

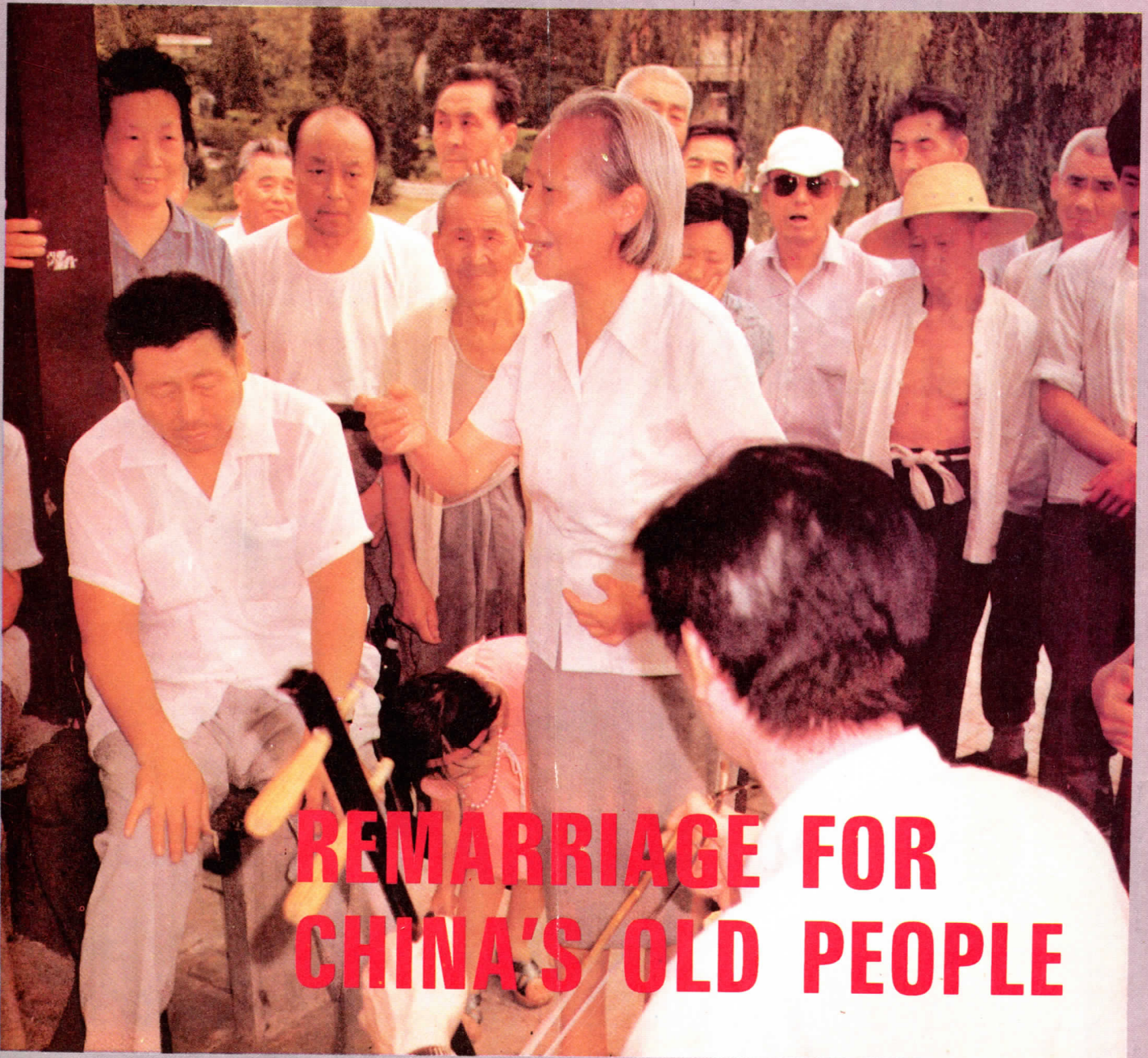
A CHINESE WEEKLY OF NEWS AND VIEWS

# Beijing Review

北京周报

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## Deng on Need for Political Restructuring



**REARRANGING  
CHINA'S OLD PEOPLE**



Swinging. *Ren Changqing*

A good football match.  
*Wu Dongshuang*



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**COVER:** A retired worker sings an aria  
from a Beijing opera in the park.

Wang Donghai

## HIGHLIGHTS OF THE WEEK

### Deng Stresses Need for Political Restructuring

■ In recent years, Chinese leader Deng Xiaoping has often stressed the need for political restructuring, a main topic for discussion at the forthcoming 13th Party Congress. The article explains why this is so and in what way it is related to the economic reform and the success of the socialist cause (p. 14).

### Popular Will an Irresistible Force

■ Taiwan authorities recently indicated their intention to relax controls over those Taiwanese wishing to visit their relatives on the mainland, but many restrictions still apply. It is hoped that they will consider popular will and the tide of historical development as any further moves to promote links between people over the straits and the peaceful reunification of the country will be welcome (p. 4).

### The Honecker — Kohl Talks

■ GDR leader Erich Honecker's visit to the Federal Republic of Germany marks a historical breakthrough in the relations between the two Germanies (p. 10).

### Talks on Afghan Issue Prove Fruitless

■ Because of Soviet unwillingness to withdraw their troops, the new round of indirect talks between the Soviet-backed Kabul regime and the Pakistan government which took place in Geneva September 7-10 ended without any solution to the Afghan problem (p. 22).

### Remarriage Among the Elderly Still a Problem

■ Since China's new Marriage Law was introduced in 1981, more and more elderly widows and widowers are seeking remarriage but they are still coming up against die-hard feudalist notions and pressure from children and relatives (p. 16).

