

北京周报

A CHINESE WEEKLY OF NEWS AND VIEWS

# Beijing Review

Vol. 29, No. 19

May 12, 1986



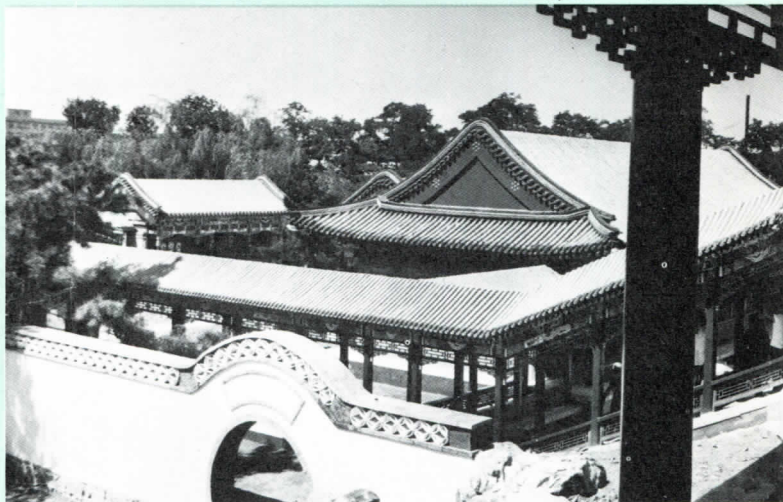
**The Historic  
Mission  
of  
China's  
Working  
Class**

**RAISING THE  
SINGLE CHILD**



An aerial view of Grand View Garden.

The Happy Red Court, where the major male character, Jia Baoyu, lived.



An elaborate walkway in the Bamboo Lodge, quarters for the novel's heroine, Lin Daiyu.

## SPOTLIGHT

The Sleeping Fragrance Pavilion, a secret meeting place for Lin Daiyu and Jia Baoyu.



## Fictional Garden Brought to Life

About 40,000 square metres of traditional Chinese gardens have been completed in the first phase of construction of Grand View Garden, the setting for one of China's ancient literary masterpieces, *A Dream of Red Mansions*. Grand View Garden, which will include another 30,000 square metres before completion, is located in the southwestern section of Beijing.

*Photos by Song Lianfeng*

## CONTENTS

## NOTES FROM THE EDITORS 4

Introducing Compulsory Education

## EVENTS/TRENDS 5-9

Model Workers Honoured at  
May Day Centenary  
Economy Hinges on High-Tech  
Progress  
Living Buddha Visits Australia  
Fair Sends Beijing Into Book  
Frenzy  
Taiwan Pilot Returns to Mainland

## INTERNATIONAL 10-13

Latin America: Where Workers  
Stand United  
Philippines: Aquino Secures Power,  
Popularity  
United Nations: Straitjacketed by  
Diluted Budget  
Brunei: Shifting Economy Away  
From Oil

## Working Class: Historic Mission 14

Economic Theory: Changes in  
Ownership Forms: Problems &  
Possibilities 17

## Agriculture: The Chinese Way 23

## Dealing With the 'Spoiled Brat' 26

## FROM THE CHINESE PRESS 29

## BUSINESS/TRADE 30-31

## CULTURE/SCIENCE 32-34

**COVER:** Learning to care for trees when  
they are young.

## HIGHLIGHTS OF THE WEEK

## Historic Mission of Working Class

The historic mission of China's working class is to close ranks with farmers, other labourers and patriots, while upholding the open policy and reform in an effort to build China into a culturally advanced and a highly democratic, modern socialist state. This is what Hu Qili, member of the Political Bureau of the CPC Central Committee, said at a Beijing rally marking the centenary of May Day (p. 14).

## China Alters Forms of Ownership

Since 1979 China has been experimenting with diverse forms of ownership. These changes have included the establishment of a contract responsibility system based on individual households, the restoration and development of collectively owned enterprises and individually managed entities, as well as the emergence of share-holding and other new economic methods (p. 17).

## Compulsory Education Enforced by Law

A new compulsory education law sets the goal for China to raise the cultural level of its people to new heights by the end of this century (p. 4).

## China's Road to Agricultural Development

Agricultural Minister He Kang explains how China manages to feed and clothe 22 percent of the world's population by cultivating 7 percent of the globe's arable land (p. 23).

## Calling Attention to the Only Child

While China's 32 million only children are confident, intelligent and eager to learn, a large number of them tend to be wilful, dependent and inconsiderate of others. This explains why it is important for parents, teachers and society as a whole to give special attention to their education (p. 26).

## Courageous Woman, Inspiring Author

Ding Ling, a prolific author and tenacious woman ever loyal to China's revolution, held fast to her convictions and optimism until she died in March at the age of 82 (p. 32).

# Introducing Compulsory Education

by Dai Yannian

**T**he recent Session of the National People's Congress has adopted a new law which will gradually put into practice a nine-year compulsory education system. This is a major event that will promote the cultural quality of the Chinese people and will affect the future of the country.

China's elementary education has greatly progressed since the founding of the People's Republic in 1949. Now 95.9 percent of the nation's school-aged children have been enrolled (compared to about 20 percent in old China), and 68 percent of primary school graduates have got the chance to continue their study in the junior middle schools. However, primary education has not yet been popularized, leaving many school-aged children, particularly girls, dropping out of the required elementary courses. This, in turn, leaves many young people and middle-aged adults illiterate or semi-literate. Furthermore, the quality of education in the rural areas is generally low, with only 60 percent of the primary school graduates reaching the set standards. This situation is hurting the current socialist modernization drive.

The promulgation and implementation of the law on Compulsory Education marks the beginning of a new stage in China's elementary education. By the end of this century, school-aged children in most areas will be educated under the nine-year education system and the cultural level of all the nationalities in China will be upgraded to new heights. However, this goal will have to be attained step by step. It will first be realized in the cities and other economically developed areas by 1990, where the

population makes up one-fourth of China's total. In the less economically developed areas, with nearly half of China's population, it will be introduced by around 1995. In a few underdeveloped areas primary education should be widespread by the end of this century.

The law stipulates that the right for school-aged children to receive education be guaranteed by the state, society, schools and families. In this education the all-round development—moral, intellectual and physical—of students is emphasized.

Primary and secondary schools will be reasonably located for the convenience of the children. No tuition fees will be charged, and students from poor families will receive a stipend. Furthermore, more special schools for blind, deaf and mute and mentally disabled children will be set up.

State enterprises, institutions and other sectors of society should be encouraged to set up schools of their own.

As things stand today, some short-sighted parents have asked their children to drop out of school to seek employment, while others, misled by old feudalist ways, have pulled their daughters out of school. Sometimes school-aged children are recruited by enterprises and individuals. The new law stipulates that parents must send their children to school when they are old enough. The recruitment of school-aged children for work by any organizations or individuals is strictly prohibited. These regulations protect the right of the children to receive a compulsory education which in the long run will benefit

both the children and their families.

There are still many people in China who lack adequate understanding of the importance of education. Some administrative officials have abused their power to misappropriate funds earmarked for education and to use school buildings for purposes other than education. Teachers have even been insulted. To solve these problems, the law provides that no organization or individual is allowed to seize, withhold or misappropriate funds earmarked for education; nor are they allowed to disturb peace and order in school or occupy or destroy school property. Insult, assault and battery of teachers are strictly forbidden. Those who violate these stipulations will be punished according to the merits of their cases; those involved in criminal cases should be punished according to the law.

Lack of funds is one of the difficulties in the development of education. The law provides that the growth rate of the total outlay for education should be higher than that of regular state revenues and the average educational fund per student should also be increased progressively.

The governments at various levels also can collect education funds in the urban and rural areas to boost their own. Individuals and various sectors of society are encouraged to donate funds for educational activities and programmes. All these stipulations should ensure the increase of educational funds. During the Seventh Five-Year Plan period, beginning this year, the total outlay for education will amount to 116.6 billion yuan, 72 percent



## Model Workers Honoured At May Day Centenary

more than in the previous Five-Year Plan period. In the state enterprises, institutions and other sectors of society, the potential of supporting funds is growing. The mounting enthusiasm in the rural areas to establishing schools with collected funds is an evidence of this.

Today, there are more than 7.5 million primary and secondary school teachers in China. Although the number appears large, the quantity and quality of teachers fall short of the needs of the popularization of compulsory education. The law therefore provides that efforts should be made to speed up the training of teachers so that those teaching in primary schools will have middle school teacher's educations and those in junior middle schools are at least graduates of a teacher's college. For this purpose, teachers' schools and colleges will be developed, while teachers in positions today will advance their education through correspondence schools and televised teaching programmes. The law also stipulates that teachers must be respected, their social status raised, and their living and work conditions improved.

All the guiding principles for the solutions of major problems concerning education can be found in the Law on Compulsory Education. Detailed rules for its implementation will be worked out.

As part of the activities to celebrate International Labour Day on May 1, more than 3,000 model workers and combat heroes of the People's Liberation Army from all over China ascended the Tiananmen (Gate of Heavenly Peace) rostrum. The platform was used by emperors in ancient times when making offerings before setting out on a journey or a military expedition, and then in New China by high-ranking officials on special occasions. It was the first time common citizens were accorded this privilege.

Among the model workers were bus and ship conductors, industrial workers, professors and Western and traditional medical workers. Also present were factory directors, managers and factory Party committee secretaries.

"I never thought I would mount the Tiananmen rostrum," said Qu Xiao, with a May Day Medal on his chest. A psychologist and associate professor of the Yingkou Educational Institute in Liaoning Province, Qu was once labelled a "rightist" and sent to prison for many years during the "cultural revolution." But he never complains of having been mistreated and has worked even harder. "I was a middle school student when the late Chairman Mao Zedong proclaimed the founding of the People's Republic of China in 1949," Qu said. He said that after all the long and painful years, the Chinese people were still standing strong. "I am just an ordinary worker," said another. "I sense more than usual my position as someone useful to the country and the responsibility with which I am entrusted."

The All-China Federation of Trade Unions awarded 1,107 May Day Medals to pace-setters nationwide for their contributions to China's modernization drive.

One of the May Day Medal winners was Huang Ziping, 39, who was a man in a wheelchair. He had had to give up school as he was so severely handicapped from arthritis 24 years ago. But by sheer diligence and will power, he taught himself mathematics and Chinese medicine, and studied English, French and Japanese, achieving diplomas in all these subjects. From 1977 he volunteered to tutor high school students in his home. As a result, 132 of his students have passed college entrance exams.

Working as a pedicurist is usually regarded as a low-status occupation. But Li Jifeng, a 33-year-old woman from a public bathhouse in Beijing's Haidian District, has won the admiration of the public over the years for her devotion to the job and her great adeptness at her work.

When Liu worked as an attendant in the bathhouse she saw that there were only three old pedicurists in the bathhouse who were in poor health and that people were often disappointed after lining up only to receive no treatment. She volunteered to learn how to give pedicures and for three years she has cured more than 1,600 clients suffering from foot diseases.

When asked why she chose the profession, she said: "I just wanted to do my bit for the people."

Sometimes embarrassments occur. Once, she visited one of her friends and offered to help cook. She was turned down. And her



Gala celebrations at the Beijing Working People's Palace of Culture.

husband asked her to keep her job a secret. "I know some people see my work as dirty and humble," she said. "I think one's reputation is not measured by what she does but by how much she can contribute to society."

The All-China Trade Union Federation began rewarding well-accomplished workers with the May Day Labour Medals last year. The winners were elected from among the rank and file workers from all parts of the country for their outstanding performance in ordinary jobs.

To celebrate International Labour Day, a variety of activities were held across the country. That day, more than 100,000 Chinese and foreign workers, Party and state leaders attended gala celebrations held at the Working People's Palace of Culture and the Zhongshan Park that flank the Tiananmen gate. There amidst an ocean of colourful bunting, flowers and lanterns and brightly decorated baskets of flowers,

thousands of young people sang and danced to the accompaniment of music to greet the holiday makers, including members of trade union delegations from Asia, Africa, Latin America and Europe. Professional artists added colour to the festival with dozens of traditional operas and shows of acrobatics.

Meanwhile, a mass rally was held in the Great Hall of the People. Hu Qili, member of the Secretariat of the Chinese Communist Party Central Committee, urged at the rally participants to study modern science, technology and advanced management to serve the country's modernization push. (For excerpts of his speech, see p. 14).

