

A CHINESE WEEKLY OF NEWS AND VIEWS

Beijing Review

北京周报

Vol. 30, No. 13

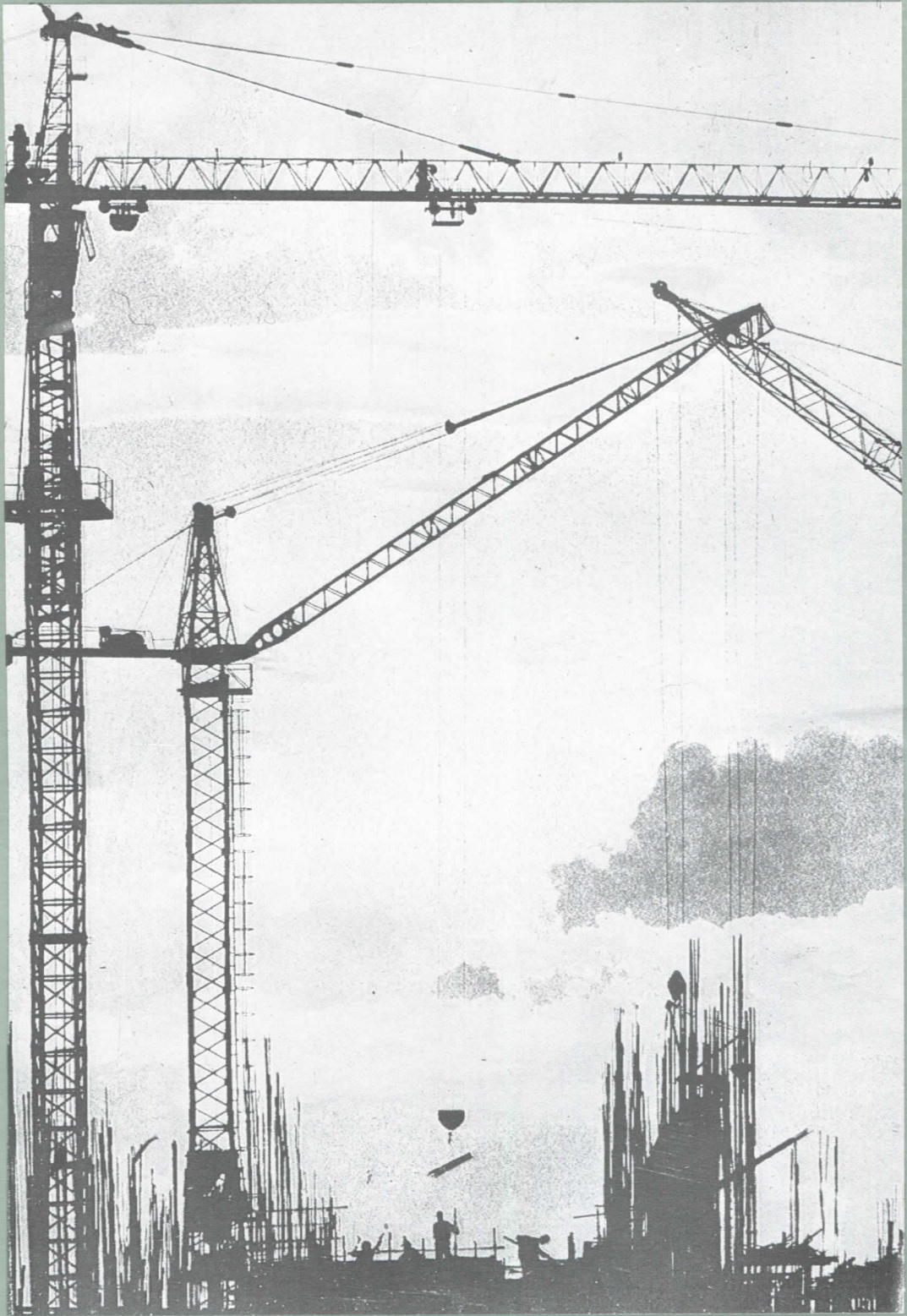
March 30, 1987

**Why China
Cannot Adopt
Capitalism**

**Peace and
Disarmament**

中国工业·旭
日东升





Construction Site.

Photo by Sun Chengyi

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HIGHLIGHTS OF THE WEEK



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Deng on the Recent Events

■ This article from the enlarged edition of Deng's Selected Works, deals with two major events—student unrest and the replacement of the Party General Secretary. In spite of these events, there will be no change in the Party's line, principles and policies, says Deng (p. 33).

Macao's Return Is Finalized

■ After eight months of negotiations, China and Portugal finally reached an agreement on the question of Macao, another step towards the reunification of China (p. 4).

China Spells Out Its Stand on Disarmament

■ At a Beijing World Disarmament Campaign meeting sponsored by the UN, Chinese Vice-Foreign Minister Qian Qichen expounded China's nuclear policy and expressed the government's concern about the spread of the arms race into outer space. He also pointed out the relationship between nuclear and conventional disarmament and urged the superpowers to take the lead in all types of disarmament (p. 14).

China Must Not Adopt Capitalism

■ Within the context of the struggle against bourgeois liberalization, Hu Sheng, a noted Chinese historian, explains why the capitalist road is impractical for China by examining China's history over the past century (p. 24).

NPC: Its Position and Role

■ This article describes in detail how the National People's Congress system works, and its increasingly important role as part of the development of China's democracy and legal system (p. 17).

Published every Monday by

BEIJING REVIEW

24 Baiwanzhuang Road, Beijing

The People's Republic of China

General Editorial Office Tel: 893860

English Department Tel: 890951-546

Distributed by China International Book

Trading Corporation (GUOJI SHUDIAN)

P.O. Box 399, Beijing, China

Subscription prices (1 year):

Australia A.\$22.00

New Zealand NZ.\$30.00

UK £12.00

USA

US\$22.00

Canada

Can.\$21.00

Macao to Return to China

by Guest Commentator Jiang Yiping

The government of the People's Republic of China and the government of the Republic of Portugal initialed a joint declaration on the question of Macao on March 26. The accord states that the People's Republic of China will resume exercising sovereignty over Macao on December 20, 1999. The joint declaration will take effect after the two sides formally sign and ratify it.

Twelve years from now, Macao, a Chinese territory which came under foreign rule, will return to the motherland. The satisfactory settlement of the Macao issue, following that of the Hong Kong question in 1984, represents another giant step towards the unification of China.

Lying on the southwestern bank of the estuary of the Zhujiang River adjacent to the City of Zhuhai in Guangdong Province, Macao has, since ancient times, been Chinese territory. It was not until the mid-16th century that the Portuguese bribed local Chinese officials to get permission to land and reside there. After the Opium War, however, the Portuguese occupied nearby Taipa and the Coloane islands and placed the entire Macao area under their colonial rule.

After the founding of the People's Republic in 1949, the Chinese government has repeatedly stated that Macao is an inalienable part of Chinese territory. China does not recognize any unequal treaty imposed on the Chinese people by the imperialists, and it has proposed that the Macao issue be resolved through negotiations when conditions are ripe. Upon the establishment of diplomatic relations between China and Portugal in 1979, the two sides

reached an understanding in principle concerning the question of sovereignty over Macao. With the Hong Kong issue settled, conditions were ripe for opening talks to resolve the Macao question.

Sino-Portuguese negotiations started in Beijing last June. Since there is no dispute on the question of sovereignty over Macao, the talks focused on the date for China to resume exercise of sovereignty and on making proper arrangements to ensure social stability and economic development in Macao during the transition period and afterwards. After eight months of negotiations in the spirit of mutual accommodation and co-operation, the two governments finally reached an agreement to the satisfaction of both.

Taking into consideration the historical and present-day circumstances in Macao, the Chinese government has decided that, in accordance with the principle of "one country, two systems," it will adopt a complete set of special policies to keep the present social system, economic system and lifestyle in Macao unchanged for 50 years after China recovers it in 1999. A Macao Special Administrative Region (SAR) directly under the Central People's Government will be established, and it will be administered by the local people of Macao. The new SAR will enjoy a high degree of autonomy.

This decision has protected China's sovereign rights, its territorial integrity and its national dignity. It will also guarantee a long-term, stable development in Macao. So, the policy is in conformity with the fundamental interests of the entire Chinese people, including our

compatriots in Macao.

Stimulated by the prosperous Hong Kong economy and China's policy of opening to the outside world, Macao's economy has made rapid progress since the 1970s. Its total exports amounted to 8.63 billion patacas (about US\$1.1 billion) in 1986, more than 30 times those of 1970. Now Macao has trade relations with more than 100 countries and regions and enjoys preferential treatment from 20 or more nations.

The peninsula of Macao has always maintained a very close tie with the interior areas of China, with the latter supplying it with cereals, fresh water, non-staple food, daily necessities and raw materials at favourable prices. This mainland support has contributed much to Macao's stability and development; it is indispensable to its prosperity. Macao, too, has contributed to the economic construction on the mainland. Their economic co-operation is becoming more extensive than even before thanks to the Chinese government's open policy.

The settlement of the Macao issue by the governments of China and Portugal through friendly co-operation has not only created favourable conditions for the further development of their relations, but also provided a useful example for the world in resolving international disputes by peaceful means.

The satisfactory settlement of the Macao question represents another successful effort to apply in practice the scientific concept of "one country, two systems," advanced by Deng Xiaoping by pooling the collective wisdom of the Party Central Committee. It shows that the concept conforms to objective reality and is full of vitality. The settlement of the Macao question will certainly accelerate the cause of China's reunification. ■

'Sunday Engineers' Help Farmers Prosper

Every weekend groups of scientists and technicians travel to suburban Shanghai from downtown either by bus or by bicycle. They come not to seek a break from busy city life, but to use their spare time to help rural enterprises develop new products, tackle technological problems and train technical personnel. Such travellers are euphemistically called "Sunday engineers."

To rural enterprises these "Sunday engineers" are "gods of wealth." For instance, when the rolled steel processing plant of the Tanzhi Township in Shanghai's suburban Nanhui County was first built, it had only one engineer. The factory invited more than 30 experts in civil engineering, machinery installation and electric appliances to work for it during weekends and in their spare time. Their help enabled the plant to save 2 million yuan (some US\$530,000) of investment. The Pengpu Household Electric Appliances Factory in Baoshan County was on the brink of bankruptcy because the electric fans it produced did not sell well on the market. At this critical juncture, associate professor Zheng Wanlie in Tongji University came to the plant's rescue in the summer of 1985. Invited by director Li Shihua to be an advisor, Zheng suggested the plant shift to the production of refrigerating equipment which was urgently needed in the market. Working at the plant every weekend, Zheng enabled the factory to turn out an output value of more than 100,000 yuan (about US\$27,000) last year.

Many noted Shanghai professors and scholars have taken an active part in "Sunday engineer" activities. Despite their heavy work load in teaching and scientific research...they...take frequent trips to the suburban

countryside. For example, more than 70 professors, senior researchers and engineers from Fudan University, Tongji University and the Shanghai Jiaotong University formed an economic development advisory committee for the Luodian Township in Baoshan County, with noted biologist Tan Jiazhen as the committee's honorary chairman.

These famous people have not let the local people down. Their expertise has enabled the township's industrial and agricultural output value to grow by a wide margin for several years in a row and made the township the first to prosper on the outskirts of the metropolis.

Now, more and more scientists and technicians in Shanghai take part in "Sunday engineer" activities. Their footprints are not only seen in rural enterprises in suburban Shanghai, but also in neighbouring Jiangsu and Zhejiang provinces.

As one rural factory director has pointed out, "Solving some

technological problems is beyond our capability since we (rural enterprises) have a serious shortage of technical personnel. We hope more 'Sunday engineers' will come to help us." A scientist conveyed the sentiments of his colleagues when he said, "I think 'Sunday engineer' activities give us an opportunity to make better use of our knowledge. Through them, we can publicize our research achievements. In addition, we can also widen our research horizon."

China is a big country with a large rural population and the development of the rural economy plays an important role in the national economy. To promote the development of the rural economy, the state has introduced a "sparking programme" to popularize scientific knowledge in the countryside, and called on the scientific and technical personnel in urban areas to go to the countryside to render help to farmers. In response to the call, all provinces, especially big cities like Beijing, Shanghai and Xian, where

Medicine produced by the Xinhua Farm Pharmaceutical Factory on the outskirts of Shanghai with a new technology introduced by "Sunday Engineers" of the Shanghai Organic Chemistry Institute of the Chinese Academy of Sciences.

WANG ZIJIN



scientific and technical personnel are concentrated, have adopted measures to encourage scientists and technicians to leave their offices and laboratories and make better use of their talent in the vast countryside. For instance, Beijing authorities have planned to mobilize more than 10,000 scientists and technicians and put them to work in the city's suburban areas this year and next to aid rural commodity production. They can either take up full-time jobs or work as part-time advisors in the rural enterprises. In recent years, authorities in Xian also organized scientists and technicians to give technical help to more than 800 rural enterprises in eight counties bordering the city. So far, the scientists and technicians have signed 670 technical aid contracts and imported 14.4 million yuan of investment for these enterprises.

It is believed that with economic reforms and the reform of the scientific research management system going on, urban technology and culture will play a greater role in the countryside. ■

Managers Receive In-Service Training

More than 35,000 senior managers and executives in China's 8,000 major enterprises will receive training in the coming four years, according to a senior government official.

The move, said He Yong, deputy head of the Organization Department of the Chinese Communist Party Central Committee, is aimed at raising the political and professional level of managers and directors, as well as Communist Party secretaries, chief engineers, economists and accountants of enterprises.

Speaking at a ceremony marking the start of the first training

course on March 2, He described the training as the "key task in educating China's economic and management leaders." He said the move will promote the development of Chinese enterprises and meet the needs of the economic reform and national economic growth.

He added that the training, now in full swing, is sponsored by his department and the State Economic Commission. Senior leaders of large and medium-sized enterprises, some 35,000 in all, will take turns being trained over the next four years.

Between 1983 and 1985, China changed the leadership of the major enterprises as part of government streamlining and economic reform. About 90 percent of the current enterprise leaders are newly appointed or elected to their posts. Their average age is 45, much younger than before.

However, although most of them are technicians or engineers, they are unfamiliar with commodity economy, modern business and management principles, or economic laws and regulations.

He Yong said the marks managers receive during their training will be essential in deciding future promotions and demotions. After 1990, senior enterprise leaders will be appointed only after undergoing training. "No one without a training course certificate will be appointed or promoted to a new post," he stated.

In addition, some 3,500 promising young professionals who have been listed as potential managers and directors will also receive training.

The leaders will study basic Marxist theory, socialist commodity economy, modern enterprise operation, management expertise, and economic laws and regulations.

The country will design courses that will lead to a master's degree for reserve leaders for large and

key state enterprises and governmental economic departments.

A special guidance committee to oversee the training includes officials from the State Education Commission, the CPC Central Committee's Organization Department and the State Economic Commission. Experts and university professors will compile textbooks and guide the progress of the training.

The State Economic Commission reported that 93 institutes have been established across the country to train officials from local enterprises and economic departments. The commission has set up 10 training centres in cooperation with local authorities.

These institutes and centres, designed to train 100,000 economic officials a year, have a total teaching staff of more than 7,000, according to the commission. ■

Skyscrapers Pose Problems to Beijing

The Beijing municipal government is taking steps to ensure all urban residents adequate housing facilities and access to public utilities.

In the past few years, many new high-rise apartment houses were built in Beijing in quick succession. Last year, 5 million square metres of new living space were completed in the capital, offering new housing for more than 100,000 people.

But recently some of Beijing's residents living in the new high-rise apartment buildings have been complaining the lack of basic utilities such as water, heating, electricity and sewage disposal.

According to the city's administrative engineering department, in 1985 more than 8 million square metres of new housing were completed, of which 500,000 square metres could not be put into immediate use because of

incomplete utility facilities. An additional 900,000 square metres of the 5 million square metres of new living space built last year appear beautiful, but occupants are frustrated over the lack of public utilities.

The lack of basic living facilities poses a major problem for urban housing construction in Beijing. According to basic calculations, if 5 million square metres of new buildings are built, there must be such basic facilities—a water-works which can provide 200,000 tons of water a day, a sewer system which can drain away 180,000 tons of sewage, a gas supply system with a daily capacity of 300,000 cubic metres, and a heating system which can provide heating of 3.75 million kilocalorie an hour. There should also be a power plant with a capacity of 100,000 kilowatts. Moreover, the transport, post and telecommunications facilities should be expanded accordingly.

Despite efforts by the Beijing municipal government, the construction of the above-mentioned basic facilities still cannot keep pace with the construction of new housing because of limited financial resources and other difficulties. An official in the city administrative engineering department thinks it is understandable that people expect more housing to be built and the leaders of many units hope to improve the housing conditions of their staff as soon as possible. "But they should see to it that the construction of new housing goes step by step with the construction of auxiliary public utilities and confine their zest for more housing within the limits of their financial capabilities," the official said.

According to urban construction experts, some departments and work units put up apartment housing without observing the city's overall construction plan and their financial ability to offer basic facilities, which contributes

to the inconvenience for Beijing residents.

They urge the Beijing municipal government to exercise stricter control over the planning of urban residential construction in order to make basic facilities more relevant to the city's housing needs.

To readjust the investment structure, this year the Beijing municipal government has cut down the investment on housing construction and has halted or postponed a number of housing construction projects undertaken without secured financial resources for auxiliary facilities. It has stipulated that the central government departments must adhere to the city government's overall plan in housing construction.

The city has also ruled that from now on any construction units that lack the expertise to build basic public utilities will not be permitted to build housing in the capital. ■

Self-Service Stores: Can They Survive?

Self-service markets, in many ways similar to supermarkets in the West, first appeared in Beijing in September 1982, as an offshoot of China's economic reforms.

There are now about 150 self-service markets in China. Although some are earning profits, many are running losses. Five of Guangzhou's nine supermarkets have already closed, as have two of Tianjin's five. Zhao Jun, director of the first department of the Second Commercial Bureau in Beijing, admits 13 of 34 markets under his bureau—38 percent—are running at a loss.

The recent closing of the Haidian Self-Service Market, Beijing's oldest, has raised questions about whether such markets can survive and prosper.

