

A CHINESE WEEKLY OF NEWS AND VIEWS

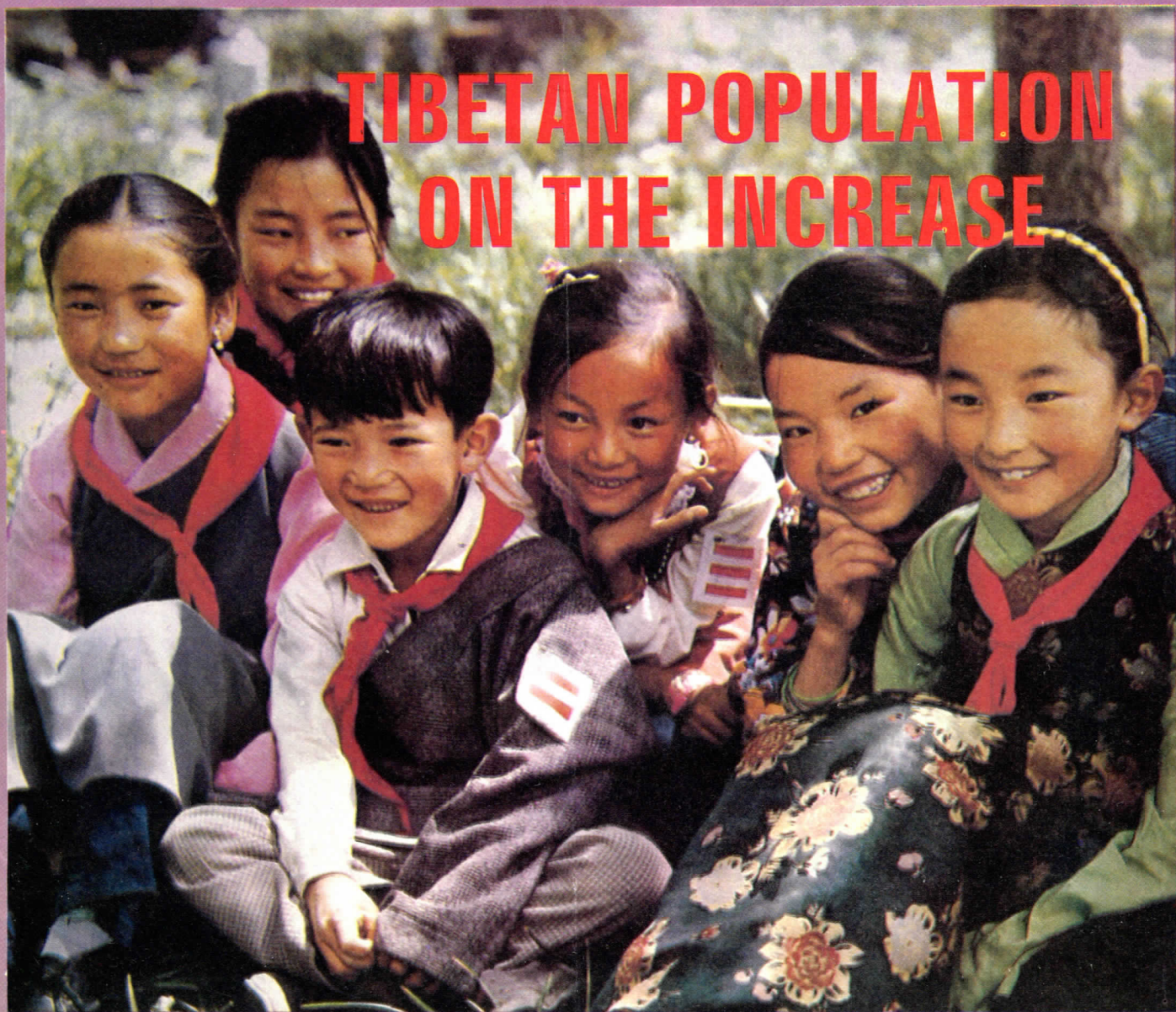
# Beijing Review

北京周報

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## Theory of Socialist Commodity Economy

**TIBETAN POPULATION  
ON THE INCREASE**





It is traditional in China to respect the old and care for the young. Zhou Shimei (left) and Lu Aiqing on their 80th birthday at the Jinshi Social Welfare Institute, Hunan Province, where they live. To celebrate the occasion, the Jinhe Opera Troupe performed for them, and afterwards the two met the performers.

*Chen Yajun*

Retired workers in Shunchang Street, Luwan District of Shanghai, help many working families in their community send and meet their children from nursery school.

*Zhang Yaozhi*



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**COVER:** Tibetan children.

Zhang Jie

## HIGHLIGHTS OF THE WEEK

### Socialism and Commodity Economy

Noted Chinese economist Xue Muqiao expounds on the relationship between planned economy and commodity economy in the light of historical materialism and the need to regulate the economy through economic levers. He also discusses the key role played by price reform in developing a socialist commodity economy in China (p. 14).

### Tibet's Population Expands

After liberation, particularly after the mid-1960s, Tibet's population increased from 1.2 million in 1964 to 1.8 million in 1982 and 1.9 million in 1985. If the population continues to grow at this rate, Tibet's population will double in 33 years. This is a result of the Chinese government's policy of encouraging the growth of the Tibetan population and improving the quality of life in the region. The policy contradicts recent slanders about genocide in Tibet (p. 20).

### Shanghai Pioneers Youth Protection Legislation

Shanghai, China's largest metropolis, has prepared a comprehensive set of regulations aimed at protecting juveniles. The first of its kind in China, the legislation could serve as a model for other Chinese cities, as well as for the drafting of a national juvenile protection law (p. 24).

### Illegal Publications Banned

The expansion of China's publishing industry in the past few years has been accompanied by the spread of harmful books and videotapes about pornography and superstitions. The pernicious social effect of such publications has aroused people's concern. In response to popular demand, the government has taken firm action in the matter, as can be seen in a recent State Council circular (p. 4).

### Yantai Pilots Housing Reform

China's first comprehensive urban housing reform programme is being tested in Yantai, Shandong Province. Housing reform is an important part of the reform of China's whole economic structure. Yantai's initiative will help change the present public housing system, which distributes housing as welfare in kind, and is a step towards the commercialization of housing in China (p. 5).

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# Why Illegal Publications Have Been Banned

by Xin Lin

The great expansion in China's publications in the last few years has played a positive role in meeting people's intellectual needs, passing on knowledge and enriching their cultural life. However, some bad publications have emerged and spread in the process.

At a recent exhibition held in Beijing by the State Administration of News and Publications, over 1,000 illegal publications were on display. More than 85 percent of them were about violence, murder and pornography, the rest preached feudal superstitions and reactionary ideas.

Like spiritual opium, these illegal publications contaminate the general mood of society and corrupt the minds of some people, especially the young.

Middle school students are still in the process of growing physically and mentally. Education and environment have a great bearing on their development. In recent years, schools have generally strengthened moral education with good results. But sometimes just a few bad books can lead children astray. Some children are so engrossed in novels of chivalry that they show no interest in their lessons. Some have even degenerated to crime.

According to materials provided by the Beijing Municipal authorities, there is a growing incidence of youngsters committing adult-style crimes. Quite a few young delinquents committed crimes by imitating the plots of novels. A survey at one reformatory showed over 30 percent of the 455 youngsters there committed crimes after reading pornographic books and newspapers.

There are now many widely circulating illegal publications, a

secret editing, writing, printing and distributing network has been formed. In order to reap staggering profits, some unscrupulous people engage in illegal publishing activities under false names, or usurping the names of state presses and bribing individuals in state publishing departments. Some state publishing and distributing units print and sell obscene books and magazines merely for profit.

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***The State Council issued a circular last month, calling on local authorities to investigate and deal with illegal publishing.***

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Because the departments in charge lacked an adequate understanding of the harmfulness of illegal publications and failed for a long time to deal with them sternly, some harmful publications spread to an extent unprecedented since 1949.

The pernicious social effect of illegal publications has aroused people's concern. Parents, teachers and others demand that the government take effective action to stop this. The State Council issued a circular last month, calling on local authorities immediately to investigate and deal with illegal publishing. The circular decreed:

■ Except for publishing units authorized by the state, no units or individuals are allowed to publish books, journals or tapes for open distribution.

■ No state, collective or private printing or distribution

unit or individual is allowed to print or sell illegal publications. All illegal publications in stock should be handed over to the departments in charge and be destroyed on the spot.

■ Units or individuals who entrust others with printing, who undertake to print, reproduce video tapes, and sell illegal publications will be, on the merits of their cases, given warnings and asked to halt all their work, and have their registration cards or business licenses revoked. Leaders or those who are directly responsible will be disciplined. Offenders will be held legally responsible. Incomes from illegal publications will be confiscated and fines will be levied.

■ The authorities will concentrate on a small number of units and individuals who amass huge profits through illegal publications. As far as minor cases are concerned, most offending units and individuals will be given education so that they will understand and correct their mistakes.

Some foreigners compare the screening and destruction of illegal publications to the excesses of the Red Guards during the "cultural revolution." That is wrong because at that time some young people, influenced by "leftist" guidelines, destroyed many good books which were regarded as "old culture and old concepts." That damaged the nation's cultural legacy.

The current screening is entirely different. Only illegal publications which preach murder, pornography and superstition are banned and destroyed. The screening will not harm socialist publication, but rather will promote its sound development. ■

## Trial Housing Programme Tested

China's first city-wide housing reform programme, authorized by the State Council, was launched on August 1 in Yantai, Shandong Province, after 16 months of preparation. The trial programme is a challenge to the present public housing system which distributes housing as welfare in kind with low rents and high subsidies. The reform has become a focus of attention in the country.

Urban housing is a long-standing problem in China. Since the founding of the People's Republic, the state has invested 176 billion yuan in urban housing. More than 1.3 billion square metres of housing has been built, most of which was completed in the past eight years. But the supply of housing remains inadequate. The number of households who have no housing or live in small or dangerous quarters still accounts for 31.6 percent of the total households in China's cities. Some families only have three square metres of living space per person.

Problems and corruption in housing distribution have also given rise to many disputes and even criminal cases.

In China, urban housing rents have been fixed for more than 30 years. The national average monthly rent is 0.13 yuan a square metre. In some areas, the average monthly rent is only 0.08 yuan. The low rents do not yield enough funds for new construction, while the large number of people who get married and have babies each year all badly need housing allotments.

It is now thought that low rents are irrational, cannot reflect market value and have had a devastating effect on the development of China's construction and building materials industries.

The reform of the housing system is an important part of the

reform of the whole economic system. Yantai's housing reform programme is a step towards gradually bringing housing construction, distribution, exchange and consumption into the planned commodity economy, thus increasing the flow of investment in housing and accelerating housing construction and other economic development. The programme is the first key move towards the goal of commercializing housing in China.

Yantai has raised public housing rents to 1.17 yuan a square metre. The occupants of public housing will be given housing certificates equal to 23.5 percent of their monthly salaries to cover the higher rents. But those who have larger than average living space will have to pay more rent than is covered by their housing certificates, while those who occupy a smaller than average space can save some money from theirs. In this way, the housing allotment will cease to be welfare in kind.

In the entire city, the money that some people pay beyond their housing certificates should equal the amount saved by others. Under the co-ordination of the local banking system, the money paid by those who have more living space will be put into a restricted-use fund for those who have a smaller space.

In China, it is common for institutions to build and own housing for most of their employees. In Yantai, public housing completed after November 1, 1986, is called "new housing." The certificates for new housing are to be included in institutions' financial costs. The money they receive from the certificates paid by the occupants of new housing will become financial income for the institutions, except for a certain

proportion that is turned over to the state.

Certificates for old housing are not included in institutions' costs and do not represent a new source of income. But the old housing will gradually be priced, sold in batches and acquire new housing status.

Under the principle of paying more for larger living space, Yantai's housing reform programme also stipulates that the people who have to pay more than the amount covered by their housing certificates will be given subsidies for a limited period of time. But the subsidies will be geared to the amount of usable floor space a family is occupying and the family's per capita wage level—the larger the space and higher the wage level, the lower the subsidy.

The subsidy plan is an interim measure designed to ease economic and psychological pressure on people who pay more. Those who obtain housing after the housing reform will not be given subsidies.

The reform also aims to encourage individuals to purchase housing. To do this, the selling price of houses must be set rationally, and some housing prices should be reduced. People buying housing will have to pay only 30 percent of the purchase price initially, while the local bank grants a low-interest loan for the rest. If employees buy housing with limited property rights, they will pay 70 percent of the purchase price and their employers will pay the other 30 percent. In Yantai, many people who lack housing are prepared to buy.

Yantai's housing reform plan went through three computer-programmed simulations before being officially proposed by the municipal authorities. There have been other pilot housing reform projects before Yantai, but Yantai's is the first large-scale project that the State Council has officially endorsed. More urban housing reform experiments are

expected in other Chinese cities in the near future. ■

## Inner Mongolia: 40th Birthday

In a jubilant atmosphere, some 50,000 people gathered on August 1 in Hohhot, the capital of China's Inner Mongolia Autonomous Region, to celebrate the 40th anniversary of the region's founding.

Buhe, the Mongolian chairman of the regional government, described Inner Mongolia's achievements over the past 40 years as "splendid."

"Extensive efforts have been made in economic construction and the promotion of scientific, educational and cultural undertakings, and the social and economic situation of the region has undergone deep and great changes. The former backward and poverty-stricken Inner Mongolia has been replaced by booms in both urban and rural areas today," Buhe said in a speech.

Statistics show that the autonomous region's output value from industry, agriculture and animal husbandry in 1986 totalled 16.5 billion yuan (about US\$4.1 billion), 16.6 times the 1947 figure.