"As things stand now," he said, "the educational level of workers and the management of enterprises still fall short of the demands of the historic task of building China into a developed nation."

Hu told the audience that China

was blazing a correct trail in building a socialist country with its own characteristics. "It was a difficult and unprecedented exploration, without ready patterns to follow or proven experiences to copy," he said, adding it was imperative to attempt this exploration under the guidance of the principles of Marxism.

Hu said Marxism had always been a guide to action, providing the correct standpoint and approach to analyzing and solving problems.

"We should uphold the basic principles of Marxism under the new historical conditions," he said. "And we should also have the courage to seek breakthroughs whenever social practice proves that a conclusion is out-of-date or not entirely correct."

Hu called on workers to take the lead in fighting social malpractice, bureaucratism and corruption. "Workers should heed and help the Party's rectification drive," he said.

## Economy Hinges on High-Tech Progress

The rejuvenation of the Chinese economy hinges, in the long run, on high technology, Premier Zhao Ziyang said recently.

At a meeting with about 100 Chinese scientists in April, Zhao said China should keep track, as far as it can, of the development of the world's key high technology and strive for its own breakthroughs in certain fields. "This will not only help us realize our goal of quadrupling the 1980 industrial and agricultural output value, but will also pave the way for technological progress in the next century," he said.

The purpose of developing high technology in China, he said, is to find the best strategy, so that the economy can grow at the lowest cost yet with the quickest and best possible returns, he said. "China is opposed to hegemonism and the arms race, and it will not take part in the militarization of space," he said.

While mainly relying on its own resources for high-tech developments, Zhao said, China will encourage foreign experts and scholars to join in this endeavor and will also send scientists to conduct research abroad.

The majority of Chinese scientists, however, he said, should concentrate on the country's economic construction, dealing with its current problems and helping improve the present stage of production.

Song Jian, minister of the State Science and Technology Commission, who was recently appointed state councillor, also said it was necessary to adjust China's strategy for scientific and technological development.

From now on, Song said, China should step up its research into new technologies and support the development of a select number of rising industries. While tackling

key problems in the technological advancements of major enterprises, he said, the technological progress of middle- and small-sized enterprises and township enterprises should also be put on the agenda.

Song said the major task of 1986 is to devise a long-term programme for developing technologies. He said two major reforms will be introduced to China's scientific and technological system this year. One is the reform of its fund allocation system. The other, he said, is to encourage job appointments based on professional titles. The purpose of the latter reform, he said, is to encourage the intellectuals in breaking new grounds and facilitate the rational flow of personnel. ■

## China Hails Entry To Asian Bank

China's admission into the Asian Development Bank (ADB) was an event of great significance for both China and the Asian-Pacific region as a whole, said Chen Muhua, president of the People's Bank of China, at the 19th annual meeting of the ADB board of governors in Manila.

At the meeting, which ended on May 2, Chen, who is also a state councillor, said the Chinese people regarded highly the ADB decision to accept China. "China will participate in the activities of the bank in keeping with the principles of equality and mutual benefits, stress on practical results, diversity in form, and attainment of common progress, and will do all it can for the economic growth of the Asian-Pacific region," she said.

The People's Republic of China, as the sole legitimate representative of China, was formally admitted to the ADB on March 10 this year, which Chen

## News in Brief

A major five-year effort to cut pollution at 80 iron and steel companies has been launched, and 1.7 billion yuan has been allocated for the purpose, double the figure for the previous five years. The country is undertaking more than 300 pollution prevention projects; and at least 30 percent of the iron and steel plants and mines will be pollution free by 1990.

China's industrial workers number more than 120 million, nearly twice as many as 15 years ago, the State Statistics Bureau announced recently. It said the number of the country's workers has increased annually by 4 million since 1970s, and that the qualification of workers had also improved. According to the bureau, 20 million workers are now taking college courses by correspondence at spare-time or continuation schools, and high-school graduates are common among workers today, the bureau added.

Only 6 percent of China's former prisoners commit new crimes, a Justice Ministry official said, quoting the results of a recent survey. More than 23,300 ex-convicts in 20 provinces, cities and autonomous regions across the country were interviewed. Of those who responded to the survey, 1,425 had committed new offenses. The percentage was among the lowest in the world, the official said, attesting to the effectiveness of China's corrective measures.

attributed to the joint efforts of bank members and the ADB management.

"Since China's admission to the bank, the bank management has been consulting with its members about the settlement of the question of an additional seat for China on its board of directors, in consideration of China's position in the regional economy and that of the world as a whole," she said. "We expect that through joint efforts by all members of the bank, a satisfactory solution to the question can be worked out soon."

On the issue of Taiwan, Chen said Taiwan was "an integral" part of China. "In accordance

with the understanding we reached with the bank, the Taiwan authorities shall remain in the ADB under the designation of Taipei, China," Chen said, adding that in line with the understanding, China was willing to work together with the representative from Taipei within the framework of the ADB.

At a press conference on May 2, Chen expressed her regret that the representative of Taipei had not attended the annual meeting.

Representatives of the majority of the member countries of the ADB welcomed China's entry into the ADB, and hoped to expand the board of directors to include China. ■

**Chen Muhua at the 19th annual meeting of the board of directors of the Asian Development Bank in Manila.**



## Living Buddha Visits Australia

**B**ainqen Erdini Qoigui Gyaincain, vice-chairman of the Standing Committee of the National People's Congress (NPC) and honorary president of the China Buddhists Association,

on April 30 addressed a meeting of 200 Australians under the auspices of the Australian Council of Churches.

He called on religious believers to unite and work to translate the concepts of compassion and peace into reality. Bainqen, also a Tibetan living Buddha, arrived in Australia on April 29 as deputy

head of a Chinese NPC delegation for a 12-day visit. This was his first visit abroad in 30 years.

Briefing the audience on religions in China, Bainqen stressed that the Chinese government guaranteed the freedom of religious belief—a basic policy stipulated in China's Constitution. He told his audience that profound social changes had taken place in Tibet in the past 30 years since its liberation in 1951, particularly in the past two years with the implementation of a whole package of special policies.

Bainqen predicted that under the current policies, advanced technology would continue to be introduced to tap Tibet's rich natural resources in order to narrow the gap with the more developed regions in China.

On the night of April 29, Bainqen presided over a Buddhist service for Tibetans residing in Australia. ■

## Fair Sends Beijing Into Book Frenzy

**A** book craze swept Beijing last month during China's largest-ever national book fair held from April 20 to May 4 at the Museum of Chinese Revolution.

Each day an average of 20,000 people crammed into the fair, which had on display more than 35,000 titles by 340 publishing houses, 25,000 of which were on sale. The participating publishing houses were from all provinces, municipalities and autonomous regions, except Taiwan.

The books on display were selected from 600,000 titles published since the founding of New China in 1949. About 80 percent were published after 1978. And one-fifth of books for sale were published in the past few years. Daily sales totalled a record-high of 150,000 yuan (about US\$50,000).



## Taiwan Pilot Returns to Mainland

**W**ang Xijue, commander of a Boeing 747 cargo plane of Taiwan's China Airlines, piloted his plane to landing at Baiyun Airport in Guangzhou, Guangdong Province on May 3.

Also aboard were co-pilot Dong Guangxing, mechanic Qiu Mingzhi and 220,000 pounds of cargo. The plane and its cargo are being safeguarded pending further notice.

The 56-year-old commander asked for permission to settle on the mainland and be reunited with his family, and his request was granted by Lin Ruo, secretary of the Guangdong provincial Party committee, and Ye Xuanping, governor of Guangdong Province, who met Wang shortly after he arrived.

A native of Sichuan Province, Wang entered a pilot training school of the Kuomintang in 1948 and went to Taiwan the following year. Later, he joined China Airlines.

Wang told his hosts that he had been homesick for so long and that he had missed the mainland and his relatives.

Compatriots in Taiwan are

looking forward to the resumption of trade, postal service and navigation between Taiwan and the mainland, he added.

Meanwhile, the Civil Aviation Administration of China sent a telegramme on May 3 to Taiwan's China Airlines, asking it to send a representative to Beijing as soon as possible to discuss matters related to the other crew members, the plane and its cargo.

On May 6, Wang flew into Beijing from Guangzhou and was greeted by Vice-Premier Tian Jiyun. Meeting Wang and his father and brothers at the Great Hall of the People, Tian said the wishes of the other two crew members who arrived in Guangzhou with Wang would be fully respected. "We stand by the exchanges of trade, mail, air and shipping services between both sides of the Taiwan Straits. People are free to come and go of their own accord. We mean what we have said. We will wholly respect their will."

"We are of the view that matters between the Chinese should be resolved by the Chinese," he added.

Many visitors brought in brown-bag lunches so they could spend the whole day browsing among the world of books. Some went there almost every day to jot down passages from books that were hard to find or too expensive.

Books on daily life were the most sought after at the fair, which sold about 5,000 yuan worth of copies in a day. Best-sellers also included collections about law and psychology, children's books and dictionaries. Books published in Hong Kong and those written by Taiwanese authors and published on the mainland also sold briskly. Shan Mao is one of Taiwan's most famous authors, and three of her books were completely sold out by the third day of the fair.

Ironically, the Beijing book craze comes at a time when bookstores throughout the country have been suffering a serious problem of overstocking, said Bian Chunguang, director of the State Publishing Administration. Last year stocks jumped nearly 60 percent to an unprecedented 1.5 billion yuan worth of books, Bian said, but sales increased only by 37 percent to 3.34 billion yuan. This caused a shortage of circulating funds for many stores which were forced to cut down their orders from publishing houses. Bian said the problem came up late last year mainly because the state restricted consumer funds and raised paper and book prices by 30-100 percent.

Cui Lili

## China & the World

■ **China, Britain to Direct-dial.** China and Britain will be able to direct-dial each other in two or three months, British Telecom announced recently. The service will cover most of China's 5 million telephones, and a three-minute call from Britain via satellite to Beijing, Shanghai and 24 other major cities will cost 3.45 pounds (US\$5.34), the network said.

■ **Beijing, American Kids to Dance Together.** Fifty Beijing children, aged from 9 to 11, will perform a full-length dance drama, "China," at Madison Square Garden, New York, with 2,000 American boys and girls on May 30. According to a Beijing Municipal Education Bureau official, the children will be attending the annual children's dance festival at the invitation of the New York National Dance Institute. This year marks the 10th anniversary of the festival and also the first time foreign children have been invited.

■ **Foreign-invested Enterprises Increase.** The number of enterprises with foreign investment in China reached 5,423 at the end of 1985, up 134.4 percent over the 1984 figure. These enterprises include Sino-foreign joint ventures and enterprises operated exclusively with foreign investment. Foreign resident representative organizations set up in China came to 1,500 at the end of 1985, a 57.2 percent increase over 1984.

## LATIN AMERICA

### Where Workers Stand United

*The working class of Latin America stands at the forefront of those forces struggling against imperialism, colonialism and hegemony in the 1980s.*

The working class of Latin America has a glorious tradition. In the early 1920s the continent developed an organizational workers' movement when its capitalist manufacturing industry began to grow. After World War II the workers' movement there picked up added steam. Today it has earned much attention from around the world.

Latin America's workers' movement in the 1980s has the following features:

First, strikes are frequent and have been staged by workers in various fields. According to the International Labour Organization, one third of the strikes in the world have taken place in Latin America. In 1984 Bolivia witnessed more than 690 strikes and Argentina saw more than 700 strikes. From March to May of 1985 there were more than 500 strikers took place in Brazil, and in Peru seven general strikes in 1985. The number of workers striking during each of these was also considerable with upwards of hundreds leaving their jobs at once. In December 1982 a nationwide strike took place in Argentina with more than 10 million workers, 98 percent of its total workforce, taking part. The event was not only a first in the history of the Latin American workers' movement, but it was also one of the few strikes ever on such a large scale. The strikes in Latin America have often been joint actions of trade, departments and cities. Moreover, the workers' movement in Latin America has also transcended borders to

involve the whole Latin American region. For example, in 1984 the Revolutionary Confederation of Mexican Workers and Farmers, the Central Trade Union Federation of Bolivian Workers and the General Confederation of Labour of Argentina proposed to set up a Contadora workers' solidarity conference despite factionalism and differences of ideology. This proposal was approved by the Central Trade Union Federation of Latin American Workers and by the permanent conference for Latin American workers' unions. In the national and democratic movements of many Latin American countries, workers have worked together with other social strata, creating a broad foundation for their movement.

