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Reforestation Can Work

The Status and Role
of Intellectuals

SPOTLIGHT

Neat terraced fields by the Huanghe River in Shaanxi Province.



"China's Sorrow" No More

The Huanghe (Yellow) River, long known as "China's Sorrow" because its flooding brought frequent calamities to the Chinese people, has now been brought under control. Since national liberation in 1949, not a single flood has occurred, and great changes have taken place along the banks of the river.

The Sanmen Gorge Hydroelectric Power Station in Henan Province.

A rural primary school in Lankao County, Henan Province.





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COVER: Forest plantation in the
Mengjiagang Forestry Centre in
Heilongjiang Province.

Lu Weiguo

HIGHLIGHTS OF THE WEEK

Intellectuals and Intellectual Ideology

■ The case for intellectuals is put in two articles taken from the Chinese press: scientist Fang Lizhi, in a dialogue reprinted from *Guangming Ribao* (p. 16), describes the commitment scientists have to society as a whole and the way education should fit them for their role. "Establishing Intellectuals' Constitutional Status" (p. 18) from *World Economic Herald* argues that the intelligentsia's vital part in China's modernization should be affirmed in law.

Developing Nations Heighten Own Profile

■ Both in world politics and economics, the third world can be seen to be increasingly influential. It is taking more initiative in the North-South relationship as inter-dependence between nations increases. Problems, however, still remain to be solved (p. 12).

Making the Desert Bloom

■ The sandy wasteland of the ancient bed of the Huanghe River in two counties in Shandong Province has been transformed with help from the World Food Programme—a magnificent example of international co-operation combined with forest science and the will of the government and local people (p. 19).



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New Communist Criteria

by An Zhiguo

The new requirements the Chinese Communist Party has set for its rural members in the movement to consolidate the Party are intended to assist these people to play a leading role in developing the socialist commodity economy and helping the masses to prosperity.

Most of the Party members—over 20 million—are rural. The Party consolidation movement, now spreading across the country, began in the rural areas a year ago. The emphasis continues to be on dealing severely with the few cadres who abuse their powers, violate the law, break discipline and encroach on the interests of the masses, the movement includes educating rural Party members in how to play their role correctly.

The success of the rural reforms in the last eight years can be attributed to the efforts of the grass-roots Party organizations and their members in the countryside. They have contributed to the change of the rural economy from a single collective management into the contract responsibility system based on households, linking remuneration to output, and diversifying the forms of joint management associations.

However, quite a few conservative rural Party members think “honest farming” means abiding by the law and behaving oneself, and lack the sense of commodity and enthusiasm for commodity production. In out-of-the-way villages, many people equate commodity management with dishonest practice and think it a disgrace. This does not help increase their family incomes.

During Party consolidation, lessons and reports were given and visits organized to specialized

rural households which have become affluent through hard work. This proves to Party members the necessity and importance of a developed commodity economy in building socialism with Chinese characteristics and what harm the small-scale peasant economy would do to the development of productivity. The thinking of the Party members changes and they begin to lose their habit of being content with things as they stand.

Some time ago, Party members, who had taken the lead in developing the commodity economy, were criticized. When they heard that Party consolidation was about to take place, they feared the worst and fled. Through Party consolidation, Party members have updated their thinking and the fearful members returned to become models for emulation.

The mountainous Changyang Tujia Autonomous County in Hubei Province has long been in the “exchange 1.5 kg of sorghum for 0.5 kg of wine” stage and its commodity economy is undeveloped. Some veteran Party members among local farmers have never come down off the mountains to the cities. A township government official, who provided a house for an individual businessman from outside, was charged with “not doing honest work” by several Party members.

The situation there has now been transformed through Party consolidation. In Gejiawan Village in Changyang, no Party member wanted to go into business and there were 50,000 kg of cabbage and potatoes left rotting in the fields each year. This year, the village Party branch secretary led other Party members



in seeking outlets for the produce in the nearby cities, and brought in extra income.

In Panan County, Zhejiang Province, rural Party members with a commodity orientation, worked out their plans for increasing incomes. So far, more than 5,000 Party members have established ties with over 6,000 poor families, and offered help to build up commodity production bases. The county has established businesses processing bamboo shoots, tea and fruit which cover over 3,600 hectares.

In Pingdu County in Shandong Province, some Party members, after Party consolidation, set up production service groups, providing farmers with information, production aid and marketing services. They have not been short of work.

All this has proved that Party consolidation promotes rural reforms. In the coming months, the leading bodies in the countryside will be reshuffled, and Party members dedicated to reform will be promoted to the leading bodies of Party branches and administration.

The current Party consolidation started in the winter of 1983, and has fanned out group by group, from the centre. Rural Party consolidation is the last step. The aim is to unify the thinking of Party members, rectify the style of work, strengthen discipline and purify the Party organizations. Rural Party consolidation is expected to be completed next spring. ■

Centenary of Zhu De's Birth Marked

Ten years after his death, Marshal Zhu De, who was wrongly criticized during the "cultural revolution," was praised by Party leader Hu Yaobang on December 1 in Beijing.

Hu, General Secretary of the Chinese Communist Party, told a commemorative meeting held in the Great Hall of the People that a proper and truthful appraisal of Zhu De's great life was not made when he died in 1976 because of the political situation at that time. Neither the Party nor the Chinese people fully expressed their feelings for the memory of Marshal Zhu, he added. "We can do this today when we are celebrating the 100th anniversary of the marshal's birth."

Hu praised Marshal Zhu as a great founder and commander of the Chinese People's Liberation Army, and an outstanding leader

of the Party as well as an ordinary rank-and-file member and a model Communist. During the "cultural revolution" (1966-1976), the marshal suffered unfair criticism and treatment while struggling against the reactionary crimes of Lin Biao, Jiang Qing and Kang Sheng.

Hu described Zhu De as one of the people's leaders whose deeds will light the way for a long time to come, Zhu lived through the era from China's old democratic revolution to the period of socialist construction.

"As a great Marxist, an outstanding proletarian revolutionary, statesman and military strategist, he devoted his whole life to the liberation of the Chinese people, and to the communist cause, rendering immortal contributions to the history of the

Chinese revolution," said the Party secretary.

From his early years, Zhu began to seek and follow the road leading to national salvation and the emancipation of the Chinese people. To learn more about revolutionary theory, Zhu went to Germany in 1922 and joined the Chinese Communist Party in Berlin. From then on, Hu said, Zhu dedicated himself heart and soul to the glorious cause of communism.

Zhu De was one of the principal founders of the Chinese people's revolutionary army. He participated in leading the Nanchang Uprising of 1927, which fired the first shot in the Civil War against Kuomintang reactionary rule. The forces that fought in that battle, together with the army led by Mao Zedong, later formed the Chinese

A meeting held in Beijing's Great Hall of the People to mark the centenary of Marshal Zhu De's birth.

LI ZHIYUAN



Red Army, of which Zhu was the commander.

Zhu De also made important contributions to the success of the Red Army's Long March and its victories in the Anti-Japanese War and the War of Liberation.

After the founding of new China, Zhu became one of the leaders of the Chinese Communist Party, the state and the army. He was made a marshal of the People's Republic of China in 1955.

Although advanced in years, Zhu remained active in promoting the country's economic development and the modernization of the army. He was also involved in policy-making during the socialist revolution.

"Zhu De's contribution to the country and the nation is beyond assessment," Hu said. Yet he never asked for anything from the people.

"Zhu's noble ideology and great integrity will be with us for ages. His life is a valuable source of spiritual strength for young leaders," Hu added.

Peng Zhen, Chairman of the National People's Congress Standing Committee, presided over the meeting, which was attended by more than 5,000 residents of Beijing. Among those present were Chinese Party and state leaders and Kang Keqing, widow of Marshal Zhu De.

Commemorative activities were also held by people in Zhu De's native town in Yilong County, Sichuan Province. ■

Green Light for Trial Bankruptcy Law

After several revisions, China's controversial bankruptcy law was finally approved for trial implementation by the Standing Committee of the National People's Congress (NPC) on

December 1.

Running to 43 articles, the law covers liquidation proceedings, creditors' meetings and the distribution of the property of bankrupt enterprises, etc.

According to the law, a state enterprise that has incurred serious losses due to poor management and is unable to clear its debts in a fixed time will be declared bankrupt.

China now practises a socialist planned commodity economy. The purpose of the law is to facilitate the continuing economic reform, encourage state-owned enterprises to introduce democratic management, enforce the economic responsibility system, improve the economic performance of enterprises, and protect the legitimate rights of both creditors and debtors.

Under the new law, a creditor or creditors of an enterprise may file a bankruptcy petition in the local people's court where the debtor is located, stating the amount the debtor owes and lodging proof of the claim. The petition can also be filed by the debtor voluntarily with the approval of the higher authorities responsible for it, along with an explanation of its financial difficulties, its financial accounts and the records of its debts and its creditor's rights. The court must issue notice of proceedings to all creditors within 10 days of receiving the petition. ▽

After the court accepts the case, meetings of creditors must be held to verify claims against the debtor's estate and to discuss the distribution of its property, or to reach a compromise agreement. Within three months of the court receiving the petition, the higher authorities responsible for the would-be bankrupt enterprise may apply to the court for a probation period in which to improve the operation of the enterprise. This period should not exceed two years. But the period of probation will be brought to an

News in Brief

The Chinese government has decided to open another 192 counties and cities to foreigners who hold valid travel visas or residence permits. This raises the number of open cities and counties to 436. The newly opened areas include nine cities and counties in Tibet and Xinjiang.

China has about 15,000 social welfare enterprises employing 230,000 handicapped people. In 1985, the value of the products they made equalled 4.7 billion yuan, yielding profits of 520 million yuan. At present, 70 percent of handicapped people living in cities such as Beijing and Dalian have jobs, while the rural handicapped are engaged in other forms of production. The social welfare enterprises produce a great variety of products, many of which sell well abroad, earning China some US\$50 million over recent years.

More than 1,000 Catholics from across the country attended a grand consecration ceremony for four new bishops, all elected by local prelates, in the Xishiku Cathedral in Beijing on November 30. The three-hour ceremony was officiated by Bishop Zong Huaide, chairman of the Chinese Patriotic Catholic Association. The new bishops vowed to adhere to the principle of independence and self-government in local Catholic affairs. China now has 48 bishops in 112 dioceses serving about 3.3 million Catholics.

end if the enterprise fails to implement the agreed terms, or if its financial situation continues to deteriorate, or if it does anything that harms the interests of its creditors.

The law also stipulates that the court should appoint a group of trustees within 15 days after an enterprise is declared bankrupt to take possession of, value, dispose of and distribute the property of the bankrupt. The group shall consist of experts from the higher authorities of the enterprise and financial departments. It can make decisions to cancel or continue to implement contracts signed by the enterprise before it is declared bankrupt. Complete sets of equipment should be sold as one package if possible.

The law prohibits acts committed within six months before the court accepts a bankruptcy petition against an enterprise, such as concealing or transferring property without compensation; selling property at abnormally reduced prices, providing security to formerly unsecured debts, repaying debts before they mature, and giving up creditor's rights.

The law prescribes, after the deduction of bankruptcy fees, the payment of claims in the following order: (1) wage and labour protection claims by the enterprise's employees; (2) taxes the enterprise owes to the state; and (3) the enterprise's debts.

The law also includes a stipulation that the state must make proper arrangements for the re-employment of the employees of a bankrupt enterprise through various channels and must provide for the employees' basic needs until they find new jobs.

In addition, the law requires the legal representative and the leader of higher authorities to be disciplined or punished where they are responsible for an enterprise's bankruptcy through their own dereliction of duty. ■

Is Women's Lib Out-of-Date?

How liberated are China's women? Since the founding of the People's Republic in 1949 women have certainly acquired political and economic rights they did not have before, in particular the right to a job and to being paid equally for equal work. Many women have successfully challenged men in many fields of life and are no longer the inferior sex. But is it enough that women have the right to work? Is it necessary to make more efforts for the liberation of women? The answer is definitely "yes."

The People's Republic introduced its first marriage law in 1953 to protect women's rights. But in practice the ancient moral norms and thinking of the thousand-year-old feudal society die hard in many fields, even in activities on choosing "model wives" or "model women." Six women's experiences, carried by *Zhongguo Funu Bao* (China Women's News) on its page of "Marriage and Family" in early September, have evoked vehement debate among the public. The six stories were selected out of some 70 articles contributed by local women's associations and the mass media to praise and popularize their own angels.

One of the stories is about Tian Juhua, 32, who has nursed her husband for eight years. Her husband hurt his back soon after their marriage and has since then been paralyzed from the waist down. Another is about 27-year-old Liu Xiaoqin who decided to marry her soldier fiance two years ago, when she found out his parents were very ill. Now she labours in the fields, feeds her parents-in-law, dresses them up and helps them relieve themselves, because she bears in her mind an ancient legend that she learnt in childhood of the devoted young

lady who gave her heart and liver to cure her parents-in-law.

These stories may sound amazing to foreigners, but to some Chinese, who are influenced by Confucianism, which dominated Chinese society for over 2,000 years, they are examples of selflessness as they think the virtue of women should express itself in absolute devotion and obedience to her husband and family.

Some readers objected to praising woman in this way. In an article published in the *Women's News*, Yong Wen wrote: "To praise 'model wives' like the six women means exactly to preach the old feudal ethic codes in a refurbished version."