Lying in North China, Inner Mongolia borders on the People's Republic of Mongolia and the Soviet Union. It has a population of 20.29 million, made up of 40 nationalities including Mongolian, Han, Daur, Ewenki, Oroqen, Hui, Manchu and Korean. It was the first autonomous region in China.

Ulanhu, head of the central government delegation to Inner Mongolia and vice-president of China, also a Mongolian, read to the gathering a message of greetings sent by the Central Committee of the Communist Party of China (CPC), the Standing Committee of the



Ulanhu (left) and Xi Zhongxun (right) greeting participants at the mass gathering to celebrate the 40th anniversary of the founding of the region.

National People's Congress and the State Council. The message extended warm congratulations to the people of Inner Mongolia on the occasion.

The message also praised the achievements made by people in the region in practising regional autonomy and their work for regional development and prosperity. "A prosperous and powerful Inner Mongolia is of great significance," it noted.

It called Inner Mongolians to gear their work to the region's actual conditions, focus on economic construction, redouble their efforts to expand their productive forces, and promote equality, solidarity, friendship and mutual aid among the people of various nationalities.

At the gathering, the central government delegation presented silk banners to the region's leading

Party and government departments, as well as army units. The delegation also presented 2 million yuan (about US\$540,000) to the region's nationality education fund.

Also attending the celebration were delegations from China's other four autonomous regions—Guangxi, Ningxia, Xinjiang and Tibet—as well as guests from a dozen countries and regions, including the People's Republic of Mongolia and Hong Kong, and from the United Nations Children's Fund.

A display of traditional sports, including wrestling, horsemanship, horse racing, archery and polo, was part of the anniversary celebrations. Accompanied by Mongolian music, male and female wrestlers from the Xilin Gol grassland greeted the audience with dance imitations of

deer, lions and eagles before they began to fight in pairs.

Wrestling, horse racing and archery are the traditional sports of Mongolians. It is said that Genghis Khan (a Mongolian

statesman who succeeded in 1206 in unifying the various Mongolian tribes and established his own Mongol regime) held "nadam"—traditional fairs often including the games—even in the wartime.

## Chinese Consultants Find a Niche

China's young consulting industry is bringing accuracy and scientific method to socialist construction. And by reducing the element of blindly forging ahead in China's modernization drive, it has saved the country money.

Last year, the China International Engineering Consulting Corporation (CIECC), the country's biggest consulting group, saved China about 2 billion yuan by giving correct advice to central economic planners.

China did not have consulting industry until the early 1980s, although the consulting business is popular and prosperous in the developed countries. Prior to the 1980s, consulting work was not considered to be an occupation in China, and the views of VIPs dominated the economic decision-making.

"During the period when high-ranking officials decided everything without consulting experts and scientists, we did a lot of absurd things and made many mistakes," said Liu Guodong, vice-president of CIECC.

"It was not rare for people to build a factory or pave a road out of their imagination rather than as a result of scientific research or consultation with experts," Liu said. When natural gas was found in Sichuan Province in the early 1970s, for example, some people overestimated the output potential. They said the gas could supply not only the whole province, but also other regions of the country. A big pipeline was designed to be laid along the Changjiang (Yangtze) River, and cities such as Wuhan and Nanjing built factories near the river which were

expected to be powered by the natural gas. But the gas output was far from what some people boasted, Liu said, and the factories had to spend lot of money to convert their machinery to run on oil. The fiasco could have been averted if scientific research had been done or experts been consulted beforehand.

When China opened its doors in the late 1970s, many foreign experts brought their exotic know-how to China. But, they did not know as much about the country as Chinese experts and it is not always reliable to only consult foreigners. In this context, CIECC was established in August, 1982. The new group quickly established its reputation by improving on a foreign proposal for disposing of polluted water in Shanghai. Western scientists had proposed dumping the water within the harbour area. CIECC suggested another location and its suggestion was adopted.

CIECC has grown rapidly from its modest beginnings. Today the group consists of 47 member firms and offers services both in China and abroad. It has more than 3,000 senior engineers and economists capable of offering advice on a wide variety of projects, including water conservancy, electric power, coal mining and railway construction. "We also have an expert committee, composed of about 150 outstanding experts in the fields of engineering, economics, finance and management. If necessary, we can invite any leading expert to discuss a business matter with us," said Liu.

"But we don't want to

monopolize the consulting field; instead, we are for competition. Actually, there are many local and special consulting companies all over the country. They mushroomed after the open policy was adopted." Liu said CIECC does not make policies or plans, or decide what to do or how to do it. It just gives advice to planners. Its advice, however, is always influential and leads to better decisions, he said.

So far, CIECC has completed appraisals of feasibility studies for more than 100 large and medium-sized capital construction and technical transformation projects. The group has also undertaken feasibility studies and project management for technical transformations. And it has sent multidisciplinary experts to Algeria to provide technical services.

by Li Halbo

## Reform Benefits Grain Sales

China's grain marketing system is meeting the needs of both the state and farmers, promoting commodity production and improving people's lives, says Jiang Xi, vice-minister of commerce. The system's success can be attributed to reform, he told an international seminar on food marketing policy held in Beidaihe, the North China summer resort.

For more than 30 years before 1984, Jiang told the meeting, China used the state monopoly grain marketing system. Under this system, farmers had to sell 80-90 percent of their grain to the state, retaining only enough for their food, fodder and seed.

"The reason for using the system for so long was the low per-capita grain output in China," Jiang explained, adding that only a state monopoly could obtain enough grain to meet the needs of all the people.

## Beijing Station Jam-packed



by YANG LIMING

Despite attempts to provide for increasing numbers of rail travellers, Beijing's railway station's waiting halls have been overflowing since July. People on their way to various meetings across the country, tourists and Chinese holiday-makers line the station's corridors.

The major demerits of the old system were that it made grain marketing inflexible, thus hindering the development of commodity production, and put too great a burden on the state, he said.

Economic reforms in rural areas since 1978, mainly the introduction of the household contract responsibility system, have substantially boosted grain production. As a result, grain output in 1984 reached 407 million tons, Jiang said.

In 1985, the monopoly grain marketing system was replaced. Under the new scheme, state- and collectively owned units and also individuals were allowed to engage in grain marketing. The state monopoly was ended in major producing areas, except for wheat, rice, corn and soybeans.

From 1985, what remained of the monopoly system was replaced by a system of "contract procurement and market purchase," by which the farmers can sell their grain freely on markets after they sell part of their harvest to the state according to their contract. The new practice of "planned supply plus market regulation" was also introduced.

"There is still a long way to go to catch up with the high production and consumption level of developed counties, although we have made great achievements and gained rich experience in grain production and marketing, and have basically solved the food problem of the 1 billion Chinese people," Jiang said.

"We will further implement reform objectives and stimulate

grain marketing, promote grain commodity production and improve people's living standards," he said. ■

## Markets flourish Under Reform

Various types of markets have been thriving as a result of the economic reforms implemented since 1979. At the end of last year there were 67,610 markets in urban and rural areas, twice the number in 1978. Business volume totalled 90.6 billion yuan (US\$24.4 billion) last year, six times the 1978 figure. The statistics were cited by Liu Minxue, deputy director of the State Administration for Industry and Commerce.

Some markets specialize in farm products, and others in industrial goods, for sale on either a wholesale or retail basis. Markets selling second-hand goods, and morning, evening or temporary markets have also mushroomed. This has greatly alleviated the shortages and inflexibility the country faced before the reforms.

Over the past eight years, China has invested 2.3 billion yuan (US\$613 million) to build and improve markets, constructing 74 million square metres of floor space. "Markets play a supplementary role to the state-run commercial departments and help distribute commodities," Liu said.

The reform in the distribution system has stimulated the development of the rural commodity economy, which in turn greatly stimulates markets, an official from Guangzhou said. He said the number of free markets in the city has increased from six in 1982 to more than 40 now. "Last year more than 160,000 private business people specializing in transportation distributed 100,000 tons of farm products to Guangzhou's markets by automobile, train, motorcycle or even airplane," he added.



The residents of Beijing have also benefited from the brisk markets. Unlike in the past, they can obtain a wide variety of vegetables, even in the winter. During last year's Spring Festival (in February), a private businessman in Southwest China's Yunnan Province transported 40,000 kg of cucumbers and tomatoes to Beijing by air, Liu said.

Markets specializing in timber, fish and other seafood, fruit, furniture, cattle and grain have also flourished over the past few years. Wenzhou City in Zhejiang Province, for example, has 267 such markets. The button market in the city's Yongjia County is well known. Set up five years ago, the market now has 2,000 business people working in 800 stores and more than 10,000 people specializing in transporting buttons from more than 300 button factories all over the country. Each year, some 5 billion buttons, worth 70 million-80 million yuan, are purchased and sold there.

The specialized markets have not only led to changes in the rural production structure and opened up trade among different regions but have also created opportunities for rural families to become better off.

To make the markets operate more smoothly, administrative departments of commerce and industry have been improving supervision. In Harbin, capital of Heilongjiang Province, the administrative departments have begun to use computers to monitor market activities. ■



AUGUST 17, 1987

**Weekly Chronicle  
(August 3-9)**

**POLITICAL**

August 4

■ All the 1,724 bills put forward by the members of the National Committee of the Chinese People's Political Consultative Conference during the period from April to July this year have been delivered to the relevant local and central departments and commissions to be handled, *Renmin Ribao* (People's Daily) reports.

Many departments and commissions under the State Council attach great importance to the handling of such bills, which they say help cut through red tape and put government work under the supervision of the people.

August 8

■ Further action has been taken in the cases of 23 people who are charged with being responsible for the disastrous forest fires that started on May 6 in the Greater Hingan Mountains in Heilongjiang Province, *Renmin Ribao* reports.

Six workers who were directly involved in the incident have been arrested, while 17 cadres, including three prefecture and eight county leaders, have been arrested or disciplined by the provincial government, Party committee and the Ministry of Forestry. Some of them have been stripped of their government or Party posts, and expelled from the Party.

**ECONOMIC**

August 5

■ The track bed of a new 526-kilometre railway linking Hengyang, in Hunan Province, and Guangzhou, capital of Guangdong Province, has been mostly completed, the overseas edition of *Renmin Ribao* reports.

Work on the railway started in 1978. So far, 132 of the planned 136 large and medium-sized bridges and all but one of the 62 tunnels have been built. Track-laying and the construction of stations along the route are in full swing.

August 5

■ The Sichuan branch of the Chinese Industrial and Commercial Bank is now authorized to handle foreign exchange transactions, Xinhua reports.

August 7

Remote sensing technology has been applied with striking results in geological, inland hydrological and resource surveys, meteorology, agriculture, mapping and monitoring of the environment, *Jingji Ribao* (Economic Daily) reports.

Since the mid-1970s, China has set up 15 remote sensing centres across the country, which employ a total of about 3,000 professional workers.

**SOCIAL**

August 5

A Shanghai municipal smoking and health association has been set up to publicize the dangers of cigarette smoking and organize all sectors of society to launch an anti-smoking drive, Xinhua reports.

**FOREIGN RELATIONS**

August 5

A Chinese Foreign Ministry spokesman says the Chinese government hopes that the Sino-Soviet boundary talks will make progress through joint efforts, China and the Soviet Union resumed boundary talks last February and the two sides will start the second round of talks in Beijing on August 7. Problems of border alignment are on the agenda, he says.

PAKISTAN

## 40 Years of Independence and Progress

*Since its independence, Pakistan has made rapid progress in economic construction and other fields.*

August 14 was the 40th anniversary of Pakistan's independence. Forty years ago the Muslim people on the subcontinent realized the ideal of the great poet, philosopher and ideologist Alama Iqbal through their hard struggle under the leadership of Guaid-i-Azam (Great Leader) M.A. Jinnah and set up their own country — Pakistan.

After independence the Pakistani people energetically healed the wounds left by the colonialist rule and worked ardently and creatively to develop their new homeland. In 1956 Pakistan promulgated its first Constitution and proclaimed an Islamic republic.

In the course of its hard, 40-year struggle, Pakistan has made gratifying achievements in all fields. Especially in the past 10 years, since President Zia ul-Haq took office, Pakistan has scored outstanding successes in building the country and improving its relations with other countries. Pakistan is currently carrying out its Sixth Five-Year Plan. In recent years the country's gross national product has been increasing at a rate of about 6 percent a year. In 1979 Pakistan became self-sufficient in grain, with a little for export. Per-capita income in 1986 was US\$390, the highest in South Asia. Last year Pakistan had bumper harvests of cotton (more than 7 million bales) and wheat (nearly 14 million tons). It was the world's largest exporter of cotton (3.9 million bales). Oil production has also increased. Daily oil output increased to 47,000 barrels last year, which met 39 percent of domestic needs.



A chemical fertilizer plant in Pakistan.

At the end of February 1985, Pakistan held a national referendum and lifted martial law. The cabinet headed by Prime Minister Mohammad Khan Junejo issued a five-point programme for developing the national economy to raise the people's living standards. The programme aims to raise the literacy rate, bring more electricity to the countryside, increase job opportunities, build housing, develop highways and transport, improve sanitation and public health, and renew city slums.

In foreign relations the Pakistan government pursues an independent, non-aligned, peaceful and good-neighbourly policy. It is an active participant in the United Nations, non-aligned movement, Islamic Conference Organization and South Asian Association for

Regional Co-operation, thus raising its prestige abroad. It has embassies and consulates in more than 110 countries.

Since Soviet troops occupied Afghanistan in 1979, Pakistan has supported the United Nations and Islamic summit conference resolutions, demanding the withdrawal of Soviet troops, and the restoration of Afghanistan's independence and non-aligned status. At the same time and despite many difficulties, Pakistan has welcomed and assisted 3 million Afghan refugees. This humanitarian action has won high praise from the Islamic world and the international community.