Huang Chengxian, 30-year-old

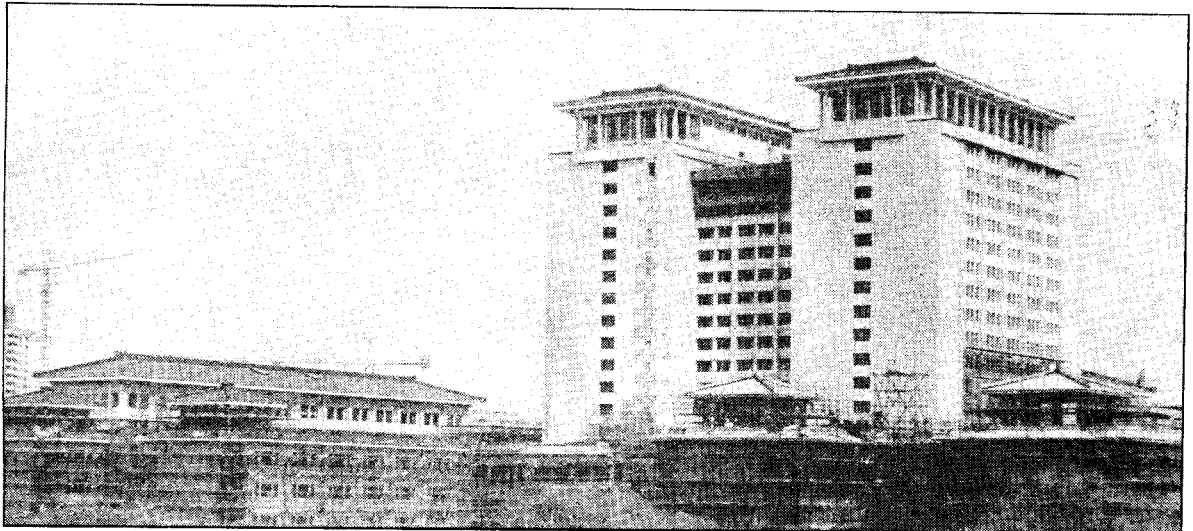
general manager of the Jinghua Self-Service Market in Beijing's Xicheng District, says markets like his are a viable form of retailing. The market opened in September 1984, and lost 4,700 yuan in its first four months of operation. In 1985, however, it sold 8.1 million yuan of goods and made a profit of 229,000 yuan. In 1986, its turnover rose 11 percent to 9 million yuan. Profits rose 45 percent to 322,000 yuan. In the first two months of 1987, the turnover reached 2.4 million yuan, 70 percent more than the same period last year, and profits were 108,000 yuan, also a 70 percent increase.

Between 7,000 and 8,000 customers visit the Jinghua daily. "My market is noted for its large variety of commodities," Huang said. "With a floor space of 900 square metres, we sell 4,100 commodities, including meat, canned goods, fruit, vegetables and sundries. An ordinary shop of our size can stock 1,700 commodities at most."

A survey conducted last year showed Jinghua customers agreed that such markets could offer more convenient shopping. However, the costs of operating self-service markets are about 3 percent higher than for ordinary stores because most of the markets have air conditioners to prevent food spoilage and other necessary equipment. And these expenses

'Beijing Review' Opens Shanghai Office

The Shanghai office of *Beijing Review* was established on March 17. Our reporters there will provide greater and more timely coverage of developments in Shanghai and the Shanghai economic zone, which includes Shanghai and the provinces in eastern China.



YANG LIMING

Modern Library to Open Soon

The construction of the Beijing Library, in the west part of the capital, will soon be completed. With a total floor space of 140,000 square metres, in terms of space it will be the world's second largest library after the Library of Congress in the United States.

cut into profits and even result in losses, which meant that the markets may not be able to survive, still less expand and upgrade.

Zhao Jun suggested that the government give the self-service markets more preferential treatment, such as tax reductions or exemptions, while Huang said he would like to see the markets given more autonomy. "My feeling is that we are under too many administrative departments," he said. "As a popular joke has it, we have too many 'mothers-in-law.' I think one is enough." Zhao Jun said self-service markets should also be given more rights, including the rights to set salaries and bonuses for their staff in line with their profits and to fix price to improve competitiveness.

He said his bureau would encourage and organize links

among markets. For example, Beijing's Xuanwu District used to have three small independent self-service markets. One was suffering operation losses. In 1985, the three were merged as an integrated business, and now all are making profits. Zhao added that his bureau plans to lease out some of the city's small markets.

Personnel costs are another major expense in these markets. Zhao said that in 1986 there was an average of 14 shop assistants for every 100 square metres of selling space in Beijing's self-service markets. In his opinion, work efficiency would improve if the self-service markets reduce the number of their staff. He added that much is desired from market managers who need more training.

Location is also important. Zhao stressed. Such markets

should be set up in downtown districts where convenient transportation is available and there is the greatest concentration of population, or in more prosperous districts. Also, commodities supplied by the markets should suit the needs of customers in the immediate neighbourhood, he said.

Huang Chengxian suggested forming self-service market chains so that they can profit from cooperative purchasing and marketing. "This will make them more competitive, for they can provide better service to consumers by offering high-quality goods at lower prices," said Huang. "I agree that losing markets should be shut down. But closing does not mean that self-service markets do not suit Chinese conditions and have no future in China."

by Wang Yanjuan

Energy Building In the Rural Areas

By using solar, wind and geothermal resources China's rural areas saved the equivalent of 9 million tons of coal last year, the overseas edition of the *Renmin Ribao* reported recently.

Last year an additional 15 million families installed energy-efficient stoves, and 400,000 households switched over to using biogas, according to statistics released by the Ministry of Agriculture, Animal Husbandry and Fisheries.

China's rural energy replacements are beginning to be used in production sectors such as farming, livestock production, and rural factories.

Rural areas are now using all available resources to develop energy supplies. Residents of Inner Mongolia use wind and solar power to generate electricity, pump water, and for cooking and heating. The area now boasts over 30,000 wind generators and solar units.

Many provinces and cities have installed energy-saving furnaces for process tea, tobacco, and other agricultural and sideline products. Enterprises involved in the production of agricultural machines, aquatic products and farming are also focusing on saving coal and electricity.

Energy-saving equipment production and service is a growing industry in the countryside. Last year, 1,500 such companies at the county and village levels employed over 100,000 workers and technicians, with a business turnover of 100 million yuan (US\$27 million), and profits of 10 million yuan (US\$2.7 million). ■

CORRECTION: The second table on page 28, issue No. 12 should go together with the article "Britain Expands Trade With China" on page 29.

MARCH 30, 1987

Weekly Chronicle (March 16-22)

POLITICAL

March 18

■ An enlarged edition of Deng Xiaoping's works entitled *Build Socialism With Chinese Characteristics* has come off the press and distributed immediately nationwide, Xinhua reports.

March 19

■ Xinhua reports that during the fourth session of the Sixth National People's Congress, held in March 1986, deputies raised 265 motions, all of which have been handled by the special committees of the National People's Congress and the ministries and commissions under the State Council.

ECONOMIC

March 18

■ The State Council will establish a customs tariff commission in charge of drafting and revising tariff regulations on imports and exports, *Renmin Ribao* reports.

March 19

■ China has established telecommunications links with more than 200 countries and regions around the world, according to the Ministry of Posts and Telecommunications.

March 21

■ The State Council has approved the construction of Shanghai's first subway, which will rely heavily on foreign loans, according to a local government official.

CULTURAL

March 18

■ A trial issue of China's first national financial newspaper, *The Financial Times*, has come off the press, the paper will be officially

launched by China's eight major governmental financial institutions as of May 1, Xinhua reports.

March 19

■ Researchers at the Chinese University of Science and Technology has improved their newly developed superconductor by raising the temperature from linear 130K, obtained by them on March 9, to 215K, a university official announces.

SOCIAL

March 16

■ Xinhua reports that 47 people died and 179 were injured in an explosion which may have been caused by an accumulation of flax dust at the Harbin Linen Textile Mill.

March 19

■ *Renmin Ribao* reports that Beijing has enjoyed a 37.7 percent drop in crime in the past three years and half since a nationwide crackdown on crime began in August 1983.

FOREIGN RELATIONS

March 19

■ Chinese leader Deng Xiaoping tells visiting Canadian Governor-General Jeanne Sauve that the tentative plan for China's political reform will be announced at the 13th National Congress of the Chinese Communist Party scheduled for this autumn according to Xinhua.

March 21

■ Chinese Vice-Premier Wan Li holds talks with visiting New Zealand Deputy Prime Minister Geoffrey Palmer and says that China hopes the situation in the South Pacific region remains stable and does not want the region to become a site of fierce rivalry among the superpowers. "China is willing to work together with the South Pacific countries to promote peace and stability in the region," he says.

DEBT PROBLEM

Mutual Compromise: the Only Way Out

A recent meeting of the Non-Aligned Movement has once again called for dialogues between debtors and creditors to solve the debt problem — a global disease afflicting developing and developed countries alike.

Last month Brazil, the largest debtor nation in the third world with a foreign debt of US\$109 billion, announced its decision to suspend interest payments indefinitely. The action prompted other debtor nations in Latin America to consider similar measures, causing great concern in international financial and monetary circles.

This example of the debt problem illuminates one of the most serious obstacles in world economy today. According to a recent report by the World Bank, the total amount of foreign debt owed by the third world amounted to US\$1,035 billion at the end of last year, 69.7 percent up from US\$610 billion at the end of 1980.

The high interest rates that industrial nations charge for loans are an important factor that adds to the debt burden of the third world. Some economists estimate that nearly half of the third world's foreign debt accumulated since 1980 is interest.

The drastic drop in prices of primary products on international markets constitutes another factor for the worsening of the debt problem. Raw materials, especially oil, are the main source of income for third world countries. Plummeting prices have greatly reduced the foreign exchange reserves of the debtor nations. In addition, protectionist measures of the industrial nations have made it more difficult for third world countries to increase their exports. Therefore, many debtor nations (Brazil, for example) have to use most, or all, of their foreign currency earnings, which are badly needed for their economic

development, to pay debts, thus creating a vicious circle.

In a world of co-existence and mutual dependence, it is impossible to impose sacrifice on one side without causing loss to the other. It has been said that in today's world, all countries on the earth are in the same boat, whose destiny is dependent on the joint efforts of everyone on board. If all the nations of the world involved in the debt problem, especially the creditor nations, work in this spirit, a solution will not be difficult to find.

For the industrial nations, it is important to realize that they, to some extent, depend on the third world. World economy has long since become a unified network and the development of one country's national economy is closely connected with international trade. As for credit extended to developing countries, of course the lenders want to get their money back. But this depends on the debtor nations' repayment capability, more specifically, their economic growth.

At a special ministerial meeting of the Co-ordinating Bureau of the Non-Aligned Movement, which ended March 13 in Georgetown, capital of Guyana, many delegates pointed out that the expansion of production and exports are the only way to enlarge the capacity of third world nations to serve their debt. An appeal adopted at the meeting said that the debt of Latin America "cannot be paid under existing conditions and without sustained economic development." Indeed, it has been the core of dialogues between debtors and creditors whether

repayment should prevail over the economic development of the debtor nations. Insistence on repayment regardless of the debtor's economic growth will result only in the bankruptcy of their national economies and social disorder and in the end, the loans of the creditors cannot be paid at all. If that were true, the creditors would also find themselves at the verge of bankruptcy, and the whole world would be in turmoil.

Developing countries have come to realize that measures like suspension or rescheduling of payments cannot solve the problem fundamentally and that the development of their economies is essential. International co-operation, in particular the inflow of capital and technology from the developed countries, will also be essential. Equally important, the debtor countries should make good use of their loans and direct their economies towards growth-oriented projects.

Mutual understanding can lead to mutual compromise. A complete solution of the problem lies in the establishment of a healthy and peaceful environment in which North-South dialogues can be conducted to create a mutually beneficial and equal relationship between them. Peace and development are the two crucial issues of our time and they are closely linked. Unfortunately, while developing countries are groaning under heavy pressures of debt, the superpowers put huge sums of money on armaments. According to Western sources, the combined military expenditures of the United States and the Soviet Union amount to US\$600 billion, over 60 percent of the world's total.

The gap between the rich and the poor is widening. On the threshold of the 21st century, it is high time to realize that efforts should be jointly made to create a peaceful and prosperous world

by She Duanzhi

Economic Strategy in the Making

The Sixth Asian Ministerial Conference of the Group of 77 ended on March 16 in Dhaka, Bangladesh after working out a package of economic strategy.

More than 100 representatives from 32 of the Group's 43 Asian members and over a dozen regional, international and world organizations focused the three-day session on four areas: commodities prices, trade climate, least developed countries and financial resources.

The Group's package strategy includes: formulating an effective and credible development-oriented debt strategy, revitalizing financial flows to developing countries and promoting an international monetary system reform.

Among its immediate aims are: improving rescheduling exercises, achieving as soon as possible the use of the internationally agreed 0.7 percent of developed countries' gross national product (GNP) for aiding developing countries, and convening a world conference on the monetary system and finance.

However, the Dhaka Declaration, issued at the end of the meeting, seems to lay stress on issues of trade climate and the collapse of primary commodities prices which have plagued the Group's Asian members more than their African and Latin American counterparts.

It calls for overcoming the world economic crisis through concrete and coherent policy measures in the interrelated fields of commodities, trade, money and finance, including external debt, aimed at revitalizing growth and development particularly of the developing countries.

But the declaration seems to have toned down the crisis assessment made by Bangladeshi President Hussain Muhamad Ershad in his opening speech by cutting off many of his superlative words. This is seen as reflecting a divergence of views among the delegations.

Inaugurating the conference, Ershad said, "All possible solutions tried out during the past decades are being swept away" and "a fundamental rethinking of many interrelated issues of development, trade and finance is required."

Ershad said developing countries have been suffering from falling exports, huge debt burdens, shrinking financial resources flow, collapse of primary commodities prices and an ever-aggravating international trade climate.

The latest United Nations statistics show that the economic growth in the least developed countries (LDCS) has almost disappeared during the 1980s and the number of LDCS has increased from 31 in 1980 to 40 in 1986, including 11 in Asia and four in South Asia. Under such conditions, Ershad urged the Asian members of Group-77 to rethink a package group strategy to pull themselves out of the whirlpool which he termed an "unprecedented crisis." The proposal of Ershad is of importance to all the developing countries.

In the postwar upsurge of the national liberation movement in

Asia, Africa and Latin America, a great number of colonial and semi-colonial countries gained political independence. But as a result of little change in the old international economic order, these new developing countries are still in the position of being exploited and plundered. During the recession of the world economy, the developed countries transferred their economic crises to these countries, which put their economies in dire straits.

Since the 1960s, the developing countries have been struggling to safeguard their national rights and interests and gaining economic independence. Group-77 was founded at that time and had 77 member countries. Now it has grown to embrace 127 member nations. Meanwhile different organizations of raw material producing and exporting countries and other international economic organizations have been set up for protecting the rights and interests of the developing countries, which seek to change the old international economic relations and enter into dialogue between North and South so as to establish a new international economic order. But the dialogue has not been held. It will be a long time before the developing countries can get rid of their economic dependence on the developed countries. In this context, the developing countries should not sit back waiting for the favours of the developed countries but should make up their own developing strategy—relying on their own efforts while making external assistance secondary and exploiting their own natural resources, unite and support each other and promote the South-South co-operation on the principle of equality and mutual benefit. Only thus can the developing countries promote their economies and put themselves in a stronger position for international negotiation.

by Li Li

ALBANIA

Focus on Economic Development

While strengthening relations with West European countries, the Albanian Party of Labour has adopted measures to promote economic development in recent years.

Albania recently set up a national committee to strengthen state and the Party of Labour supervision over economic and production sectors. The committee, a ministerial-level arbitral and executive body, will oversee the issuing and carrying-out of economic plans and policies, monitor the distribution and use of funds, and balance production and consumption.

Ramiz Alia has paid much attention to the economy since he became first secretary of the Party in April 1985. He calls economic work the foundation of all development, but points out that to grasp economy is not equal to economism. He has asked leaders at all levels to put the economy first.

In the past year he has toured more than half the country's administrative districts, visiting factories and villages and having extensive contacts with the masses and cadres. This investigation of concrete conditions was the basis of practical economic measures which have had some results.

In November, the Ninth Congress of the Party of Labour adopted the eighth economic Five-Year Plan (1986-1990), further affirming the principle, policies and tasks of economic development and raising living standards. These measures include:

1) Developing animal husbandry. Albania is a mountainous country; three-fourths of its area is mountainous and hilly. The Central Committee of the Party of Labour decided to develop animal husbandry and increase meat

production. It has called on production brigades to begin raising small husbandry herds and planned to change the commune-concentrated system of husbandry into a two-level system. The task of the commune-level special husbandry teams will be to provide guaranteed supplies of milk and meat to the national market. The products of the brigade-level small husbandry teams are distributed among themselves. Besides providing meat and milk to their own members at favourable prices, the brigades can sell the excess to inhabitants of nearby cities and towns.

2) Developing agriculture. The agriculture is one of Albania's major economic sectors. Two-thirds of the country's population lives in rural areas. The eighth Five-Year Plan stresses comprehensive development of agriculture at a faster rate than other economic sectors.

Therefore, the investment into agriculture will increase to about two-thirds of the total. The plan states that the transition from collective to national ownership must develop naturally at an appropriate rate. It encourages peasants to grow vegetables and raise livestock on private plots of land and allows them to sell some of the agricultural and sideline products.

3) Exploiting the resources of the mountainous northern areas. This area is rich in chromite, copper, hydroelectric power and timber. It is a natural setting for agriculture and animal hus-

bandry. To exploit these characteristics, the Party will create a northern economic zone, including six administrative districts.

The state will increase investment there. Meanwhile, hundreds of workers, cadres and experts from all over the country have answered a government call to contribute to economic development by going to the mountainous areas to work for two or three years.

4) Material rewards. Differential wage systems apply to different types of work, working conditions and labour intensity in factories and mines, with those engaged in difficult tasks earning higher wages. Wages are also connected with the fulfilment of tasks at various levels, making for a policy of more pay for more work.

The Ninth Congress of the Party of Labour ratified that the oil and chromite-exploiting departments had established rewards for over-production and planned to extend it to other sectors. Rewards for inventions have also been set up.

Furthermore, Alia said many questions must be studied regarding wages, prices and grassroots autonomy. He said these problems will be solved after experimentation and test projects.

