

北京周報

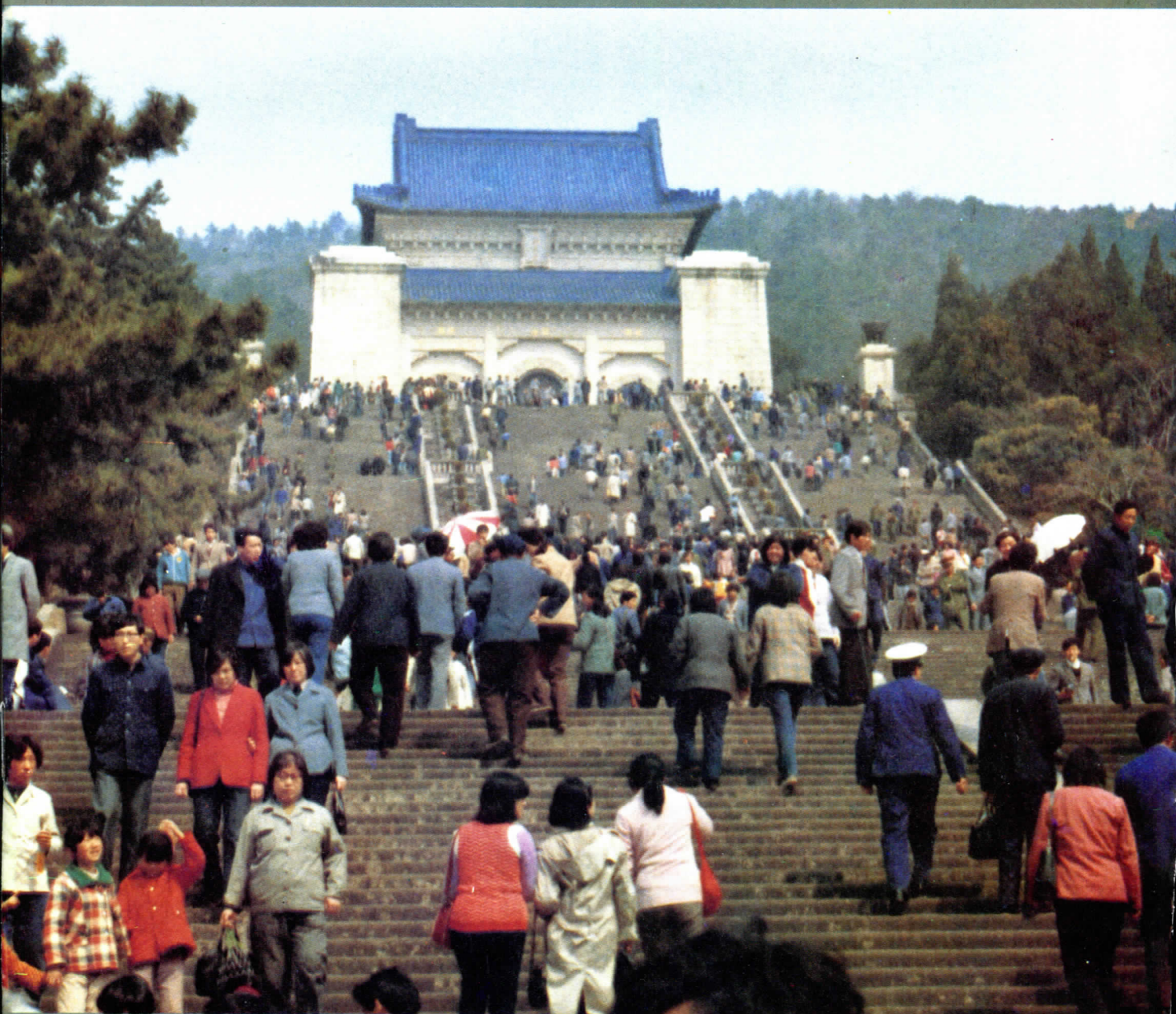
A CHINESE WEEKLY OF NEWS AND VIEWS

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Political Reform Under Discussion



A NEW LOOK AT SUN YAT-SEN

Master Cooks in the Making

These students, who enrolled in the Cookery Department of the Jiangsu Commercial Polytechnic in 1983, have spent three years on 20 university courses, including the history of Chinese cuisine, the art of cookery and the science of nutrition. They have also had 600 hours of practical experience. They have now been assigned to work in various big hotels.



Master Cook Hu Changling (middle) discussing some fine points of cuisine while setting a table.

Three students prepare assorted cold dishes.



Watermelons are carved to be served as a course for banquets.





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Chen Zonglie

HIGHLIGHTS OF THE WEEK

Nation Marks Dr. Sun's Birthday

■ The 120th anniversary of Dr. Sun Yat-sen's birthday has been marked in many Chinese cities. The vitality of Dr. Sun's thinking and its lasting relevance were commemorated during the celebrations (p. 21).

Nakasone's Visit Strengthens Friendship

■ Japanese Prime Minister Yasuhiro Nakasone's 25-hour visit to China on Nov. 8-9 was busy. He laid the cornerstone for a Sino-Japanese Youth Exchange Centre and held meetings with Chinese leaders Deng Xiaoping, Hu Yaobang and Zhao Ziyang (p. 6).

Theory of Political Reform Discussed

■ Debate ranged widely as scholars in Beijing recently discussed the theory of political reform. While some said that political reform should be tied to the economic reforms, others called for the Party to leave day-to-day governing to the government so that today's problems could be tackled (p. 14).

Open Policy & Import of Culture

■ Since its open policy began in 1979, China has imported advanced technology to speed its modernization, and progressive idea to enrich its culture. Such cultural contact has proved rewarding, and will be continued in the future (p. 4).

Archives Come Out of the Closet

■ In an interview with *Beijing Review*, Director Han Yuhu of the State Archive Administration underlines the importance of archive work in China's economic development. He describes how archives are opening up and the regulations governing archive exchanges with other countries (p. 15).

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Open Policy, Import of Culture

by Xin Xiangrong

It is indisputable that we need to open to the outside world and to import foreign capital and advanced technology for material modernization. It is equally important for us to do the same in our bid to build an advanced socialist culture.

This view of the Party is consistent. Forty-six years ago, in his *On New Democracy*, Mao Zedong wrote: "To nourish its own culture, China needs to assimilate a good deal of foreign progressive culture, not enough of which was done in the past. We should assimilate whatever is useful to us today not only from the present-day socialist and new-democratic cultures but also from the earlier cultures of other nations, for example, from the culture of the various capitalist countries in the age of Enlightenment." Many of these good ideas however, were not carried out either because of the war conditions at the time, or because of the imperialist blockade imposed on New China after its founding and the "left" guidelines of the Party later on.

A look at China's cultural development reveals that many of its periods of cultural flowering owed a great deal to exchanges with foreign countries at the time. This was true during the contention between a hundred schools in the Spring and Autumn Period and the Warring States (770-221 B.C.), the brilliant cultural and artistic achievements in the Tang Dynasty 1,300 years ago and the search for a road to China's liberation by thinkers

around the May 4th Movement of 1919. Cultural exchanges have not squeezed out national culture, but have enriched and developed it.

Modern science has made the world smaller. Cultural exchanges between nations are inevitable and irresistible. China will continue to learn from advanced cultural achievements abroad and will bring in new ideas and concepts selectively.

China itself has made important contributions to world civilization, but its development was hampered by the long period of feudalism. Today, while judging their culture, the Chinese should neither adopt a nihilistic attitude of negating everything, nor ignore the backwardness that does exist. Inventing the art of typeset printing is a source of pride for the Chinese, but we should not be intoxicated with our role in promoting the Renaissance in Europe and refuse to adopt the modern photosetting technology. Nor should we rest on our laurels just because we have unearthed so many cultural relics and are displaying them for visitors to



wonder at. We should admit that China has lagged behind in many fields and we must strive to catch up.

The development of modern capitalism has put an end to the autarkic, isolated outlook. The cultural and artistic works of disparate nations are available to all. Modern science has made the world smaller. No nation has a monopoly on its culture. Cultural exchanges between nations are inevitable and irresistible. Increased contact with foreign countries since 1978 has stimulated the growth of Chinese culture and deepened mutual understanding and friendship between nations.

China will continue to learn from advanced cultural achievements abroad and will bring in new ideas and concepts selectively. Whatever will facilitate China's material modernization and its cultural advancement is welcomed as are foreign cultural products that can be appreciated by the people and entertain them. Those that have artistic value but have certain unhealthy contents will be imported for the study of specialists and professionals. However, pieces which are reactionary in content, advocate extreme individualism and propagate sex and violence will of course be rejected. ■

Nation Marks Dr. Sun Yat-sen's Birthday

Dr. Sun Yat-sen's brilliant thinking and propositions on revolution and construction are a valuable spiritual legacy to us, a legacy that always inspires our whole nation on its march forward," said Peng Zhen, chairman of the Standing Committee of the National People's Congress, at a meeting in commemoration of the 120th birthday of Dr. Sun Yat-sen in the Great Hall of the People on November 12.

Attending the meeting were Party and state leaders, including Hu Yaobang and Deng Yingchao, leaders of China's democratic parties, famous non-party personages, Dr. Sun Yat-sen's relatives from both at home and abroad, participants to a recent international symposium on Dr. Sun Yat-sen, as well as some 10,000 people from all walks of life in the Chinese capital.

In his speech, Peng Zhen recalled Dr. Sun Yat-sen's contributions to the Chinese nation as well as the long and hard road the Chinese people traversed later under the leadership of the Chinese Communist Party. He said, "Dr. Sun Yat-sen was a great national hero, a great patriot as well as a great forerunner of the Chinese democratic revolution. He fought unyieldingly all his life for the independence and liberation of the Chinese nation, and his outstanding revolutionary achievements ushered in a new era in Chinese history."

Peng said, "Dr. Sun Yat-sen was great in that not only did he lead the Revolution of 1911, but he also made a point of advancing with the times and keeping in the forefront of events."

Peng recalled the success of the previous two rounds of co-operation between the Chinese Communist Party and Kuomin-

tang and urged the two parties to co-operate for the third time. "History since the first co-operation between the Kuomintang and the Communist Party has indisputably proved that such co-operation is conducive to the progress of the Chinese nation, to China's becoming powerful and prosperous and the development of both parties," he said.

He said that Dr. Sun had consistently stood for safeguarding the unification of the country; and while commemorating his 120th birthday, every Chinese should review and ponder deeply over his teachings.

"The distressing thing is that to this day Taiwan remains separated from the mainland. To change this unfortunate situation and complete the great cause of the reunification of our motherland as soon as possible is an honourable mission history has entrusted to this generation of the Chinese nation," Peng remarked.

He said that the concept of "one country, two systems," put forward by Deng Xiaoping in September 1982, is of strategic importance, and to translate it into reality will enable the long-separated kindred compatriots to reunite, enable China to put into wide use the plentiful resources above and under a land of 9.6 million square kilometres and enable the 1 billion sons and daughters of the Chinese nation to fully display their wisdom, while the current socio-economic systems and ways of life on both sides of the Taiwan Straits remaining unchanged.

"It is high time for the Kuomintang authorities in Taiwan to take a step forward," Peng pointed out. In his opinion, the Kuomintang authorities can do a lot in many respects. For

instance, it requires no more than making up their minds to restore trade exchanges and exchange of mail, air and shipping services, he said.

"Now, the most important thing is for talks to be held between the Kuomintang and the Communist Party on a reciprocal basis," Peng added. "We sincerely hope that the Kuomintang authorities in Taiwan will send representative personages to meet us in places they think appropriate so that there can be an exchange of views on various questions of mutual concern."

Also speaking at the meeting were Qu Wu, acting chairman of the China Kuomintang Revolutionary Committee, Zhou Gu-cheng, a famous historian and representative of democratic parties and people without party affiliation; Bainqen Erdeni, representative of China's religious circles; Lin Liyun, representing Taiwan compatriots; Sun Suiying, a grand-daughter of Dr. Sun Yat-sen; and Miyazeki, a Japanese. All of them spoke highly of Dr. Sun Yat-sen's great contributions to the Chinese nation and expressed the strong hope for China's reunification and prosperity.

On November 11, an opening ceremony was held by the Chinese Ministry of Culture for an exhibition on Dr. Sun Yat-sen's 120th birthday, which was sponsored by the Museum of Chinese Revolution and the China Kuomintang Revolutionary Committee. On the afternoon of November 12, a big bronze statue of Dr. Sun was unveiled in Beijing's Zhongshan Park.

Other events to mark the occasion includes a meeting held by the Zhongshan University in Guangdong. The university was set up by Dr. Sun Yat-sen in 1924.

Nakasone: Whirlwind Visit to China

Japanese Prime Minister Yasuhiro Nakasone recently paid a brief 25-hour visit to China. Arriving in Beijing in the afternoon of November 8 and departing on November 9, he joined Chinese Communist Party General Secretary Hu Yaobang in laying the cornerstone of a China-Japan Youth Exchange Centre.

During his visit, Nakasone also held a series of discussions with Hu Yaobang, Chinese Premier Zhao Ziyang and senior leader Deng Xiaoping on bilateral relations and a number of international issues.