In the beginning of 1986 there were workers', shopkeepers' and students' strikes on a nationwide scale, all of which supported each other.

The growing frequency of strikes in Latin American countries in 1980s has been at least in part due to the region's gloomy economic situation. With the growing economic crisis in the West, the Latin American countries have fallen deeper into debt, their economic growth rates have continued to decrease and their inflation mounts. As a result, workers have suffered more. It is reported that more than 40 million people are unemployed in Latin America today; the unemployed and under-unemployed make up 30 percent of the total labour force. The workers of Latin

America have often gone on strike for the right to make a living and have won support and sympathy from other members of society.

Furthermore, the workers have not made economics their single target, but they have acted with thought for the long-term, linking the destiny of their class with that of their country. In the struggle, the working class has adopted the targets of democracy, freedom, ending imperialism, colonialism and a change in what they consider the unjust international economic order.

The development of the national and democratic movements in Latin America is also a result of the people's heroic struggle headed by the workers' movement. In the struggle to overthrow the autocratic rule of Anastasio Somoza, the Nicaraguan workers' movement and its several nationwide strikes showed solidarity with the armed struggle of the Sandinista National Liberation Front. In February of this year, the people of Haiti and the island-nation's labour movement toppled the more than 10-year rule of Jean Claude Duvalier. In 1980 the Bolivian workers first revolted against military dictatorship and forced in a civilian government headed by Hernan Siles Zuazo.

In recent years the Latin American workers' movement has also played an increased role in international affairs. The world economic recession of the 1980s and especially the international debt crisis have forced many Latin American countries to surrender to the austerity measures required by the International Monetary Fund. Trade unions across Latin America have in response launched large-scale strikes and demonstrations against the measures and have supported their governments in fending off creditors. Moreover, workers have also held rallies and demonstrations against the Soviet invasion of Afghanistan, Britain's troops entry into the Malvinas (Falkland islands), the US inv-

ation of Grenada and its economic sanctions against Nicaragua.

Then, along with changes in the situation, the Latin American labour movement has waged a non-violent and legal struggle. In the 1960s and 1970s the Latin American people suffered from repeated political upheaval. In many instances right-wing groups supported by the United States staged coup d'etats and instituted fascist rule, suppressing left-wing guerrillas, killing innocent people and randomly arresting and beating the masses. Under such circumstances the democracy, stability, development and prosperity the people longed for could not be realized. Since then,

however, representative governments, which the national bourgeoisie set up, have developed into national and democratic revolutions, for which the Latin American workers have been holding the banner of democracy. They oppose civil war and demand peace at home.

In the 1980s the political process in Latin America has shown marked improvement, and democratic revolutions have won victories in many Latin American countries. The Latin American workers' movement will undoubtedly press forward in support of additional liberated revolutions.

by An Jianguo

## PHILIPPINES

### **Aquino Secures Power, Popularity**

*Domestic and foreign policies adopted by President Corazon Aquino have added strength to her fledgling government, which still faces considerable challenge.*

Two months have past since Philippine President Corazon Aquino was inaugurated in February and the policies and measures adopted by her new government have been the focus of much attention at home and abroad.

In domestic affairs, the Aquino government dismissed a large group of provincial officials, including more than 1,000 mayors elected under Ferdinand Marcos. Aquino also put a dozen generals loyal to Marcos under house arrest and disbanded Manila's police troops. She also established a human rights committee to comb through the various human rights violations committed under Marcos. In order to set up a new legislative body and draw up a

new constitution, the government replaced the national assembly controlled by the former ruling party with a constitutional committee and issued a provisional constitution.

In the economic arena, the new government froze and has tried to confiscate the assets of Marcos and his relatives both at home and abroad. The government also took over the five large telecommunication companies controlled by Marcos' relatives. At the same time, it sent representatives to the US to consult with officials there about freezing Marcos' holdings there.

In her inaugural address, Aquino called on Filipinos to unite and rebuild their country. Not long after Aquino took office,

she freed a group of political prisoners and adopted "compromise" policies with the New People's Army and Moro National Liberation Front (MNLF), a Muslim separatist organization, in hopes of securing a ceasefire. The Philippine Communist Party and the New People's Army on March 24 said they welcomed the initiatives of President Aquino. It is reported that the two sides are now indirectly negotiating resolutions of their differences. The MNLF has sent representatives to negotiate with the new government as well.

The new government has said it adheres to an independent foreign policy, but that it will remain a close ally of the United States and respect the Philippine-US agreement on military bases. Aquino said her administration will seek co-operation with its ASEAN neighbours and has expressed the hope that they will speak with one voice. Aquino has also expressed her desire to seek friendly relations with the People's Republic of China.

In the past two months, the diplomatic initiatives of the new government have been in full swing. Recent visits to Manila have been logged by New Zealand Prime Minister David Lange, US Secretary of Defence Caspar Weinberger, Singapore's Foreign Minister Suppiah Dhanabalan, Spanish Foreign Minister Francisco Fernandez Ordonez and Chinese Culture Minister Zhu Muzhi. The visits attest to the popularity of the new Philippine government.

Though these and other policies of the Aquino government have strengthened the nation, the struggle between the new government and the pro-Marcos forces still smoulders. Additional difficulties will probably occur, calling for continued efforts. As President Aquino has said, there should be no relaxation in vigilance as the situation is not yet under control.

by Gui Tongchang

## UNITED NATIONS

**Straitjacketed by Diluted Budget***Economic difficulties threaten the very existence and viability of the United Nations.*

The United Nations is currently suffering from heavy shortages of funds unprecedented in its 40-year history. As a result, in the near future, the world organization may not be able to accomplish its work, said the UN Secretary-General Javier Perez de Cuellar in a report addressed to the UN General Assembly's 40th regular session on April 28. The meeting was devoted to solving the financial problems now facing the United Nations.

After examining the UN chief's report, the United Nations Administrative and Budgetary Advisory Committee said the

current crisis was not one merely of finance, but is also political; the economic crisis would recur unless steps were taken to solve the difficulty.

Despite the UN's annual budget of US\$826 million for 1986, it is strapped for money for various reasons. First, some member nations have cut their contributions or have paid late for successive years. Total arrears, including withholdings and late payments, added up to US\$242.4 million as of January, 1986. Second, some member nations have refused to pay for the peace-keeping troops,

for UN contributions to the Palestinians, or for drawing up international sea laws because of their disapproval of these activities. The US withdrawal from the United Nations Educational, Scientific and Cultural Organization also exacerbated the UN's deficit. Third, the devaluation of the US dollar against other currencies, it is estimated, will cost the organization US\$30 million this year. Further aggravating the already desperate situation, the United States has said it would reduce its contributions by 5 percent, or US\$70 million beginning next October. Thus, the estimated total cash shortfall for the UN in 1986 is US\$106 million. In the face of such cuts, the United Nations has sounded the alarm and has said that something must change if it is to keep its doors open.

Politics have contributed to the crisis. Unsatisfied with some of the

## BRUNEI

**Shifting Economy Away From Oil***In its first Five-Year Plan, Brunei has announced its plans to build additional economic pillars to supplement those of oil and natural gas to prop up its national economy.*

The Brunei government, which recently revealed its first Five-Year Plan (1986-1990) since independence in January 1984, has said it would place further emphasis on agricultural development. The Five-Year Plan, which is estimated to involve 3.7 billion Brunei dollars (US\$1.00 is the equivalent of 2.3 Brunei dollars), makes clear the small oil-rich nation's shift from reforming and expanding its infrastructure to

improving its agriculture, finances and training of technicians, so as to diversify its economy and expand non-oil exports.

The main task of its agricultural development is to improve food self-sufficiency. Brunei currently imports 80 percent of its rice and hopes to cut the figure by 30 percent. In addition, Brunei, located on the northwest coast of Kalimantan (Borneo), will try to stimulate tropical fruit and

vegetable cultivation and cattle, poultry and egg production.

Manufacturing is also slated for development. The government will set up special facilities to manage and encourage both foreign and native investment in Brunei in various fields such as foodstuff processing, furniture, rattan work, textiles, cement, chemistry, plywood and glassware.

Brunei, which has a foreign currency reserve of US\$17 billion, has decided to exploit this advantage to develop its banking and make Brunei into a financial hub for Southeast Asia.

Training technicians is always a key to economic progress for most developing countries. The government is seeking the gradual "Bruneization" of its jobs. Among

UN resolutions that have passed with a majority's approval. Washington has long been attempting to impose economic pressure on the United Nations and to sway the votes of the third world countries. The US government has said it would cut its contribution from 25 percent of the UN budget to 20 percent, unless it was given the right of "weighted voting"—voting power proportionate to its financial contributions.

The European Community, which provides 30 percent of the UN budget, has expressed concern over the US action. Its members have asked Washington to consider the possible effects of the move on international law. Foreign ministers from five North European countries said in a joint declaration that the US acts would affect the overall management of the world body.

At present the United Nations has 11,600 employees, whose salaries consume 75 percent of UN budget. The world's largest international body has a lot of shortcomings, such as swollen and redundant organizations, inefficiency and too much bureaucracy. The United Nations, it has been suggested, is in need of streamlining its administration, improving its efficiency and cutting back on expenses.

A group of 18 specialists was formed last October at the United Nations General Assembly to investigate the organization's problems. It has held two meetings and will submit a report at the UN General Assembly in September. In his report on the UN financial crisis, de Cuellar proposed a series of measures, which include deferring welfare allotments and rights entitled to the employees; postponing the construction of the United Nations Economic and

Social Commission for Asia and the Pacific building and the centre of the United Nations Economic Commission for Africa; putting off other construction projects, and cutting down on publications. He also suggested that the time for the 41st UN General Assembly be shortened by three weeks. De Cuellar appealed for early payment of back debts and called on member nations to make voluntary contributions to help solve the United Nations' economic difficulties.

UN personnel have said it was time to improve the organization's management in order to better carry out its tasks of peace and development. All member nations are expected to perform their obligations according to the United Nations Charter and to contribute to solving its financial crisis.

**by Chen Yicun**

the total 86,000 employees in Brunei in 1985, 33,000 were foreigners. The figure is expected to continue growing. The government has drafted a nationwide employee training plan, which advises that government and private enterprises co-operate in training native industrial and trade technicians and in cultivating veteran workers.

With 220,000 people and an area of 5,765 square kilometres, Brunei is known as an "oil kingdom." Oil and natural gas have brought the country huge revenues, and have upped its per capita income to US\$20,000, ranking it first in Southeast Asia and one of the world's highest. Brunei's foreign trade also enjoys an external surplus and its budget has never seen a deficit. Brunei levies no income tax, and all residents have various subsidies,

free health care and education, making Brunei one of the most thorough welfare states in the world.

Such comfort does not, however, mean Brunei has nothing to worry about. The country's economy relies on oil and natural gas, which earn 99 percent of its total export income, and cover 73 percent of its gross domestic product. Brunei's agriculture is underdeveloped and, due to backward manufacturing, almost all Brunei's consumer goods are imported. Because of this, Brunei's economy is highly susceptible to changes in the world economic situation, and especially to the fluctuation in the price of oil. Today, with the current glut on the world oil market and the consequent dropping oil prices, Brunei's income has shrunk,

therefore slowing its economic development. In 1980, Brunei's income from oil and natural gas totalled US\$4.6 billion. It dropped to US\$2.7 billion in 1985. The economic growth rate between 1975 and 1984 was 3.9 percent, lower than the scheduled 6 percent. Adjusting the economic structure that relies too heavily on oil for its support is not only a prudent move, but perhaps also a necessary one.

**by Zhang Tiegeng**



# Working Class: Historic Mission

*On April 30, Hu Qili, member of the Political Bureau and the Secretariat of the CPC Central Committee, spoke at a Beijing workers' rally commemorating the centenary of the May 1 International Labour Day. The following are excerpts related to domestic affairs from Hu's speech entitled "The Historic Mission of China's Working Class Today." The headings are ours.*

by Hu Qili

The Chinese working class moved onto the political stage in the early 20th century under the leadership of the Communist Party of China. After 28 years of strenuous struggle, it finally won great victory for the new-democratic revolution. With the birth of New China in 1949, the working class became master of its fate and has since plunged into national construction with fiery enthusiasm and has made great achievements. However, the Chinese working class also experienced the ordeal of the decade-long "cultural revolution," which began in 1966. In 1978, after the Third Plenary Session of the 11th CPC Central Committee, the Chinese working class, together with all nationalities of the country, embarked on a new Long March towards the fulfilment of its new historic task.