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# Trend of Popular Will Irresistible

by An Zhiguo

A noteworthy change has recently taken place in the Taiwan Straits situation. Following their decision to allow Taiwan citizens to visit Hong Kong as their first stop to meet with relatives from the mainland, the Taiwan authorities are planning to allow non-political books and video tapes depicting mainland scenery and with non-mainland copyright be made available for publication and screening in Taiwan. Another move under consideration is to relax control over people who want to visit their relatives in the mainland as well as making it possible for athletes from either side of the straits to take part in international sports competitions on the opposite side.

The new moves, though far from satisfying the powerful popular demand for exchanges of mail, trade and air and shipping services, will more or less help eliminate the estrangement between both sides of the straits, promote exchanges and improve relations between them. The measures are without doubt welcome. However, they do not mean that the Taiwan authorities have changed their basic attitude towards the mainland or abandoned their "three no's" policy (no negotiation, no contact and no compromise). Rather, they are tactical, emergency measures, taken under tremendous popular pressure and to cope with the present internal and external situation. Their aim is to change the rigid, conservative image created by their handling of relations over the straits, and ease the severe criticism from inside and outside the island.

It is well known that the Message to Compatriots in Taiwan published by the Standing Committee of the PRC National People's Congress on New Year's

Day in 1979 presented a policy for peaceful reunification of the country, open mail, trade and air and shipping services, rights for visiting relatives and friends, tourism, academic, cultural and sports exchanges. Because the Taiwan authorities rejected and boycotted these proposals, realization of a peaceful reunification of the motherland has been delayed.

The rigid attitude of Taiwan authorities against popular will and the historical tide has naturally aroused the resentment of the masses and has been criticized by people of various strata. Many far-sighted people, noted scholars and some legislative committee members within the Kuomintang have demanded that Taiwan authorities adopt "reasonable and flexible policies" towards the mainland. During a Legislative Yuan meeting held in March and April this year, more than 20 legislative committee members of different party affiliations addressed inquiries about relations across the straits, calling on the Taiwan authorities to examine their "three no's" policy and proposing that allowances be made for mail, trade, air and shipping services. Many noted people have pointed out that the flesh-and-blood relations between Taiwan and the mainland are inseparable, that the "three no's" policy would lead Taiwan to an impasse and isolate it from the international community. They proposed that pending the reunification of the country, exchanges between people over the straits should be allowed as a first step to end the separation of kinfolk.

A scholar of Chinese origin residing in the United States who frequently offers advice to the Taiwan authorities wrote, "The 'three no's' policy has shown its unreasonable aspects, is against

sentiment, reason and law, and so it must be changed." Another senior Kuomintang adviser and celebrated political commentator raised a "three must's" proposal (must try, must contact and must compromise) to counter the "three no's" policy.

In recent years, there has been a growing plea from the Taiwan people to break down barriers, lift prohibitions and allow visits from both sides of the straits. Various types of popular movements for returning to hometowns to visit relatives have been organized almost everywhere on the island. Many people, after overcoming numerous difficulties, have secretly returned to the mainland to reunite with their relatives. Taiwan newspapers have admitted that transit trade and transit mail and cultural exchanges do occur between people on both sides of the straits. Reports show that since 1980 the number of people from both Taiwan and the mainland visiting Hong Kong to reunite with their relatives increases each year. Taiwanese travelling to Hong Kong to meet relatives in the last three years have probably exceeded 20,000. According to statistics published by a tourist company in Hong Kong, it has helped more than 100,000 Taiwanese visit their relatives in their mainland hometowns since 1979.

Cultural, academic and sports exchanges and contacts between people on both sides of the straits have never been interrupted overseas. Now the call for direct cultural and academic exchanges between the island and the mainland is rising like a tidal wave in Taiwan. Noted writers, scholars and professors have pointed out that Taiwan's culture is rooted in the mainland, Taiwan has long been influenced by foreign culture



## NPC Standing Committee Meeting Fruitful

The 22nd meeting of the Sixth National People's Congress (NPC) Standing Committee reached agreement on a proposal by Premier Zhao Ziyang to make Hainan Island an independent province of China. The proposal will be submitted to the first session of the Seventh NPC.

The island, China's second-largest after Taiwan, is now a special administrative district of Guangdong Province. It covers an area of more than 34,000 square kilometres. Its coastline is 1,500 kilometres long, and its population is 6.05 million, about one-sixth of whom belong to minority nationalities.

Hainan is the only part of China with a tropical climate. It is rich in natural resources, with more than 50 kinds of mineral resources including iron, manganese, wolfram, oil and natural gas. The island also boasts tropical crops, marine products and tourist attractions.

Cui Naifu, minister of Civil Affairs, said that making Hainan a province will promote the inhabitants' material and cultural life, strengthen the unity of the nationalities, facilitate national defence and promote the unification of the country.

Since 1950, the economy and culture of Hainan have greatly improved. Especially since the Third Plenary Session of the 11th Central Committee of the Communist Party of China in 1978, the State Council and Guangdong Province have taken measures to give Hainan more decision-making power. During the Sixth Five-Year Plan (1981-85), the island's social output value increased by 92.9 percent, net income by 87.2 percent and revenue by 166.4 percent.

But because of some restrictions, most of which were caused by the present organizational structure, Hainan's possibilities have not been given full play. It

still has a long way to go to catch up with the country's other coastal areas.

Separating the island from Guangdong Province, Cui said, will help centralize nationwide support aimed at speeding up Hainan's development. The move will also help the island open further to the outside world. And it will help the government to streamline administration, delegate more power to lower levels and increase its efficiency.

Members of the NPC Standing Committee are enthusiastic about the proposal. Some members have suggested that the new province include other Chinese islands in the Nanhai Sea such as Nansha, Xisha and Zhongsha.