The youth exchange centre is a co-operative venture between China and Japan agreed upon by Hu Yaobang and Nakasone when Hu visited Japan two years ago.



Prime Minister Yasuhiro Nakasone and his wife, Tsutako Nakasone, talk with General Secretary Hu Yaobang of the Communist Party of China at an informal luncheon at the prime minister's official residence in Tokyo on November 26, 1983.

Xinjiang Opens To the World

China's leaders have decided to make a strategic shift of economic activity to the country's vast northwestern region at the turn of the century. Xinjiang will be at the centre of the programme. Efforts are being made to improve the investment climate in the autonomous region by intensifying the development of its transport links and by offering favourable terms to investors, it was revealed recently by Tomur Dawamat, chairman of the Xinjiang Uygur Autonomous Region.

To the outside world, Xinjiang is a kind of "Shangri-la." It is endowed with obvious advantages over other Chinese provinces—its rich natural resources, sparse population and wide open spaces, the size of Britain and France combined.

Xinjiang has 140 million *mu* (one *mu* is equivalent to one-

fifteenth of a hectare) of uncultivated arable land and 48 million *mu* of cultivated land, or 3.82 *mu* per head, on which cotton, grain, melons, sugarbeet, fruit and other cash crops are grown. Xinjiang also has an acreage of 760 million *mu* of grassland suitable for pasture. Xinjiang sheep produce fine mutton and wool, both of which are well-known at home and abroad. Xinjiang has large reserves of oil, coal, nonferrous metals and many other minerals. Workable coal reserves are estimated at 1,600 billion tons.

Another unique advantage that Xinjiang has is its geographic location on the ancient trade route linking China with the rest of the Eurasian land mass, known as the "Silk Road." Xinjiang is a multinational region inhabited by people of more than 14 different ethnic groups, most of whom are Moslems.

Because the people of Xinjiang share similar customs and religious beliefs with those living in the Gulf states and the rest of west

Asia, and because there are a great number of overseas Chinese from Xinjiang in these areas, it would be more convenient for Xinjiang to co-operate economically with these countries. But many businessmen and bankers from other parts of the world are not unaware of Xinjiang as a promising land with great potential for development; they are simply worried about the backward conditions in remote Xinjiang, believing its long-standing isolation has resulted in a lack of the necessary experience and qualified personnel required for the proper handling of foreign investments. True as this is, foreigners perceive Xinjiang as having an air of mystery about it. Their hazy image of the autonomous region might itself cause hesitation. Chairman Tomur Dawamat pointed out.

"We are trying to do something about this," Tomur said in a determined tone. The local authorities of Xinjiang is now engaged in improving the local climate for external investments.

Located in the eastern suburbs of Beijing, the centre will cover a total area of 55,000 square metres. The complex of buildings is to include a theatre, a building in the form of a bridge for training and study, a swimming pool and a hotel, all in symbolic designs.

The two governments have attached great importance to promoting contacts between young people of the two countries—the Chinese government invited 3,000 Japanese youngsters to China in 1984, and Nakasone announced at the ceremony that the Japanese government will invite 100 young Chinese to visit Japan in each of the next five years.

"I am a young man myself," Nakasone said in fluent Chinese. And with a young man's determination, he said he would spare no effort in strengthening

Sino-Japanese friendship and maintaining world peace.

At a welcoming banquet in honour of Nakasone in the evening, Hu said good neighbourliness between the two countries have brought about great benefits to the two peoples and have helped safeguard peace in Asia and the world. "It is our lofty historic mission to carry our friendship into the next century despite our different social systems and ideology," he said.

He spoke highly of the timely and wise decisions made by Nakasone on some major issues about the bilateral relations.

Deng Xiaoping, Chairman of the Communist Party Central Advisory Commission, met the Japanese prime minister the next morning. He agreed with Nakasone's suggestion about carrying Sino-Japanese friendship

into the 21st century. "This is of vital and lasting importance," he said.

Nakasone's talks with Chinese Premier Zhao Ziyang focused on trade and economic relations. Zhao said, "Japan is now adjusting its economic structure by expanding imports and increasing the export of funds, while the future of China's foreign economic relations lay in boosting exports and attracting overseas capital."

"This will make Sino-Japanese economic ties, which already complement each other, more important," he said. "It will be an opportunity as well as a challenge for both sides."

Nakasone said that it is Japan's basic policy to co-operate with China. "We will continue to make efforts to help correct the trade imbalance," he said. ■

To help break its isolation, Xinjiang is giving priority to building a complete network of railways within and radiating from the region. Since the 1984 opening of the Turpan-Kurla section of the Southern Xinjiang Railway, the local economy has been thriving. Taking the Bayingolin Monggol Autonomous Prefecture as an example, five co-operation agreements have been signed between the prefecture and firms in the United States, Italy, Switzerland and Hong Kong, adding to a long list of contracts agreed with other Chinese provinces and cities. Large quantities of the produce of southern Xinjiang travel along the newly-built railway to the rest of China and further afield to Japan, Hong Kong and the West.

To complete the network, the Northern Xinjiang Railway under construction has been extended to Shihezi from Urumqi, the capital city of the autonomous region, and it is scheduled to reach Usu by October 1 next year. Further

construction westwards is also planned. In this way, Xinjiang will be linked to Kazakhstan of the Soviet Union by railway, the railway will become central to the whole railway system starting from the eastern Chinese port city of Lianyungang. According to a

research finding, it would reduce the cost by 30 percent and take only half of the time to transport cargo along this railway to Europe, compared to transportation through the Suez Canal.

The Sino-Pakistan Highway, officially opened to third countries

Women workers of the Tianshan Woolen Textile Company—a Sino-foreign joint venture in Xinjiang.

CHENG ZONG E





First Peace Run Reaches Beijing

by CHENG ZHISHAN

The first Earth Run, inaugurated on September 16 by the United Nations to celebrate the International Year of Peace and the 40th anniversary of the UN Children's Fund, arrived in Beijing on November 4. Chinese President Li Xiannian received the symbolic peace torch from David Gershon, an American sponsor of the run, and handed it to 14-year-old Chinese runner Wang Liming, who lit the flame. Two hundred other runners accompanied the torch to the Great Wall. The peace relay is to be in two parts, one scheduled to leave for Tokyo and the other going to Shanghai before flying on to Bangkok.

last May, is also to be improved. Xinjiang has received state investment of 100 million yuan to resurface the section of 425 kilometres between Kashgar and Kunjirap Pass on the China-Pakistan border. Then transport by land along the "Silk Road" can be fully developed.

In addition, the Xinjiang Airline has been set up with four giant Tu-154 passenger planes to be imported from the Soviet Union to ensure the earliest possible opening of an "Air Silk Road."

A seminar on the strategy of Xinjiang's development sponsored by the autonomous region is now being held in Beijing. Many economists and other specialists were invited to present their views and suggestions on Xinjiang's future. The seminar indicates the high hopes being placed in the prosperous, modernized Xinjiang of tomorrow. ■

'Love Corner' Gone in Shanghai

In Shanghai, 120,000 "older boys and girls"—a phrase frequently used to refer to those who are in their late 20s or early 30s but still single, have waited unsuccessfully in search for ideal love. A social problem, their lonely celibacy has begun to attract public attention. Though there is a long way to go to solve the problem, new hope is in sight.

"Love-seeking parties," get-togethers sponsored by *Life Weekly*, a local newspaper chiefly for the young, have been warmly welcomed. It lasted from September 25 to October 18. Though only 600 were lucky enough to become the first participants, these gatherings enabled some "older boys and girls" to regain confidence in themselves and get rid of their sense of frustration.

The direct purpose of the

activity was to end the once-known-to-all "love corner" in the People's Park at the heart of the city.

This so-called "love corner" was the subject of a heated debate in the local press during August and September. Some praised it for providing a chance and a place where "older boys and girls" could choose their ideal spouses for themselves, while others denounced it as both a potential threat to the normal peace of the park and a danger to unmarried young ladies at the hands of hooligans.

"It is more useful to take action than to stand aside talking," Li Heting, one of the young editors of the weekly told *Beijing Review*. "We are also young people. So we can appreciate the sorrows of the 'older boys and girls.' We take them as our own friends whose loneliness we should help to end."

Although China recently celebrated the 75th anniversary of the famous 1911 Revolution

which overthrew China's autocratic monarchy, feudal traditions and concepts continue to haunt people's minds and lives. Arranged marriages by parents or through go-betweens survive to this day. However, with the tremendous changes in the country's economy and culture, many young people are challenging the old traditions and demanding more freedom to choose their spouses. The present obstacle is the lack of social life and proper channels through which they can communicate with members of the opposite sex in a natural way.

The "love corner" in People's Park first appeared in 1980. For most of its existence, it played its proper role, that is, helping young men and women make contact. But this summer, it became "polluted" by certain malpractices which almost turned it into a sort of "auction" with some rowdies shouting "Is there anybody of 26?" or "One aged 34 needs a 28 year old!"

It was in this situation that the young staff of *Life Weekly* determined to bring "older boys and girls" together at a "love-seeking party." On September 25, several thousands of them tried to get into the small courtyard of the weekly. But only 600 could be admitted.

According to Dai Siping, one of the sponsors, the 600 participants were divided into two halves, each with about 150 males and 150 females. They took part in three get-togethers arranged for them in one week. A cordial, natural and amiable atmosphere embraced everybody. If someone found another to his liking, he could write down the number on a small card on his or her chest, and seek the help of the organizers for future contact. Nearly 60 percent of participants have found ideal spouses in this way.

The organized "love-seeking parties" have now replaced the "love corner" in People's Park.

The real significance of this is that society has responded to the bleak loneliness of so many young people, many of whom are victims of the "cultural revolution," to which they devoted their best years, first as "Red Guards" and then as "educated youth" settling in the countryside. When the long nightmare ended in 1976 and the times changed, they had already become the "delayed generation."

"I thought I must be quite old, but you see, to my surprise, I found I am younger than most of the others here. I can't express my sympathy for them, for myself," a 28-year-old young man told *Beijing Review*. "I appreciate the help offered by *Life Weekly*. I do hope the whole society will take practical measures to help us achieve happy marriages."

More and more young people now want to put an end to the traditional method of spouse-choosing in China. They are tired of being introduced to partners or receiving help from match-makers or family members.

According to a survey of 1,300 people in Beijing, 90 percent of existing marriages are self-determined, and only 10 percent were arranged by parents. Of the former, one third are couples who first became acquainted on their own. Even 'introduced' marriages are being 'socialized' through the Office for Marriage Introduction opened in the early 1980s. Some young people like to contact their counterparts through their friends, schoolmates, neighbours or colleagues. In addition, a great number of personal ads for partners are now appearing in newspapers and magazines. ■

by Dai Gang

CORRECTION:

In the article "Craxi's China Visit Stresses Friendship" in the "Events and Trends" column of our last issue, No. 45, we misspelled the name of the Italian prime minister. Here we apologize for this mistake.

China & the World

US Warships Call on Qingdao Port. Three warships of the US Pacific Fleet—the guided missile cruiser "Reeves," the destroyer "Oldendorf" and the guided missile frigate "Rentz"—arrived at Qingdao port on November 5 to pay a courtesy call on this east China port. During their week-long stay, three Chinese naval vessels will moor nearby to play host to the American visitors.

Soviet Partial Troop Withdrawal from Afghanistan of Little Significance.

A Chinese foreign ministry spokesman said in a telephone interview with a UPI reporter that the Soviet partial troop withdrawal from Afghanistan is void of practical significance. "We consider the Soviet action is designed to alleviate the pressure from the international community. The way to settle the Afghan issue is for the Soviets to come up with a timetable for the complete withdrawal of its troops from Afghanistan."

China's Stand on Kampuchea Issue Reaffirmed.

A Chinese foreign ministry spokesman has dismissed a report that Vice-Premier Tian Jiyun recently held talks with senior Vietnamese officials on the question of Kampuchea while in Bangkok as "entirely groundless." "So long as Viet Nam pursues a policy of aggression against Kampuchea and opposition to China, and refuses to withdraw all its troops from Kampuchea, direct contact or talks between China and Viet Nam are out of the question," he said.

USA

Reagan Faces a New Trial

Having suffered perhaps the most painful setback in his six years in the White House, President Reagan will now find it more difficult to carry out his domestic and foreign policies.

Democrats won a comfortable majority in the 100th congressional election, breaking the Republican's six-year hold on the Senate by winning 55 of the 100 Senate seats, a net gain of 8, while keeping control of the House of Representatives.

The Democratic triumph in this mid-term election bodes ill for a president now in his 6th year at the White House. Reagan, returning a lame duck from a 24,800-mile tour drumming up support for Republican candidates, will find the going tougher along the final bumpy stretch of his term of office.

The Democrats have always opposed Reagan's policy on Central America, particularly his support for the contras in Nicaragua. They have attempted to secure a ban on nuclear and anti-satellite weapons testing, have cut funds for his Star Wars programme, and forced the president to impose economic sanctions on South Africa by overriding his veto.

The Star Wars programme, detested by Democrats, and source of worry to many taxpayers after the deadlock over arms control at Reykjavik, is facing opposition in Congress, as did the B-1 strategic bomber under the Carter administration. Congress has already reduced defence spending for next year from US\$320 billion to US\$291 billion.

