PEKING 34 August 25, 1978



- Chairman Hua's fruitful visit

Cadres Are the Servants of The People

--- Chinese Press Survey

History Has a Lesson to Teach

 On the 10th anniversary of Soviet invasion of Czechoslovakia



) Z



the

1.12

PEKING REVIEW 此京風禄

BEIJING ZHOUBAO

Vol. 21, No. 34 August 25, 1978

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

3

CONTENTS

THE WEEK

Plenary Meeting of N.P.C. Standing Committee Sino-Japanese Peace and Friendship Treaty Hailed Vice-Premier Chen Mu-hua Visits Three African Countries Local Cadres Form Majority in Tibet

ARTICLES AND DOCUMENTS

	Chairman Hua's Fruitful Visit to Romania	
	Highlights of the Tour	
	Friendship Everywhere	9
	At the Banquet in Honour of Chairman Hua Kuo-feng:	
	General Secretary Nicolae Ceausescu's Speech	11
	Chairman Hua Kuo-feng's Speech	14
	Facts and Figures: Romania Keeps Up a Steady, Fast Growth of Its National Economy	10
	Review of World Opinion: Sino-Japanese Peace and Friendship Treaty Wins Wide Acclaim	18
	Moscow's Futile Abuse	20
	History Has a Lesson to Teach — On the 10th anniversary of Soviet invasion of Czechoslovakia — A commentary by Hsinhua Correspondent	21
	Peking Aluminium Ware Factory: What the Workers and Cadres Say About Bonus — Our Correspondent Chin Chi-chu	23
	Chinese Press Survey:	
	Cadres Are the Servants of the People	27
	Accent on Analysis — "One Divides Into Two"	28
RO	UND THE WORLD	30
	Zimbabwe: Smith's Futile Trick	
	United States: Dollar Sagging	
ON	THE HOME FRONT	.31
	Seed Company Set Up	
	Savings Deposits Increase	
	Polluted Lake Purified	

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

THE WEEK

Plenary Meeting of N.P.C. Standing Committee

The Standing Committee of the Fifth National People's Congress held its third session in Peking from August 16 to 18.

At the meeting, the N.P.C. Standing Committee ratified the Peace and Friendship Treaty Between China and Japan signed in Peking on August 12 and the Long-Term Agreement on Economic and Technical Cooperation Between China and Romania signed in May this year during President Ceausescu's visit to China.

The National People's Congress is the highest organ of state power in China and holds one session each year. The Standing Committee is the permanent organ of the Congress.

In their discussions at the meeting, members of the Standing Committee held that, in the current international situation, the signing of the treaty is of great immediate importance and far-reaching historic significance. The treaty is a political summation of Sino-Japanese relations and a new starting-point for the further development of their relations. It is not only warmly welcomed by the people of China and Japan but has won wide praise from the people

August 25, 1978

of Asia and the rest of the world.

The members were also unanimous that the signing of the Sino-Romanian agreement is helpful to the further consolidation of the friendship between the peoples of China and Romania and to the development of economic and technical co-operation between the two countries.

Vice-Chairman of the N.P.C. Standing Committee Chi Pengfei gave a written report at the meeting on the recent visit by the N.P.C. delegation to Venezuela, Mexico and Canada and his visit to Syria. The delegation was led by him.

Sino–Japanese Peace and Friendship Treaty Hailed

In celebration of the signing of the Sino-Japanese Peace and Friendship Treaty, a performance of Peking operas was organized on the evening of August 20 by the Chinese People's Association for Friendship With Foreign Countries and the China-Japan Friendship Association. Over 1,000 people including Japanese friends in Peking attended. Prior to the performance, the Chinese and Japanese friends chatted cordially, drank toasts to Sino-Japanese friendship and had group photographs taken.

Wang Ping-nan, President of the Chinese People's Association for Friendship With Foreign Countries, said in his toast that the signing of the treaty will open still broader prospects for the further strengthening and development of the relations of peace, friendship and co-operation between the two countries and the promotion of friendly contacts and interflow in various fields between the two peoples and at the same time have a great impact on the cause of the world's people: opposing hegemony and safeguarding peace.

Among those who attended the gathering were Liao Chengchih, Vice-Chairman of the Standing Committee of the National People's Congress and President of the China-Japan Friendship Association, and Wang Chen, Vice-Premier of the State Council.

In the past few days, noted Chinese figures have made statements or written articles hailing the signing of the treaty. They pointed out that the treaty has added a new page to the annals of relations between the two countries and that it embodies the common desires of the two peoples to remain friends for all generations to come.

Hsia Yen, Vice-President of the China-Japan Friendship Asso-

ciation and Vice-Chairman of the All-China Federation of Literary and Art Circles, said that both the Chinese and Japanese peoples want a peaceful surrounding. The two countries. he said, have a total population of 900 million and their peaceful and friendly relations will surely be beneficial to security and stability in the Asia-Pacific region.

Wang Yao-ting, Chairman of the China Council for the Promotion of International Trade. said that the treaty has opened broad avenues for expanding Sino-Japanese economic and trade exchanges.

Chien San-chiang, Vice-President of the Chinese Academy of Sciences, expressed the conviction that there will be new and closer co-operation between the two countries in the field of science and technology.

Vice-Premier Chen Mu-hua **Visits Three African** Countries

A Chinese Government Delegation led by Vice-Premier Chen Mu-hua paid a visit to Somalia, Gabon and Cameroon from July 30 to August 19 and was accorded a warm welcome by the three governments and their people.

In Somalia. During her week-

mier Chen took part in the ceremony marking the completion of the 970-kilometre-long Beletweyne-Burao Highway built with Chinese aid.

When the delegation called on Somali President Mohamed Siad Barre, both the President and Vice-Premier Chen spoke of the friendly relations between the two countries and the situation in Africa. President Siad Barre denounced the Soviet Union's political and strategic intrigues in the Horn of Africa and in the Red Sea and Indian Ocean areas. He declared that Somalia is determined to defend its sovereignty and will never yield to hegemonism because, he added, the Somali people have dignity. Vice-Premier Chen said that China appreciates and supports the President's positive contribution to strengthening the united front against Soviet hegemonism.

Somali Vice-President Ismail Ali Abucar gave a state banquet in honour of Chen Mu-hua and her party. In his toast the Vice-President praised the development of friendship and co-operation between the two countries, and condemned the Soviet-Cuban naked interference in African affairs. Vice-Premier Chen expressed the Chinese people's firm support for the Somali people in their struggle against imperialism and hegemonism.

Talks between Vice-Premier long stay in Somalia, Vice-Pre- Chen and Vice-President Ismail were held in Mogadishu. They exchanged views on the strengthening of friendship and co-operation between the fwo sides as well as questions of common concern. Gratifying results were obtained.

In Gabon. In his toast at the banquet he gave in honour of the Chinese Government Delegation, Gabonese Deputy Prime Minister Jean-Stanislas Migolet said that bilateral co-operation between Gabon and China "is based on the sole criterion of real friendship and joint economic interests without any attempt to interfere in our respective internal affairs."

Vice-Premier Chen praised the new contribution made by President El Hadj Omar Bongo to Africa's united struggle against hegemonism when, in Executive his capacity as President of the Organization of African Unity, he repeatedly urged African countries to close their ranks and jointly frustrate the divisive plots of the superpowers.

President Bongo and Prime Minister Leon Mebiame received Vice-Premier Chen. Members of the Chinese delegation and officials of the Gabonese Government held talks. They exchanged views on ways of strengthening the economic and technical co-operation between the two countries.

In Cameroon. In his toast at the dinner he gave in honour of the

4

delegation, President Ahmadou Ahidjo said that the friendly relations between Cameroon and China have enabled the two countries to know each other better, respect each other and strengthen their co-operation on the basis of a trade agreement and an economic and technical co-operation agreement.

He stressed the necessity to condemn any attempt at domination and outside interference which can only threaten the stability and jeopardize the endeavours for progress made by the third world countries.

In her toast at the dinner, Vice-Premier Chen reaffirmed: "We firmly support the African countries and people in their united struggle against imperialism, colonialism and hegemonism and for winning and safeguarding national independence. We support the efforts of the African countries to settle their differences through peaceful consultations, and we are of the opinion that the sovereignty and territorial integrity of African states should be respected by all countries. We oppose aggression and intervention from any quarters."

Talks were held between Vice-Premier Chen and Acting Prime Minister Sadou Daoudou. The two sides exchanged views on the further development of friendly relations and co-operation between both countries.

Local Cadres Form Majority in Tibet

Recent statistics show that there are now in the Tibet Autonomous Region more than 40,000 cadres of the Tibetan and other minority nationalities, accounting for 64 per cent of the total number of cadres in the region. By cadres we mean primarily leading persons of the Party and government organs, factories and rural production organizations at various levels.

In 1965 when the Tibet Autonomous Region was established, the ratio of Tibetan cadres to those of the Han people who make up the majority of China's population was 3 to 7. It was at that time that Premier Chou instructed the ratio should be reversed during the Fourth Five-Year Plan (1971-75).

Afterwards, Comrade Hua Kuo-feng also instructed the autonomous region to continue its efforts to train from among the people of minority nationalities Party and government cadres as well as professional and technical cadres for industry, transport and communications, finance and trade, culture and education, health work, and agriculture husbandry, science and technology and other fields. He pointed out that this was an important task

in implementing Chairman Mao's policies towards the nationalities.

Today, cadres of minority nationalities make up 44 per cent in the leading bodies at the regional level, and 42 and 58 per cent respectively in the leading bodies at the prefectural and county levels. Leading cadres in the rural people's communes are all minority peoples. These cadres maintain close ties with the masses; they not only grasp the Party's line and policies but also know the languages and customs and habits of the minority people.

The Party committee of the Tibet Autonomous Region has done much in training cadres of minority nationalities. Activists are often selected from the rank and file and given training. Comrade Jen Jung, first secretary of the regional Party committee, would take one or two young Tibetan cadres with him every time he went to the countryside so that he could teach them the work methods and the art of leadership. Outstanding cadres are commended and encouraged to do even better in the days ahead. In addition, some of the cadres are sent to study in schools and colleges according to a plan. To date, more than 70 per cent of the cadres of national minorities at or above the county level have done so.