China and Pakistan are good friends, and the friendship has taken root in the hearts of the people of both countries. Leaders of the two governments and states have made a priority of the development of Sino-Pakistani friendly and co-operative relations. The relationship is a good example of harmony between countries with different social systems based on the Five Principles of Peaceful Coexistence.

Since he became president, Zia ul-Haq has visited China three times. He recently accepted another invitation. Prime Minister Junejo came to China in November 1985—his first visit to a foreign country after he came into office. Chinese President Li Xiannian visited Pakistan in 1984, and Premier Zhao Ziyang went to Pakistan in 1981 and June this year. The leaders' frequent visits reflect the cordial relations between the countries and also promote the further development of close ties.

On the 40th anniversary of the Islamic Republic of Pakistan, we wholeheartedly wish Pakistan prosperity and look forward to further development of the Sino-Pakistani friendship.

by Chang Qing

## No Longer a World of Seclusion

*The South Pacific region faces new challenges as big powers jockey for influence in the area.*

**T**he South Pacific region, a calm and mysterious wonderland in many people's eyes, is becoming increasingly involved in global politics as advanced means of transport and communication make the world smaller. Historically, the area has been removed from many wars and international disputes because of its geographical position.

Since the end of World War II, the United States has taken advantages of the United Nations' trust system to extend its control in the Pacific islands. The Americans have set up naval and air force bases and nuclear test sites and have turned the region into a "zone of military concern." There is a strategic US Air Force base on Guam, a massive intercontinental missile launching base on the Marshall Islands and an important air force and submarine base on Midway Island. The United States maintains a defence alliance with Australia and New Zealand. To ensure its military dominance in the region, the United States has asked the countries and islands of the Pacific not to allow other outside countries to have military facilities there.

US economic interest in the South Pacific region focuses on tuna. Every year the United States takes tuna worth millions of US dollars from the Pacific Ocean in defiance of South Pacific countries' 200-nautical-mile exclusive economic zones. This has led to economic rows. There have also been some thorny political disputes between the United States and countries in the region, for example the conflict with the New Zealand government over its nuclear arms policy.

Disputes between the two superpowers have also made waves in the South Pacific islands. In recent years, the Soviet Union, while capitalizing on the rows between the United States and the island countries of the region, has been trying to get a finger in the pie. First, it signed fishing agreements with Kiribati and Vanuatu. Under the agreements it pays taxes in return for fishing rights in these countries' exclusive economic zones. The Soviet Union is now negotiating with Fiji, Papua New Guinea and other countries on fishing rights or trade. In August last year, it formally established diplomatic relations with Vanuatu, thus obtaining the right to open a trading port and set up coastal fishing facilities in a South Pacific country. This non-military presence of the Soviet Union has drawn deep concern from Western countries, especially the United States. In April this year, the United States signed a five-year fishing agreement with several South Pacific countries in an apparent attempt to both ease tensions over fishing and counter-balance Soviet influence in the region. The agreement permits US ships to fish in the exclusive waters of the countries, in return for US\$60 million in taxes within five years.

The South Pacific islands occupy a crucially important strategic position in international communications and transportation, and other major powers, including Japan, also seek to exert influence in the region. The South Pacific has become one of the most important shipping routes for Japanese imports and exports—indeed, Japan views these routes

as a lifeline. Japan began to provide economic aid to some South Pacific countries last year, and early this year, Japan's Foreign Minister Tadashi Duranari visited five countries in the region. France, which maintains colonial possessions in the South Pacific, is also active in preserving its position.

There are nine independent countries in the South Pacific: Western Samoa, Nauru, Tonga, Fiji, Papua New Guinea, Solomon Islands, Tuvalu, Kiribati and Vanuatu. Rivalry among big powers in the region has caused instability in some of these countries. Last year the prime minister of Solomon Islands had to resign over a government disagreement over French aid after a typhoon caused a disaster in the country. In Vanuatu, the government's policy on the Soviet Union is under fire at home and abroad, and there have been demonstrations protesting the fishing agreement with the Soviet Union.

In Fiji, a general election in April this year gave the ethnic Indian-dominated National Federation Party control over the government for the first time, leading to a coup d'état on May 14. The coup, the first violent political overthrow in South Pacific, shattered the myth that the region is a tranquil earthly paradise.

Faced with new challenges, the South Pacific countries are no longer willing to tie their fate to other countries. Instead, they are strengthening regional co-operation and joining their efforts to safeguard their national sovereignty, and peace and stability in the region.

The South Pacific Forum is one example of such co-operation. The forum, which convenes every year, is usually attended by government leaders. It has made some far-reaching decisions. In 1979, it decided to set up the 200-mile exclusive economic zone and

in 1983, it further decided to organize a South Pacific patrolling force to protect the countries' exclusive waters. In 1985 it declared the South Pacific a nuclear-free zone in protest against the US nuclear presence and French nuclear testing in the

region. The non-nuclear-zone treaty has so far been signed by 10 South Pacific countries and has won worldwide support. The forum also submitted the issue of independence for French New Caledonia to the United Nations.

by Liu Xumin

## SOUTHERN AFRICA

### Working for Economic Independence

*At the recent summit meeting of the Southern African Development Co-ordination Conference, heads of state or government representing the nine conference members studied and evaluated the group's progress in implementing its programme of action.*

**D**elegates from nine southern African countries decided at their eighth summit meeting to continue to lessen their dependence on South Africa through joint efforts.

Southern Africa, unlike other parts of the continent, has some of the best farmland in the world, a favourable climate for agriculture and rich natural resources. But in the years since their independence, the southern African countries have relied heavily on Pretoria for food and other necessities, as well as trade routes. The situation results from geographical conditions and the countries' single-product economic structure—part of the legacy of colonial rule. This dependence has impeded their economic development and has made it difficult for them to impose sanctions against the apartheid regime.

In April 1980, top leaders of nine southern African countries—Zambia, Angola, Botswana, Malawi, Zimbabwe, Lesotho, Swaziland, Tanzania and Mozambique—met in Lusaka to establish the Southern African Development Co-ordination Conference (SADCC). The group's

aim is to break the chains of economic dependence on South Africa.

Since that first summit, the SADCC member countries, despite their ideological and other differences, have met regularly to discuss their problems and draw up projects and economic strategies. Co-ordinated, integrated and co-operative development has taken shape in the past seven years, with each SADCC country taking responsibility for co-ordinating at least one sector.

Zimbabwe, charged with the region's food security, has put forward a dozen proposals which have won SADCC approval. Some of the projects—including those involving the establishment of a seed stock and processing technology—are already being implemented. SADCC's agricultural programmes, such as animal disease control and agricultural research, are co-ordinated by Botswana. Malawi is co-ordinating fisheries and wildlife projects, while other member states have responsibility for the manpower development, industrial and energy sectors.

As most SADCC countries are landlocked and have to transport their goods through South African ports, the organization has devoted a lot of attention to trade routes.

Thousands of kilometres of roads and railway links have been built or are being rehabilitated. The largest project is the rehabilitation of the Nacala-Malawi rail line, which will provide Malawi access to Mozambique's sea port.

Other access routes to vital port facilities are also being improved, and new locomotives have been supplied to the Tanzania-Zambia railway, boosting goods traffic on the route by 30 percent.

In recent years, SADCC has stepped up its efforts to reduce dependence on Pretoria's trade routes. A report by the Zambia trade mission in Beira, Mozambique, says Beira is handling 30 percent of the Zambian copper that was previously exported through Port Elizabeth in South Africa.

Zambia transported 3,000 metric tons of copper on trial basis to Beira last August. By March, 12,000 tons of Zambian copper a month was moving through Beira. A total of 53,000 tons was exported through Beira between September and May. Malawi is also changing its trade routes, diverting its goods from South African ports to Beira and Maputo. Last year Malawi exported 60,000 tons of sugar through the two Mozambican ports, while this year about 25,000 tons have so far been recorded.

Zimbabwe's trade through the two ports has increased by 37 percent this year compared with the same period last year.

According to the recently published Beira development project plan, the port will meet national and regional needs by 1990, when SADCC's current 10-year plan is completed.

By then, Beira, together with other ports in the SADCC countries, will handle all goods

now routed through South African ports.

The SADCC members have also decided to reopen the Benguela railway, a key Angolan line that has been crippled by the anti-government forces. If rehabilitated, the railway would give the SADCC countries a complete trans-continental railway system independent of South Africa and would also offer them more freedom to impose sanctions against Pretoria.

Besides their transportation efforts, the SADCC countries have been focusing on their food reserve plan by improving food production and diversifying farm output. Southern Africa is persistently threatened by drought.

MECCA

## Bloodshed Rocks Holy City

*Violence that left 402 dead in Mecca has raised the spectre of a deadly, latter-day crusade.*

Violence broke out in the Islamic holy city of Mecca when Saudi police clashed with thousands of Iranian pilgrims who were holding a demonstration near the grand mosque. The demonstrators, chanting slogans against the United States, the Soviet Union and Israel, overturned and burned cars and set fire to effigies of US President Ronald Reagan.

Since the Islamic revolution in Iran in 1979, Iranian pilgrims have staged political demonstrations and rallies in Mecca, saying that the pilgrimage should be used for political aims. The Saudi government has banned all political activities during the pilgrimage to ensure peace and security in the holy city.

The recent incident, which occurred on July 31 during the annual hadj, claimed 402 lives. More than two-thirds of the dead were Iranian pilgrims. An ad-

ditional 649 people were injured. Moreover, food crops yields are rising at an annual rate of only 1.5 percent while food demand is growing by 3.5 percent a year. Estimates have shown that people living in the SADCC countries need 356,000 tons of grain each year. The aim of the food reserve fund is to realize regional food self-sufficiency in the face of the drought and destabilization by South Africa.

Alarmed at SADCC's efforts to reduce its dependence, the South African regime has sabotaged the group's projects and has made aggressive and destabilizing moves against SADCC members. But Pretoria's actions seem to have met with little success.

by Chen Hegao

ditional 649 people were injured.

The latest event triggered a strong reaction from Iran. Calling it a "massacre," Tehran lodged a strong protest with Saudi Arabia and vowed to topple the regime and liberate Mecca. But the Saudi authorities denied the charge, saying that not a single bullet was fired by the Saudi police and many of the victims were trampled to death when the demonstrators began retreating chaotically.

To retaliate for the deaths, demonstrators in Tehran the next day stormed the embassies of Saudi Arabia and France, and seized the Kuwaiti embassy, setting fire to property and documents. In the following successive days, explosions were reported in West Beirut at the Saudi embassy, cultural centre and airline office.

Iran received a clear message of support from its Muslim allies in

Lebanon. The Islamic Jihad, a pro-Iranian group which has shown proof that it holds at least two US hostages, threatened bloody reprisals against the United States and Saudi Arabia. Libya has also expressed strong support to Iran.

But reaction from the other parts of Arab world was different. Kuwait, Iraq, Bahrain, Jordan, Egypt, Tunisia, Morocco and Lebanese President Amin Gemayel expressed support for Saudi Arabia in its efforts to ensure the safety of the Islamic shrine. They accused the Iranian pilgrims of using the hadj to stage riots, which they said is contrary to Islamic ethics. Syrian President Hefez Al-Assad, a staunch ally of Iran in its seven-year war with Iraq, telephoned Saudi King Fahd to express regret at the incident, which he called "an unacceptable act from whoever it may be" that "harms the holy shrines and the pilgrims." UN Secretary-General Javier Perez de Cuellar appealed to all parties concerned to exercise "the greatest restraint" in the wake of the riot.

Reaction to the Mecca violence reflects the split in Muslim world between supporters of Iran and Iraq in the Gulf war, as well as the division between Islam's Shiite and Sunni sects. There is also fear that the incident might lead to a new wave of terrorism and set the stage for a new theatre of war in the Middle East and Gulf area. Added to the ground-based war between Iran and Iraq, the oil-tanker war in the Gulf and terrorist activities aiming at Westerners, a new Islamic crusade would mire the area even more deeply.

Describing the incident as "deplorable," a Chinese Foreign Ministry spokesman on August 4 said: "It is our sincere hope that the governments of the countries concerned will handle this incident coolly and properly so as to prevent its further aggravation and contribute to peace and stability in the region." by Xin Di

# Socialism and Planned Commodity Economy

by Xue Muqiao

**B**uilding socialism with Chinese characteristics needs the integration of the basic truths of Marxism with the practical experience of China's socialist development. But how to combine the two calls for painstaking exploration.

## The Commodity Economy Viewed in Light of Historical Materialism

Truly to integrate theory with practice, it is necessary here to study both Marx's historical materialism and the objective laws of social development. New relations of production and economic mode are created, as a rule, from the need to develop production. Capitalism, which came into being on the basis of the transition from a natural economy to a commodity economy and from small commodity production to mass production, pushed productivity to new heights. But under capitalism, there are also contradictions between mass production and private ownership of the means of production. While the working class enjoys improved standards of living, the reward they get for their labour is a diminishing percentage of total output; and although the bourgeoisie lives extravagantly, the proportion of what it consumes in relation to its profits also declines. An inevitable corollary of this is total output exceeding demand, which then results in periodic economic crises. So capitalists nowadays carefully keep the scale of their investment in line with

demand, leaving much money, production equipment and labour under-utilized.

Marx held that the only real solution was to shift the means of production out of private ownership and into public ownership, so that the rise in living standards could keep pace with the growth of production, commodities could be used fully and the productive forces could grow unhindered. Socialism is an answer to the clash between mass production and private ownership. Without mass production, there is no material base for socialism.

Marx foresaw that socialist revolution would first take place in highly developed capitalist countries because there this clash was sharpest. However, owing to unusual political, economic and social factors, socialist revolution first triumphed in Russia, a country with only a medium degree of capitalist development, and then in semi-feudal, semi-colonial China, where capitalism was still in its infancy and the rural, natural economy still dominated.