## Open Policy and Reform

The new mission of the Chinese working class, under the leadership of the Communist Party of China, is to close ranks with the farmers and other working people and patriots to persist in the open policy and reform, and to work hard together to build China into a culturally advanced and highly democratic modern socialist state.

Accomplishment of this historic mission calls for a few decades or even a few generations of persistent struggle; it requires eliminating the vestiges of feudal-



*The historic mission of China's working class is to close ranks with farmers and other working people and patriots to persist in the open policy and reform, and to work hard together to build China into a culturally advanced and highly democratic modern socialist state.*

ism that prevailed for thousands of years in China and smashing the bonds of obsolete thinking and customs that took shape under long-standing isolationist policies, and continuing to open China's doors to the world. Furthermore, the historic mission necessitates the introduction of a series of reforms in the economic, political, cultural and other fields centred

around economic construction and in compliance with the general requirement of building socialism in Chinese way.

The CPC Central Committee has envisaged three steps for China's socialist construction in the next few decades.

The first step is for China to quadruple its 1980 output value of industry and agriculture by the year 2000 and achieve the status of a "well-to-do" nation:

Second is for China to become a medium-level developed country around the 100th anniversary of the founding of the Communist Party of China (i.e. in 2021—Ed.):

The third step is for China to achieve the economic level of the world's developed countries and become an advanced, prosperous, affluent and modernized socialist country by the centenary of the founding of the People's Republic of China (i.e. in 2049—Ed.).

After a few years of effort, we are now on the correct road, a road that will lead us to the achievement of socialism with distinct Chinese characteristics. However, in carrying out socialist modernization, in opening to the outside world and in reforming, we have no existing model to follow. What we can do is, under the guidance of basic Marxist principles, to probe the possibilities as they have never been probed before. The change from a closed or semi-closed economy to an open one that makes the most

of its international exchanges, the transition from a rigid or semi-rigid economic pattern to a planned commodity economy based on public ownership, and the replacement of an old system with a new one is part of an extremely wide-ranging and profound revolution. This revolution will have an unprecedented impact on people's concept, mental outlook, lifestyles and mode of thinking.

The workers and staff across the nation should have a better understanding of the historic mission before them and should plunge into the reform and the drive for four modernizations in order to score more brilliant and heroic achievement. In the future when our children and grandchildren ask what we did in the 1980s, we would be able to answer with pride: We set out to reform and rejuvenate the Chinese nation, and put China on the road to prosperity.

### **Attitude Towards Marxism**

To make a success of our mission, China's workers and staff should study Marxism in concert with the new conditions. They should raise their political awareness and follow the basic policies of opening to the world and invigorating the domestic economy.

Marxism is not outdated dogmatism, but a guideline for action. It provides us with the correct stand, viewpoint and methods whereby we can analyse and solve our problems. As conditions develop, so does Marxism. Basic Marxist principles must be adhered to under China's new situation. However, we must also be brave enough to discard those specifics that have been proven obsolete or incorrect. It is only in such a way that we can uphold and develop Marxism and press ahead with our socialist cause. In terms of our attitude towards Marxism, we must neither doubt or vacillate in our

belief in its basic principles, nor must we consider it an inflexible, immutable dogma.

In the current economic reform, in order to accelerate the replacement of the old system with the new, it is necessary to shed our former way of thinking and the old customs that are incompatible with the development of productive forces, and establish in their place new views and outlooks that conform with the drive for

---

***In the process of reforming the economic structure and opening to the world, it is necessary to combat decadent bourgeois ideology and survivals of feudalism.***

---

socialist modernization. The full development of a commodity economy is an important stage of the socio-economic development and a necessary condition for our country's economic modernization. In the process of reforming the economic structure and opening to the world, it is necessary to battle decadent bourgeois ideology and to understand what negative influence that the remnants of feudal ideology, the concept that favours small-scale production and the conservative traditional custom will exert on modernization. Deng Xiaoping said in 1980: "Now it is essential to state clearly that we continue to labour at this task (eliminating the surviving feudal influences in the ideological and political fields) and that we must carry out a series of effective reforms in our institutions. Otherwise, our country and people will suffer further losses."

Experience of the past seven years has shown that the Party Central Committee's policy decision of opening to the world and transforming the economic structure is perfectly correct and

Marxist. Reforming the economic structure and opening to the world has not only guaranteed sustained, balanced and stable development for the national economy, but has also improved the people's way of thought and their mode of life. It has given powerful thrashings to the survivals of feudal ideology, to the standpoint that favours small-scale production and to the ignorant, conservative and traditional customs that have had no small effect on the underdevelopment of our commodity economy.

Along with the in-depth economic reform and opening to the world, workers, farmers and intellectuals have emancipated their minds and have widened their vision. They have become enterprising and ambitious, and thirsty for success. Everywhere from the well-developed coastal areas to the less developed interior, from the cities to the countryside, people's enthusiasm and creativity are higher than ever. Although problems may lie ahead, our society is experiencing historic progress.

Dialectical materialism tells us that we do not necessarily understand immediately what we perceive, and only when we understand it can we perceive it more profoundly. Workers and staff members of our country, which is now undergoing a transformation of great significance, must conscientiously study basic Marxist principles and the Party's line, policies and principles, secure a clear understanding of the enormity of our changes, understand their obligations and forge onward to the forefront of the transformation.

### **Democracy and Law**

A high level of socialist democracy and a sound socialist legal system will be landmarks in China's modernization process and also essential guarantees for

the smooth progress of its policies of opening to the outside world and enlivening the domestic economy. Workers and staff in China should participate in building a socialist democracy and legal system.

The problem, however, remains that some people, including a number of leading cadres, do not understand the importance of securing sound democratic and legal traditions. Given this, efforts should be made to popularize legal education among all the people, so that every citizen will understand that China's law effectively helps maintain the stability and unity of the state and protect the rights and interests of the people and so that they will conduct their activities within the limits permitted by law. Efforts should also be made to continue to enact and perfect various laws in accordance with legislative procedures. By relying on the workers' examples in observing the law and discipline and by relying on the people's support, we can minimize the effect of negative factors, even though such factors will be unavoidable in the course of reforms and of opening to the world and invigorating the economy. These efforts will help strengthen and advance our political stability and unity, and raise the construction of socialist ethics to a new high.

The Constitution stipulates that citizens of the People's Republic of China have the right to criticize and make suggestions to any state organ or functionary. Citizens have the right to make to relevant state organs complaints and charges against, or exposures of, any state organ or functionary for violation of the law or dereliction of duty, but fabrication or distortion of facts for the purpose of libel or frame-up is prohibited.

Workers should take the lead in making the most of the sacred rights granted to all Chinese citizens by the Constitution so as to play their part in strengthening democratic supervision. At pre-

sent, workers should concern themselves with and help rectify the Party's style of work and strengthen its discipline. They should help the Party rid itself of all unhealthy tendencies. Severe punishment according to the law will be meted out to those who commit crimes such as bribery, speculation and swindle, smuggling and tax evasion. Bureaucrats who neglect their duty or seek personal gains through their offices, and thus cause serious economic and political losses should be investigated and dealt with accordingly. All citizens are equal before the law, and special citizens and Party members unrestricted by the law do not exist.

### Stepping Up Education

Workers and staff must strive to learn and master modern science, technology, culture and advanced management skills so as to increase their ability to know and change the world. With the world's technological revolution at hand, science and technology have gradually infiltrated all areas of production and of life in general. Modern mass production has put ever-increasing demands on managers and labourers. Workers who have mastered modern science and technology, including intellectuals and specialists, have become the most active

and decisive element of our new productive forces.

In recent years, there has emerged a craze for studying science and technology among China's workers and staff, which is very gratifying. A large number of young workers have overcome many difficulties and finished junior or senior middle school courses after work; and many other young and middle-aged workers and administrators have received technical and professional training. A large number of competent people have risen to the fore through self-study; and inventions and discoveries by ordinary workers have appeared one after another.

The current scientific and cultural level and management experiences of our workers and staff remain, however, below our needs, and therefore our workers must continue to study hard. The workers, staff and cadres must, in light of their own work, study culture, science, technology and management. We must proceed from the reality of China, take advantage of the favourable conditions provided by the open policy, earnestly study and digest the science and technologies of other countries, including the developed capitalist nations. We should also study the management techniques that are compatible with socialized mass production and apply them to our socialist construction.

## Beijing Review

24 Baiwanzhuang Road, Beijing



### SUBSCRIPTION ORDER

Please enter my subscription

for \_\_\_\_\_ year(s)

in \_\_\_\_\_ language \_\_\_\_\_ copy (copies)

Name \_\_\_\_\_ (Please print)

Address \_\_\_\_\_



# Changes in Ownership Forms: Problems & Possibilities



by Liu Guoguang

**C**hina's current economic reform revolves around two related elements: the economy's operation mechanism and forms of ownership.

Transforming the operation mechanism involves cancelling the former mode of operation, which was characterized by overly centralized decision-making powers, the neglect of the role of the market and the central government's direct control over microeconomic activities. The reform then entails replacing the former system with combinations of centralized and decentralized decision-making, of economic

planning and market regulation, of macroeconomic control and microeconomic flexibility.

This transformation involves not only changes in patterns of management but also in relationship of ownership. Changes in ownership are the prerequisites for the reform of the operation mechanism; the two must be conducted in a co-ordinated way before the current economic reform can be successful.

## Reform is a Must

Before 1979 when the economic reform got under way, the means of production in China were owned either by the state or by the collective. This pattern was established in 1956 with the basic completion of China's socialist

transformation of the forms of ownership. It was modelled after the Soviet pattern. Later, however, influenced by "leftist" thought, the form of ownership underwent a lopsided development characterized by undue stress on the state-owned sector. As a result, attention was paid only to state-owned economic sector while the collective economy was neglected and weakened and the individual economy was excluded or abolished. Many small collective enterprises were then inappropriately incorporated into big collective ones, which were in turn fused with the state-owned sector. The rural people's commune became an organization which integrated government administration and economic management. Urban collective enterprises were turned into locally administered state-owned enterprises. The state-owned enterprises, which increasingly blurred the distinction between government administration and enterprise management, actually became an appendage to the state administrative organizations. In management, all enterprises followed the pattern of state-owned enterprises.

The development towards a single form of ownership and management hindered the growth of other economic sectors, dampened the enthusiasm of other sectors for production and at the same time ossified the operation mechanism of the economy as a whole. The over-emphasis on state ownership was a major factor contributing to the flaws in the national economy.

---

The author is an economist and vice-president of the Chinese Academy of Social Sciences.

Such a unitary system of ownership and management method proved inconsonant with China's actual conditions and the requirements of economic development. First of all, this system ignored the fact that China's productive forces remained at a low level, and that the economic development of different sectors, trades and localities was uneven. As things stand in China today,

one can find modern large-scale production alongside obsolete small-scale production, and mechanized production next to heavy manual labour. In terms of the development of modern productive forces today, there exists more than concentrated large-scale production alone, but rather a combination of concentrated and scattered production. The development of multiple forms of

productive forces calls for the diversification of ownership and management.

It should be noted that because of its large population China does have an employment problem. Its economic strength is also limited, its need to pick up production and construction and improve its standard of living is ever-mounting. It is impossible for the state-owned sector to meet all these needs by itself. As the modernization programme unfolds, it is necessary to mobilize the forces of the state-owned, the collective and the individual sectors to spur the economy on.

