal state based on the most barbarous serf system. As a social system, it was a whole historical period behind the capitalist countries like Britain and France. In the 17th and 18th centuries, when bourgeois revolutions in these two countries smashing the feudal shackles and giving rise to a rapid development of capitalism there, tsarist Russia retained its backward serfdom. In the first half of the 19th century. Chartism — a mass. political. working-class revolutionary movement ---erupted in Britain. In 1848 the first civil war in France between the proletariat and the bourgeoisie broke out. In tsarist Russia, however, the serf-owners remained the ruling class which not only wanted to tighten its grip on the serfs at home but also to impose the same system on other countries as well.

Secondly, tsarist Russia was in pursuance of a policy of aggression aimed at conquering Europe. In the beginning of the 18th century, Peter I seized vast territories along the Baltic coast and thereby threw open the gate to Northern Europe. When he moved his capital from Moscow to "Petersburg, the eccentric centre of the empire," he provided a most illuminating footnote to tsarist Russia's ambition to conquer Europe. Towards the end of the 18th century, through the partition of Poland, Catherine I (Ekaterina Alekseevna) carved a broad corridor leading to the European mainland and then after several wars against Turkey, she grabbed vast areas north of the Black Sea to open the southern gate to Europe. From then on tsarist Russia reached for the hinterland of Europe from the north, the south and the east, slicing off large pieces of territory from neighbouring countries and gravely menacing the security and independence of various European countries.

Thirdly, tsarist Russia was most hostile to the revolutionary movements in Europe. When the revolutionary storm swept the European continent in 1848, it gave all-out support to Austria in repressing the national-liberation movements in Italy and Czechoslovakia and to Austria and Prussia in quelling the German revolution and putting down the movement for national unification; and, together with Turkey, stamped out the revolution in Romania and sent 140,000 troops to crush the nationalliberation movement in Hungary. As pointed out by Engels. "No revolution in Western Europe can gain final victory, as long as the present Russian state exists beside it." (Introduction to the Pamphlet "Social Things From Russia," 1875.)

Fourthly, the Russian tsarist empire was more deceptive than any other autocratic feudal state. There was no land-grab, no outrage, no repression on the part of tsarism which was not carried out under the pretext of enlightenment, of liberalism, of the liberation of nations. Making use of Pan-Slavism, it fostered illusions among the Slavic nations under Austrian and Turkish rule that Russian tsarism was the "liberator" and "saviour" of its "Slavic brethrens," and that they needed only its help to "liberate" themselves from Austrian and Turkish enslavement and set up their own Because of its deceptiveness, national states. tsarist Russia proved very dangerous to the revolutionary people in Europe and the revolutionary movements there.

It was at this time that the disintegrating Turkish colossus, of which Tsar Nicholas I said, the "'sickman' is dying," was made the object of dismemberment by tsarist Russia. Austria, Russia's toughest and most stubborn rival on the Balkan Peninsula, was brought to the brink of ruin by the Hungarian and the Viennese uprising. Prussia, lying at the feet

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of the tsar, was "still the faithful vassal" even after the kicks. Thus, in comparison to these and other European countries. the most dangerous tsarist Russia was enemy of the revolutionary people of Europe for it was energetically engaged in aggression and expansion against the European mainland, brutal suppression of the European revolutionary movements, deceptive activities to divide the revolutionary people of Europe and, in addition, it had a reactionary serfdom and occupied an exceptionally favourable geographical position.

For this very reason, one of Karl Marx's contributions, said Engels, was his being the first, in 1848, and then repeatedly, to stress that "the Western European labour parties must of necessity wage an implacable war against Russian tsarism" (The Foreign Policy of Russian Tsarism, 1890) because Russian tsarism was the chief bulwark of European reaction and its ambition was to subdue Europe and make victory impossible for the European proletariat. This viewpoint was elaborated again and again by Engels, who pointed out that the "holy alliance"* with tsarist Russia as its nucleus was "the same big obstacle which hampers the free development of all nations and each people, a development without which we couldn't think of any social revolution in the different countries, much less to complete it with mutual support." Therefore. "the overthrow of the tsarist government, the elimination of this scourge that threatens Europe — such, in my opinion, is the prerequisite for the emancipation of the central and east European nations." (Engels to Ion Nadejde in Jassy, January 1888.)

Lenin highly appreciated this viewpoint of Marx's and Engels'. He pointed out in 1909: "Half a century ago Russia's reputation as an international gendarme was firmly established. ... One has only to recall the Hungarian campaign of Nicholas I, and the repeated repressions of Poland, to understand why the leaders of the international socialist proletariat from the forties onward denounced tsarism so often to the European workers and European democrats as the chief mainstay of reaction in the whole civilized world." (The Tsar Visits Europe and Members of the Black-Hundred Duma Visit England.)