The Soviet Union before World War II and New China before the completion of socialist transformation of the ownership of the means of production in 1956 were both developing production at rates faster than in capitalist countries. This testified to the superiority of socialism. But China blundered when it came to deciding whether it was necessary to continue increasing commodity production and commodity exchange after the accomplishment of socialist transformation. In an attempt to substitute planned production and distribution for commodity production and ex-

change, China prematurely imposed restrictions on the commodity-money relationship. Worse still, people's communes, whose large size was believed to imply a higher degree of public ownership, were set up to replace the mass production which should have grown out of the commodity economy. All this pulled the rug out from under the once robust feet of the productive forces.

Socialist experience over the last few decades shows that precipitate abolition of the commodity economy and the commodity-money relationship runs counter to Marxist theory of historical materialism, and serves only to inhibit the continued growth of production.

In a resolution adopted by the Third Plenum of the 12th Party Central Committee in October 1984, the Party recognized that China's socialist economy is a planned commodity economy predicated on public ownership of the means of production. This represents a major breakthrough in the Marxist theory of socialist economy. Both Marx and Engels believed that in a communist society, a highly centralized and planned management system could be applied to the national economy and that, with commodities distributed according to needs, there need be no commodity-money relationship. In his *Critique of the Gotha Programme* written after the failure of the Paris Commune, Marx pointed out that communism should be divided into two stages, and that in its primary stage, socialism, commodities should still be distributed on the principle "to each according to his work."

The author is a noted Chinese economist.

Marx envisaged that under socialism the means of production would be owned by the entire society and all enterprises belong to the same owner, so that the commodity-money relationship would no longer exist and planned distribution could replace the exchange of commodities.

It was Marx's wont to use scientific abstraction in his studies of the social relations of production in order to grasp the essence of an issue. In analyzing capitalist society, for instance, he became so abstract as to mention only two classes.—the bourgeoisie and the proletariat. But the reality is more complicated. Even to this day, there are still large numbers of small producers in all highly developed capitalist countries. Agriculture in many countries is still based on family labour. In envisaging socialist society, Marx also became quite abstract, envisioning the complete public ownership of the means of production. Remuneration would be on the principle of a given set of products for a given amount of labour, thus denying the existence of the commodity-money relationship.

After the October Revolution of 1917, the Soviet Union, while struggling hard to deal with landlord and bourgeois rebellions, prematurely abolished the commodity-money relationship and adopted communism, thereby seriously crippling production. Lenin admitted the mistake directly after defeating the rebels, and adopted a new economic policy aimed at restoring the commodity-money relationship, and called on all Communists to learn business management. This new policy extricated the country's national economy from dire straits. Sadly, Lenin died before he could draw a clear conclusion about whether the new economic policy was simply expedient to economic restoration or something indispensable to the early stage of socialist development.

Stalin scrapped the new economic policy shortly after the completion of agricultural collectivization in the Soviet Union in the late 1930s and early 1940s. He set about replacing the commodity economy with the Soviet model of a planned economy. It was not

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***Premature abolition of the commodity economy does not conform with Marx's historical materialism, and hinders the development of productive forces.***

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until late in life that Stalin, in his *Economic Problems of Socialism in the USSR*, acknowledged that in the Soviet Union there still existed two different types of socialist public ownership—ownership by the entire people and collective ownership. There were still commodity exchanges between these two, and such exchanges were needed for commodities to find their way into the hands of the consumers. But on the question of exchanges of capital goods between state enterprises, Stalin insisted that these could not be counted as commodities since the seller and the purchaser were one and the same. Basing himself on this thesis, he maintained that all important means of production should be deployed according to plan and should on no account be exchanged as commodities on the market. The theories in *Economic Problems of Socialism in the USSR* have for a long time exerted a great influence on socialist countries.

### **China's Experiences**

In 1953 China started its First Five-Year Plan drafted under the guidance of Soviet economists.

Until the end of the 1970s, the state, following the Soviet model, took care of all the revenues and expenditures of state enterprises and monopolized the purchase and distribution of commodities. No enterprise was treated as an independent accounting unit bearing the responsibility for its own profits and losses. This robbed enterprises of their vitality and productivity plummeted. Because enterprises were not in a position to meet the growing demand for different products, people's living standards did not rise as quickly as in capitalist countries. While enterprises in capitalist countries were vigorously vying with each other, Chinese enterprises, bound hand and foot by state plans, found there was little they could accomplish, let alone compete with capitalism.

Early post-liberation China was underdeveloped economically, and its countryside was very poor and backward. Under these circumstances, the only possibility of production making any progress lay in the growth of a commodity economy and expanded commodity exchanges between urban and rural areas. This would set the stage for mass production combining agriculture, industry and commerce, on the basis of land reforms and the elimination of feudal exploitation. During the 1950-52 period of economic rehabilitation, much productive force was liberated through land reform.

During the First Five-Year Plan period (1953-57), however, any increase in production was inhibited by an impatience for collectivized farming. The establishment of people's communes in 1958 inflicted serious damage on agricultural production. But in 1961-62, when the size of the production and distribution units was cut down, and the production team served as the basic accounting unit, the situation was slightly alleviated. In the ensuing 20 years, farm production grew a bit more quickly than the

population, but not as fast as it might have because of tight state control over grain production. From 1949 to 1957 China was barely self-sufficient in grain. By the 1970s, as the urban population swelled, China started to import grain, which at its height reached 15 million tons a year. Most farmers were undernourished and living below the poverty line.

In 1961, farmers in places including Anhui Province, allotted farm output quotas on a household basis, hoping to overcome the severe crop failure. It worked well. By 1962, *bao chan dao hu* (meaning contract output to separate households) became increasingly popular. But at the 10th Plenary Session of the Eighth Party Central Committee in the same year, it was criticized and production dropped.

The Third Plenum of the 11th Party Central Committee in 1978 called on the entire Party membership to emancipate their minds. In response, many areas started to experiment with the household contract responsibility system. But provincial and municipal Party secretaries attending a central working conference in August 1980 were still debating about the wisdom of this system. The central authorities held off any decisive announcement and let the experiments continue. By 1983, it was clear that the responsibility system did indeed result in much greater production. By 1984, China had become more than self-sufficient in grain and turned from a large cotton purchaser into a major cotton exporter. These achievements were there for all to see.

The growth of commodity production necessitates an expansion in commodity circulation. Before 1978, the state dominated urban commerce while in rural areas, supply and marketing co-operatives controlled circulation. As a result, the output of many local specialities and native products dropped for lack of

outlets, while urban residents found it extremely difficult to acquire such products. Since 1979, the state has encouraged long-distance goods transport so that rural collectives and individuals can sell their products in the cities. This has stimulated markets in both cities and villages. Many urban dwellers and farmers in areas where the commodity economy is relatively developed no longer worry about clothing and feeding themselves and have begun moving towards affluence. The last eight years indicate that the commodity economy is a powerful force for growth in production and improvement in living standards. This is in keeping with Marxist historical materialism.

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***It is unrealistic to attempt to create socialism without a commodity economy. Socialism, which grows out of capitalism, must inherit everything conducive to the development of production from the previous system.***

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In order to restrict the commodity economy, the state used to put grain, edible oils, cotton, poultry, meat, eggs and other farm produce under requisition, monopoly or fixed purchase quotas, and in cities supplies of these products were rationed. The result was that production of virtually all commodities supplied according to plan stagnated, and had to be heavily subsidized by the state, which aggravated the problem of lack of motivation. Today, planned purchase and supply by the state are being gradually abolished. Prices have been deregulated and rationing has been lifted. This has boosted production and augmented supply. Most people in China now have enough food and clothing. The

lesson is that it is impractical and against the law of economic development to try and build socialism without a commodity economy.

Socialism cannot be based on the natural economy, nor can it be built on a small commodity economy; rather, it should be based on mass production. In New China's early days, the beginnings of mechanized industry and an economic network which spread across the countryside with cities as its centres, were laying the groundwork for mass production. But unfortunately, beginning with the First Five-Year Plan, China mechanically copied the Soviet model of centralized, planned management, which brought enterprises considered crucial under the administration of various ministries and bureaus. Enterprises of secondary importance were placed under local authorities which had established no horizontal relations. All enterprises, managed either by central departments or localities, were cut off from what should have been a free market for commodity exchange. In this way mass production resulting from a commodity economy was interrupted, the production and exchange of all commodities came within the framework of mandatory state plans, and nobody was allowed to engage in above-norm production (outside the state plan) and exchange without the approval of higher authorities.

The economic situation, however, was one of constant change. In the 1950s, the State Planning Commission found itself always busy revising its annual plans. The plans were set for one year but the revising went on and on even up to December. Until the 1970s the Planning Commission was responsible not only for deciding the distribution of coal and other important products but also for arranging the transport, which alone was a mammoth task. The result was low efficiency and lower returns.



Since 1979, the country's planning pattern has been reformed systematically with the aim of reducing the power of the State Planning Commission and other central departments and giving local decision making more force. Over the past eight years, horizontal co-operation between departments and enterprises has been actively promoted, turning "socialized mass production," formerly decided on consciously, into something born naturally of a commodity economy, involving a multi-layered economic network across the country. Thus new vitality has been pumped into the once unwieldy national economy, as the introverted market long dominated by state commercial departments and supply and marketing co-ops has changed into an open market where the state, collective and individual businesses all have a role to play. All these reforms have yielded good results because they have given expression to the objective law of economic development and Marx's historical materialism.

Some people fear that adopting methods from capitalist countries will lead China to capitalism. They do not know that socialism, evolving from capitalism, will inevitably inherit from capitalist society anything which helps develop the productive forces. It is all the more necessary for China, whose socialist system is based on a very tenuous capitalist basis, to make full use of all capitalist things which help production. This should facilitate a future transition to a developed socialism in China. To endorse change without recognizing the function of inheritance does not accord with dialectical materialism and historical materialism.

### **Overall Economic Control Means**

The socialist commodity economy differs from its capitalist counterpart in that it is planned

and predicated on public ownership of the means of production. China's previous planning system which relied entirely on administrative management and was divided up into industrial departments and localities, should be abandoned. Rather, it is imperative to regulate the economy primarily through economic levers (with certain administrative power reserved) in compliance with the objective economic laws (chiefly the law of value). In other words, it is a management system which incorporates planning and the market.

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***The socialist commodity economy is not the capitalist economy under another name. It incorporates economic management which integrates planning regulation and market regulation.***

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In future, state plans will be designed mainly on the "macro" scale, i.e., to balance society's total commodity output with total demand, and to set the relative proportions of the major economic sectors and map out inter-regional development plans. In the past, investment in expansion came almost entirely from the financial departments. Their task was to collect enterprises' profits according to the national plan, decide investment in fixed assets, and to maintain the balance between accumulation and consumption and between revenue and expenditure.

In the current structural reform, localities and enterprises themselves retain some money for their own use, and investment in fixed assets comes from these funds and bank loans. Thus rational banking arrangements have become more

important in macro-economic management. In the past, over-centralized and rigid planning (such as during the 1958-60 "great leap forward" period) was chiefly characterized by runaway state appropriations for capital construction, which resulted in huge deficits and compelled the state to issue more banknotes. Today, the dislocation of the control of the national economy (as was the case between October 1984 and March 1985) is chiefly characterized by excessive bank loans, which also results in the printing of more banknotes.

For nearly three decades after liberation, China's macro-economy went out of control mainly because accumulation funds got out of hand. Farmers sold their products at prices that were often too low. Employees received a fairly big pay rise in 1956 but in the two decades that followed there was no further rise except for the lowest earning, whose pay was only slightly increased. Therefore, the burgeoning of consumption funds was never as much of a problem as it is today. Meanwhile, as too much emphasis was put on heavy industry, agriculture and light industry's growth was stifled, while the number of people on the payroll grew constantly. The result was that the supply of consumer goods was always inadequate and major consumer goods had to be rationed.

After 1979, prices for farm products were greatly increased and so were wages and bonuses, bringing in their wake a rapid increase in consumption funds. Thanks to a healthy development of agriculture and light industry, supplies of consumer goods, rather than being still more restricted, became so plentiful that rationing was lifted.

In 1983, signs of a "buyers' market" emerged, allowing for price readjustments. In the fourth quarter of 1984, however, bank loans and workers' wages and bonuses all went out of control,

and the resultant ballooning of purchasing power led to price rises.

Experiences over the last three or four decades indicate that the primary task for the state plan should be to guarantee that accumulation funds (intended mainly as investment in fixed assets) do not outgrow the supply of capital goods and that consumption funds (mostly wages and bonuses) do not outgrow the production of consumer goods—proper ratios should be kept.

In capitalist countries, total production often surpasses total demand. But the reverse will be true in socialist countries where failure in macro-economic regulation can give rise to demand which cannot be met domestically. The resulting excessively high loans will force the printing of more banknotes—the cause of inflation and price rises. Runaway growth in accumulation funds (investment in fixed assets) manifests itself in increased prices for the means of production while higher prices for consumer goods is a manifestation of consumption funds (wages and bonuses) going out of control. When demand outstrips production, the latter will probably grow quickly, leading to a decline in productivity. If this is allowed to continue, imbalances in the national economy will appear, forcing further readjustment.

While it is necessary to exercise macro-economic control, it is also necessary to leave as much leeway as possible for micro-economic activities. Farmers and state enterprises should have more say in management just as collective and individual businesses have all along made their own decisions and taken responsibility for their gains and losses. Today, farmers are deciding a great deal of their production, marketing and pricing, and the decision-making power of state enterprises is being gradually expanded.

## Key Lies in Price Reform

To turn state enterprises into independent accounting units making their own decisions, taking responsibility for their own performance and engaging in free competition, the most important thing is to readjust the lopsided price system and free as many prices as possible to the spontaneous regulation of the law of value.