The NPC Standing Committee meeting, which took place August 28-September 5, also ratified laws on air pollution and archives.

The air pollution law is China's fourth of its kind adopted in recent years. The other three consist of a trial environmental protection law, a law on marine environmental protection and regulations for the prevention and control of water pollution.

The new 41-article law, which will become effective next June 1, contains detailed rules on the monitoring and control of soot, dust and sewage, as well as penalties for polluters. The law says the State Council and local governments at all levels must include air pollution prevention and treatment measures in their plans for economic and social development, arrange their industrial layout accordingly, and take immediate steps and continue research in this area.

Any pollution-producing projects now in the planning stages cannot start construction unless they meet state-set pollution standards, while those in operation before the law was enacted must solve their problems within specified time, or be fined or closed down.

and barriers to cultural exchanges with the mainland will lead to a "historical fault" in Taiwan's culture. Some scholars stressed that contacts over the Taiwan Straits serve as "an umbilical cord" linking the sentiments and culture of both sides. Only when contacts are strengthened, will "the strongly cemented feelings not be diluted by political factors." Despite prohibition by the authorities, some Taiwan publishers have turned out many treatises by mainland writers and scholars and sold them publicly on the market. Works by renowned contemporary painters from the mainland were also well received.

The new move to allow some people to visit relatives on the mainland indicates that the Taiwan authorities are compelled to admit that these visits are a long-established reality. Now they will be possible as overt actions. However, while the Taiwan authorities relax control in this area, they still impose many restrictions.

The open exchanges of mail, trade, air and shipping services and the reunification of the country represent popular feeling and constitute a historical trend. They are fundamental to the interests of the entire Chinese people. It is hoped that the Taiwan authorities will set aside their prejudices, consider the present political and social climate, and conform to popular will and the tide of historical development. Any concrete steps to promote the peaceful reunification of the country and links between people over the straits will be welcome. ■

No pollution-producing industrial projects can be built in scenic spots, natural reserves or other regions that need special protection. Boilers, cars and buses that fail to meet dust and exhaust emission standards must not be manufactured, sold or imported.

Those violating the law will face fines and other penalties, and those responsible for severe pollution resulting in deaths or great economic losses will be prosecuted. Officials who neglect their duty will also be dealt with according to law.

The archive law, China's first, provides that state archives will generally be open to the public after 30 years. Those concerning economy, science, technology and culture will be available in less than 30 years.

The law, which will come into force next January 1, consists of 26 articles in six chapters. It stipulates that archives related to state security or other major national interests, as well as those unsuitable for the public, can remain confidential after 30 years. To improve the management, collection and sorting of archives so as to effectively preserve and use them, the law requires that all state departments, armed forces, political parties, social groups, enterprises and citizens safeguard archival material.

The archives described in the law refer to valuable historical records—whether written, or in the form of photographs, illustrations, films or tapes—of past and present state departments, social organizations and individuals. They may relate to political, military, economic, scientific, technological, cultural, religious or other activities.

China currently has about 79.57 million volumes of archives housed in 2,865 storage vaults and 261 collections of archives held by departments or enterprises. The archive law requires those concerned to set up a scientific managerial system with advanced technology. Under the law, those

who make outstanding contributions to the collection, management or use of archives can be rewarded and those who alter, forge, damage, lose, burn, give away or sell them can be punished.

The NPC Standing Committee meeting also approved decisions on the distribution of deputies from ethnic minority groups to the Seventh NPC and on the election through consultation of deputies representing Taiwan. A proposal stating China should ratify Convention 159 of the International Labour Organization concerning vocational rehabilitation and employment of the disabled was accepted at the meeting. ■

## Chinese Leaders To Become Younger

The 13th Congress of the Chinese Communist Party to be convened next month will further promote the rejuvenation of the Party's core leadership.

This is a process that the Chinese public regards as highly important. It is also attracting worldwide attention.

Many top Chinese leaders have recently dealt with this issue, which Deng Xiaoping once described as of "strategic importance."

Some aged leaders, including 83-year-old Deng, have expressed the intention of giving up their seats on the Political Bureau or its Standing Committee.

People in China are concerned with the question because they wish the present popular policies regarding reform and opening the country to the rest of the world to continue as older leaders are replaced by younger ones. They want the replacements to take over while the principal policy makers are still living and in good health so that the country can remain on a steady political course. There was no problems of ageing leaders when the People's Republic of China was founded in 1949. Most

central and provincial leaders were in their 30s and 40s. Among the principal leaders, Mao Zedong was 56, both Zhou Enlai and Liu Shaoqi were 51 and Deng was 45.

When the Party's Eighth Congress was held in 1956, the central leaders were still in the prime of life.

In 1964, Deng, then 60 years old and the Party's secretary-general, raised the question of lowering the average age of Party leaders at a People's Liberation Army conference on political work. Recalling his speech 17 years later, Deng said, "Although the question was not very urgent then, it had already surfaced." Mao was 71 years old.

The "cultural revolution" (1966-76) toppled many experienced central and local officials. As a result, the Party and government organizations were thrown into confusion.

After the chaotic years, long-time officials again came to the fore, but many of them had become old for their jobs. This situation soon attracted the attention of top policy makers.

In an interview with Italian journalist Oriana Fallaci in 1980, Deng said China faced the problem of gradually reducing the average age of leaders at all levels. There is de facto life tenure in leading posts, he said. "This does not facilitate the renewal of leadership or the promotion of younger people. It is an institutional defect."

Later, several top Chinese leaders commented on the problem. In 1981 Chen Yun, a member of the Political Bureau Standing Committee, wrote in an article circulated among Party officials that "it is an urgent task to promote and train young and middle-aged cadres." He proposed that the majority of those promoted should be in their 40s.