In Hong Kong, the world's third largest financial centre after New York and London, stock prices tumbled as early returns trickled in. Most of the drop was

explained by fears that a Democratic Senate would be more likely to approve tough protectionist trade legislation damaging to the Hong Kong economy. There is also concern in Japan over a rise in protectionist pressures.

Tip O'Neill, who has been Speaker of the House for nine years, will have a majority floor leader of his own party in the Senate, and it is they who will appoint the leaders of such important committees as those on appropriations, ways and means, and rules, which may delay or kill the bills the president puts before them.

The American voter usually

chooses candidates according to their personality or on regional issues rather than on defence, foreign affairs or other matters of national concern. Farmers who have to leave their land in some states due to the declining of price of agricultural products, turned against Republicans. In the oil-producing states, the high rate of unemployment caused by the drop in oil prices has also put the Republicans in a difficult situation. And in states hit by imports of steel and textiles, the problem of protecting their steel and textile products from being squeezed out of domestic markets by foreign goods, is also a major issue.

Of all concerns, the economy is the biggest headache. A recent poll showed that 29 percent of voters are affected by unemployment, 20 percent are concerned about federal budget deficit, 17 percent about inflation, 15 percent about interest rates, and 10 percent about the foreign trade deficit. And the economic outlook is not so rosy. The growth rate for the first half of this year was only 2.2 percent, lower than expected, and there is no sign of any

Senator Byrd campaigning in the US mid-term election.



improvement in the third quarter. The rate of unemployment increased a little in September, leaving 8.33 million people looking for jobs. The budget deficit for the 1986 fiscal year is estimated at record US\$230 billion, an increase of 9 percent over last year, and the trade deficit is estimated at US\$180 billion.

President Reagan has said, "I can't have my hands tied by a totally hostile Congress;" but under the Constitution he has no choice but to attend more carefully to the views of the electorate under the watchful eyes of both Senate and the House of Representatives. ■

by Jiang Wandu

Ordinary people are disappointed that the prices of imported goods, electronic goods in particular, have shot up since the SFEM was opened. There has also been a sharp drop in exports, increasing unemployment and inflation, with a general decline in living standards. International air fares have nearly doubled, and the prices of locally assembled cars are expected to go up by 300 percent this month.

The rate of inflation is likely to rise again when goods imported at first-tier foreign exchange rates (the official rate before the opening of the SFEM) are sold out. There are also worries about whether the SFEM can be adequately funded. Although Western creditors have promised support loans, so far only the federal government has actually injected money into the market.

Alhaji Jibrily, vice-president of the Manufacturers Association, has said that inadequate funding of the SFEM put the naira on "an ever-sliding scale." The biddings so far have demonstrated beyond doubt that the multinationals are clearly in control of the nation's economy. If care is not taken, up to one half of all small and medium-scale manufacturers will "die a natural death," he warned.

The government, assisted by the Central Bank, is not unaware of this dangerous trend. It has already moved to step down bidding and has worked out new guidelines to prevent the big banks from getting the lion's share of scarce foreign currencies.

The SFEM, described by the local press as the most fundamental economic decision ever taken by a Nigerian government, will determine the future of the most populous country in West Africa.

If it succeeds, President Babangida will go down in history as a hero. But it could also turn out to be the last straw that breaks the camel's back. ■

by Zhang Yishi

NIGERIA

Breathing Space for Battered Economy

The government of Nigeria recently opened a second-tier foreign exchange market, and this has given the economy a breathing space in which to recover.

Nigeria has external debts of at least US\$20 billion and creditors are demanding repayment of more than US\$4 billion this year. Declining oil prices also mean Nigeria will have oil revenues of only US\$6 billion as against the nearly US\$10 billion projected in the 1986 budget.

Having failed to reach an agreement with the International Monetary Fund (IMF) for a US\$2.4 billion loan last autumn, Nigeria turned to its Western creditors for help. A second-tier foreign exchange market (SFEM) was designed by the World Bank, which offered Nigeria a US\$450 million loan to support the SFEM.

Some West European banks, led by the Bank of England, have also agreed to grant US\$250 million as a short-term loan to help tide the SFEM over until next January when Nigeria can draw upon a US\$450 million World Bank loan.

In mid-October, Nigeria secured a rescheduling agreement with the London Club of Creditors to give it a four-year period of grace, plus six years' amortization, to service US\$7 billion in medium and long-term

debts maturing in 1986 and 1987.

The Nigerian government, through the Central Bank of Nigeria, has funded the SFEM with more than US\$400 million. The initial objective of the government in establishing the SFEM has already been achieved. The naira is gradually finding its true value: the exchange rate stood at 3.85 against the US dollar before the opening of the SFEM, but now the government can get between 3.50 and 4.50 naira to the dollar in funding the SFEM. As the local press has said recently, the government has become richer by opening the SFEM. At the beginning of this year, the government could only get one naira to the US dollar.

The second biggest beneficiaries are large multinational and indigenous companies, and a number of rich individuals, who are eager to change their naira into hard currencies. The SFEM is crippling the black market, where one dollar fetches 4.50 naira in Lagos. Under government regulations, the value of the naira is now determined by the competitive weekly bids of over 40 banks.

Despite the initial success of the SFEM, it remains controversial.

UNITED NATIONS

Washington Under New Pressure

The UN General Assembly has demanded that the United States cease its intervention in Nicaragua.

The United Nations General Assembly passed a resolution on November 3 calling on the United States to comply with a World Court ruling ordering it to end its support for the Nicaraguan contra rebels.

The International Court of Justice, or World Court, ruled last June 27 that the United States stop all military activities in or related to Nicaragua. Washington was charged with violating international law and intervening with Nicaragua's sovereignty by providing weapons, training and aid to the contras.

However, the jurisdiction of the court has been ignored by Washington, which used its legitimate power of veto in July and October to prevent the UN Security Council from arriving at a decision on the implementation of the court's ruling. The current resolution was adopted only after the Americans were defeated in the General Assembly in their attempt to have discussion of the court's ruling taken off the agenda.

The National Reconstruction Government was established in Nicaragua in 1979 after the overthrow the Somoza regime. In 1981, when US-Nicaraguan relations began to worsen, the US Central Intelligence Agency secretly organized a group of Nicaraguans and engaged them in political activities opposing the Sandinista government. It also recruited mercenaries, including some from the former Somoza National Guard, and employed them in military actions for the same purpose. The contras have

been further strengthened by the US military aid approved by President Reagan on October 24. The war raging near the Nicaraguan border not only poses a threat to the nation's security and independence, but endangers the peace of Central America as a whole.

The Nicaraguan question also touches on the contest between the two superpowers for control of Central America. During the past five years, while Washington has been busy with providing training, guns, ammunition and land-based missiles to the Nicaraguan rebels, Moscow has been equipping the Nicaraguan government with warplanes and tanks. The US accused Moscow in the UN Security Council last month of sending troops to Nicaragua. But the Soviets denied this, saying this was a US attempt to excuse itself for intervening in Nicaragua.

Although Washington has to face both domestic and international opposition to its involvement in Nicaragua, it is not likely to give up its present policy and obey the UN resolution.

Relations between the United States and Nicaragua have deteriorated since the arrest of Eugene Hasenfus on charges of terrorism for ferrying weapons to Nicaragua's anti-government rebels. Hasenfus, an American pilot, was captured on October 6 by Nicaraguan government troops after parachuting from his damaged transport plane carrying weapons to the rebels.

Since then the United States has asked the Nicaraguan government to delay his trial but this was rejected. Hasenfus faces 30 years in prison if convicted of terrorism, criminal association and violation of public security laws.

Former US attorney general Griffin Bell suggested Nicaragua swap Hasenfus for a Nicaraguan prisoner held by the United States. Bell provided a list of 19 Nicaraguans jailed in the United States to the Nicaraguan Foreign Ministry. However, he has received no answer from the Nicaraguan government. ■

by Liu Kaichen

SOVIET UNION

Trade With the West Expands

In an effort to accelerate its economic development, the Soviet Union has steadily expanded its economic and trade contacts with the West over recent years.

The Central Committee of the Communist Party of the Soviet Union (CPSU) and the Council of Ministers decided recently to authorize 20 ministries and 70 large industrial complexes to handle their import and export

businesses with the West from January 1, 1987. This is an important measure taken by the Soviet Union to increase economic and trade exchanges with Western countries.

Mirroring political relations

between the Soviet Union and the United States from the early 1970s to the early 1980s, economic and trade relations between the Soviet Union and the West in this period experienced many ups and downs: from expansion to stagnation to reduction. In recent years, especially after the US-Soviet summit in Geneva last year, the Soviet Union has repeatedly stressed that economic, trade and diplomatic relations with the West must be strengthened. In a speech on August 8, L. N. Zaikov, member of the Politburo and of the Secretariat of the CPSU, said that the Soviet Union will make great efforts to seek new forms of mutually beneficial co-operation with Western countries. And in a recent article, Boris Ivanovich Aristov, minister of foreign trade, maintained that "the Soviet Union advocates co-operation with developed capitalist countries in various fields, including the expansion of long-term and stable economic and trade relations with these countries."

At the moment the Soviet Union is concentrating on its economic links with Western Europe, while also leaving room for growth in its trade with Japan and the United States.

The volume of trade with Western Europe now accounts for 80 percent of the total foreign trade of the Soviet Union with the West. In the last decade the Soviet Union, in the form of compensated trade, has attracted US\$26 billion and built 60 key projects, including the import of 7 million tons of steel tubes from Western Europe in exchange for natural gas, its biggest deal with Western Europe. With assistance from Western Europe in the form of capital, technology and equipment, the Soviet Union has built a 5,000-kilometre gas pipeline from Siberia to Western Europe.

There has also been an important change in the attitude of the Soviet Union towards the European Community. In his

meeting with Italian Prime Minister Bettino Craxi in May last year, Soviet leader Mikhail Gorbachev indicated that the Council for Mutual Economic Assistance is ready to form a "new relationship" with the European Community. In September this year delegates from the two organizations met in Geneva to discuss how to strengthen mutual co-operation and establish formal ties between them.

The continued development of economic contacts between the Soviet Union and Western Europe is based on mutual benefit. The Soviets need funds and technology from Western Europe, which in turn needs oil and natural gas from the Soviet Union. Moreover, Western Europe, in the face of severe competition from the US and Japan, needs to expand its markets to help solve its serious unemployment problem. It is against this background that exchanges of visits between leaders of the Soviet Union and Western Europe have increased markedly over the last two years.

Relations with Japan have also attracted attention with the rapid opening up of Siberia and the Soviet Far East. The resumption earlier this year of foreign ministerial consultations between the Soviet Union and Japan, which had been frozen for eight years, has laid a foundation for the growth of economic co-operation between them.

On July 28 Gorbachev pointed out in a speech he made in Vladivostok that Japan "has made remarkable progress in industry, trade, education, science and technology," and he hoped that the "economic diplomacy" of Japan would promote co-operation between the two countries.

The major obstacle in the way of better Soviet-Japanese relations is the territorial dispute over the northern islands. But the Soviet Union needs huge amounts of capital and advanced technology to develop the rich resources of

Siberia, and this is of enormous interest to Japan. Japan's interest in the Soviet market is further heightened by the acute friction with the US and Western Europe over its massive trade surplus accumulated over the last few years. So far, Japan and the Soviet Union have agreed to co-operate in forestry, coal, oil and natural gas in the Soviet Far East. Japan has put in bids for the construction of the large chemical factories projected in the Soviet 12th Five-Year-Plan (1986-90). An exhibition of Japanese products in Moscow in October, the first for 10 years, attracted more than 500 Japanese exhibitors.

Economic relations with the United States, like their political relations, are characterized by twists and turns. According to reports in American newspapers, the total volume of trade between the two countries dropped from US\$4.5 billion in 1979 to US\$2.8 billion in 1985. But at the end of last year a delegation of more than 400 US businessmen, led by Secretary of Commerce Malcolm Baldrige, attended a meeting organized by the Commission for Soviet-US Trade and Economy in Moscow.

The main barrier to improved trade is the US reluctance to export high technology to the Soviet Union on the grounds that it may be used by the Soviets for military purposes. Moreover, the United States declines to extend favoured-nation status to the Soviet Union. Secretary of Commerce Baldrige said any improvement in trade relations was restricted by their overall relations. At a meeting with American businessmen, Gorbachev referred to the barriers to trade set up by the US, pointing out that "trade and other economic relations between the US and the Soviet Union cannot develop normally and on a large scale so long as these obstacles are not removed."

by Li Changjiu

Symposium on Theory of Political Structural Reform

Since the Chinese Communist Party set the country on the road to modernization, the orbit of the reforms has been expanding beyond the economic and into the political realm. A symposium on political structural reform recently held in Beijing debated whether political reform should be carried out independently of economic reform. The role of the Party in a reformed China is also discussed.

More than 100 people from the theoretical, academic and political circles in Beijing recently got together to discuss the theory of political structural reform.

Relationships With Economic Reform

First they discussed the relationship between the reform of the political structure and the reform of the economic structure.