5

Chairman Hua's Fruitful Visit To Romania

LEADERS of China and Romania highly appraise Chairman Hua Kuo-feng's official friendship visit to Romania from August 16 to 21.

At the farewell banquet Chairman Hua gave in Bucharest, he said: "Our current visit has been very fruitful." He added, "Our relations in the political field are very good, and our ever-improving co-operation in the economic field is developing rapidly with wide scope for future progress." He stressed that "these relations are full of vitality."

President Ceausescu said: "Our meetings and talks with Comrade Hua Kuo-feng have been particularly fruitful." He added that Chairman Hua's visit was "an outstanding political event in the life of our Parties and states" and that it marked "a historic moment

Highlights of the Tour

CHAIRMAN Hua left Peking on August 14 by special plane. Among those who accompanied him on this visit were Chi Teng-kuei, Member of the Political Bureau of the Central Committee of the Communist Party of China and Vice-Premier of the State Council; Chao Tzu-yang, Alternate Member of the Political Bureau of the C.P.C Central Committee, first secretary of the provincial Party committee and chairman of the revolutionary committee of Szechuan; and Huang Hua, Member of the C.P.C. Central Committee and Minister of Foreign Affairs.

On August 16, Chairman Hua arrived in Bucharest. He held talks with President Ceausescu and attended the banquet given by the President in his honour.

On August 17, Chairman Hua continued his talks with President Ceausescu. That day, he laid a wreath at the Monument to the Heroes of Struggle for the Liberty of the People and Homeland and for Socialism. He visited the Bucharest Heavy Machine-Building Plant and the Drumul Taberei residential quarters. He also attended a soiree.

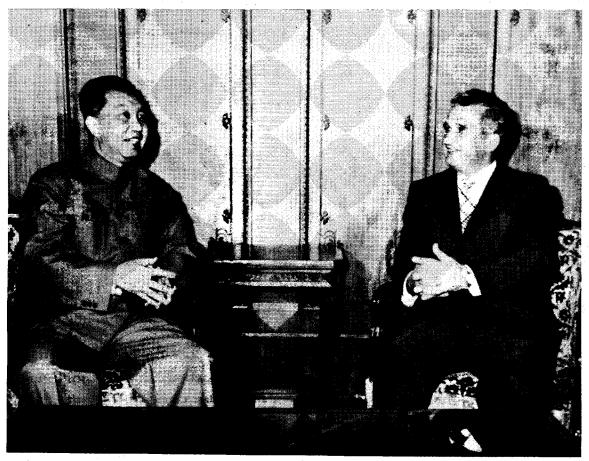
On August 18, Chairman Hua concluded his official talks with President Ceausescu. He visited the "May Day" Oil Equipment Plant in Ploiesti and the Brasov Tractor Works. He also attended a banquet given by the Brasov County Committee of the Romanian Communist Party in his honour.

On August 19, Chairman Hua made a trip to Constanta, a Black Sea city, and visited the Constanta Shipyard. He attended a banquet given in his honour by the Constanta County Committee of the Romanian Communist Party and the County People's Council.

On August 20, Chairman Hua met once again with President Ceausescu. He gave a banquet in honour of the President.

On August 21, Chairman Hua left Bucharest by special plane for Belgrade.

Peking Review, No. 34



Chairman Hua calls on General Secretary Ceausescu'at the House of the State Council.

in the annals of the relations of friendship and co-operation between our countries and peoples."

Bilateral Relations. During the visit, Chairman Hua and President Ceausescu held official talks. Both sides discussed the question of strengthening and developing bilateral relations. They expressed full satisfaction at the strengthening and development of fraternal friendship, militant unity and co-operation between the two Parties, two countries and two peoples and were determined to go on developing and expanding the many-sided co-operation between the two countries and two peoples, and frequently exchange their experience in socialist construction.

Both sides decided through consultation to develop co-operation in industrial production and further strengthen their co-operation in science and technology, particularly in the research of modern science and technology. To this end, both sides signed the agreement on the establishment of an inter-governmental committee on economic and technological co-operation between the two governments, a protocol on co-operation in production and technology, an agreement on scientific and technological cooperation, a protocol on the exchange of engineering technicians and students and a protocol on trade in the year 1979. Both sides also signed agreements and protocols on co-operation in tourism and animal and plant quarantine. In addition, the Ocean Transport Companies of the two countries signed agreements on opening shipping routes.

International Situation. The two leaders extensively exchanged views on the present international situation. They dwelt on the questions of the intensified tendency of redividing the world into spheres of influence, the danger of a new war, and the struggles of the people of various countries to oppose imperial-

August 25, 1978



On Victory Square in Bucharest, Chairman Hua and President Ceausescu join a welcoming crowd of young people in a "Hora" dance.

ism, colonialism and neocolonialism, to combat any form of domination and diktat, and to win and defend national independence and sovereignty.

At the farewell banquet, Chairman Hua pointed out: "We share the view that countries, big or small, should be equal, that big nations should not bully small ones, strong nations should not oppress weak ones and rich nations should not exploit poor ones, and that the affairs of a country should be managed by its people, and international affairs should be settled by all the countries concerned through consultations on an equal footing. We are both opposed to power politics, to diktat, to division of spheres of influence, and to the use and threat of force. We hold that aggression, control, interference and subversion perpetrated by any country against other countries should be roundly condemned and firmly opposed. Both of us resolutely support the revolutionary struggles of all oppressed people and oppressed nations. Relations between all countries should be based on the principles of mutual respect for independence, sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence."

President Ceausescu said: "We also approached a wide range of problems concerning present-day international developments and reached the conclusion that Romanian-Chinese co-operation should be further consolidated to contribute to the settlement of big and complex problems facing contemporary mankind, in the interest of the people's liberty and independence, of security and peace in the world."

New Chapter. Chairman Hua's visit has filled a new chapter in the annals of friendship between the peoples of China and Romania. This friendship has a long history. Since the two newborn socialist countries established diplomatic relations in October 1949, their friendship has become closer and closer.

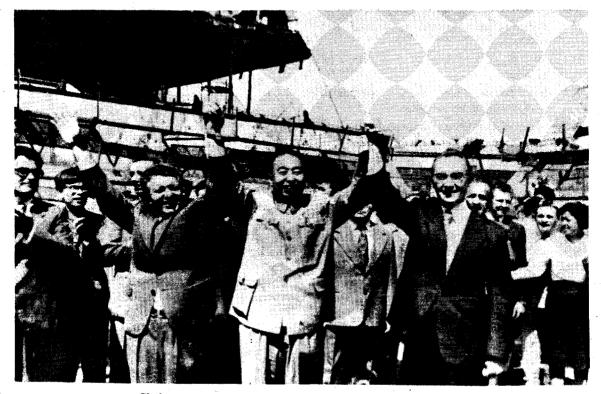
In 1956, Comrade G. Gheorghiu-Dej led the Romanian Party and Government Delegation to China to attend the Eighth National Congress of the Communist Party of China and met with Chairman Mao. Later, Comrade Čeausescu visited China on several occasions, and Premier Chou En-lai twice visited Romania. In 1965, Comrade Teng Hsiao-ping led the Chinese Party Delegation to Romania to attend the Ninth National Congress of the Romanian Communist Party. Particular mention should be made of the visit to China in 1971 by the Romanian Party and Government Delegation led by Comrade Ceausescu. The Romanian leader held talks

Friendship Everywhere

• Chairman Hua arrived in Bucharest to a rousing welcome by 200,000 citizens lining the streets. When he drove in an open car from the airport to the Guest House in the company of President Ceausescu, the route, bedecked with the national flags of China and Romania and huge streamers, was thronged with well-wishers waving red flags and flowers. As the motorcade drove past, shouts of "Hurrah! Ceausescu-Hua Kuo-feng!" reverberated. with Chairman Mao and Premier Chou, thereby filling a brilliant page in the history of relations between the two Parties, two countries and two peoples. Comrade Ceausescu's visit to China in May this year and Chairman Hua's official friendship visit to Romania have opened up vast vistas for the further development of bilateral relations. This not only conforms to the interest of the two peoples but is of farreaching international significance.

• The welcome reached a climax when the motorcade came to Victory Square. Chairman Hua and President Ceausescu joined a group of young men and women in the "Hora" dance symbolizing friendship and unity.

• At the soiree held at the Sports and Culture Palace, the Chinese guests were entertained to a colourful performance of songs and dances in a very warm atmosphere. The last item that evening was the chorus: The Word "Unification" Is Written on Our Tricolour.



Chairman Hua accompanied by Prime Minister M. Manescu greets the workers on a visit to the Constanta Shipyard.



Chairman Hua at the "May Day" Oil Equipment Plant in Ploiesti.

The singers boomed out these words:

Our ancestors were dauntless and invincible,

- For centuries they fought to defend our territories.
- We never allow any enemy to trample on our land,
- For our friends we cherish profound feelings and deep sentiments.

After the performance, Chairman Hua and President and Madame Ceausescu thanked the performers and presented them with baskets of flowers amidst enthusiastic applause from the audience.

• When Chairman Hua visited the "May Day" Oil Equipment Plant in Ploiesti which is known as "the oil city," the workers and tens of thousands of people from neighbouring districts cheered the distinguished Chinese guests. A 63-year-old peasant who had made a special trip from a place over a dozen kilometres away to meet the Chinese guests said: "When I came, members of our co-operative asked me to convey their happy feelings to the distinguished Chinese guests." Since the beginning of the 1950s, this plant has established good trade relations with China. At present, it provides China with 30 sets of drilling rigs every year. • When Chairman Hua visited the Brasov Tractor Works, the workers drove tractors, bulldozers, automobiles (manufactured by the works and other plants of Romania) for him to review.

• In Constanta, a beautiful Black Sea city, Chairman Hua visited the Constanta Shipyard which was festively decorated. People lined the streets to welcome him as the motorcade drove past the towns and villages along the route. The workers of the shipyard turned out en masse to greet and cheer the Chinese guests.