Many believe that letting the law of value set prices will cause price rises for all commodities. This is a misunderstanding. In the absence of inflation, market regulation should enable prices to fluctuate with changes in costs and supply and demand, keeping price increases at about the same level as price drops. Overall price rises and the devaluation of currency are due to inflation.

The considerable price increases over the last couple of years are due mainly to decontrolling the prices for nonstaple foods, enabling prices once arbitrarily kept down to rise. This represents a readjustment in the structure of prices. But some of the price increases in the last two years were caused by inadequate macro-economic control and the printing of money, which sent purchasing power up and strained supplies of many products in the market. The subsequent inflation, though minor, merits serious attention.

Prices have in principle been deregulated, except for grain and edible oils which are purchased on contracts and supplied according to plan. Increased output and balanced supply and demand at rational prices are the most important achievements of the market's regulating role. But because the state is still requiring localities to keep price rises within limits, the prices of many small commodities have not yet been decontrolled and their production still requires state subsidies. Prices for capital goods in the plan are fixed; only above-norm supplies

may be bought and sold at negotiable prices.

Over-investment in fixed assets in the last two years has put strains on the supply of capital goods, and as a result, some are sold at negotiated prices that are twice the fixed state prices. But there are cases such as coal, where the negotiated prices have gone down after they helped boost production. So long as the state keeps the scale of capital construction under strict control and works to balance supply and demand of capital goods, it should be possible to adjust the prices within the plan, and expand, also in a planned manner, the above-norm supply, so that negotiated prices will gradually come to equal fixed state prices.

I believe that the success of China's economic structural reform hinges on rationalizing the price system, and that strict control of demand (including accumulation funds and consumption funds) is the key to that. To control prices without checking demand or to maintain apparent price stability by increasing financial subsidies is to sacrifice the state's fundamental interests for the sake of the puny, and in fact defeats the purpose of stabilizing prices.

Because producers and consumers are still unfamiliar with the market's regulatory role, drastic fluctuations have taken place in the production and prices of certain products. This I call the law of value's "oversensitive reaction." That is to say, when the price of a product in short supply increases too much, the consequent rapid expansion of production will eventually bring it down; on the other hand, when the price of a commodity drops too low, the consequent reduction in production will send the prices up. This does the producer and consumer no good at all. In decontrolling prices, guidance by plan should therefore be strengthened and state commercial departments and market administration should

inform producers so that supplies will be balanced and destructive price swings can be avoided.

If a general balance is struck between output and demand, and prices are being gradually readjusted, granting state enterprises more decision-making power should proceed smoothly, and the state, collective and private sectors should be able to compete fairly so that only the fittest survive. This will help improve enterprise management and performance, enabling the national economy as a whole to progress.

Free competition is seen as the force behind economic development in capitalist countries. In socialist countries, free competition under the guidance of state plans would also work.

Over the last few decades, anti-monopoly laws have been enacted in one capitalist country after another to make way for free competition. The intense competition, international competition in particular, has enabled capitalism to partially rejuvenate. In a socialist country it is unwise to monopolize everything and allow everyone to eat from the same big pot, for this will only age the national economy before its time.

China's planned commodity economy is based on public ownership of the means of production. But because ours is a developing country, one should not expect too much of public ownership at this stage. We are not yet in a good position to establish what Marx and Engels called "public ownership by the entire society," neither can we achieve what Stalin envisioned as the coexistence of ownership by the entire people and collective ownership, with the latter gradually reverting to the former. What we practise now is a boosting of collective ownership (which is also a form of socialist public ownership) and allowing private ownership to achieve some measure of development with public ownership dominating at central, provincial, city and

county levels. The household responsibility system linking remuneration with output entails combining collective with private ownership. Land is owned publicly by villages, which are responsible for assigning contracts for certain farm products and for supplying certain means of production. Villages must also provide guidance for production and product mix, and map out overall plans for farmland and water management. Within this framework, farmers make their own decisions for production and labour, and this helps bring out the best of collective and individual economies.

In the last eight years collective ownership in both urban and rural areas has expanded at a exceeding pace that of the state sector. A considerable number of small state enterprises have been contracted, leased or transferred to collectives and individuals. The number of self-employed workers in rural and urban areas has grown to 20 million. Some private firms have emerged which hire labour, a considerable number of them have become what is known as "10,000-yuan households" (with annual income exceeding 10,000 yuan), and a few have

amassed property and wealth worth several hundred thousand yuan.

We should carefully analyse these phenomena. Without the combined efforts of the state, collectives and individuals, how could it have been possible to meet people's diverse and expanding needs. Continued protection is required for those who have become rich through hard work; though when their earnings reach certain levels tax can be levied to prevent too great an income disparity. We are not afraid of Sino-foreign joint ventures and wholly foreign owned companies with investment running to tens of millions of yuan. Why should we fear private enterprises with only tens or hundreds of thousands of yuan in their pockets? So long as we work to expand the decision-making power for state enterprises and allow them to grow as independently and rapidly as collective and private economies, there is no need to be worried that the foundation of socialist ownership will be rocked.

*(This is a slightly abridged translation of an article which first appeared in "Economic Daily" on March 5. Subheads are ours — Ed.)*

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## ANNOUNCEMENT

### Fundamental Issues in Present-Day China

*This book includes 44 of Deng's most important speeches since December 1984. The author has made many important expositions on upholding the four cardinal principles, combating bourgeois liberalization, and the reform of the economic and political structures, and opening to the outside world. This 85,000-word book includes photographs of the author.*

*The English, Russian and Japanese editions of the book will be published and distributed before the 13th National Congress of the Chinese Communist Party in October this year and the French, Spanish, German and Arabic editions will appear before the end of this year.*

*The book is to be published by the Foreign Languages Press, Beijing, China and distributed by the China International Book Trading Corporation (Guoji Shudian) P.O. Box 399, Beijing, China.*

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# Tibet's Population Develops

by Zhang Tianlu

Since China implemented the open policy in 1979, thousands of foreign tourists have visited Tibet every year. The visitors include some famous foreign politicians, such as former US President Jimmy Carter and German Chancellor Helmut Kohl. Although so many visitors have seen Tibet's reality for themselves, there are still a handful of people who, ignoring facts, continue to spread slanders about Tibet, including the charge that the Chinese government is practising genocide against Tibetans.

What, after all, are the facts? One need only look at Tibet's population figures since the peaceful liberation of the region in May 1951, to reach one's own conclusion.

## Population Figures

In order to assess population changes scientifically, this article is based on the current administrative division which covers 1,228,000 square kilometres. I use regular residence statistics (Tibet's household registration system was gradually established and improved after 1956). Another important source I base myself on is the censuses, which did not take place in Tibet before its peaceful liberation. During the first national census in 1953, due to limitations in Tibet, only an indirect survey was conducted there, and the estimated figures were inevitably inaccurate. During the nation's third census in 1982, 98.5 percent of Tibet's population were directly surveyed and registered.

The author is an associate professor at the Population Research Institute of the Beijing Economics Institute.

Historical records estimated Tibet's population in the seventh century at 4.62 million. Frequent wars reduced the population to 560,000 in the 13th century, and it rose to 940,000 by the 18th century.

During the first national census, Tibet's grass-roots units and upper circles estimated Tibet's population to be 1,274,000. The figure was only 1,251,000 in the second national census in 1964. The causes of this drop were that the 1953 estimated figure was exaggerated, and that many Tibetans went abroad in 1959.

The third census in 1982 showed Tibet's population at 1,892,000, an increase of 51.2 percent in 18 years, averaging a 2.3 percent increase annually, higher than the nation's average of 2.1 percent. By the end of 1985 Tibet's population rose to 1,990,000, averaging an annual 1.5 percent increase. The main reason for the slow population growth during this period was the shift of large numbers of Han people to the

hinterland. The number of Han people in Tibet fell from 92,000 in 1982 to 71,000 in 1985, falling by 22.9 percent in three and a half years, and the proportion of Han people to the Tibetans also dropped from 4.8 percent to 3.6 percent.

The number of Tibetans in the region increased from 1,208,700 in 1964 to 1,786,500 in 1982, a 47.8 percent rise, averaging 2.2 percent a year; in 1985 the figure rose to nearly 1,920,000, a 7.5 percent rise in three and a half years, averaging 2.1 percent a year. If the population continues to grow at this rate, Tibet's population will double in 33 years.

## Main Causes for Growth

After liberation, especially after the mid-1960s, an end was put to the millennium old trend of population stagnation in Tibet and the population began to grow. This was due mainly to the Chinese government's policy of increasing the region's population and improving people's quality of life.

After the nationwide family planning programme was implemented in the early 1970s, family planning in Tibet was only

Tibetan doctors with patients.

XUE CHAO



**Table 1: Mortality Rate of Tibet's Population 1967-84**

(per thousand)

Year	Mortality	Year	Mortality	Year	Mortality
1967	11.56	1978	8.75	1983	8.63
1970	10.16	1980	8.20	1984	8.00
1973	9.56	1981	9.92		
1975	9.13	1982	7.68		

Source: Figures are based on regular statistics except for 1981 which is based on the census.

applied to the Han people. Following the principle of keeping Tibet's population growth in line with the social, economic and educational development of the region, the Tibet Autonomous Region set forth its provisional regulations on family planning in 1986: In the region, second births are allowed in families of Tibetan and other minority cadres and workers, in special cases, a third birth is permitted. No family planning targets are set for rural, pastoral and border areas for the time being, but publicity and education on the significance of family planning and on health care for women and children should be conducted among the masses. New methods of delivering babies should be popularized, healthy child-bearing and rearing should be encouraged.

Improvements in the health of Tibetan people has greatly reduced the mortality rate. This is another important reason for Tibet's population growth. Statistics from the region show that the mortality rate has, in the last 20 years, remained at about 10 per thousand (see Table 1). In such a cold and rarefied place, it seems the figures are exaggerated, but after repeated checking, this author finds the materials are reliable.

Tibet's health service has grown much faster than in the country as a whole. The number of hospital beds and doctors for every 1,000 people has excelled the nation's average since 1978, (see Table 2). Furthermore, mobile medical

teams are sent to Tibet every year from other places in China.

Free medical care has been available to Tibetan cadres and workers, and all farmers and herdsmen since peaceful liberation in 1951. Diseases, especially infectious diseases, and diseases peculiar to the region which were debilitating the Tibetans' health, are now treated promptly and effectively. For instance, in 1977 a medical check-up conducted among 120,000 people in 13 counties of Shannan Prefecture revealed that the incidence of goitre reached 36.86 percent. A determined campaign for prevention and treatment brought the incidence down to 14.3 percent,

**Bajiao Street in Lhasa.**

XUE CHAO



during a re-check in some areas in 1983.

Brucellosis (undulant fever) is a serious infectious disease for both people and animals in Tibet. According to a survey conducted by epidemic prevention stations around 1980, the infection rate among people in Damxung was 14.3 percent and in Bargag, 27.93 percent. After treatment using Chinese and Western medicines, a re-check in typical areas revealed that the rate of recovery among patients with acute and active chronic diseases reached 100 percent; the rate of recovery among patients with relatively stable chronic diseases was 60 percent.

Tibet's economic development and the state's financial and material support, has meant that Tibetan people's material and cultural life has quickly improved. For instance, in 1984, the per-capita net income of the region's farmers and herdsmen reached 317.43 yuan, doubled the 158.89 yuan in 1979, which is an average 14.8 percent increase a year. Urban people's income reached 752 yuan per capita in 1984, 14.63 percent more than in 1983. Workers' average cash wage reached 1,730 yuan, a 97.76 percent increase over 1979.<sup>(1)</sup>

All this helped improve the health of the Tibetan people and strengthen their resistance to disease. A survey in 1982 of Tibetan youngsters (7-17 years old) in Lhasa city by the Family Planning and Maternity and Child Care Office of the Tibetan Public Health Department showed that compared with 1965, boys averaged 10.14 cm taller and 4.67 kg heavier and girls averaged 8.42 cm taller and 3.22 kg heavier.

### Population Gets Younger

The age structure of a population varies with birth rates and migration. In Tibet, especially the Shannan and Nagqu prefec-

**Table 2: the Development of Tibet's Health Service 1958-84.**

Item	1958		1965		1978	
	Tibet	Whole country	Tibet	Whole country	Tibet	Whole country
Medical establishments	43	122,954	193	224,266	855	166,932
Beds	174	462,000	1,631	1,033,000	4,421	2,042,000
Per 1,000 people	0.15	0.71	1.19	1.42	2.48	2.12
Doctors	247	547,000	987	763,000	2,738	1,033,000
Per 1,000 people	0.2	0.84	0.72	1.05	1.54	1.08

1984		Increase in 1984 over 1958	
Tibet	Whole country	Tibet	Whole country
928	198,256	22	0.6
4,619	2,412,000	27	5
2.35	2.33	16	3
3,566	1,381,000	14	3
1.82	1.34	9	0.6

Source: *The Statistical Year Book of China (1986)* and *A General Survey of Tibet's Economy (1965-85)*

Note: Figures for the whole country in the 1958 column are based on the 1957 materials.

tures where only Tibetans live, the age structure reflects the birth and infant survival rates very faithfully. Owing to high fertility and survival rates, the median age in 1982 was only 20.5 years old, half the Tibetan people (1,786,500) having been born since 1962. Such a young age structure means a future higher birth rate and a quicker population growth.

**Education Improved**

Education is another important means of improving the quality of life for the Tibetan people.

Before liberation, Tibet had one of the most backward education systems in the world. Incomplete statistics show that on the eve of the peaceful liberation, Tibet had 20 government-run schools and 96 private schools with a combined enrolment of 3,200 pupils, 0.26

percent of the population. The curricula were strongly religious.