After determining tsarist Russia as the main enemy of the revolutionary people of Europe, Marx and Engels regarded resolute opposition to the Russian tsarist empire's policy of aggression as the criterion by which to differentiate Europe's political forces and to determine to which national movement in Europe the international proletariat should give its support. The burden of their theory and tactics in the differentiation of the political forces was to unite with all forces that can be united with, make use of every "rift" among the enemies, "ally ourselves even with our enemies" (Marx: Stein, 1849), strike at the main enemy and win victory for the revolution. At this point, let us recall how Marx and Engels gave firm support to the independence movement in Poland and what attitude they took towards the Crimean War (1853-56). This will help us understand how they specifically applied under conditions then prevailing this method of differentiation and tactics.

The Polish Independence Movement

Poland occupying a strategic position in Eastern Europe had always been an object of tsarist Russian aggression and enslavement. In 1815, tsarist Russia occupied most of Poland and turned it into a colony, which explains why the Polish independence movement immediately defined tsarist Russian empire as its enemy. The raging armed uprisings and revolutions of the Polish people in 1800, 1846 and 1863 were blows against the empire's drive for world hegemony and boosted the liberation movements inside the empire and throughout Europe. Marx and Engels hailed the Cracow uprising of 1846 as a

^{*} After the failure of the French revolution in 1815, at the proposal of Tsar Alexander I, the three feudal monarchs of Russia, Austria and Prussia formed a "holy alliance" to preserve the old order in Europe and suppress revolution in various countries.

brilliant example for the whole of Europe. Marx noted that the Polish uprising of 1863 had ushered in a revolutionary era throughout Europe. Both Marx and Engels called on the European working class to give full support to the Polish independence movement. In response to this call of the leaders of the international proletariat, the West European proletariat unfolded a widespread mass movement in support of Poland. British workers in solidarity with Poland convened a workers' meeting in 1864 to which representatives of France, Germany, Italy and Poland were invited. Marx attended this meeting which decided immediately to set up the Working Men's International Association, This was how the Polish uprising became "the starting-point for the International." (For the Geneva Meeting of the 50th Anniversary of the Polish Revolution of 1830, 1881.) This shows vividly that the Polish independence movement which enjoyed Marx's and Engels' firm support directly helped bring about the founding of the First International and greatly promoted the development of the workers' movement in Europe.

The Crimean War

In the early 50s of the 19th century, Marx and Engels followed closely tsarist Russia's schemes to partition Turkey and the Crimean War that followed. Engels pointed out: It was "a war . . . of traditional ambition with the Russians, of life and death with the Turks." (The Holy War, 1853.) Throughout the war, Marx and Engels clearly sided with Turkey. Before the outbreak of the war, they warned that if tsarist Russia won the war, occupied Constantinople and the straits of Bosporus and Dardanelles and gained control of Turkey, it would nearly double its strength and become so much stronger than all other European countries combined; if events developed in that direction, it would be most disastrous to the revolutionary cause. On the other hand, they predicted, if tsarist Russia turned out to be the loser, a new revolutionary high tide was sure to rise in the European countries to speed up the ripening of the revolutionary situation in Russia and help bring about the collapse of the

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feudal system in Europe and the liberation of the oppressed nations there.

The war developed exactly as Marx and Engels had predicted. After the outbreak of the war, Turkey fought back doggedly. In their bid for the mastery of Turkey, Britain and France came to the rescue of the country. Austria and Prussia, too, brought military pressure to bear on tsarist Russia for fear that it might become too strong. Tsarist Russia thus suffered a disastrous defeat: tsarism "had compromised Russia before the world, and thereby compromised itself before Russia. There followed a terrible disillusionment." (Engels: The Foreign Policy of Russian Tsarism, 1890.) As the "European gendarme," it was seriously weakened. The revolution in Europe which had been at a low ebb since the setback of 1848 began to look up and a new revolutionary upsurge was in the offing. All this proved to be a boon to the European revolutionary movement.

Examples of Tactics

Lenin spoke highly of Marx and Engels taking the attitude towards Russian tsarist empire as the criterion by which to differentiate Europe's political forces and to determine to which national movement in Europe the international proletariat should give its support. called these "examples of Marx's He tactics." Today, it can be said that these examples are still instructive as they will help us in analysing present-day reality. They tell us that as Marx and Engels firmly supported the Polish independence movement, we must lend firm support to the anti-imperialist, antihegemonist struggle of the oppressed nations today, and that as they supported the Turkish empire in its resistance to tsarist Russian aggression, we must support the second world countries in the struggle against the two hegemonic powers, the Soviet Union and the United States. The revolutionary policy of forming the broadest united front, whatever the content, is to strike at the main enemy. This is as true today as it was a century ago; it is entirely in accord with the interests of the international proletariat.