• When Chairman Hua visited the Cumpana Agricultural Co-operative to the southwest of this city, people in beautiful costumes thronged the entrance of the co-operative and the road leading to the airport to greet him and the other Chinese guests. An amateur troupe of the cooperative played the music of the "Hora" dance. The welcomers cheered time and again. The head of the co-operative said: "We are very happy that the only agricultural unit Chairman Hua sees on this visit to Romania is our Cumpana. This is the greatest event in the history of our co-operative. We will remember it for ever." At the Banquet in Honour of Chairman Hua Kuo-feng

General Secretary Nicolae Ceausescu's Speech

• The all-round development of the relations between Romania and China will help speed up the socialist construction in the two countries and facilitate the cause of socialism, progress and peace everywhere.

• As a result of the intensified tendency to redivide spheres of influence and of the policy of domination being applied to various parts of the world, the worldwide contradictions are sharpening. We unswervingly base all our relations with other countries on the principles of equality of rights, respect for national independence and sovereignty, non-interference in internal affairs and mutual benefit, and work actively for these principles to prevail in the entire international life.

THE warm and friendly welcome accorded to you by the people of the Romanian capital today, as well as the unforgettable activities arranged for us by the Chinese people during our visit to your beautiful land, once again threw into sharp relief the profound friendly relations of close co-operation and unity which have been established and are developing between the Socialist Republic of Romania and the People's Republic of China, between the Romanian Communist Party and the Communist Party of China and between the two peoples on the basis of mutual respect and esteem and on the basis of the principles and ideals of socialism and peace. We believe that the long-term agreement on economic and technological cooperation we signed in Peking and the new agreements to be concluded during your current visit will open broad prospects for the all-round development of Romanian-Chinese relations, and will be both conducive to speeding up the socialist construction in our two countries and in the interest of the universal cause of socialism. progress and peace.

During the visit, you will be directly acquainted with the life and work of the Romanian people, their aspirations for peace and cooperation, and their achievements in implementing the resolution of the 11th Party Congress and in carrying out the programme for building a socialist society developed in an allround way and for Romania's march towards communism.

For days the people throughout Romania have been making preparations for celebrating the 34th anniversary of the anti-fascist and anti-imperialist national armed uprising which, as a historical turning point in Romania, blazed the path for the revolutionary transformation of the Romanian society to create a new regime, and for asserting ourselves as a free and independent socialist nation to take its destiny entirely into its own hands. The achievements we have made during the period in developing the economy and science and culture, raising the living standards and consolidating state independence are a vivid manifestation of the superiority of the socialist system and the strength

August 25, 1978

and creative power of a free people who have taken their destiny into their own hands and are shaping their own future according to their own wishes.

We are acquainted with the protracted revolutionary struggle of the Chinese people and their successes on their socialist road. During our visit to China in May, we were very glad to see the Chinese people, under the leadership of the Communist Party of China headed by their outstanding son - Comrade Hua Kuo-feng, engaged in full-scale activities for carrying out the decisions of the 11th Party Congress, for the development and modernization of the economy and the society as a whole, and for the victorious building of their new system. Likewise, we are also aware of and appreciate the ever more important role of the People's Republic of China in the world arena and in the struggle against the imperialist, colonialist and neocolonialist rule and policy of oppression and for victory in the cause of peace and of the peoples' freedom and independence. The Communists and all the people of Romania heartily rejoice over this and sincerely congratulate you on your great successes in every field of activity. We know that, just like the successes made by Romania and all other socialist countries on the road of developing their economy and science and culture and raising the standards of living and civilization, the successes of People's China are an important contribution to elevating the prestige of socialism in the world and strengthening the revolutionary, democratic and anti-imperialist forces now fighting for freedom and independence, social progress and peace.

While successfully implementing the Party's programme for building a socialist society developed in an all-round way and for Romania's march towards communism, we are taking an active part in international life to make our contribution to the solving of the complex problems facing mankind today. Our starting-point is that in the present-day world, the people of all countries cherish an ever stronger desire for their free and independent development in peace and security, and that the struggle of the progressive forces in all parts of the world for eliminating the old imperialist policies of inequality and oppression and for promoting the establishment of a new relationship on the basis of full equality and equity is bringing about profound revolutionary, social and national changes, and, we are also aware that, as a result of the intensified tendency to redivide spheres of influence and of the policy of domination being applied to various parts of the world, the worldwide contradictions are sharpening. These realities call, more than ever before, for uniting the forces of the people of all countries and for determined actions to relax tension in international life, to eradicate power politics and policies of interference in other countries' internal affairs, and to develop steadily the process of detente, co-operation and peace.

Romania acts completely in line with the objective demand of international life, unswervingly giving priority in its external activities to the development of friendship and relations of co-operation with all other socialist countries, constantly strengthening the unity with the developing and non-aligned countries, and expanding economic, scientific and technological, and cultural relations with all countries of different social systems. We unswervingly base all our relations with other countries on the principles of equality of rights, respect for national independence and sovereignty, non-interference in internal affairs and mutual benefit, and work actively for the prevalence of these principles in the entire international life.

We live in an era when defence and consolidation of the national independence and the independent economic and social development of the peoples are essential to the entire world's development. Therefore, together with other progressive forces in the world, we shall do our best to contribute to the realization of the great goals of our era.

12 -

We are most concerned about creating an atmosphere of security and peace in Europe. which was the hotbed of two world wars in this century and in which the biggest arsenals and armed forces in history are now concentrated. We are of the opinion that, since the Belgrade conference failed to produce a satisfactory result. firm actions should be taken for the concrete and concerted execution of the articles in the documents of the all-European conference held in Helsinki and for preparing the next conference due in Madrid in 1980. To this end. more efforts should be exerted to develop extensive and unrestricted relations among all European countries in the fields of economy. science and technology, politics and culture, and particularly to achieve disengagement in this continent.

We advocate and are actively working for the settlement of all international tensions and disputes through negotiations and the avoidance of any armed conflicts between states. We are deeply concerned about the Middle East situation and we give our active support to proposals aimed at establishing just peace in that part of the world.

We attach great importance to the elimination of underdevelopment and the establishment of a new international economic order which, we hold, is the direct continuation of the struggle against imperialism and colonialism. We deem it necessary to support the efforts of the developing countries for speeding up their economic and social progress through worldwide just economic co-operation and the guarantee of free use of the achievements of modern science and technology.

Romania firmly stands for the elimination of the colonial vestiges in Africa, resolutely denounces the policy of apartheid and racial discrimination, and actively supports the Zimbabwe Patriotic Front and the South West Africa People's Organization in Namibia in their struggles for the emancipation of their peoples and nations. A major issue of vital interest to the destiny of mankind which engages Romania's primary attention is the immediate cessation of the arms race and the adoption of practical measures in disarmament, nuclear disarmament in the first place. We hold that the special session of the United Nations General Assembly on disarmament has made an important step in seeking a new approach to this issue and that all possible efforts should be made for the realization of the ideal that people of all countries live in a world free of arms and war.

We maintain that no longer today can any problem be solved by only a few countries and that a guaranteed world peace and security can only be the result of the struggle by the people of all countries — big, medium-sized or small and of their active participation in international life. Therefore, we attach high importance to the strengthening of the role of the United Nations and the democratization of activities of this world forum.

The Romanian Communist Party is determined to further strengthen its co-operation and unity with all Communist and Workers' Parties, all other political parties of the working class, the national-liberation movements and the democratic, progressive and anti-imperialist organizations throughout the world in the struggle against imperialism, for the freedom and independence of the people and for understanding, co-operation and peace throughout the world.

We believe that your visit to our country represents a new and important juncture in promoting the traditional friendship and relations of co-operation between the Socialist Republic of Romania and the People's Republic of China, between the Romanian Communist Party and the Communist Party of China. I would like to express once again our resolve to ensure an uninterrupted expansion of these relations through joint efforts for the benefit of our two peoples and of socialism and peace.

(Translation slightly abridged. - Ed.)

August 25, 1978

13

Chairman Hua Kuo-feng's Speech

• Our common goal of defending independence and sovereignty and building socialism has brought us close together. Our visit to your country will serve to further the friendly relations and co-operation between the two countries.

• The people of all countries wish to live in peace. But the stark reality goes against the people's desire. Forces that once dreamt of founding a giant world empire were pulverized long ago by the people's iron fists and present-day seekers of world hegemony will come to no better end either, though they may run rampant for a while.

THE Romanian people have a long tradition of waging revolutionary struggles. For centuries, they have put up unyielding struggles to aggression, safeguard their resist foreign national independence and existence and realize the unification of their country. In a few days you will be celebrating the 34th anniversary of the August 23 anti-fascist armed uprising, a redletter day for the Romanian people, for it ushered in a new epoch in Romanian history. Thirty-four years is but a moment in the stream of human history, but these have been years of earth-shaking changes in the history of Romania. Led by the Communist Party, the Romanian people have scored splendid successes in socialist revolution and construction, turning a not very developed agricultural country into an industrial-agricultural country with modern technology as its material base. Acting in accordance with Marxist-Leninist principles and in the light of the actual conditions in Romania, the Romanian Communist Party headed by Comrade Ceausescu, the outstanding son of the Romanian people, set forth the policy of developing the national economy independently at high speed, and achieved tremendous successes in expanding production and improving the material and cultural standards of the people. In international affairs, Romania firmly defends national independence and state sovereignty and opposes any form of interference in the internal

affairs of other countries as well as imperialist power politics and the policy of diktat, thus making a positive contribution to the just causes of the people of all countries. At present, the Romanian people, rallying closely round the Communist Party, are making an all-out effort for the successful realization of the great goal set by the Party's 11th Congress and its national conference. We wish you success in bringing your socialist country greater prosperity and strength as you progress in the historic march forward which you have decided to undertake.

The Romanian people need peace in building their country. And the Chinese people need a peaceful international environment in which to carry out the historic task of achieving the four modernizations. The people of all countries wish to live in peace. But contrary to the people's desire, the stark reality is that imperialism and hegemonism, reaching out everywhere in Asia, Africa, Latin America and Europe, have kept carrying out infiltration, subversion, aggression and expansion against other countries. The developments in some parts of the Middle East and Africa in recent months offer new evidence to this reality. As Comrade Ceausescu pointed out not long ago: "There is a growing tendency to redivide the world into spheres of influence and areas of domination and to reassert the old policies of imperialism, colonialism, power politics and diktat, a tendency which causes tension and endangers security and peace."