Some people held that the two kinds of reform had their own characteristics, and the political reforms could be quite autonomous. Reform of the political structure should therefore not be considered the inevitable result of economic structural reform. It is aimed at the construction of high-level democracy and not just at serving the economic reforms. They cited the fact that the reform of the political structure was first proposed in 1980, before the economic reforms ran into resistance.

The majority of the participants, however, held that the political structural reforms should aim at guaranteeing and promoting the smooth development of economic and social reforms. They said:

1. The progress of economic reforms has put the creation of good political climate on the agenda. If the political reforms are conducted independently of the concrete requirements of the economic reforms, they would be missing a good opportunity;

2. Indeed it would be impossible since the economic reforms

already entailed political reforms, for example, the separation of enterprise management from government administration and the institution of the factory director responsibility system;

3. The current political reforms derive their motive power directly from the contradiction inherent in having an overcentralized political system and developing a commodity economy. With the development of the commodity economy and of the reforms, enterprises become independent entities, and economic policy-making power becomes decentralized. The economic changes demand corresponding political reforms and decentralization, to wit:

(1) Reform the highly centralized and directly controlled administrative management system. Clearly demarcate the functions of every department and streamline organizations in order to perfect indirect government control, and rationalize the relationship between the central government and local governments;

(2) Reform the highly centralized cadre system in order to allow departments and organizations to manage their own cadres;

(3) Reform the people's congress system; strengthen legislation and the supervision of law in order to perfect the mechanism of socialist supervision and checks and balances;

(4) Create an environment conducive to competition on an equal footing in order to

encourage public participation in politics.

Basic Aim: Decentralization of Power

All the participants agreed that the basic aim of the current political reforms is to solve the problem of overcentralization of power. This would allow for a modernized political and organizational structure capable of adapting to a socialist commodity economy.

It is also necessary to establish democratic, efficient political mechanisms, of which the most important are those which 1) ensure the Party's unified leadership and the relative independence of government, social and political organizations; 2) encourage public participation in politics and give full play to the role of social and mass organizations; and 3) promote supervision and checks and balances, and prevent overcentralization of power.

Some participants proposed that the key link in the reform of the political system should be strengthening the autonomy of government departments and other social and political organizations in line with the Constitution and the law.

Functions of the CPC

Most of the participants held that the overconcentration of power finds expression mainly in Party organizations so that generally speaking, the Party functions in place of the state, to wit:

■ In work, the leadership of

the Party committee and the leading Party group supersedes the administrative heads, the directors and managers;

■ The Party manages cadres where government departments should be doing so;

■ The Party committees tend to interfere in the work of the people's congresses and their standing committees and in the judiciary.

During discussions, many people pointed out that the over-concentration of power in the hands of the Party organizations has jeopardized the normal life of the Party and state, because—

■ The Party is not the government, and therefore should not wield the power of administrative organizations. That the Party works in the place of the government swells the power of the Party organizations and, at the same time, makes them function as administrative organs, weakening the political leadership of the Party and reducing the Party organizations into representatives of sectional interest, harming the overall interest of the Party and damaging the Party's unified leadership over state life.

■ The Party is representative of the fundamental interest of the

whole society, not parts of it. If the Party takes on everything, the masses will direct any discontent at the Party, leading to antagonism between the Party and the masses.

■ The Party should concentrate on Party affairs. Taking on government business will only lead to corruption of the Party and its members. This will undermine the Party, its integrity, its self-construction and its image.

■ The organizational principle of the Party is democratic centralism. Overconcentration will damage the Party's democratic life, nourishing the vestiges of feudalism inside the Party, giving rise to bureaucracy, autocratic behaviour among senior personnel, privileges and personality cult.

■ The Party should exercise leadership, not management, for otherwise the Party and government exercise dual, overlapping management, creating confusion and rocking the foundation of the stability of the whole society.

Some participants went further in proposing that the Party's leadership over state life be exercised not directly, but indirectly. They argued that this was the only solution to the overconcentration of power. They suggested that the Party confine itself

to laying down principles and guidelines. It should indicate directions to government and social organizations, and work out political goals for them as well as co-ordinate and supervise their work. In the meantime, it should work to guarantee the independence of these organizations.

■ The Party Central Committee should focus on directing legislation and perfecting the legal system, thereby translating its own lines, principles and policies into the state will. Party organizations, in particular those at the grassroots, should work to ensure the realization of the Party Central Committee's principles and policies, and the proper execution of state management through education (ideological and political education for the masses) and by example (of Party members working in state institutions and mass organizations).

The advocates of this point of view said that this would combine the Party's leadership with the people's will and the government's management. It would combine the efforts to advance democracy and the legal system with efforts to improve and strengthen the Party's leadership so as to enable the Party to play the leading role in national construction. ■

by Chi Fulin

Archives Come Out of the Closet

China's Seventh Five-Year Plan for Economic and Social Development (1986-90) states that archive work will be strengthened. Our guest correspondent Fang Ming and our correspondent Yang Xiaobing spoke with Han Yuhu, director of the State Archive Administration. Following are the main points of the interview.

Han: China has an ancient civilization, it has an archive

history which can be traced back more than 3,000 years. Our ancestors left us valuable historical data, mostly kept in archives. Since the founding of the People's Republic in 1949, the Party and government have attached great importance to archives, stressing that careful archive work is indispensable to safeguarding the real history of the Party and state and promoting national construction.

During the Sixth Five-Year Plan period (1981-85), China undertook extensive archive work to boost the country's economic, political, military, scientific and cultural developments. A network of multi-tiered archives in many fields is taking shape. By the end of 1985, there were 3,004 archives throughout the country with a stock of 70.06 million volumes of data. Most central and local government institutions, public

organizations, enterprises and undertakings have archive sections which take charge of storing and cataloguing information on their own units. The nation's larger enterprises and undertakings have developed their science and technology and recorded it in their archives.

Q: What are the principal state archives?

Han: At the state level we have the Central Archives which takes charge of keeping documents on the revolutionary history of the Chinese Communist Party since its founding in 1921 and on the people's government, data totalling 3 million volumes. China's First Historical Archives mainly keeps records of the Ming and Qing Dynasties (1368-1911), amounting to 10 million volumes. China's Second Historical Archives keeps the records of the Republic of China between 1912 and 1949, totalling 1.37 million volumes. There are also some special archives, such as the China Photographic Archives, the China Film Archives, the China Modern Literature Archives, the China Place Name Archives and the Geological Archives.

Q: What role do archives play?

Han: The main role of archives is to develop proper and useful information resources. A series of laws and regulations including the General Rules on Archive Work have been promulgated by the state, a law on archives is also being enacted. In 1980 the Party Central Committee set forth the policy of opening historical archives and in the last few years it has laid down the guideline for that. With that they changed archive work from a closed and insular sort of thing into open, public oriented work. In 1985 China's archives catered to 3.6 million users. Formerly, archives served the Party and government leadership and the political struggle; now they serve political,



CHENG LIPING

Director Han Yuhu speaks at a conference of bureau chiefs from across the country.

economic, military, diplomatic, scientific and cultural undertakings.

Besides opening reading rooms, the archives also render other services. For example, they edit and publish archive material, hold exhibitions, print and distribute information about archives, circulate notices on the contents of archives, thus promoting their role and extending their influence.

Sometimes archives' importance can be manifested nationally. In order to expose the Japanese Cultural Ministry's attempt to tamper with history textbooks, the Second Historical Archives, together with other relevant units, held an exhibition on the Japanese invasion of China, which included numerous photographs, to show the truth about the invasion.

Archives also make their contribution to economic construction. For instance, the Daqing Oilfield, through systematic analysis of archive material accumulated over 20 years, found new oil reserves deposits. Archives also help people's safety. On June 12, 1985, a landslide took place in Xinwei Town in Hubei Province, it was 1,000 metres high, and engulfed the whole town. The 1,370 people of the town evacuated in time, though, and

there was not a single casualty, because consistent monitoring and accurate forecasts were possible thanks to archive material.

In the last few years, archive departments edited and published a thousand kinds of historical data. For example, the medical prescriptions for ancient emperors which have been translated and published in Japan.

Q: What international contacts do China's archives have?

Han: China began such contacts with the implementation of the open policy. In 1980 China joined the International Archives Council. We took part in editing the council's *Guide to Asian Historical Materials* and established contact with 16 countries, including Britain, Canada, France, Federal Germany, Italy, Pakistan and the United States. We also took part in sponsoring international "Archives Week" which allowed for good academic exchanges. China has begun receiving scholars and students from various countries to consult its historical archives. Between 1979 and 1985, China's First Historical Archives received more than 1,500 scholars from abroad. That archives has provided foreign countries with replicas of genealogical charts and used the income to import equipment for keeping and checking archive material.

Q: What are the regulations on foreigners using China's archives?

Han: We welcome foreign scholars. Generally, they can come with certificates issued by bureaus in charge of receiving foreign guests, such as the Ministry of Culture, the Commission of Education, the Chinese Academy of Social Sciences and the Tourism Administration. At present, the historical archives are open to foreigners. We also welcome compatriots from Hong Kong, Macao and Taiwan, and overseas Chinese. ■

High-tech Success Against the Odds

Thanks to state-of-the-art technology and close co-operation, the Shanghai-Foxboro Co. Ltd., the first Sino-US high technology joint venture, emerged from the red to become the only profitable instrument and meter maker for the Foxboro chain in the world. But its problems are not over yet.

by Our correspondent Yao Jianguo

The first Sino-US high-tech joint venture, the Shanghai-Foxboro Co. Ltd., produces and markets automatic instruments and meters and computerized control systems of the highest standard. Set up in April 1982, it went into full operation a year later. It now employs some 300 people, 38 percent of whom are technical personnel.

Thanks to Foxboro's technology and the close co-operation between both sides, the turnover of the venture increased 13-fold over its three years of operation, though it started in the red.

The success fascinated thousands of visitors to the factory. During his visit to China in April 1984, US President

Ronald Reagan also visited the joint venture. He said he was confident about the future of co-operation between the two nations. During their inspection tour of the joint-venture and visit to the exhibitions of the company's new products, Chinese Premier Zhao Ziyang and other Chinese leaders have spoken highly of the company's success.

The joint venture was built on an aging factory in Shanghai, and before operations started, the board prepared itself for losses in the first three years. In the first year of operation, the company lost 1.279 million yuan. In the second year, the company instituted a management system which improved product quality

and work efficiency. As a result, the products sold better and the company's turnover reached 8.87 million yuan, with a profit of 650,000 yuan. Production increased with the import of more technology in the third year, the turnover reached 20.15 million yuan, and 2.9 million yuan of profits were made.

"In 1985, the world's instrument and meter industry was in the doldrum. The US Foxboro Co. and its subsidiaries throughout the world were all in the red. Their deficits added up to US\$34 million," said Wang Dawei, the accountant of the Shanghai joint venture. "Ours is Foxboro's only branch which made a profit that year." Wang went on to say that in the first six months of this year, the company's turnover rose to 13.13 million yuan, and it made profits of 3.23 million yuan. It has more than 2 million yuan in the Bank of China. The American side is delighted.

Technology Transfer

According to Yang Tong, general manager of the company, the fast increasing profits are due to the company's importing advanced equipment and new technology.

In the last three years, the Shanghai-based joint venture imported from the United States

The assembly workshop.



technologies for the manufacture of analog control meters, Model 800 series transmitters and industrial digital computers.

Personnel are trained to operate imported equipment. Only those who have passed the examinations are allowed to operate new machines. In the last three years, the joint venture has had 97 of its people trained in the United States. Together with various kinds of technical training at home, this has improved the technical level of the workers from an average of Grade 3.5 in 1984 to Grade 5 in 1985.

At present, the three products the company makes all have a minimum service life of 30 years. They passed the quality check of F.M. of the United States in April this year.

In accordance with the contract signed between the Chinese and American partners, Foxboro's transfer of technology will continue for the whole co-operation period of 20 years. Besides the technology already introduced, the Shanghai company has been working to import state-of-the-art technology for manufacturing transmitters, automatic meter control systems and analysis instruments, which will go into trial production in 1987. By then, the Shanghai-Foxboro Company will be technically the most advanced of its kind in China. This will make its products highly competitive on the international market.

Ready Market at Home

Most of the high-tech products manufactured by the Shanghai-Foxboro Company are in great demand in China. On Foxboro's suggestion Shanghai-Foxboro Marketing Service Co. was set up with Chinese funding in 1983, and is staffed with 60 people. It promotes sales of the joint venture's products in China and



Technicians test the factory's products.

provides technical consulting, systems designing and product maintenance, as well as on-the-spot guidance and operation and technical training.

The marketing service has supplied 130 control systems and 3,000 control loops to key state projects and enterprises in the metallurgical, chemical and light industries as well as power stations and mines. These products have proved very successful. Sale value tripled from 9 million yuan in 1983 to 27 million yuan in 1985. In the first seven months of this year, sales reached 14.5 million yuan. The company is currently involved in negotiation for the provision of 8 million yuan's worth of complete instrument-meter control systems for the Qinshan Nuclear Power Station which is under construction in east China.