Another reader Xu Jingchun says in his letter to the editor: "There are still thousands of Tian Juhua and Liu Xiaoqin in China. Kind as they are, their ignorance is still stifling them. Ironically, society does not care—it prefers to praise them repeatedly as saints when they are suffering."

The editor of the 'Marriage and Family' column of *Women's News* told *Beijing Review* that half of the 700 letters she had received praised the women—mostly from women's affairs workers, school teachers and local Party schools. Meanwhile women complain of unjust treatment when they try to fight against "economic marriages" and go their own way, and of maltreatment when they give birth to a girl instead of a boy. A widow, Huo Ximei, 29, came in for a lot of abuse and slander when she wanted to remarry. All she could do was hide herself away.

Chinese women have been liberated politically and economically, said editor Xie, but old ideas are twisting people's personalities and limiting their development. Women's complete liberation depends on the further growth of literacy and the nation's economy.

"By discussing the matter, we mean to stir things up so that we can distinguish between pearls and fish eyes," Xie said. ■



CHEN ZONGLIE

First Collective Financial Co-operative

The Shatan Urban Trust Co-operative, the first collective financial organization in Beijing, recently opened its doors to the public. With capital of 100,000 yuan in the form of shares, the co-operative is run on the principles of democratic management, independent accounting and responsibility for its own profits and losses. A number of its 30 staff members are shareholders. On its first day of business, the co-operative attracted more than 340,000 yuan in savings deposits.

Farmers Prosper With Rural Reform

The rural reform, started in the late 1970s, has grown into a social movement that has changed and will continue to change the pattern of farming in China. Efforts must be made to ensure the continuous growth in the prosperity of farmers by developing the various pioneering methods explored in the reform. These were the topics for discussion at a national conference on rural work held in Beijing in November.

Vice-Premier Tian Jiyun addressed the conference on the need to persist with the rural reform and to encourage the steady advance of the rural economy. Vice-Premier Wan Li spoke on the importance of fostering socialist

cultural and moral values in the countryside.

During the conference, which is held annually, Premier Zhao Ziyang and other Party and state leaders listened to reports given by delegates from every province, municipality and autonomous region, as well as some ministries, on the present situation in every aspect of rural work. Many delegates, mostly local officials in charge of agriculture, offered valuable experiences and suggestions for consideration.

The rural reform was reviewed as a whole. Seven years of reform have seen the complete transformation of both the outlook for the country's vast rural areas and of the farmers' material life. Most significant of all, it has enabled millions of Chinese farmers to embark hopefully on the road to prosperity. With the introduction

of the responsibility system based on households, and the opening up of rural commodity markets, farmers have begun to enjoy more autonomy in the production and sale of grain and other cash crops, and in every sector of the rapidly diversifying rural economy. The traditional self-sufficient monoculture and one-dimensional rural economy, isolated from the urban economy, has been done away with. Even so, only a beginning has been made towards the final goal of replacing the natural economy with a modern planned commodity economy. The rural reform still has a long way to go.

Nevertheless, as 1986 draws to a close, obvious achievements have been made: The structure of rural production has been further readjusted, more attention to grain production produced a bumper harvest despite natural disasters, the diversified economy and township enterprises continue to flourish, and more efforts have been put into helping the poor in most underdeveloped areas. Farmers are more conscious of the need to work in an organized way and seek more opportunities to develop. There is now a brisk trade in farm produce at China's country markets.

Delegates to the conference agreed that the reform in the rural areas has temporarily slowed down as a transition stage is reached when the initial breaking down of old economic patterns and traditions is changing into a deeper-going process of advance. It was appreciated that it would be unwise to expect the rural reform to accomplish everything at once, but neither should one retreat in the face of difficulties. New problems will help deepen understanding of the nature of the reform, and indicate more suitable approaches to its practical implementation.

At the conference, the aim of rural work for next year was agreed upon after careful discussion, that is, to increase

farmers' prosperity by promoting commodity production. This was fully reflected in the remarks of Vice-Premier Tian, who said next year's goals for rural development were three-fold. First, agriculture must retain its proper role in the economy and grain production must be given the attention it needs in the year to come. Second, further adjustments must be made to the rural economic structure. In particular, more channels will be opened or widened to meet the needs of commodity circulation in the countryside. And third, further efforts should be devoted to the economic development of

Tian also supported the development of households that specialize in the production of a certain commodity. The policy of encouraging some farmers to become more prosperous than others will be adhered to, said the vice-premier.

In a long speech, Vice-Premier Wan Li urged China's 800 million farmers to clear away the last remnants of feudalism. "A man will naturally stand in the way of reform and opening to the outside world if he sticks to outdated concepts," he pointed out. As the rural reform proceeds, many economic and social changes come



ZHANG FENGGUO

Sideline business produce 60 percent of the incomes of farmers in Bache Township, Wujiang County, Jiangsu. Here are some villagers who specialize in preserving duck eggs.

the most underdeveloped areas.

In order to help achieve these three goals, Tian said, the state will increase investment in production facilities in the countryside to help farmers gain a stronger footing in commodity production. Measures will be taken to prohibit malpractices such as capitalizing on the larger incomes of farmers by charging them more for services, and forcing down prices of farm produce by levying fake charges.

into direct conflict with the traditional moral concepts and values held by rural people, and also bring to light some of the serious negative aspects of the backward cultural life in the countryside, such as feudal superstitions, extravagant wedding parties and funeral ceremonies and gambling. Ignorance and lack of education are the main obstacles to the creation of a socialist civilization with advanced cultural and ethical values. ■

China & the World

Chinese Premier Assures Dr. Hammer of Government Support.

Premier Zhao Ziyang met Dr. Armand Hammer, 88, chairman of the US Occidental Petroleum Co. in Beijing on Dec. 3. He assured the prominent American businessman that the Chinese government will give its full support to the Pingshuo open-pit mine, one of the largest joint ventures with foreign investment and technology in north China's Shanxi Province. The premier also congratulated and thanked bankers of various countries for having signed an agreement for a loan of US\$475 million for the mine, the largest-ever syndicated loan to China. Dr. Hammer said he is confident of the future of the mine.

State Councillor Song Jian Holds Talks With Polish Minister.

In talks with Konrad Tott, Polish minister of scientific progress and application, Song suggested that Poland invest in China, or that the two sides make joint investments in projects of common interest. They explored possible new methods and forms of co-operation in science and technology, and signed two agreements—a Sino-Polish plan for scientific and technological co-operation in the period 1986-90, and a work plan for direct co-operation between the Chinese State Scientific and Technological Commission and the Polish Commission for Science and Technical Progress over the coming two years.

THE SOVIET UNION

Reforms in Full Swing

Gorbachev is trying to accelerate the economic development of his country through a series of ambitious reforms.

The Soviet Union, once regarded as the model for other socialist countries to follow, is now having to face more and more challenges to its economic system. Internationally, the costly arms race, especially the challenge of the expensive US "Star Wars" programme, poses a serious threat to Moscow's economic ability to compete with Washington. The various reforms undertaken by other socialist countries over the past three decades—which have brought them considerable success—are calling into question the "superiority" of the Soviet Union's own system. At home, more and more Soviet people are becoming dissatisfied with the USSR's low economic efficiency and the very slow improvement in their living standards.

To meet these challenges, the Soviet Union is now carrying out economic reforms of its own in many areas. Soviet leader Mikhail Gorbachev has repeatedly stressed that new thinking is necessary. And indeed, the Soviets have worked out a number of completely new approaches to their economy. In this respect, the 27th Congress of the Communist Party of the Soviet Union (CPSU) held this year marked a watershed.

The Soviet Union is now attempting to look afresh at its traditional economic system. In the pre-Gorbachev era, the official attitude towards economic reform was that the existing system was basically all right and did not need changing—all that needed doing was to "perfect" it. But Gorbachev has pointed out that existing relations of production took shape

on the basis of the "extensive" economy of the country's early days—which is now unsuitable for further development, its potential having been fully exploited. Therefore, he has proposed fundamental, rather than "piecemeal," reform.

The Soviet Union has made certain essential breakthroughs in economic theory. Criticism of "market socialism," for example, has given way to serious study of the function of commodities and money, and enterprises are being urged to give full play to their role as "commodity producers," a term now being used for the first time in official Soviet documents. As regards the system of ownership, the collective economy and the contract system are being encouraged in sectors other than agriculture. Even individual enterprises and joint ventures are making an approved appearance.

The relationship between the state and enterprises has gradually changed in the wake of the current reforms. Some enterprises are now responsible for their own profits and losses. They have been given more power than before, as the duty of the state has been reduced to assuming control of the macro-economy, and setting the pace and the overall balance of economic development. The question of whether loss-making factories should be declared bankrupt has also been raised.

In agriculture, which has always been the Soviet Union's weak point, a collective contract system is now being introduced in the hope of raising agricultural output. Under the system, a

certain number of people, generally around 10, form a working group and sign a contract with the collective farm or state-run farm for which they work to produce a certain amount of produce on an agreed acreage of farmland. At the end of the year farmers can claim extra money if they grow more than the contract stipulates, thus directly linking their labour to their pay.

In foreign economic relations, the Soviets have come to realize that the Soviet economy is only part of the world economy and must share its ups and downs. Moscow has indicated many times this year that it is willing to join the General Agreement on Tariffs and Trade (GATT) as an observer, and on August 15 it applied for the first time to take part in the multilateral round of trade talks organized by GATT. It has also expressed its readiness to join the International Monetary Fund and the World Bank. Joint ventures, which used to be prohibited in the Soviet Union, are being actively advocated. Moscow has formally invited companies from the United States, France, Canada, Sweden and India to build joint ventures with it. And in September Moscow announced that 20 central ministries and 70 large industrial complexes will be allowed to deal directly with Western businessmen from next year, touching for the first time on the question of the absolute monopoly of foreign trade held by the state since 1917.

In a move to stimulate its economy, the Soviet Union passed a "law on individual labour," the first of its kind, on November 19, which allows 29 kinds of individual work, mainly in service trades and in small-scale production, such as taxi-driving, repair work, translation, and music teaching. This gives official recognition to private work which has gone on for a long time. According to official Soviet statistics, there are now over

100,000 people engaged in private business of one sort or another. The reason why the Soviet Union has adopted this law is that state-run enterprises and co-operatives cannot meet people's needs.

Other proposals are under discussion to reform financial, price and managerial structures.

The reforms have already yielded positive results: 1986 has been an unusually prosperous year for the Soviet Union. National income in the first 10 months grew by 4.3 percent, industrial output by 5.1 percent and labour productivity by 4.8 percent. Grain output this year has reached about 210 million tons, a figure not reached since 1978.

But it will not be easy to reform the Soviet Union. Gorbachev confessed on the eve of his visit to India that reform will take time and effort. "It is never easy," he said. The main obstacle is in

people's minds, he added. Old stereotypes must be removed to clear the way for reform. In a meeting with Finnish reporters on November 18, Yagor Ligachev, a member of the Politburo and the Secretariat of the CPSU, said that the current reform in the Soviet Union is something completely new and naturally will encounter difficulties. Not everyone is in favour of the reform, he said, and not everybody can understand the reform correctly. Another obstacle is the increasingly insecure international environment in which the Soviet reforms are taking place, and the effects of its huge military expenditures on the Soviet economy. It is reported that Moscow has allocated 20.2 billion roubles (US\$30.3 billion) for defence next year, a 5.6 percent increase over this year, and more than the increase in national income. ■

by She Duanzhi

The decision has drawn sharp criticism from leading Democrats. Senate democratic leader Robert Byrd said that as the only superpower to break the SALT II treaty, the United States invites the Soviets to do the same. Byrd also expressed the fear that the US move would hand the Soviet Union "the bonus of a propaganda victory in Europe." Representative Jim Wright, who will become House Speaker in January, said that the US decision to scrap the treaty is a setback to the cause of nuclear disarmament and a further blow to the credibility of US foreign policy. Describing the decision as "a tremendous mistake," Patricia Schroeder, a member of the House Armed Services Committee, feared that it might be "more profitable" for the Soviet Union because "they can add more warheads to their weapons more quickly than we can." Senator Edward Kennedy said, "There is simply no good reason for the United States to move outside the SALT II limits at this time," and "the further stockpiling of nuclear weapons by both superpowers means an unbridled arms race."

USA

An Unpopular Decision

The decision of the US Government to break the terms of the US-Soviet SALT II treaty has been criticized as an escalation of the arms race between the two superpowers.

The US Air Force, on the orders of President Reagan, put into service on November 28 its 131st modified B-52 bomber equipped with nuclear-tipped cruise missiles. This means that for the first time in seven years the United States has gone beyond the limits of the US-Soviet Strategic Arms Limitation Treaty (SALT II), which allows the United States to have 1,320 strategic missile launchers, including 130 cruise missile carrying bombers.

Signed in 1979 by the late Soviet

leader Leonid Brezhnev and former US President Jimmy Carter, SALT II was never ratified by the US Congress but adhered to informally by the US Government, using the power given to the president "to make treaties" by the US Constitution. President Reagan also used this same power to announce his final decision to scrap the treaty at a meeting with his top national security advisers on November 27, to counter the alleged Soviet threat and Soviet violations of the SALT II treaty.

The allies of the US, expressing deep regret over the decision, have called on the US to adhere to SALT II. A spokesman of the British Foreign Ministry said the UK would be holding discussions with the US in the search for a new accord on limiting strategic nuclear weapons. President Francois Mitterrand, regretting the US decision to exceed the limits of the SALT II treaty, said, "It would be very wise and very useful" to abide by the treaty. Though refraining from openly criticizing the United States for putting the over-the-limit B-52 bomber into service, West German government spokesman Friedhelm Ost said that both superpowers should adhere to the agreed upper limits on strategic nuclear weapons, while insisting that the goal of both superpowers should be to

reduce offensive nuclear weapons massively.