**The Changchun Bicycle Factory has a technological co-operation agreement with the Tianjin Bicycle Factory, which has helped it make its products more salable and turn a profit. Here technicians of the two factories swap their experiences.**



## Diverse Forms

The transformation of the system of ownership began years ago in the countryside. The household contract responsibility system, in which remuneration was linked with output, was a break from the old economic pattern of unified management and a uniform distribution of benefits. This system has since been developed into a new pattern of socialist co-operative economy and is well geared to the present situation of rural productive forces. The contract system, which takes the household as a basic production unit, and is based on public ownership of the basic means of production, such as the farmland, actually has reinforced the rural co-operative economy. Household management involves such basic production areas as farming, livestock breeding and farm produce processing. However, joint management and other diversified forms of co-operation are required in irrigation, crop protection, materials supply, marketing, storage, transportation, information exchange and some major farmland construction. This new system will gradually lead to a new co-operative economy, characterized by the spec-

ialization, socialization and commercialization of production. Along with the introduction of the household contract responsibility system, the system in which the people's commune had played the dual role—government administration and economic management—for more than 20 years, was changed. The township government has been restored to its full function. As a result, rural collective enterprises are no longer operated as state-owned enterprises.

In the past few years, China has also experimented on its urban collectively owned enterprises and has changed their state-owned operation methods back to those of collectives. For example, all the collectively owned enterprises and co-operative factories whose final accounts, be they in the black or in the red, used to come under the responsibility of their superior, the No. 2 Light Industrial Bureau, are now moving towards self-management and self-responsibility for their economic results.

Rural supply and marketing co-operatives, which were elevated to the level of state ownership, were restored to the non-governmental level by having farmers as stockholders and by democratically electing their boards of directors or supervisors. Having been influenced by government interference, many collectives do not put their funds at the disposal of their employees, and still deliver all their profits to the higher departments in charge. In addition, the problem of separating government administration from economic management in rural organizations has not yet been thoroughly solved. Rural enterprises remain owned by township governments and have little real decision-making power. Therefore, much remains to be done before these collective enterprises are turned into self-managing businesses.

The individually managed sector in China has, in recent years,

been developing rapidly in cities and countryside. At the end of last September, China had more than 11 million households involving more than 1.6 million people running their businesses. Of these, 2.6 million households with 3.6 million people owned their businesses in the cities, 24 times more than in 1978. Among these private businesses are a few with significant budgets and payrolls, a characteristic of capitalist enterprises. The current situation, in which this non-socialist economy is operated under the dominant state-owned sector, is fundamentally different from that prevailing in the 1950s when the issue regarding "which will win?"—socialist or capital economy—had not yet been solved in China. The allowance of a limited portion of non-socialist economy in China will contribute to the development of the country's socialist economy. As for those private businesses that show signs of capitalism, as long as they facilitate the growth of the national economy and the development of productive forces, they should continue operating on a trial basis. They should, however, be kept under tight control and supervision through taxation and administrative measures so as to curb their negative influence. Efforts should also be made to explore ways to lead private businesses towards co-operative management and then to joint-stock management, with some stocks to be held by the state.

In the past few years, a number of trans-regional and trans-departmental economic complex and enterprise clusters under different forms of ownership have appeared. The blending of ownership forms is evident in the integration which is spreading throughout the country of many differently run enterprises. These include integration between state-owned enterprises, between collectives, between state-owned enterprises and collective-owned enterprises, between state-owned enterprises and private enterprises,

collective-owned and private enterprises, and between private enterprises or Sino-foreign joint ventures. In 1984, China had about 1,000 such industrial enterprises staffed with 370,000 employees and representing 0.23 percent of its total enterprises (430,000) and 0.3 percent of its total workforce (118.9 million people). These enterprises had an 8.6 billion yuan output value, or 1.2 percent of the total industrial output value. Along with the development of the commodity economy, this integrated economy will play a positive role in breaking through the barriers between departments and between regions and in separating ownership from management rights. At the same time, the state's interference in the affairs of economic complexes and its control over enterprises is intended to strengthen the position of the state-owned sector in the national economy as a whole.

In discussing the diversified forms of ownership, two problems deserve close attention. In the past few years, the central government has offered preferential terms to spur the development of collectives, private businesses and joint ventures. It has, however, moved slowly in decontrolling state-owned enterprises, especially large and medium-sized ones. As a result, competition between all these economic sectors is inequitable; enterprises with backward technology compete for advanced technology and small enterprises try to elbow out big ones. Further more, employees of state-owned enterprises have been paid less than those working in collectively owned enterprises, who, in turn, earn less than those in private businesses or joint ventures. Such an abnormal phenomenon is not caused by the implementation of diverse forms of ownership and management, but rather by the inadequacy of the reform measures. When state-owned enterprises cannot afford to compete with the other economic sectors, they should improve their management

## Proportion of different economic sectors in the national economy (1984)

	State-owned enterprises	Collective-owned enterprises	Private sector	Other types of enterprises (1)	Joint ventures (2)	farmers' retail sale to non-agricultural residents
Total industrial output value	73.6	25	0.2	1.2		
Total retail sale value	45.6	39.6	9.6		0.2	5.0

(1) Other types of enterprises refer to combinations of state-owned and collective-owned enterprises, state-owned and private enterprises, collective-owned and private enterprises, and Sino-foreign joint ventures and exclusively foreign enterprises.

(2) Joint ventures refers to commercial enterprises composed of different economic sectors and Sino-foreign joint ventures.

to vitalize their operation. The irrational price system has offered the non-state economic sectors an opportunity to take advantage of the price differential. The solution to this problem lies in changing the present price structure. As for unfair competition between different economic sectors, it can be solved only with a well-deliberated readjustment of taxes, credit and other aspects of the business economy.

The second problem is to seek a proper proportion in the national economy for the different sectors in order to guarantee the state-owned sector a dominant position, while leaving other economic sectors enough leeway for growth.

Since the state-owned economic sector makes up the bulk of the national economy, it is not necessary to hastily define a proper proportion for different economic sectors. Rather, policies and measures should now be worked out to put the non-state sectors on a par with the state-owned sector. Their respective economic efficiency and vitality should be tested through equitable competition and their proportion should be decided according to the outcome of their market competition. Those that prove competitively strong will thrive, while

those that languish will only be temporarily, not permanently supported by the state. This approach will not pose a threat to the state-owned sector. On the contrary, it will encourage state-owned enterprises to change their management, improve their economic performance and reinforce their dominant position in the nation's economy.

### State Ownership

As the leading constituent of the national economy, the state-owned economy is the basis for the management of the macroeconomy in the operation of China's socialist economy. The economic reform has not in the least reduced the regulatory role of the macroeconomy but has strengthened it. To institute effective macroeconomic control hinges not only on whether the national economic plan conforms to reality, whether the macroeconomy is managed scientifically and rationally, and whether the economic policies and measures are appropriate, but also on whether the microeconomic units can respond sensitively to the

macroeconomic regulations, or whether the microeconomic foundation essential to the management of the macroeconomy is already laid. Ownership patterns determining the direction of an enterprise's economic performance and its sensitivity to various economic parameters are important means of regulation after the management of the macroeconomy has gone from direct to indirect control. Since the economic reform, a great deal of work has been done in granting state-owned enterprises more power and interests. But not enough attention has been paid to increasing the enterprises' responsibility for financial losses and pressure. Our state-owned enterprises are now only responsible for their profits, not their losses. When they have financial difficulties, they may, through the higher administrative bodies, bargain for reductions in or exemptions from their taxes, for increased subsidies, delayed repayment of loans, price adjustments, and whatever channels they can use to shift their financial burdens on to the state and society. Under such a paternalistic system, it is hardly possible to count on state-owned businesses to make flexible responses to the macroeconomy's indirect regul-

ation in terms of their operation and decision making. Such being the case, it is imperative to change the system of state ownership if China is to lay a solid foundation for the reform of the management of its macroeconomy.

Currently, the reform of the system of state ownership has practical significance. Since the end of 1984, total social demand in China has grown considerably. The swelling demand, however, was not triggered invariably by excessive investment, as was the case under the traditional economic systems. Instead, the bulging demand was stimulated largely by swollen consumption. Swelling consumption funds sparked the rapid growth of market demand, which in turn prompted businesses to go full steam ahead with increasing production and investment, which then accelerated investment and the intemperate growth of the national economy. The excessive expansion of consumption funds is directly associated with the indistinct relations of property within the state-owned enterprises and with confused ownership relations. After the enterprises were granted more autonomy, their economic interests, goals and motivations became somewhat different from those of the state and society. Under such circumstances, if the relations of the system of the state ownership remain unchanged, if the state-owned enterprises do not have an independent force that represents the interests of the state, or the mechanism that protects the integrity and the growth of state-owned capital, then the enterprises will be likely to pursue their immediate interests and the consumption interests of their workers and staff. They will therefore neglect their long-term development and the long-term interests of society.

In reforming ownership patterns, priority should be given to

the reform of the system of state ownership. The main problem in reforming the state-owned economy does not come from the numerous small enterprises well-suited to decentralized management. (In 1984, of China's 437,200 industrial enterprises, 430,080 were small enterprises, accounting for 98.5 percent of the total). Economic reforms in other socialist countries have proved that contracting, leasing or selling a number of small state-run enterprises to collectives or individuals can be feasible and profitable to both the national economy and the enterprises. In China, many small state-owned enterprises have also been leased or contracted to groups who manage these businesses independently and assume responsibility for their own profits and losses. The majority of these groups have reported fairly good results. There are drawbacks however to leasing or contracting enterprises to individuals. One such drawback lies in the distribution of their profits, which often leads to wide gaps between the incomes of the managers and those of the workers. The practice of some township industries proves that leasing or contracting the enterprises to the leading bodies of the enterprises often yields better economic results than leasing to individuals. This method provides better guarantee for the fulfilment of the contract and ensures a fairer distribution of incomes.

Given this, the leasing and contracting systems will be continued for the appropriate small enterprises, and particularly to those suited to decentralized management and those involved in tertiary industries comprising primarily the service trades. In these enterprises, the proprietary rights should be separated from the management rights, for this may help invigorate the country's economy, strengthen the coordination between different

economic sectors and encourage a moderate degree of competition.

The major area of concern in reforming the state-owned economy lies in the large and medium-sized enterprises. In 1984, the country had 6,400 such enterprises, while accounting for 1.5 percent of the country's total number of enterprises, their combined industrial output value made up 45 percent of the country's total. Efforts are still being made to separate these enterprises' proprietary rights from their management rights. Through this process the enterprises' management system will be reformed and the enterprises will be granted more power to manage their own businesses, under the condition that state ownership remains unchanged.

In the state-run enterprises in recent years tax payments have replaced profit delivery and a regulatory business tax is now levied on each enterprise at a fixed rate. This practice was meant to ensure state's revenue and also to give due consideration to the enterprises' original financial status and interests. In its enforcement, however, this approach reveals the problem of "whipping the fast bull," meaning that because the better-managed large and medium-sized enterprises shoulder a heavier tax burden, they are unable to upgrade and develop themselves. During the economic reform, a few large and medium-sized enterprises, such as the Shoudu Iron and Steel Company in Beijing and the No. 2 Automobile Manufacturing Plant in Hubei Province, have instituted a system whereby the enterprises are responsible for delivering their profits to the state at a progressively increased rate. Given their rapid increase in profits in the past, these enterprises have had more profit retained for their technological transformation. This method, however, is not recommended for those enterprises whose profit decreases or increases slowly.

## Shareholding: Possibilities

The recent appearance of shareholding, including joint-stock companies and the sale of a small number of an enterprise's shares to its workers and staff, has raised the question of whether it would be possible to make shareholding an important facet of the ownership structure, or an important channel for the reform of state-owned enterprises.

Generally speaking, shareholding in China has the following advantages:

1) In it, the relations of ownership can be specified, and the arrangement in which everybody is the proprietary of the state-owned enterprises but none takes responsibility for their properties will be changed;

2) An interacting relationship will be established among the enterprises' proprietors, managers and producers that will spur the rational development of the management of those enterprises;

3) Society's idle funds can be collected to promote a wider circulation of funds and the formation of the prices of funds, which will help curb inordinate investment and make the best use of social resources;

4) The purchasing of a number of shares by the workers and staff will impel them to concern themselves with the improvement of their enterprises' production and management.

Strictly speaking, the share system is only a peripheral aspect of ownership. Regarding shareholding, whether the lion's share is held by the state, by a group of people, or by individuals makes a fundamental difference in the nature of ownership. When the shareholding system is introduced in the state-owned enterprises, if the lion's share is held by individuals, public ownership will no longer play a leading role in the economy. Moreover, individuals

are now unable to buy shares of several hundred billion yuan worth assets from the state-owned enterprises. Even if the individuals have the ability to do so in the future, this method will still not be adopted because the concentration of stocks in the hands of a few people will generate class exploitation, which does not conform to the nature of China's social system.