Oil Struggle Develops in Depth

THE oil struggle waged by the third world oil-producing countries has brought about a new economic situation for the third world countries in safeguarding their national rights and interests and combating plunder by the superpowers. It also demonstrates that the third world countries and people constitute the main force in the struggle against imperialism and hegemonism.

Imperialist Plunder

Plunder of Asian, African and Latin American oil has long been a source of enormous profits for imperialism. A century ago the imperialists, with fire and sword, invaded the oilproducing countries and imposed treaties of concessions on them. By 1957, imperialist concessions in Asia, Africa and Latin America totalled over 9.8 million square kilometres, about the size of the whole of Europe. The international oil cartels tightly controlled the prospecting, extracting, refining, transport and marketing of oil, and reaped millions upon millions of dollars in profit from the tens of billions of tons of crude oil they grabbed. The exploitation of one barrel of oil in the Middle East cost only 5 per cent of what it did in the United States. The U.S. monopoly capitalists annually pocketed an average of over 40,000 dollars in profit from each Middle East oil worker. "Oil is dirt-cheap." Historical facts show that to a considerable extent the prosperity of the imperialist countries was built on cheap oil seized from the third world.

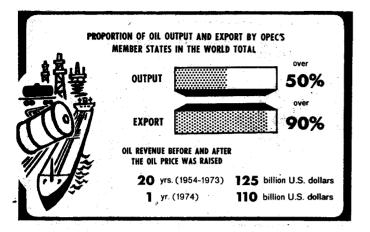
The fight for the oil resources has been one of the main aspects of imperialist contention for world hegemony. Before World War II Britain and the United States had been locked in a fierce battle for oil. Now the two superpowers, the Soviet Union and the United States which are contending for world hegemony, have become two overlords scrambling for the oil resources of the third world. After World War II, U.S. imperialism used every means to secure oil. It attempted to perpetuate its control and plunder of the Middle East, one of the most important oil bases in the world. Afterwards, the Soviet Union started its scuffle with the United States for the oil resources of the third world. Since then the tussle between the two superpowers has been growing in intensity.

The Strength of the Third World

The plunder and contention for hegemony by the imperialist powers, the superpowers in particular, inevitably arouse the resistance and struggle of the third world countries and people. The oil-producing countries in Asia, Africa and Latin America have displayed ever greater strength in their resolute struggle against imperialism over the years.

After the outbreak of the fourth Middle East war in October 1973, the struggle against hegemonism surged to a new high in the world economic arena as Arab oil-producing countries initiated the use of oil as a weapon and were joined by other oil-producing countries of the third world.

The use of oil as a weapon was a hard blow to one hegemonist power and an exposure of the other. First, the oil-producing countries of the third world have seized back the right to fix prices for crude oil. They have readjusted oil prices a number of times in the last four years, bringing up the depressed oil prices to four times the former level. This brought to an end the era of imperialist and hegemonist plunder of low-priced oil. The income of oilproducing countries increased by a big margin and their economic strength was greatly enhanced. The total oil revenue of the 13 coun-



tries which are now members of the Organization of Petroleum Exporting Countries was only 125,000 million U.S. dollars in the 20 years ending 1973. It stood at 110,400 million dollars in a single year, 1974, the first year after oil prices were raised. By the end of 1973, these countries had a total surplus of only 3,000 million dollars, but by the end of March 1977, their reserves totalled 144,000 million dollars. Besides, they have taken over step by step the shares of foreign oil companies, or nationalized them, thus accelerating the collapse of the concession system of imperialism. Now all oilproducing countries are taking measures in the field of refining, transport and sales to recover more of their oil rights and interests and develop their national oil industries.

U.S. imperialism, long the plunderer of the oil resources of the third world; was hard hit by the oil weapon. It is losing its privileges in many oil-producing countries and its economic exploitation is being curbed. In 1972, the year before the oil-producing countries seized back the right to fix oil prices, the United States spent only 3,700 million dollars in oil imports. But in 1976, the figure soared to 36,000 million dollars. It was estimated at 45,000 million dollars last year.

In the struggle over oil, Soviet socialimperialism has revealed itself as a doubledealer. Prior to the use of oil as a weapon, the leaders of the Soviet Union pretended to be on the side of the oil-producing countries while warning them against employing the oil weapon, describing such an action as "an insane

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step that might lead to a world war." During the oil embargo, Moscow shipped large quantities of oil to the United States, thus standing in the way of the Arab countries. Later, it got large amounts of oil dollars and oil rubles by buying cheap and selling dear. In such deals, even the East European countries were not spared.

Unity in Struggle

The year 1977 witnessed further development of the oil struggle waged by the oil-producing countries of the third world in rallying round the banner of fighting in unity.