Since imperialism came on the world scene, two world wars have broken out in Europe. World War II, in particular, wrought untold havoc upon the people of all countries and especially those of Europe. Therefore, it is quite understandable that the desire for the maintenance of peace is common among the European people. Now, Europe has again become the focus of rivalry between the big powers whose wild dream is to dominate the entire globe. The people of all countries are awakening to this new danger of war and have risen to combat the forces of war in diverse ways. We are firmly opposed to their unleashing a war. However, if they insist on forcing a war on the people, we are not frightened by the prospect, either. We Communists are revolutionary optimists who view the future with deep confidence. Forces that had dreamt of founding a giant world empire were pulverized long ago by the people's iron fists and present-day seekers of world hegemony will come to no better end either, though they may run rampant for a while. Victory belongs to the people who dare to put up a fight. This is the dialectics of history.

It is nearly two years since the Chinese people under the leadership of the Central Committee of the Chinese Communist Party crushed the anti-Party "gang of four." In these two years, developments in China have been well and better than expected. With renewed vigour, the Chinese people are displaying great socialist enthusiasm. Marked progress has been made in developing our industry, agriculture, finance and trade, science, education and culture. We held the Party's 11th National Congress and then the Fifth National People's Congress; we set down the line and the general task for the Party and the Chinese people in this new period of development, and we formulated the outline of the ten-year plan for the development of the national economy and the outline national plan for the development of science and technology. Following the behests of our great leader Chairman Mao Tsetung and his close comrade-inarms Premier Chou En-lai, the Chinese people have embarked on another Long March to turn our motherland into a powerful socialist country with modernized agriculture, industry, national defence and science and technology by the end of this century. Obviously, this is not an easy goal to reach, but it certainly can be reached through hard work done in a down-to-earth way. We are confident that, relying mainly on our own efforts while learning from foreign countries all their advanced experience, we will successfully fulfil this great historic mission within the scheduled time.

The relations between socialist China and socialist Romania are extremely good. The common experience of being subjected for a long time to aggression and oppression made our two peoples sympathize with and encourage each other in our struggle for liberation. Today our common goal of defending independence and sovereignty and building socialism has linked us even more closely. We both uphold Marxism-Leninism and the principles of proletarian internationalism and carry on revolution and construction independently and self-reliantly in the light of conditions prevailing in our respective countries. We observe strictly the Five Principles of Peaceful Coexistence in our state relations. Our friendly co-operation in all fields has developed satisfactorily over the years.

Comrade Ceausescu visited China again in May and made a major contribution to deepening our mutual understanding and friendship and promoting our bilateral economic and technical co-operation. We feel certain that as a result of our current visit to your country and through our joint efforts, the friendly relations and co-operation between our two sides in the political, economic, and scientific and technological fields will make further progress and the ties of revolutionary friendship between the two Parties, countries and peoples of China and Romania will grow even stronger.

(Translation slightly abridged. - Ed.).

August 25, 1978

Facts and Figures

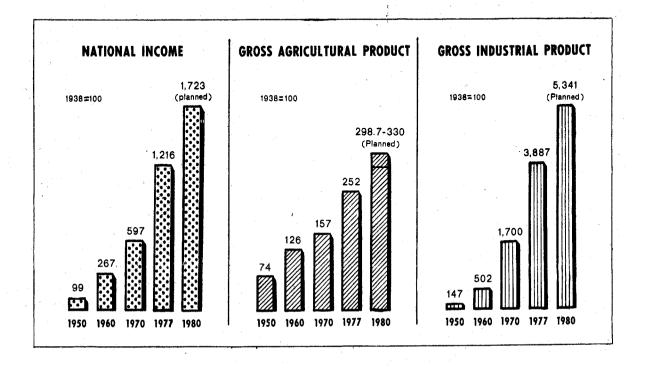
Romania Keeps Up a Steady, Fast Growth of Its National Economy

FOR over a quarter of a century from 1951 to 1976, Romania has maintained an average annual industrial growth rate of 12.9 per cent. The industrial sector registered in 1977 a 12.5 per cent increase over the figure of the previous year. Such a rate of growth is among the best in the world.

In 1948, Romania adopted a policy of nationalization of all the basic means of production and the government took over the country's major industrial and mining enterprises as well as transport and banking, From 1951 to 1975, it carried out five five-year plans for economic development. In these 25 years, industrial labour productivity increased at an annual average rate of 7.9 per cent, and in the next two years, in 1976 and 1977, it rose by another 8.8 per cent and 9.8 per cent respectively. In all, 3,300 major industrial projects were put into operation in the 1966-75 period.

Basic Industries Get Priority

Romania pays particular attention to giving priority to the basic industries, such as metal-



machine-buildlurgy, chemical and ing, power. From 550.000 tons in 1950, steel soared to 11,457,000 tons in 1977. boosting the average annual growth rate to 12 per cent. In 1976, steel output was half a ton per capita.

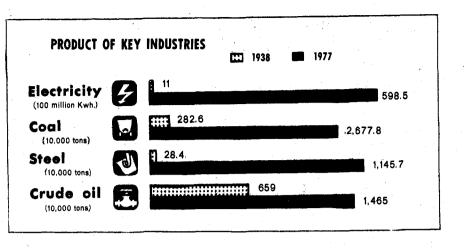
The machine-building industry took the

lead in this growth, outstripping all other departments of industry, and it now meets 80 per cent of the country's needs. Another notable pace-setter is the chemical industry. Its output value has since 1950 increased at an average annual rate of about 20 per cent. Last year, the products turned out by the chemical industry were valued at 7,700 million U.S. dollars, making up 12.2 per cent of the gross national industrial product and putting Romania in the tenth place in the world.

Agricultural Growth Rate Among World's Best

As it entered the 70s, Romania joined the ranks of the countries with the highest rate of increase in grain production in the world. Output in 1976 chalked up an all-time record of 19.88 million tons, an 82.6 per cent increase over the annual average of 10.88 million tons for the five years from 1961 to 1965. Meanwhile, the acreage of land for grain has been reduced from 6.77 million hectares to 6.32 million. At present, grain output averages nearly one ton per capita and after leaving enough for home consumption a portion of it goes into the export market.

Land reform was carried out in Romania in 1945 and agricultural co-operation was basically completed in 1962. At present, agriculture assumes two main forms, state-run ag-



ricultural enterprises and agricultural producers' co-operatives. They farm over 91 per cent of the total cultivated area of the country.

To speed up its agricultural development, Romania first of all made great efforts to develop its farm machine-building industry. Tractors which numbered over 55,000 in 1962 rose to 128,000 in 1977. Ploughing and sowing in the agricultural enterprises and co-operatives have all been mechanized, as is also the case in harvesting of all food crops with the exception of maize. The use of chemical fertilizers has increased from year to year, too.

Romania, which puts much emphasis on breeding good strains of crops, has set up a network of pilot farms to cultivate fine seed strains in order to attain, in a short period of time, country-wide adoption of good strains for food, oil-bearing and other chief crops and ensure steadily increasing yields.

The country has done much in the way of farm capital construction to promote the growth of agriculture: building water-conservancy projects, expanding the irrigated acreage, developing drainage system, reclaiming land from sea and swamp, improving soil, etc.

With industry and agriculture on the upswing, the living standards of the working people in Romania have been rising steadily. From 1950 to 1977, their income was up more than 16 times.

August 25, 1978

Sino-Japanese Peace and Friendship Treaty Wins Wide Acclaim

 $\mathbf{W}^{\mathrm{RITTEN}}$ explicitly into the Sino-Japanese Treaty of Peace and Friendship signed on August 12 is a clause which commits China and Japan not to seek hegemony and stipulates that neither country will permit any other country or group, of countries to establish such hegemony. It is an innovation in the writing of international treaties. The treaty will promote the development of the friendly relations between the two countries. More, it will make positive contributions to peace and stability in the Asia-Pacific region and beyond. This peace and friendship treaty is thus praised and welcomed by public opinion in the world and in the Southeast Asian countries in particular.

Japan

The signing of the treaty hit the editorial page of the newspapers in Japan which acclaimed the event. Yomiuri Shimbun said on August 13 that proceeding from a common desire to promote friendly relations and contribute to peace and stability in Asia and acting in the spirit of mutual accommodation, Japan and China have brought the negotiations to a successful end. The treaty, it pointed out, "stipulates that neither of the two countries should seek hegemony and both are opposed to efforts by any other countries to establish such hegemony. This is an epoch-making event in history."

Other papers wrote editorially the same day. Nihon Keizai Shimbun said that "the Japan-China treaty is characterized by the fact that for the first time anti-hegemony has been written into an international treaty." Tokyo Shimbun said that "the Soviet Union declared that 'it considers any treaty containing an antihegemony clause in whatever form as something hostile to the Soviet Union,' (to borrow the words of Troyanovsky, the former Soviet Ambassador to Japan). But whatever it may have said, we think that the Soviet Union should not complain. If it really thinks that the Japan-China treaty is hostile to it and therefore tries to apply pressure on Japan or do 'something disgusting,' then it will prove to be a 'hegemonist country' as pointed out by China." Mainichi Shimbun wrote that the significance of the treaty lies in the fact that "Japan and China will for ever maintain peace and safeguard and develop their friendly relations." The treaty "has laid the foundation for developing Japan-China friendly relations in the future."

Asia and Africa

In a commentary on August 16, Radio Democratic Kampuchea said that "the people in Asia, especially the people and countries in Southeast Asia, greet with pleasure the signing of the Japan-China Peace and Friendship Treaty. Because they have seen clearly that the conclusion of the treaty means a shameful failure of the expansionist power in the political and diplomatic fields." The commentary pointed out that the expansionist power which harbours ambitions in Asia and Southeast Asia has tried every means to prevent the signing of the treaty. Viet Nam, the commentary said, is following its boss to oppose it because the treaty is an obstacle to its pursuit of the strategy of aggression, expansion and annexation of land.