Another idea is to have businesses hold the lion's share. Enterprises now have the potential to purchase shares. Furthermore, that potential is rising as their profits grow. If the assets of the state-owned enterprises, including mutual investment among businesses, are converted into the enterprises' own assets, a new problem will arise—will the new workers' remuneration and their rights to property be equal to those of the older workers? If the answer is affirmative, there will be no difference between such ownership and ownership by the whole people. If the new workers are discriminated against, the system will eventually cause a split in the enterprises. Furthermore, if the latter is the case, this practice will not only impede the reasonable flow of labour power, but it will also hamper the horizontal circulation of funds. This in turn will make some workers owners of the means of production, while others become hired labourers. Therefore, this approach to the shareholding system, with the enterprises as the principal player, is not ideal either.

Given these problems in introducing shareholding in China, the state should hold the greatest number of shares. Legally, the state is entitled to own the major share of the means of production. The state shareholders, through their representatives on the boards of directors, participate in the decision-making of the enterprises so as to protect the interests of the state as property proprietors and also ensure that the state does not

interfere in the day-to-day management of the enterprises. The management of the system is to be carried out by the managers of the enterprises who pay the state back for the means of production they have acquired and used.

The problem is that since the state is not an abstract unit, what kind of organization should it be to represent the state as shareholders and perform the state's functions as the proprietor of assets? Should it be an administrative specialized department, a comprehensive functional department or a financial organization? This problem should be solved using the principle that while administrative interference in the management of enterprises should be prevented, the interests of the state as the property proprietor should also be guaranteed. Continuing exploration of this question is needed.

In Marxist classics, the share system of the capitalist economy is said to be the prerequisite for the establishment of socialist public ownership. The capital in the stock companies is regarded as endowed with the form of social capital, as distinguished from private capital, and its enterprises assume the form of social enterprises, which are distinct from individual enterprises. The share economy is the abolition of capital as private property within the scope of capitalist production itself. So far, however, there is no successful precedent in the international socialist movement for practising shareholding. To answer this new question we should not stick to the established practice, nor should we act on the spur of the moment. Instead, we should make thorough studies and analyses of the active roles such a system may play, the negative influence it may exert, and the objective and subjective conditions essential to the establishment of shareholding. Only in this way can we draw up a practical plan.

# Agriculture: The Chinese Way

by He Kang

**A** major task facing New China after its founding was to combat poverty and underdevelopment and end the state of backwardness left over from old China. Led by the Chinese Communist Party and the people's government, the Chinese people, through hard work over the last 35 years, have made great advances in agriculture, particularly grain production. The rural economy has experienced fundamental changes and the farmers' livelihood has gradually improved.

In 1984, China's gross grain output hit an all-time high of 407.12 million tons (including beans and potatoes). However, the following year, due to serious natural disasters and a cut in area grown with grain, as well as a drop in the farmers' enthusiasm for grain production in some regions, the total grain output fell to 378.98 million tons, or 7 percent less than the 1984 figure. Today, because the state has a stock of food and the farmers have surplus grain, food supply can still be guaranteed.

In a short historical period, China has basically become capable of feeding and clothing its 1 billion people, even on a per-capita share of only 0.1 hectare of cultivated land. In other words, it has basically solved the problem of feeding and dressing 22 percent of the world's population by cultivating 7 percent of the globe's

arable land. This achievement has created favourable conditions for China's socio-economic development. It also represents China's contribution to advancing the world's agriculture and grain production.

***In a short historical period, China has basically solved the problem of feeding and dressing 22 percent of the world's population by cultivating 7 percent of the globe's arable land.***

China's agricultural development has travelled a circuitous course in the last 35 years. From nationwide liberation in 1949 to 1957, China conducted two social reforms of far-reaching significance. First, land reform was carried out and the feudal system of land ownership was abolished nationwide. Second, on the basis of this achievement, China carried out a socialist transformation of the small-scale peasant economy, realized public ownership of the basic means of production and established the socialist cooperative economy. During the 1949-57 period, China went ahead with large-scale water conservation projects, used fine seed strains and more chemical fertilizers, and improved agrotechnology, giving a big boost to agricultural production. But later, due to lack of experience and flaws in our work, China's agricultural production developed very slowly.

What is worth mentioning here is that in 1978 China seriously summed up its past experiences and lessons. While upholding

public ownership of land and other basic means of production and the principle of distribution "to each according to his work," China conducted a series of rural economic reforms and adopted new agricultural economic policies that included the following: introducing diverse forms of the household contract responsibility system which links payment to output; taking a firm hold of grain production, and developing a diversified economy, thus bringing about a comprehensive development of agriculture, forestry, animal husbandry, sideline occupations and fishery; building up small towns, opening rural markets and allowing farmers to take part in commodity transactions. In order to enliven the rural economy, China reformed in 1985 its system of monopolized state purchase of farm products, decontrolled agricultural product prices and helped farmers readjust the rural economic structure in an effort to gear agricultural production and management to market needs and further develop the rural commodity economy.

Implementation of these measures and new economic policies effectively boosted the farmers' enthusiasm for production and infused fresh vigour into the rural economy. A combination of this enthusiasm and China's progressive science and technology, as well as other material conditions, formed a tremendous force behind agricultural production and considerably increased farmers' income.

During 1985, the last year of the Sixth Five-Year Plan for socio-economic development (1981-85), China's total agricultural output value amounted to 451 billion yuan, increasing at an average annual rate of 10 percent while in

Note: This is an excerpt of a speech delivered by He Kang, Chinese minister of Agriculture, Animal Husbandry and Fishery, at the opening session of the Asian-African Food Policy Symposium. The symposium, sponsored by the World Food Council, was held in Guangzhou on May 12.

the 1953-80 period, the average annual growth rate was only 3.5 percent. During those five years, the growth of grain averaged 4.5 percent annually; other major farm products also increased considerably. Per-capita annual income of farmers rose from 191.3 yuan to 397 yuan, outstripping the total increase in the per-capita annual income of farmers in the 1952-80 period.

Agriculture is the most important economic sector providing the means of subsistence for humanity. This is particularly true in a populous developing country like China. Today when China is pressing on with industrialization, 200 million of its urban people live off commodity grain. Farm products are the major source of light industry; the value of light industrial produce turned out with farm produce as raw materials accounts for 70 percent of the total output value of light industry. Moreover, the rural areas provide a vast market for light and heavy industrial goods; and farm and sideline products constitute an important source of China's foreign exchange earnings. Experience proves that rapid development of agriculture can expedite the growth of industry and the socio-economic development as a whole, ensure a gradual improvement of living standards and bring about social stability. This is why the Chinese government has always attached great importance to agricultural development, regarded agriculture as the foundation of the national economy and arranged investment for and rendered service to agriculture.

As a Chinese saying goes, "Food is the god of the people." Feeding the people is a matter of utmost importance. It is impossible and unrealistic for such a country as large as China to count on the international grain market to solve its food problem. In view of this, China has always regarded grain production as the foundation of agriculture, placing it in a strategic position. The government also follows the policy of

solving the grain problem by self-reliance. In order to adjust the variety of products and to meet the needs of international trade, China exports and imports a small amount of grain. To ensure sustained and stable growth of grain production, China has begun this year to increase investment in agricultural capital construction and perfect the contract system of fixed-quota purchase of grain. The state gives

***China has always regarded agriculture as the foundation of the national economy and followed the policy of solving the grain problem by self-reliance.***

financial awards to farmers who have fulfilled or overfulfilled the quota of state grain purchase.

With a large population but limited cultivated land and insufficient land reserve resources, we hold the main way to increase agricultural production is to raise per-hectare crop yields and bring about a stable and high output of farm products. The Chinese government has attached special importance to increasing material input for agriculture, improving agricultural production conditions and popularizing advanced technology. As of today, China has built 86,000 reservoirs with a total capacity reaching more than 400 billion cubic metres of water; constructed 2.09 million power-operated wells; and increased the acreage under irrigation from 19.96 million hectares in 1952 to the present 44.65 million hectares. Today the nation's irrigated land is less than half of its total farmland and yet this irrigated land turns out two-thirds of the nation's total grain output. Statistics show that, from 1978 to 1985, the amount of applied chemical fertilizers rose from 8.84

million tons to 17.76 million tons; aggregate farm machinery power went up from 160 million hp to 284 million hp; rural electricity consumption climbed from 25.3 billion kwh to 51.2 billion kwh.

During the Sixth Five-Year Plan period, China trained nearly 1 million technical personnel for the countryside and popularized several hundred items of advanced agro-technology. For example, farmland planted with hybrid rice in 1985 reached more than 8 million hectares, double the 1979 figure. Authorities in many places have in recent years organized a general survey of soil. On this basis, they have ameliorated soil, applied fertilizers according to the type of soil under cultivation, improved technology of fertilizer application and thus greatly raised fertilizer's effectiveness in increasing production. The adoption of technological measures to prevent and control plant disease in Guangdong and six other provinces on the middle and lower reaches of the Changjiang (Yangtze) River has saved nearly 5 million tons of rice from pestilence in recent years.

In order to ensure large increases in grain production and in the amount and rate of marketable food grain, China began to set up a group of commodity grain producing counties in 1982. In the last three years, the 50 commodity grain producing counties have turned out a total of 83.35 million tons of grain, 35 million tons of which were sold to the state; the commodity rate was 20 percent higher than in other parts of the country in the same period.

Another important policy adopted by China for boosting agricultural production was actively diversifying the economy, exploiting agricultural resources in line with local conditions, effecting the simultaneous development of agriculture, forestry, animal husbandry, sideline occupations and fishery. At the same time, China is trying to introduce a



comprehensive management system linking agriculture to industry, commerce and transportation. For some period, China unduly stressed grain production. As a result grain production remained stagnant, the rural economic development was hindered and ecological equilibrium upset. Since 1979, China has turned its attention to adjusting the rural economic structure. While stepping up grain production, it has also diversified the economy according to local conditions. Practice in the last few years has indicated that these measures have helped different economic sectors to promote each other and ensured a steady annual increase in grain production; they also have enabled farmers to produce large amounts of meat, poultry, milk, eggs, fish, fruit and vegetables while increasing the sources of food and fodder for improving nutrition and the ecological environment.

In the past few years, China's rural enterprises have developed rapidly. These township enterprises engage mainly in processing agricultural produce, producing components and spare parts for large factories, manufacturing and repairing small farm machines and making clothes. There are now more than 6 million township enterprises across the country, employing 64 million workers, who account for 18 percent of the rural work force. In 1985 the total output value of these enterprises amounted to 248.1 billion yuan, a 45 percent rise over the previous year. Township enterprises have become a mainstay of the rural economy, playing a significant role in increasing farmers' incomes, providing employment to surplus labour, spurring the development of services in science, technology, culture and education in the countryside, and narrowing the gap between city and countryside.

At present, there is a saying circulating among the farmers to the effect that "there is no economic stability without agri-

cultural development and no prosperity without engaging in industry." This is quite true. China has begun implementing its Seventh Five-Year Plan for its national economic and social development this year. The government still regards agricultural development as an important foundation for the development of the national economy as a whole. During the new plan period, China will push the rural

***The Chinese government will, as always, give active support to Africa's agricultural development whenever possible.***

economic reforms forward, persistently rely on correct policies and science in handling state affairs, further improve production conditions, and continue to promote a steady and comprehensive development of agriculture. In line with the principle of effecting an overall development of agriculture, forestry, animal husbandry, sideline occupations and fishery, and of comprehensive management systems in agriculture, industry, commerce and transportation, China will further readjust the rural economic structure, gradually bringing about the specialization, commercialization and modernization of the rural economy so as to better satisfy the needs of the people.

China's countryside is undergoing the transition from a self-supporting and self-sufficient economy to a commodity economy, and from traditional agriculture to modern agriculture. China's only way to modernize its agriculture is to explore and create in line with its specific conditions and on the basis of the experience of its 1 billion people. China will adhere to the policy of developing by self-reliance, but it by no means

underestimates the importance of bringing in foreign funds and advanced technology; instead it will continue to learn from all advanced foreign experience. To do this, China will persist in the policy of invigorating the domestic economy and opening to the outside world; it will set store by its multilateral and bilateral co-operation and exchanges with other countries.