First, they firmly exposed the plots of the two superpowers to sabotage the oil struggle. One superpower had confronted the oil-producing countries with a threat of armed force. In reply, some Arab oil-producing countries warned imperialism that they would destroy all oil field facilities and cut off all oil supply to it if it dared to resort to force.

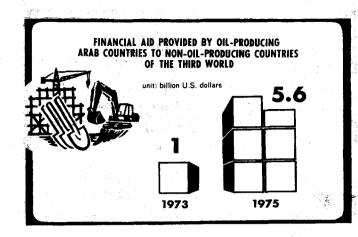
The other superpower schemed to split or topple the OPEC. The attempt was sternly exposed by the leaders or governments of many oil-producing countries, who declared that they would never be taken in.

Second, they safeguarded and reinforced unity among themselves. The superpowers gloated over the "two-tier prices" that appeared for some time after OPEC's Doha conference in December 1976. But OPEC decided last July to restore the "single price" before it met in Stockholm. This was another signal victory of the oil-producing countries of the third world in consolidating unity and struggling in coordination.

Third, they strengthened their relations of mutual aid and co-operation with the non-oilproducing countries of the third world. For years the oil-producing countries whose struggle enjoyed the powerful support of the nonoil-producing countries, provided various kinds of aid to the developing countries among the latter. The financial aid provided by the oilproducing Arab countries to the non-oil-producing countries increased from about 1,000 million dollars in 1973 to 5,600 million dollars in

1975. The special fund set up by OPEC to aid the developing countries also went up to 1,600 million dollars last year from 800 million dollars in 1976. At the Afro-Arab summit last March, Saudi Arabia, Kuwait, the United Arab Emirates and the state of Qatar announced the provision of 1,500 million dollars in aid for African and Arab countries. A similar historical destiny and the common task of combating imperialism and hegemonism have brought the oil-producing countries and the non-oil-producing countries of the third world close together.

Fourth, they enlarged the united front against hegemonism by winning over the second world countries. In their attitude towards the oil struggle, the second world countries have contradictions with the two superpowers despite some points in common between them. In their own interest and to safeguard their vital oil supply, the second world countries realize that they should have "dialogue," instead of confrontation, with the oil-producing countries of the third world. In return, the latter have adopted an attitude of winning over and cooperating with them. Since the beginning of last year, the oil-producing countries have concluded a series of agreements on exporting



crude oil and importing industrial equipment with Japan and a number of West European countries. They also announced that they would supply crude oil to the second world countries at stable prices if they did not disrupt the relations of supply and demand on the oil market.

The struggle over oil is developing in depth. The united struggle of the third world oilproducing countries against hegemonism represents a historical trend which is invincible.

- by Hsin Ping

Why Does Moscow Resort to Lies and Slanders Over Kampuchea-Viet Nam Armed Conflict?

THE Soviet propaganda machine has recently churned out a string of lies to slander China over the Kampuchea-Viet Nam armed conflict. A Soviet radio commentary on January 3 alleged that "the worsening relations between the Socialist Republic of Viet Nam and Kampuchea have obviously been provoked by Peking." The Soviet newspaper, *Izvestia*, and TASS time and again spread such rumours as "many Chinese military advisers have taken part in the military actions of the Kampuchean side." No one is going to believe these groundless fabrications which are therefore not worth refuting. But what deserves attention is that, apart from deliberate animosity towards China, the Soviet Union has an ulterior motive in choosing this very moment to tell and spread such lies with unusual haste.

A law governing the Kremlin's actions is that, whenever it wants to provoke an international dispute and interfere in it, Moscow invariably tries to create a pretext and often plays

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the role of a villain bringing suit before his victims in order to divert people's attention away from its own machinations.

History has repeatedly proved that there is indeed some villain who makes it a practice to fish in troubled waters by provoking international incidents and it is none other than the Soviet Union itself. In 1971, taking advantage of the dispute between India and Pakistan, it supported one party and attacked the other. Trading on the Cyprus situation in 1974. it again stepped in, exacerbating contradictions between the two communities on the island and differences between the countries concerned, in an attempt to infiltrate the area, expand and strengthen its position to contend with the United States for hegemony in the Mediter-From 1975 to 1976, it exploited the ranean. differences among the three Angolan nationalliberation organizations to provoke a civil war by backing one and attacking the other two. Moreover, it sent vast numbers of mercenaries to carry out armed intervention against this newly independent country and turned it into a forward base for Soviet expansion into southern Africa.

In 1977, utilizing the differences between Angola and Zaire, it again instigated mercenaries to invade Zaire. Then, it stretched its hands into the Horn of Africa and the Middle and Near East, cashed in on the disputes between the countries concerned to aggravate contradictions there so as to expand its sphere of influence.