Peking Review, No. 34

In an editorial of August 14, the Malaysian paper Nanyang Siang Pau said that the signing of the treaty "constitutes a major event in the relations between China and Japan and also a great turning point in international relations."

The Singaporean paper Sin Chew Jit Poh noted in an editorial on August 13 that peaceful coexistence between China and Japan, two big Asian powers, will contribute to peace and stability in Asia. It said that so long as China and Japan co-operate sincerely, their economic relations will develop swiftly. This will also give an impetus to the economic growth in this region.

The Thai newspaper Thai Sang Yid Pao on August 14 said in a commentary that the Soviet TASS stated in a threatening tone that this treaty "will make Southeast Asia an objective of aggression." On the contrary, the commentary added, "the signing of the China-Japan treaty has enabled the two countries to get united and co-operate so that the Soviet Union dare not lay a finger on Southeast Asia."

On August 15, the Sri Lanka newspaper Dinamina in an article said that the treaty "is specially important for Asia." The article pointed out that the reason for the pain of mind of the Soviet Union may be its fear of its intentions in Southeast Asia being affected by the clause about hegemony in the treaty. The Pakistan newspaper Dawn said editorially on August 13 that the Sino-Japanese peace treaty signed in Peking "should prove to be an important landmark in the international politics of the Far East. It marks the beginning of a new phase in the relations between these two neighbours which share close cultural and ethnic affinities."

The Iranian newspaper Rastkhiz said on August 15 that the significance of the treaty lies in the fact that joint co-operation between Japan, Asia's most powerful industrial country, and China which has the largest population in the continent, will further guarantee stability in this part of the world. The Nepalese newspaper Gorkha Patra in an article on August 14 said that the treaty can be regarded as one of very far-reaching political significance for the

August 25, 1978

Asian continent. It is conducive to the growth of mutual co-operation among Asian countries.

In its editorial of August 12, the Kenyan paper Daily Nation said that the signing of the treaty "is good for the Far East and for the world in general." But, the editorial stated, ever since Japan and China embarked on negotiations for a peace and friendship treaty, Moscow has been hurling caustic comments at the two countries. It has gone so far as to dictate to them what clauses in the treaty will or will not be acceptable to the Kremlin. The editorial pointed out that what is worrying the Soviet Union is that it cannot do as it pleases in the Far East.

Europe

The signing of the treaty has also attracted a good deal of attention in the newspapers of European countries.

The Swiss paper La Suisse of August 13 said that the treaty "will probably be welcomed with relief and satisfaction in the whole world." The British paper The Scotsman said editorially on August 14: "The treaty of peace and friendship concluded by China and Japan is more than a milestone in dealings between two powerful countries. It is likely to be regarded by future generations as the sign of a profound shift in the political and economic power balance in Asia."

The Italian paper La Stampa wrote that the Sino-Japanese treaty has opened a new chapter in the history of the relationship between the two countries. The anti-hegemony clause is the core of the treaty, the paper pointed out.

The Bild Zeitung of West Germany in a commentary on August 15 said that this is no doubt a good treaty but it is described as "a threat to the Soviet Union" by TASS. "It is clear that the Soviets who are seeking world hegemony have found themselves caught redhanded," the commentary added.

Aamulehti, a Finnish paper, said editorially on August 14 that the Soviet Union has tried hard to oppose the treaty. By doing so it has indirectly admitted that it harbours hegemonist designs, noted the paper.

Moscow's Futile Abuse

a - au su ar er a maar

TTACKING the Sino-Japanese Peace and A Friendship Treaty has become a main task of the Soviet propaganda machine. TASS declared that the treaty has a "dangerous character" and that the article on opposition to hegemonism "is directed against the Soviet Union." The Soviet paper Izvestia (August 14) called the treaty a "shady deal" between Peking and Tokyo which has caused what it calls "serious concern" in the Soviet Union. It also said with a threatening tone that the Japanese people should know the part the Soviet Union can play. Many things, including the position of Japan itself, depend on the direction in which the Soviet-Japanese relations will develop, it asserted.

The China-Japan treaty is a bilateral treaty and no article or provision in it has referred to the Soviet Union by name. But why does the Soviet Union feel that the mention of opposition to hegemonism is meant to oppose it? If Moscow does not pursue hegemonism, why should the anti-hegemony article have caused it "serious concern"? There are more than 150 countries in the world and only the Soviet Union is sensitive to this article. Why?

The reason is very simple. The anti-hegemonic article has touched the Soviet Union to the quick. For a long time, the Soviet Union has tried by every means to obstruct the normalization of diplomatic relations between China and Japan and undermine the conclusion of the China-Japan treaty of peace and friendship. It not only attacks and defames China's foreign policy but also tries to drive a wedge in the relations between China and Japan. It has even exerted tremendous pressure on Japan in the political, economic and military fields.

On June 19 this year, Soviet ambassador to Japan read a "Soviet Government statement" to the Japanese Government, openly declaring that "the Soviet Union cannot be an onlooker" with regard to how Japan should handle its relations with China. Pravda said with a more unrestrained tone on July 19 that if Japan signed a treaty with China, such action cannot be free of consequences. The Soviet side in this case will have to draw certain conclusions and to introduce changes into its policy towards Japan, it threatened.

Meanwhile, the Soviet Union also used economic and military blackmail against Japan. Political commentator of *Izvestia* V. Kudryavtsev said in an interview with the Japanese paper Asahi Shimbun on July 21 that if the anti-hegemony clause was included in the China-Japan treaty, "the Soviet Government will have to take some defensive measures in the economic, science and technology, and defence fields against Japan," such measures as Moscow took after Sino-Soviet disputes — deploying a large number of troops on the border.

When the talks on the treaty were nearing an agreement, the Soviet Union came out with an announcement on August 4 to postpone indefinitely the signing of the Japan-Soviet fishery co-operation agreement.

After the Japanese Government decided to reopen the talks on the treaty last May, the Soviet Union, defying the protest of the Japanese Government, blatantly announced the waters off Etorofu as a dangerous area for a live ammunition practice. In addition, the Soviet Union carried out a large-scale offensive military practice for long-range air transport and landing around the area with Etorofu Island as its centre. It has also reinforced its military bases in Etorofu, Kunashiri and Shikotan islands and increased the number of its fighter planes there. It is also expanding its navy and air bases along the southern part of Sakhalin Island (Kuyeh Island). At present, the number of Soviet fighters and bombers in and around Japan's four northern islands and Sakhalin Island has exceeded 300, according to Japanese press reports.

However, all these manoeuvres have only served to further confirm Soviet hegemonism. In the end, China and Japan have signed their treaty of peace and friendship.

Peking Review, No. 34

History Has a Lesson to Teach

 On the 10th anniversary of Soviet invasion of Czechoslovakia

I N the dead of night on August 20, 1968, hundreds of thousands of Soviet aggressor troops, backed up by thousands of tanks and a large number of aircraft overhead, stormed into Czechoslovakia.

This was followed by the detention of Czechoslovak leaders, who were sent to Moscow under military escort. There, they were whisked into the presence of L. I. Brezhnev and forced to sign on the dotted lines of surrender. Czechoslovakia's sovereignty and independence came under the heels of the new tsars. The invasion constituted the most flagrant instance of armed aggression in the post-war history of Europe and exposed Soviet social-imperialism in all its viciousness.

Once on Czechoslovak soil, the Soviet expeditionary forces hung persistently on. Two months after the Soviet troops overran the country, the Soviet Union compelled Czechoslovakia to sign a treaty on the "temporary stationing" of Soviet troops in the country. Ten years have elapsed. The Soviet occupation forces today show no intention of withdrawing. On the contrary, there are indications that they intend to dig their toes in and intensify their control.

In Czechoslovakia today, anyone who shows the least sign of dissatisfaction with the Soviet occupation is liable to arrest and punishment. No wonder Czechoslovaks make such satirical remarks: "In the dictionary of the Soviet occupation troops, the word 'temporary' means only one day less than the word 'terrnal.'"

Undaunted, the Czechoslovak people have put up resistance to the aggressor troops by staging gigantic demonstrations, calling strikes,

August 25, 1978

boycotting classes, destroying the Prague office of Aeroflot (the general office of the Soviet civil aviation), battering the command headquarters and barracks of the Soviet troops, etc. All this represented a display of high national integrity. But in the days before the Soviet invasion the Czechoslovak leaders were lacking in vigilance and failed to take measures needed to deal with the threatened aggression. When the Soviet forces swarmed into their country, they did not wage a struggle against aggression by relying on the people and the armed forces. Instead, they pursued a policy of non-resistance, kept falling back and laid themselves at the mercy of the new tsars. This finally led to a disastrous and prolonged national crisis.

Ten years have passed, but this historical lesson still has its meaning today. It is worth a much closer study for the invasion and occupation of Czechoslovakia formed merely the prelude to Soviet military aggression and expansion on a bigger scale. In the following years the Soviet Union has extended the application of its "theory of limited sovereignty" to embrace a number of other East European countries through such instruments as the Warsaw pact, the Council for Mutual Economic Assistance and through the manipulation of bilateral relations.

The number of Soviet troops stationed in Eastern Europe has increased from about 500,000 to over 600,000 in the last ten years. Obviously, these troops are there not only to consolidate Soviet spheres of influence in Eastern Europe but also to strengthen Soviet forward position for offensive actions against the West. Not more secure than before, Western Europe is today confronted with greater threats.

21

It is worthy of special mention that the Soviet Union has applied the same "theory" and tactics of invasion to more and more areas in the world. In its bid to expand its influence beyond Eastern Europe, the Soviet Union has alleged that "support for the world socialist community and safeguard of its fruit" has become "the ever-growing important ingredient" of "internationalism." In order to outflank Western Europe and contend with the United States for world hegemony, the Soviet Union is energetically scrambling for strategic positions in the Middle East, Africa and other areas.

In recent years, there has been an important development in Soviet tactics of aggression. While peddling everywhere its theory that military intervention "on invitation" is justified, a theory created during its invasion of Czechoslovakia, Moscow now employs mercenary forces on a large scale. It insolently claims that the Soviet and Cuban military intervention in Angola and the Horn of Africa was "on invitation." But as in the case of Czechoslovakia. once the occupation forces "invite" themselves in, they refuse to leave. Moscow instigates and supports "Asia's Cuba" in its military incursion into Kampuchea to push regional hegemonism in Southeast Asia, and gets whatever benefits it can from the adventure.