5) Developing foreign trade. Albania hopes to develop trade and economic co-operation with other countries based on equality and mutual benefit. In recent years it has established and developed trade relations with Greece, Italy, France, Turkey, Austria, Switzerland, Sweden and Federal Germany, so exports have obviously increased compared to earlier years. Trade with East European countries has also grown and Albania has signed a long-term trade agreement (1986-1990) with them. Albania's trade with China has increased greatly in recent years and the two countries signed a long-term trade agreement in late 1985.

by Shu Ping

Weinberger's Ill-Fated Visit To Spain

US Defence Secretary Caspar Weinberger's visit to Madrid failed to break the deadlock on the issue of US troop reduction in Spain.

United States Defence Secretary Caspar Weinberger visited Spain March 15-17, trying to revive stagnated negotiations on the reduction of America's military presence there. However, his talks with Spanish Prime Minister Felipe Gonzalez and Defence Minister Narcis Serra i Serra have reportedly stalled once again with the two sides still far apart.

Weinberger's visit came during a period of Spanish disorder. Both students and workers are on strike, and general dissatisfaction with the government is sharply on the rise. On the eve of his arrival at Madrid, thousands of Spaniards staged a protest at a US air base at Torrejon de Ardoz near Madrid. Negotiations continued despite the tensions.

The United States has had a military presence in Spain for more than 30 years. In 1953, during Francisco Franco's dictatorial rule, the two countries signed a treaty of military co-operation establishing US right to a military presence there. Currently, the United States has three air bases and a naval base with a total of 12,000 military personnel stationed in Spain.

After Franco was overthrown, Spain initiated negotiations for the reduction of US military personnel. The Socialist Workers' Party, which opposed the country's entry into North Atlantic Treaty Organization (NATO), demanded the removal of the US military bases before it came to power. After it took the office in 1982, the Socialist Workers' Party changed

its stand, strengthened its ties with NATO, but promised its voters to negotiate with the United States to reduce the US military personnel. Failure to reach a settlement caused the party to lose many left-wing votes in the general election in June last year. After the election, the second-term Socialist Workers' Party government decided to negotiate with the US government immediately in order to recoup its losses.

Prior to the present negotiations, the two sides have held four rounds of talks beginning in July last year. Because of differences on how many US troops would be removed and how the removal would take place, progress has been slow. It is reported that the Spaniards insist that the United States withdraw 76 American F-16 fighters and transfer all fueling airplanes away from the eastern Saragossa base. The US air base at Torrejon is 15 kilometres away from the Spanish capital of Madrid. Its existence is considered by many Spaniards to be an intolerable insult to Spanish national self-respect. Also, as the site of numerous protest demonstrations, the Spanish government is under heavy pressure to maintain security there.

During the fourth round of talks held last month the United States put forward a counter-proposal, insisting that a substantial number of US troops should remain in Spain after the treaty expires in May 1988. However, the Spanish side considers this entirely unsatisfactory. During his stay in Madrid, Weinberger told the press

that the US F-16 fighters make up the cornerstone of NATO's defence and the United States would like to transfer them to other air bases in Spain. Judging from the progress of the talks, Weinberger failed to persuade Spain on this issue.

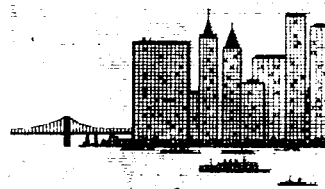
In May next year when the treaty of military co-operation expires, the Spanish government says, it will fix November as the final date for an extension of the treaty. At that time there will be no further compromises; the US military personnel in Spain will have to leave.

The United States attempted to simultaneously hold talks on reduction of troops and extension of the treaty, but Spain insists on first reaching an agreement on troops reduction and then to continue negotiations on the extension of the treaty.

Although talks on the troops reduction have come to a standstill, both sides have left some room for continuing the dialogue. Weinberger hoped that an agreement would be reached on the troop reduction. The chief spokesman of the Spanish foreign ministry also expressed hope for an agreement on the reduction of troops, equipment and facilities.

Considering Spain's geographically important position, Washington obviously wants to maintain its bases there. But Spain is neither willing nor able to take on the whole task of NATO defence. The Spanish foreign ministry has said that his country was not interested in the complete removal of US military presence. Analysts say that in light of this, the two sides will probably reach an agreement in November. ■

by Yao Li



World Peace and Disarmament

China's Vice-Foreign Minister Qian Qichen spoke on the position of peace and disarmament at the United Nations regional conference for the World Disarmament Campaign which opened in Beijing on March 23.

Today, I would like to share with you some of my views on the question of peace and disarmament and join you in the discussion.

Despite the absence of a new world war in the past 40 years or more since the end of the Second World War, the world is still in the grip of turbulence and intransquility, and mankind is yet to achieve genuine peace. Regional conflicts and local wars occurred one after another, and the arms race has kept escalating worldwide. The international situation has remained tense, and the danger of war is still seriously threatening world peace and security. It is precisely because of this that the people all over the world are making unremitting efforts in various ways to safeguard peace. The World Disarmament Campaign initiated by the United Nations is part of this extensive effort. We are convinced that as long as the peace-loving peoples of the world are determined to take their destiny in their own hands and go into action, international peace and security can be maintained, and a new world war can be prevented. We are optimists. Although the road ahead is tortuous, the world has a very promising future, and the prospect for mankind is bright.

Having suffered untold tribulations in wars of foreign aggression in the past, the Chinese people cherish peace and security all the more deeply. As a developing socialist country, China is today whole-heartedly engaged in a drive for socialist modernization which requires hard work of several generations



and an enduring and stable international environment of peace. Being aware of the heavy task entrusted by history, China is determined to contribute its share to the maintenance of peace, security and stability of the world.

The Chinese government pursues an independent foreign policy of peace. The basic objective of China's foreign policy is to maintain world peace. We have always maintained that all countries in the world are equal. We are opposed to the big bullying the small and the strong lording it over the weak. We are ready to develop friendly relations with all countries of the world on the basis of the Five Principles of Peaceful Coexistence. Standing firmly by the third world, we will never enter into alliance with any superpower. We are opposed to the use or threat of force in international relations and interference and aggression against other countries. We are in favour of a peaceful settlement of international disputes.

China has consistently opposed arms race and will never take part in it. We stand for the complete

prohibition and thorough destruction of all nuclear, chemical, biological and space weapons and for a drastic reduction of conventional weapons. As early as in 1964, China declared explicitly on the very first day when it came into possession of nuclear weapons that at no time and under no circumstances will it be the first to use nuclear weapons. China has also undertaken not to use or threaten to use nuclear weapons against non-nuclear states or nuclear free zones. China has successively signed the relevant protocols to the Treaty for the Prohibition of Nuclear Weapons in Latin America and the South Pacific Nuclear Free Zone Treaty. China does not advocate or encourage nuclear proliferation, nor does it help other countries develop nuclear weapons. China supports whatever actions and initiatives that are conducive to the realization of disarmament and elimination of the threat of nuclear war.

China has taken a number of steps to cut its military expenditures on its own initiative. The important decision made by the Chinese government to reduce China's armed forces by a million men is being implemented smoothly. China has not carried out any nuclear test for years. Furthermore, it declared last year that it would conduct no more atmospheric nuclear tests in future.

All this has fully demonstrated China's sincerity for peace and disarmament and its determination to take concrete steps in this regard.

To put an end to nuclear arms

race, bring about nuclear disarmament, remove the threat of nuclear war and avoid a nuclear holocaust have become the strong desire of the peoples of the world and their most important task.

The ultimate goal of nuclear disarmament should be the complete prohibition and thorough destruction of all types of nuclear weapons. Let us first of all take a look at the reality of the nuclear armaments in the world today. The most important fact is that the two superpowers possess the largest and most sophisticated nuclear arsenals, amounting to over 97 percent of the total nuclear weapons in the world. Their nuclear weapons have long reached the level of oversaturation and overkill. With the piling up of nuclear weapons, continued arms race is not only absurd but also a mockery of human wisdom. The extension of the arms race into the outer space will trigger off its spiralling escalation. The grim realities are that whatever their intentions, only these two have the strength and capability of launching a nuclear war. The latent possibility that the world civilization will be ruined by a nuclear war is like the sword of Damocles, posing a constant threat to peace and security of mankind. As a Chinese saying goes: "It takes the one who tied the knot to untie it." Naturally, they must assume the primary responsibility and obligation for nuclear disarmament. The UN General Assembly unanimously adopted at its 41st session a resolution which clearly set forth the special responsibility of the superpowers and urged them to take the lead in substantially reducing their nuclear armaments. This has fully reflected the strong desire of the world people and the common will of the international community.

Therefore, we are of the view that the two superpowers should take the lead in halting immediately the test, production and deployment of all types of nuclear

weapons and drastically reduce and destroy all types of nuclear weapons they have deployed anywhere inside and outside their countries so as to create conditions for other nuclear states to take part in nuclear disarmament. After that, a broadly representative international conference on nuclear disarmament with the participation of all the nuclear states should be held to discuss further measures for the thorough destruction of nuclear weapons. China as a nuclear state

There should be a simultaneous and balanced reduction of the intermediate-range missiles deployed in both Europe and Asia until their complete destruction.

will not shirk its responsibility and will strive to make its due contribution to this end.

In recent years, the Soviet Union and the United States, while stating that nuclear war cannot be won and should never be fought, have both put forth a number of proposals and plans, one of which is a 50 percent reduction of strategic nuclear weapons as the first step. However, the two sides have so far reached no substantive agreement, and their basic differences remain as serious as ever. Of late, the negotiations between the Soviet Union and the United States on intermediate-range missiles and their related proposals have attracted much attention. It should be pointed out that the question of the intermediate-range missiles has a direct bearing on the security of countries in Europe as well as in Asia. International security is indivisible. While the

security of Europe is important, the security of Asia is equally important. We insist that in accordance with the same principle, there should be a simultaneous and balanced reduction of the intermediate-range missiles deployed in both Europe and Asia until their complete destruction.

We hold that in order to reduce the risk of a nuclear war, all nuclear states should, at present, undertake not to be the first to use nuclear weapons under any circumstances and not to use or threaten to use nuclear weapons against non-nuclear states or nuclear-free zones. And then on this basis they could move on to conclude an international convention on the prohibition of the use of nuclear weapons with the participation of all nuclear states.

An increasing number of countries are calling for the establishment of nuclear-free zones and zones of peace. This gives expression to their just aspirations against nuclear war and for the peace and security of their own regions. We maintain that nuclear states should respect the propositions and demands of these countries and undertake corresponding obligations. China unequivocally supports the proposals for the establishment of nuclear-free zones in Latin America, the South Pacific, Africa, the Middle East, South Asia and the Korean Peninsula.

Like many other countries, China is for the principle of non-proliferation of nuclear weapons. China's nuclear co-operation with other countries is confined only to the peaceful use of nuclear energy. At the same time, we also hold that the legitimate rights of numerous developing countries of using nuclear energy for peaceful purposes should not be impaired. As for the Treaty on the Non-Proliferation of Nuclear Weapons, it has been justly pointed out that the obligations nuclear states and non-nuclear states should assume under it

respectively are imbalanced and unfair. The treaty only limits horizontal proliferation and places no limits at all on the continuous expansion and improvement of the nuclear arsenals of the superpowers. That is why China has reservations on and is critical of this treaty.

While emphasizing nuclear disarmament, one should not overlook the importance and urgency of conventional disarmament. There is in fact an organic link between nuclear and conventional disarmament.

First, both conventional and nuclear armaments are basic elements in the military might which prop up the two major confronting military blocs.

Second, with the development of science and technology, conventional weapons have become increasingly more lethal and destructive.

Third, there is no insurmountable barrier between conventional and nuclear wars. Should a conventional war break out in certain highly developed regions, it will probably escalate into a nuclear war.

Fourth, conventional armaments are also frequently used as a means to interfere in, subvert, invade or occupy a sovereign state. In the post-war years, the use of conventional weapons in regional wars and conflicts has taken a toll of tens of millions of human lives.

Fifth, military expenditures in the world every year now total nearly US\$1,000 billion, most of which are spent on conventional armaments. An enormous amount of human wealth is thus wasted. One cannot but regret that enormous wealth should be devoted to arms race when there are still starvation and poverty on earth.

Obviously, it is absolutely necessary that conventional armaments be reduced drastically along

with nuclear disarmament. Conventional armaments of any country should be used only for self-defence. It goes without saying that the superpowers and military blocs which possess the largest and most sophisticated and conventional should take the lead in drastically reducing their conventional armaments. This is of crucial importance to the maintenance of world peace.

While mankind is faced with the threat of a nuclear war, the outer space is haunted by a spectre,

Disarmament alone is not enough to safeguard peace. It is essential to oppose all forms of interference in the internal affairs and violation of sovereignty of other countries.

namely, the imminent or on-going arms race. This is an extension and development of nuclear arms race which will lead to a more complex situation characterized by a progressive escalation of the arms race involving offensive nuclear weapons and defensive weapon systems. This race will further destabilize the world and increase danger of war. To check this race has become a most urgent task for mankind.

The outer space is the common heritage of mankind, and its development and utilization should bring benefits to mankind. It is against the will of mankind if any country should develop, test, produce or deploy outer space weapons in any way. It is hoped that an international convention on the complete prohibition of

outer space weapons can be concluded at an early date.

It is a complicated and arduous task to check arms race and promote disarmament. Having a direct bearing on peace and security for all peoples, it calls for concerted and unremitting efforts on the part of the people of the world. All countries, big or small, strong or weak militarily, should have the equal right of participating in the discussion and settlement of the disarmament question which should not be monopolized by a few big powers. No disarmament agreement should be reached at the expense of other countries' interests.

Finally, I wish to further point out that while disarmament contributes to peace and security, disarmament alone is not enough to preserve peace and security. World peace and national security are closely inter-related. Encroaching upon a nation's independence and sovereignty will undoubtedly jeopardize world peace. Therefore, to safeguard peace and security, it is essential to oppose any form of interference by one country in the internal affairs of others and any form of violation of the sovereignty and territorial integrity of others, and to oppose in particular any country's using its military means to subject others to war of aggression.

The World Disarmament Campaign is developing in breadth. To maintain world peace and oppose war has been taken by billions of people as their objective and sacred duty. The people all over the world must take their destiny in their own hands so that civilization will triumph over brutality, co-operation will prevail over confrontation, and peace will replace war. The Chinese people are determined to work with the peoples of all countries and strive to build a world that has lasting peace, co-operation on the basis of equality, prosperity and development. ■

NPC: Its Position and Role

by Our Correspondent Yang Xiaobing

The development of China's democratic and legal systems finds expression in the gradual improvement and increasingly important role of the People's Congress system.

Functions and Powers

The National People's Congress is the highest organ of state power. It is composed of deputies elected by the provinces, autonomous regions and municipalities directly under the central government, and by the armed forces for a term of five years, and meets in session once a year.

According to an official of the liaison department of the General Office of the NPC Standing Committee, the composition of the current Sixth NPC has nearly 3,000 deputies, including 403 minority nationality deputies, 13.5 percent of the total number of deputies (population of national minorities makes up 6.7 percent of China's total population), 632 women deputies (21.2 percent of the total) and 1,117 non-Communist Party personages (37.5 percent).

The Constitution of the People's Republic of China requires the National People's Congress to exercise 15 powers, which can be divided into:

1) to amend the Constitution; supervise its enforcement; enact and amend basic statutes; alter or annul inappropriate decisions of the Standing Committee of the National People's Congress;

2) to examine and approve the plan for national economic and social development, the state

budget and final accounts;

3) to supervise the work of the government, the Supreme People's Court and the Supreme People's Procuratorate;

4) to elect, decide on the choice, and remove from office leading

NPC may hold any post in any of the administrative, judicial or procuratorial organs of the state. However, 78 of the members of the current NPC Standing Committee, have previously held posts as vice-ministers or higher. During their discussions, the NPC Standing Committee meets in session once every two months, discusses and approves laws, major state issues, discusses law drafts, appoints and removes senior officials of state organs, and, when the NPC is not in session, examines and approves national economic and social development plans and adjusts the state budget.

Su Buqing (left), honorary president of Shanghai's Fudan University, makes a proposal with other deputies for "Strengthening Safety Measures Against Fire for Cultural Relics and Ancient Buildings" at the Fourth Session of the Sixth NPC, which has interested the government.

WANG ZIJIN



members of the state.

The Standing Committee of the National People's Congress is a permanent body elected by the NPC, and is composed of a chairman, 20 vice-chairmen, a secretary-general and 133 members who are elected for the same term as the NPC deputies. No one on the Standing Committee of the

There are six special committees working under the NPC. They include the Nationalities Committee, the Law Committee, the Financial and Economic Committee, the Education, Science, Culture and Public Health Committee, the Foreign Affairs Committee, and the Overseas Chinese Committee. Made up of

128 members, they examine, discuss and draw up relevant bills and draft resolutions.

The Standing Committee of the NPC has established a General Office and the Legislative Work Committee which handle day-to-day work and prepare legislative documents.

The relationships between the National People's Congress and the provincial people's congresses and between the provincial and the county people's congresses are those of legal supervision and work ties, and not of leader and led. As a general practice, the NPC Standing Committee invites leading members of the standing committees of the people's congresses of all provinces, autonomous regions and municipalities to attend its bimonthly meetings. Except that they have no voting rights, these representatives may fully express their views on the motions under discussions to help the NPC Standing Committee make objective decisions. The NPC Standing Committee has the power to annul local people's congress standing committees' regulations or decisions that contravene the Constitution, the statutes and administrative rules and regulations. Sometimes, the NPC Standing Committee offers its opinions to the provincial people's congress standing committees according to law. Not long ago the standing committee of a provincial people's congress recalled the governor. According to law, however, recalling a governor should be approved by the whole people's congress. The NPC Standing Committee reminded the local people's congress standing committee of this and urged it to have the decision approved by the full provincial people's congress.

Progress in Election

China's people's congress system has four levels—national, provincial (autonomous regional and municipal), county and



AN KEREN

Wei Zhiwang (left), a deputy to the Sixth NPC and vice-chairman of the China Democratic League, Xian Branch, and other deputies made 30 suggestions on the development of the mountain areas which were well-received by the departments concerned.

township, (or five levels including autonomous prefecture in some places). According to the figures of the General Office of the NPC Standing Committee, people's congresses at all levels have more than 6 million deputies.