Not long ago, the Soviet Union held an airlift exercise on an amazing scale with the Horn of Africa as the focus. This makes it abundantly clear how it uses disputes among third world countries for its own strategic ends. It is common knowledge that Moscow has been trying for a long time to establish its hegemony over Southeast Asia and bring the region into its "system of collective security in Asia." Now it is repeating its stock tricks on the question of Kampuchea-Viet Nam conflict. It is Moscow itself that is stirring up trouble for the sole purpose of bringing unrest to the region, yet it mounts a barrage of rumours in order to vilify China. Its purpose, of course, is to divert people's attention and conceal its strategic aim of establishing domination over Southeast Asia.

The other aim of this deluge of Soviet slanders is to sow discord. It has alleged that "the Peking authorities refuse to be reconciled with the presence of a unified socialist Viet Nam. . . ." This cock-and-bull story is the height of absurdity. As is well known, the Chinese people have always given powerful backing to the Vietnamese people in their war against U.S. aggression and for national salvation and in their struggle for the reunification of their fatherland. The Vietnamese people who have been through those difficult war years can testify to this historical fact. On the other hand, it is an irrefutable fact that throughout the five decisive years of war waged by the Kampuchean people against the traitorous Lon Nol clique, the Soviet Union had all along sided with the clique and antagonized the Kampuchean people. It smeared their war of national liberation as a "fratricidal war" and, working hand in glove with the Lon Nol clique, it clandestinely tried to rig up a "third force" in that country to sabotage the revolution of the Kampuchean people. The Soviet Government maintained diplomatic relations with the puppet Lon Nol regime right up to the last day of the traitorous clique.

Consequently, it is the Soviet authorities who "refuse to be reconciled with" the presence of a revolutionary and socialist Democratic Kampuchea in Southeast Asia and will not be satisfied until they get rid of it. It is for this reason that Moscow is zealously telling lies in trying to confuse the picture to mask its wild ambitions.

Soviet lies and slanders, however, have a positive use: they help heighten the vigilance of the people of Indochina and elsewhere in Southeast Asia against the Soviet Union. The people are waiting to see what further acts the Soviet hegemonists are going to commit in an attempt to capitalize on the armed conflict between Kampuchea and Viet Nam.

(A commentary by Hsinhua Correspondent)

January 27, 1978

The Unemployment Problem in Western Countries

I N the major Western capitalist countries, the huge army of jobless workers and large numbers of unemployed youth in particular have given rise to a host of social and political problems. It is a reflection of the deepening political, economic and social crises in the capitalist world.

New Phenomenon in Postwar Years

In the second half of 1975 or in 1976, the Western countries began to experience an economic upturn after reaching the lowest point during the gravest postwar economic crisis of 1974-75. By the first half of last year, the economies of most of these countries had reached, or were approaching, their pre-crisis levels. However, the number of jobless in some countries had not dwindled but had been increasing. This had never happened in previous postwar economic crises. It constitutes a feature of the serious unemployment in the Western countries.

According to data compiled by the Organization for Economic Co-operation and Development (O.E.C.D.), industrial output in its 24 member countries went up in varying degrees as compared with that in 1975, but unemployment rose from 15.25 million to over 16 million.

Official U.S. figures showed that in the first 11 months of last year, the rate of unemployment remained at about 7 per cent and the number of jobless stood at 6.8 million in November, or 60 per cent higher than in November 1973, the pre-crisis year. In the nine European Economic Community countries, unemployment reached 6.04 million last September, or double the figure of three years ago. In Britain it surpassed the million mark in August 1975 and reached 1.636 million last August, a postwar record.

In West Germany, unemployment dropped to less than one million in the first half of last year, but again rose above the million mark in November — standing at 1,004,300. Dieter Kroneberg, Chairman of the Employment Policy Working Group of the West German Free Democratic Party, said that this development "is bitter, but not unexpected."

In Italy, unemployment totalled 1.7 million. An AP report dated last December 16 said that by the year's end, the number of Italians out of work would soar to nearly 2 million, 7.7 per cent of the work force.

In Japan, unemployment continued to rise in the first few months of last year, reaching a post-crisis record of 1.27 million in March. Despite a slight decline afterwards, it still stood above the million mark. Besides, 2.5 to 3 million workers were semi-unemployed or potentially unemployed.

Jobless Youth Going Up

Another characteristic of the serious unemployment in Western countries is a steady increase in the number of jobless youth with their percentage in the overall unemployment figure also going up.

The number of unemployed youth in the nine E.E.C. countries has risen rapidly in the last few years. It exceeded one million in 1974, a 50 per cent increase over 1973, and surpassed 2 million in the middle of last year, or 35 per cent of the jobless total of these countries. Unemployed youth accounted for 64 per cent of the jobless total in Italy, about 50 per cent in Britain and 43 per cent in France. It was reported that about 250,000 out of 670,000 British school graduates last summer were registered as unemployed. The number of jobless youth in France has jumped ten times in the past ten years. According to the official figures, 95,700 teenagers in West Germany were jobless. Together with unemployed school graduates and youths in the 20-25 age bracket, the total number of jobless youth approached 400.000. or 40 per cent of the country's jobless total.