Employing the despicable machinations to subvert governments as it did in Czechoslovakia, the Soviet Union has also been engineering bloody coups in South Asia and in the Red Sea area. It has gone so far as to resort to assassination to finish off those it formerly embraced as friends. Once these former friends show the slightest hesitation to toe the Soviet line, they are in danger of losing their lives. People throughout the world are talking about this and they wonder who is likely to be the next target of Soviet subversion. Quite a number of countries are conscious of this menacing Soviet threat.

It is a far cry from the situation ten years ago when the Soviet invasion of Czechoslovakia took place in Moscow's "back yard." Today the Soviet Union rides roughshod over the whole world.

How is the fierce attack of the Soviet Union to be dealt with? History should not be forgotten. Neville Chamberlain and his like in days gone by pursued an appeasement policy towards Hitler, vainly hoping to divert the disaster eastward. But they lifted a rock only to drop it on their own feet.

Ten years ago, some people in the West harboured illusions about the Soviet Union. hoping it would act "reasonably" towards Czechoslovakia. Reality has dashed those illusions. Nevertheless, the spectre of appeasement still hangs over the United States and Western Europe. Some would like to barter the recognition of Eastern Europe as Soviet spheres of influence for the abandonment of Moscow's westward advance. Others would like to acquire temporary security by abandoning some parts of the territories in Western Europe. But the harsh reality goes against all such fond dreams. History has given its verdict. Those who made concessions and compromises to Soviet social-imperialism were condemned by history.

Over the past ten years, the struggle of the people the world over against Soviet hegemonism has forged ahead continuously. More and more countries have stood up to Soviet pressure. They have expelled Soviet and Cuban military personnel, abrogated agreements forced on them by the Soviet Union, refused to supply it with military bases, airports and seaports, driven out KGB agents and denounced Soviet hegemonism into the bargain.

Despite the fact that the sacred territories of Czechoslovakia are still under military occupation by the Soviet Union, the people have never ceased to fight for their freedom and independence. Surely the men in the Kremlin cannot maintain for long their domination by bayonets.

> (A commentary by Hsinhua Correspondent, August 19.)

> > Peking Review, No. 34

Peking Aluminium Ware Factory

What the Workers and Cadres Say About Bonus

by Our Correspondent Chin Chi-chu

In issue No. 16 this year we reported on how the principle of "to each according to his work" is implemented at the Kailan Coal Mine. The following story about the Peking Aluminium Ware Factory provides another example of how moral encouragement is being combined with material reward on a trial basis. Factories and mines all over China will adopt different forms and methods based on the principle of "from each according to his ability, to each according to his work" to further mobilize the workers' enthusiasm for building socialism. — Ed.

F^{OR} a year now, a number of factories in Peking have been trying out ways of integrating moral encouragement with material reward in the course of socialist labour emulation drives. I went to an aluminium ware factory located southeast of the city to listen to the workers' and cadres' views on how their system of bonus was working out.

I was told that although the factory of 900 workers had not been under the thumb of the "gang of four" or their followers, still, the ideological chaos they caused showed up in various ways. The factory's leading members were disunited, with everyone going his own way. Because of the anarchism encouraged by the "gang of four," reasonable rules and regulations for managing the plant were abolished on the pretext that they suppressed the workers. The system of paying on a time-rate basis plus bonuses originally in effect was indiscriminately censured by the gang as revisionist "material incentives" and "putting bonuses in command." Under such circumstances, discipline grew lax. Late-comers, early leavers and absenteeism were common. As a result, output as well as quality dropped sharply. State-set

August 25, 1978

quotas were not fulfilled for the three years from 1975 to 1977.

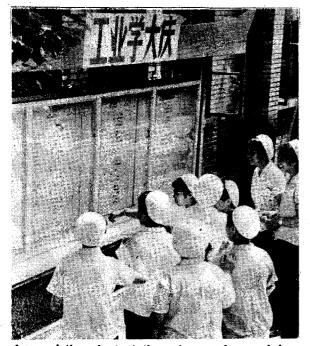
Since the collapse of the "gang of four," order has gradually been restored. With help from the higher organization, the factory's leading body was reorganized and consolidated. Various rules and regulations were once again instituted. Starting from January this year, after discussion by workers of the whole factory, the bonus system was put into practice on a trial basis, with a view to finding a concrete way to embody the socialist principle of "from each according to his ability, to each according to his work."

Moral Encouragement Is Emphasized

The factory produces aluminium ware for daily use in its five workshops. One of the leading members on the management level, Chao Chin-cheng, told me how the factory unfolded its socialist labour emulation drive.

Appraisal is done once a month. With workshop and work team as a unit, a checkup is made of their fulfilment of the six norms output, quality, consumption of raw and semifinished materials, safety, record of attendance and cleaning-up. Moral encouragement and material reward will be given to any unit which has fulfilled requirements in these six aspects.

Moral encouragement is extended to any work team or individual who has behaved unselfishly and fulfilled the six norms well. Recommendations are made by the workshop or work team. After approval by the emulation committee on the factory level, the individual or team is cited as a red banner bearer, an advanced worker or advanced unit. This takes place once a month. The recommendations and



An emulation chart at the entrance of a workshop.

approvals are publicized throughout the factory. Meetings, the broadcasting system, big-character posters and the blackboard newspaper focus on commending good people and good deeds so that an atmosphere is created in which everyone strives to be among the advanced.

In front of an office building there are two rows of show windows displaying photos of seven pace-setters, 44 advanced workers and eight advanced units. Emulation charts appear at the entrance to every workshop with small red banners beside the names of advanced work teams or workers. This represents the results arrived at through comparison and appraisal of work done in the first quarter of this year.

Political work is done in various ways. At present, workers of the whole factory are discussing and studying China's general task for the new period of development in socialist revolution and construction, that is, realizing socialist modernization by the end of this century. Constant political work enhances workers' consciousness of their historical mission, heightens their sense of responsibility as masters of the country and fosters the spirit of working selflessly.

Material reward refers to cash reward for the work teams which have fulfilled or overfulfilled the quotas in above-mentioned aspects. It is divided into three classes. Every member of the team which has won the reward will get an equal bonus so long as the team has fulfilled the quotas and he or she has fulfilled the quota for attendance, the first class being six yuan, the second class five and the third class four. Leading cadres at and below the workshop level take part in comparison and appraisal and also receive a bonus of the same amount.

Expenditure for bonuses is made part of the cost of production. The total amounts to 10 per cent of the wage outlay. As a result of the three comparisons and appraisals in the first quarter, 86 per cent of the workers and staff received bonuses. Those who won the honorary title of red banner bearer were much fewer in number because the standards required are rather high.

Different From "Putting Bonuses In Command"

This aluminium ware factory was founded in the early 50s by combining several metalwork co-ops. It is based on collective ownership and its wage scale is comparatively low.

Yang Tso-huan, deputy director of workshop No. 1, briefed me on the question of wages and welfare allowances.

With a pay roll of 250, this workshop pays an average monthly wage of 47 yuan, the highest being 84. The workshop director gets 70 and the deputy director 45. In addition, every worker is entitled to certain allowances for haircuts, commuting and so on, averaging 10 yuan each. Those who work under comparatively poor conditions or work at high temperatures receive an additional fee for nutrition. (This does not include gloves, work-clothes and other safety necessities.)

Many workers expressed the following opinions: Giving bonuses is a good way to bring out the workers' enthusiasm for building socialism. The principle of more pay for more work can be implemented more effectively with bonuses which enable those who work well and make more contribution to the factory to get more. Such a system gives the principle of moral encouragement an extra boost to help it along.

What about the question of "putting bonuses in command"? Hadn't this been criticized in the Great Cultural Revolution? Section leader

Wang Teh-fu told me: Prior to the Cultural Revolution, which began in 1966, some leaders under the influence of Liu Shao-chi's revisionist line had neglected to foster the communist spirit of serving the people wholeheartedly among workers, but believed in the magic of bonuses. They tried to use bonuses to stimulate workers into redoubling their efforts. Their main idea was wrong. Besides, their method of handing out bonuses was faulty in many ways. Bonuses are multifarious and complicated, but they gave most of them to individuals, not to a collective such as a workshop or work team. The number of bonus-receivers was restricted beforehand. Therefore, there was always a certain number of workers on the same team or doing the same kind of work who could not receive a bonus, no matter whether he or she conformed to the conditions set for getting rewards or not. This encouraged chasing after personal gain and had a bad effect on unity among the workers.

Wang said, "We are opposed to that kind of bonus system. In the long run it tends to make workers forget revolutionary aims and the collective, and think more about immediate personal gains and losses."

The guiding principle of the bonus system now is different and so is the political line which leads it. Also the method of giving out bonuses has been improved.

How They Appraise and Commend

I attended an appraisal meeting of workshop No. 3. Altogether 18 persons were present including the secretary and deputy secretary of

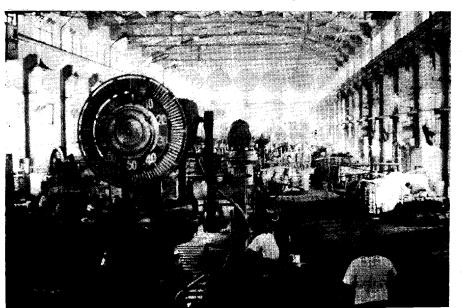
the Party branch, the workshop director and deputy director, the team leaders and the statist. First, the team leaders reported on how their respective teams had fulfilled production quotas in the previous month, and then the statist summarized their performance in respect to the six standards. Everyone discussed the results, gave their evaluation and made recommendations as to who should receive bonuses. While reporting on production, team leaders did not confine themselves to figures, but commented on the good points and shortcomings of the team as well. For example a woman worker on her own initiative put forward a proposal for rationalizing the work which helped her team leader. Another woman worker took it upon herself to help a newcomer become familiar with the work. This spirit of doing "extra work" was praised at the meeting. Both of them were recommended as red banner bearers. A team achieved initial success in solving the problem of poisonous gas during oxidation; another was outstanding for overfulfilling its production quota by 18 per cent with every piece up to standard. Both teams were cited as red banner teams.