For many years, China has maintained friendly contacts with African countries and carried out co-operation with them in the agricultural fields. Although China and the African countries differ in social systems and geographical conditions, they both require a peaceful environment, and work hard to solve the food problem, eliminate poverty and speed up their economic construction. Regarding South-South co-operation, China is willing, on the principle of "equality and mutual benefit, emphasis on practical results, diverse forms of co-operation and common development," to further develop agricultural co-operation with Africa. The Chinese government will, as always, give active support to Africa's agricultural development as best as it can. Experience has shown that Africa's agricultural development is decisive for the continent's economic growth and social stability. Similarly, a stable economy and prosperous African agriculture will facilitate global economic growth, world peace and human progress. We are glad to note that encouraging progress was made in Africa's agriculture in 1985. We believe that the African people have a bright and splendid future.



# Dealing With the 'Spoiled Brat'

by Our Correspondent Wu Naltao

**N**ot one of the 100 pupils in the fourth-grade of a primary school offered their bus seats to their teachers on a recent field trip to the Beijing Zoo. The reason why these pupils, who should have shown respect to their elders, didn't offer their seats to their teachers is that most of them are only-children.

When asked how they were treated at home, the kids said that whatever they asked for, their parents would provide. Furthermore, they said, when riding buses with their parents, it was always Mom or Dad who offered them their seats.

Such spoiling of children has aroused anxiety and widespread attention.

Since China began to urge couples to have only one child seven years ago, more only-children are springing up around the country. Up to now there are 32 million only-children younger than 13 years old in China, accounting for 3 percent of the country's population.

Xiao Dingying, a 74-year-old educator recently said in an interview that only-children were usually healthier, more intelligent and more eager in their studies. They also have a strong sense of self-respect and confidence. But on the other hand they are usually more self-willed, inconsiderate and unable to take care of themselves.

## The Only-Child Weakness

Some child psychologists in China have divided the drawbacks of single-children into three major categories:

**Dependence.** In one-child families parents and grandparents



LIU TAOLIN

Liu Yufang (left), a farmer of Sichuan Province, listens as her only daughter, plays the piano.

naturally try to do their best to please their only child or grandchild. The young one is not required to do any housework or family chores, and he becomes accustomed to a life of leisure at an early age. Mothers are especially concerned with their only-children, becoming overly protective of their offspring. Children are normally full of curiosity and a sense of adventure. But today many parents do not allow their kids to take part in such activities. There is also a trend towards doing every little thing for these single children. A 9-year-old boy recently said, "When I wanted to wash my own clothes, Mom said I could not get them clean, and when I wanted to wipe off the table mother said I might knock off the television, vase or desk lamp. When can I learn to do these things properly if Mom won't let me learn?" As a result, such

children find themselves at a loss when they have to make their own decisions because they lack both experience and courage.

**Little consideration.** Because only-children have no experience of living with brothers and sisters, they are accustomed to being the centre of the family. They have no concept of sharing things or their happiness with others because they are used to having all the joy or possessions under their own control. This being the case, many of these little children lack the spirit of helping others.

**Wilful and spoiled.** Only-children are receiving unprecedented "material love" at home. For example, when the pupils of the Beijing Hufangqiao Primary School were told to bring in pocket dictionaries, many of them brought in thick, expensive ones.

To arouse the pupils' interest in music at the Beijing Beihai Kindergarten, teachers began to give simple music lessons. Upon learning this, parents immediately went out to purchase expensive musical instruments for their kids, some of whom, at the age of 4 or 5, had already been given three accordions.

Because their demands for material things are so easily satisfied, only-children have become self-willed and developed the habit of reaping without sowing. It is popular opinion that the shortcomings of these wilful children originate from the superior material conditions and the special status they enjoy in their families.

a survey conducted by Chen Kewen, a postgraduate of the sociology department of Beijing University. Under the guidance of his teacher, Chen conducted a survey among 1,148 children who have lived in Beijing in the past few years, making comparisons between only-children and those with siblings.

Chen has isolated 10 extremes of psychological behaviours that have been noticed as common characteristics among only-children: eccentricity, offensiveness, selfishness, dependence, wilfulness, delicacy, weak-willed, laziness, dishonesty and timidity. While the survey indicated that there was not much difference between only-children and

sized cities of between 500,000 and 1 million, and small ones with fewer than 500,000 in Liaoning Province. It revealed that there was little difference between only-children and children with siblings in IQ and disposition. But there exist two extremes among the only-children: some are the best in IQ and disposition, others are the worst.

## Parents' Responsibility

On top of any parents' normal love for their children, parents younger than 40 have some special feelings towards their children due to their own upbringing.

A father of a primary school pupil said the parents of his age "lost our golden time during the 'cultural revolution' when we were in our 20s. We have to rest our dreams in our children and hope they will become somebody some day."

Yang Ming, a parent of another only-child, said "I spent my childhood in the 1960s when our country suffered financial difficulty and spent my youth during the 'cultural revolution.' As a result, I experienced hard times and lost my golden opportunity for study. I am determined that my only daughter will live a happy life. I'll do everything I can to meet her wishes."

These two parents' feelings are typical. Most of the young parents, who had their children after 1979 experienced similar childhoods and adolescences. It is natural that they have high expectations for their children.

On the other hand—they have allowed their only children to become precious treasures, perhaps spoiling them to a point of no return. Parents today have high expectations of their children, and invest great sums in their children's intellectual development. But while they purchase endless books and toys for their kids and take them on numerous



A child's painting: A Spoiled Only Child.

NING LUTAO (FIVE YEARS OLD)

## Single Kids vs. Siblings

Do children with brothers and sisters have the same shortcomings as their single counterparts? The teachers from Beijing Hufangqiao Primary School say "yes," adding that bad characteristics simply stand out more sharply among single children. This conclusion is consistent with

children with siblings in terms of the above behaviours, only-children were revealed to be slightly more delicate and lazy than their counterparts.

The survey results were similar to those of other investigations carried out in the field. One survey was conducted among 3,000 young children in some cities of more than 1 million, medium-

outings, they often neglect their moral character development. Then they are surprised when their children misbehave at school or don't meet their high standards, and turn around to spank and scold them. Obviously, this hinders the healthy growth of the children.

Meanwhile, many parents are quite concerned about properly bringing up their only-children. Wang Duomin, a teacher in Beijing, for example, wonders if her only son is pampered and selfish how will it be possible for him to take care of his parents when he is older? If he doesn't show love and respect for his own parents, how will he be capable of loving others and contributing himself to his country? Wang is determined to bring up Wang Yang, her only son, to respect his elders and peers. For example, in the past when his mother brought home some candy, the little boy always had first taste. So Mom told the boy she was also fond of candy. "But since your grandmother is the oldest of us all, she should be the first to have something delicious," she said. After several such lessons little Wang waits his turn before serving himself.

Wang has also made efforts towards training her son to take care of himself. Now mother asks her son to clean his own bowl and chopsticks after dinner and to put away his own things. And while Wang Yang, a fourth-grade pupil, is said to be clever and a little bit naughty, he knows how to respect his elders and does not put himself in a special position.

There are many other good single-children like Wang Yang. Half of the pupils who have fulfilled the "Three Goods" in Beijing's primary schools are only children. These "Three Goods" children have been chosen as tops in virtue, behaviour and academic performance.

## Educating the Educators

Some parents have expressed helplessness in raising their one child. Since education is an important moulding force for children of China, it is essential that teachers and educators help parents in their task.

In some cities today, 95 percent of first-grade pupils are only-children. Under such circumstances, Peng Peiyun, vice-minister of the State Educational Commission, pointed out at a recent national education conference, schools should take on the responsibility of educating younger parents on how to bring up their children.

---

***Schools should take on the responsibility of educating younger parents on how to bring up their children. Today, more than 1,200 schools for parents have been set up nationwide.***

---

According to incomplete statistics provided by the All-China Women's Federation, more than 20 provinces, municipalities and autonomous regions have established family education research societies; more than 12,000 adult education classes for child rearing have been set up around the country. In Sichuan, China's most populous province, such institutions have been established in 72 percent of its cities and counties. These institutions focus on the study of only-child negative characteristics resulting from improper education given by their parents.

In the past, teachers used to visit pupils's homes, keep in touch with

parents by mail, hold parent-teacher conferences or invite parents to participate in school activities. Today, lectures on child psychology are being held for parents, organized according to their ages and occupations. There are schools for parents who also have the opportunity to attend meetings to exchange their own experience; parents committees were also set up which serve as a link between schools and families.

Min Xijun, principal of the 98-year-old Beijing Hufangqiao Primary School, said although the influence of teachers had a significant impact on pupils, it was quite limited compared with that of parents. So the school opened a parent's school, which received enthusiastic support from the parents.

Many parents, often both husband and wife, attend the school and have established close contacts with the teachers. Many parents have commented that in just the short time they have been applying their lessons at home, they have seen their children mature before their very eyes.

Pan Chao, for example, was once the quintessential "spoiled brat." He often played truant and fought with other children. His parents simply spanked him when he got in trouble, which, however generated little change in the boy's attitude. Hoping to learn how to deal with his son's behaviour, Pan's father began attending the school's classes for parents. Coming to understand a bit of child psychology, he gave up his spoil-and-spank routine. The father now patiently reasons with his son when the boy gets in trouble. So far -- so good. ■

---

CORRECTION: In the middle column on page 26, issue No. 18, the figures for the output value of township enterprises in 1983, 1984 and 1985 should read 100 billion, 170 billion and 248.1 billion yuan respectively.

## Women's Economic Position Improves

"NUZI SHUIE"

(Women's World)

In old China, most women did not have jobs and were on the lower rungs of the social ladder. As they did not have independent sources of income, they had to rely on their husbands. Under such conditions, they had little chance to become anything other than mere tools of their families, which were dominated by men.

The most fundamental change brought to women by the founding of the People's Republic was employment. The results of a sample survey of the third national census, completed on July 1, 1982, revealed that employed people accounted for 51.94 percent of the country's population. Of these, men accounted for 56.3 percent and women 43.7 percent. Women have become an indispensable force in China's socialist construction.

Employment makes it possible for women to contribute to their family finances. According to a survey of five cities in 1982, the average combined income for a married couple came to 135.8 yuan a month. Of the sum, the wife contributed 57.07 yuan and the husband, 78.01 yuan. Although there was still a difference between their average incomes, the wife's wages were vital to sustaining the family's standard of living.

Jobs mean money for wives, who in turn become less dependent on their husbands. Employment has also laid the economic foundation for equal relationships based on mutual respect. At the same time, the reliance on the wife for doing the household chores has changed. According to the five-city survey, household duties are now shared in the following ways: (1) If the family has elderly members who are retired or unemployed, they will take the major responsibility for household chores, and the

younger couple will help. (2) In families where both the husband and wife have jobs and do not have older people to help them, the husband and wife share the responsibilities, and each does his or her best to reduce the burden of the other. Sometimes, a division of work is made in line with their capabilities. (3) Some families, especially those with youngsters, hire house-keepers to take care of the household chores. In all cases, it has become quite common for the husband to take his share in household labour, and for husband and wife to make decisions on household matters together. According to statistics, only 50 percent of women who married before 1949 have a say in household matters, while more than 90 percent of the couples who married after 1977 share the decision-making power.

In general, the change of women's economic status in families has made them more independent of their husbands, has helped improve the family atmosphere and constitutes a major step towards eliminating the feudal patriarchal system.

## Local Opera Stages Shakespeare

"JIEFANG RIBAO"

(Liberation Daily)

When *Twelfth Night*, a comedy by William Shakespeare, was adapted to Shaoxing opera and first staged in Shanghai recently, the response from the audience was mixed. Many young people, who were not regular opera-goers, watched the performance through to the end with great interest. Some old Shaoxing opera fans, however, shook their heads and walked out early.

"One of the major characteristics of modern opera is the division of its audience," said play director Hu Weimin as an explanation for *Twelfth Night's*

split response. "While trying to bring Shakespeare comedy to the stage of the Shaoxing opera, we do not intend to detach ourselves from our older audience, even though some of them will feel as though they are being left out in the cold. At the same time, however, our efforts will win us new supporters."