However, Mr Ernest J. DeBellis, deputy general manager of the Shanghai-Foxboro Company and representative of the American side, complained about Chinese ordering habits. "The quality of our products is as good as those made outside China. So

why do some Chinese enterprises still buy abroad?" he asked.

Jiang Zemin, deputy mayor of Shanghai, sees DeBellis' point but reckons it will not remain a big problem, since the government has stipulated that Chinese orders should give preference to locally made products over imported ones. This is conditional on such products being in production, being as good as the imported machines, and being priced reasonably and delivered promptly. The deputy mayor said, "Import of these kinds of products will be strictly controlled."

Foreign Exchange in Short Supply

Like many other joint ventures in China but not the majority of smaller ones in Shanghai, the Shanghai-Foxboro Co. suffers from a shortage of foreign exchange. In 1985, its foreign exchange deficit amounted to US\$751,000 and this is expected to mount to US\$2.599 million this year.

The co-operation contract

stipulates that it is Foxboro's job to keep the venture's foreign exchange balanced. However, Foxboro has had its own problems on the international market not only because of the oil price drop, but the slow progress in the implementation of its original intention to sell parts manufactured by the joint venture overseas. As a result, it succeeded in bringing in only US\$140,000. Including the commission which Foxboro pays the Chinese marketing company, the Shanghai joint venture has earned US\$72,000 in foreign exchange thus far, but has spent US\$2 million each year on imports. To help the venture come out of the red, the Shanghai municipal government has taken the following steps:

- Municipal government foreign exchange subsidies. The Shanghai-Foxboro Company has, since the second year of its operation, received US\$5.2 million. The subsidy to the joint venture this year has reached US\$1.6 million;

- The Shanghai-Foxboro Company may sell its products in China for foreign exchange. In the first half of the year, it made US\$5615,000 this way;

- With the approval of the state foreign exchange control department, the Shanghai-Foxboro Company has arranged currency exchanges with two Sino-foreign joint ventures which have foreign exchange surpluses but are short of RMB. Shanghai-Foxboro converted US\$1.4 million this way.

These measures were effective enough to have solved Shanghai Foxboro's foreign exchange problem, said Yang Quan, a municipal government official. However, since 80 percent of the foreign exchange is currently spent on components brought in from Foxboro, Yang believes that the long-term solution lies in making the components locally.

This view is shared by the American partners in the joint venture, but they said it will take some time before the Chinese electronics industry is capable of satisfactorily making these components. What is more important is for the joint venture to receive more domestic orders for its products. There are other problems involved here however.

Autonomy Versus Planned Economy

Yang Tong, the general manager, quoted the Sino-foreign Joint Venture Law of China, which gives joint ventures extensive decision-making power. "Our board of directors decides on major questions concerning human, financial and material resources, and on production,



Ernest J. DeBellis.

YAO JIANGUO

supply and marketing," he said. "The authorities issue no directives and impose no restrictions there. We fix our products' prices and find markets for them ourselves. We take care of our internal management. Compared with state-owned enterprises, we have much greater autonomy.

"However, we find it hard to wield the power due to us," said Yang. "especially in employment." In the second half of 1985, Yang said, his company recruited 14 people, including power station technicians, bookkeepers, skilled welders and translators by examination. However, these people's work units opposed their changing job, and, after months of negotiation, Shanghai Foxboro was able to hire only one of them.

Dismissing workers is equally difficult. Being laid off in China is a terrible disgrace which will ruin a good name. It practically rules out any possibility of finding a new job.

The problem may be helped by the four regulations promulgated on October 1, the labour contract system, employment, dismissal of workers who violate working rules and unemployment insurance (see *Beijing Review*, issues No. 37 and 45).

Problems have also been encountered in marketing products and supply of raw materials. Again these problems are rooted in the planned economy. In China, quotas for making products and supplying raw materials are generally issued through the planned economy. Sino-foreign joint ventures have no access to it. So the Shanghai-Foxboro Company has not been able to gear its production to demand and obtain sufficient raw materials. The raw materials the company has been allocated by the state plan for this year are simply not enough. "For example, we applied for 16 tons of aluminium," said Yang. "We have been allocated only three tons." (The municipal government recently started preparing a supply company exclusively for enterprises with foreign investment).

Despite these problems, Yang is confident of the future of his company. The direction of economic reform in China—reducing mandatory plans and increasing guidance planning—is promising, he thinks. ■

Art Festival Encourages Trade

by Our Correspondent Zheng Fangkun

Yantai held its first art festival last month. It was a focus for hectic artistic and trading activity—a proof of the interdependence of economic and cultural advancement.

The banner hung across the platform of Yantai's gymnasium where the opening ceremony of the first art festival was held, read: "Build an advanced culture and ideology; pursue the open policy to promote the economy." It expressed precisely the tone of the festival.

For Yantai, as well as having a distinguished artistic community, including a "Beijing Opera" company which was an international hit during its tour of India and Burma, is also one of the 14 coastal cities chosen in 1984 to open further to the world. It has a 10 square kilometre economic and technical development zone, and has, since officially "opening up," attracted joint-venture investment commitments of US\$135 million.

While this has been no mean feat—Yantai has some way to go to adjust temperamentally to the change, and to shake off the conservative parochialism which it has inherited from long years of being a sealed, self-sufficient area.

This is where the festival comes in. It featured 16 programmes of modern songs and dances, local operas and folk art forms including cross-talk and clapper ballad, and also performances by noted artists from Beijing, Shanghai, and Jinan, capital of Shandong Province. These artists were also asked by Yantai's artistic circles to give demonstrations and lectures to local artists. The modesty, thus displayed, impressed many people, and drew their admiration of Yantai's determination to introduce new ideas, new morals and new methods for the modernization drive.

Believing that competition is the motive power in developing commodity production and in advancing culture, the competitive spirit was injected into the festival—both in the way the pieces were chosen to be staged and in the fact that awards were handed out to selected performances at the festival.

Surrounding the festival was a large calligraphy, painting and photography exhibition, as well as a commodities exhibition. Thousands of people converged on Yantai for the festival, 1,500 of them invited especially for the trade fair and talks on economic and technical co-operation, 120 from abroad. As a direct result 231 contracts and agreements were signed, six with foreign companies. The investment involved is 150 million yuan, and business volume, 205 million yuan.

What made the art festival possible is the economic development of Yantai since the reforms began. The rising income level has

enabled private households to own such things as violins, accordions and cameras. (Per capita annual income for farmers averaged 540 yuan in 1985, two and a half times more than in 1978, and the number of villages where the average is over 1,000 yuan reached 224 by 1986.) The farmers' increasing artistic activity itself necessitated a festival to help raise their artistic standards.

The two-pronged approach Yantai took to the festival helped to give the visitors a broader understanding of Yantai. One could learn both about Yantai's culture and traditions, and about its economic resources and production. This, it was hoped, would lay a sounder foundation for future exchanges.

The festival was such a success that Yantai has decided to hold it regularly, to promote cultural and ideological progress and to make Yantai an important centre for international intercourse in China.

Yantai Beijing Opera Company's "Autumn River"

YU JINGCHANG



COMMEMORATING DR. SUN'S 120TH BIRTHDAY

Peng Zhen's Speech at the Beijing Meeting

Today we people from all walks of life in the Chinese capital, Beijing, are gathered here to commemorate solemnly the 120th anniversary of the birth of Dr. Sun Yat-sen. We extend warm welcome to our Taiwan, Hong Kong and Macao compatriots, to Chinese residents living abroad and to relatives of Dr. Sun, all of whom have come from afar to take part in activities commemorating him. We also extend warm welcome to our foreign friends who are with us here for the same purpose.

Dr. Sun Yat-sen was a great national hero, a great patriot as well as a great forerunner of the Chinese democratic revolution. He fought unyieldingly all his life for the independence and liberation of the Chinese nation, and his outstanding revolutionary achievements ushered in a new era in Chinese history. The Chinese Communists and the people of China's various nationalities pay their highest, abiding tribute to his memory.

While commemorating Dr. Sun Yat-sen, we call to mind, above all, the first major event which took place in 20th-century Chinese history, that is, the Revolution of 1911 conducted under his leadership. As early as the beginning of the present century, Dr. Sun perceived the sharp national contradiction and deep-going social contradictions confronting the old China, and he observed the appalling sufferings of the Chinese people under the yoke of the imperialist and feudal forces. He embodied the people's yearning for liberation and travelled to many places to champion the revolutionary cause. Proceeding from a clear-cut

revolutionary stand, he waged an intense struggle against the reformists, drew up a political programme that called for the use of armed force to overthrow the Qing Dynasty and for establishing a republic in its stead. He put forward the doctrine of the Three People's Principles, namely, nationalism, democracy and the people's welfare. At the time, these principles became a powerful ideological weapon for transforming and regenerating China. The Revolution of 1911 toppled the corrupt Qing Dynasty, ending the 2,000-year-old autocratic monarchy in China, and raised the banner of republicanism. It also dealt a blow at the imperialist aggressive forces. All this paved the way for the subsequent growth of China's democratic revolution. The Revolution of 1911, however, failed to accomplish the task of anti-imperialism and anti-feudalism and, afterwards, the revolutionary cause suffered repeated setbacks. In face of formidable difficulties, Dr. Sun Yat-sen fought on with mounting courage, pushing ahead the revolution step by step. This was possible only with the dauntlessness of a true revolutionary.

Dr. Sun Yat-sen was great in that not only did he lead the Revolution of 1911, but he also made a point of advancing with the times and keeping in the forefront of events. The triumph of the October Revolution in Russia, the dissemination of Marxism and the founding of the Chinese Communist Party and the Chinese proletariat's appearance on the stage of history combined to bring about fundamental changes in China and the rest of the world. These events were a new

enlightenment to Dr. Sun, enabling him to pinpoint the new forces and see a new hope. With the help of the Chinese Communist Party, he worked out the three cardinal policies of alliance with Russia, co-operation with the Communist Party and assistance to the peasants and workers, thus developing his Three People's Principles. He reorganized the Kuomintang, a step that injected a new life into his party. On the basis of the first round of co-operation between the Kuomintang and the Communist Party, the stirring Great Revolution of 1924-27 was launched and the democratic revolution pushed to a new height.

Despite the tortuous path it followed, Kuomintang-Communist co-operation provided a great impetus to the Chinese revolution. It was the first co-operation between the two parties that quickly brought about a nationwide revolutionary upsurge and made possible the massive mopping-up of the northern warlords and thus the victory in the Northern Expeditionary War. Unfortunately, the excellent situation crowning Kuomintang-Communist co-operation was disrupted before long, which meant a major setback to the Chinese revolution. The reactionary rule of the new warlords who were engaged in anti-popular wars as well as the moves of the Japanese imperialists who were biding their time to invade China—all this brought untold disasters to the Chinese nation. The Chinese people had their cup of bitterness full because of the loss of territory and the split of their country. At the critical juncture when the very survival of the nation hung in the balance and with the strong

demand and urging of the people throughout the country, a second round of Kuomintang-Communist co-operation materialized. The anti-Japanese national united front based on this co-operation rallied together the patriotic forces of all classes, all strata and all parties and groups, brought into play the initiative of hundreds of millions of the people for resisting Japan and saving the nation, and fortified their confidence in winning national liberation. After eight years of bloody struggle undertaken by the entire army and people and with the support of the anti-fascist allies, we won the first complete victory over an aggressor in modern Chinese history. This victory greatly promoted national awakening and unity, laying a solid foundation for the ultimate triumph of the democratic revolution. If, after the victorious anti-Japanese war, Kuomintang-Communist co-operation had been maintained and developed and if we had put into effect the policy of peace, democracy and national reconstruction, all according to the sincere wish of the Communist Party, the democratic parties and groups and the people of China's various nationalities — if we had done all this, the Chinese people could have at least avoided more bloodshed and other enormous sacrifices and our motherland could have avoided suffering from lack of complete unification to date. History since the first co-operation between the Kuomintang and the Communist Party has indisputably proved that such co-operation is conducive to the progress of the Chinese nation, to China's becoming powerful and prosperous and to the development of both parties.

The goal Dr. Sun Yat-sen pursued was to make China an independent, democratic, strong and prosperous country. He stressed fortifying national self-confidence and turning to full account the inherent creativity of our nation. He advocated "put-

ting an end to the closed-door policy in favour of opening China to the rest of the world," learning from the advanced experiences of other countries and winning foreign aid so as to overcome difficulties in China's economic development. He firmly believed that, with power in the hands of the people after victory in the revolution and through a long period of nationwide endeavour, China could certainly shake off its poverty and backwardness and catch up with the advanced nations.