Shortcomings were also pointed out at the meeting: Some workers dozed off during the night-shift; some teams did not pay enough attention to sanitation, leaving windows uncleaned and locker untidy. The team leaders involved promised to improve the situation. As the work-shop had overfulfilled the quotas in all six aspects, all its nine work teams won a first-class reward.

Chi Ke-chu, deputy secretary of the work-

shop Party branch, explained to me how the six quotas were fixed. They did not surface at the bidding of the leaders, but emerged after consultation with the workers of the whole factory. These quotas which at once conform to state plan and can be overfulfilled with extra effort finally came out after dozens of discussions in the wake of careful investigations by leading cadres who had taken up jobs for a

A corner of a workshop.



period alongside the workers. Chi said: "We do not advocate fulfilling tasks by working extra hours, but hope to guide workers towards making technical innovation in order to raise labour productivity."

After attending the meeting I found that people there do not vie for bonuses as such, but cherish a common aspiration to see their socialist factory run well. They commend and learn from the advanced, and criticize and help those lagging behind with this aim clearly in mind.

"No Need to Fear Disunity"

I went around workshops Nos. 2 and 3 which had more women workers because labour intensity is not as high as in other workshops. I asked veteran worker Liu Ling-ti, team leader Kao Ching-hsien and young worker Chen Ta-lien (all women) for their views on bonuses.

Liu recalled that when she first heard about adopting a bonus system again, she was afraid it might lead to disunity and squabble over the awards among the workers. It had often happened before. Now she realized that her fears were groundless. She approved of the current practice of handing out bonuses to collectives. All material rewards are given with the understanding that the state plan and production quota of the workshop or work team have been fulfilled. No one receives a bonus if the factory, workshop or work team have failed in this. Therefore, since the bonus system was set up, there have been more, not fewer, examples of caring for the collective and of working selflessly. (There are several workers who think that the method of giving rewards to the collective should be improved, because giving an equal bonus for every team member does not fully accord with the principle "to each according to his work.")

Chen Ta-lien told of her change of mind. Years before, flaunting the banner of criticizing "putting bonuses in command," the "gang of four" had in fact negated the principle "to each according to his work." Those who worked hard were not encouraged morally or given any material reward, while some who despised labour and loved ease, who voiced high-sounding words or even disguised as "revolutionary rebels" and made troubles were awarded real benefits. Sensing the unfairness, she gradually got slack at her work. Now things are different; advancing and lagging behind are worlds apart. The idea that "it is glorious to devote oneself to building socialism and despicable to live off socialism" is capturing the minds of more and more people. She considers not getting bonus for oneself a small thing, but bringing discredit upon the whole team is a serious matter. So she now sets strict demands on herself. She seldom is absent from work and her team overfulfills its production quota every day.

Kao Ching-hsien gave the following example. In previous years, those who worked at later process just sat and waited for the workers on the preceding operation to finish. Now workers co-ordinate with each other in each procedure and help one another. The spirit of collectivism is growing among team members. Those who are weaker physically are given lighter jobs so that everyone has appropriate work. This ensures that the whole team will fulfil its task smoothly.

Initial Successes

As a result of a series of measures taken reorganizing the leading body, strengthening business management and integrating material reward with moral encouragement on a trial basis — workers now work with ease of mind and great enthusiasm. This naturally is followed by material results.

I went to the accounting department. The book-keeper Lao Chang remarked: "Now things are much better. For the last few years, the factory was always in the red. Now our production costs are lower every month while output increases and quality keeps improving." He showed me the factory's statistical chart for fulfilment of the various economic norms in the first quarter of this year. I took down the figures for aluminium pots:

The first quarter of 1978	Compared with state quota		Compared with 1st quarter, 1977	
Output	31.5%	higher	109%	higher
First-class products	7.8%	higher	11.2%	higher
Labour productivity	11.8%	higher	100%	higher

Obviously Lao Chang was very proud of these figures. And he is quite justified. If

(Continued on p. 32.)

Peking Review, No. 34

CHINESE PRESS SURVEY

Cadres Are the Servants Of the People

R ECENTLY the Party Central Committee headed by Chairman Hua issued a circular to the nation concerning an investigation report on some of the cadres in Hsunyi County who exercised coercion and commandism among the peasants, exacted fines from them in grain and money and even manhandled those who would not obey them. The Party Central Committee also issued instructions urging rectification of our cadres' style of work. These were frontpaged not long ago by *Renmin Ribao*, the Party organ, and other newspapers.

Hsunyi County in northwest China's Shensi Province has a population of 200,000 and 17 people's communes. In the past few years a number of cadres at the county, commune, brigade and team levels, including the county Party committee secretary Liu Shu-jun, had taken to running roughshod over the local people. Some of the people wrote to the Party Central Committee complaining about these cadres. The Shensi provincial Party committee investigated the complaints and reported its findings and the measures to be taken to the Party Central Committee.

The mistakes of these cadres are rooted in the pernicious influence of the "gang of four," the provincial Party committee report pointed out.

These erring cadres had accepted some of the make-belief Leftist concepts spread by the "gang of four" such as "upholding the philosophy of struggle" and "exercising dictatorship round the clock over small production," that is, peasants who, before agricultural collectivization, farmed on their own with each individual household as a production unit. In so doing

August 25, 1978

they were actually domineering over the peasants and going against the socialist legal system and the Party's tradition of cadres acting as servants of the people rather than bureaucrats riding roughshod over them.

They had acted in this way in hopes of boosting production. But reality proved just the reverse: Grain production in Hsunyi plunged downwards after 1975.

The provincial Party committee has given due punishment to those who seriously violated Party discipline and state laws and directed other erring cadres to apologize to the masses and reimburse those wrongly fined. The com-

The Three Main Rules of Discipline And the Eight Points for Attention for Party and Government Cadres

The three main rules of discipline are:

1. Conscientiously implement the policy of the Party Central Committee and the state laws and decrees and take an active part in socialist construction.

2. Practise democratic centralism.

3. Report things as they are.

The eight points for attention are:

1. Be concerned with the well-being of the masses.

2. Participate in collective labour.

3. Treat others as equals.

4. Consult with the masses in work and be fair and square.

5. Be one with the masses, don't seek. privileges.

6. No investigation, no right to speak.

7. Act in accordance with actual conditions.

8. Raise one's proletarian class consciousness and political level. mittee also made a self-criticism regarding its own style of work.

Renmin Ribao published an editorial calling for a great improvement in the working style of cadres.

The editorial pointed out that not long ago the Party Central Committee had released a circular concerning a report from Hunan Province's Hsianghsiang County on how to lighten the peasants' burdens (see our issue No. 30, p. 20), and then it had issued this circular concerning the report about Hsunyi County. Both decisions were of great significance for bringing into full play the peasants' enthusiasm for building socialism.

The editorial urged that similar problems, if found in other localities and units, be solved in real earnest so as to revive and carry forward the Party's fine traditions.

The majority of our cadres are good or fairly good, the editorial said. Only a small number of them have made mistakes or really serious mistakes. Due punishment must be given to those who sneaked their way into the ranks of cadres and cruelly oppressed the masses, while great attention should be paid to educating the other cadres who had erred and helping them mend their ways in accordance with the policy of learning from past mistakes to avoid future ones and curing the sickness to save the patient.

The Three Main Rules of Discipline and the Eight Points for Attention for Party and Government Cadres, drawn up under Chairman Mao's guidance, were featured in the editorial.

Leading organs in all parts of the country have been conscientiously studying and implementing the Party's instructions in the light of specific local conditions.

Accent on Analysis—"One Divides Into Two"

THE Chinese press has called for making greater use of the concept of "one divides into two" or the "theory of two points" in evaluating our work, that is, seeing not only where we are strong but also where we are weak. Chairman Mao used this concept to make a vivid exposition of the basic law of dialectical materialism, the law of the unity of opposites. If we appraise our work by following this concept we must give credit where credit is due and pay proper attention to shortcomings.

Examples in the press follow:

• The Taching Oilfield a national pacesetter, refused to rest on its laurels. A 300member delegation of its leading cadres and model workers recently went on a study tour to see what they could learn from the Anshan Iron and Steel Company.

• The above-mentioned Anshan Iron and Steel Company, one of the worst-hit enterprises at the hands of the "gang of four," transformed itself into an advanced unit after learning from the Taching Oilfield. Guarding against selfconceit, Anshan Steel went on exposing and correcting shortcomings and mistakes. Not long ago the company's Party committee gave the Party secretary of the iron smelting plant a good dressing down for inflating output figures. The cadre has been much too unscrupulous in seeking honour.

• The Ministry of Coal Industry which had been praised for its work by Chairman Hua and the State Council overfulfilled its production target for the first half of this year. Then the rains came and temperature was up, and output dropped in the first ten days of July. Although the loss was made up later in the month the ministry was not contented. On July 28, Minister Hsiao Han called a national telephone conference at which he took the lead to criticize himself for allowing the leadership of the ministry to feel swell-headed.

• Tungping in east China's Shantung Province is a county which has won a name for itself in farmland capital construction. When delegates to the National Conference on Farmland Capital Construction visited the county, its Party committee secretary briefed them not only on Tungping's achievements, but the lessons for not paying enough attention to lightening the peasants' burden.

A Renmin Ribao commentary praised Taching for keeping up with the spirit of "one divides into two." Every country, unit or individual, it said, has both strong and weak points. Chairman Mao pointed out: Some believe that socialism is just perfect, without a single flaw. How can that be true? It must be recognized that there are always two aspects, the strong points and the weak points. There will always be two aspects, even 10,000 years from now. (On the Ten Major Relationships, 1956.)

The commentary also brought up the question of learning from foreign countries. We Communists, it wrote, are not afraid to admit our shortcomings. We have always said that China is economically and technologically backward. saying this, we are not resigned to being backward, but aim at changing the situation. We have always held that we should learn from the strong points of all countries, learn all that is genuinely good in the economic, scientific and technological fields. While the

life of the capitalist countries are decadent, this should in no way stop us from learning their advanced science and technology or whatever is scientific in their enterprise management.