Why bring Shakespeare to the stage of Shaoxing opera? The reason, Hu Weimin says, is that Shakespeare has a particular artistic charm, and Chinese operas, of which there are many varieties and fans, are easily accessible to the people. To adapt Shakespeare's plays to Chinese operas, he said, will give the people the opportunity to expe-

rience one of the world's greatest authors.

Hu Weimin said when he was first invited to be the art advisor to the No. 3 troupe of the Shanghai Shaoxing Opera Theatre, he suggested that the troupe enlarge its repertoire and stage more Chinese and foreign classical works. His suggestion was supported by the leadership of the theatre, and after discussions, they decided to begin by staging *Twelfth Night*.

Though there are great differences between Shaoxing opera and Shakespeare, Hu said, Shakespeare's plays share many of the characteristics of Shaoxing opera in the use of poetry. He also said the love story in *Twelfth Night* is similar to the one in *Liangshan Bo and Zhu Yingtai*, a traditional part of Shaoxing opera's repertoire.

# Instrument Industry Increases Imports

**D**uring the Seventh Five-Year Plan period (1986-90), China's instrument industry will import basic components and advanced manufacturing technology, said Xu Wenhai, director of the Instrumentation Bureau, Ministry of Machine Building Industry, in an interview with *Beijing Review* on April 20.

"The imports will include special-purpose integrated circuits, sensitive elements, socket connectors, precision finishing technology, complete technologies of system engineering, office automation equipment and medical and biochemical apparatuses," Xu said. He said the bill for these items will amount to US\$200 million.

Foreign firms are welcome to discuss technical transfers, cooperative production and joint management, Xu said.

In 1986 the stress will be on digesting the technology introduced during the Sixth Five-Year Plan period (1981-85), he said. The imports for the machine building departments during that period were worth US\$2 billion,

half of which was approved by the Instrumentation Bureau.

The emphasis during that period was on large precision and medical instruments, and control systems and their key equipment. Only a few small and medium-sized automation and optical instruments were imported, Xu said. In 1984, he said, imported instruments met half of the national needs.

China only recently began exporting instruments, and its basic industries are weak and its technology backward. Consequently, the export volume is much lower than that of import. From

1981 to 1985, the export volume came to US\$65 million, averaging US\$13 million every year. By 1990, however, it is expected to quadruple.

The China Instrument Society and the SHK International Services Ltd. of Hong Kong organized the Second Multi-National Instrumentation Conference and Exhibition (MICONEX), which was held from April 16 to 22 in Beijing. The conference was arranged to strengthen the co-operation of international instrumentation circles for the industry's development, to improve China's import

**Instruments made by the No. 701 Institute of the Ministry of the Aeronautics Industry.**



**The MICONEX '86 exhibition hall.**



of advanced technology and to increase exports. The MICONEX '86 was supported by China, the United States, Japan, Great Britain and two UN organizations.

China lags far behind developed countries in instrument manufacturing. But it is catching up, owing to the concern of its government and the efforts of its workers. At present, China has 1,700 factories, including 129 large



The British Food Festival, sponsored by the Great Wall Sheraton Hotel Beijing and British Airways, was held in the hotel from April 11 to 20. Sir Evan Richards, British ambassador to China, and Joseph Roseman, the hotel's general manager, cut the ribbon at the opening. Right: On April 23, British Airways held its first hot-air balloon demonstration in China.



ones, employing 800,000 workers and staff manufacturing 17,000 varieties of products.

by Zhang Zeyu

## Bank Seeking Foreign Loans

The China Investment Bank has discussed with representatives of various foreign banks the prospects for China receiving long and medium-term loans.

In 1958, the China Investment Bank, which is responsible for raising funds for national construction, sent a study group to New York, London and Hong Kong to investigate the conditions and possibilities for taking out loans. At present China's chief loan source is the World Bank.

Zhou Hanrong, president of China Investment Bank, said China needs more sources.

In the first half of 1985, the China Investment Bank received two loans from the World Bank, totalling US\$245 million. A contract on a third loan of US\$100

million is expected to be signed soon.

In 1985, the China Investment Bank approved the extension of 144 loans, which is 1.4 times more than the total of the previous three years. Its foreign exchange loans amounted to US\$123 million, or 80 percent more, while Chinese currency loans came to 194 million yuan, up 60 percent.

Zhou said the bank emphasizes economic results and carefully examines a project before taking out a loan. He said special support will be given to export-oriented or foreign-exchange-saving projects.

## First Bid with Own Foreign Funds

The China National Technical Import and Export Corp. signed a US\$50 million contract on April 11 with the West German PWH Co. on purchasing loading equipment for the Qinhuangdao port coal terminal. The contract was the first China has succeeded after using its own foreign

currency for international bidding.

PWH will transfer the technology for manufacturing 56 types of bulk cargo loading machines free to China as part of the contract. It will also co-operate with a Chinese factory in manufacturing dock machinery, the parts of which the Chinese side will produce 80 percent.

In the past China has had to get foreign loans for international bidding. The outcome of the bidding is then subject to the approval of the creditor, making the procedure long and complicated. By using the government's foreign exchange, China will free up its bidding to suit itself, while its purchasing can also then be conducted in a way that suits China best. The coal terminal at Qinhuangdao is a major project on the Seventh Five-Year Plan (1986-90). When completed in 1988, the port will become China's largest coal export site. Its annual capacity will be raised from the 50 million tons of 1985 to 80 million tons by then.

## Ding Ling—A Spiritual Treasure



Ding Ling.

On March 4, 1986, China's well-known author Ding Ling died at the age of 82 from complications with diabetes. Even in her dying days, Ding Ling, ever a patriot and prodigious worker, was caught up in the affairs of China, a literary periodical she founded in early 1985.

Ding Ling was a tenacious woman who tied her life closely to the Chinese revolution and who was also deeply affected by the misfortunes she suffered from the twists and turns in China's history.

Born Jiang Bingzhi in Nanyang, Hunan Province, in 1904, Ding Ling was strongly influenced by her mother's democratic ideology and began rebelling against feudalism at an early age. In those days, when many young girls had their feet bound, girls usually stayed at home and did not attend school. Ding, however, was different. Prompted by the new ideas of the 1919 "May 4th"

Movement, which challenged both imperialism and feudalism, Ding left school early and went to Shanghai with some of her radical schoolmates. There she devoted her life to seeking China's salvation.

In 1923 Ding Ling enrolled at Shanghai University, which was run by Qu Qiubai and other leading Communists, and majored in Chinese. In 1927 she published *Miss Sophie's Diary*, depicting the black society of old China and the pains and aspirations of the young intellectuals who found their awakening in the "May 4th" Movement.

Ding Ling soon became one of China's more influential left-wing authors. In May 1930, she became a member of the League of Chinese Left-Wing Writers, headed by Lu Xun. In early 1931 Ding's husband, Hu Yeping, and four other young writers of the League were murdered by the Kuomintang. Recalling that

period, Ding Ling said, "Friends, you might be surprised how they could shoot these young writers at night without any legal formalities. At that time, however, a person could be imprisoned or killed only because he possessed a red-covered book. Those five feared nothing in jail or on the execution ground, and their blood dyed red the flower of the new literature."

Though confronted with the "white terror," Ding voluntarily worked as editor-in-chief of the *Big Dipper*, organ of the League, and in 1932 she became a Party member. During this period, Ding wrote *Water, Mother* and other books that won her acclaim from famous authors Lu Xun and Mao Dun.

In May 1933 Ding was kidnapped by the Kuomintang in Nanjing, provoking protest and a rescue movement in which many Chinese and foreign celebrities,

Ding greeting minority students at the Literary Institute under the Chinese Writers' Association in April 1981.







Ding and her husband, Chen Ming, visiting the American playwright Arthur Miller and his wife in the United States in 1981.

including Soong Ching Ling, Lu Xun and Romain Rolland participated. The Kuomintang attempted with both persuasion and force but failed to convert Ding. In 1936, with the help of Lu Xun and the Party, Ding disguised herself and escaped from Nanjing to Baoan County in Shaanxi Province, where the Party Central Committee was then located. During her stay there, Ding became involved with the front and wrote about the lives and battles of the Red Army, the 8th Route Army and the Chinese people. In 1946, based on her experience in China's land reform movement, Ding wrote *The Sun Shines Over the Sanggan River*, a novel about the drastic changes in rural areas during the new democratic revolution. The book is considered a milestone in Ding's

literary career and a prominent contribution to China's modern literature. In 1951, she was awarded the Stalin Prize for the book.

After the founding of New China in 1949, Ding assumed a leading position in cultural circles. She participated in the international peace movement and women's activities, and was elected an executive member of the World Democratic Women's Federation. During this period, Ding also wrote prose, literary criticism and novels to express her love for China's new life.

In 1955 and 1957 Ding was mistakenly labelled as a chief member of two "anti-Party cliques," and she was sent to work in a labour farm in Heilongjiang Province for 12 years. During the tragic "cultural revolution," she

was again persecuted and imprisoned for five years. In 1979 when the Third Plenary Session of the 11th Party Central Committee was held, Ding's good name was restored, and she was once again regarded as a loyal Party member who devoted more than 50 years of her life to China's revolution.

Although she was persecuted due to the errors of the Left, Ding held fast to her convictions and her optimism. Reflecting on the trouble and hardships of her past, Ding once said, "I am always examining my feelings, but I fail to come up with any real complaints. I only suffered a bit. The Party and the state, however, suffered a great deal."

Ding Ling was not only a talented author, but a tough, open and warm person as well. Inspired

by her personality, literary skills and enthusiasm for the Chinese revolution, Edgar Snow, Agnes Smedley and other foreign journalists who were in China in the late 1930s, described her in detail in their works.

During her 60-year career as an author, Ding wrote many works that were loved by readers. Her writings represented a new literary orientation, and in them she encouraged many young people to join the revolution. In her 3



Ding Ling during the anti-Japanese war.

million published words, Ding left the Chinese people a spiritual treasure.

As a vice-chairman of the Chinese Writers' Association and vice-president of the China PEN Association, and despite her poor health, Ding Ling still travelled abroad in her later years to promote literary exchanges and mutual understanding between China and other countries. Only a few days before she died, Ding was conferred the title of "Honoured Academician" by the American Academy and Institute of Arts and Letters.

Upon hearing the sad news of her death, many of her foreign friends and the embassies in China delivered messages of condolence to her family. Well-known



Ding laboured in a field during a return visit in 1981 to the farm where she once worked.

Chinese-American author Hualing Nieh also sent a telegram and a letter to express her deep sorrow over Ding's death. As China's American friend Sidney H. Rittenberg said, "Ding Ling, our friend of 40 years, lives forever as an example for women of the world. She drew extraordinary strength and integrity from her dedication to the cause of an enlightened humanity. The world will increasingly revere her and cherish her memory."

## Movie Resurrects the Wonders of Chimes

The film *The Reappearance of Wonders* is about the excav-

ation and eventual restoration of a set of 2,400-year-old musical instruments.

From among the sacrificial articles excavated from an ancient tomb near Wuhan in 1978 were complete sets of bronze chimes, jade chimes, an ancient Chinese zither, a bamboo flute, a vertical bamboo flute, reed pipe wind instruments and a *xun*, an oval clay ocarina, probably the oldest Chinese musical instrument. With 124 pieces in all, the treasures have been duplicated down to the most minute details so that they now make up an ancient orchestra.

Intensive study on bronze chimes, which are the foundation of the orchestra, has shown that each chime can emit two standard notes. In comparison with the modern piano, the musical range of the whole set of 65 bronze chimes is five octaves, while that of a piano is seven.

After their excavation, many musicians wrote music for the chimes, while choreographers worked out ancient dances to be accompanied by the instruments.

In *The Reappearance of Wonders*, the Beijing Film Studio has made the duplicate chimes, their music and the dances into a feature film. The studio hopes music and dance fans, and those who are interested in archaeology might find this film of interest. Some, however, think it might be a bore. Who knows?



## Sculptures by Lu Qihui

Lu Qihui, born in 1936 in Meixian County of Guangdong Province, now works at the Shanghai Research Institute of Oil Painting and Sculpture, and creates works that are particularly bold and expressive. He also makes good use of the original shape and Texture of his materials, which have included wood and copper.



A Herdsman.



A Tibetan Woman.



An Ancient Painter.

**ART PAGE**



《新青年》一九八六年第十九期邮政代售二 九二二 北京市期刊登记证第七三三