Dr. Sun Yat-sen's brilliant thinking and propositions on revolution and construction are a valuable spiritual legacy to us, a legacy that always inspires our whole nation in its march forward. Carrying on his revolutionary thinking and cause, the Communist Party has led the Chinese people to realize the ideal for which he waged a lifelong struggle. Indeed, we have accomplished much that is far beyond his expectations. We completed the new-democratic revolution, founded the People's Republic of China and, moving on to build socialism, have set up the socialist system. There have been twists and turns in our advance, but it is a fact that we have tremendous achievements to our credit in socialist construction. An independent and fairly comprehensive socialist economic system has been largely set up in our country which is as yet economically and culturally backward but whose economic strength has now grown significantly. Our educational, scientific and cultural undertakings have developed rapidly, and we have attained advanced world levels in a number of branches of sophisticated science and technology. In the reform of our economic structure, we have scored achievements that attracted worldwide attention. Our socialist democracy has extended steadily, our socialist legal system improved step by step, and the material and cultural life of our

people bettered notably. With the implementation of an independent foreign policy of peace and the policy of opening to the outside world, China's influence in international affairs is growing, and its international status has risen considerably. Dr. Sun Yat-sen predicted, "When our great object of revolutionizing China shall have been accomplished, not only a new era would dawn on our beautiful country, but a brighter prospect also would be shared by the whole human race." This prediction has come true, in whole or in part. Looking back over the past and taking stock of what we have accomplished, we are aware that we owe our highest respect to Dr. Sun for his far-sightedness in adapting himself to the trends of the world and meeting the needs of the masses, for his unflinching effort in initiating the democratic revolution and for the signal contribution he made in history. Every year since the founding of our People's Republic in 1949 we commemorate him. Every National Day we have his huge portrait hung over the central section of Beijing's Tiananmen Square. And we have published a substantial set of *Complete Works of Sun Yat-sen*. All this is to make sure that the people throughout the country will never forget Dr. Sun's great revolutionary thinking and deeds.

Dr. Sun Yat-sen consistently stood for safeguarding the unification of the country. He pointed out emphatically, "China as a unitary state is embedded in the historical consciousness of the nation; and it is this consciousness which has enabled us to survive as a nation in spite of the destructive forces of the past." He also said, "Unification is a hope cherished by the whole people. If it is realized, the people will enjoy happiness; if not, they will suffer." While commemorating the 120th anniversary of Dr. Sun's birth, every Chinese should review and ponder deeply over his teachings. The distressing thing is that to this day Taiwan remains separated

from the mainland. To change this unfortunate situation and complete the great cause of the reunification of our motherland as soon as possible is an honourable mission history has entrusted to this generation of the Chinese nation. Everybody can see that the situation in China and the rest of the world is developing in a direction favourable for the reunification of our motherland. China's reunification represents the inexorable trend of the times and the common desire of the people, and no one can resist it. The way out for Taiwan lies in national reunification, and the future of the Kuomintang hinges on its co-operation with the Communist Party. Every political party and every individual should hold themselves accountable to history and the nation, and they should act in line with the trend of historical development and popular will in order to contribute to the motherland's reunification. Whoever obstructs national reunification will be condemned by history.

We have in the past few years repeatedly and formally demonstrated our sincerity on the reunification of the motherland by peaceful means. We have also, on more than one occasion, made public our principles and policies regarding the solution of the Taiwan question. On September 30, 1981, Ye Jianying, the late Chairman of the Standing Committee of the National People's Congress, made a statement setting forth in no uncertain terms our nine principles and policies on China's peaceful reunification. He said, "... We propose that talks be held between the Communist Party of China and the Kuomintang of China on a reciprocal basis so that the two parties will co-operate for the third time...." "After the country is reunified, Taiwan can enjoy a high degree of autonomy as a special administrative region and it can retain its armed forces." "Taiwan's current socio-economic system will re-

main unchanged, so will its way of life and its economic and cultural relations with foreign countries." "We sincerely welcome people of all nationalities, public figures of all circles and all mass organizations in Taiwan to make proposals and suggestions regarding state affairs through various channels and in various ways." In September 1982, Comrade Deng Xiaoping put forward the concept "one country, two systems." This concept, which is of strategic importance, capsules the above-mentioned nine principles and policies. Article 31 of the Constitution of the People's Republic of China adopted by the Fifth National People's Congress at its Fifth Session stipulates, "The state may establish special administrative regions when necessary. The systems to be instituted in special administrative regions shall be prescribed by law enacted by the National People's Congress in the light of the specific conditions." Establishing special administrative regions in our country implies realization of the concept "one country, two systems." We had this in mind when we drafted the Constitution. So it is clear that the question of Taiwan enjoying a high degree of autonomy as a special administrative region of the People's Republic of China has been dealt with in the fundamental law of our state. Everybody should abide by the Constitution, and no parties or citizens shall violate it. This is a basic guarantee for implementing the concept "one country, two systems."

Translating the concept "one country, two systems" into reality will, while keeping the current socio-economic systems and the current ways of life on both sides of the Taiwan Straits unchanged, enable our long-separated kindred compatriots to reunite, enable us to put into wide use the plentiful resources above and under our land of 9.6 million square kilometres, and enable the one billion sons and daughters of the

Chinese nation to fully display their wisdom. A modern, democratic China which will eventually be reunified is bound to make greater contributions to world peace and human progress.

The great cause of the reunification of our motherland will certainly be achieved through the common effort of all the people on the both sides of the Taiwan Straits. We place our hopes on the Kuomintang authorities in Taiwan and, in particular, on the 19 million people of the island. There is no denying the fact that the Taiwan question is a complicated one inherited from the past. With many favourable factors available, however, a golden opportunity has now presented itself for the Kuomintang and the Communist Party to carry out a third round of co-operation in order to realize reunification of the country. The people on both sides of the Straits stick to the stand that "there is only one China," that "the movement for the independence of Taiwan must be opposed," and that "China must be reunified." All this constitutes a most important common point. The entire Chinese people including our compatriots in Taiwan, Hong Kong and Macao and Chinese nationals residing abroad are, without exception, concerned with the reunification of their motherland and they eagerly desire an early end to national split. Herein lie the real forces for reunification. For the sake of national regeneration and the people's happiness, it is high time for the Kuomintang authorities in Taiwan to take a step forward. "A thousand-*li* journey is started by taking the first step," as a Chinese saying goes. It is better to take one first step than none at all. So long as they respect the desire of the people for national reunification, the Kuomintang authorities can do a lot in many respects. For instance, it is nothing difficult to restore trade exchange and exchange of mail, air and shipping

services between Taiwan and the mainland. It requires no more than making up their minds. The more they procrastinate, the more passive their position will be. Now the most important thing is for talks to be held between the Kuomintang and the Communist Party on a reciprocal basis. We sincerely hope that the Kuomintang authorities in Taiwan will send representative personages to meet us in places they think appropriate so that there can be an exchange of views on various questions of mutual concern. Only by doing something solid will the Kuomintang authorities be able to live up to the expectations of the people throughout the country. At the same time, we sincerely hope that we can exchange views with all of Taiwan's other parties and groups, mass organizations and public figures standing for the reunification of the motherland.

Here, I must point out that in recent years some people with ulterior motives have been supporting, overtly or covertly, the "movement for the independence of Taiwan" and they have been engaged in activities for "two Chinas" or "one China, one Taiwan" in a deliberate attempt to obstruct and undermine the cause of our nation's peaceful reunification. We have been closely watching these activities, no matter who are engaged in them. The Taiwan question is entirely China's internal affair. We resolutely oppose any interference in the internal affairs of our country or any acts aimed at undermining its reunification.

The slogan "Regenerate China!" raised by Dr. Sun Yat-sen 90 years ago has now taken on a new meaning. We plan to work for several decades to turn China into a strong and modern socialist

country. We have a long way to go, and ours is a difficult task. In the past half a century, many Communists, members of the Kuomintang and other patriots made enormous sacrifices for revolution and national construction, so now patriotic forces throughout the country should all the more do their share in China's modernization. We must achieve unity on the widest possible scale. We must make it possible for Party members and non-Party people, Marxists and non-Marxists, atheists and religious believers, citizens at home and those living abroad -- in short, for all patriots, all people who can and should unite -- to rally together, carry on the revolutionary and patriotic spirit of the great forerunner Dr. Sun Yat-sen and strive for the common goal of the peaceful reunification and prosperity of China. ■

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Hong Kong-Beijing Motor Rally

Motorsport has made headway in China this year as emerging rally star Lu Ningjun finished a fine second in the Second 555 Hong Kong-Beijing Rally on September 19, 1986, in which 43 world rally competitors took part.

Lu, a 29-year-old driving instructor at the Beijing Police Academy, was at the wheel of a powerful 250 HP four-wheel drive Mitsubishi Starion for this 3,870-kilometre rally classic.

Spread over six days, the 555 rally roared off from Hong Kong, sped across mountainous southern China and into central China before finishing at the Ming Tombs in northern China's Hebei Province. There were special cheers for the Chinese crew, Lu and his co-driver Zhao, as they beat much more experienced crews to come a good second. Their only mistake was on the final night when they hit a wall. Luckily help was soon at hand to repair the damaged rear axle. Also receiving a special welcome from the crowd were the second Chinese crew, Liu Shi and Zhao Weiwei, who were attempting this rally for the first time, also driving a Mitsubishi Starion Turbo.

Last year Lu and Zhao came 21st out of 36 competing cars in the 555 Rally, earning them a place in China's motorsport history as the first international rallying pair.

Completing the Chinese 555 team were Liu Shi and Zhao Weiwei, who drove a 180 HP two-wheel drive Starion Turbo. Liu and Zhao are also driving instructors from the Beijing Police Academy. They played a managerial and support role in last year's Team 555-China.

The Chinese team were backed by 30 support staff and 11 vehicles.

Lu said, "I'm very satisfied with the results. But we must realize that being over an hour behind Stig Blomqvist means that rallying

in China is at least 20 years behind the world level."

In June this year, the Chinese foursome visited Britain, where they had their first taste of an international motor rally in 1985. They followed an integrated course covering both driving and navigational techniques under the friendly but watchful eye of Andy Dawson, rally veteran and Team 555 director.

"They have forgotten absolutely nothing since last year's 555 Rally. It is obvious they have been doing a great deal of

practice," Dawson said with delight.

The four took part in the tough and demanding Scottish rally in early June in Peugeot 205 GTI cars. Both pairs finished the course. This was a great achievement, as the Scottish run always attracts a star-studded field.

Lu learnt that even one error can be costly. On a muddy section his yellow Peugeot slid off the road and he was stuck for 20 minutes until Liu and Zhao and a British

(Continued on P.34)

Lu (right) and Zhao are spraying champagne while standing high on their Starion Turbo.

HUANG BENQIAN.



Levelling, Not Socialist Moral Norm

"JINGJI RIBAO"

(Economic Daily)

Absolute egalitarianism or levelling, as a moral concept, is an invisible psychological shackle that must be broken. Whenever it is mentioned, people get confused about its moral aspect. This has seriously hindered the progress of the economic reform and the development of a socialist commodity economy.

For a long time, natural economy has held a predominant position in China. As the bulk of social wealth came from land and manual labour, it was limited. Therefore, people naturally focused their attention on the distribution of wealth rather than on its creation. As a result, people consciously or unconsciously took absolute egalitarianism as an ideal social morality.

Historically, leaders of peasant uprisings advocated equality between the rich and the poor to mobilize the masses against the ruling classes. Although nearly every peasant uprising failed to give effect to the slogan that the rich and poor enjoy wealth together, levelling nevertheless struck deep roots among poor peasants and other small producers, and also played a positive role during the country's democratic revolution. After China entered the socialist period, public ownership of the means of production was realized and absolute egalitarianism lost its economic basis. But the doctrine remained a de facto moral norm which hindered economic development and social progress.

To begin with, absolute egalitarianism as a moral norm in effect denies the consistency of interests between individuals, collectives and the state under

socialist conditions. It greatly dampens people's enthusiasm to create social wealth through work, retarding their initiative and creativeness. At present, and for a long time to come, China must encourage some of its people and certain parts of the country to become better-off first, with the aim of achieving a future common prosperity. This policy naturally leads to a reasonable difference in distribution. But in some areas things have been deliberately made difficult for the prosperous, who have been forced to yield their profits to others.

Second, absolute egalitarianism as a moral norm is not in keeping with the socialist principle of distribution—"from each according to his ability and to each according to his work." Socialism does not mean all people must get rich together and at the same time. The distribution of wealth should be in accord with the contribution each member makes to society, while opposing the exploitation of man by man.

To build a socialist society with an advanced culture and ideology and developing the socialist commodity economy, the moral aspect of absolute egalitarianism must be re-evaluated and workers should be helped to get rid of this outdated concept. ■

Personal Experience on CAAC

"YANGCHENG WANBAO"

(Guangzhou Evening News)

I was given the cold shoulder on September 7, 1986 when I returned to Guangzhou from Kunming by plane after doing some business there.

I was the last to board the plane because my ticket was for a seat in the first row. The plane was packed. Standing by the first row, I put my hand luggage down and tried to find the seat. But a stewardess said, "The first row is taken. Go and find an empty seat at the back."

To tell you the truth, I don't like seats at the front, because they say it is safer at the back. But taking a glance at the numerous heads at the back, I became perplexed. I didn't want to be on my feet all the way from Kunming to Guangzhou. So I pointed to a place where only one man occupied three seats, and asked, "Can I sit there?" The stewardess said nothing but the man replied indignantly, "What are you shouting about? Go and ask at the ticket office!"

The plane had already begun to

taxi. I picked up my luggage and moved towards the back. Finally one of the comrades travelling with me offered me his seat.