These deputies are elected through democratic election. Deputies to the county- and township-level people's congresses are elected directly by their constituents, while deputies to the people's congresses above that level are elected by the lower level people's congresses. In the past, said the official, only deputies to

the grass-root township people's congresses were elected directly by their constituents. Since 1979, direct election has been expanded to the county level, which marks progress in China's democratic system. The amendment to the Election Law, adopted by the 18th Session of the Sixth NPC Standing Committee in December 1986, has meant great changes in the methods for the election this year of deputies to the county- and township-level people's congresses. It specifies that no rigid ratio should be set for deputies representing different kinds of

people. It stresses the quality of deputies, and requires the deputies to have certain social and political abilities in order to improve the skills and age structure among the deputies. Arrangements will no longer be made for people's deputies out of consideration just as an honorary title. Elections where the number of candidates is equal to the number of seats are no longer allowed, and no leader is allowed to nominate candidates and compel the constituents to vote. If the majority of constituents do not agree with a candidate (proposed jointly or separately by any political party and organizations), that candidate cannot be included in the list of candidates.

The 1987 elections of people's deputies to the county- and township-level people's congresses are proceeding according to the revised Election Law. The Election Law has been followed strictly in all parts of China. For instance, during the election, not only the wills of ordinary constituents are respected, prisoners with political rights are also permitted to perform their rights to vote according to the law.

Legislation

Since 1979, the NPC Standing Committee has enacted the Constitution, 57 laws and 52 decisions on legal questions and the supplements and amendments to the laws. All this has laid a solid foundation for the construction of China's legal system.

So far, all the laws have been enacted in a serious and prudent manner. Generally, it is the Special Committees of the NPC that send the draft laws to the National People's Congress. The presidium of the NPC will decide whether the draft laws passed onto the NPC should be submitted to the deputies or whether they should be handed over simultaneously to relevant special committees for examination. Reports will then be made by relevant special committees

and, the presidium will put the draft laws to the vote at the congress. As for the draft laws sent to the NPC Standing Committee, explanations of the draft laws will first be heard at the Standing Committee sessions, and after the initial examination by the Standing Committee, will be submitted to the Law Committee for examination. The Law Committee will forward an examination report which returns to the Standing Committee for further examination and decision. During this period, other special committees may make their propositions on relevant draft laws to the Law Committee. If there are major controversies at the Standing Committee meeting, no vote will be hastily taken and the draft law will be put to vote at the next meeting only after thorough investigation and serious discussions.

The official said there was a heated debate over the Bankruptcy Law for State-Owned Enterprises when the draft was first

discussed at the Standing Committee session last year. It was adopted at a session after investigations and repeated revisions. Many people thought this was new in China's democratic process. In fact each law was adopted through democratic and serious discussions. People did not know this only because the newspapers give little coverage to them. In recent years, almost every NPC Standing Committee session has been concerned with legislation and there were laws or regulations for approval at each session.

Given China's vast territory, large population and variety, the standing committee of the people's congress of each province, autonomous region, municipality directly under the central government and larger city may formulate local laws and statutes in line with its local conditions, on condition they do not contradict the Constitution or the laws and administrative rules of the state. The local laws and

Zhang Demin (centre), deputy director of the Shandong Provincial Forestry Department, proposed to reform the forestry management structure and, together with other deputies made a suggestion to improve basic theoretical research into the natural sciences.

SHI PANQI

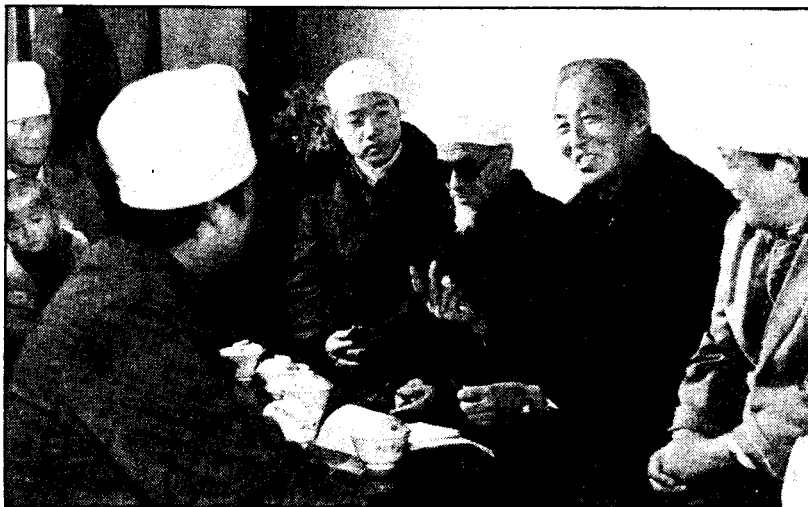


statutes should be reported to the NPC Standing Committee for the record. From 1979 to 1986, provincial-level people's congresses and their standing committees formulated more than 800 local laws and statutes. According to *Outlook* weekly, in recent years the Beijing Municipality has promulgated more than 260 local laws and statutes which have provided concrete and effective legal guarantee for the capital's construction and management. In the year after the Provisional Measures for the Management of Urban Construction Planning of the Beijing Municipality were promulgated, the city dismantled 85,000 square metres of illegal structures. In 1985 after the Law of the Beijing Municipality on Relics Protection was promulgated, the city handled 47 cases involving the damage of important historical relics.

Supervision

Deputies to the people's congresses are supervising the work done by the governments, courts and procuratorates. Over the last few years they have had heated discussions on the government work reports, draft plans and budgets. At the Fourth Session of the Sixth National People's Congress held in 1986 the deputies had full discussions and expressed their views on the government work report made by Premier Zhao Ziyang. On the basis of the deputies' suggestions, the State Council made nine major revisions on the report.

The standing committees of the local people's congresses have also brought their supervising role to play. The standing committees of all the people's congresses in Chongqing, Sichuan Province, looked into all government officials appointed by the people's congresses and inspected their work. The standing committee of the people's congress of Yongchuan County in Chongqing



CHEN SIYU

Yan Jitong (second, right), a deputy to the Sixth NPC and deputy director of the Ningxia Hui Autonomous Regional Farm Reclamation Department, is canvassing opinions on agricultural investment, education and scientific research.

inspected the officials in the county and dismissed two unqualified bureau directors according to law. The Chongqing city people's congress standing committee sternly criticized the city government for appointing the head of the city science commission without going through any legal procedure and urged the city government to correct this.

Zhu Keqing, head of the legislation office under the standing committee of the Benxi city people's congress in Liaoning Province, said that the standing committee was always receiving petitioners from the localities questioning the decisions made by the courts and procuratorates. The standing committee urged the two units to re-examine the cases. If necessary the standing committee will send people to look into the cases and offered its propositions.

According to an official of the bureau which deals with letters and visitors from the provinces, under the General Office of NPC Standing Committee, the NPC Standing Committee has done excellent work in this respect. In 1985 and 1986 it received and handled 180,000 letters, most of them involving the legal system.

The bureau transmitted the letters to the departments and regions concerned. For the important ones it issued special notices of urgency. During the last two years it issued 2,149 such notices and received 1,941 responses by the end of February 1987. Of them 1,316 reflected existing problems and were dealt with satisfactorily, 50 percent concerned the mishandling of cases by local governments, local courts and procuratorates.

According to the liaison bureau official, the NPC Standing Committee improved the inspection method early last year in order to enhance the NPC's supervisory role. In the past there was only collective inspection, now the deputies, each with a special card to be issued by the NPC Standing Committee, will be able to visit any place at any time on their own. They have 15 days off a year each for their inspection trips. Of the 130 deputies to the National People's Congress who inspected various units in Beijing in March last year, 60 went individually or collectively, 70 in groups and the other 24 both ways. Their suggestions and criticisms were conveyed to the departments concerned through

the standing committees of local people's congresses or to the central government departments through the General Office of the NPC Standing Committee. The departments concerned are obligated to react to these messages.

Foreign Contacts

Contact with foreign countries is an important component of the NPC Standing Committee's work. Since China introduced the open policy such exchanges have become more frequent. In 1986 the NPC Standing Committee contacted the parliaments of 39 countries, received 30 delegations and sent out 14 visiting groups. Between 1983 and 1985, the NPC Standing Committee received 70 parliamentary delegations from 43 countries. All these promote mutual understanding and the political, economic, scientific and cultural relations between China and other countries.

A leading member of the Bureau in Charge of Foreign Affairs under the NPC Standing Committee, said that in 1986 five vice-chairmen of the NPC Standing Committee led delegations to visit other countries: An NPC delegation led by NPC Standing Committee Vice-Chairmen Peng Chong and Bainqen Erdini Qoigy

Gyaincain visited Australia. Seeing that the delegation included all leading members of the democratic parties, the Australian parliament leaders said that although they had heard something about democratic parties in China, they did not know these parties occupied such important positions in Chinese political life. Vice-Chairman of the NPC Standing Committee Rong Yiren led an NPC delegation to Denmark and Norway. Because Rong is concurrently chairman of the board of directors of the China International Trust and Investment Corporation, the delegation focused their activities on bilateral economic co-operation and met with many famous industrial and commercial figures. Their visit helped strengthen both parties' confidence in furthering economic co-operation between China and these two countries. A visit to Bulgaria, Hungary and Czechoslovakia by an NPC delegation headed by Vice-Chairman Liao Hansheng of the NPC Standing Committee restored and developed the relations between the Chinese National People's Congress and the parliaments of these countries. Another NPC delegation led by Vice-Chairman of the NPC Standing Committee Bainqen Erdini Qoigy Gyaincain visited Nepal, and Bainqen also

attended the opening ceremony of the 15th meeting of the World Fellowship of Buddhists as a leader of Chinese Buddhism. The visits to Pakistan and Iran by the NPC Delegation headed by Geng Biao, Vice-Chairman of the NPC Standing Committee helped promote understanding and friendship between parliaments and peoples of China and these two countries. Invited by the parliaments of Uruguay and Panama, an NPC delegation led by NPC Standing Committee member Zeng Tao was sent as the first such delegation to these countries, with whom China does not have diplomatic relations. The visit helped promote understanding, exchange experiences and make acquaintances and was significant for economic co-operation and state relations.

The Legislative Work Committee under the NPC Standing Committee and other special committees under the NPC have learnt much from foreign parliaments through their contacts with them. The NPC Standing Committee has so far established 16 bilateral goodwill groups such as the China-Europe parliamentary goodwill group.

Last year the National People's Congress sent delegations to the Inter-Parliamentary Union's conferences and explained China's stand on some important international issues.

At present the people's congresses and their standing committees are playing ever more important roles in state political life and have increased their prestige among the masses. The authorities concerned said that the work of the NPC Standing Committee left much to be desired. The legislative work, for instance, cannot keep up with the reforms and opening up. Its supervisory capacities are limited. The NPC Standing Committee is working for improvements in these respects.

Lu Zengyu (front left), a deputy to the Sixth NPC and an instructor at Beijing's Chaoyang Police Station, has made 16 propositions reflecting residents' wishes. Some have been implemented.

ZHENG SHUFU



The Election Process in Tianjin

by Our Correspondents Li Ning and Wu Naitao

With a population of 8.11 million, Tianjin is the third largest city in China, after Beijing and Shanghai. It is made up of 18 districts and counties, including 221 towns and townships. The city's district-county level elections took place between September 1986 and January 1987. Some 5.5 million voters out of a total 5.8 million voted, and elected 4,407 deputies to the district or county people's congresses, and 10,544 deputies to the township people's congresses.

Election Procedures

Constituency. Each electoral district has 1 to 3 seats. People

who work vote in their work units, others do so in their residential areas.

Each electoral district has approximately 2,000 voters. Heping District, for example, has 340,000 voters, and is therefore divided into 148 electoral districts. **Nomination of candidates.** The newly revised Election Law puts special emphasis on respecting voters' wills and states that there should be no arbitrary stipulations with regard to candidates.

The Standing Committee of the Municipal People's Congress of Tianjin asked the voters to vote people they trust the most into the people's congresses. This is meant to encourage the voters to choose their favourite candidates. For the

first round as many as 63,916 people were nominated or recommended as candidates by party groups, organizations, and groups of over ten people. This was 15.5 times the number of seats.

Discussion and consultation. An important means to guarantee a democratic atmosphere in elections is allowing the voters to become acquainted with the nominees through background material and group meetings. On the basis of many discussions and consultations, candidates are chosen by the election committee. Meanwhile, the voters can also meet the nominees to get to know them better.

Shao Delong was a member of the Hangu District People's Congress. He failed to be re-elected this time because the voters thought his health was too poor to deal with the job. Instead 51-year-old Liu Kuizhong was elected. He is fit and politically competent.

It is specified in the revised Election Law that those who are nominated by political parties or mass organizations cannot be listed as final candidates until they have received nomination by a majority of the electorate.

More choice. In the past standard practice was that the number of candidates was equal to the number of seats, leaving no choice at all.

The revised Election Law requires there to be one third to twice as many candidates as seats at the district-county and township levels, while for seats above

Vote whoever you trust into the people's congress.

by SHI CHENYAN



this level, there should be one fifth to one half as many candidates.

Voting. Election committees made great efforts to see a high turnout. There are 358 registered voters under the No. 1 neighbourhood committee in Beijiao District. However, for reasons of illness or absence, only 214 of them were able to come out and vote. So the election committee made a movable ballot box and carried it from door to door in order to give every one a chance to vote. Zhang Ruifeng had been bed-ridden for years. The committee took the box to her bed, and explained to her the procedures, to make it possible for her to vote. Due to the efforts of the committee, the voting rate for that electoral district was 100 percent.

Being elected. It is specified in the revised Election Law that only elections attended by a majority of the constituency are valid, and only candidates who get over half of the vote are legitimate.

Violations

As a result of the increasing awareness of the law, many voters are less willing to accept blatant fraud during the elections.

The people's congresses at the district-county and township levels in Tianjin received 114 letters of complaint during the elections. Most of them complained about election manoeuvres which were contrary to the Election Law or to the voters' will. They included arbitrary cancellation of candidatures, absence of democratic discussions, authorities trying unfairly to influence the election, sneaking candidatures in without the approval of a majority of the voters, and insufficient choice of candidates. When such a practice was discovered, it was corrected in

time, or whoever was responsible was replaced.

In Hangu Cotton Mill in Hangu District, the head of the election committee wanted the Party secretary of the mill to be elected. He summoned a nomination meeting open only to workshop heads rather than to all the voters. They produced three candidates from this meeting and distributed leaflets urging the voters to vote for the Party secretary. Some voters complained of the election committee to the district election committee, which found the mill's election committee in violation of the Election Law. As a result, the mill's election committee head was replaced, and under the supervision of the district, the mill had to restart the whole election procedure using open discussion.

In another place, a research institute, leaflets were distributed to set out extra qualifications of a nominee: the nominee must be a male, he must be a Communist Party member, and must have a university degree. Finding this unacceptable, one of the voters lodged a complaint with the General Office of the NPC Standing Committee. As a result, the management of the institute was reprimanded, and had to take back all the leaflets and apologize before all the voters.

The revised Election Law stresses the importance of the quality of deputies. According to the new law, deputies should be socially active and politically able. Consideration should be given to the background, education and age of deputies. These requirements are meant to stop deputy-status being given to people as an honorary title.

The quality of deputies this time is much better. Many very old people were not re-elected. Out of 4,407 deputies to people's congresses at the district-county level, one third are new members, a

much higher proportion than last time.

In the previous elections quite a few model workers were elected, but some of them are poor in participation in government and political affairs. This has been a major consideration for the voters. Of 281 deputies to the Heping District People's Congress, only five are model workers. Like their fellow-deputies, they dare to speak for the voters.

Wei Shuzhang, chief of Qinghejie Street Police Substation, is seen as someone who really cares. In the neighbourhood under his supervision, there were two old and dangerous houses. Wei exerted great efforts to get approval and help, and finally had them demolished. At the election he nearly won a unanimous vote: 1,690 votes out of a total 1,765.

In Ninghe County the average age of the deputies fell from 49 last term to 40 at the county level, and down to 41 from 47 at the township level. Gao Dianchun and Yu Hongqi are newly elected deputies to the county's people's congress. Ten days after they were in office, they proposed two motions for "enriching people's cultural life" and "setting up training schools." Both motions have been accepted.

Problems

Problems surfaced during the elections. Some voters showed no interest in the election. Although they cast their votes, they could not say why they voted for a candidate or who was eventually elected. The 100 percent voting rate in some electoral districts was in fact the result of the election committees' begging for votes from door to door.

All this reveals that there is much to be done to improve the election system. The voters, on the other hand, should learn the significance of the elections, so as to understand and use their status in national political life more fully.

Why Capitalism Is Impractical in China

In countering the advocacy of "complete Westernization" and taking the capitalist road, a struggle against bourgeois liberalization has been initiated.

This article by Hu Sheng, a noted Chinese historian, and president of the Chinese Academy of Social Sciences, examines the best way forward by reviewing the history of China's society over the last century.

by Hu Sheng

China's embarkation on the socialist road is an objective fact. However, some people maintain that the socialist system is undesirable in China and that China should have adopted the capitalist system. A serious discussion should be conducted on this view.

When capitalism first emerged in Western Europe, some advanced thinkers opposed it, thinking that only the socialist and communist systems conform to reason. Their good intentions did not determine the course of the development of society because the capitalist system continued to develop in West European countries.

The Marxist theory of scientific socialism proves that capitalism is bound to fail because of its inherent contradictions, and socialism will inevitably rise in its stead. In developing social production, bringing benefits to humanity, and creating conditions for the free development of all people, the socialist system can demonstrate its incomparable superiority over the capitalist. However, in answering the question why China must take the socialist road, one cannot make an abstract and general comparison between socialism and capitalism. One must look at the history of Chinese society.

Imperialist Oppression

Historically, China went through a prolonged period of



Hu Sheng.

XUE CHAO

feudalism. Between 1840 and 1850, Western countries launched two Opium Wars. The invasion of China which followed the wars prompted the Taiping Heavenly Kingdom peasant revolution of 1851 to 1864. That is when China began its modern history.