Unemployment among the youth, particularly young blacks, in the United States is also very serious. An article in the December 5 issue of the U.S. News and World Report entitled "Young Blacks Out of Work: Time Bomb for U.S." pointed out that "the proportion of young blacks working or looking for work has been dropping steadily through periods of prosperity as well as recession." According to official statistics, the unemployment rate for black youth climbed from 35.4 per cent in 1972 to 39.3 per cent in 1976. It rose further to top 45 per cent in 1977. The New York Post reported that only one out of every ten young blacks in New York City had a job. The Detroit mayor estimated that 90,000 black youth in his city with a population of 1.4 million were out of school or out of work.

The Plight of National Minorities and Immigrant Workers

The third characteristic of the grave unemployment in Western countries is the especially tragic situation in which the jobless national minorities and immigrant workers find themselves. At present, there are 7.5 million immigrant workers in Western Europe,

most of whom came during the boom of the 1950s and 1960s. As a rule, they do backbreaking work and are ruthlessly exploited by monopoly capital. In the 1970s they were dismissed en masse, victimized by the shifting of the burden of the economic crisis by monopoly capital. A Reuter dispatch last October 17 said that 100,000 out of the 1.2 million jobless in France were immigrant workers from Africa, Spain, Portugal and other non-Common Market states. AP pointed out in a last October 9 report that one million immigrant workers who had been living in France for at least five years were faced with the threat of dismissal. In West Germany, 97,200 immigrant workers were jobless last November, 10.4 per cent more than in October the same year and 7.8 per cent more than in November 1976.

Joblessness among black, chicano and Puerto Rican workers in the United States is invariably higher than the rate for whites. The U.S. weekly *The Call* pointed out in an article on December 12 that despite all talk of "economic recovery," the proportion of black unemployed has grown. Five years ago, unemployment among blacks held at double the rate for whites, Today, the gap stands at 2.5:1 and is still growing. The number of blacks out of work come to 1.4 million according to official statistics and will reach at least 3 million if it includes part-time workers and those who no longer have any hope of finding work.

The growing unemployment is a cause of alarm for the Western governments which can do nothing about it. At the two-day O.E.C.D. labour ministers conference last December 14 and 15, Ray Marshall, U.S. Secretary of Labour and chairman of the conference, said: "Despite gradual recovery from world recession, there were no signs of any significant improvement in the jobs situation for the 15 to 24 age group." He added that the social tensions produced by widespread unemployment among young people would only fester if left unattended.

January 27, 1978

- by Hsin Ping

ROUND THE WORLD ...

THREE-WORLD THEORY

Class Line for Present-Day International Communist Movement

The Revolutionary Worker and Peasant Party of Turkey recently held meetings with the Marxist-Leninist Communist Party of Belgium, the Unified Communist Party of Italy and the Marxist-Leninist Communist Party of France, and joint statements were issued separately after the meetings. These joint statements stressed that the theory of the three worlds constitutes the class line for the international communist movement today.

The joint statement of the Turkish and Belgian Parties said that the class line answers the strategic requirements not only of the struggle of the international proletariat and oppressed nations and oppressed people, but also of the struggle for the triumph of socialism and communism.

The theory of the three worlds "is a powerful weapon in the hands of the world proletariat and the people of all countries," the statement continued. "That explains why the revisionists are launching a large-scale offensive against the theory and the unity of the international communist movement."

The joint statement expressed the two Parties' "resolve to uphold the unity and solidarity of genuine Marxist-Leninist Parties on the basis of full equality" and also their stand "against any subordination and against intervention from whatever sources." The two Parties "strongly condemn the secessionist activities in the international communist movement which serve the interests of Brezhnev."

Another statement issued by the Turkish and Italian Parties said that the unity of the two Parties is based on Marxism-Leninism-Mao Tsetung Thought and on proletarian internationalism. The two Parties fight jointly against modern revisionism with the Brezhnev clique at its centre.

"Soviet social-imperialism is clearly betraying itself as the most dangerous superpower. the most dangerous source of war in Europe and the Mediterranean," the statement continued. "The Mediterranean countries and people should, under the slogan 'U.S.S.R. and U.S.A. get out of the Mediterranean,' work to strengthen their ties of friendship and solidarity and fight with resolve against any intervention by the two superpowers."

In the joint statement issued by the Turkish and French Parties, the Revolutionary Worker and Peasant Party of Turkey pledges firm support for the efforts being made by the Marxist-Leninist Communist Party of France to rally French and immigrant workers in a common struggle.