In the same year, Deng said at a forum of provincial party leaders that he agreed with Chen's proposal. "We have become more and more aware of the urgency of

the matter," he said, adding that long-time officials should have an enlightened attitude and take the lead in solving the big problem of reducing the average age of cadres.

His call was enthusiastically received by many veteran revolutionaries. The 12th Party Congress in 1982 established the Party Central Advisory Commission, which resulted in large numbers of older officials retiring so that younger and more professional cadres could be promoted to leading posts.

At and after the congress, experienced leaders such as marshals Ye Jianying and Liu Bocheng quit their posts of their own accord.

The congress also put forward for the first time the criteria for nurturing leaders of political integrity who are younger, better educated and professionally competent. Since the congress, a nationwide retirement programme for Party and government officials has been carried out.

Nearly 1 million young and middle-aged people have been promoted to leading posts over the past few years, including 1,000 at the provincial level, 20,000 at the prefectural level and 140,000 at the county level. Several middle-aged people were selected as central leaders.

The rejuvenation process has yet to be speeded up. But more and more people have come to realize that the process is inevitable if the Party's executive organs and the country's political system are to be invigorated and ossified attitudes avoided.

This awareness has ensured that the problem will be solved in an orderly way. The world sees China's transfer of leadership as having been arranged without friction. At the same time, experienced veteran officials who are in good health can still play their roles in different ways.

It can be safely predicted that at the 13th Party Congress, the average age of the members of the Political Bureau Standing

Committee — will be reduced considerably. Members of the Political Bureau will also be younger.

A realistic prediction or hope is that the backbone of the Party Central Committee will consist of people in their 50s. The committee will still contain people over 60 who are experienced and healthy enough to work. To select people around 40 for central leading positions will be more difficult as the "cultural revolution" delayed a whole generation politically and professionally. But this is a goal that must gradually be achieved. ■

## Nuclear Talks Focus on Safety

**D**espite the shadow of last year's Chernobyl nuclear power accident in the Soviet Union, most participants at the Sixth Pacific Basin Nuclear Conference were optimistic about nuclear development in the future. Everyone expressed the desire to do their best to ensure the safety of nuclear applications.

About 500 representatives from 21 countries and regions attended the conference, held in Beijing September 7-11. The theme of the meeting was the outlook for nuclear technology development in the 1990s.

Hans Blix, director general of the International Atomic Energy Agency, said at the opening ceremony that the current picture for nuclear power in the world is very mixed. "There are those — in various countries — who oppose nuclear power with a religious fervour, who claim that nuclear power is on its way out. And there are journalists who like to make headlines out of every nuclear problem, however small." He said some European countries that have no nuclear power plants, such as Ireland, Denmark and Austria, actively oppose plants even in other countries. Some countries, including Finland, the

Netherlands, Yugoslavia, Switzerland and Italy, have a de facto moratorium on building new plants. In Sweden a decision to phase out nuclear power by the year 2010 was taken in the wake of the Three Mile Island accident in the United States in 1979, but there is now discussion about starting the phase-out in the mid-1990s. In the Philippines, a completed nuclear power plant is being mothballed, and in Austria, a mothballed plant is to be dismantled, he said.

"It is true that the Chernobyl accident has had a strong impact on public opinion in many countries, and that it led some governments to postpone orders for new plants for the present. But while it has also led some political parties which are in opposition to add nuclear power to the list of things they oppose, it has largely failed to persuade political parties in office to abandon their support for nuclear power." Only a few days after the Chernobyl accident, he said, the heads of state and government of the biggest market economy countries, meeting in Tokyo, voiced their conviction that "nuclear power, properly managed, will continue to produce an increasing share of the world's electricity." And Soviet leader Mikhail Gorbachev declared that he could not imagine a future world economy without nuclear power.

In China, although some people have expressed fear of nuclear power, the Chernobyl tragedy did not cause a panic or change the country's economic plans. On the occasion of the meeting, Chinese leaders reiterated their confidence in nuclear energy. Premier Zhao Ziyang told Blix that China is optimistic about using nuclear technology in industry, agriculture and medicine. "China will make sure there will be no risk at all in the nuclear industry," he said.

Zhao said people should draw a lesson from the Chernobyl accident and pay more attention

to the safety of nuclear plants. "Any energy development can bring about tragic accidents if special attention is not paid. A dam that is not well constructed can also bring disaster to tens of thousands of people," he said. "The key to the development of nuclear power lies in safety measures, and present-day science and technology can guarantee them."

Blix also said it is not wise to abandon the construction of nuclear power plants just because of the Chernobyl accident. Among more than 400 nuclear power plants in operation in the world, only one major fatal accident has taken place—Chernobyl—and the other plants all have good safety records, he said.

Indeed, there are many well-operating and safe plants. In his speech, Blix referred to France, which has the biggest nuclear energy programme in Europe. Nuclear power is already providing more than 70 percent of the country's electricity, and a reduced rate of ordering new plants had already begun before Chernobyl. "The large installed capacity has enabled France not only to keep electricity prices low, but also to become a major electricity exporter—last year to the tune of more than 5 billion francs (about US\$830 million)," he said.

People in Canada are celebrating the 100th anniversary of the engineering profession in the country. As part of the celebrations, said D. S. Lawson, head of CANDU operations for Atomic Energy of Canada Limited, the 10 most significant engineering achievements of the past century were selected. One of those was CANDU, Canada's unique and successful nuclear power system. Lawson said he believed the significance of nuclear power will increase as the developing world strives to improve the quality of life and the developed countries compete to maintain their place in

a highly competitive industrial world.