Italian Prime Minister Bettino Craxi wrote a letter to Reagan saying no steps should be taken to violate SALT II even if it is necessary to maintain the nuclear deterrent, and the Italian Government hoped the two sides would reach a more comprehensive treaty on the control and reduction of nuclear arms. In Canberra, the Australian Government has also expressed its deep regret over the US announcement. Australian Foreign Minister Bill Hayden said in a statement that Australia felt it was very important that the US and the Soviet Union comply with the

terms of SALT II. He said the limits that SALT II placed on strategic arsenals added an important measure of predictability to the nuclear balance, and despite the treaty's imperfections, it was the only point from which the two superpowers can begin to discuss significant reductions in their nuclear forces.

Responding to the US announcement, Soviet leader Mikhail Gorbachev said in New Delhi that the US decision to exceed the limits of SALT II went against the entire logic of the Iceland summit. It would now be more difficult for both superpowers to find a road to disarmament, he said. ■

by Xin Li

AFRICA

Progress of Privatisation

In recent years, many African countries have been privatising state-owned enterprises, bringing vitality to their economies.

Most African countries, after securing their independence, adopted a policy of nationalization, taking over big foreign firms and creating a large number of state-owned enterprises. But most of these, because of their poor performance and low technology, are usually loss-makers that have to be subsidized by the state.

In order to put an end to this situation, many African countries have progressively privatised state-owned enterprises in less vital sectors of their economies. Guinea has turned 50 state-owned enterprises into private or joint state-private ones, disbanded 356 state farms and decided to close down all state-owned banks except for the Central Bank and replaced them with three joint

state-private banks. Zaire has also privatised 40 state-owned enterprises. Togo has passed 24 big state-owned enterprises and a state bank over to private individuals to manage. Tanzania has sold its 12 sisal hemp factories to the private sector. Madagascar, Sierra Leone and Mali have sold off their rice bureaus to private owners. The Congo, Mozambique and Kenya have placed a number of state-owned enterprises into private hands. And Nigeria, Senegal and Niger are considering privatising some state-owned enterprises which have been running up deficits for a long time.

Meanwhile, certain African states have been adopting measures to support and protect private enterprises. For example,

Ghana is encouraging agricultural labourers to enter into contracts with state farms. Cameroon, the Republic of Central Africa, Gabon, Guinea, Zaire and the Congo have set up organizations to promote medium and small enterprises and to frame investment laws. They also provide loans on favourable terms to private businesses while reducing their income tax. As a result private concerns in African countries are developing rapidly. For instance, 2,000 private businesses were set up in Algeria in 1984 alone. Mali's private and joint state-private enterprises now account for 70 percent of its economy. In order to open up the circulation of agricultural and industrial goods, Mali, Togo, Tanzania and Guinea have abolished the state monopoly of foreign trade, permitting private enterprises to engage in the import and export business. Somalia, Guinea-Bissau, Mozambique and Madagascar also allow individuals to trade in agricultural and industrial products.

African nations are also adopting measures to encourage the investment of foreign private firms in joint ventures or wholly owned enterprises of their own. More than 20 African countries have passed laws to protect the capital of foreign investors, and have granted them favourable terms as regards tax and the repatriation of profits. In addition, the Ivory Coast, Liberia, Mauritius, Tunisia and Senegal have established "free economic zones" or "free trade areas."

The privatisation of enterprises has usually had a beneficial effect. The burden of subsidies is removed and government expenditures are reduced. For instance, the state-owned steel plant of Togo began to make a profit soon after it was privatised, from which the Togo government gets US\$200,000 in rent each year and the tax on its profit. As a result, Togo's deficits have been halved. Many of Ghana's export

industries have similarly been restored to health. In Zaire, former state-owned enterprises are now better managed after being privatised and no longer need government support.

Privatisation has also invigorated the internal and external trade of African countries. In Tanzania, exports of the main economic crops, such as coffee and cashew nuts, increased from 2.7 billion shillings in 1984 to 8.7 billion in 1985. Last year the Ivory

Coast's foreign trade surplus went up by half as against 1984. It is the same story in Guinea, Mali and Equatoria Guinea, where a much greater variety of goods are now on sale in both urban and rural markets.

Developed countries are investing more in Africa, too. In Zaire, for example, foreign private investments shot up from US\$3 million in 1983 to US\$100 million in 1984. ■

by Ou Yucheng

ITALY

A Second Economic Miracle

Italians are striving to make their country one of the most developed in the world.

Recently Italian newspapers and magazines have headlined the country's present economic growth, which is being described as Italy's second post-war economic miracle.

The first economic miracle began in January, 1958, when the country joined the European Economic Community (EEC). Although Italy had been devastated in World War II, during which two-thirds of its property had been destroyed and the national economy paralyzed, the country began to pick itself up in the 1950s. Since then Italy's economy has tripled. During the early 1980s, its domestic gross production registered a record US\$400 billion, with per capita production standing at more than US\$7,000 a year.

During the first nine months of this year, Italy's rate of inflation declined at a rate of 0.5 percent a month, and its foreign trade and budget deficits have been reduced. Its economy has grown at a rate of 2.8 percent this year, the highest of the EEC members. Because Italian products have become

more competitive on the international market, foreign investment in the country has increased from US\$1.8 billion in 1984 to US\$2.8 billion in 1985. Now Italy's economic capacity ranks sixth among the West's developed countries. In May this year, Italy was admitted into the economic summit of the seven Western industrial nations—the United States, Britain, France, West Germany, Japan, Canada and Italy—partly because of its improved economy, but also because it had a strong desire to be one of the summit's members. Italy is no longer satisfied with being a moderately developed nation. It wants to be in the lead among developed countries.

Italy attaches special importance to its foreign trade. It adopted a free trade policy soon after World War II in order to compensate for its lack of natural resources and to change the previous closed economic guidelines that damaged the country's economic development under fascist rule. In the early 1950s, exports accounted for only 6 percent of its domestic output, but

this had climbed to 20 percent by the 1980s.

The efficient staffing of Italian enterprises has played an important role in their modernization. Key specialists and administrators in many of the country's companies have to pass a strict examination before they are appointed to important posts and given authority. Moreover, big companies provide their employees with professional training to improve their abilities and to enable them to keep up with the companies' development.

Since capitalism began later in Italy than in most other European nations, state-owned companies still exist in the metal, petrochemical, power and motor industries as well as in such fields as aviation and shipping. About one third of the country's economy is under state control. Italy has set up special departments to co-ordinate key state-owned company groups in planning and investment. In 1945, Italy produced less than 400,000 tons of steel, but it now ranks as the second largest steel producer in Western Europe because it has given investment priority to the steel industry. The chemical industry has also been developed through state-owned group investment.

Italy has devoted much attention to introducing advanced technology. Its policy is to buy from wherever advanced technologies are sold at a reasonable price. It is therefore very common to find sophisticated machines made in the United States, West Germany and Switzerland working alongside Italian ones.

Its light industry is another factor promoting Italy's economic growth. Italian-made domestic appliances such as refrigerators, washing machines and vacuum cleaners enjoy international fame. The tourist industry also helps balance the country's international payments, earning US\$8 billion in 1985. ■

by Xu Qingmei & Shi Kedong

The Third World's Role in South-North Relations

The role of the third world in South-North relations cannot be ignored, especially in the context of increasing internationalization of economic activities.

by Wang Hexing

The emergence of the third world as a new and independent political force is of far-reaching significance in the post-war world.

Before World War II there were only 36 independent countries in Asia, Africa and Latin America. So far the number of third world countries has reached 126. They cover two-thirds of the world's continental area and their population is over 3 billion, accounting for two-thirds of the world's total.

The economic status of the third world has been steadily improving. The proportion of the third world's economic output has increased from 13.4 percent of the world's total in 1960 to 18.8 percent in 1981; at the same time that of Western countries went down from 68.5 percent to 62.9 percent. The differences account for each other exactly. In manufacturing industry the third world's share is still very small, but it has apparently increased from 6.9 percent in 1960 to 10.2 percent in 1980 and further to 11.9 percent in 1983. In value terms, one fifth of the world industrial output is produced by the third world. Some third world countries and regions, including Brazil, Argentina, Mexico, Singapore, Hong Kong and South Korea, have been classified as new industrial areas, and some others are about to be added, including Algeria, Iraq, Turkey, Indonesia, Chile, Venezuela and Colombia. Their production, not only labour-intensive but also technology-based, is supplying the international markets. Some of these countries are already at the industrial level of Japan when its economy began to take off 25 years ago.

In the colonial period, Western

countries shamelessly exploited Asia, Africa and Latin America for their agricultural and mineral products to fuel the West's capitalist development. Indeed it is still for raw materials that the West relies on the third world. Today the raw material supply (including fuel) is still heavily based in the third world. The oil reserves in Asia, Africa and Latin America account for 79.4 percent of the world's total, while those of copper, nickel, aluminium, tin, manganese, zinc and natural gas for over 50 percent. Furthermore, the third world also produces plenty of natural rubber, cotton, coffee, coca and timber products. As for materials of particular strategic military significance, such as bauxite and natural rubber, for them the West is totally reliant on the third world. The total minerals reserves in the advanced countries account for 44 percent of the world's total, but the West's consumption amounts to 70 percent. One quarter of the raw materials consumed in Western Europe and two-fifths in Japan are imported from third world countries.

Third world countries have enjoyed a growing share in international trade since they won their national independence. In 1962 their exports accounted for 20.6 percent of the world's total and their imports, 21.8 percent. Twenty years later their exports increased to 26.1 percent and imports to 25.1 percent. In the same period the West's share in the world's total of exports and imports shrank from 67.1 percent to 63.6 percent and from 65.9 percent to 64.8 percent respectively.

A majority of the third world countries still need to import huge quantities of finished and semi-finished goods and some raw materials. That is why the development of the third world economy will provide a vast market for the developed countries. Total exports of the Western industrialized countries in 1982 were US\$1,094.2 billion, 25 percent of which went to the third world. The same year saw 35 percent of US exports, 19 percent of the European Community countries' exports and 42 percent of Japan's exports go to third world countries.

For a long time third world countries were outlets for the West's surplus capital. Now things have begun to change, with more and more third world countries entering the international financial field. Statistics show that in the 1950-73 period the major Western powers exported a total of US\$223 billion to various third world countries, 46 percent of which (US\$103 billion) were American developing countries used to borrow money they needed from the international monetary markets, which are controlled by the developed nations. But since the oil price surges in the 1970s, some third world countries with "petrodollars" have become international creditors and financiers that can offer loans to others.

From 1973-81, the OPEC countries earned a total of US\$1,274.8 billion from oil, with \$503.8 billion being surplus profits, the so-called petrodollars. By the end of 1982, the OPEC member nations' assets abroad had run to US\$405 billion, the greater part of which were

bank deposits, direct investments or securities in developed countries. In the 1970s, some Arab banks began offering loans, issuing international bonds and investing in other countries. They also formed consortia with Western banks. Other third world areas with strong economies, such as Brazil, India, Singapore and Hong Kong, also began exporting capital. Brazil, for instance, exported capital in the 1970-78 period, amounting to US\$11.3 billion, \$8.6 billion of which was in direct investment.

In science and technology, third world countries have great potential waiting to be tapped. Though backward through hitching their scientific development to the West for centuries, third world countries are now preparing to boost their economies by taking advantage of the new technological revolution. The third world actively attracts foreign capital from the developed countries, who are adjusting their economic structure to the new technological revolution, to breathe new life into its own. Some of them have built up their "medium technology" out of the patents of technology and advanced equipment which they imported from the developed countries.

In the meantime, in some countries such as those in Southeast Asia, the electronics industry is coming to dominate their GNPs and foreign exchange income, replacing the traditional labour-intensive industries. India is planning to put 2.3 billion Indian rupees in the research and development of microelectronics in the 10 years 1983-92 and Brazil has been researching bio-engineering since the 1970s. In these fields and in alternative energy, the third world has made no small progress.

During the 1980s, the economy of the third world has been deteriorating because of the economic crisis of the West. The slump in the price of raw materials, including oil, continues

to increase the third world debts in absolute terms. The withdrawal of foreign investment and the rise of protectionism further dim the prospects for the revival of the economy of the third world. This poses a risk to the stability of the West's economy as the world's economy becomes more international. When the average annual economic growth drops by 3 percent in the developing countries, it will result in a 1 percent drop in the countries of the Organization of Economic Cooperation and Development (OECD).

In the 1970s, the Organization of Petroleum Exporting Countries (OPEC) twice raised the oil price drastically, causing such turmoil in Western countries that they had to reform their financial institutions. In late 1985, OPEC gave up the policy of raising oil prices and the resulting drop of the price of oil both relieved and worried the West, since it found that cheap oil would slacken its efforts to extract oil and develop alternative energy, leading to greater Western dependence on the OPEC in the 1990s. Meanwhile some debtor nations of OPEC, with reduced earnings from oil, may disturb the world's financial system further by being unable to repay their maturing debts.