Many patriots tried to practise capitalism in order to expedite China's progress and to eliminate its poverty and vulnerability to attack. Although capitalism exploits the working people, its replacement of feudalism is progress and can lead to prosperity. However, capitalism is impractical under modern Chinese conditions.

Modern machine industry and steam ships first appeared in China in the 1850s. However, they were operated with foreign capital and limited in number, until the end of the 19th century when their numbers increased. Military industries under the control of feudal bureaucrats appeared in

China in the 1860s. It is noteworthy that between the 1860s and 1870s private capitalist enterprises began to emerge. This shows that an embryonic potential for the capitalist mode of production existed in the feudal society. But it was not to grow.

In the vast rural areas, feudal land-based relationship occupied a dominant position. All the previous regimes, without exception, took the feudal landlord class as a major power base and tried hard to preserve the feudal land-based relationship. Although capitalism existed in Chinese society, it was feudalism that dominated, hence the term "semi-feudal society."

The reason nascent capitalism did not prevail over feudalism in China is rooted in the semi-colonial status China suffered under imperialist invasion.

The imperialist powers forced the Chinese rulers to yield to their gunboat diplomacy, and their political and economic forces penetrated the country. They forcibly occupied a number of China's coastal ports, established "concessions" in many Chinese cities and looked forward to carving China up.

They could not reduce China to a complete colony. This was because in the Chinese people there was great potential for resistance to foreign aggression. Although this potential erupted in an infantile and spontaneous form early on, it put the aggressors in a

fix in the face of the hundreds of millions of Chinese people.

Implementing the aggressors' own ambitions of "carving up" China would inevitably lead to intense conflicts between the powers. To avoid this, the imperialists maintained China's status quo, meanwhile they carved out spheres of influence according to their own strength, shared the benefits and jointly decided China's destiny.

China remained an independent country in form, but in essence it lost its integrity and independent sovereignty. China became a semi-colony plundered by almost all the imperialist countries, big and small.

During the 1930s, the Japanese imperialists tried to swallow China whole, but ended with complete defeat. This was the first such defeat in the history of imperialist invasion of China. When foreign imperialists monopolized China's foreign trade, opened factories, mines, shipping companies and banks in China, they did not want China to be a capitalist country. On the contrary, they excluded and oppressed the Chinese. This was the main cause for the underdevelopment of national capitalism.

During World War I (1914-18), all the imperialist countries, except Japan, were busy with the European war and had no time to attend to the East. During that time and one or two years thereafter, China's national industry and commerce flourished, and the period was called the "golden time." But the imperialist countries reasserted themselves after the war and the "golden time" ended quickly.

This proves that without national independence, China's capitalism could not develop freely. When China lost its independence and sovereignty, the development of foreign trade and the utilization of foreign capital in accordance with China's interests and needs was out of the question.

The imperialist powers created a comprador class in their service in China, they tried their utmost to maintain the feudal land-based relationship and corresponding social relations in China. Warlords, bureaucrats and political parties all with comprador forces and the feudal landlord class as their power bases were the chosen agents of the imperialists in dominating China.

The imperialists supported their agents militarily and financially while the latter bled the Chinese people white. When any of these agents collapsed, the imperialists would replace them with others. Although the feudal forces were corrupt and backward, supported by imperialists and colluding with the comprador forces, they became powerful bastions. At the root of modern China's poverty and backwardness is imperialist aggression and oppression.

Bourgeois Incompetence

To eliminate poverty and backwardness, China would need to be free of imperialist oppression and become an independent country. Abolishing feudalism presupposed throwing off the imperialists. And both together formed the basic tasks of China's democratic revolution. If there had been a bourgeois force able to carry it through, China would have developed capitalism independently.

The reformist group, headed by Kang Youwei (1858-1927), was the earliest bourgeois political grouping in modern China. The reformists suffered under imperialist aggression and oppression and were strongly patriotic. They proposed a capitalist programme in political and economic fields directed from above, but they soon failed.

The Zhongguo Tong Meng Hui (Chinese Revolutionary League), established in 1905 and headed by Sun Yat-sen (1866-1925), advanced

a complete revolutionary programme with a bourgeois democratic republic as its end. Sun had noticed the shortcomings of capitalism and was influenced by the socialist movement which was growing in the West. His programme had some socialist traits, but in essence Sun and his comrades were seeking to develop capitalism in China.

The Chinese Revolutionary League led the 1911 Revolution which overthrew the Qing Dynasty (1644-1911). This feudal monarchy which was already a tool of imperialism was replaced by the Republic of China. But this did not weaken the hold of imperialist forces in China. The fruits of revolution were wrested away by the imperialist follower Yuan Shikai (1859-1916) and other warlords. China was still a semi-colonial and semi-feudal country and remained poor and backward. The 1911 Revolution did not achieve its premeditated aim.

After this revolution, however, numerous political groups emerged. Many of them were composed of politicians and bureaucrats and faded as fast as they appeared. Some petty bourgeois political groupings which declared themselves anarchist or socialist were short lived because they were divorced from reality and the masses. However the Kuomintang, which grew out of the Chinese Revolutionary League and the Progressive Party with Liang Qichao (1873-1929) as its spiritual leader did exert some political influence in the early years of the republic. Liang and his fellow progressives supported the idea of capitalism in China, but did not oppose imperialism or feudalism. On the contrary, they relied on the feudalist warlords, so eventually they only became a small grouping in the official circle, capricious in their views and pursuing fame and gain.

The Kuomintang in the early years of the republic absorbed

many bureaucrats and opportunists and lost the revolutionary nature of the Chinese Revolutionary League. Under pressure from Yuan Shikai, the Kuomintang split, Sun Yat-sen and a few fellow Kuomintang members founded the Zhonghua (Chinese) Revolutionary Party which was mostly impotent against Yuan Shikai since it was so small.

After the death of Yuan, Sun Yat-sen dissolved the Chinese Revolutionary Party and re-established the Kuomintang in October 1919. Although it claimed a large membership, its members came from diverse backgrounds and discipline was lax. The party was paralysed before 1924 and could offer no political proposal which could mobilize the people. Based on its success in the 1911 Revolution and Sun Yat-sen's nucleus of people who persisted in working for progress, the Kuomintang, after suffering repeated setbacks, formed a political power in Guangdong Province to oppose the Northern warlord government. This kept the Kuomintang as the main progressive party in Chinese political life.

In 1923 Sun Yat-sen decided to accept Russian aid and co-operated with the newly founded Communist Party of China. He reorganized the Kuomintang and revitalized it. In January 1924 the Kuomintang held its First National Congress with the participation of Communist Party members. The co-operation between the Kuomintang and the Communist Party did not stop when Sun Yat-sen died in March 1925 and in fact it achieved the unification of the revolutionary base areas in Guangdong and Guangxi, the establishment of the Kuomintang Revolutionary Army, the surge of workers and peasants movements, the launch of the Northern Expedition (1926-spring 1927) and the establishment of nationwide prestige for the Kuomintang.

If the revolution had continued under the Kuomintang-Communist co-operation, what

would have happened? The programmes as declared at the Kuomintang First National Congress were to abolish imperialist privileges in China, overthrow the warlords, and have a land reform. To realize these programmes is not to build China into a socialist country but to create favourable conditions for the development of national capitalism, even though the programmes included the control of capital in order to avoid the national economy being monopolized by a few capitalists.

The national revolution, centred around the Kuomintang-Communist co-operation, stopped halfway after a betrayal by the right-wing of the Kuomintang. In 1927 the Kuomintang came to power on the strength of the achievements made by the national revolution under the Kuomintang-Communist co-operation, and the massacre of Communists and other revolutionaries. Rather than a discussion of the 22-year Kuomintang rule here, a single question needs to be addressed: Did the Kuomintang develop China's national industry, commerce and capitalism? The answer is negative. A good example is the cotton textile industry in the first 10 years (1927-36) under the rule of Kuomintang, the period just before the outbreak of the War of Resistance Against Japan (1937-45). This is because the textile industry was the most developed in China, while heavy industry at that time was undeveloped (steel output in 1933 was only 35,000 tons).

In 1927 China had 3.7 million spindles and in 1936 the figure was up to 5.1 million. Those owned by foreign concerns increased by nearly 50 percent from 1.58 million to 2.36 million during this period, most owned by the Japanese and a few by the British. The proportion of foreign-owned spindles went up from 42.9 percent to 46.2 percent. Chinese ownership increased from 2.1 million to

2.75 million, a 31 percent increase, and the proportion decreased from 57.1 percent to 53.8 percent.

The number of weaving looms went up from 29,788 in 1927 to 58,439 in 1936. Foreign-owned ones increased from 16,329 to 32,936 (100 percent increase), accounting for 54.8 percent in 1927 and 58.1 percent in 1936. Chinese ownership increased by 90 percent, from 13,459 to 25,503, and its proportion of the nation's total dropped from 45.2 percent to 41.9 percent. (*Bank Weekly*, the 30th Anniversary Issue, 1948, pp. 335-336.)

The same source asserts: "In 1932 China's cotton textile industry was on the brink of bankruptcy as taxes and levies were exorbitant, the unspun cotton was expensive and the yarn cheap. In the second half of 1935, of the 59 cotton mills run by Chinese, 24 were closed and 14 had to dismiss workers. It is wrong to take the number of spindles and looms as a criterion for judging the state of the cotton industry" (p. 255). What this means is that under the Kuomintang, the textile industry and the national capital were declining while the imperialist interests in China were flourishing.

The Kuomintang could not help rid China of imperialist rule, on the contrary it lived on imperialist aid. It was also impossible for the Kuomintang to unify China because many groups within the regime struggled for power and brought about large-scale civil wars. The Kuomintang could neither carry out Sun Yat-sen's proposal for land to the tiller nor its own plan for a 25 percent reduction in the land rent which stood at 50 percent of the harvest. So the feudal land relations remained unchanged. The Kuomintang could not change the semi-colonial and semi-feudal position of China and certainly could not build China into a capitalist country. The Kuomintang betrayed not only the purpose of the First National

Congress at which the Kuomintang co-operated with the Communist Party, but also the Chinese Revolutionary League's heritage.

When the Kuomintang came to power, the bourgeoisie hoped it would develop China's capitalist economy, but it was disappointed and further lost its confidence in the Kuomintang direction in the years after the War of Resistance Against Japan.

CPC and KMT

When the Chinese Communist Party was founded in 1921 it was merely a small group of several dozen people. At the time they saw socialist revolution as their immediate task, but soon afterwards they realized that for China's progress, the revolution would have to start with struggle against imperialism and feudalism. The Communist Party's active participation in the national revolution of 1925 to 1927, expanded its ranks to nearly 60,000. The Kuomintang's massacre in 1927 reduced its forces again. So the Chinese Communists shifted their focus, and mobilized the masses in the rural areas where they introduced land reform, founded the Red Army and established revolutionary base areas.

The difference between the Communists and the Kuomintang was not about whether China should practise socialism. Although the ultimate objective of the Communist Party was to realize socialism and communism, its immediate programme at the time was to eliminate the feudal agrarian relations. The KMT was not supportive. Mao Zedong commented: "Taken in its social setting, the dispute between the two parties is essentially over this issue of agrarian relations" (*On Coalition Government*, 1945). Without such land reform, it is impossible for capitalism to grow,

to say nothing of the further phase of socialism.

A fundamental task of China's democratic revolution was to oppose imperialism. When the Japanese made resistance to their invasion China's primary concern, the Chinese Communist Party proposed an end to the civil war and unity to resist Japanese aggression. It also changed the policy of confiscating land in favour of reductions in rent and interest. This prompted the formation of the anti-Japanese national united front which also included the Kuomintang rulers who agreed to resist Japanese aggression. Although it experienced numerous twists and turns, the anti-Japanese war, waged on a second round of co-operation between the Communist Party and Kuomintang, eventually ended in victory. Since the Communist Party persisted in fighting behind the enemy lines, and because it upheld the united front policy which rallied around it the majority of the Chinese people, it grew into a big party of more than 1.2 million members by the end of the war. The Kuomintang and the Communist Party then became the two major political parties in China.

After the War of Resistance Against Japan, the Kuomintang and the Communist Party (as well as other democratic parties) began a series of negotiations. To achieve peace, democracy and progress, the Communist Party suggested establishing a democratic coalition government. Although the Kuomintang agreed with the proposal at first, it went back on its word later and, backed by US imperialists, launched an all-out civil war.

It was the Kuomintang's anti-Communist volte-face in 1927 which led to the failure of the national revolution and deprived China of a chance to create the conditions for the development of capitalism. The Kuomintang's rejection of a democratic coalition

government after the end of the anti-Japanese war again lost China that opportunity.

Mao Zedong said in *On Coalition Government*: "Some people fail to understand why, far from fearing capitalism, Communists should advocate its development in certain given conditions. Our answer is simple. The substitution of a certain degree of capitalist development for the oppression of foreign imperialism and domestic feudalism is not only an advance but an unavoidable process. It benefits the proletariat as well as the bourgeoisie, and the former perhaps more. It is not domestic capitalism but foreign imperialism and domestic feudalism which are superfluous in China today; indeed, we have too little of capitalism." This was the basis on which the Communist Party at the time was willing to continue to co-operate with the Kuomintang in building the country after the War of Resistance Against Japan.

What the Communists said about a "certain degree of capitalist development" did not imply turning China into a capitalist country. In the 1930s the Communists put forward the notion of a non-capitalist development. They argued that since the bourgeoisie could not lead the democratic revolution to completion and the proletariat was playing the leading role in this revolution, it would be impossible for China to establish a state under bourgeois dictatorship after the revolution. Nevertheless, "non-capitalism" was an ambiguous concept.

In the 1940s, Mao Zedong advanced the idea of the new-democratic revolution and new-democratic republic, a definite answer to this question given in the light of China's specific conditions. Mao Zedong explained that the new-democratic republic was "a joint dictatorship of all the revolutionary classes." The economy was to be one where

the state "will own the big banks and the big industrial and commercial enterprises." But the republic will neither confiscate capitalist private property in general nor forbid the development of such capitalist production as does not 'dominate the livelihood of the people,' for China's economy is still very backward" (On New Democracy, 1940s). Meanwhile a new-democratic republic takes the accomplishment of anti-imperialist and anti-feudalist tasks as its prerequisites.

The Kuomintang leaders did not think that foreign imperialism was superfluous in China. Instead, they welcomed US imperialists replacing the Japanese imperialists in the hope of receiving their support, which they certainly did. Neither did the Kuomintang leaders consider feudalism superfluous in China. They refused to replace feudalism with democratic land reform and democratic politics. Instead of creating favourable conditions for the development of national capitalism, the Kuomintang leading clique built an enormous bureaucratic capital class around itself. These people, China's nominal rulers, availed themselves fully of the wealth to which they had access. Begun prior to the War of Resistance Against Japan that wealth—the "bureaucratic capital"—proliferated during the war. The bureaucrats took the opportunity to monopolize finance, annex private capital, and embezzle the financial aid provided by the US government. After the war, bureaucratic capital swelled to bursting as the property of enemy and puppet personnel in Japanese occupied areas was taken over and unscrupulous pillaging of the people's wealth was rampant.

It has been estimated that by 1947 the fortunes amassed by the big bureaucratic families of Chiang Kai-shek, T.V. Soong, H.H. Kung and the Chen brothers

(Chen Lifu and Chen Guofu) totalled somewhere between US\$10 billion to US\$20 billion, and that they held 80 percent of the country's property and wealth. Imperialism and feudalism in China were by no means harmful to these people. In order to safeguard its vested interests, the Kuomintang leading clique rejected democratic coalition in favour of a civil war. At the beginning of the war, it believed that it could win by relying on its superiority in manpower, equipment and strategic superiority, as well as the support of the United States. If it had won, China would have remained a semi-colonial and semi-feudal county.

The reason the Kuomintang met with disastrous failure in the civil war (1946-49) which it launched itself is that it went against the will of the people. Not only the workers, peasants and students were against it, intellectuals and a majority of the country's industrialists and business people also opposed it. Many people who expected China to take the capitalist road abandoned the Kuomintang for they had perceived that such a bureaucrat-capitalist force in league with the landlord class and the foreign imperialists could not lead China on to the road of independent, free capitalism. The utter isolation of the Kuomintang among the Chinese people rendered its failure inevitable. A historical pattern was thus determined: In China it was impossible for any force representing the interests of the bourgeoisie to complete a democratic revolution.

Socialism via Democracy

China did not embark on the capitalist road, because in semi-colonial and semi-feudal China, except for the Communist Party, there was no other political party or political force that could solve

China's problems: independence (freedom from the rule and oppression of imperialism), land reform (emancipating the peasants from the feudal land-based relationship), and democracy and unification. This last problem was directly related to the first two; without solving them there could be neither democratization of the state nor real unification of the country.

All the political forces in old China, except the Communist Party, suppressed the worker and peasant masses, were afraid of fully mobilizing the masses or were unable to mobilize them. So these political forces either attached themselves to imperialism or feared imperialist forces. Without mobilizing the broad masses of the workers, peasants and petty bourgeoisie and without uniting all forces that could be united, it would have been impossible to overcome the powerful imperialists and domestic reactionary forces which they backed. The Chinese Communist Party achieved this through such mobilization.

Peasants, the overwhelming majority of China's population, constituted the largest force in desperate need of revolution. At the same time they were backward in certain respects because of their economic and cultural backgrounds. How to mobilize this force along the right path was the key question for the victory of China's democratic revolution. Only the Communist Party was ready to answer it.

The fact that China's democratic revolution was achieved under the leadership of the Communist Party with workers, peasants and petty bourgeoisie as its main forces, ruled out the possibility of establishing a bourgeois dominated state after the revolution, and therefore ruled out capitalism.

Let us suppose at the point of victory in 1949 the Communist Party had handed the leadership to the capitalist forces, where then

would China have gone? The democratic revolutionary tasks which were only half completed at the time could not have been fulfilled, this would have aroused the resentment of the masses and created the sort of disruption in which capitalism could not develop peacefully. If the Kuomintang had staged a comeback, the imperialists would have seized the opportunity to intrude and China would have returned to its semi-colonial, semi-feudal position.

However, it was also impossible for China to start off as a socialist country with circumstances as they stood. The Communist Party understood that to reach socialism via a new-democratic revolution was the only practical way forward.