Japan is another country that has a good record on nuclear power. The country plans to expand its nuclear programme despite the Chernobyl accident. A representative from Japan said nuclear energy accounted for 27 percent of the country's total power supply in 1986, and the figure will rise to 49 percent in the year 2010 and 58 percent in 2030.

Some countries, however, are less optimistic about the outlook for development. "For Mexico and for the rest of the world, or at least for the rest of the Western

world," said Juan Eibenschutz, "the future of nuclear power and particularly of the existing nuclear industry looks uncertain." He said the Three Mile Island and Chernobyl accidents have created social fear of nuclear power. Even the nuclear community has been badly shaken and its confidence in its own profession has been severely affected, the Mexican representative said.

"In spite of the accidents," he conceded, "it has to be recognized that the nuclear power industry is a demonstration that technology can be put to the service of mankind." **by Li Halbo**

## Antaibao Coal Mine goes Into Action

**A**t the ribbon-cutting ceremony for the Antaibao Coal Mine, Chinese Vice-Premier Li Peng and US businessman Armand Hammer each thanked the other side for its hard work on the joint venture.

The ceremony took place on September 10 at the mine site in Shanxi Province.

Li said the successful venture is the outcome of China's open policy. He urged foreign businessmen to follow Hammer's example and invest in China. "The open

policy will not change, because it has brought real benefits to the Chinese people," Li said.

Hammer attributed the success of the joint venture to the "extraordinary efforts of all parties and great attention and support from the Chinese government."

With a designed annual capacity of 15.33 million tons and total investment of US\$649 million, the Antaibao mine is the largest China-US joint venture. The open-cast mine is being jointly

Chinese Vice-Premier Li Peng (foreground) and Occidental's chairman Armand Hammer (middle) at the opening ceremony for the Antaibao surface coal mine.

by QIAO WENTAO





developed and operated by Pingshuo First Coal Ltd. (PSF) and Island Creek of China Coal Ltd. (ICCC). PSF, which is owned by China National Coal Development Corp., China International Trust and Investment Corp. and the Shanxi provincial government, contributed 47.51 percent of the investment, or US\$308 million. ICCC, which is owned by Occidental Petroleum Corp. and Bank of China Trust and Consultancy Co., put in 52.49 percent, or US\$341 million. Hammer is the chairman of Occidental.

The project originated in 1979 when China's then Vice-Premier Kang Shien visited the United States and offered to co-operate with US businesses in developing the surface mine. Several US companies, including Occidental, showed interest in the project and sent their representatives to Antaibao to investigate and conduct feasibility studies. After fierce competition, China selected Occidental as its partner in March 1982.

The two sides spent three years negotiating a 30-year contract that was signed on June 29, 1985. Construction began two days later.

After 26 months of digging and building, the infrastructure was completed. In this time, 61.85 million cubic metres of overburden were removed to expose coal; a coal preparation plant, which is one of the largest in the world, was constructed; and a special 51.5-kilometre railway was built to transport the coal. The mine began production on schedule.

Located on the border of Shanxi's Pinglu and Shuoxian counties, the Antaibao mining area covers a total of 383 square kilometres, with a predicted deposit of 12.7 billion tons of coal. According to the contract, the mining area for the joint venture is 18.7 square kilometres, with coal reserve of approximately 450 million tons.

by Ma Baolin

## Weekly Chronicle (September 7-13)

### POLITICAL

September 7

■ Premier Zhao Ziyang had a discussion in Beijing on September 6 with a group of 10 farmer-entrepreneurs from Jiangsu, Zhejiang, Liaoning and Shaanxi provinces. *Rinmin Ribao* (People's Daily) reports. Zhao said rural prosperity can be achieved only by developing commodity production on a large scale, which requires large numbers of managerial personnel.

September 11

■ The Chinese government has selected 14 rural areas as testing grounds to gather information for the making of policies and accumulate experience in promoting further reforms, Xinhua reports.

### ECONOMIC

September 12

■ China's gross national product is now double the 1978 figure and the eighth highest in the world as a result of eight years of continuous economic reforms, Xinhua says.

### CULTURAL

September 8

■ The Encyclopaedia of China's Nationalities, the largest of its kind, is put on the market. More than 70 experts from the Beijing Institute for Nationalities and the Institute of Nationalities of the Chinese Academy of Social Sciences spent the past eight years compiling the encyclopaedia.

■ The International Training Centre for Desertification Control and Research announces its establishment in Lanzhou, capital of China's Gansu Province.

September 10

■ The annual national Teachers' Day is celebrated.

Parties and forums are held to congratulate teachers around the country, and Chinese leaders visit schools and teachers.

September 11

■ Radio Beijing, China's only radio station transmitting programmes worldwide, marks the 40th anniversary of its birthday. The station, which inaugurated its English-language service on September 11, 1947, now broadcasts every day in 38 foreign languages including French, Japanese, Russian, Spanish, German and Arabic.

### FOREIGN RELATIONS

September 8

■ The ambassador of the Democratic People's Republic of Korea (DPRK) to China, Sin In Ha, hosts a film reception in Beijing to celebrate the 39th anniversary of the founding of DPRK. Chinese Vice-Premier Wan Li and Foreign Minister Wu Xueqian attend the event. Chinese leaders Zhao Ziyang, Li Xiannian and Peng Zhen send a message of congratulations to DPRK leaders Kim Il Sung and Li Gun Mo.

September 11

■ Chinese senior leader Deng Xiaoping tells a delegation from the Japanese Democratic Socialist Party visiting China that Sino-Japanese relations should be considered from the long-term point of view. He said there are some troubles between China and Japan which should be solved. "They are not difficult to be solved, so long as future interests are taken into consideration," he added.

September 13

■ China sincerely hopes that third world countries will be freed from armed conflicts among themselves, Chinese President Li Xiannian says, while meeting a delegation of the Iraqi National Assembly. The third world needs peace and development, yet war consumes manpower, materials and time. Li adds.