By the end of 1985 the third world was in debt for US\$970 billion, mostly concentrated in the Latin American countries. The loans have come mainly from international banks, the US commercial banks offering half. However, some banks, such as US City Bank, Chase Manhattan Bank and Bank of America, have lent Mexico and Argentina an amount of money 10 percent greater than they own. They will thus run the risk of weakening their liquidity and all the ramifications of that—an unstable banking system and an international financial crisis—if the Latin American debtor nations declare insolvency. The debt question is closely linked to

exports from the developed countries to the developing ones. Following Mexico's debt crisis, for instance, the US exports to Latin America decreased from US\$41 billion in 1981 to US\$32 billion in 1982. And US\$1 billion's worth of exports means 24,000 jobs to US manufacturing industry.

While the role of the developed nations in the growing interdependence of the world economy has been well recognized, the part played by the developing countries has been ignored. Their mutual dependence is most clearly demonstrated in the fact that the growth rate of the international trade exceeds that of production. The nominal value of the commodity exports in the world (including labour service) stood at US\$605.3 billion in 1960 and grew to US\$2,170.5 billion in 1980. Allowing for inflation, the actual growth rate was 6.7 percent annually, compared with a 4.4 percent growth in the world's production during the same period. Exports made up 12.2 percent of the world's production value in 1960 and increased to 21.8 percent by 1980.

The United States depends heavily on the third world in international trade. In 1984 its trade with developing countries totalled US\$175 billion, a sum equal to its trade with Japan and Western Europe. Exporting trade stimulates the domestic economy of the developed countries.

It has been estimated that by the end of 1982 the West had invested US\$ 150 billion, or one quarter of its overseas investment in the third world. Although the developed nations may run more risks by pouring money into the third world, profits may be also far greater. In 1980 transnational corporations had an investment profit rate of 24.1 percent on third world investments, but the rate was only 16.6 percent in the developed countries. The direct investments of the developed nations in the developing coun-

tries increased in the 1960s and 70s when the third world economy was on an upward cycle, but decreased again in the 80s during the recession.

The third world has broken the monopoly of the advanced countries on international affairs. The existing international economic order is the product of colonial exploitation for capitalist development by the imperialist nations. It is quite natural that third world countries, after gaining independence, would want to develop their national economies, consolidate their political independence, participate in world economic activities on an equal footing, and have the same rights to speak and decide as the West.

The United Nations had been controlled by big powers to manipulate the fates of smaller countries. But as time went on, newly independent countries joined the UN, and some formed the Group of 77. They have vigorously promoted the political and economic interests of the third

world in the UN. The United Nations, under the impact of many small voices speaking in unison, passed such important documents as the declaration to establish a new international economic order. Responding to the call of third world countries, the UN had devised three 10-year international development strategies in order to co-ordinate the long-term development plans of third world countries. The Group of 77 in the United Nations Conference on Trade and Development (UNCTAD) and the Group of 24 in the World Bank and International Monetary Fund have contributed much to protecting the interests of the third world and breaking the monopoly of the advanced countries in the fields of international trade and finance.

During the 1980s, many developing countries, while adhering to the principle of self-reliance, have adjusted their foreign policy. They are no longer dependent on a single country or a few countries but rather develop diplomatic

relations with countries both Eastern and Western. Third world countries have also successfully co-operated among themselves in various fields such as foreign trade, finance, technology and labour, and the development of resources. The strengthening of South-South co-operation can help promote the North-South relationship. More and more people in the West have come to realize that the Western economies cannot develop further without the co-operation of the third world, and that the world's economic and political situation cannot be improved fundamentally without ensuring the political stability and the economic development of the third world.

In today's world, peace and development are two crucial issues. If third world countries can decide their own destinies and actively participate in international political and economic affairs, they will be able to better contribute to the peace and prosperity of the world. ■

Intellectual and Intellectual Ideology

Following is a dialogue between Dai Qing, correspondent of "Guangming Ribao" (Guangming Daily), and Fang Lizhi. Professor Fang, born in 1936, is an astrophysicist, now vice-president of the China University of Science and Technology, and member of the General Assembly of the Chinese Academy of Sciences.

Question: In this international peace year, scientists the world over are discussing postwar problems, such as the containment of Nazis, and the research, manufacture and use of atomic bombs. Do you think that if the work of scientists, including engineers and technicians, is not approached purely from the point of view of technological development, it would be able to contribute to the prosperity and progress of society? If yes, how could this be achieved?

Answer: Scientists must express

their feelings about anything in society, especially if unreasonable, wrong and evil things emerge. If they do otherwise, they will be considered accomplices—those are Einstein's words. In my recent article written for Abdus Salam, (a Pakistan physicist who was awarded the Nobel Prize for his creation of the theory of unity of weak current—Ed.), on his 60th birthday, the first sentence said: "Physicists traditionally participate in society." Indeed, if you have an opportunity to attend an international physics conference,

you will discover that although physics is discussed in the conference hall, outside when you are drinking coffee for example, the final topic you discuss will definitely be social problems, and the discussion will often be focused on the unreasonable aspects of the West or the East. I think this has become a tradition among physicists and perhaps it can be traced back to Galileo and Copernicus....

Q: Indeed, look at the dynamic role played by the physics

department of Beijing University in modern China's ideological movement.

A: Since physicists pursue the unity, harmony and perfection of nature, how can they logically tolerate unreason, discordance and evil? Physicists' methods of pursuing truth make them extremely sensitive while their courage in seeking it enables them to accomplish something.

Let us take a look at the events of the postwar years. Almost invariably it was natural scientists who were the first to become conscious of the emergence of each social crisis. For instance, in the 1960s, they called the government's attention to environmental pollution; in the 1970s, they pointed out the potential energy crisis, in the 1980s disarmament of course. All this is not accidental. In the first place, science and technology in our modern society occupy a very important position — major social problems are often unclear to those without a scientific background. In the second place, many natural scientists are aware that their role is by no means limited to technology alone, but that they should consider themselves

responsible to the entire society. The problem of scientific morality is often discussed among natural scientists. In our country, scientific morality refers only to plagiarism in the academic field. This, in fact, is quite a narrow concept. The sort of scientific morality being discussed elsewhere is that when you have knowledge, you should hold yourself responsible to mankind. This includes keeping alert to possible crises and giving warnings.

Q: Can it be said that intellectuals no longer belong to or depend on any particular class?

A: Marx classified people into different groups according to the means of production they owned. In my view, this was tenable in the last century and the beginning of this. However, in modern society, the development of science and technology, knowledge and information, including high-tech and soft science, have become an important force propelling society forward, and are bound to involve a change in the concept of who leads in the political and economic fields. Intellectuals, who own and create information and knowledge, are the most dynamic component of the productive forces, this is what determines their social status.

Q: In the age when large machines were used in production, Marx described the advanced class as being far-sighted, selfless and thoroughly revolutionary. He said it would have a strong sense of organization and discipline. Now, in the age of soft science, what characteristics should the advanced class have?

A: The current buzzword is intellectual ideology. Generally speaking, people, who have internalized the elements of civilization and possess knowledge, have hearts which are relatively noble, their mode of thought is invariably scientific and they therefore have a high sense of

social responsibility or even self-sacrifice. They also have grievances and may be discontent. Their point of departure is not their personal interests, but social progress. Of course, this is directly related to education, to training. Chinese educational methods, have so far remained closed and not modern, they give not education but only training. If people with knowledge are needed only for technical progress and if intellectuals are not expected to have original ideas and contributions to make in other fields, including social and political fields, then, education will remain a master-apprentice affair. Einstein said: The aim of education is to develop people with a harmonious character, capable of engaging in independent thinking.

Q: You yourself, as a professor and vice-president of a university, what do you think about how higher education should change?

A: First we must have a clear aim. This means we must train intellectuals with intellectual ideology. A university must become an ideological centre which should include natural sciences, technology and the humanities. Today, where knowledge and information occupy an important place, a university plays a multifaceted role. It is both an ideological store house and an interface for various branches of learning, for different schools of thought, for domestic and international affairs for research and teaching and for old and new. The emergence and development of new theories necessitate creating an atmosphere of democracy and freedom in the university, an atmosphere promoting the cultivation of intellectual ideology. In the university environment, there should be nothing that can only be upheld and that allows no questioning of why it must be upheld. There should be no doctrine that can hold a leading or guiding position in an a priori way. ■



Establishing Intellectuals' Constitutional Status

by Ni Zhengmao

For a long time China was proud of its large population; while the United States, with a population of just 200 million, is capable of doing the work of 400 billion people using computers. China has also been proud of its vast territory and rich resources. Japan, on the other hand, is small and has scarce resources, and yet in 1984 it registered a per-capita GNP of US\$11,000, 27 times as much as China. In 2050, i.e. 65 years from now, China's per-capita income is expected to reach US\$4,000. We should be feeling nothing less than a sense of crisis.

In 1980-81, the number of college students in every 1,000 people was 196 in the Soviet Union, 154 in Japan, and 11.4 in China. Faced with these figures, we should feel a sense of shame as

well as crisis. We should turn that sense into motivation to catch up.

To overtake the developed countries, we should adopt correct lines, principles and policies and pursue structural reforms. We should also give intellectuals, science and technology a constitutional status.

From 1955 to 1965, Japan's average economic growth rate was 10.1 percent. Factors contributing to this were: capital 2.7 percent; labour 1.3 percent; and technological progress 6.1 percent. The growth of US GNP was 50-80 percent attributable to technological progress. A 75 percent increase in Soviet labour productivity and 50 percent or more of the increase in its national income was owed to technological advance.

It is crystal clear that the only way to narrow the gap between China and the developed countries is to give priority to the development of science and technology. Therefore, the principle of relying on intellectuals, science and technology for China's economic development should be laid down in law.

The constitutional status of modern science and technology would directly affect the legal status of the intelligentsia.

The impact of the new technological revolution on the Chinese people has opened a wide avenue for a new understanding of the world.

Intellectuals will be the principal component of the future working class, they are therefore the social section most promising for the history of human progress. Development has shown that while the number of manual labourers is decreasing, mental workers are increasing with each day.

The United States experienced three major structural changes in industry during the 1880-1980 period. In 1880, its workers

outnumbered farmers. In 1956, the total work force in the tertiary industries surpassed those in the primary and secondary industries, and the white collar workers outnumbered the blue collar workers; in 1980, the proportion of the labour force in the information sector exceeded 75 percent of tertiary industry workers. China, too, will embark on the road to more intellectuals than manual labourers.

Intellectuals are at the heart of the most revolutionary and dynamic science and technology in modern production. They are the least conservative of the working class.

China is faced with the challenge of the new technological revolution. It is the intellectuals that have the deepest understanding of the seriousness and scope of this challenge, and who can best react to the urgency of this challenge. They are the vanguard in accepting the challenge.

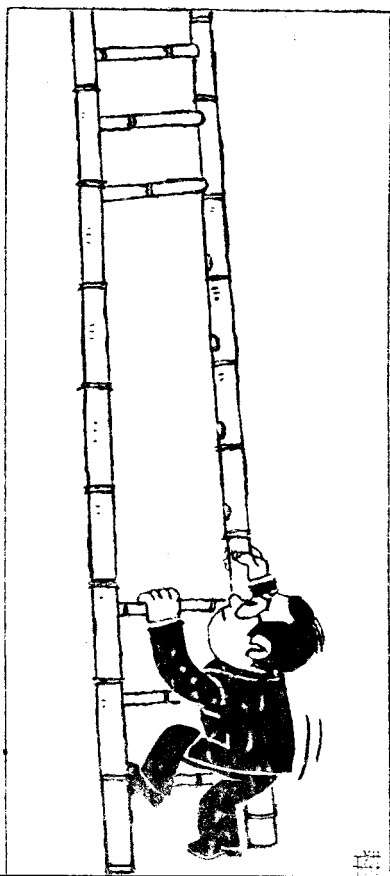
Intellectuals have inherited the cultural legacy of mankind, and keep on searching for new ideas for scientific and cultural development. They have volunteered to quietly dedicate their lives to China's modernization. Undoubtedly, intellectuals are the most revolutionary component, the backbone and mainstay of China's working class.

The nature of the intelligentsia, its status in the working class and its role in the drive for modernization should be fully and accurately affirmed in China's constitution and law, thereby creating an atmosphere where knowledge and talent are truly respected. This is where the interests of the working class and the Chinese nation lie. ■

(Reprinted from November 10, 1986 "World Economic Herald." The author works for the Institute of Juristic Studies, Shanghai Academy of Social Sciences.)

The way intellectuals pursuing their careers in some Chinese work units.

WANG YISHENG



Making the Desert Bloom

The strong dry wind carrying the sands of the ancient bed of the Huanghe River in Guanxian and Shenxian counties of Shandong Province has brought disaster to crops and people for centuries. By 1982, Shandong had had enough and called in the UN and the central government to help.

Our Correspondent Zheng Fangkun

Driving through the deep green woods and orchards in Guanxian and Shenxian counties in western Shandong Province it is hard to imagine that not so long ago this area was sandy desert. It was yellow dunes, two to three metres deep, stiding out from under the feet like quicksand. It would be whipped up by the slightest wind, and often the winds were far from slight. The wretched inhabitants, subject to frequent

drought and sandstorms had a saying: "As soon as the wind blows, my house disappears from sight."

Not only the houses, but crops too disappeared, sometimes for good. The winds were prevalent in the spring and the sand they carried whipped the young sprouts and the ripening wheat, withering them. The wind also scraped the top soil off the land, making it desert. Grain output was about

1,500 kilogrammes per hectare, when there was no drought. The year 1978 saw a severe drought; per-capita income in one village that year was 20 yuan and dependence on the government was total. Even in 1980, a bumper harvest year, income was at only 80-90 yuan and the grain ration for each person 100 kilogrammes.