On the eve of nationwide victory in 1949, the Communist Party declared its three major economic intentions: 1) confiscate the land of the feudal class and turn it over to the peasants; 2) confiscate monopoly and bureaucratic capital and turn it over to the new-democratic state; and 3) protect the industry and commerce of the national bourgeoisie.

The state-owned sector of the new state was the first of the socialist sector, and took the lead in the national economy. Mao Zedong said: Bureaucrat-capital "has prepared ample material conditions for the new-democratic revolution," and added, "In view of China's economic backwardness, even after the country-wide victory of the revolution, it will still be necessary to permit the existence for a long time of a capitalist sector of the economy represented by the extensive upper petty bourgeoisie and middle bourgeoisie. In accordance with the division of labour in the national economy, a certain development of all parts of this capitalist sector which are beneficial to the national economy will still be needed. This capitalist

sector will still be an indispensable part of the whole national economy" (*The Present Situation and Our Tasks*, 1947).

With the elimination of the imperialists' privileges in China, the overthrow of bureaucratic capitalism, and the completion of land reform throughout China, national capital was in a better position to develop than ever in old China. Of course, it could not grow as it would in capitalist countries. The Common Programme of the People's Political Consultative Conference enacted after the founding of the People's Republic of China noted: "The People's government shall encourage the active operation of all private economic enterprises beneficial to the national welfare and to the people's livelihood and shall assist in their development.... When necessary and possible, private capital shall be encouraged to develop in the direction of state capitalism." This makes it clear that the growth of private capital would be judged within a context of society's overall benefit and that its direction would be guided away from the norm in capitalist countries.

Could one simply practise new democracy without going on to socialism? No! In the "new democratic society" following the revolution there was already a socialist sector—the state economy. (There were very few socialist co-operatives at the time.) The private capitalist economy could not survive without the support of the state and without maintaining ties with the state economy. It would then evolve naturally into state capitalism. In 1956, with the basic completion of socialist transformation (of agriculture, handicrafts, and capitalist industry and commerce), China made the transition from new democracy to socialism.

The inevitability of this smooth transformation is rooted in the situation at the time, and

independent of people's will. It testifies to the truth that Party and state policies conformed with objective needs.

But what about the capitalist stage? It is true that China did not go through an independent stage of capitalism. China's history would not allow it to go through that. But China did go through capitalism in a special way. Though we cannot equate a semi-colonial and semi-feudal China with a capitalist society, it is also a fact that capitalist elements did exist in China at the time (capital of foreign imperialism, bureaucratic capital and national capital). This made for the working class, the bourgeoisie and petty bourgeoisie, all of which existed in China. Without them there could not have been the proletariat-led new democratic revolution nor the social transition from new democracy to socialism.

Capitalism was never developed. Soon after China embarked onto the socialist road, it met with difficulties and made mistakes, all of which were due to China's economic and cultural backwardness called "poverty and blankness" by Mao. That backwardness was due to China never having gone through the developed capitalist stage. If this is a "loss" we have suffered, we can but endure it. Since history did not allow us a developed capitalist stage, we must skip it and set to building a socialist society on the given "poverty and blankness."

Did China have other choices beyond semi-subjugated feudalism, or socialism? Could China become an independent capitalist country. No! China could only be a very underdeveloped capitalist country, even if it were allowed by international circumstances to launch itself onto the path of independent capitalist development. One can imagine how many social contradictions and class conflicts there would be, how many hardship the Chinese people would have to suffer and how

much blood they would have to shed. If China, huge and backward as it is, trudged the capitalist road, one could see a repeat of the situation in old China where hundreds of millions of people went homeless, millions of poor people starved to death and millions of women became prostitutes.

Therefore, it was not "loss" for China to overcome its semi-colonial and semi-feudal status and move on from new democracy to socialism. For China the capitalist road would be a very long and hopeless one, beset with hardships and setbacks, and probably filled with bloodshed and revolutions.

We have been on the socialist road for 30 years and have met with many difficulties and made many mistakes. But we have made much headway in building China's economy and culture, which would not have happened if we had taken the capitalist road.

People have a dynamic role to play in promoting the development of history. But they are absolutely not in a position to choose arbitrarily the road their country takes. All they can do is to choose from whatever history makes available to them. The road the Chinese people chose is the best they had.

Socialism Has Taken Root

Some people say because China has not undergone the developed capitalist stage, China should abandon socialism and make up the missed stage. The fallacy of this argument has already been demonstrated. But we must learn from the useful experiences of other peoples who do have capitalism.

Only by wiping out capitalist ownership (which rules a capitalist society) can we have socialism (public ownership) and therefore socialism and capitalism are opposed. But because socialism looks to taking over the large-scale socialized production shaped by

capitalism and using it to develop socialism, socialism and capitalism are linked by a hereditary relationship.

Under the socialist system, public ownership is able to organize and expand production in the interest of the people in a way unthinkable in a capitalist society. Here lies the superiority of the socialist system. However, realizing that possibility entails a long time and much work.

The richer the heritage, the better for socialist construction. It should be easier for a socialist country which evolved from a developed capitalist society to succeed in socialist construction. However, once capitalism had dominated the world, what determined which capitalist country would be the first to break the chain was not the productive level of that country. Other factors such as international conditions, the relative strengths of the domestic classes, and the development of the class struggle became more relevant. The fact was that in 1917, a country without a developed capitalist system had entered the socialist stage.

Lenin stressed that once socialist revolution had been achieved, it was imperative to learn from organizers of trust and from entrepreneurs and businessmen experienced in a large-scale production. In his *Session of the All-Russia CEC*, Lenin said, "If we do not learn this from them, we shall not get socialism, the revolution will remain at the stage it has now reached."

When the Chinese revolution was crowned with victory, Mao Zedong made a similar point. In his *On the People's Democratic Dictatorship* in 1949, Mao Zedong said, "The serious task of economic construction lies before us. We shall soon put aside some of the things we know well and be compelled to do things we don't know well. This means difficulties." He added, "We must overcome difficulties, we must

learn what we do not know. We must learn to do economic work from all who know how, no matter who they are. We must esteem them as teachers, learning from them respectfully and conscientiously. We must not pretend to know when we do not know. We must not put on bureaucratic airs." Undoubtedly, what Mao said here is correct.

In a country with a poor economic foundation, but with historical conditions which enable the proletariat to lead the people in socialist revolution and socialist construction, the proletariat should not move back. The Communist Party of China has not flinched from any difficulty. However, the proletariat must be realistic about the difficulties engendered by the poor capitalist "legacy," and must adopt various kinds of transitional economic forms on its way. It must study what capitalism has to teach about organizing large-scale production, including science, technology and managerial expertise. Unfortunately, in China's socialist construction, this was neglected for a long time, and learning from capitalist experience was wrongly considered a violation of socialist principles.

In the last 30 years, China has become economically stronger. But we admit that we are still in the initial stage of socialism. After the Third Plenary Session of the 11th Party Central Committee in 1978, we broke the yoke of the earlier rigid concept of socialist patterns, and carried out economic structural reform geared to enliven the economy both in the urban and rural areas. For example, in the countryside, we instituted the contract responsibility system with remuneration dependent on production.

In combining the planned economy and the commodity economy, we strive for the full development of the commodity

(Continued on P. 33)

Economic Progress in 14 Coastal Cities

by the State Statistical Bureau

The 14 coastal cities, which were designated open cities in 1984, produced an industrial output value of 199.2 billion yuan in 1986 (not including enterprises run below the village level), or 7.4 percent more than in 1985; 350 million tons of goods were handled by ports, an 11.3 percent increase; retail sales value of social commodities reached 63.6 billion yuan, a 14.3 percent increase; and financial revenue reached 33.9 billion yuan, a 1.5 percent increase.

The growth rate of industrial production in Zhanjiang and Lianyungang cities reached 23 percent and 20.7 percent respectively, and their financial revenue by 20.6 percent and 8 percent respectively. Yantai, Qingdao, Ningbo, Wenzhou and Fuzhou each saw a 10 percent or so increase in their industrial production, with their financial revenue also growing at varying degrees.

In 1986, the 14 cities spent the foreign capital they attracted on improving the investment environment, readjusting investment structure and developing their export-oriented economy.

Investment Environment

In 1986 investment by their state-owned enterprises in fixed assets totalled 31.1 billion yuan, 19.6 percent more than in 1985. This includes 18.12 billion yuan in capital construction, an 11 percent increase. The improvement in their public facilities has created better conditions in which foreign investors can live and work.

Following the completion in October 1985 of the four deep-

water berths, the Dalian Port, which is capable of handling over 42 million tons a year, has begun working on two 10,000-ton coal berths, and a 20,000-ton and a 30,000-ton hazardous goods berth at Heshang Island. In the meantime, it has started its first-phase oil tank harbour expansion project which is designed to boost its crude oil handling capacity to 3

The 14 open cities have made much headway in industrial production, export and absorption of foreign funds. However, many problems still haunt them.

million tons a year. The city of Dalian has also improved its telecommunications and power supply. It has imported from Sweden a 40,000-Channel programme controlled telephone exchange, with 20,000 channels already in service. Construction of a power station with an installed capacity of 700,000 kw is in full swing and a number of new hotels will open soon.

Yantai has rebuilt its Laishan Airport, which has flights to Beijing, Shanghai, Jinan and Dalian. Construction of three 25,000-ton berths and three 16,000-ton berths at the Yantai Port is going forward, as is the renovation of the Lancun-Yantai Railway. Work on the Yantai-Fushan and Yantai-Qingdao

highways, both well made, is about to be completed. The installation of the small coaxial telephone cable linking Yantai with Jinan and the construction of the main telecommunications building have been completed and the 10,000-channel programme controlled exchange will go into operation soon.

Qingdao has also made much headway in improving its communications, post and telecommunications. The city has completed building the Liuting Airport, big enough to receive large aircraft, and the bulk of the Qingdao-Jinan Railway has been double-tracked and is now open to traffic. Since last July, Qingdao has been using a computerized cable exchange for direct contact with foreign countries. Installation of a large-scale integrated circuit programme controlled exchange, which is considered very advanced at home, has been accomplished.

Investment Structure

In 1986 the 14 cities signed 2,741 agreements (contracts) worth US\$1.26 billion in foreign investment. Foreign capital actually used amounted to US\$320 million, or 13.3 percent more than in 1985. In the past, foreign investment was used mainly for the construction of service projects such as hotels and recreational facilities. But 1986 saw foreign investment flow into industrial projects which are technology-intensive and export-oriented.

In Shanghai, there were 63 projects involving US\$300 million

in foreign investment. Most of them were industrial and technological, making things such as laser products, electronics, chemicals and new materials.

Yantai secured 35 foreign contracts last year. Fifteen of them were for direct foreign investment in 10-odd trades including intensive food processing, light industry, machinery, textiles, garment making, building materials, electronics and service facilities.

Of the 200 project contracts Tianjin signed with foreign businesses last year, 62 percent were industrial. These joint-venture projects cover 20-odd fields including industry, animal breeding, international sea transport and technological consultancy.

Export-Oriented Economy

The bulk of the Sino-foreign joint ventures, co-operatively managed projects and solely foreign owned enterprises now commissioned in these cities are performing well, with some foreign exchange surplus being earned. Of the 60-odd joint-ventures in operation in Tianjin, some 50, or about 82 percent, had a favourable foreign exchange balance. A quarter of these enterprises are industrial. Their average profit rate was 20.5 percent and that for industrial enterprises 25.5 percent.

There are 40 industrial enterprises with foreign investment in Shanghai. Last year, 22 of them produced an output value of over 500 million yuan, each 61 percent more than in 1985. Their profit totalled some 75 million yuan, and their export value reached 27 million yuan. Of these larger enterprises, 15 balanced their foreign exchange income and expenditure, and 14 had some foreign exchange surplus.

Of the 43 foreign funded enterprises now commissioned in

Dalian, 27 balanced their foreign exchange.

New channels for more export.

Implementing the open foreign policy Nantong has been able to maintain a basic balance in import and export. First of all, it set up and perfected an export production system for cotton, silkworm cocoon, cotton yarn, cotton cloth, other cloths and citric acid. In bringing in foreign capital and advanced technology, the city put emphasis on export-driven projects involving less investment but producing more profit. The 90 imported projects and foreign funded projects, now in operation, yield a foreign exchange income of US\$39 million a year.

Nantong also increased export of manufactured goods. At present, light industrial products and textiles account for 60 percent of the city's export value. Nantong, which has so far simply exported products, begins exporting complete sets of equipment and offering technical and labour services to other countries. In 1986, the city's foreign exchange reserves reached over US\$50 million, or US\$37 million more than 1985.

In readjusting its industrial product mix, Shanghai put emphasis on the development of export products. In the meantime, it worked hard to update its production technology to increase production and export. The Shanghai Jiafeng Cotton Textile Mill completed 178 technological transformation projects in five years. As a result, some of its products are of a higher quality than their Japanese counterparts. All its cotton cloth has been sold abroad. In 1986, the factory earned US\$20 million from export.

The Shanghai No. 2 Shirt Factory is known for its "Hailu" shirts. Through import and renovation, its outmoded 1950s and 1960s equipment has now been replaced with up-to-date machines, which has more than

doubled production of its brand-name products. In 1986, Shanghai's foreign trade companies purchased 11.44 billion yuan worth of products for export, 12.4 percent more than in 1985.

Qingdao stressed intensive processing and upgrading of its export products.

The Qingdao Towel Plant now exports over 60 percent of its products. The Qingdao Refrigerator Factory used to make small hardware. In 1985 it succeeded in assembling a four-star refrigerator named Qindao-Liebherr, the first of its kind in China. It is selling out in big cities like Beijing, Tianjin and Shanghai. The "Gold Anchor" watches made by the Qingdao Watch Factory are good and offer a choice of styles. They have made their way onto the international market. In 1986, the factory exported 314,000 watches and major parts for 15,000 watches.

The 14 cities have also redoubled their effort to expand their foreign trade. In 1986 they purchased 25.33 billion yuan (calculated according to the actual prices) worth of products for export, 26 percent more than in 1985.

Many problems still haunt the 14 cities, however. Some cities, too eager for success, took on too much construction. The result is very serious: both capital and raw materials are in serious shortage; and cadres are less professional to the task, lacking an understanding of the complexity and risks involved in use of foreign capital. Some imported projects still use foreign raw materials and parts, with the result that they run short of foreign exchange. In some cities, the investment environment is not good enough for foreign businessmen, and leaves much to be desired. There are also cases of overlapped importation and blind construction. Some even were fooled in trading with others. ■

POWs: Find Peace in Detention

Expectations of barbed wire fences, high walls and heavily guarded sentries at the POW detention centre in Guangxi Zhuang Autonomous Region would be unfulfilled; the centre is an undistinguished looking courtyard on the outskirts of Nanning, capital of the region.

The games of volleyball, badminton and chess going on inside vindicate a French journalist's report that the centre is more like a holiday camp than a prisoners' camp.

The prisoners here are Vietnamese captured over the last couple of years when they infiltrated Chinese territory. Prisoners captured during the Sino-Vietnamese war of 1979 were returned shortly afterwards.

"Physically we are well taken care of," said one of the Vietnamese at the centre. "But more importantly we are treated like human beings." This is not what all the Vietnamese were led to believe: one sergeant radio operator, he said, had been

abandoned after he was injured and when he was captured by the Chinese, was put in hospital. He had been told that the Chinese would give him a poisonous injection if they captured him, or maybe just gouge out his eyes. So he spent his first few days in hospital terrified, crying and never doing as the doctors instructed.

When after a few days he found he was still alive and unpoisoned, he stopped crying long enough to eat the birthday cake the doctors were offering him. He was delighted to go to a football match and sit and watch with Chinese spectators some time later. When he was released, and the doctors sent him a gift of a couple of bottles of medicine he declared: "The Chinese have given me a second life."

According to Lao Li, who runs the centre, all the POWs who come here put on a little weight. They live in single rooms, each with a bed, a cane chair, a desk, an electric fan, and no bars on the windows. In the communal

recreation room there's a television, an electric organ, table-tennis and billiard tables, and also Vietnamese language reading matter.

Lao Li confirmed that the food and living conditions of these POWs' are better than the average Chinese soldiers'. Pocket money at 10 yuan a month for every man, and 15 for every officer is given out. They are free to pursue their own interests within the courtyard and are taken out on trips.

When T.De Cawcue and other two representatives from the International Red Cross came to inspect the centre recently and looked at the rooms and the food, they praised the centre as a model for observing the Geneva convention on the treatment of POWs.

Another task for the prisoners is to feed the chickens. The farm, set up for the prisoners' own consumption, is meant to help the POWs learn chicken farming techniques. ■

Hu on Capitalism

(Continued from p.30)

economy and of taking various kinds of private enterprises as supplements to the state sector. These measures are proof that we do not refuse to learn from economic experience of past class societies and, especially of capitalist countries the world over. However, this does not mean we are making up the missed stage of capitalism. On the contrary, what we are doing is attempting to meet China's needs, developing in its early socialist stage.

In this early stage, opening to the outside world is of special significance. The *Decision of the CPC Central Committee on Reform of the Economic Structure*

adopted in 1984 states, "We must draw on the world's advanced methods of management, including those of developed capitalist countries, that conform to the laws of modern, socialized production." The *Resolution of the CPC Central Committee on the Guiding Principles for Building a Socialist Society With An Advanced Culture and Ideology* adopted in 1986 also states, "We should do our utmost to learn from all countries (including the developed capitalist countries), to acquire advanced science and technology, universally applicable expertise in economic management and administrative work and other useful knowledge and to verify and develop in practice what we have learnt."

Aside from other reasons, opening to the outside world is

important precisely because there is so much we need to learn in the process of building socialism. In this we cannot, nor do not need to take the capitalist road. We can learn faster and better under a socialist system—this is the first conclusion I come to in this article.

We need to learn what is useful. We will resolutely reject the capitalist ideological and social systems that defend exploitation and oppression, as well as all dark and decadent aspects of capitalism. This is my second conclusion.

The socialist system has struck deep root in the land of China. Although it is still young, it has displayed exuberant vitality. Socialism will not grow spontaneously. If we are good at cultivating it, it will certainly grow into a towering tree. This is my third conclusion. ■

Deng on Recent Events in China

The People's Publishing House recently published Deng Xiaoping's "Build Socialism With Chinese Characteristics" (Enlarged Edition). The book contains Deng's expositions on a series of major issues, expositions he made during the period from September 1982 to January this year. Starting from this issue, we are carrying translations of some of Deng's articles from the new book. Following are excerpts of his January 20, 1987 talk with Robert Mugabe, prime minister of Zimbabwe.