I sat down and began to think. How could this happen? Apparently nobody was interested in how many people got on the plane, nor were they afraid to give offence to passengers. And no one cared whether the airline made a profit or not. Moreover, since I didn't dress particularly well, they looked down on me because I did not look like a leading cadre or a businessman from Hong Kong.

The comrade travelling with me was angry at what had happened and went and asked the chief steward of the plane for help. He said I was the Party secretary of Guangzhou. A man in uniform immediately came up to me and begged me to take a first row seat.

I said, "Thank you very much but this seat is as good as the first row and I am quite satisfied with it." I did not want to be party to the little man's sycophancy.

The stewardess came over to apologize. "I am sorry," she said. "I didn't know who you were." I

replied, "Never mind about me. You should treat all passengers the same. It is not good being rude and unreasonable. By the way, who is that sitting in the first row?" "He is the guard," the stewardess answered.

Last year, two comrades and I travelled from Paris to Berne by a Swissair plane. It so happened that the two comrades with me both had the surname Yang. The booking office mistook them for one person. As a result only one of them got on the plane. The elder Yang, who was left behind at the airport, went to complain to the company. A company official promptly apologized profusely and compensated him for his loss, including a return ticket and the cost of board and lodging in Switzerland.

The curious thing is, it is the employees of our socialist enterprises who are impervious to reason, while those in capitalist enterprises are very conscientious in their work. The key problem, I think, is that there is no competition between enterprises in China.

A section of the Decision of the Central Committee of the Communist Party of China on Reform of the Economic Structure, adopted by the 12th Party Central Committee at its Third Plenary Session on October 20, 1984, says, "As a matter of fact, where there is commodity production, there is bound to be competition.... On the basis of public ownership and subject to the control of state planning and laws, and for the purpose of serving socialist modernization, our enterprises are put to the test of direct judgment by consumers in the marketplace so that only the best survive. This will help to break the monopoly hampering the growth of production, lay bare the defects of enterprises quickly and stimulate enterprises to improve technology, operation and management." ■

Survey Shows Workers Support Reforms

"GONGREN RIBAO"
(Workers Daily)

More than 95 percent of Chinese workers, and government employees support the country's current reform of the economic structure, according to a national random sample survey of 640,000 people of various trades and professions conducted by the All-China Federation of Trade Unions between March and May.

The survey indicated that 67 percent agreed that the ongoing reforms represent "a road leading to socialism with Chinese characteristics," and that road will lead to "a strong nation with wealthier people." About 15 percent considered the reform "a form of capitalism based on socialist principles." Another 13 percent said that they are not clear about the nature of the reform, even though they liked the results. Only 15,570 people, 2.59 percent of the sample survey, thought the reform amounted to the same as capitalism.

Of those surveyed, 93 percent considered the policy of opening up to the outside world very important to the building of socialism with Chinese characteristics and that the policy is an indispensable prerequisite for the country's modernization. A few thought the policy will let decadent ideology into China, while they believe it will accelerate the modernization programme. About 19,000, or less than 3 percent of those surveyed, considered the policy as "having impeded the growth of the national industry;" 82 percent agreed that more self-government will "invigorate industrial businesses;" 77 percent thought that the contract system of management will "enhance business management and promote pro-

duction efficiency." Only 15 percent unequivocally said China's economy was in excellent shape, 82 percent thought the economic situation good but they qualified their answers. Some thought many more problems needed to be tackled, and social behaviour in particular had to be improved.

According to the survey, 83 percent found their living standards had "improved" or "greatly improved" since the reform started; 56 percent did not like the price reforms; 38 percent disagreed with the policy of encouraging some people to become rich first; and 14 percent disapproved of individual businesses.

Of the people surveyed, 70 percent were blue collar workers, 17 percent civil employees and 13 percent academics or other professionals. They were asked to answer six questions concerning the reform. ■

How dare you?

HUA JUNWU





Beijing grassy golf course.

Beijing Golf Club Opens to Business

The Beijing International Golf Club, a Sino-Japanese co-operative company, which opened at the end of July, is doing better than expected.

The golf club is located at the Ming Tombs, a famous scenic spot about 50 kilometres north of Beijing proper. Its golf links are up to international standards, with 18 holes, 72 pars and a 6,480-metre-long course. In addition, there is a practising ground. To the north of the course are the club building, a hotel, a parking area and villas.

Shin Kakimoto, the Japanese side's general manager, said that the club is built in a Chinese garden style. It is dotted with flower-beds, courtyards, rockeries, ponds, springs and

pavilions. The Beijing golf club, he said, is the most beautiful of the three courses Japan has built abroad.

Business in the last few months bodes well for the future. Every day the course is visited by 50-60 people, 20 more than expected. The figure does go up to 160 on weekends and holidays. On busy days golfers have to book in advance. The business volume in the first two months reached one million yuan. The company believes it will recoup the investment earlier than expected.

The golf club was built and managed jointly by the Changping County Foreign Economic and Trade Co. and the Japanese Golf Development Co. Ltd. The Chinese side provided the site and

the Japanese an investment of 3.1 billion Japanese yen. The co-operation period lasts 20 years. The contract for the club was signed in January 1985 and the construction started two months later.

According to the contract, the Japanese side receives 70 percent of the profits until it recoups its investment, at which point it will take 30 percent, and China 70 percent.

The contract also stipulates the Chinese side will take over all property right for movable and unmovable property gratis when the co-operation period comes to an end. If China has any trouble in managing the company, the Japanese company agrees to give help for payment. The Beijing golf company has invited members from both countries and their membership will go on after the co-operation period is over. ■

by Yao Jianguo

Liaoning's Privileges for Foreign Investors

In late October the Liaoning provincial government made public 14 new regulations for attracting foreign capital. These regulations are a supplement to the Provisions for the Encouragement of Foreign Investment issued not long ago by the State Council.

The regulations stipulate that the business management autonomy of Sino-foreign joint ventures in the province is guaranteed. If they should have difficulties balancing their foreign exchange they may seek help from the local government. They may expect preferential tax terms. Enterprises involving advanced technology or geared to export are exempt from local income taxes for the first five years after they start making a profit and are charged half in the following three years. Their income taxes may be paid in Renminbi not necessarily foreign exchange. If they fulfil their export quota, the foreign partner may sell any products above-quota through foreign trade companies. Sino-foreign enterprises have the same claim to raw material and energy supply as state-owned enterprises. The annual land use tax is 5 to 20 yuan a square metre. It will be cut to below 5 yuan if the money is ploughed back into the enterprise. Agricultural, forestry and livestock Sino-foreign joint ventures will be exempt from this fee in the first two years of operation and be liable for half in the following three years. The boards of directors of these enterprises have final say about the number of staff and the total wages. The salaries of the employees are decided by the general managers and stated on the contracts signed with employees. The bank has no right to oversee the salary system introduced by these enterprises.

The workers are to be recruited from among the local people and technicians and managerial personnel may be recruited from elsewhere in China and abroad.

From 1979 to September this year, 138 Sino-foreign joint ventures, worth US\$ 498.34 million, have been given the go-ahead in Liaoning Province. US\$219.04 million, 44 percent of the total, were invested by foreign businesses. Up to now 64 of the Sino-foreign joint ventures have begun operation.

One of the industrial centres in China, Liaoning has 19,000 industrial enterprises, dealing with iron and steel, petrochemical, machinery, building-material and other raw material industries. The province has been designated as one of the main centres in the country due for technical renovation and capital construction during the Seventh Five-Year Plan period (1986-90). In the long term Liaoning will devote itself to the absorption of foreign capital, including loans from international monetary organizations, government loans, commercial loans and Sino-foreign joint ventures. During the Seventh Five-Year Plan period the province plans to attract US\$1.5 billion foreign capital for updating the machinery, electronics, metallurgical, chemical, pharmaceuticals, building materials, light, textiles and food industries. ■

Synthetic Bags Sell Well

The Beijing No. 2 Leather Factory exported 284,400 synthetic leather pieces at a value of US\$1.1 million in the first eight months of this year. This is 24 percent more than in the same period last year.

The factory is the largest synthetic leather factory in Beijing and produces mostly suitcases and bags for export. It is constantly

developing new products. Early this year the factory designed and produced nine kinds of high- and medium-grade synthetic holdalls for the international airlines market. These products sold well abroad, because of their new designs and usefulness. The factory has also produced 11 kinds of cotton canvas bags for pupils in the Middle East. Printed in a Chinese traditional way, the bags were popular and 84,000 more have been ordered this year. Just this year the factory has designed 46 new products and exported them to Hong Kong, Britain, the United States, the Middle East and elsewhere.

The Beijing synthetic leather factory attributes these achievements to the large-scale technical reform it carried out over the last few years. Early this year, the factory imported a production line and related equipment from the Adlersewing Machines Co. of the Federal Republic of Germany for 2.2 million yuan. With help from the German company, the line has been put into operation. ■

Yu Hong

News in Brief

■ The China National Native Produce and Animal By-Products Import and Export Corp. and the Saga Furs of Scandinavia will jointly run the first international fur and leather fashion show in Beijing on November 26.

China will show 63 pieces of leather and fur fashions designed by the Saga company in 1986, including 52 mink and fox fur overcoats. These lined coats have matching caps, muffs and waist bands.

■ Two sets of huge injection molds produced by the No. 2 Machinery Plant in the Inner Mongolian Autonomous Region have been shipped to the United States on order to a US mold company. This is the first time China has exported such huge molds to the United States.

Celluloid Tributes to Revolutionary Leader

To mark the 120th anniversary of the birth of Dr. Sun Yat-sen, films have been screened in the cinemas of China and on the nation's televisions to show the respect felt by the people for the country's first revolutionary.

President in Hard Times

The feature film *President in Hard Times* made by the Shanghai Film Studio covers Sun's life in the period 1921-22.

The 1911 Revolution led by Sun Yat-sen swept away the feudal monarchy that had ruled China for 2,000 years. He himself was the first provisional president of the Republic, but he resigned from the post as he wanted to concentrate on national construction. However, the president who succeeded him, Yuan Shikai, proclaimed himself emperor, and was forced to step down. Yuan's successors were merely warlords backed by foreign imperialists. So Sun Yat-sen set up a new government in southern China, Guangzhou, in May 1921. The Guangzhou government proclaimed a Provisional Constitution to protect the

Republic and decided on the Northern Expedition.

In Sun Yat-sen's inaugural speech at the beginning of the film, he says: "The 1911 Revolution succeeded in overthrowing the feudal monarchy and establishing the Republic. I had hoped we could concentrate our efforts on construction in a peaceful environment. A whole decade has elapsed since and there is still no peace for the people... our beautiful motherland is still divided up by warlords... wars are frequent... life has become even harder... the government is corrupt... I feel sad about this... I'll do my best together with you... to invigorate China, to recreate the Republic!"

The film depicts the struggle between Sun Yat-sen and Chen Jiongming in the year following Sun's inauguration. Although Chen was appointed commander-in-chief of the army by Sun, Chen tried to take over as ruler of southern China. He collaborated with the northern warlords to oppose Sun's Northern Expedition aimed at unifying the country. In June 1922 he staged a coup, bombing the presidential

office. A fierce battle lasting 55 days raged between Chen and Sun, who had taken refuge on a gunboat, ending with Sun's defeat. The revolution was once again at a low ebb.

While depicting these historical events, the film also pays attention to the delineation of Sun's character. The qualities and the feelings of Sun the great revolutionary come across well. In one scene, the president visits Guilin in neighbouring Guangxi. Local residents welcome him by standing beside the road as he passes, offering him food. One old woman is waiting for him with a bowl of pure water, saying she wants to know whether the government is "as clean as the water." The president steps forward to greet her and drinks the water, vowing to organize the Northern Expedition.

Many other scenes detail the life and work of the president and his wife Madame Soong Ching Ling. Soong is Sun's supporter and follower. Since their marriage in Japan in 1915, most of their life had been spent in chaotic times. Yet they always stick together. Their separation at the moment when their house is being encircled

After assuming the post of provisional president, Sun Yat-sen promulgated various decrees.





Sun Yat-sen (right) and Deng Keng reviewing the First Division of the Guangdong Army.

is an impressive scene. At first, the president cannot believe that the subordinate in whom he has placed his trust has betrayed him. When he senses that the situation is really critical, and his house is besieged, he immediately orders his wife and others to leave first, voicing his determination to fight Chen to the end. Persuaded by his wife and those around him that "China cannot do without you," the president disguises himself as a physician and flees. To confuse the rebel troops, Madame Soong Ching Ling stays with the guards to fight, until they receive a signal that the president is safe. They finally break out of the encirclement at the cost of the miscarriage of the couple's only child.

Having drawn the lessons of the coup and won fresh support, Sun Yat-sen renews the struggle. While the Northern Expeditionary army encounters difficulties, he meets representatives of the Communist International and of the newly established Chinese Communist Party. Their suggestions for winning the support of workers and peasants, for sponsoring a military academy and creating a really revolutionary army give him new inspiration. He discovers in them a new revolutionary course and true allies. This prompted his

advocacy of the policies of "alliance with Russia, with the Communist Party and assistance to peasants and workers," representing a great turning point in his life.