After the founding of the People's Republic, attempts were made to replant the wasteland.

Officers of the FAO/WFP evaluation group inspecting Shenxian's 2606 plantation.



Two state tree farms and nurseries were set up in both Guanxian and Shenxian. Technical guidance and saplings were made available. In 20 years 7,600 hectares were planted with trees. In Guanxian's Liu Tun village 1970 was tree planting year. Indeed output multiplied nearly four times as a result.

The policy was not wholly successful, however, as trees were planted unscientifically at first. They were too scattered to hold the sand down, timber yield was low, and anyway, the trees often did not survive.

Given the lack of incentive for people to plant and, most importantly, to care for the saplings, this is hardly surprising. Meanwhile the higher echelons were neglecting trees in favour of grain, then considered "the key link."

This was by no means a new problem for the area —Guanxian and Shenxian counties lie on a course of the Huanghe (Yellow) River from which the river is said to have diverged by the end of the Western Han Dynasty (24 A.D.) The river, the second largest in China, has changed its course in its lower reaches at least 26 times.

Time for a change seemed ripe when rural reforms were introduced in 1978. But the task could not be undertaken by the impoverished area alone. The UN World Food Programme (WFP) stepped into the breach. It would supply wheat and edible oil while the two counties set about replanting the ancient Huanghe bed at 1,000 hectares a year. The project "China 2606," (which also included plans to plant trees in two counties in Sichuan Province) was to take four years. It began in November 1982; the WFP committed US\$3.82 million's worth of food, and China 7.07 million yuan in funding.

Since then, 24,800 households have been engaged in the planting in the two counties; one in ten people is directly involved in the

project, known to all as "2606".

Every afforestation worker receives two kilogrammes of wheat and 50 grams of oil for every day's work done. The WFP arranges the food and its transport to China. The rest is up to China itself. The WFP sends inspecting officers from time to time to check its food is going to a good cause.

The project's success depends on modern forest-science technique—choosing suitable, native species; strong saplings; adequate preparation of the land and planting methods, and then appropriate follow through—with water, fertilizer and pest control all in the right balance. In Guanxian and Shenxian there are special groups of forest scientists responsible for this work.

The work proceeded almost twice as fast as planned. By April 1984, a total of 3,394 hectares had

been afforested. The WFP and the Food and Agriculture Organization both sent a mission to evaluate the project at this point. The good work they had done, including checking everything down to the tree spacing and the depth of the holes dug for planting, had paid off.

Their report was full of praise. Quick work and a 90 percent survival rate was achieved through adequate funds and materials provided by the government. Sound administration and the level of the technicians and the workers had all contributed substantially to the success, they wrote.

The Chinese government then applied for an extension of Project 2606. This was granted and in December 1985 the project entered its second phase. This time 6,500 hectares were to be reclaimed in four years; 26,559

Fruit farmers in Guanxian's Lanwo Township picking pears.

PANG SHOUYI



Difference in Urban Living Standards

According to a sample survey of 1,700 urban households in 1985, the per-capita income available for personal spending in 1985 came to 752 yuan, up 23.7 percent from 1984. Allowing for inflation, real income per capita in the eastern region rose by 10.6 percent over 1984. A comparison was made between China's three

economic regions. Urban dwellers in the eastern region have the highest living standards, while those in the west have living standards slightly higher than in the central region.

Money Income

The per-capita money income of urban dwellers in the east

averaged 810 yuan in 1985, up 24.2 percent (158 yuan) on 1984's 652 yuan. Provinces with an annual per-capita income of 600 to 700 yuan were Shandong, Liaoning, Fujian, Guangxi, Jiangsu and Hebei. Tianjin and Zhejiang had an annual per-capita income of 800 to 900 yuan. Shanghai's annual per-capita income was

tons of food were promised by the WFP, and 9.7 million yuan allocated by the Chinese government. It is expected that by the end of this phase, Guanxian and Shenxian counties will have brought all their sandy wasteland under the spade.

The fresh air the forest gives off now, and the wind velocity, which has decreased as the number of misty days has increased, is all the result of hard and careful work. Unlike the crops whose increase has been by no means modest, the season's temperatures have moderated.

What one sees in Guanxian are large flat areas of checkered fields, — all marked out with lines of poplars, paulownias and other trees. No field is larger than 13 hectares, this is forest netting. It is expected that the protection offered by these trees as well as the rest of 2606's afforestation should help to boost crop yields by 10 percent a year.

In some fields interplanting trees with crops not only looks beautiful but increases the yields. From 1983 to 1985 households which had contracted to plant for 2606 and also did some interplanting, earned an average 260 yuan.

At the same time the interplanting system helps care for the saplings. Cotton interplanted among them helps improve the

local alkali-saline soil. Livestock raising has also benefited. The cattle and sheep headage has doubled as good fodder has become available from the newly planted woods. As a felling rota begins in 10-15 years' time timber yields should be highly lucrative, and will supply even more raw materials for the burgeoning industry and sideline production of the area.

In Liu Tan village half the people are busy planting forest or fruit trees. The income from this and the related processing and sideline production has raised the income of the village higher and higher.

Improvements in living standards have been registered in both counties. In Guanxian, average income per person rose from 62 yuan in 1978 to 389 yuan in 1985, and in Shenxian the amount went from 37 to 407 yuan. The surplus labour force has fallen from 26 percent to 6 percent and the cultural, educational and sanitary provisions have all improved.

This is not due exclusively to Project 2606 of course. The rural responsibility system has also played its own indispensable part. For the afforestation project the government allocated 80-90 percent of forest cuttings to the farmer who contracted to plant that forest, the rest goes to the collective. All interplanted crops

are the farmers' own.

This has changed people's attitude. They used to quote the saying: distant waters cannot put out a fire here, when discussing afforestation. Now they have seen with their own eyes the immediate benefits of the trees, and say forestry is like a path to prosperity. People from neighbouring counties have heard and come to look and learn. They have been impressed.

There is a small section of dune still left. This is not an oversight — but a deliberate policy. Under the three-metre deep dunes there is water. But without the will and machines to get it — the dunes remain barren ogres. This remaining section of desert will serve to remind people.

For when the project was first thought of there was no one in the area who could have tightened their belt still further to go and level the dunes, sink the wells, build the roads, and dig canals and pits for tree planting. It was the knowledge that food would be there — supplied by the WFP — that made that first move possible. People hail 2606 as an embodiment of the good in international co-operation, government policy and forest science. Shandong has no doubts: by next decade its 2,000 year-old Huanghe River desert will have become a garden. ■

high: 1,000 yuan, Guangdong's was 968 yuan and Beijing's 908 yuan.

The annual per-capita income of city dwellers in the middle region came to 655 yuan in 1985, up 22.7 percent from 1984 but 19.1 percent lower than in the east. In this region, Shanxi and Jiangxi provinces registered an annual per-capita income of between 500 yuan and 600 yuan; Jilin, Inner Mongolia, Anhui and Henan had their annual per-capita incomes range between 600 yuan and 700 yuan; and Heilongjiang, Hubei and Hunan had theirs between 700 yuan and 800 yuan.

In 1985, the city dweller's per-capita income in the western region averaged out at 708 yuan, up 22.3 percent from 1984, but 12.6 percent lower than in the east and 8.1 percent higher than in the middle. In the western region, Yunnan, Guizhou, Shaanxi, Gansu and Ningxia had an annual per-capita income of 600 yuan to 700 yuan, and Sichuan, Qinghai and Xinjiang between 700 yuan and 800 yuan.

Because of a big increase in the price of non-staple foodstuffs such as meat, poultry, eggs and fish due to the price reforms of 1985, urban dwellers in the eastern region saw a rise in their consumer price index, up 13.3 percent over 1984, while their counterparts in the middle and west saw theirs rise 9.8 percent and 9.5 percent respectively. Allowing for inflation, the

real per-capita cost of food rose by 9.6 percent in the eastern, 11.8 percent in the middle and 11.6 percent in the western region since 1984. These differences indicate that the price reforms have helped even out the income distribution between different regions, with city dwellers in the middle and west getting bigger benefits.

Living Standards

The survey shows that the cost of living for city dwellers in the

of his total spending, while in the middle and west 52.4 percent and 50.6 percent respectively went on food.

As seen in the table below, city dwellers in the east ate more low-fat and protein-rich food than in the middle and west.

The table reflects local resources. In the eastern region abundant with aquatic products, city dwellers have more seafood. In the west where animal farming is well developed, local city dwellers have more meat. In the

**A Monthly Diet of An Average Urban Dweller
In the Three Economic Regions in 1985**

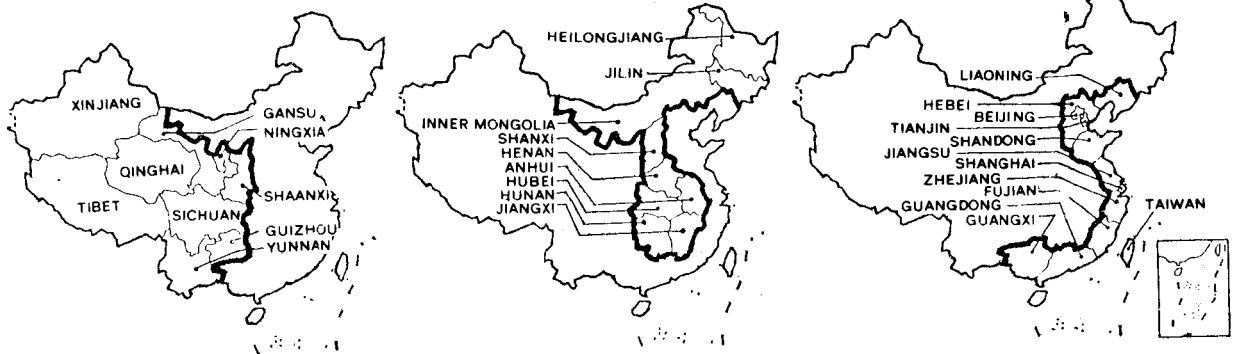
Unit: kilogramme

	Eastern	Central	Western
Cereals	10.99	11.27	10.67
Fresh vegetables	12.04	12.79	11.85
Pork	1.46	1.26	1.58
Beef and mutton	0.25	0.21	0.35
Poultry	0.39	0.20	0.32
Eggs	0.87	0.59	0.56
Fish	0.87	0.52	0.29
Milk	0.60	0.27	0.59

east came to 784 yuan in 1985, about 23.3 percent higher than the central region, and 12.9 percent higher than in the west.

An average urban resident in the east spent 387 yuan on food in 1985, accounting for 49.4 percent

east more is spent on non-staple foods: 252 yuan per person, 39.7 percent and 24.2 percent more than in the middle and west respectively. In the central region, however, city dwellers eat more cereals and vegetables.



Housing and Hardware

Before the 1970s, having a sewing machine, a bicycle, a watch and a transistor made a family well-off. Now in the 1980s, these have been replaced by refrigerators, TV sets, stereo recorders, washing machines, and fancy musical instruments and furniture.

The table below shows how many of these consumer goods every one hundred urban families possessed by the end of 1985:

Commodity	Regions		
	Eastern	Central	Western
Refrigerators	14	4	8
TV sets	96	89	88
Colour TV sets	6	4	8
Radio-cassette recorders	50	41	46
Stereo radio-cassette recorder	22	20	22
Electric fans	96	65	54
Washing machines	47	56	57

Because of high population density, a shortage of housing is quite serious in the coastal areas, especially in Shanghai, Beijing and Tianjin. Though many apartment buildings have been built in these cities in the last few years, supply still falls short of demand. The survey shows that the per-capita floor space of city dwellers in the east averaged 5.68 square metres

in 1985. In Liaoning Province's most crowded cities, the per-capita floor space averaged only 4.85 square metres, lower than the national average of 6.66 square metres. The per-capita floor space of urban residents in the middle and western regions averaged 6.93 and 7.33 square metres respectively. Homelessness figures are: 1.3 percent of urban families in the eastern 0.8 percent in the central and 1 percent in the western regions. Households classified as "crowded" accounted for 17.3

percent in the east, while in the middle and west, the number of "crowded" households were 12.1 percent and 6.5 percent respectively.

Reasons

The differences are due in great part to the introduction several

years ago of the policy of invigorating the domestic economy and opening to the outside world, which gave priority to the development of the eastern region. A second factor responsible for the differences is the gap in wage levels. In the eastern and western regions wages are higher than in the central region. The survey shows that the annual wage of an average city job-holder in the eastern region came to 649 yuan in 1985, some 14.4 percent higher than in the central region, while the wage in the western region was 8.5 percent more than in the centre. A third factor is that the economic restructuring, stressing the cities, has boosted the development of private businesses in the cities, bringing about more job opportunities for city dwellers. For example, 59.7 percent of the urban population in the east was employed in 1985, while employment in the centre and west stood at 56.1 percent and 53.7 percent respectively. Family size in the east is smaller, and a job-holder there had fewer people to support in 1985: 1.67 persons (including himself). In the centre it was 1.78 persons and 1.86 persons in the western region.

It is expected that with time the differences will diminish as prosperity spreads from east to west. ■

Diversified Tourism Attracts

China need be a mystery no longer. As the country opens up, tourists have access to many places that were closed to them before. Where before one company, the China International Travel Service, monopolized Chinese tourism, now the White Swan International Tourist Company and the People-to-People International Tourist Company have entered the field and are competing for tourist custom.