GDR

## First Visit by Top Leader to Bonn

*German Democratic Republic leader Erich Honecker's visit to the Federal Republic of Germany marks a historical breakthrough in relations between the two countries.*

The recent visit by Erich Honecker, chairman of the State Council of German Democratic Republic (GDR), to the Federal Republic of Germany (FRG) achieved positive results.

The visit came as the superpowers—despite Soviet objections to Federal German missiles—approach a deal to remove intermediate-range nuclear weapons from Europe. Previous meetings between German leaders in recent years have been incidental. They have met four times in the past five years at funeral services for three Soviet leaders—Leonid Brezhnev, Yuri Andropov and Kostantin Chernenko—and assassinated Swedish Prime Minister Olaf Palme. These casual meetings reflected a desire for more contacts to promote bilateral relations, but they also highlighted the barriers to a formal visit.

After World War II, Germany was slashed into two nations with contending ideologies, different social systems and membership in opposing military blocs. The FRG claimed to represent “all Germany” and derided the legitimacy of the GDR. The GDR accused the FRG of “militarism” and “revanchism.” However, reality has gradually taught Germans on both sides of the Elbe River that their interests lie in more understanding and contacts rather than being hostile to each other.

The US-Soviet detente of the 1970s brought hope for progress. Federal German leader Willy Brandt visited Erfurt in the GDR in 1970. Later the same year, Willi Stoph, chairman of GDR's Council of Ministers, went to Kassel, Federal Germany. In

1972, a treaty on the basis of relations between the two countries was signed. They recognized each other as sovereign states, both with representation at the United Nations. These were major steps towards normalizing relations.

Now almost 10 million people travel between the Germans each year. Trade between them has more than tripled since the 1970s. But most importantly, both sides have dropped their antagonistic propaganda, which has helped reduce the storms and strains in their relations.

Still, there have been ups and downs. Honecker's visit, for example, had been repeatedly postponed since it was first

proposed in 1980 mainly because of international factors.

At last Honecker visited West Germany from September 5-11. He held three rounds of talks with FRG Chancellor Helmut Kohl and met President Richard von Weizsacker, Bundestag (parliament) President Philipp Jenninger and other parliamentary leaders, as well as leaders of Social Democratic Party, the governments of several states and the business community.

Three bilateral co-operation pacts were signed during the visit—on environmental protection, protection against nuclear radiation, and science and technology.

A joint communique issued on September 8 said the two leaders exchanged views on the state and prospects of bilateral relations and current issues of international relations in a frank and business-like atmosphere.

The communique notes as positive the development of economic ties between the countries, which it calls a “stabilizing factor” in developing all-round

Honecker (second from the right) reviews the guard of honour in the company of Kohl.



relations. The two nations expressed the hope for closer economic relations and greater co-operation in the markets of third countries. They agreed to discuss the creation of a bilateral economic commission.

On international issues both sides reaffirmed that the two Germanys share a common responsibility for peace and that war should not be allowed to break out on German soil. Honecker and Kohl expressed their determination to work within their alliances for policies aimed at reducing tension and safeguarding peace and for the continuation of dialogue and long-term co-operation. They attached particular importance to an intermediate nuclear force (INF) agreement and said that the global elimination of US and Soviet INF missiles with a range of over 500 km will lead to considerably increased stability and security in Europe and Asia.

The leaders shared the conviction that the conclusion of such an agreement will have a positive impact on other areas of arms

control and disarmament and on East-West relations in general, and this opportunity must be seized.

Kohl and Honecker support "the objective of the Geneva negotiations agreed between the United States and the Soviet Union on July 8, 1985—a halt to the arms race in space and terminating it on earth, and limiting and reducing nuclear arms and strengthening strategic stability."

The joint communique said in conclusion that leaders of both sides see "their exchange of views as necessary and conducive to the further development of their relations," and such exchanges will continue.

Kohl has accepted an invitation by Honecker to visit the GDR. Honecker's successful visit—a landmark in the history of relations between the two Germanys—is the result of East-West detente. The visit shows the common desire of the European people for peace and development.

by Chang Qing

## UNITED STATES

### What's Behind the Huge Trade Deficit?

*Some of the major factors contributing to the US trade deficit seem to be deeply rooted in the country's political and economic policies.*

When US President Ronald Reagan came to the White House in 1981, he inherited from his predecessor the country's horrendous trade deficit. Reagan's time in office has been a perpetual struggle against the deficit, which is seen as a problem of top national importance.

In 1971 the US trade deficit reached US\$2 billion; in 1986 it hit a record US\$169.8 billion. The continuing slide of the US dollar against leading foreign currencies

has alleviated the trade imbalance, but the currency adjustment is only a partial solution.

After the end of World War II, the United States dominated world trade. But in the past 20 years, booming countries such as Federal Germany and Japan began to demand an equal or greater share of the global market. By 1985, the US proportion of world trade had dropped to 14.5 percent from 33 percent. At the same time, the US trade deficit

with some developed countries soared. Japan, for example, enjoyed a US\$517.6 billion trade surplus with the United States during the period from 1981 to 1986.

Entering the 1970s, US exporters adopted the strategy of exploring more markets in developing countries. Official US statistics show that trade with developing countries accounted for 41.1 percent of total US exports in 1981. However, a sluggish world economy has caused a drop in the price of raw materials and primary products, and this has decreased the ability of third world countries to buy goods they badly need. Latin America, traditionally one of the largest markets for US manufacturers, is heavily in debt and has cut its imports from the United States by US\$11 billion in the past five years.