KAMPUCHEA

10th Anniversary of Founding of Revolutionary Army Celebrated

On January 17, over 10,000 representatives of the three services of the Kampuchean Revolutionary Army, as well as workers and cadres held a grand meeting in Phnom Penh to mark the tenth anniversary of the founding of the Kampuchean Revolutionary Army.

Addressing the meeting, Comrade Pol Pot, Secretary of the Central Committee of the Communist Party of Kampuchea, said: "Our army was not born in peace. It came into being and has grown up in the fierce and arduous revolutionary struggle and through overcoming numerous difficulties."

Dealing with the signal victory scored by the Kampuchean Revolutionary Army on April 17, 1975, he noted: Our victory has shattered the reactionary theses and propaganda such as "a small nation can win no war," "poor nations can never stand up by themselves," "a small nation can only be a dependency to others" and "the poor people cannot but be ordered about."

Secretary Pol Pot then spoke about the success achieved by the Kampuchean Revolutionary Army in defending the territorial integrity of the motherland. He pointed out: We should further heighten revolutionary vigilance, strengthen political, ideological and organizational work, keep secrets, and defend our territory, our revolution, our people and our revolutionary regime. We should consoli-

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date and strengthen national defence and smash enemy espionage.

BOLIVIA

Fighting for Democratic Rights

Since December 29, hunger strikes for democracy by the Bolivian people have spread to seven cities, with more than 1,200 people taking part. The strikers' demands are: a general political amnesty, freedom of action for the trade unions, reinstatement of miners discharged for political reasons and an end to the military control of the mines.

The strikers have the support of various circles of the On January 11, tin country. miners in Bolivia's Department of Potosi struck and January 17, more than on 50,000 tin miners went on a 48hour strike in solidarity with the hunger strikers. Students in La Paz also held a rally. Some proscribed political parties have recently resumed activities.

Last November, the Bolivian military government declared that a general election would be held in July 1978 and the decree banning activities by political parties, trade unions student organizations and would be abolished. Later, the government permitted some exiles to return home but excluded many noted political figures and trade union leaders. When the government made known its decision for holding a general election, it stressed that the armed forces would in no way give up its function as

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a "tutelage institution" of the state.

EGYPT-ISRAEL TALKS

Israeli Obstructions

The meeting of the Egyptian-Israeli political committee on Middle East peace talks which opened in Jerusalem on January 17 has been suspended as a result of obstacles placed by Israel. On January 18, Egyptian President Anwar Sadat summoned back his Foreign Minister, Mohamed Ibrahim Kamel, head of the Egyptian delegation to the meeting.

Speaking at a press conference on January 20, President Sadat said that to push ahead with the negotiation, the minimum Egypt accepts is a declaration of principles stating the withdrawal of Israelis from the occupied land and the recognition of the Palestinian people's right to selfdetermination. It involves a principle, he added.

He also accused Israel of obstinately keeping settlements in Sinai, which is an act that tramples on the sovereignty and territory of other countries.

"The door to peace is not closed. But at this point there must be a re-evaluation of the whole thing," he stated.

At the opening session of the political committee, Israeli Foreign Minister Moshe Dayan persisted in denying the Palestinian people's right to selfdetermination, including the creation of an independent country. That same day, Israeli Prime Minister Menahem Begin arrogantly declared at a dinner for the Egyptian Foreign Minister and the U.S. Secretary of State that Israel would not return to its 1967 borders, nor allow the redivision of Jerusalem.

Soon after his visit to Israel on November 19. President Sadat proposed on the 26th that before the opening of the Geneva conference on the Middle East, a preparatory meeting should be held in Cairo with the participation of the representatives of all parties to the Middle East conflict, the United States, the Soviet Union and the United Nations. On December 14 the Cairo meeting officially opened and was attended by representatives of Egypt, Israel, the United States and the United Syria, Jordan, Leba-Nations. non, the Palestine Liberation Organization and the Soviet Union refused to attend.

Israeli Prime Minister Menahem Begin visited Ismailia of . Egypt last December 25 and 26 on invitation and held talks with President Sadat. They failed to reach agreement on the principles for peace but agreed to raise the Cairo meeting to ministerial level. They also agreed to set up a political committee headed by the foreign ministers of the two countries and a military committee headed by the defence ministers. The two committees were to hold meetings in Jerusalem and Cairo respectively.

The military committee met in Cairo from January 11 to 13, and was broken off owing to Israel's unreasonable demands for keeping its settlements and airports in Sinai. Egypt firmly rejected this.

ON THE HOME FRONT

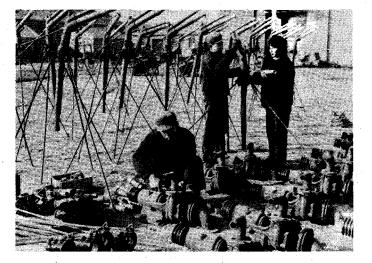
Commune- or Brigade-Run Enterprises

THE majority of China's 50,000 or so people's communes and their several hundred thousand production brigades have been building small industrial and other enterprises. They now number over one million, and last year, their aggregate output value accounted for 23.1 per cent of the total income of the communes, brigades and teams combined.