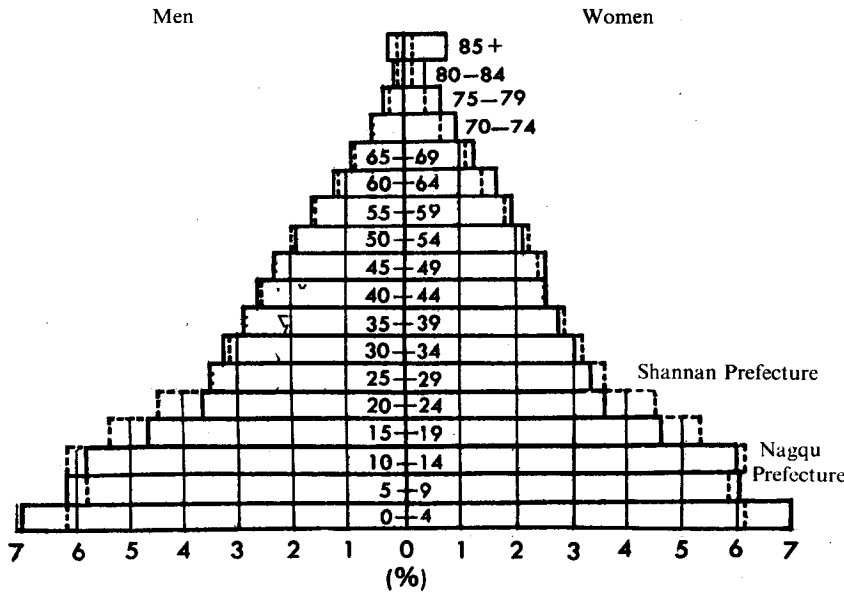
Since liberation, modern education has been developed there from scratch. In 1959 there were 462 primary schools with an enrolment of 16,300; three middle and technical secondary schools with an enrolment of 1,732. Their pupils made up 1.5 percent of the region's population. By 1984 three universities had been established and enrolled 1,370 students. There were 89 middle schools and technical secondary schools with 20,713 students and 2,526 primary schools with 125,469 pupils. Students accounted for 7.5 percent of the region's population. Meanwhile, Tibetan language and culture formed the core of curriculum.

**A checkup for the pupils of the Weldong Primary School in Lhasa.**

MA JINGQIU



Population in Tibet's Shannan and Nagqu Prefectures  
(July 1, 1982)



Tibetan kindergarten children in Lhasa.

**Table 3: Compositions of Three Industries (%)**

	Primary Industry	Secondary Industry	Tertiary Industry
Mid-1982	84.45	7.23	8.32
Late 1985	80.89	7.59	11.52

Sources: 1. 1982 figures are from the 1982 census.  
2. 1985 figures are from the Statistical Yearbook of China (1986).

Note: The primary industry includes agriculture, forestry and animal husbandry; the secondary industry comprises mining, manufacturing, construction, geological prospecting, communications and transport; the rest are the tertiary industry.

To raise the cultural and scientific level of the Tibetan people further, special classes and schools for Tibetan primary school graduates have been opened in 10 municipalities and provinces elsewhere in China, including Beijing, Tianjin, Shanghai, Sichuan and Yunnan. In 1985 and 1986, these classes and schools enrolled 1,500 and 1,220 Tibetans respectively. This year, they plan to take in 1,420 students. The figure will be 10,000 in 1993.

Since Tibet rid itself of feudal serfdom in the late 1950s, the

business patterns in the region have been changed.

In 1952, about 93.9 percent of the region's employment were in farming and animal raising. The figure decreased to 92.6 percent by 1959 and 90.5 percent by 1965. By 1984 it had dropped to 87.2 percent<sup>(2)</sup>.

The number of workers at state enterprises increased from 40,000 in 1959 (43 percent were Tibetans) to 160,000 in 1984 (65.2 percent were Tibetans).

The industrial structure also

saw a great change (see Table 3).

The tertiary industry developed quickly. Commerce, catering, supply and marketing, storage, banking and insurance also expanded considerably.

Tibet still has a long way to go, but with the policies for coordinating population growth, the improvement in the quality of life and economic and social development in place, Tibet is set to achieve prosperity and modernization.

(1) *A General Survey of Tibet's Economy (1965-85)*, published by the Tibet Statistical Bureau in 1985.

(2) *A General Survey of Tibet's Economy (1965-85)*, published by the Tibet Statistical Bureau in 1985.



# Shanghai Pioneers Youth Protection Legislation

by 'Beijing Review' Shanghai Correspondent Dai Gang

**Regulations drafted in Shanghai could serve as a model for all other places in China, as well as for a national juvenile protection law.**

Shanghai has taken a major step to amplify its legal system. The municipality has prepared a comprehensive set of regulations aimed at protecting juveniles. The rules—the first of the kind in China—will take effect on October 1.

The regulations apply to all juveniles over six and under 18 years of age. They are an experiment, said Lu Ming, vice-chairman of the Legal Commission of the Shanghai Municipal People's Congress (SMPC).

Lu, who presided over the preparation of the rules, said they were conceived in response to a social need. After years of relentless fighting against crime, Shanghai's crime rate had dropped by more than half. But in early 1985, the rate started to climb again. About half the crimes were committed by youngsters. Moreover, reports showed that

young people were getting involved in crimes at an increasingly early age—a 13-year old was even accused of murder. Young offenders were adopting the criminal methods of adults, and the results of adult and youth crime were equally disastrous.

But the new juvenile protection regulations are not aimed only at wayward youth. At the same time as the rise in youth crime became apparent, Lu said, "We also noticed that some negative factors—such as the lack of a harmonious and warm atmosphere in some families (particularly divorce-torn families and re-established ones), maltreatment of youngsters and other infringements of their rights—were hindering the healthy development of young people. The threat inherent in this situation had put the whole society on the alert and attracted our attention."

The need to protect young people seemed pressing, he said. "Youngsters, because of their immaturity, are more susceptible to evil influences from the environment in which they live and grow. It is also clear that since China adopted the policy of opening its doors to the outside world, some cultural trash has entered the country, along with advanced technology and management methods, and valuable and beneficial elements of Western culture. Even some adults have been corrupted, to say nothing of the young. According to reliable statistics, 60 percent of juvenile delinquency and crimes in Shanghai are caused by the influence of such cultural rubbish, including foreign publications, movies and videotapes with violent and pornographic contents."

Lu said protecting youngsters does not mean isolating them from reality and keeping them in a shell. It means creating the social climate most suitable to their development. Juvenile protection is such an all-inclusive programme that it requires the attention and support of every sector of society. "As a matter of fact," he said, "the regulations reflect the will of the public. Many SMPC deputies and Shanghai residents from all walks of life urged that legislation to protect young people be drafted as quickly as possible.

"We finally made up our minds when a 1985 document from the Party's Central Committee reached us, suggesting that legislative organs work with other relevant authorities and organizations to make laws for juvenile protection in line with the Constitution to ensure, by legal

**A "small court" run by the pupils at the South Huangbo Road No. 1 Primary School in Shanghai handles quarrels and indisciplin among pupils, in order to give them a concept of law.**

WANG ZIJIN





means, non-violation of the rights of juveniles and protection of their physical and mental development.”

The regulations are divided into 10 chapters, with a total of 58 articles. The first chapter is an introduction to the purpose and principles of the legislation. Chapters 2-6 deal with the duties and responsibilities of adolescents' protectors—State organizations, the family, the schools and society as a whole—and with young people's duty to protect themselves.

Apart from the general regulations concerning average youngsters, the rules also include provisions for the protection of exceptional young people. There are articles to protect youngsters of outstanding talent—for instance, those who have made scientific inventions—as well as articles aimed at female adolescents, handicapped youngsters and others.

The last three chapters deal with the education, reform and custody of juvenile offenders. These chapters also set out the legal procedures for lodging charges and investigating crimes committed by or against young people, and prescribe punishments and appeal procedures.

The regulations were endorsed in principle during the Sixth Session of the Eighth SMPC in late April this year. Two months later, they were approved by the 29th Meeting of the Standing Committee of the Eighth SMPC.

Drafting the regulations was a long and careful process. The Legal Commission of the SMPC authorized the Shanghai Municipal Committee of the Chinese Communist Youth League to put together a group of 20 members representing 16 different units. The units included the publicity department of the city's Party committee, the high court, the procuratorate, the trade union, the women's association, academic research centres, two universities and government ag-

encies and institutions in charge of education, health, public security, and social labour management, etc. The group also solicited the help of individual academics and legal experts. It took a year and a half to prepare the draft rules. The work was divided into three phases, each lasting about six months.

In the first phase, the group carried out massive social surveys and in-depth studies. A total of 54 units worked on 60 separate research projects and presented 77 reports. Case studies of 445 inmates of juvenile reform centres

problems were mapped out for resolution. The group then worked out a basic conception of the kind of legislation needed and drew up a framework for the planned regulations.

The drafting of the text began in early June 1986 and the first draft, with 164 articles in 12 chapters, took shape in August. Criticism and suggestions about the initial version were sought within the 16 units involved in the drafting and revisions were made. Late in October, 1,000 copies of a revised draft were printed and distributed to facilitate broad public consult-



Students from the Xiangming Middle School in Shanghai listening to Ni Chuanrong, an outstanding Communist and retired worker, talking about his services to the local residents.

and 185 inmates of women's reformatories provided insights into the causes of delinquency and crime, and showed how social environment and poor audiovisual materials affect young people's mental development. The group also sponsored meetings and discussions attended by legal experts and representatives of educational and social science research institutes, as well as by middle school students, their teachers, parents and guardians. On the basis of the research findings and discussions, 103

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ation. The government institutions concerned and the SMPC committees in Shanghai's 22 districts and counties did their utmost to solicit comment from the public. Discussions were held in 258 units, and 65 reports on 470 opinions and suggestions were put together. In late 1986, a delegation went to Beijing to report on the group's work to the Legal Commission of the National People's Congress Standing Committee. While in Beijing, the delegation also consulted legal experts.

The draft regulations were submitted for study to different sessions of the SMPC Legal Commission and Standing Committee in January, March and April. Revisions and improvements were made right up until the rules received official approval.

Lu Ming, "Far from dominating the preparation of the draft with our own will, we just interpreted the will of the people and reflected it in the draft regulations. We believe in 'democratic legislation and legislative democracy.'"

Under the regulations, municipal, district and county governments are charged with responsibility for leadership in work concerning youth protection. Among other duties, they are to study, inspect and supervise such work and strengthen the supervision of audio-visual materials and public places. Materials and places not suitable for juveniles must be brought under rigid control.

The family is the basic social unit that has the most direct impact on juvenile development. The regulations oblige parents and guardians to educate and supervise their children and to influence them by healthy ideas, words and deeds. Parents must see that their children do not drink or smoke, and must keep them away from harmful audio-visual materials and unsuitable places. The rules also provide that parents must raise, educate and protect their illegitimate children and not maltreat, desert or discriminate against them. Similar requirements are set out for step-parents, foster parents and divorced parents.

Regarding schools, besides carrying out the educational policy of the state, they are required to conduct moral, disciplinary and legal education and to cultivate lofty ideals among the students. Students must be given time for rest and, for recreational, physical and extra-curricular activities. Facilities and

grounds provided for these activities must not be diverted to other uses. Teachers must not abuse their students or administer corporal punishment. They must patiently help students who are lagging behind and must neither discriminate against them nor deprive them of their right to class attendance. Schools are also required to establish a home visit system so that teachers can advise parents on how to educate their children.

The regulations stress that all sectors of society must contribute to the physical and mental well-being of young people. Audio-visual materials and places that are unsuitable for youngsters must be clearly marked and access to them controlled. Organizations and individuals are forbidden to employ youth who should be receiving compulsory education, and youngsters must not be involved in any production work that is harmful or dangerous.

The rules also advocate juvenile self-protection. They give young people the right to make accusations, file charges, provide information and appeal to judicial institutions regarding any infringement of their legal rights. To protect themselves, youngsters must not smoke, drink alcohol, gamble, have love affairs at an early age, stay out overnight, play truant, participate in superstitious activities or do anything else injurious to their own or others' physical and mental health. Young people's organizations, such as the Chinese Communist Youth League, are also required to play a role in juvenile self-protection.

"Young people are the hope and future of our motherland," said Lu. "The present enactment was made—based on the relevant provisions of the Constitution and other laws of the state, and taking into account the realities of the city—to ensure the legal rights of juveniles and protect their healthy growth so as to foster their all-

round development." There are 1.56 million juveniles between 6 and 18 years of age in Shanghai, representing 13 percent of the total population. They are the key to the city's future, he said.

Lu added, "The content of the law ranges from the protection of youngsters' legal rights and welfare to the treatment of juvenile delinquents and offenders; from substantial points to procedural matters; and from social protection to self-protection. I think comprehensiveness is the main feature of the law. Some have even called it a micro-constitution. We stress the healthy development of young people—moral, intellectual and physical—and we take an active part in helping the young to realize this development. We believe in scientific handling of the relationship between education and punishment, enlightenment and restriction, and prevention and control of crimes."

Shanghai's pioneering legal work in the field of juvenile protection is being closely watched in other parts of China. Beijing and the provinces of Jiangsu, Jiangxi, Liaoning, Shaanxi and Hubei are taking steps to follow Shanghai's example.

"Our experience and the experience gained by these provinces and Beijing will be of extraordinary importance to the making of a national law for juvenile protection and even to the promotion and perfection of China's legal system as a whole," concluded Lu.



# 'Shanghai and Me'

We are holding a "Shanghai and Me" essay contest with the aim of strengthening understanding and friendship between foreigners and the people of Shanghai, and in the hope of helping the local authorities make the largest metropolis in China more attractive by giving them your suggestions.

All foreigners, overseas Chinese and compatriots from Taiwan, Hong Kong and Macao, who have been to Shanghai or are staying in the city for whatever reason, are eligible.