For a long time, US policy makers did not consider exports a priority and failed to provide enough stimulus to exporters as the Japanese and West European governments were doing. As a superpower, the United States formulated its trade policy to promote its political, military and ideological goals. In 1978, the United States withdrew export contracts worth billions of dollars from countries that were alleged to have violated human rights. Besides prohibitions on sales to enemy or unfriendly countries, temporary embargoes and sanctions resulting from political events also have affected US trade.

Domestically, the US government encourages high consumption at the expense of a huge budget deficit. To finance the deficit, the government sells bonds. And foreign buyers acquire US dollars to buy bonds by exporting more products to the United States, thus increasing the US trade imbalance.

Fuelled by economic expansion, imports have increased since 1983, while export growth has been relatively slow because most US

trading partners are reluctant to expand their markets for US goods. Since the United States depends largely on imported oil, it was badly hurt by the world oil crisis in the early 1970s and by the Organization of Petroleum Exporting Countries' continuing efforts to obtain high prices.

Perhaps the vital factor contributing to the US trade deficit is the lack of US products that can penetrate the world market the way goods from Japan and Federal Germany have done. Having suffered from a trade deficit in manufactured goods since 1971, the United States was hit in 1986 for the first time by a deficit in high-technology products, which used to sell well on the world market.

In the past 10 years, the growth of the industrial labour force in the United States has been faster than in most other Western countries. As a result, more money has been spent on wages than on new equipment and technology. US workers in the manufacturing sector enjoy higher pay than similar workers in Japan, Federal Germany, France and Britain. This contributes to higher production costs and makes US products less competitive in both the domestic and world markets. President Reagan has called many times for strengthening the competitiveness of US goods. Since this will take various efforts to accomplish, it could take a long time.

by Cang Lide

## BOLIVIA

### Inflation Brought Under Control

*The Bolivian government's austerity programme has scored an enormous success in curbing runaway inflation. Now the programme is entering a new phase.*

High inflation has been the worst sustained problem in Bolivia in recent years. In August 1985, when President Victor Paz Estenssoro took office, the annual inflation rate topped 20,000 percent. People needed a big bag full of bank notes just to go shopping. The state's revenue equalled only 15 percent of its expenditure, and paper money was printed to cover most state spending. The cost of printing often surpassed the value of the money itself.

The black market exchange rate of the Bolivian peso against US dollar was 20 times higher than the official rate. Foreign exchange reserves were only US\$63 million and the country's debts totalled US\$5,000 million. The economy had deteriorated for several years running, and Bolivia, a small country of 6.4 million people,

faced massive unemployment, a shortage of resources, constant labour-capital disputes and a grave social crisis.

Confronted with this dim economic picture, Estenssoro promptly launched an austerity drive. Soon after his inauguration, he issued a decree announcing an economic programme that included wide-ranging readjustments in financial policy, steps to cut public-sector deficits, adoption of a conservative money policy and measures to promote foreign trade. The programme has achieved good results. In two years, the annual inflation rate has shrunk from five digits to two.

Specifically, the austerity programme included a massive currency devaluation. The peso was devalued by 90 percent and allowed to float against the US dollar. Last December, a new unit

of currency, the boliviano, was introduced. One boliviano is worth 1 million pesos. The exchange rate has now basically stabilized at about two bolivianos to the dollar.

Other measures were taken to increase state income and reduce public spending. Every sector was required to make cuts. A reorganization plan for state-owned companies was carried out and some companies that suffered from long-term losses were closed. Some mines belonging to COMIBOL, the state mining corporation, were put under private management and COMIBOL's staff was reduced from 27,000 down to 7,000. The government also rationalized and streamlined the tax system. Tax revenue rose 40 percent last year compared with 1985. Thanks to these measures, financial deficits slid from 28 percent of the country's gross domestic product in 1984 to 4 percent in 1986.

Price control was abolished for most commodities and services and prices were allowed to reflect the relation between supply and demand. The government stopped subsidizing state-produced commodities and began to sell them at market prices. As a result of these measures, prices began to fall and become stable. The inflation rate plummeted from 11,749 percent in 1985 to 66 percent last year. The official estimate for the inflation rate this year is 10 percent. This would be a record low for Bolivia.

According to the government's decree, all commodities can be exported and imported freely except those that are harmful to public health or national security. Because of the big slide in the tin price last year, revenue from tin exports dropped by 25 percent from 1985, but total export revenue increased by 17 percent. The foreign currency gained from exports by both the public and private sectors was all sold to the state except for the amount needed for spending. The state's foreign

exchange reserves rose from US\$63 million to US\$293 million in April this year.

Estenssoro's economic policy has the support of the main opposition political party, as well as extensive support from the business community and the public. But government officials admit that a great social price has been paid for the austerity programme. Production has dropped sharply. The unemployment rate is as high as 18 percent. And wages of the employed are low. But there are also signs of economic recovery. The government thinks the economy will turn around this year.

Bolivia's economic programme entered its second phase in July. The phase aims at resuscitating

and steadily developing the economy. The government plans to establish a special fund for economic recovery. It will also try to attract foreign investment and loans, reduce interest rates, diversify mining production and cut the cost of transportation and energy. It will facilitate exports. At the same time, it intends to reform state organizations, increase wages of the workers and create more employment opportunities. Although there are still many difficulties in reviving and developing the economy, the vicious circle has been broken, thus paving the way for a further economic development. In short, Bolivia can hope for a better economy in the coming years.

by Guan Yanzhong

## DENMARK

### New Government Formed

*A new Danish government has been formed with Poul Schluter remaining as prime minister. But the results of the election came as a surprise to the ruling Conservative Party coalition. Instead of making big gains it expected, it actually lost ground.*

After a day's consultation, a new Danish government was formed on September 10 by the four members of the previous ruling coalition—the Conservative, Liberal, Centre Democratic and Christian People's parties. Most of the ministers in the last government retained their posts. Poul Schluter continues to act as prime minister, Uffe Ellemann-Jensen as minister of foreign affairs and Palle Simonsen as minister of finance. Nine of the 16 parties that took part in the campaign received enough votes to enter Parliament. Of them, six parties supported Schluter's bid to organize a new cabinet.