To realize farm mechanization in our country which has a vast territory, a huge population and a backward economic foundation, it is necessary not only to have a number of big modern enterprises built by the state as the backbone, but also to have a far greater number of small ones set up by the people's communes and production brigades with the accumulated funds from their collective economy. These small enterprises are usually backward at the beginning, but as their production grows they gradually become well equipped and technically advanced.

Take the commune- and brigade-run enterprises in the Changwei Prefecture in Shantung Province for instance. At first they were only able to produce simple farm tools such as sickles. Now they have developed into a fairly comprehensive industrial system comprising machine-building. chemical, iron and steel and coal industries and turning out 1,000odd different kinds of products.

With their manpower and material resources, people's communes can develop scattered resources with minimum investment and quick results. In Hunan, Hupeh, Yunnan and Kweichow Provinces, over 30 per cent of the coal output is mined by commune- or brigaderun small enterprises.



Sprayers made by a commune-run factory in Shantung Province.

Many of these rural enterprises are geared to produce or repair farm machines. Their expansion is bound to expedite farm mechanization.

The growth of commune- and brigade-run enterprises also helps deploy industry more rationally so as to avoid heavy concentration of industry in a few big cities.

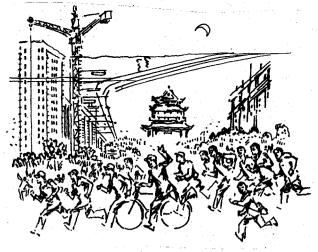
These enterprises have created conditions for narrowing, step by step, the differences between industry and agriculture and between town and country. There are 17 million people throughout the country working in them. They are workers as well as peasants, for during busy farming seasons they go back to work in the fields. In many peasant families, some members are mainly engaged in agriculture while others in industry. The workers in these enterprises earn their work-points like peasants. The work-points they receive according to their work in the shop are equivalent to or a little higher than those of the commune members working in the fields.

Storing Grain

HOW does China store grain in its vast rural areas? There are granaries in every county, people's commune, production brigade and production team. While brigades and teams store their own collective grain, counties and communes take care of state grain.

Most rural granaries are simple, practical structures, round in shape, built of straw and clay. A big one has space for 250 tons, and a small one,

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Keeping themselves fit.



Practising traditional boxing in a park. Sketches by Fa Nai-kuang.

some 10 tons. Other types of granaries are also built to suit various local conditions. For instance, underground bricklined round granaries are used in places where the water table is low and the soil is compact.

The loss of grain stored in these granaries is generally less than 0.2 per cent and some places have succeeded in keeping it at 0.1 per cent.

The state-run granaries are managed by full-time workers. Keepers of the production brigade or team granaries are elected by the members. In each brigade and team, a group made up of its leaders and peasant representatives is set up to work out ways of grain storage and supervise the work in the granaries.

Our institutes of grain and oil-bearing seeds and grain departments in colleges or universities all take grain storage as one of their topics of study. The state grain departments call meetings every year to exchange experiences in storing grain.

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Morning in Peking

DEKING is a hive of activity in the morning. Outside the red ochre walls of the Palace Museum, from among the trees that line the streets can be heard the notes of a flute, strains of a violin, rehearsals of a Peking opera aria or reading aloud in a foreign language. There are also many people doing traditional and modern physical exercises.

Workers, staff members and students make up 80 per cent of Peking's total population. They are used to getting up early and doing their favourite exercises before going to work or class.

There are groups of old people, cadres and students practising *taichi* boxing (a traditional Chinese exercise) and swordplay. Those who have good form and style in boxing or swordsmanship volunteer to teach others an hour every morning. Altogether the city boasts over 80 places like the one mentioned above. Every morning sees streams of cyclists pedalling along the streets. There are over 2 million bicycles in the city. Although there are over one hundred public bus and trolley routes, many people prefer to cycle to work partly because they consider cycling good exercise.

More than 400,000 Peking residents take in the radio foreign languages course for half an hour every morning to learn English, French or Japanese. As China is increasing its tempo of modernization, more and more people are interested in studying a foreign language.

Many students go to school half an hour or even an hour before school begins to clean their classrooms, review their lessons or tackle problems in their exercises. They also play table tennis, basketball and volleyball.

CORRECTION: In our issue No. 2, the first line in the middle column on page 30 should read: "tonnage had reached 11.7 times."

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Order from your local dealer or write direct to Mail Order Dept., GUOZI SHUDIAN, P.O. Box 399, Peking, China 北京周报英文版第四期(一九七八年一月二十七日出版)邮政代号二丨九二二