The film's realistic portrayal of historical events is complemented by its lyrical style. The 65-year-old Sun Daolin, who plays the president, is an outstanding actor on stage and screen. The scores of characters he has created in his 40 years career have deeply impressed audiences. His portrayal of Sun Yat-sen is natural, fluent and convincing. Sun Daolin recalled that he and the whole production team made a point of doing their best and that Dr. Sun Yat-sen is the most important character he has portrayed. Of course, they had the backing of the government, academics and others. Sun Daolin is also the director and co-writer of the screen play.

All the supporting roles are well played, too, notably Zhang Xiaomin, 24, as Madame Soong Ching Ling, and Wu Xue, 72, as the foreign minister. Wu was once vice-minister of culture.

The call made by Sun Yat-sen 65 years ago to "invigorate China," which comes across in *President in Hard Times*, strikes a

chord with present-day Chinese who also want to revigorate China and build it into a modern country.

To celebrate Sun Yat-sen's birthday on November 12, the Zhujiang Film Studio shot a biographical feature Dr. Sun Yat-sen. It is said that Taiwan has made a film called *Biography of Father of the Nation*.

TV stations around the country have also made their contributions to the anniversary celebrations. *Sun Yat-sen's Narrow Escape in Guangzhou* was made by Hubei provincial TV station and Shanghai TV put out *Sun Yat-sen and Soong Ching Ling* and *Sun Yat-sen in Beijing*.

Documentary Films

Three documentaries made by the Central Newsreel and Documentary Film Studio include historical material and footage that is rarely seen.

Sun Yat-sen, Revolutionary Pioneer gives a general picture of Sun's life, while *The Tide of the 1911 Revolution* and *The Northern Expedition* give detailed accounts of two important periods in Dr. Sun Yat-sen's life.

Revolutionary Pioneer which lasts 30 minutes, begins at Sun's

birthplace, Cuiheng village in Xiangshan, Guangdong Province, where he was born into a peasant family in 1866. At 13 he went with his mother to Honolulu, where he received a Western education and became a Christian. Later he studied medicine and practised as a doctor. The film also records his early revolutionary activities, such as his petition to the Qing ruler and his founding of the revolutionary organization Xing Zhong Hui (Society for the Revival of China), the predecessor of Tong Men Hui (The Revolutionary League), which later became the Kuomintang. He made extensive investigations in China and abroad, engaged in propaganda work and made contacts with other revolutionaries.

The abundance of materials in *The Tide of the 1911 Revolution* show that Sun had long prepared for the revolution through active propaganda and debates with royalists. On several occasions he organized and took part in activities aimed at overthrowing Qing feudal rule. In March 1911 he led an uprising in Guangzhou. The uprising failed but it rocked the feudal court and pushed forward the revolutionary cause. The film records the success of the Revolution of 1911 in Wuchang in October while Sun was in Chicago. He was publicly recognized as the leader of the revolution.

After the founding of the Republic of China in 1911, Sun Yat-sen's revolutionary cause continued to suffer setbacks. At that time big changes were taking place in the world and in China. In Russia, the October Revolution took place in 1917. The Chinese Communist Party was founded in 1921. After Sun made contacts with representatives of the Soviet Union and the Chinese Communists, he began to have fresh confidence.

In 1924, under the sponsorship of Sun Yat-sen, the First National Congress of the Kuomintang was

convened, and co-operation between the Kuomintang and the Communist Party began, bringing hope to the revolution.

He came to realize that only by resorting to armed force could the Beiyang warlords, who depended on the imperialists, be toppled. This was the beginning of the Northern Expedition. The film *The Northern Expedition* records the speech made by Sun in September 1924: "The aim of this expedition is not only to overthrow the warlords, but to overthrow the imperialists on which the warlords exist." Of course Sun himself never realized this aim achieved only in 1949 when the People's Republic of China was founded.

Sun Yat-sen died of cancer of the liver on March 12, 1925 in Beijing. As he lay dying, Sun said over and over again: "Peace, struggle, save China." Then the film describes the deep mourning of people from every part of the country for this great man who had devoted all his life to seeking independence and prosperity for his country. One photo published for the first time shows Sun on his death bed. Among those standing by the bed is his son Sun Ke (Sun Fo). This photo has been in the possession of the Kobe Overseas Chinese General Society for a long time.

His coffin was first placed in Fragrant Hill in Beijing, and later buried in the Sun Yat-sen mausoleum in Nanjing. Every year since then Chinese and foreigners have come to the mausoleum to pay homage to him. Among the major documents commemorating him in 1925 are the cable sent by the Chinese Communist Party to its great comrade-in-arms; "In commemoration of Dr. Sun Yat-sen," written by Mao Zedong in 1956, which reads: "The people of contemporary China are all successors in the revolutionary cause to which Dr. Sun Yat-sen dedicated himself"; Premier Zhou Enlai's speech at the 1956

memorial meeting, which recognized Sun Yat-sen as a "great revolutionary and statesman"; and the speech by Hu Yaobang, then chairman of the CPC Central Committee, made on the 70th anniversary of the Revolution of 1911, which once again stated that the deeds of this revolutionary pioneer would be recorded for ever in history.

He Zhongxin, 61, one of the most experienced of documentary film makers, directed the films.

On the eve of Sun Yat-sen's 120th birthday, copies of both documentary films and the feature film made in Shanghai were released, with English subtitles, to China's embassies and consulates in some 40 countries. ■

Cameos

Drawing the Human Body: A Bold Stroke

The beauty of the human body, as a part of nature, has long been acknowledged. However, the heavy hand of feudalism prevented the portrayal of the human body as a form of art in China until 50 years ago; and it was not until recently that this art form was allowed a public audience. Exhibition of Sketches of the Human Body by Wu Changjiang, 32, to be held at the Art Gallery of the Central Institute of Fine Arts on November 20 may signal a final breakthrough.

Chinese Snatch Medal In World Tourney

China's He Yingqiang outlifted Bulgarian Mitko Grablev in the bantam-weight snatch event with 127.5 kg to win the gold and placed himself second in total scores in Sofia of Bulgaria on November 8. He is the second Chinese weightlifter ever to win a gold in the World Weight Lifting Championships.

Sun Yat-sen's 'Complete Works' Published

A newly compiled 12-volume *Complete Works of Dr. Sun Yat-sen* (including a one-volume index) has been published by the China Book Company in Beijing to mark the 120th birthday of Dr. Sun Yat-sen.

Apart from the writings already available, the new work collects together unpublished Chinese and English original manuscripts held by individual collectors and libraries at home and abroad. The *Complete Works* contain more than 8,000 writings, including essays, speeches, records of conversations, written statements, letters, telegrams, declarations, calls to arms, official documents, orders, written instructions, forewords, inscriptions, poems and translations. It also includes some important works which have only been published in obscure newspapers and magazines. The new five-million-character publication contains 2,000 more works than the *Complete Works of Father of the Nation*, which runs to 4 million characters, published in Taiwan in the 1970s.

The first volume of the *Complete Works* contains nearly 400 writings written between 1890 and 1911, 100 more than those for the same period collected in the *Complete Works of Father of the Nation*. The volume is essential reading for those wishing to understand and research Dr. Sun's early works. It shows how he matured from a progressive youth into a democratic revolutionary.

On January 1, 1912, the Republic of China was founded, a great event in the history of modern China.

Volume 2 contains 669 writings around 1912. The figure is again 100 more than that for the same period in the Taiwan edition. Included are his speeches made

before and after the founding of the Republic of China and his inauguration as provisional president.

Dr. Sun's 600 writings in volume 3 cover the period from 1913 to 1916. They are the records of the campaign to protect the Republic of China launched by Dr. Sun against Yuan Shikai, who declared himself "emperor of the Chinese Empire" in December 1915 with the support of Japan and other powers.

Volumes 4 to 8 cover 4,000 writings between 1917 and 1923. About half of them are devoted to his struggle against the reactionary rule of the Beiyang warlords, and his efforts to put down the Guangdong warlord Chen Jiongming. This was the hardest and most complicated time in Dr. Sun's life of struggle. The rich experience gained and lessons learnt by Dr. Sun in this period are detailed in many of his speeches, works and documents. With the victory of the Russian October Revolution in 1917, Dr. Sun's revolutionary thought and practice took a new direction.

Volumes 9 to 11 contain 2,500 works from 1924 and 1925, just before his death, twice the number for the same period collected in the *Complete Works of Father of the Nation*. These three volumes, plus other works in previous volumes, trace Dr. Sun's revolutionary activities, including reorganizing the Kuomintang, convening the First National Congress of the Kuomintang, reinterpreting the Three People's Principles of Nationalism, Democracy and the People's Livelihood, and effecting the co-operation between the Communist Party and the Kuomintang. In addition, these volumes also include writings

reflecting his endeavours and achievements in the period after the Kuomintang-Communist co-operation, in developing the worker-peasant movement, establishing the Huangpu Military Academy and the revolutionary base in southern China, launching the Northern Expedition, fighting against the imperialist powers and seeking the unity of China.

The Complete Works of Dr. Sun Yat-sen is a monument to Dr. Sun Yat-sen's illustrious life, and a valuable spiritual legacy left by him to the Chinese people.

The idea of seeking happiness for the people and serving the public is also interpreted in Dr. Sun's writings. When he was a middle school student, he had one exalted ambition: "Enjoy comfort only after others are freed from suffering, and after they have a happy life." With the thought that medicine is a "way to save the people," he chose medicine as a profession. Later, he found that "to save the people by means of medicine is limited." So he began to engage in the "cause of saving the country" by political cure.

After the founding of the Republic of China, Dr. Sun pointed out that some revolutionaries only "crave personal fame and gain, but not give much thought to important matters." To counter this tendency, he proposed the acquisition of a "new outlook and new thought" to replace old ideas. He pointed out that the feudal empire allowed "only the emperor to govern the country, but the Republic allows the people to be masters of the country," and that "the duty of our revolutionaries is to love the people, not to do them harm." He told revolutionaries that "to be a member of the Kuomintang, one must devote himself whole-

heartedly to the party, not to secure an official position.

Many writings on Dr. Sun's thought and his planning of China's reconstruction are also included in the *Complete Works*.

"Reinvigorating China," which means "to make China leap into the ranks of prosperous countries," was the revolutionary goal for which Dr. Sun Yat-sen struggled throughout his life.

He always paid particular attention to economic construction. One of his important works is *The International Development of China*, which he wrote in 1919 despite the setback to the revolution. The work deals with six development projects—a great northern port, a great eastern port, a great southern port, a central railway system, a mining industry and agriculture. It was then called Dr. Sun's "great principle of industrial development programme," or the "great policy of state economy." Upon the then historical conditions, Dr. Sun pointed out that "the industrial development of China should be carried out along two lines: by private enterprise and by national undertaking."

He also extended a welcome to foreign investors and experts, hoping they would help plan, organize and manage Chinese enterprises, and undertake the training of Chinese assistants. "As long as we are good at importing foreign capital and technology," he wrote, "we could, within 10 years, pay off the capital invested in development, and train our own technical personnel to manage our own enterprises independently."

Dr. Sun always attached special importance to the development of China's education system and the training of skilled people. Many of Dr. Sun's writings brim with his thoughts on education. In 1890 and 1894 he twice suggested more schools be opened so that everyone in the country could have a chance to learn, and he called for "letting everyone display his ability and talents."

After the founding of the Republic of China, Dr. Sun believed that the task of the revolution had shifted from "destruction" to "construction." Thus, he appealed to those who had "the skill of destruction" to learn the "knowledge of construction."

Chen Zheng

(continued from P.25)

Motor Rally

competitor hauled the car back onto the road, enabling him to finish 47th.

Liu had his own taste of trouble, too. Towards the end of the rally he was caught by a deceptive bend. The little Peugeot rolled down a bank, denting the roof and smashing the windscreen. Dawson and some burly Scots manhandled the car up the bank and back into the rally. Liu finished 50th.

Lu's performance persuaded Dawson to give in to his repeated request to be allowed to drive a

more powerful car in the run to Beijing.

Talking of the Scottish rally, Lu said, "the event was only my third rally, so I am well pleased. It was very tough as the roads were so much rougher than in last year's 555 Rally."

Former World Rally Champion Stig Blomqvist won the 555 Hong Kong-Beijing Rally in great style by finishing over an hour and a half ahead of his nearest rival, Lu Ningjun. It was the Swede's first time on this rally and as he drove his 555 Audi Quattro across the finishing line at the Ming Tombs, he said, "The organizers have done a good job with this rally and I am really happy to be the winner."

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Crossing the Yellow River.



A legendary giant Xing Tian fights with the Emperor of Heaven for the throne of the universe. After being beheaded; Xing Tian continued fighting using his nipples as eyes and his navel as a mouth.

Papercuts by Qiao Xiaoguang

Born in Renxian County, Hebei Province, in 1957, Qiao Xiaoguang is now an art teacher at the Railway Middle School in Hengshui, Hebei. Taking his themes mostly from ancient Chinese fables, legends and fairy tales, Qiao combines the techniques of folk artists, primitive art and the modernist school to create papercuts of unusual character.



A peasant family going to visit relatives.



Play a musical instrument before a cow — satirizing those who do things without considering for whom they are done.

ART PAGE

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