Giving Visitors the True Picture

Renmin Ribao reported in detail how Shantung Province's Tungping County gave visitors the true picture of its farmland capital construction.

When the briefing began, the county Party committee secretary read from a prepared speech full of platitude. It did not touch on the practical problems which the visitors took an interest in. The prefecture Party committee secretary sitting beside him chimed in: "Tell them what you've done, both your successes and the things you must tackle." The county Party secretary put his prepared speech aside and told the visitors what they achieved after three years of hard work, not forgetting to list such shortcomings as putting far too many economic burdens on the production teams and commune members. The prefecture secretary added: "In the first year, the commune members were full of beans. The year after that they began to feel the pinch, and by the third year, things got really difficult."

Leading members of the Tungping county Party committee studying a capital construction plan at the work-site.

Conducted in this candid manner, the briefing livened up the meeting. The visitors had a more comprehensive picture of Tungping County's good experience as well as its shortcomings. Especially in the light of the recent circular issued by the Party Central Committee concerning the report from Hunan Province's Hsianghsiang County on lightening the peasants' burden, the visitors were much enlightened. The briefing ended to a round of warm applause, an indication that the speaker's frankness won the approval of the visitors.

A commentary by Hsinhua News Agency correspondent said: In the days when the "gang of four" held sway, bragging and empty talk were the standard fare. Some people exaggerated their achievements hoping to win a name for themselves. The briefings of some advanced units were stereotyped, all achievements and no mention of shortcomings. Some communes went so far as to give a false picture to the visitors, with meticulous care given to crops planted along the routes which visitors would pass. "Such bad working style," it said, "is harmful to the Party and the state. It should be done away with as if it were an enemy."

August 25, 1978

29

ROUND THE WORLD

ZIMBABWE

Smith's Futile Trick

In its August 8 statement, the Smith regime, in the name of the "transitional government," "revoked" racial discrimination in hotels, restaurants, cinemas and other public places, with a proviso that the owners of these public places may continue to refuse admission of black people. In particular, this did not affect in the least the racial segregation in residential areas, hospitals and schools.

Of course, no one will be taken in. After Ian Smith rigged up the "transitional government" with the participation of black people, suppression of the black masses was intensified rather than weakened. Curfews remained in force and arrests con-To sever the black tinued. masses' ties with the guerrillas, large numbers of black people were herded into "specially defended villages," in other words, Killings concentration camps. occurred several times. On June 10, racist troops and aircraft attacked a village 12 kilometres north of Salisbury, the capital, killing 22 black villagers, women and children among them.

In these circumstances, the black masses mounted one demonstration after another, accompanied by black students' strikes. Freedom fighters stepped up the armed struggle, now spreading to areas near Salisbury.

In a press release issued recently in Lusaka by the Zimbabwe African People's Union, the Smith regime was condemned for putting out deceptive decrees. No people who cherish freedom, it stated, want a scrap of paper promising them rights in the future, rights which are inalienably theirs, and theirs to enjoy. Only after the overthrow of the (racist) regime, it stressed, can Zimbabwe establish a country of its own.

UNITED STATES

Dollar Sagging

The U.S. dollar has continued its nose dive against the Japanese yen, the Swiss franc and the West German mark since the end of last month. The money markets in the West today find themselves in greater confusion.

When the value of the dollar began to drop last year, Washington was for a time reluctant to intervene because it considered a somewhat weakened dollar would raise the competitiveness of U.S. goods on international markets. It was only in late September last year when the plummeting brought strong complaints from its major allies was the U.S. Government compelled to take some limited intervening measures.

Since the beginning of this year, the constantly weakening dollar has further sharpened the contradictions between the United States and Western Europe as well as Japan. The United States was forced to have more consultations with its allies and take further measures. However, Washington's limited intervening measures failed to stabilize the U.S. dollar.

At the summit of the nine E.E.C. countries in early July, a programme for a new currency system was brought up with the hope of ensuring the independence of the European currencies and reducing the dollar's influence on the West European economy. Referring to the international monetary policy in the final communique of the economic summit, the seven nations once again declared their readiness to continue with necessary measures to cope with disorder in the money However, another markets. round of decline of the dollar came in the wake of the summit.

The dollar's decline is a sign of weakening of the U.S. economy playing a dominant role. The first official devaluation of the dollar in 1971 signalled the start of collapse of the West's dollar-centred monetary system enforced after World War II. Its second devaluation in 1973 resulted in the adoption of a system of floating exchange rates by major Western countries. This brought an end to the system of fixed parity. From the end of 1973 to the beginning of 1977, the exchange rate of the dollar was stable or even went But since last up somewhat. year, it has fallen sharply because of the sluggish recovery in the U.S. economy and the unprecedented huge foreign trade deficits.

Peking Review, No. 34

ON THE HOME FRONT

Seed Company Set Up

THE China Seed Company was set up in July in Peking. Its establishment will help speed up the development of agriculture in the country.

Its major tasks include: guide the selection, breeding, assessment, propagation and popularization of fine seed strains; supply new strains of grain, cotton, oil-bearing crops, bast-fibre plants and green manure to all parts of China; supervise the construction of seed bases and handle seed imports and exports; organize the experimentation, popularization and management of special machinery and equipment used for seed selection.

Seed companies will be set up at three levels — provincial, prefectural and county — the aim being to unify the management of seed across the land so that there will be new strains every year. A dozen or so provinces and cities have already set up such companies and commenced work.

At present, the national seed company is making preparations to build seed cultivation bases in various parts of China, propagating new strains for the whole nation.

Savings Deposits Increase

SAVINGS deposits increased 20 per cent in China's urban areas and 10 per cent in the rural areas in the first half of this year over the same period of last year.

August 25, 1978

Reasons for the increase: over 60 per cent of the workers got an increase in their wages last year, and in the countryside the policy of ensuring more income on the basis of increased production was gradually implemented. As part of their effort in support of socialist modernization, the people put their spare money in the banks for use by the state in a unified way.

In China banks are stateowned and deposits take two forms, fixed and current. The state bank follows the principle of paying a low interest: for current deposits the monthly rate of interest is 0.18 per cent and for fixed deposits, 0.27 per cent. People put their money in the bank not solely for interest but mainly for supporting national construction and promoting the social practice of thrift.

There are now over 5,000 bank offices handling savings' accounts in the cities and towns. In some remote mines or enterprises, the People's Bank has set up savings agencies. In the more than 50,000 rural people's communes there are credit cooperatives affiliated to the People's Bank handling savings accounts.

The government demands a high sense of responsibility from the bank staff. The savings bank office in the Tungshan area of Tangshan city is a typical example. During the strong earthquake in July 1976, many depositors died and many lost their savings account books. Its eight clerks worked for 26 days and made a thorough check on those who had deposited their savings there. Every depositor was found and the savings belonging to those who had died in the earthquake were returned to their next of kin.

Polluted Lake Purified

THE 7.000-hectare Yaerh Lake (Duck Lake), known for its fish, shrimps, lotus seeds and roots, used to be one of the main fish-producing lakes in central China's Hupeh Province. In recent years, however, the lake became polluted as a result of industrial development in its vicinity. Its water was fouled and dead fish, shrimps, ducks and water-plants floated on the surface. What was worse was that crops on its shores were also affected.

Serious pollution of the lake drew the attention of the Hupeh provincial Party committee. In 1976, an anti-pollution contingent consisting of leading cadres, scientific and technical personnel and some 20,000 peasants was formed and started work in September that year on purifying the lake according to a plan drawn up by the Hupeh Research Institute Remarkable of Aquabiology. results have been obtained after nearly two years' hard work. Four oxidation ponds with a total water-surface of 200 hectares were built to dam up and purify the polluted water.

Last year the Yaerh Lake Fish Farm bred 788,000 fry. The survival rate was 80 per cent and no abnormal fish was found. The 230,000 fry let out

31



Today's Yaerh Lake.

into the lake yielded eight months later 192,500 kilogrammes of fish. Thus fish and lotus seeds and roots once again grow in abundance in the lake.

Socialist public ownership of the means of production and

(Continued from p. 26.)

numerous factories and enterprises in China are run as well, the People's Government will have ample financial power to carry on construction and improve the people's livelihood, and our socialist state will grow continually stronger and more prosperous.

Employing both stick and carrot, the bosses in capitalist society use bonuses and piece-work to induce workers to create more profits for them, and then give out a few crumbs to split the ranks of the workers or to corrupt them. This practice no longer exists in socialist China. Workers are the masters of the country. The fruits of their labour belong to the whole people, not to any capitalist. In the final analysis, it is the people as a whole who benefit from increases in production and from the growing prosperity of the country.

My visit to the aluminium ware factory convinced me that the workers welcome a sys-

planned economy in China have made it possible to solve the problem of environmental pollution. The new Constitution promulgated last March stipulates: "The state protects the environment and natural resources and prevents and eliminates pollution and other hazards to the public."

In the past few years, however, environmental sanitation in many places was not given adequate attention due to the confusion created by the "gang of four," with the result that pollution became more and more serious.

Now the situation has taken a turn for the better. Industrial and mining enterprises failing to pay proper attention to eliminating pollution are severely criticized by the government, and some are ordered to stop production until steps are taken to do away with pollution. Units which have done a good job in eliminating pollution are cited. The purification of Yaerh Lake is a recent example in this respect.

tem of payment which integrates moral encouragement with material reward. So long as proletarian politics are put in command and no effort is spared in ideological and political education, it will promote socialist production and construction. It is from this vantage point that the workers welcome the new method.

According to the "gang of four," bonuses would lead to "class polarization between rich and poor," lay an economic base for engendering new bourgeoisie, and so on. The workers have nothing but contempt for these high-faluting tirades. They pointed out that if a worker worked hard and got a first-class reward every month for ten years in a row, he would have only 720 yuan. Could he possibly become a capitalist with that? But look at the handful of upstarts and new bourgeois elements under the wing of the "gang of four"! They're nothing but a bunch of lazy scoundrels and smash-andgrabbers. Did any one of them start out as an honest labourer earning wages and bonuses?

(