Your essay can come in any form — your impressions of or experiences in Shanghai, a person, a family you are familiar with or single event you have encountered. Your comments or suggestions are also welcome: on the city's reforms and how to open it to the outside world, on its investment environment, its urban reconstruction, economic development or other topics.

Detailed reports on special subjects related to Shanghai or the texts of speeches, published or not, of no more than 5,000 words, are encouraged.

Entries may be submitted in Chinese, English, Japanese, French or German. Any style or form is permissible.

All essays will be judged by the "Shanghai and Me" panel which is composed of personnel from several organizations including *China Daily*, Shanghai Branch, and *Beijing Review*, Shanghai Office. The best 10 entries will receive Excellent Essay Awards and 20 other finalists will get Encouragement Awards. Each entrant will receive a souvenir.

A collection of the best essays will be compiled in a book and some of the articles will be published in *China Daily*, *Beijing Review* and other newspapers and magazines or broadcast by local radio stations.

All entries must be sent in before October 31, 1987 by the postmark. Print on all the entries your full name and detailed address and send it to:

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## What Young People Do After Work?

"BEIJING WANBAO"  
(Beijing Evening News)

The leisure of Chinese youth is developing from a low to a high level. While wanting civilized, healthy and exciting recreational lives, the young people are making greater demands on themselves.

In a recent survey, 84.8 percent of the young people said they took part in some recreational or sports activities outside work hours. Of them, some 37.6 percent do so to make their cultural life more interesting; 24.8 percent are keeping fit; 20 percent are seeking more knowledge; and only 5.7 percent are just killing time or going along with the rest.

The survey also indicated that 35.2 percent of the young people surveyed saw study as the first priority for their spare time; 23.8 percent listed television and radio; 21.9 percent doing housework; 8.1 percent working overtime and 3.4 percent reading books. Half of those in the medical field listed reading as their top priority, as did 46.4 percent of government workers and 43.8 percent of teachers. Of those who had acquired university or higher education, 36.7 percent put reading as their top priority, as did 35.4 percent of senior middle school and secondary technical school graduates. Single people could devote more time to out-of-work study because of light housework burdens, so about 46 percent of them put study as their first priority. Only 16.4 percent of married people did so.

The survey also showed that the range of interests was broadening. Bridge is a recent fad among the young, as is *go chess* and classical music.

According to the survey, a few young people do not pursue

leisure activities for the following reasons:

1. No time. This was the major reason: 41.4 percent said they were very tired after work because their job was too far away.

2. Housework. Managerial personnel, people in the service trades, less well educated people and women do more housework. A full 79.7 percent of married young people said that housework took up all their spare time.

3. About 27 percent of the young people said there was nowhere for them to go to pursue their leisure.

(May 10, 1987)

## Features of China's Ageing Population

"JINGJI RIBAO"  
(Economic Daily)

The ageing of the population is recognized throughout the world as a major social problem. According to world standards, a country in which 7 percent of the population is over 65 or 10 percent is over 60 is considered a nation with an elderly population. In the early 60s, the proportion of the population over 65 reached 11 percent in Britain, France, the Federal Republic of Germany and Sweden. Japan and the United States caught up two decades later.

According to the 1982 census, China had 50 million people who were over 65 years old, comprising 4.9 percent of the total population; and about 78 million people were over 60 years old, accounting for 7.7 percent. It is predicted that China, though presently considered a country with a middle-aged population, will confront serious ageing problem in the next few decades. Statistics show that by the end of this century China will be an elderly society. The population over 65 will reach 93 million, about 7.4 percent of the total; and 134 million, or 10.7 percent of the population, will be over 60. The experts also estimated that by 2025, more than 20 percent of the Chinese population will be over 60 years old, with 13.6 percent over 65.

When compared with the ageing of the population in various developed countries, China differs in the following respects:

■ **Faster rate of change.** While it has taken about 40 to 100 years for the population of developed countries to become elderly, with the proportion of the population over 65 rising from 5 to 7 percent, the process will be much quicker in China. It will take China only 18 years to reach a similar level and only 50 years to reach the point where 20 percent of the population is over 65 years of age.

■ **Greater numbers.** Since China is the most populous country in the world, the sheer number of old people in the country is also significant. In 1985, the number of people over 60 reached 87 million. This meant that about 22 percent of the world's over-60 population, and about half of all Asians aged 60 or over lived in China.

■ **Unbalanced distribution.** Disparities in economic and cultural development in various regions of China have led to a concentration of large numbers of the elderly in the eastern coastal cities like Shanghai. In China's western regions, significantly less developed than the east, however, the average population profile tends to be much younger.

■ **Faster ageing versus slower economic growth rate.**

Whereas the numbers of the elderly in Western countries are increasing against a background of relative economic advancement, China faces a different situation. Though China's economy is developing and its living standard rising steadily, the demands posed by the rapid ageing of the population might outrun the country's social and economic capabilities.

On the other hand, with the development of the economy, improvements in science and technology, and rising living standard, the average life span in China has gone up from 35 during the initial post-liberation period to nearly 69 today, making China one of the 10 countries with longest life expectancy worldwide. This will certainly have an important impact on social and economic development and the lives of the Chinese people.

Statistics on the annual total wage bill reveal that pensions accounted for 9.3 percent of total wages paid in 1983, and 10.7 percent in 1985. The figure will increase to 15 percent in the year 2000, and to more than 30 percent by 2030.

Meanwhile, the ratio of able-bodied workers to elderly people in 1982 was 12.5:1. This will decrease to 9.2:1 by 2000 and 2.9:1 by the year 2040. Not surprisingly, it is expected that the ageing phenomenon will drive up medical costs. The World Bank has estimated that China's per-capita medical costs double every 10 years, and medical expenses for the elderly triple what they are for younger people.

Thus, it is obvious that the problems posed by an elderly population will exert a tremendous influence upon China's social and economic growth, and ultimately on the lives of the Chinese people. Therefore, the government must begin to pay greater attention to this problem and prepare the appropriate manpower, material and financial resources. Moreover, a realistic

plan should be drafted immediately to deal with the problem of China's rapidly ageing population.

(June 13, 1987)

## Changes in the Loess Plateau

"KEXUE BAO"

(Science News)

The Loess Plateau is a unique region of loess-clad hills and barren mountain situated at the middle reaches of the Huanghe (Yellow) River. The plateau is bounded on the north by the Great Wall, the south by the Qinling Mountains, the west by the Qilian Mountains and the east by the Taihang Mountains. The area of the plateau totals about 580,000 square kilometres. Except in some hilly areas, most of it are covered with a layer of light-coloured loam 50 to 100 metres thick.

Prior to the Western Han Dynasty (206BC-24AD), the plateau enjoyed favourable conditions for the development of production. Grasslands and dense forests could be found everywhere. Later the grasslands and forests were seriously depleted owing to clearing and cultivation over a long period.

Loess is particularly liable to erosion by water owing to the destruction of vegetation. Now, ravines and gorges crisscross the plateau. Studies show that 430,000 square kilometres, or some 74 percent of the total area of the plateau, has suffered severe soil erosion. Every year, water washes about 1.6 billion tons of loess into the Huanghe River. Of this, 400 million tons are deposited on the bed of the river's lower reaches. As a result, the riverbed rose rapidly by an annual average of 10 centimetres.

The Loess Plateau is important to the development of China's western areas. During the period of the Seventh-Five Year Plan (1986-90), the problems of the

plateau region will be an urgent matter for study.

(April 21, 1987)

## Amateur Writers Emerge in Shanghai

"ZHONGGUO FUNU BAO"

(Chinese Women's News)

The research into special talents by Yu Guo, a worker at the Shanghai Wristwatch Plant, has attracted attention of both the press and academic circles. His book about famous figures will be published by the Shanghai People's Publishing House.

Yu Guo, 28, loves to study although he has only a middle-school education. Since 1982, he has taken part in the "rejuvenating China" reading programmes sponsored by the All-China Federation of Trade Unions. He has focused his attention on biographies of inventors and other famous people—from all periods and all countries. From his reading, Yu concluded that there are only two ways for people to establish their reputations as authorities. One way takes the shape of a pyramid, with a high educational level as its foundation. The other takes the shape of a rhomboid. This is generally the method of creative people with a low level of education, including the majority of people with special talents.

There are many young workers like Yu in Shanghai, who have gone from being reading fans to amateur writers. According to official statistics, about 330 have won prizes for excellence in the reading programmes in recent years. Young workers have published 14 monographs, 706 dissertations and 263 literary works.

Almost 1 million people in Shanghai are currently taking part in reading programmes after work hours.

(May 25, 1987)

## Wuhan Imports More foreign Funds

**W**uhan, the capital of Hubei Province and one of the biggest cities in central China, has made progress in its absorption of foreign funds since it was granted more power in foreign trade in 1985.

By the end of last June, Wuhan had imported US\$111.27 million in foreign exchange from abroad: Sino-foreign joint and co-operative ventures accounted for US\$80.40 million; the total value of processing materials provided by foreign companies, and compensatory trade was US\$10.53 million; leasing was worth US\$6.75 million; and foreign government loans, US\$13.59 million.

The number of joint and co-operative ventures already contracted is 39; 12 have gone into operation. A full 75 percent are productive enterprises. The Changjiang Brewery, a joint venture with AMS GmbH and Co. of the Federal Republic of Germany, has a designed annual output capacity of 100,000 tons. The foreign investment made was US\$28.5 million; the Chinese invested 85.27 million yuan (about US\$23 million). The project is expected to go into operation by the end of this year.

Some of the products made by enterprises are much in demand on the domestic market, while others are for export.

The Changjiang Electronic Power Supply Plant, a Sino-FRG joint venture, the Huamei Animal Feed Co., a Sino-American joint venture, and the Thermal Container Plant, a Sino-Thai joint venture, are all under construction.

The Changjiang Hotel in the centre of Hankou is a four-star tourist hotel. It was built by Wuhan and Frankwell Holding Ltd. of Hong Kong. The total investment is US\$8 million. Since it started operation last April, the

rate of occupancy has been over 90 percent.

Li Kaijiang, deputy-director of the Foreign Economic Relations and Trade Commission in Wuhan, said that his city had so far offered over 240 investment projects to foreign businesses.

The Wuhan city government last February promulgated 22 provisions to improve the investment environment. They apply to enterprises dealing with the infrastructure such as energy, transport and harbours. These are exempt from local income tax. Other enterprises will also be exempt from local income tax during the period of state exemption of income tax. After that period, they will enjoy further exemption from local income tax for three years and then a 50 percent reduction for another three years.

Foreign-funded businesses allowed to handle foreign exchange or renminbi in buying or selling their goods can pay their taxes in renminbi.

Departments concerned should give priority to making arrangement for land, building materials, energy, transport and communications facilities, circulation funds and loans for all foreign-funded enterprises.

by Han Baocheng

## Chinese Software To Be Sold Abroad

**T**he software for a Chinese character microcomputer typesetting system, recently developed by the China Printing Science and Technology Research Institute, will be sold on the international market. Hong Kong-based British Monotype

Far Eastern Co. Ltd. signed an agreement in Beijing in July to sell the Chinese software.

There are currently two versions of the software—one for literary and artistic applications and the other for scientific, technological and mathematical applications. Under the two-year agreement, the British company plans to sell the software in Southeast Asia and Hong Kong. The company expects initial annual sales of 50 sets of software, worth US\$12,500. Both sides are confident about the international sales prospects. Shen Haixiang, director of the Chinese institute, said the software has aroused the interest of many customers both in China and abroad. To date, the institute has concluded domestic sales agreements worth 1 million yuan, and agreements with foreign businesses, totalling US\$100,000.

Businesses in Singapore, Canada, the United States, Japan and Hong Kong have shown interest in holding talks with the institute on sales and co-operation. In October, the institute will exhibit the software in both Chinese character and Japanese versions. ■

## Focus on Electronic Imports to Shift

**C**hina will shift its emphasis to importing technology for producing complete electronic products instead of components in order to increase its ability to develop new products, according to Xu Shequan, head of the International Co-operation Department under the Ministry of Electronic Industry of China.

Xu said that since China opened its doors in 1979, it has imported thousands of electronics production lines, as well as equipment and advanced technology. It has also built a group of backbone

electronic product enterprises including the Xianyang Colour TV Tube Plant in Shaanxi Province and the Jiangnan Radio Factory in Wuxi, Jiangsu Province, while revamping some old ones, thus greatly increasing its production capacity.

In coming years, China will import design, engineering and production technology and equipment to produce products including colour television tubes, large-scale integrated circuits, video-recorders, programme-controlled telephone exchanges and computers.

China is holding talks with dozens of foreign companies on importing technology and equipment and has already signed some contracts. Also China will call for bids for some huge projects. ■

## China, Japan Plan Cultural Village

An agreement for building a Chinese cultural village in Nara, Japan, has been signed between the China Housing Construction and Development Co. and the Japanese government. Construction will start in early 1988.

The village will be modelled on the Tang Dynasty (618-907 AD) city of Changan (now Xian in Shaanxi Province).

The village will consist of three groups of architectural complexes.

The first complex will replicate the main hall (the Hanyuan Hall) of the Daming Palace where emperors of the Tang Dynasty held meetings and promulgated orders.

The second complex will consist of a market and replicas of two ancient gardens. The market will be flanked by bars, teahouses, restaurants, banks, antiques and shops such as traditional Chinese medicine shops and silk shops.

The third complex will be

modelled on part of the Great Wall and the Yumen Pass. At the foot of the Great Wall will be built Beijing courtyards, Shaanxi cave dwellings, Dai bamboo buildings, Qinghai and Tibetan stone houses, Xinjiang dwellings and yurts.

Under the agreement, the village will be designed and built by the Chinese side. All bricks, tiles, wood components and stone used in the construction will come from China. The Japanese side is responsible for the foundations.