Of this there should be no shortage for China has a multitude of places of scenic and historical interest. The Great Wall, Xian's Qin Dynasty terracotta warriors, Dunhuang's grottoes, Guilin's wondrous landscapes, Suzhou's gardens, the lake of Hangzhou—they have all been the focus of visitors' fascination for years.

Learning about the culture and customs of China has also motivated many visitors, and

special interest tours are being arranged around *taijiquan* (Tai Chi shadow boxing), fitness training, cooking and acupuncture. The widespread desire to learn about Chinese people's way of life is being met in various ways.

To the Countryside

Villages in southern Jiangsu Province received their first

tourists in Autumn 1985. Among them was a group of 84 organized by an American company. They marvelled at a wooden foot-pump which brought up water from the river, talked with the duck-herds and strolled through the village. Blonde-headed young women had fun herding the cows around and cycling to shop in the market.

In the evening they were entertained in twos and threes in the farmers' houses to dinners of local delicacies and went to sleep to the sound of frogs croaking by the water. Southern Jiangsu Province is one of the most developed agricultural regions in China, with mechanization of ploughing, irrigation and weeding widespread. But there are some areas where human and animal power is still the only driving force.

With the assistance of the tourist department, spare labour power and traditional equipment, released by spreading mechanization and heightened productivity, have been diverted into tourism. These villages now have

fully equipped accommodation which allows the visitors extended opportunities to observe the rural way of life. About 2,600 foreign tourists have already availed themselves of these facilities and visited the region.

Buddhist Shrines

Striking a bell at New Year is a Buddhist rite and an ancient custom of the people in eastern China. At the temples of Kaiyuan and Guangfu in Wuxi, Jiangsu Province, grand bellstriking ceremonies have been held at the New Year for the past few years. Hundreds of local and overseas Buddhists have come to join in the celebrations, special Buddhist houses and meals have been prepared for them.

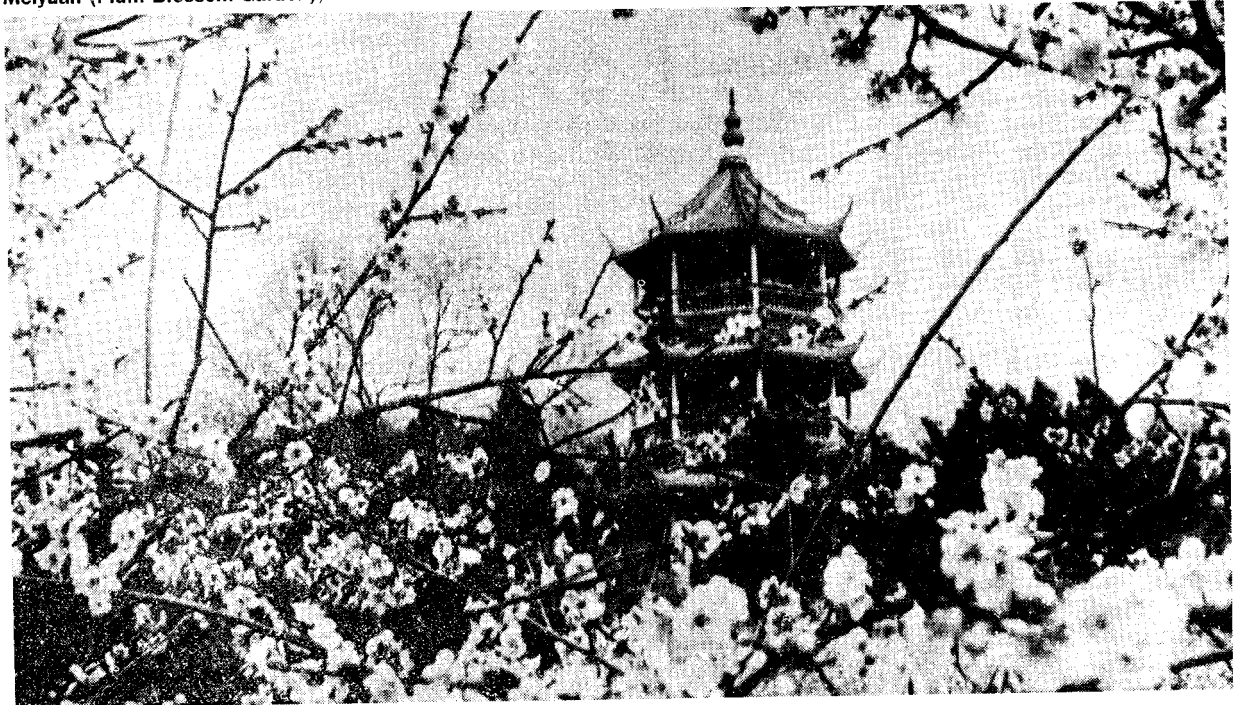
By the East China Sea is Putuo Mountain, one of the four most famous Buddhist mounts in China (Wutai Mountain, Emei Mountain, and Jiuhua Mountain). With its magnificent surroundings of high peaks and deep valleys, and

its pleasant climate, Putuo is also a seaside resort. Between 1979 and 1985, 2.8 million visitors have been recorded there. Many come from Japan and Southeast Asian countries. They climb the mountain to burn incense and pay homage to the Buddhist shrines on the mountain. Exquisite vegetarian meals of mushroom, bamboo shoot and fresh vegetables are provided by the temples to tourists.

Chiang's Home Town

Xikou in Fenghua County, Zhejiang Province, is built on mountainous terrain abounding in streams that run from high peaks into secluded valleys. It is the home town of Chiang Kai-shek and his son Chiang Ching-kuo, and has been attracting an increasing number of tourists. The Fenggao House, Chiang's former residence, was built in traditional Chinese aristocratic style. It has been restored and contains scrolls

Meiyuan (Plum Blossom Garden), Wuxi.



XU XIANGJUN



Wulingtou, Xikou.

JIN YAOWEN

written in Chiang Kai-shek's own hand.

At the foot of Baiyan Mountain, about one and a half kilometres from the town is the grave of Chiang Kai-shek's mother, Wang Caiyu. There is a decorated archway at the entrance. A pebbled road about 670 metres long leads to the grave. The tombstone is engraved with Dr. Sun Yat-sen's inscription and a couplet contributed by Chiang Kai-shek.

The day our correspondent visited the site was dull and drizzly, but despite the rain a constant stream of visitors flowed to the grave.

Chiang Ching-kuo's mother is also buried at Xikou. When she was killed by the Japanese bombers in 1936, Chiang Ching-kuo travelled back from Jiangxi Province to attend her funeral. He erected a stone tablet on the place

where his mother had been killed and inscribed on it, for all to see: "Blood for blood." The stone is there to this day asserting the son's determination to avenge his mother's death.

Wine City Shaoxing

Shaoxing in Zhejiang Province, crisscrossed by rivers and lakes, is

famous for its wine which is one of the eight top liquors in China. It has a pleasant mellow taste, and is made of select glutinous rice and pure lake water. Shaoxing wine is kept for 3 to 50 years before it is sold, which has helped it win the gold medal award many times.

Another special feature of Shaoxing is the paddle boats which have a bamboo shelter coated with pitch. These boats have a history that goes back over 1,000 years. Throughout it has been indispensable for there are so many lakes and rivers in the area. Floating in such a boat, under the many ancient stone bridges, one can see the beautiful scenery on both sides of the river.

Lan Ting Pavillion, located 13 km to the southwest of Shaoxing, is the place where famous calligrapher Wang Xizhi of the Jin Dynasty (265-420) wrote his *Anthology of Lan Ting*. With a total of 324 words, the anthology was an outstanding example of calligraphy famous worldwide.

The book has been copied so many times that no one knows which is the original. The copies kept here have attracted many Chinese and Japanese visitors.

Correction

The ninth line, first column, page 18, issue No.49 should read "Many..."



Methods of Finding Partners Changing

"RENMIN RIBAO"

(People's Daily)

Wu Changzhen, secretary of the Marriage Law Research Committee, said recently in an interview with journalists, "Over the past two years, great changes have taken place in the way young people choose their spouses. The rapid development of the economy and cultural life have created better opportunities for young people in both urban and rural areas to meet one another socially, with the result that more and more young men and women are breaking away from arranged marriages and introduced marriages, and are freely seeking partners for themselves."

Wu Changzhen continued: "Young people in the countryside are also beginning to follow the fashion. They show the love they have for someone by writing to them or by asking others to help make contact. Others make dates and go window-shopping or visiting places together with their loved ones. In the towns, a survey of 2,000 young people in the Wuhan Steel and Iron Complex, for example, showed that nearly two thirds of them are enjoying the freedom to choose their own boy and girl friends."

In reply to a question about introduced marriages, Wu said, "According to a recent survey of 1,300 young marrieds, 90 percent married partners they chose themselves, or to whom they were introduced; only 10 percent were arranged marriages. Since the founding of our People's Republic in 1949, marriage by introduction has been the norm. Most married people were introduced to each other by their parents or relatives. But now things are changing. Youngsters prefer to ask friends, schoolmates, colleagues or social organizations for assistance. For

instance, my committee recently conducted a survey of some residential districts in Tianjin. Ninety percent of married people there met through their friends, schoolmates or social groups."

"Marriage bureaux first appeared in China in 1980, and are now one of the means of introduction," Wu said. "From 1980 to 1985, more than 7,000 people in Beijing found partners

through marriage introduction organizations. Now various agencies for young people, for old people, for country people, for the disabled, and for servicemen have been established or are planned for many of the bigger cities in the country's 25 provinces, municipalities and autonomous regions. In addition, the Chinese press has had special singles columns since 1982. There are in fact so many unmarried people eager to advertise for partners that the press could not cater for them all." ■

China Needs World-Class Universities

"WEN HUI BAO"

(Wenhui Daily)

A recent list of the world's top universities did not contain a single Chinese university. This is not worthy of a nation with over 1 billion people. The long-term development of China and its socialist modernization demand not merely advanced higher education but a number of world-class institutions.

In a sense, education is the software of a prosperous nation. And higher education is the jewel in the crown embodying a country's scientific and cultural standards. But at present China's institutions of higher learning are

short of funds. They have difficulty buying advanced research equipment and hence in holding academic staff of the required quality. This is one of the reasons why so many people go abroad to continue their studies.

China cannot now afford to spend large sums of money on higher education as a whole, but it could concentrate what resources it has on a few universities that already have good foundations. By absorbing the experience of the world's existing top universities, and spending money on the latest books, reference materials and research equipment, and on recruiting qualified staff at home and abroad, China could quickly develop a number of world-level institutions of higher learning. ■

Integrating Research With Production

"GUANGMING RIBAO"

(Guangming Daily)

As China's economic reform has developed in depth since 1984, scientific research institutes have

been more successful in applying their findings to factory-floor practice. About one half of research results now find immediate application to production. However, there are a number of problems that stand in the way of

further progress in this direction:

1. Many enterprises are finding themselves short of cash to invest in new and up-to-date technology because of the growing costs of electricity, coal and raw materials.

2. Other enterprises whose products sell well feel little need to spend money on the fruits of technical research. Only about 10 percent of companies now experience difficulty in selling their goods.

3. Research institutes themselves do not share common cause with businesses, with the result that much of their work fails to meet the needs of the production process, or of the market. Enterprises complain that research bodies do not have the same sense of responsibility as themselves and will not take risks together with them. One effect of this is that factories often consider they pay too much for new technology, while research institutes believe they are not paid enough for them.

It is essential, therefore, that scientists and technologists lay stress on helping enterprises directly to transform themselves at a technical level, without taking too one-sided a view of their own economic self-interest. Only by so integrating research with production can China's economic advance be assured. ■

Mayor Helps to Rescue Birds

"RENMIN RIBAO"

(People's Daily, Overseas Edition)

There is a big elm tree growing in the courtyard of three brothers, Wang Jinshou, Wang Zhongjin and Wang Fuquan, who live in Qishan county, which is under the administration of Baoji City, Shaanxi Province. In the spring of

1949, two egrets, or white herons, which are seldom if ever seen in the area, began to build a nest in the tree. The Wangs judged the egret must be a useful kind of bird, because of the quantity of insect remains that spilled onto the ground from the nest, and decided to place them under their protection. Since then the number of egrets has increased from two to about 600, with more than 100 nests between them.

The charming birds come in early spring and leave for warmer climes in late autumn. But the three brothers have a heavy heart these days. They are getting on for 70 and, according to the local custom, have been preparing for their funeral for some time. The elm was the only way they could think of to make coffins for themselves. In July Wang Jinshou was taken ill. The three brothers reluctantly decided, after much

agonizing, that they would have to cut down the tree.