Two major events took place recently in our country: The first was the student unrest, and the second the replacement of the Party general secretary. Why were the students creating disturbances? Fundamentally, it revealed the weakness of our leadership. By upholding the four cardinal principles, we mean upholding the socialist road, the people's democratic dictatorship, the Communist Party's leadership, and Marxism-Leninism and Mao Zedong Thought. We need constantly to educate our people in the four cardinal principles. A trend towards bourgeois liberalization has appeared for the last few years, but no effective struggle has been waged against it. Although I have warned against this trend on many occasions, our Party's leadership was ineffective in checking in its practical work. This was a major mistake on the part of Comrade Hu Yaobang. So the Party Central Committee accepted his request for resignation as the Party General Secretary, and elected Comrade Zhao Ziyang as Acting Party General Secretary. The two events are interrelated and by no means minor matters. But our Party is fully capable of handling these matters. Comrade Hu Yaobang's case was handled reasonably and, it may be said, very mildly, and in the end was resolved very smoothly. The handling of the two events will neither affect our Party's line, principles and policies, nor our policies of opening to the outside world and enlivening the domestic economy,

nor the reform of our economic structure, nor the reform of our political structure. It will however have sobered up our Party and people and strengthened their confidence in the correctness of the road we are taking. In spite of these two events, everything will go as usual and there will be no changes at all. This is what I want to tell you comrades.

In the last eight years, the line, principles and policies our Party formulated at the Third Plenary Session of the 11th Party Central Committee have been carried out smoothly, our country has made remarkable progress and the people's well-being has improved notably. This reality cannot be removed by student disturbances. However, our strength is still limited. Even by the end of the century, we will still be working to eliminate poverty. In 1980 our per-capita GNP was only about US\$250 and today, it is just a little over US\$400, which puts us behind 100 countries in the world. By the end of the century when we have become well-off, the per-capita GNP will only have reached US\$800-1,000. By then, we will have merely laid a fairly good foundation for the realization of our goal. After another 30-50 years of effort, our people will be able to lead a medium-level life. Judging by the present situation, it is possible to achieve our first and second goals.

We have achieved some successes over the last eight years. This is due primarily to the fact that our policies are based on

China's reality, and on our own effort. Our goals are realistic, but improving people's living standard involves long-term efforts. The mistakes we made after the founding of the People's Republic were all due to overeagerness: setting excessively high targets; this was divorced from China's reality and in the end slowed progress. Practising socialism is not an easy thing.

To achieve genuine political independence, a country must first get rid of poverty. To this end, it must base its economic and foreign policies on its own conditions. It should not place obstacles in its own way, nor should it cut itself off from the world. The Chinese experience itself has taught that isolating oneself from the outside world is to its own disadvantage.

In order to develop itself, China must continue opening to the outside world and reforming at home. The reform includes revamping the political structure in the realm of the superstructure. The policy of opening to the outside world is a correct one and China has benefited much from its implementation. If there were any shortcomings, that would be because our door has not been opened wide enough. We will continue opening up, and become more open at that. Because of our great capacity and correct policies, opening up will not affect the fundamental of our socialist system. Educating the people to adhere to the four cardinal principles will provide a foolproof guarantee. ■

Exports and Imports Drop in January

The Customs House estimates that in January this year China's import and export value was US\$3.81 billion, a 7.5 percent drop over the same period last year. The exports were valued at US\$1.75 billion, a 4.6 percent drop and the import value reached US\$2.06 billion, a 9.6 percent decrease.

The export of grain, crude oil, silk and coal dropped by 20 percent over the corresponding period last year, while that of aquicultural products and sea foods, medical herbs, cotton yarn, manual- and machine-powered tools, and carpets increased by 23 percent.

The imports of grain, rolled steel, synthetic fibre, timber and motor vehicles dropped by 24 percent and that of computers, machine tools, wool and fertilizers rose by 66 percent.

The value of the trade with Hong Kong, Macao, Japan, the EEC, the United States, ASEAN member states, the Soviet Union, Canada, Australia, Poland, and Switzerland totalled US\$3.143 billion and accounts for 82.4 percent of the total. ■

China Hosts 135 Foreign Exhibitions

In 1987 the China Council for the Promotion of International Trade will organize 135 international economic trade and technical exhibitions in China, in which 100 countries or so will take part.

Starting in May Beijing and Shanghai will host some of these exhibitions such as the Yugoslav Economic Exhibition, the Turkish Industry and Commerce Exhibition, the Denmark Technology

Week, the Brazilian Economic and Trade Exhibition, the Hungarian Industry Exhibition, the Argentine Industry and Commerce Exhibition, and the Spanish Industrial and Agricultural Technology Exhibition.

On display will be things such as electronics, telecommunications, electric power, machinery, ship-building, synthetic fibre, textiles, pharmaceuticals, motor vehicles and railways. Some of them are advanced, such as the laser technology, computers, optical fibre and flaw detection technology.

The nuclear technology exhibition to be held in May in Beijing will display the safety equipment, radioactive waste treatment equipment and other facilities for nuclear power stations from the United States, Canada, the Soviet Union and Japan. The aviation exhibition to be held in October will display advanced military and civil planes, airport facilities, safety equipment, electronic aviation systems, and first-aid equipment from Britain, France, the United States, the Federal Republic of Germany and Japan.

Less major cities will also host some international exhibitions, for example, Hangzhou, Fuzhou, Shenzhen, Nanchang, Harbin, Wuhan and Xian. ■

New Assistance to Democratic Yemen

China will help Democratic Yemen construct a 2,800-square-metre gymnasium. It will also send experts to study the feasibility of a 44-km highway and, if circumstances permit, contract for its construction, according to the economic and technical co-operation protocols signed on March 15 in Beijing.

China began offering economic and technical assistance to Democratic Yemen in 1968 and has since assisted on 16 construction projects, eight technical co-

operation projects and feasibility studies for six projects. By now 13 construction projects, seven technical co-operation projects and feasibility studies for four projects have been completed.

The projects completed include the 138-km Alyini-Mahfidh Highway, the 325-km Mahfidh-Mukalla Highway, two wells out of a projected package of 90, a 14,688-spindle textile mill, a saltworks, a fishing company with six cold storage fishing boats, an ice-making and cold storage workshop, a fishing boat servicing workshop, a net-weaving room and a warehouse. The completion of these projects has promoted the economic development of Democratic Yemen.

by Li Wanming

Foreign Technology, Funds Use Show

The Guangdong foreign capital and technology utilization exhibition will be held in Beijing on April 5-19. The exhibition will display 20,000 products made by 1,000 of the 4,500 enterprises involving foreign investment in Guangdong Province.

Guangdong was one of the first provinces in China to open to the outside world and one of the areas with the most foreign investment. In the seven years from 1979 to 1986 the province signed 75,000 economic and trade contracts and absorbed US\$4.2 billion of foreign investment (one-third of the nation's total). The province also imported 3.5 million pieces of advanced equipment, 700 production lines and built 400 centres for producing export goods.

Production setup developed. Since 1979 the province has imported 3,496 advanced pieces of technology and machines with US\$3.5 billion of foreign exchange. US\$1.7 billion of that was foreign investment. All these technologies and machines have

promoted the development of the electronics, clothes, textiles, foodstuffs, plastics, building materials and pharmaceutical industries. The electronic industrial output value in 1986 came third in the country, textiles rose to ninth place and household electric products came first. Some products are up to international standards of the 1970s and 1980s. In agriculture the province has also imported superior breeds of domestic animal and tropical cash crops, changed the production setup in rural areas, and developed the farm goods production for export.

Commodity composition changed. Since production has improved, the province now exports finely processed products instead of raw materials and semi-finished goods. The proportion of textiles and light industrial products increased from 40 percent of the province's exports in 1980 to 60 percent in 1986. The number of goods whose export brought in US\$10 million or more increased from 36 in 1980 to 50 in 1986.

Infrastructure boosted. The province constructed a number of energy, communications, telecommunications and harbour projects with foreign investment. It expanded the Shaoguan Power Plant by installing a 200,000-kw generating set, laid a 220,000-

voltage transmission line from Jiangmen to Macao via Zhuhai, built four highway bridges for the Guangzhou-Zhuhai Highway, and installed a 2,700-channel microwave telecommunications system from Guangzhou to Hong Kong. At the same time, the province is constructing a nuclear power station and 500,000-voltage and 220,000-voltage transmission lines for the Shajiao A and B factories. The investment environment in the province has greatly improved.

by Wang Guofu

Household Therapy Tool in Big Demand

A kind of household physiotherapeutic instrument—a field effect treatment instrument, which is as magical as *Qigong*, (a system of deep breathing exercises)—attracted foreign businesses' attention immediately upon going on sale. The United State, through Hong Kong, has signed an agreement with China on importing 10,000 pieces, and a trading contract between China and Hong Kong has also been signed. Meanwhile, inquiries about importing the instrument have come in from Thailand, Malaysia, Singapore, Japan, Indonesia, and the Federal Republic

of Germany in the form of letters and personal visits.

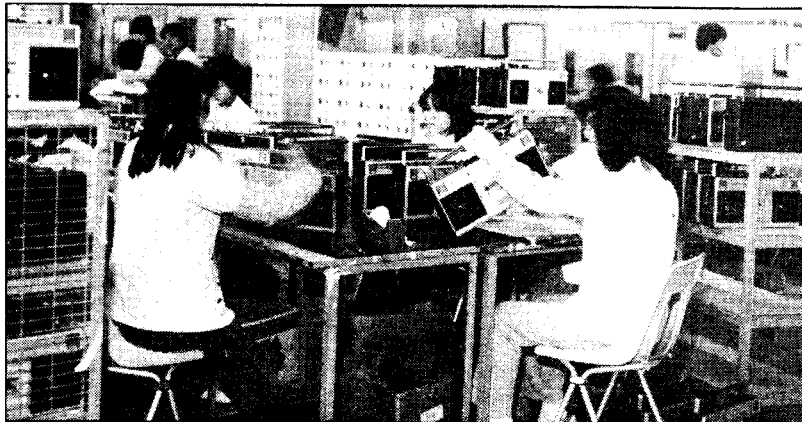
The field effect treatment instrument was invented by Shen Cunzheng of Gansu Province, produced by the Dongfang Instrument and Equipment Company of Scientific Instrument Factory under the Chinese Academy of Sciences, and given a patent by the state. It uses modern electrobiology and combines the traditional Chinese theory of a network of passages through which vital energy circulates in the body and along which the acupuncture points are distributed with a secret preparation kept within one family for generations. In addition to some magnetic-conducting materials, the instrument's core also contains multiple trace elements much needed by the body. While the instrument is working, it produces an electromagnetic field, a remote infrared radiation field, a field of mutual inductance of coil, and an eddy current field, all of which function at the same time helping the medicine and trace elements permeate the diseased area, thus producing a comprehensive but effective treatment.

The instrument has had a 90 percent success rate in clinical treatment. It cures 50 diseases including arthritis, disease of the windpipe, spraining bruising, back and leg ache, sciatica, nervous headache, haemorrhoids and also help relieve insufficient supply of blood to the brain, abnormal functioning of the intestine and stomach, abnormal menstruation and some skin diseases.

The instrument has three sizes: 01 and 02 are suitable for household use, reliable and easy to operate. Size 01 is hand powered, 02 has automatic timing and an automatic measure and control programme, and is designed for export. Size 03 is suitable for hospitals, completely automated and can cater to 4 people simultaneously.

The cassette recorder workshop of the Shahe Guangming Overseas Chinese Electronics Factory in Shenzhen, a joint venture with Hong Kong investment.

XUE CHAO



Road Construction Uses Foreign Funds

To realize the target of doubling the 1980 industrial and agricultural output value by the end of the century, China plans to emphasize the construction of better communications and spend more domestic and foreign investment on it.

Since China confronts a shortage of railway engines and transport facilities, it plans to attract foreign investment to transform existing railway lines, build high-speed railways from Beijing respectively to Tianjin, Shanghai and Guangzhou, and from Guangzhou to Shenzhen, and construct lines to ports and mining areas.

For highway construction, China plans to spend foreign investment on building expressways from Shenzhen to Zhuhai via Guangzhou, from Beijing to Tianjin, and from Luoyang in Henan Province to Lianyungang in Jiangsu Province.

China also plans to update its transport vehicles and facilities, including container traffic, and develop automobile and container factories, instead of importing such products from abroad, though foreign investment in these fields is welcome. ■

Shanghai Fair '87 Bigger Than Ever

The booming economy of China's largest city was reflected at Shanghai Fair '87 held from February 27 to March 8 at the Shanghai Exhibition Centre.

More than 2,500 business people and company representatives from Hong Kong and 47 countries came to see and buy an array of thousands of Shanghai-made export commodities.

Shanghai Fair, sponsored by the city's Commission of Foreign Economic Relations and Trade,

began in 1983 and has been an annual event ever since. At this year's fair, 64 delegations from local foreign trade organizations, industrial enterprises, Sino-foreign joint ventures, and Shanghai branches of national import and export corporations filled 6,500 square metres of exhibition space with their displays.

Shanghai's solid, long-established industrial base has given it a headstart in economic development. The city's efforts to promote local manufacture of products have meant that it can now export items it had to import before. At the Shanghai Fair '87, this shift was especially evident at booths featuring ships, automobiles, elevators, electronics products, machines, and computer hardware and software.

The Shanghai-made Volkswagen's Santana, which is being seen more often on the streets of China's cities, aroused some interest among Western traders, but they were put off by its comparatively high price tag. But the Shanghai Automobile Import and Export Corp. representatives were not depressed because in addition to a sizable order of Santana by Hong Kong, their tractors, scooters and automobile parts sold well.

The delegation from the Shanghai Aero-Technology Import and Export Corp. was pleased to clinch almost US\$800,000 in sales. Some of their consumer products, such as non-stick frying pans and collapsible camping tents, which alone made US\$250,000 for the corporation, were fair favourites. The Shanghai branch of the China National Electronics Import and Export Corp. contracted to export 60,000 colour TV sets to Britain. The sets' high quality and competitive price also attracted attention from American dealers who want to explore the US market as soon as the sets are certified as meeting US safety standards.

Shanghai's long tradition of textile and garment manufacturing made those items stand out.

More than US\$10 million worth of silk, brocade, and knitting fabrics were sold. The most popular items were dresses, shirts, pyjamas, sweaters, skirts and other seasonal clothing, mostly made of cotton. One delegate commented that Shanghai must begin to provide well-designed, top-quality luxury fashions if it is to take its place in the world market. He said one main stumbling block, insufficient supplies, might be solved by improving domestic supply network and by obtaining material and designs from overseas partners.

"Invisible commodities"—the panoply of potential investments ranging from underground railway construction, water treatment to ocean transport—also drew attention.

And among the fair's innovations this year were a "technology corner" and a "culture corner."

The technology corner displayed more than 300 items that have been developed by the city's institutions of higher learning and research institutes. Overseas companies asked for details and prices of about one-third of the items, and tentative sales agreements were reached for more than 10, one Shanghai delegate said. The fact that most purchases were from the developed nations rather than developing ones is evidence of Shanghai's advanced scientific and technical development.

The "culture corner" displayed many export-oriented publications in foreign languages, samples of traditional Chinese paintings and calligraphy, and cassettes of traditional Chinese music played on original instruments. "We are here not for money, but to introduce our 5,000-year-old civilization," said one delegate.

by Dai Gang

Responsibilities of China's Lawyers

"ZHONGGUO FAZHI BAO"

(China Legal News)

In socialist China, the system of public employment of lawyers has two major characteristics:

First, the responsibility of China's lawyers is socialist public welfare. The provisional regulations that govern their work say that a lawyer's duty is to give legal help to government organizations, enterprises and other undertakings, social bodies, townships, and ordinary citizens in order to ensure the just implementation of the law and to defend the interests of the state and the collective as well as the legitimate rights and interests of citizens. This means China's lawyers have the mission of upholding legal honour, strengthening socialist democracy and the legal system, ensuring economic development and safeguarding the interests of the state and the collective as well as the rights and interests of citizens.

Leasing Thrives in Shenyang

"RENMIN RIBAO"

(People's Daily, Overseas Edition)

As China's socialist commodity economy develops, some enterprises are thriving on competition while others are going from bad to worse. To deal with this reality, Shenyang, the biggest city in northeastern China, has adopted measures to help badly run enterprises extricate themselves from financial difficulties and to improve their economic performance. Leased management is one such measure.

Leasing was applied to some small commercial and service businesses in the first half of 1984. Later that year, it was adopted on an experimental basis in two selected factories. The number of enterprises managed by lessees has

risen from 100 in 1985 to 248 now. Of them, 95 are industrial factories and 153 are commercial businesses.

According to the regulations, lawyers collect fees from clients, not directly but through their offices, which are non-profit organizations. Fees charged must be in keeping with state standards. Since China is a socialist country based on people's democratic dictatorship and since lawyers' work is by nature highly political, lawyers must have lofty ideals and emphasize the social good rather than profit.

Second, lawyers may not work privately, but must work in offices led and supervised by state. The collective working system under the leadership of principal lawyers is instituted within the legal advisory offices. This collective system is another feature of the system of public employment of lawyers. Unlike private law offices in capitalist countries, which are profit-making companies established by individuals, China's law offices are established by the state and they must accept the leadership of state judicial organs.

On the premise that ownership of the means of production is not to be changed, leasing out enterprises to individuals or groups of individuals is an experiment based on the principle of separating management from ownership. Lessees must have two guarantors and must mortgage their individual property and enter into a stated notarized contract.

Practice in the last two years shows that lessees are generally competent and courageous. They can make good use of their labour force and enjoy high prestige among the masses. As a result, many badly managed enterprises have turned around. The follow-

ing results have been registered:

Large increases in productivity and earnings. The Shenyang Motor Petrol Pump Plant and the Shenyang Axial Pin Plant turned losses into gains after only six months of leased management. Their output value increased by 59 and 67 percent respectively; the former's profits quadrupled and the latter's grew 14-fold; and workers bonuses increased by 50 percent.