Total investment in the project is estimated at US\$60 million. Completion is expected before the end of 1989. Nara will be the first city outside China to construct buildings in the style of China's Tang Dynasty.

## Guangxi Valves Sell Well Abroad

A water-saving valve produced in China is making its name in foreign markets. The Osmanthus-brand time-delay self-closing flushometer, produced by the Pingnan County Heating Equipment Factory in the Guangxi Zhuang Autonomous Region, is being sold to customers in more than 20 countries and regions including the United States, Canada, Singapore, and Thailand as well as in Hong Kong. (Export sales total US\$1 million a year.) The flushometer is 40 percent cheaper than similar products produced elsewhere.

The chromium-coated copper valve is durable and pleasing to the eye. Used to replace the flush gate of a toilet's water tank, it can result in a 50 percent saving of water. Its use in the toilets at the Beijing underground stations has led to a 330,000-ton cut in water consumption and a 230,000-kwh cut in electricity consumption, valued at a total of 30,000 yuan a year. The flushometer is a boon to cities where the water supply is short.

by Li Rongxia

## News in Brief

■ A 12,000-ton multi-function container ship, the first of the three China contracted to build for Cuba, was launched on July 30 in Shanghai. The ship's unmanned engine room is equipped with energy-saving diesel engines China produced with the imported latest international technology. Installed with side thrust equipment and other advanced devices, the ship can transport bulk and sundry goods, as well as containers.

■ The Beijing Northern Computer Company will participate in an international computer exhibition in Singapore on August 27-31 and will display its newly developed BF-386 32-digit micro-computer and Chinese character operating systems.

■ A classical Chinese garden will be completed in October in Duisburg, the Federal Republic of Germany. Covering an area of 5,400 square metres, the garden will have a waterside pavilion, a hexagonal pavilion and a white marble bridge. All glass, wood and stone building materials will be supplied by China and the Wuhan Gardening Bureau will be responsible for design and construction.



## Zhang Chengzhi the Gallant Writer

Since the end of the "cultural revolution" (1966-76), many young writers have emerged in China. Zhang Chengzhi, one of the most outstanding, first gained attention in literary circles with his novel *The Black Steed*.

When Zhang, a member of the Hui minority, finished the novel five years ago he said, "I don't expect that readers will understand it all at once, but it is only a matter of time."

Contrary to his expectations, *The Black Steed* caused strong repercussions as soon as it came off the press, both among general readers and in literary circles. It was named an excellent novel at the Second China Medium-Length Novel Competition.

*The Black Steed* draws a vivid picture of how Baiyinbaolige, the hero, grows to manhood on the Inner Mongolian grasslands. After encountering trouble, Baiyinbaolige leaves his homeland and abandons his childhood sweetheart Suomiya, to search for a new life in the city. But what he sees and hears in the city forces him to grow up. He returns home to find Suomiya who has suffered a life of hardship. He draws strength from her example and tries to find his place in society. At last he begins a new life, with tears of regret and new hope.

Reviewers say, *The Black steed* portrays life with all its hopes and disappointments, and the experience of the hero shows the reader how to face life. The novel also reflects the feelings and spirit of modern young people—their desires, the sense of crisis arising from social change, and new understandings about life, the world, and history.

Zhang is a prolific writer and other novels quickly followed. In *Rivers of the North*, the author



describes the six famous rivers of northern China: the Huanghe (Yellow), Tianding, Huangshui, Yongding, Eerqisi and Heilong. The novel describes a youth's struggle and quest for life through the story of his love, his effort to pass a graduate school entrance examination and his visit to the six rivers.

Zhang's vivid descriptions of the six rivers have won the praise of literary critics. The famous Chinese writer Wang Meng said, "The writer describes the rivers with a boldness of vision and breadth of spirit that I don't expect to see surpassed in the next 30 years. His great foresight and deep insight into history and life have inspired contemporary Chinese literature with new message and new realm of thought. On this point, other works of literature cannot be mentioned in the same breath."

The novel has exerted a tremendous influence on young people. College students in Beijing and Shanghai have held forums to discuss it. Zhang has become one of the most respected and

influential writers among Chinese college students.

Many of Zhang's novels have won prizes—including *Rivers of the North*, *Aleke's Football* and *Osaka*—and some of his works have been translated into English, German and Japanese.

Zhang was born in 1948 in Beijing. On graduating from middle school in 1968, he went to live and work on the Inner Mongolian grasslands for four years. There, he developed a deep affection for the local people. "I will never forget the industrious and lovely people on the vast northern grasslands. Although we are of different ethnic groups and speak in different languages, we share the same destiny. I will dedicate my affection for them forever," he said.

Zhang holds a master's degree of ethnic history and philology from Beijing University, where he studied archaeology. He is a member of the Institute of Nationalities under the Chinese Academy of Social Sciences and of the Chinese Writers' Association.

Reviewers describe Zhang's novels as dreary and desolate, but deep and vigorous. His works show man's sensitivity, strength, pride and dignity.

As a historical researcher Zhang is more used to probing into life through chronological order than other contemporary young writers. And this is reflected in his characterizations. Most of his novels describe life as a whole or outline a character's destiny through an episode in his or her life. All of his leading characters' lives are full of flaws and regrets. Notwithstanding the lives which are full of flaws and regrets he has depicted, Zhang Chengzhi stubbornly sticks to an ideal future in almost every novel. He eulogizes



gallant rider, kind-hearted mother, strong willed man and contemporary scholars. He said, "We and our motherland are going forward with heavy load of cultural heritage on our backs. If we deny our motherland that means to deny our youth, our past and ourselves." He continued, "No matter what kind of painful experience has disturbed our life and social development, we are still the lucky youths. We have gained knowledge and insight from adversity and work, from painful comparison and from the life we have experienced. We have found the things which warm our hearts."

In his writings, Zhang also uses symbolism. He presents the ideals of the brave people who charge forward amid a life full of flaws and regrets in the vast, desolate, severe and beautiful nature. The vast grasslands, fierce winds, fearsome icebergs and flowing rivers under his pen are full of philosophical meaning. His vivid descriptions of the natural symbols which generalize contradictions in human life make nature and life become one in his novels. He said: "Without deep feeling, I cannot write anything." Commenting his own *Rivers of the North*, he said: "When I am writing the novel, I feel like I have cut a blood vessel. Even a long time after I finish it, I feel like I'm still bleeding."

The author has recently finished a new full-length novel entitled *Golden Pastureland*. It describes a young man's frustrations. Readers and critics are looking forward to it.

## Gymnasts Go All Out at Tourney

Gymnasts in various countries are eagerly awaiting the 24th World Gymnastics Championships, scheduled for October. The Shenyang International Gymnastics Invitational Tournament was a prelude to the big event.

The tourney, which took place by the end of June, attracted 46 contestants from Australia, Britain, Bulgaria, China, Cuba, Czechoslovakia, the Federal Republic of Germany, the German Democratic Republic (GDR), Hong Kong, Hungary, Japan, Switzerland and the United States.

After three days of heated competition, China's Li Ning was the men's individual all-round champion and Lou Yun, also of China, was runner-up. Zsolt Borkai of Hungary took third place. In the women's individual all-round standings, China's Chen Cuiting, Luo Feng and Wang Huiying made a clean sweep of the top three places.

In the men's and women's apparatus events, China won seven of the 10 gold medals. Zsolt Borkai of Hungary took two events, the pommel horse and parallel bars, while Cuba's Casimiro Suarez won the horizontal bar event and was runner-up in the vaulting horse. Shimada Toshio of Japan was the silver medalist in the floor exercise event and Felix Aguilera of Cuba was the silver medal winner in the parallel bars events.

During the tourney, many of the competitors performed difficult new movements, giving the audience a glimpse of new trends in international gymnastics. China's Li Ning, the men's individual all-round champion, performed some new connected movements on the horizontal bar. Li has been weak on the horizontal bar in some previous world competitions, but he scored top marks in the event at the Shenyang tourney. His team-mate Lou Yun, a former world champion in the vaulting horse event, performed a forward somersault with a 540-degree turn that earned him the highest mark of 9.9 in the event at the Shenyang tourney.

The four difficult connected movements on the horizontal bar, performed by Suarez of Cuba, are

a sign of a new trend in world gymnastics. The spectators also gasped with admiration at the superb skill of Aguilera's twist and V-support on the parallel bars. And Hungary's Borkai collected two titles thanks to his successive stretched body with 360-degree turns on the pommel horse and his handstand to swing on the parallel bars. The forward and backward somersaults with turns on the horizontal bar performed by Holger Behrendt and Joerg Hasse of the GDR, also indicate a new trend. Observers say that relatively little known gymnasts are making a push to catch up with the champions and have made rapid progress. If Chinese gymnasts want to get the upper hand in the international competition, now is the time to do it.

Besides sweeping the top three places in the women's individual all-round event, young Chinese gymnasts also garnered the top four places in the women's apparatus events. Although few people know the names of Luo Feng and Fan Di, both 15 years old, they showed the skills and consistency needed for world competition.

Reigning Asian Games women's champion Chen Cuiting took the women's all-round title with her technical feats and fluent and precise movements. Wang Huiying put on a marvellous performance with backward stretch double somersault in the floor event and a straight-body forward circle in the vaulting horse event. Slim Luo Feng performed a world-class tucked somersault and took the title of balance beam event. Fan Di, competing at her first world contest, displayed considerable artistic talent and took the gold for the uneven bars.

by Zhang Wei



## Ancient Buildings in Shanxi Province

**S**hanxi Province has more ancient buildings than any other province. Several hundred buildings (over 70 percent) of the Liao and Jin dynasties (907-1234) are in good condition.

The Yungang Grottoes in Datong are in the north of Shanxi Province. The grottoes were built some 1,400 years ago. Today more than 50,000 stone statues remain in the 53 grottoes which stretch along one kilometre of hillside. The largest statue is 17 metres high and the smallest two centimetres.

### **Huayan & Shanhua Temples.**

In Datong city, the Huayan Temple covers an area of 1,600 square metres, making it the largest surviving building from before the Liao and Jin dynasties. Yingxian County, has the largest wooden pagoda in China. The 900-year-old Buddhist pagoda is 67 metres high and 30 metres wide, and the precious paintings and Buddhist scriptures remain well preserved. The Tang Dynasty (618-907) Nanchan and Foguang Temples are the oldest and most magnificent wooden structures in China.

**The Memorial Temple of Jin** (Short for Shanxi) built in the Song Dynasty (960-1279) is in Taiyuan city. In the Shengmu (Holy Mother) Hall stand 43 clay sculptures of maids, each with an individual expression and posture, vividly reflecting the life in the imperial court.

**Xuanzhong Temple** in Jiaocheng County is 1,500 years old and a famous place for holding Buddhist ceremonies in China. Xuanzhong Temple is regarded in Japan as the home of Japanese Buddhism.

**Shuanglin Temple** in Pingyao County is 1,400 years old. Here 2,052 ancient sculptures are well preserved.

**Yongle Palace** in Ruicheng County, in the south of Shanxi Province, is a Taoist building where large coloured murals cover an area of 900 square metres. It is a valuable cultural legacy.

**Guangsheng Temple** near Linfen city is several hundred years old. Its colourful glazed pagoda is 40 metres high. Its glazed tile walls have many figures of Buddha carved into them.

**Yang Xiaobing**

### **News in Brief**

The Second international Angling Competition will be held in Qingdao from October 3 to 6. Qingdao is one of China's 14 coastal open cities, and every year plays host to several million Chinese and foreign visitors. Last year many fishing enthusiasts from 11 countries and regions including Japan and the United States took part in the First International Angling Competition there.

### **Tourism Unique to Shanxi**

**Steam Trains** The climax of the steam train tour in Datong city, Shanxi Province, is disembarking from the engine and receiving a red engine-driver certificate.

In the past, the steam locomotive dominated the industrialization of the developed countries, but then gave way to the diesel and electric trains. The Datong Rolling Stock Plant produces 270 steam engines a year. Last year, 3,174 visits were made by tourists coming to see the trains being built and drive them for a spell.

**Dog** The Dog Company in Linfen city, Shanxi Province, has

gathered together dogs for tourists. The breeds include German and Russian dogs, the Pekinese dog and others. The Pekinese is only about 30 centimetres high but the length of its fur is 20 centimetres. Their disposition can be fierce or meek. The tourist can choose a dog to live or to play with. Of course, the tourist may buy the animal if they wish.

**Head-acupuncture** A senior Lebanese official and his wife are indebted to the Linfen Head-acupuncture Institute's hospital for curing the woman's partial paralysis. Several years ago, Jiao Shunfa, the leader of the hospital, invented the head-acupuncture therapy, and numerous foreign newspapers including those in Japan, the United States and Europe have published articles on the method and some foreign doctors have come to learn it in the hospital.

**Yang Xiaobing**

**Tour of the Huanghe (Yellow) River.** This is a new tour in Sanmenxia city, Henan Province and Yuncheng city, Shanxi Province.

The tourists can enjoy the loess plateau's beauty and its historical and archaeological treasures while cruising on a beautiful ship. Overnighing in a cave dwelling, bathing in a hot spring and eating the famous Huanghe River carp are all on offer. According to Henan Province's statistics, in the last two months, 1,100 Chinese and foreign travellers took the tour.

**Song Quanzhong**





Kaluo, a Tibetan Girl.

景浩  
 1983年6月  
 于北京



A Tietan Girl Listening to the Radio.

白妮  
 丁丁  
 1983年6月  
 于北京



Off to See a Play.

Shen Beiyang, born in 1942 in Chongqing, Sichuan Province, now teaches at the Beijing cinema College. These are his sketches of Tibetan people in Qinghai Province.

Shen, who specializes in the use of pen, creates works of easy accuracy and smooth vividness.



At the Races.

## Sketches by Shen Beiyang

**ART PAGE**