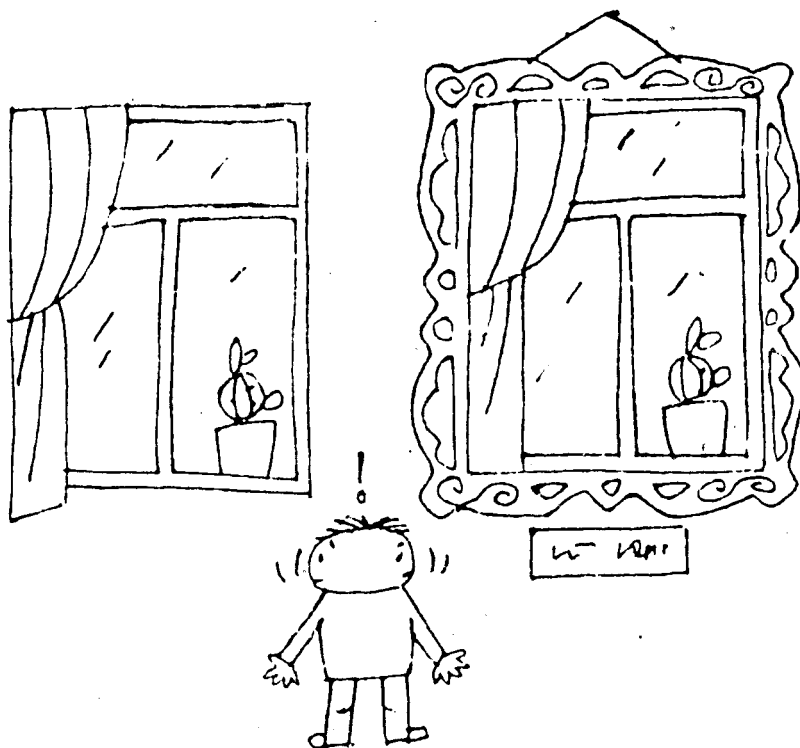
The news spread quickly. Feng Bo, deputy mayor of Baoji City, came to look at the tree the next day, despite the rain. He talked to the brothers, and consulted county and town leaders, and came to three decisions:

1. The Forestry Bureau of Qishan County must give the Wang brothers 600 yuan with which to buy coffins.

2. The elm tree is to be bought by the state.

3. In recognition of their work in protecting the birds, the local government will award each of the brothers 50 yuan each year.

Moreover, the two Wang households are to be allowed to move to another place provided by the township government, because of the space taken up in the narrow courtyard by the elm. ■



Cartoon by MENG SHICHU

Sino-Foreign Co-op In Fur Production

Saga Furs of Scandinavia has switched its attention to the Chinese market and become the first foreign company to sell its products in China after showing 63 fashion pieces of fur and leather in Beijing at the end of last month.

China has reported a rapid increase in fur and leather exports in the last few years. In 1985 China exported 800,000 pieces valued at US\$30 million, and US\$100 million worth of pelts and semi-finished products, eight times more than in 1970. Since China does not have advanced tanning, dyeing, processing and design, it exports mostly popular clothes, and not many higher-quality items.

The situation has aroused the concern of Saga Furs of Scandinavia. Mr. L. Boe Hansen, president of the company, said, "China is not yet known as a leather and fur goods exporter in the world. If China pays attention only to the output and not quality, it will disappoint its customers and its exports will decrease.

"To hold this fashion show in China is the first step of our long-term plan to find a market in China," said Mr. Hansen. "Its purpose is to interest the Chinese people and offer the Chinese clothing designers new ideas. The second step is to invite world-class clothes designers to China to discuss technical problems with Chinese counterparts and help Chinese technicians study advanced international fashion. They will also help China update its technology, and improve products' quality and design. Certainly, my company is considering the possibility of investment. As money investment in China is still too risky, my company is considering the intellectual investment first."

Mr. Hansen is full of confidence about the Chinese market. He said, "We are not afraid of China as a potential competitor. When China becomes a fur and leather exporter its own demand will certainly increase and China will then import from my company. In the last few years, China has

imported 400,000 pieces of fox hide. The Chinese domestic market is very attractive. At present the Chinese market is not big but the demand for fur and leather will increase as time goes on and people's life gets better. Fashionable and quality fur and leather clothes will catch young Chinese women's attention more and more. I believe that China's fur and leather industry is in for great development." ■

by Yao Jianguo

Soviet Union to Hold Exhibition in Beijing

The Soviet Union is holding an industrial trade exhibition in Beijing on December 12-28. Covering a floor space of 4,605 square metres, the exhibition will show machines, automobiles, electronics, research instruments, light and textile products, clothing and food made by Soviet state enterprises.

During this exhibition, Soviet engineers and technicians will hold technical talks with their Chinese counterparts. The Soviet Union will also send a modelling team and sell some small goods at the exhibition.

The exhibition is held under the Sino-USSR government agreement on holding exhibitions. China has already held its economic trade exhibition in Moscow, between July 25 and August 10, 1986. ■

by Yao Jianguo

Sino-Thai business links grow quickly

In recent years, Sino-Thai economic co-operation has seen rapid development. Investors on both sides are gearing up for further investment in each country.

A fur and leather modelling show.

YAO JIANGUO



In the first nine months of this year, the two-way trade volume reached more than US\$245 million. Of the sum, China imported US\$163 million worth of goods from Thailand while its exports were valued at US\$82 million, according to an official of the Foreign Economic Relations and Trade Ministry.

By the end of this year, the bilateral trade volume is expected to be near US\$400 million, the official said.

The Chinese and Thai governments have agreed in principle to boost the annual trade volume to US\$800 million in the next five years, according to Charin Hansuebsai, commercial councillor of the Thai Embassy in Beijing.

To reach that goal, the two sides will seek more methods of co-operation including balancing imports and exports, he said.

Thailand mainly exports maize, rice, rubber, sugar, mung beans, timber, nylon yarn, zinc and tobacco to China, while it imports diesel fuel, lubricants, cotton, coal, chemical products, raw silk, farming machinery and tools from China.

Since 1975, when the two countries established diplomatic relations, China and Thailand have signed a series of trade agreements with the aim of expanding trade, the councillor said.

The first trade agreement was signed in 1978. In the same year, the two governments concluded an agreement to set up a joint trade committee.

From 1979 onward, a protocol on imports and exports was signed every year.

In an effort to encourage investment in both countries, the two sides signed an agreement on protection of investment in 1985. In October of this year, an agreement to avoid double taxation was initiated.

As a result, bilateral trade volume has increased. In the past

two years, though the depressed world economy has had a negative effect on Sino-Thai trade, the annual volume still remained at about US\$300 million.

In addition, China has stressed expansion of imports from Thailand to reduce the trade surplus that has usually favoured China.

With China opening wider to the outside world, co-operation between the two countries has expanded with the establishment of joint-venture businesses in each country.

By the end of last year, Thai entrepreneurs had set up 31 joint-ventures in China with a total investment of US \$200 million.

These businesses, involving feed, motorcycles, glass and carpet industries, are located in the cities of Guangzhou, Shantou, Shanghai, Beijing and Tianjin, on Hainan Island and in Jilin Province.

Most of these businesses have been successful. For example, the Shanghai Yichu Motorcycle Company Ltd., co-funded by the Chia Tai Group of Thailand and the Shanghai Motor Vehicle and Tractor Corporation, was able to pay its Thai shareholders dividends worth US \$1.9 million last year.

The Chia Tai Group has set up four joint-venture enterprises involving feed and motorcycle production. The group also plans to set up another joint-venture feed mill in Hunan Province.

China has established 20 joint-venture, co-operative and wholly owned Chinese businesses in Thailand, mainly concerned with the construction, prospecting and machinery industries. Twelve of them have gone into operation. ■

News in Brief

■ Hong Kong-made products were exhibited between November 3 and 9 in Beijing to promote trade between China's hinterland and

Hong Kong. Sponsored by the Hong Kong Trade Development Council, the exhibition had machinery, electronics, telecommunications, building-materials, wrist-watches, clocks and tourist goods produced by more than 70 firms in the region on display.

During the exhibition, representatives from relevant ministries and commissions, 16 provinces and municipalities, and companies held talks with Hong Kong's industrial and commercial representatives on economic and technical co-operation for the Seventh Five-Year Plan period (1986-90).

■ The construction of the Shanghai flight and maintenance training centre started recently. The centre is a co-operative company of the General Administration of Civil Aviation of China (CAAC) and McDonnell Douglas of the United States. It is expected to be completed in 1988 and be equipped with advanced simulators to train pilots and maintenance personnel. The centre will also assemble 25 MD-82 transport planes produced by the US company for the Shanghai Aviation Industry Company.

■ During the Seventh Five-Year Plan period (1986-90) China will use loans to develop coal. A loan from the World Bank will go to expanding the Kailuan Coal Mine in Hebei Province and other coal mines in Yanzhou, Shandong Province. A second loan, from Japan, will go on the Jungar open-cast coal mine in Inner Mongolia (annual production capacity being 12 million tons) and the Dongqu coal mine in Shanxi Province (production capacity 4 million tons a year).

■ The construction of the Mawan deep-water harbour in Shenzhen, Guangdong Province, will start by the end of this year. The work is solely financed by Singapore. Mawan will be a large computerized container harbour with 12 berths and a 3.15-kilometre-long coastline.

TV Play 'Monk Dao Ji' to Be Shown in US

*My shoes are wornout,
My hat threadbare,
And my kasaya a rug;
So everyone laughs at me,
For my fan is torn too.
A-mi-tab-ha,
A-mi-tab-ha,
I worry about nothing,
I've been disillusioned by the
mortal world.
I enjoy myself while travelling;
And I'll go wherever there
is injustice.*

This is the theme song of a Chinese TV series *Monk Dao Ji* two instalments of which will be shown during the coming Christmas holidays on US TV screens. The play has already impressed audiences at an international audio-visual fair held in Los Angeles, the Chinese hall of which being sponsored by American-Chinese Ms. Yanping Wen.

Stories about the legendary ascetic Dao Ji (also known as Ji Gong) have been popular in China for centuries. His statue is to be found in some Buddhist temples. Though his uncombed hair, dirty face, patched clothes and torn fan present a somewhat dishevelled look, he has been nicknamed the Living Buddha Ji Gong because of his noble actions in helping the poor, and lending a hand to the weak when they are being unfairly treated. He is a sort of Buddhist monk—an Arhat by incarnation—yet he also has a comic image for he loves wine and meat and is cynical towards the world around him.

The TV co-production by the Hangzhou and Shanghai TV stations is humorous and satirical, emphasizing Ji Gong's kind-

heartedness despite his eccentric appearance. It is through this complex personality that the playwright gives free rein to his satirical pen and the actor to his unbridled talent, all combining to

become a hit. Even kindergarten children know the tune. An African student who sang the song in a contest in Shanghai was warmly acclaimed, at least partly because of the song's popularity.



Some comic scenes from "Monk Dao Ji."

win the hearts of audiences of all social origins.

American TV viewers will see two of the six episodes—"The Miraculous Delivery of Timber" and "Uproar in the Prime Minister's Residence." The former tells how Ji Gong employs his magic arts to trick a wealthy yet miserly landlord out of his trees to rebuild and extend the temple he lives in. The latter describes how Ji Gong punishes a young master of the Qin family who has forced a pretty girl to be his mistress.

Since the TV play was shown a year ago, its theme song has

You Benchang, who plays Ji Gong, was elected best male actor at the Fourth Golden Eagle Award—China's top TV award.

"My personal reaction to the honour bestowed on me is rather mixed. It would be better if I had been given the award when I was younger," said the 52-year-old You Benchang. "On the other hand, it makes me feel younger, and suggests that there are still many things for me to do."

"As a performing artist, my biggest comfort lies in being recognized by audiences. I got what I didn't expect, although I do

have the confidence to play Ji Gong well. I've portrayed scores of characters in my 30 years of stage life since graduating from the Shanghai Drama Institute in 1956. Ji Gong is not an impromptu creation of mine, but the distillation of my experience and artistic work over the last three decades."

What You Benchang said is true. As a boy, You was fascinated by Charlie Chaplin, Laurel and Hardy and other Hollywood comedian stars, as well as by storytelling and other traditional Chinese performing arts. He incorporates elements of all these various skills into his portrayal of Ji Gong. At You's apartment the reporter saw an autobiography of Laurence Olivier which had been heavily underlined. It is a book which gives You much encouragement as he enters middle age, especially during the shooting of Ji Gong.

As an actor, You doesn't rely passively on a director's explanations of his part. He fashions his characters out of the treasure-house of his personal experience. As a Chinese proverb goes: When water comes, the channel is there. Seldom do audiences realize that You Benchang even designs his clothing and other ornaments himself.



When asked how he depicts Ji Gong as a human and lively character, You replied: "I emphasize his love for his near and dear ones, for life, for children and for living things. Of course there is his hatred for wicked people. Yet he always leaves a way out for these people to change their ways from evil to good. So that is also a sort of love which stems from the Buddha's kindness in releasing the souls of everyone from purgatory.

"Ji Gong should be portrayed as an 'insane' monk who acts queerly yet humorously. I try to make Ji Gong lovable and dear to all, never allowing any suggestion of a cunning and vulgar character who merely tries to get laughs from the audience. The charm of an actor lies in his abilities at characterization, his sincerity and his enthusiasm. An audience's laughter is a natural reaction to comedy. Yet only that kind of laughter which is a happy release after a viewer has been moved by a character is real, beneficial laughter."

However, You Benchang is still not satisfied with his performance. For instance, in "Uproar in the Prime Minister's Residence," the artistic impact of the scene in which Ji Gong looks at the minister's house by standing on his head is not strong enough to convey his desire to pit himself against the feudal ruler's ideas of right and wrong. "So there is no limit to artistic creation. The award I got this time only spurs me on to search more in the field of the performing arts."