In addition, some badly run commerce and service trades have also begun to flourish under leased management.

Improved management and administration. In the past, the 248 enterprises mentioned above all suffered from low productivity and lax labour discipline. Both the problems have vanished under leased management. According to a recent survey of 32 leased industrial units, labour productivity increased by an average of more than 47 percent. In addition, lessees usually pay great attention to making technological innovations and to maintaining, replacing and converting equipment and machinery. This not only improves economic efficiency at present but also lays a good foundation for the long-term development of production.

Benefits to the state, enterprises, workers and lessees. The 32 industrial businesses surveyed showed that the factories turned over 17 million yuan in profits and taxes to the state the same year leasing went into effect, double the previous year. Moreover, both workers and lessees benefited from the new management system.

These facts prove that leased management is a good way to save mismanaged small enterprises. But it is unclear whether it will work as well in medium-sized and big enterprises or in well-run factories. These questions are under discussion in Shenyang City.

Rural Research Associations

"NONGMIN RIBAO"

(Farmers' Daily)

Recent national statistics, though incomplete, show that more than 60,000 scientific and technical research associations have been established by specialized households, skilled craftsmen and school graduates in China's rural areas since 1982. Some of these have developed into quasi-enterprises which have played a great role in introducing and disseminating new technologies and training personnel, in promoting the development of commodity production in the rural areas.

These associations all devote their primary attention to the development of new technology for the expansion of rural commodity economy. They have done their best to tailor technology to the specific needs of the various regions in order to raise production and shorten the amount of time needed to transform new scientific and technological achievements into productive forces. The Longhua Sugarcane Research Association in Fujian Province's Xianyou County is one example. In 1983, the association succeeded in interplanting mushroom with sugarcane under guidance from experts. As a result, the per-hectare output value went from 6,000 yuan to 88,500 yuan. In 1985, following more steps to develop comprehensive utilization, the output value per hectare of sugarcane exceeded 150,000 yuan.

Another example is Yujia Township in Sichuan Province, where farmers' attempts to raise long-hair rabbits were bringing in little money because of diseases and deteriorating breed stock. With the help of the county scientific and technological institute, the township established a

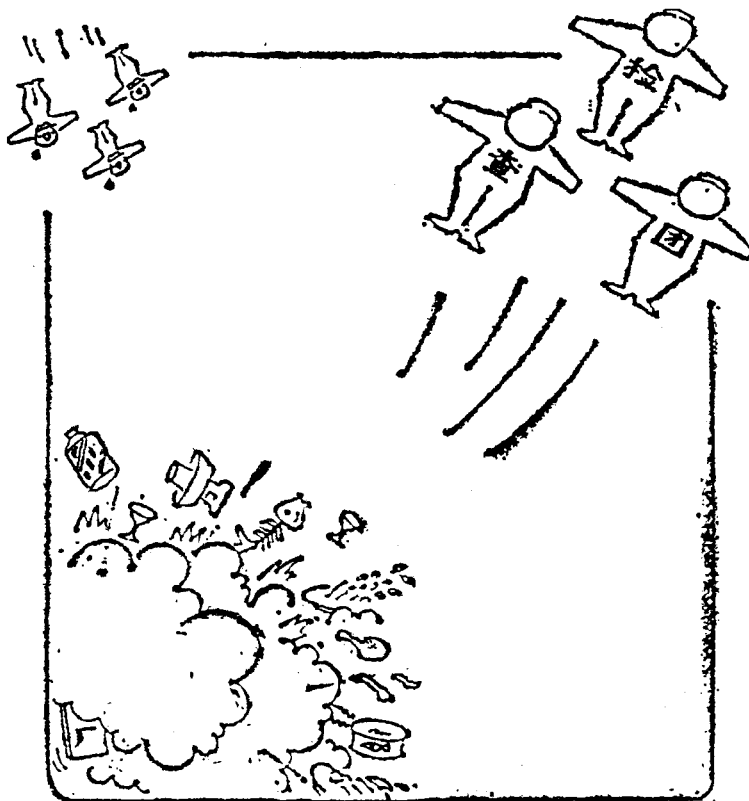
rabbit research association which focused on breeding better stock and eradicating rabbit diseases. Within a short time, production improved greatly and the township's per-capita income increased by 120 yuan in nine months.

These associations give rural technicians good opportunities to teach and learn from each other. As a result, skills have improved. Some association members have written books. For instance, the book entitled *Cultivation Techniques for Red-Skinned Garlic*, by the Yuanluo Village Chinese Green Onion & Garlic Research Association of Baodi County, Tianjin, has been published by the

Tianjin Scientific and Technological Publishing House. Xie Kaimin, director of the Longhua Sugarcane Research Association in Fujian is now teaching a course on sugarcane in the province's agricultural institute.

Moreover, China's rural technical associations have offered technical training to about 1 million farmers.

Many of these research associations have themselves become productive economic entities. For instance, Jiangsu Province's Hai'an Chicken Research Association, established by 1,200 farmers specialized in chicken raising in 1983, has achieved such good economic results by co-ordinating research with production that each member's annual income now averages more than 1,000 yuan. ■



XU PEIDE

Taking Care of Inspection Teams.

'Tangka' — A Tibetan Art of Painting

Tibet is one of China's ethnic regions with a long history. Since the seventh century, when local government was first established, the culture of Tibet has been an important part of the culture of China. At two *tangka* exhibitions in Beijing not long ago, more than 100 paintings dating from 960 to 1911 were on show, some rarely seen.

Tangka is a kind of religious art work tinged with unique local flavour. It is done on paper or cotton cloth. First a piece of white cloth is mounted tightly on a wooden frame, then a layer of lime glue is spread over it. After being polished with talc, the painter creates his picture with a sharpened pen.

There are also woven *tangkas*, including embroidery, brocade and patch work. *Tangka* embroidery is made with coloured silk threads. Its patterns include landscapes, pavilions, figures and flowers. Brocade *tangka* is made with silk thread embroidered on satin. Patch work consists of coloured satin cut into figures and patterns and then pasted onto fabrics. These *tangkas* are sometimes decorated with pearls, jade pieces, precious stones or gold thread, to make them look more gorgeous.

After a *tangka* is completed, it is mounted on a satin-hemmed brocade scroll, with two hardwood rollers on both ends. It is then covered with a thin sheet of spun silk and two ribbons. A lama is invited to chant scriptures, and fix his seal on the back of the *tangka*.

Tangka themes are taken from Tibetan history, customs and habits, the calendar and local medicine.

There are two kinds of historical *tangka*: general history, where the painter covers every important event in Tibetan history, with captions. Each such *tangka* is in

fact a concise history of Tibet. Other historical *tangkas* describe the history of particular periods.

Biographical *tangkas* describe the lives of famous historical and religious figures.

Tangkas also deal with scientific matters such as a chart showing the motion of the moon and stars around the sun, another depicting the "12 animals of the palace in heaven." These *tangkas* are important for the study of the Tibetan calendar.

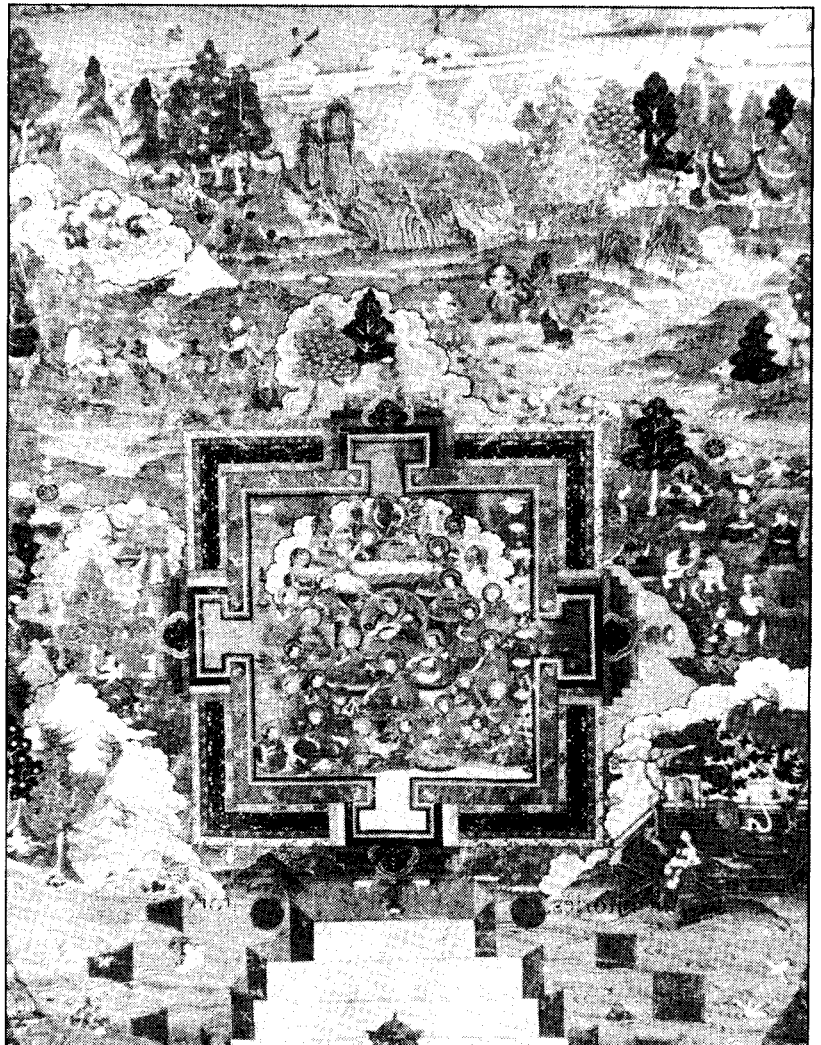
Tangkas on Tibetan medicine portray the structure of the human body, its channels and points, and give information on medical

principles, drugs and medical apparatus.

Religion has a prominent place in local people's lives, so about 80 percent of *tangkas* are on religious themes, stories and legends, Buddhist figures, monasteries, etc.

The style of *tangka* painting is unique: Buddhist figures are strikingly lively. Great attention is paid to the use of colour in portraying animals, flowers and birds; mountains are grandiose, palaces and pavilions graceful. Distant and near views are harmoniously blended by using the panoramic and perspective methods.

A "tangka" painting mounted on scroll.





Tibetan painter Yixu Xirao (left) creating a new "tangka" on a 7th-century story: Tibetan King Songtsan Gambo sends his envoys to the capital Changan to welcome his Tang Dynasty bride Princess Wencheng.

The origin of *tangka* is still unknown. But so far as the art of painting is concerned, we know it began to flourish in the 7th century when Prince Songtsan Gambo unified Tibet. He married a Nepalese princess, and later Princess Wen Cheng of the Tang Dynasty. He built several palaces, all of which were elaborately painted and decorated. This encouraged the growth of mural painting. With the introduction of Buddhism, Buddhist art also developed.

From the 10th to the 14th centuries, *tangka* made little progress, due to a general decline of Tibetan economy and culture at that time, and only a very small number have survived. However between the 15th and 20th centuries, *tangka* painting was revived along with the growth of the economy. Not only were a great number of *tangkas* produced, but different schools of painting arose. During the 17th century, famous artists often worked together on a painting. As a result, painters' organizations came into being.

In the big monasteries, some *tangkas* were donated by Buddhist believers, some by highly respected lamas, who were often outstanding painters themselves. Many monasteries are treasure houses of Tibetan culture, for *tangkas* are used to decorate halls and lamas' dormitories.

Tangkas are to be found everywhere in Tibet. Dignitaries often keep valuable *tangkas* at home. Ordinary people, usually religious believers, invite artists to paint for them on memorial occasions. *Tangkas*, as a cultural legacy, are essential material for the study of Tibetan history, religion, sciences and art. ■

Solar Cell Industry On the Upswing

Some people may not have noticed that a new energy source—the solar cell—has entered their daily lives. It is being used in household electrical appliances, farm machinery, radio equipment and space vehicles.

The solar cell can convert solar energy directly into electrical energy. The solar cell is recognized worldwide as a practical energy source with the advantages that it is highly sensitive, non-polluting, noiseless and long-lasting.

The study of the theory and technology of power generation from solar energy—known as photovoltaics—has become a subject of such vital importance that conferences are constantly being held around the world for experts to exchange views.

Since the American Bell Telephone Laboratory manufactured

the first solar cell in 1954, more than 100 different varieties of solar cell have been developed in the world, including monocrystalline and polycrystalline silicon cells, noncrystalline silicon cells and chemical solar cells with a yearly power generating capacity of 25 megawatts.

"China began silicon solar cell research and development in 1958," said Wei Yanzhang of China's Solar Energy Society. "But now we are making efforts to catch up."

"China started space applications in 1971. The solar cells worked successfully in scientific experiments and communications satellites. The China-made 20 × 40 mm² monocrystalline silicon solar cells used in space vehicles were tested by a US shuttle in space, which proved that their quality is up to world standards," Wei said.

"In the 1970s, their application moved from space to terrestrial uses. China has employed solar cells in navigation lights, railway signals, electric fences and microwave relay stations. Now there are more than 40 scientific and research institutes, universities and factories throughout the country engaged in solar cell research and development.

"At present, China's efficiency of conversion at ground level of ø30-ø100 mm monocrystalline silicon solar cells is 10-12 percent, the efficiency of ø30 mm light-gathering cells is 18.8 percent (AM 1) under 30 solar constants, and that of polycrystalline silicon solar cells is 10.9 percent."

Wei pointed out that China has a vast territory and abundant sources of solar energy. Solar cells are mainly applied in the remote or isolated regions of China, including the northwestern and northern part of the country, where population density is low and power grids far away from each other. Conventional power construction is difficult and expensive, while solar cells are cheap and convenient. ■

Available in English

Beijing—The Treasures of An Ancient Capital

Published by: Morning Glory Press
Distributed by: China International Book Trading Corporation (Guoji Shudian) P.O. Box 399, Beijing, China
First edition: 1986
286 pages
Paper: 36.5 x 26 cm.

This is a large-format, richly illustrated book on Beijing (Peking) with a mine of information. It traces the city's history from ancient times up to the end of the Qing (1644-1911), the last feudal Dynasty in China. On the basis of historical records and archaeological finds, it tells how Beijing developed through the dynasties, both as a major city in north China and as the national capital during the Yuan, Ming and Qing dynasties. While providing the political, economic and religious background, the book devotes most of its space to art and culture, particularly architecture and garden designing, as well as court life and folk custom. Many of the photographs are of historical relics and paintings of a high artistic value, making the book at once informative and enjoyable.

Beijing—The Treasures of an Ancient Capital is the first in a series of books on China's six best known historical capitals—the other five being Xian, Nanjing, Luoyang, Kaifeng and Hangzhou.

The Art of Wu Zuoren

Published by: Foreign Languages Press
Distributed by: China International Book Trading Corporation (Guoji Shudian), P.O. Box 399, Beijing, China

Deluxe edition, 1986
110 pages, in English-Chinese
12 x 11.5 cm.

Wu Zuoren, a famous Chinese painter and educator, studied Western painting in France and Belgium in his youth. Later he dedicated himself to creating traditional Chinese paintings. His paintings are refreshing in subject matter, concise in technique and elegant and unrestrained in style.

Published to mark Professor Wu's sixty years in the fine arts, the book contains a hundred works created by the artist between 1931 and 1985, including traditional Chinese paintings, oil paintings, watercolours, sketches and calligraphy.

Articles written especially for the book by the famous poet Ai Qing and art historian and critic Ai Zhongxin are also included. They comment on Professor Wu's mode of creation and artistic characteristics of his works, revealing the painter's warm love for his country and people and his persistent endeavours in the fine arts for decades. A chronology reviews Professor Wu's principal activities in the fine arts during the past six decades.

The Art of Chinese Papercuts

Written by: Zhang Daoyi
Published by: Foreign Languages Press
Distributed by: China International Book Trading Corporation (Guoji Shudian), P.O. Box 399, Beijing, China
First edition, 1986
About 200 pages
Paper, 18.7 x 25.8 cm.

The attraction of the traditional Chinese folk art of papercutting lies in its apparent simplicity: a typical papercut requires no paints

or brushes, only an ordinary pair of scissors or a knife, and a single sheet of white or coloured paper. Unique among Chinese folk arts, papercutting's influence on other fields and its number and variety of products reveal the depth of its roots in popular culture as a means of beautifying the everyday environment.

This book is intended to provide an introduction to the origins and history, the style, the themes, and the techniques involved in papercutting. It is illustrated with 240 reproductions, half of which are in colour. In addition to enjoying the country charm of the papercuts, readers may try their own hand at papercutting by following the instructions given in the last section of the book.

Folk Customs at Traditional Chinese Festivities

Compiled by: Qi Xing
Published by: Foreign Languages Press

Distributed by: China International Book Trading Corporation (Guoji Shudian), P.O. Box 399, Beijing, China
First edition, 1986
About 200 pages
Paper, 11.9 x 18.5 cm.

China is a country of many nationalities and each nationality has its own traditional festivities. Studying these traditional festivities is like opening a historical window to a glimpse of the long-standing culture, values and customs of the Chinese nation.

The book traces in a systematic way the origins of the more important traditional festivities of the Han people and of the national minorities in China. It gives an account of the evolution of these festivities and describes the interesting customs observed on these occasions.

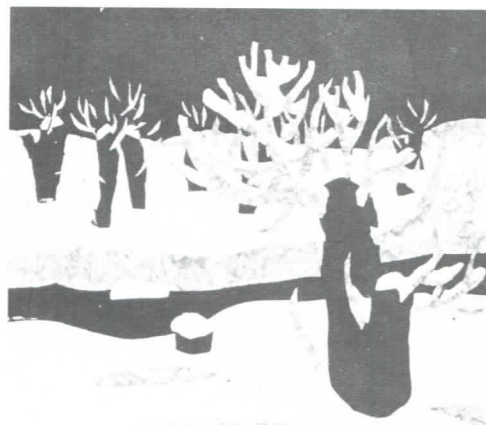
Well illustrated.

ART PAGE



A Grocery (Colour).

Snow (Colour).



Woodcuts by Wang Lan

Wang Lan, born in Beijing in 1953, teaches at the Lu Xun Academy of Fine Arts in Liaoning Province. In her works she makes her point with charming simplicity.



Birds (Colour).



Watery-lanes (Single-Print).

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