You told the reporter: "To have Buddha always in the heart' is the wish of a monk. To an actor, the audience is his Buddha. The bigger the audience, the happier an actor will be. Now *The Monk Dao Ji* is to be shown in the United States at Christmas. I understand Americans like humorous plays. I offer them some Chinese humour and hope they like it."

by Xiao Pan



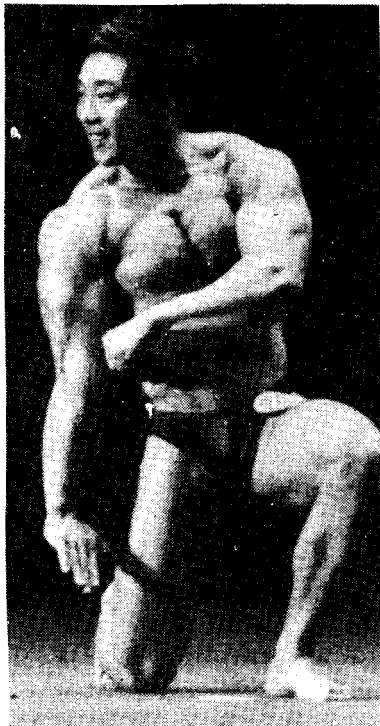
Body-Building: Controversial Contest

Two hundred well-oiled competitors from all over the mainland and from Hong Kong showed off their muscles under the spotlights in the first official national body-building competition held in Shenzhen November 28-30. Woman competitors wore bikinis for the first time in China's sports history instead of the traditional one-piece swim suits to accord with international regulations.

Nine titles in the men's and women's all-round and individual events and the mixed pair were at stake. The men's individual events were contested in four weight categories and the woman's in two. He Yushan, a worker from Beijing and acrobat Chen Jing from Sichuan picked up the men's and women's individual all-round titles.

Men's all-round individual champion He Yushan.

PAN JIAMIN



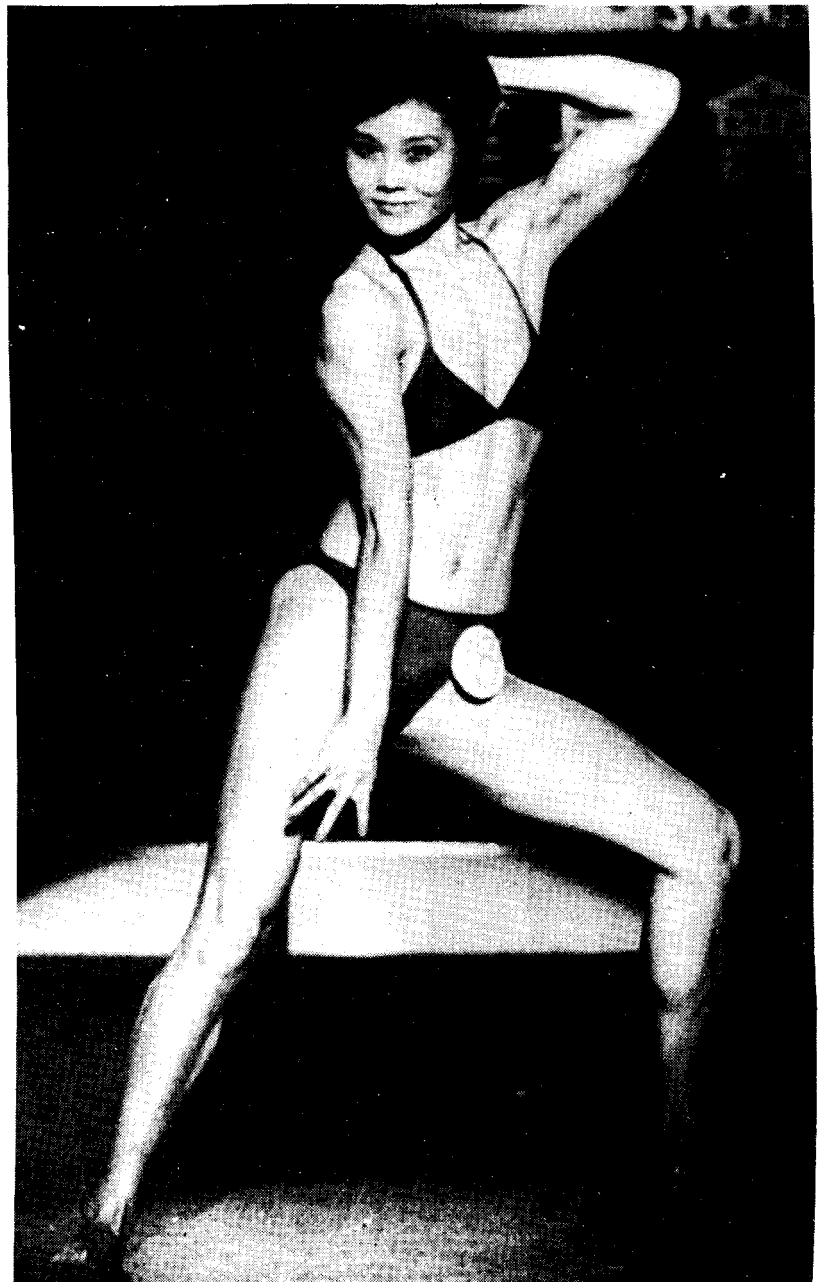
Body-building in China dates back to the 1940s. It regained popularity in the early 1980s. However, bikinis are actually a 'sensation' yet to be accepted by many Chinese people. A middle-aged Beijing policewoman remarked that she could not really accept body-building as such, let

alone women body-builders in bikinis. She would nevertheless watch it if it was shown on TV, she said.

Zhang Xiaoling, a woman body-builder and an assistant engineer in Beijing, said Chinese people would come to accept the bikini in the same way they had

Women's all-round individual champion Chen Jing.

HUANG BENJIANG



'Recollections of Sun Yat-sen's Life' Published

Recollections of Sun Yat-sen's Life (in Chinese) has been published by the Beijing People's Publishing House. The book, which runs to 660,000 characters, contains 145 memoirs, including those written by Soong Ching Ling, Dong Biwu, Ye Jianying, Chiang Kai-shek and Sun Ke (Sun Fo). About one-third of the material was first published either before liberation, or in Taiwan or Hong Kong. Some of the memoirs, such as *Revolutionary Words and Deeds of Dr. Sun Yat-sen* by adjutant Zhang Meng, are appearing for the first time. The writings are arranged in the chronological order.

The more than 100 authors of the book all lived or worked with Dr. Sun—his relatives, comrades, close friends and subordinates, and so what they wrote is vivid and inspired by warm feelings for Dr. Sun. In a memoir entitled *My Recollections of Dr. Sun Yat-sen*, Soong Ching Ling writes that Dr. Sun was born of the poor peasant family. He told her many

times that he had a firm conclusion that "the Chinese peasant should not have to live in the poor conditions they did; Chinese children should have shoes to wear, and food to eat. He struggled for 40 years to try to remedy this." Facing setback in the Revolution of 1911, many old revolutionaries in the Kuomintang did not live up to the spirit of "the more setbacks they suffer, the more struggles they wage." They did not want to continue with the revolution, to Dr. Sun's sorrow.

Dong Biwu, a veteran member of the Tong Meng Hui (predecessor of the Kuomintang) in the period of the 1911 Revolution, wrote an article *My First Meeting With Dr. Sun Yat-sen*. He wrote, "Dr. Sun Yat-sen always admonished us that the only way out for China is to implement the Three People's Principles (Principles of Nationalism, Democracy and the People's Livelihood). In particular, when we fail, we should not be dejected. We must steel ourselves in struggle."

In *Dr. Sun's Thinking on Army Building and His Fearless Spirit*, Ye Jianying, then Dr. Sun's aide-camp and instructor at the Huangpu Military Academy, says, after giving an account of Sun's revolutionary activities, that "in the turbulent times, Dr. Sun still sought after and adopted new ideas. This resulted in his working out the three cardinal policies (alliance with Russia, cooperation with the Communist Party, and assistance to the peasants and workers), undertaking the reorganization of the Kuomintang and its army, and building revolutionary bases. His enterprising spirit is an example for us for all time."

In compiling the book, the editors did not choose the authors according to the political road taken by them after the death of Dr. Sun. All recollections of Dr. Sun of historical value have been incorporated. These include Chiang Kai-shek's *Daily Account of President Sun's Falling Into Danger in Guangzhou*, and Hu

first adjusted to the swim suit. Previously, a Chinese woman had to put on a skirt and stockings before going for a swim. Zhang also pointed out that the bikini is far superior to the ordinary swim suit because it reveals more of her muscles. "A body-builder brings beauty to people through his or her muscles."

Chen Jing, women's all-round individual champion, is a cycling acrobat in the Chengdu Acrobatic Troupe whose skills caused a stir at the 23rd Los Angeles Olympics.

Though she only took up body-building seriously a few months ago, her career gives her the muscles and performing ability required to be a champion. But she said the understanding and help of her husband were also essential. After winning her title, Chen said lightly, "It's necessary for a body-builder to wear a bikini the same way as a worker wears overalls at work."

Men's champion He Yushan, 23, is a worker's son. Like his fellow competitors, he is a part-

time body-builder. He began to attend a spare-time body-building class in Beijing in 1983. When China became the 128th member of the International Body-building Association in November 1985, he said he was determined to compete at international level.

However, experts say Chinese women body-builders are still nowhere near world class. As their muscles are not greatly developed, they concentrate on moving from one pose to another on stage, rather than remaining relatively still and flexing their muscles. ■

Hanming's *Looking Back to June 16*. Both were written on the basis of personal experience, and give detailed account of Chen Jiongmings' rebellion in June 1922, including the bombardment of the presidential house.

Dr. Sun Yat-sen's noble character and generosity are also described, for instance, in *President Sun's Friendliness* by Wu Jingheng (Wu Zhihui), a member of the Central Supervisory Committee of the Kuomintang during the period of the first Kuomintang-Communist co-operation, and *Some Anecdotes of President Sun* by Wu Tichen, a veteran member of the Tong Meng Hui. Many of the memoirs have been published in Chinese and foreign newspapers, periodicals or books. Some are well known. All retain their original style and content.

The Recollections of Sun Yat-sen's Life, neatly written and true to life, is very well worth reading. The reader will find the memoirs of Dr. Sun by adjutant Ma Xiang, bodyguard Huang Huilong and secretary Huang Changgu of special interest.

There are also biographical notes on each author at the end of his or her article. These will help readers acquire a better understanding of the historical background. There are also supplements and notes on the various memoirs. ■

by Wang Nengxiang
and Chen Youhe

Ba Jin's Last Work Goes to Press

A collection of essays by Ba Jin, China's leading writer, is to be published under the title, *Random Thoughts* by the Joint Publishing Co. at the beginning of next year.

This will be the last work by Ba Jin, who is 82 years old.

In 1982, he was awarded the Dante international prize in Florence, Italy.

Random Thoughts was written over the past eight years. It consists of 150 essays and is arranged into five volumes according to the sequence of their publication. The five subtitles are "Random Thoughts," "Exploration," "True Words," "In Illness" and "Untitled."

Commenting on the work, Feng Mu, vice-chairman of the Chinese Writers' Association, said, "This book transmits the voice of the time. The 150 articles mirror the development of our times and history from various aspects, and show the brilliant thoughts of the author towards social life, ideology, spiritual civilization and morality."

The author wrote in the postscript of the book, "The defect of our generation is the utterance of too many empty words. Having written for more than 60 years, I should now beg my tolerant readers' pardon. With deep gratitude, I'm saying goodbye to you and presenting you with these five small books, which I call 'Books of True Words.' " ■

China: 1986 Statistics

China: A Statistical Survey in 1986 is essential reading for students of the social and economic conditions and the investment climate in China today. This first edition of the book provides basic information on China's economic and social development in 1985 and outlines key trends since 1978. In addition, it provides statistics on the principal sectors of the national economy in selected years from 1949 and for each year since 1978.

The book has nine sections: General Survey; Population and Labour Force; Agriculture; Industry; Transport, Posts and Telecommunications; Investment in Fixed Assets; Finance, Trade and Price; People's Livelihood, Edu-

ation, Science, Culture, Public Health and Sports.

Compiled by the State Statistical Bureau of the People's Republic of China and published jointly by the New World Press and the China Statistical Information and Consultancy Service Centre (CSICSC) and printed by Longman Group (Far East) Ltd., this book can be ordered from CSICSC or the China International Book Trading Corp. (P.O. Box 399, Beijing). ■

Diary of the Long March

Army Diary, written by Tong Xiaopeng, a veteran of the epic Long March, is soon to be published by the Liberation Army Publishing House. Tong began his diary on January 1, 1933, when he was a soldier in the Red Army. He made an entry on every day, even in the most difficult times, until December 16, 1936, when he went to Xian to work under Premier Zhou Enlai. This diary, preserved for 50 years, is a record of the major events surrounding the Communist Party and the army, as well as of the daily life of the officers and men of the Red Army. The author edited his diary to mark the 50th anniversary of the victory of the Long March. ■

Book News

Main Currents in 19th Century Literature written by George Brandes (1842-1927), a Danish Literary critic, has been translated into Chinese and published by the People's Literature Publishing House.

A Study of the Scholars of the Ming Dynasty, a 62-volume work of 1.1 million words, contains the biographies and thoughts of 214 scholars of the Ming Dynasty (1368-1644). Written by a Ming scholar, Huang Zhongxi, it has been published by the Zhonghua Book Company.

ART PAGE

Traditional Chinese Paintings by Wei Yang

Wei Yang, born in Wuhan in 1928, is a professional painter at the Hubei Academy of Fine Arts.

Wei suggests that more new forms and methods should be used by traditional Chinese landscape painters to express the painters' feelings for the beauty of a landscape and the features of modern times.



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