The former government resigned on September 9 after it failed

to win a majority in Parliament. In the election, the ruling Conservatives and their allies obtained only 70 of the 179 seats in Parliament, seven fewer than in the last election in 1984 and far from the number required to form a government. The opposition Social Democratic Party and its partner, the Socialist People's Party, obtained a total of 84 seats. As both the ruling and opposition parties failed to win a majority in Parliament, a new government had to be formed through consultation.

The Radical Liberals won 11 seats, one more than in the last election, and the Progress Party won nine, for a gain of three. The new government must rely on the

complete support of these two parties to gain 90 votes in parliament—the bare minimum for a majority. But the parties have said they will not support all government proposals, leaving the coalition in an extremely vulnerable position.

The results of the election were an unpleasant surprise to Schluter, who called the election four months ahead of schedule in the expectation that an early vote would favour the Conservative coalition. Pre-election polls showed that 47 percent of the voters favoured the ruling parties, 1 percent more than the opposition parties.

Schluter's decision to call an early election was primarily motivated by the worry that economic statistics due in the late autumn will indicate the start of a recession. Denmark's economy has improved since the coalition took over from a Social Democratic government in 1984. The coalition implemented a tight fiscal policy, reducing the budget deficit from 54 billion kroner (about US\$7.5 billion) in 1983 to an estimated 4 billion kroner in 1987. The unemployment rate has also dropped to 9 percent from 11 percent in 1983.

The Schluter government seemed to be well prepared for the election. The day the election was announced, the government put forward a tax reduction proposal to save enterprises on the verge of bankruptcy in an apparent attempt to win electoral support. One day earlier, the government introduced its 1988 draft finance bill, in which it claimed success in managing Denmark's economy.

by Xu Furui



# Why Deng Stresses Political Restructuring

*Deng stresses the need for comprehensively reforming the political structure to provide a guarantee for the successful development of the socialist cause and for the long-term stability and peace of China. He also sees the urgent need for political restructuring in the interest of developing the socialist economy.*

by Huang Chi

As the date for the 13th National Congress of the Communist Party of China (CPC) approaches, the issue of reforms in the political structure to be discussed at the meeting has attracted much concern and attention.

Economic reform which began over eight years ago in China's countryside later spread to the cities. The reform, especially the rural production contract responsibility system, yielded significant results.

As the main initiator and leader of the reform, Deng Xiaoping pointed out at a meeting in December 1978, "If we do not carry out reform now, our cause of modernization and socialism will be ruined." Deng has since made it clear that this not only refers to economic restructuring but also includes political restructuring. At an enlarged meeting of the Political Bureau of the CPC Central Committee in 1980, Deng presented a special report entitled "On the Reform of the System of Party and State Leadership" (*Beijing Review* covered the main sections of this report in issue No. 32, 1986). It expounded the issue of political restructuring. In the past two years, Deng has repeatedly made more concrete and comprehensive statements on the issue and proposed that a basic blueprint for political restructuring

be worked out at the 13th National Party Congress.

Why has Deng paid so much attention to the issue of political restructuring? A brief analysis of China's political structure over the past 30 years will give us a clearer understanding of the reasons.

## Defects

After the founding of the People's Republic in 1949, China instituted the socialist political system. Experience proves that this basic system is sound. The country had, in only 30 years, achieved progress that could not have been made in centuries and even millenniums in the old China. This progress has greatly narrowed the gap between China and developed capitalist countries in economic development.

But there are still many problems in major areas such as the system of Party and state leadership and the cadre system. The main problems are an over-concentration of power, the confusion of responsibility between the Party and government, the usurpation of government functions by the Party, the existence of a patriarchal system and life-long tenure of office by leading cadres.

The leadership system characterized by the highly centralized

power of the Central Committee was, on the whole, the political system that began from the revolutionary period and continued through to the present. It suited the armed struggle and mass movement, but cannot satisfy the requirements for economic, political and cultural growth and diversity of social life. In a period of struggle with the enemy for political power, it was necessary to stress the system of centralized leadership. After the socialist construction began, however, tasks and problems faced by the people became more complicated. Total Party control was not effective in solving problems, but rather weakened the organs of political power and social organization. An over-concentration of power in the Party committee usually developed into increased power for the first Party secretary, and Party leadership therefore gradually changed into individual leadership and inner-Party democracy was replaced by a patriarchal system and arbitrary personal decision making. These defects, reflecting feudal influence, were important factors leading to the "cultural revolution."

Following the decade-long turmoil, much thought was given to ensuring that such a political tragedy as the "cultural revolution" would not be repeated.

and to providing a guarantee of long-term stability and peace in China.

Deng offered a profound statement on this issue. He pointed out:

"It is true that the errors we made in the past were partly attributable to the way of thinking and style of work of some leaders. But they were even more attributable to the problems in our organizational and working systems. If these systems are sound, they can place restraints on the actions of bad people; if they are unsound, they may hamper the efforts of good people or indeed, in certain cases, may push them in the wrong direction. Even so great a man as Comrade Mao Zedong was influenced to a serious degree by certain unsound systems and institutions, which resulted in grave misfortune for the Party, the state and himself. If even now we still don't improve the way our system functions, people will ask why it cannot solve some problems which the capitalist system can. Such comparisons may be one-sided, but we must not just dismiss them on that account. Stalin gravely damaged socialist legality, doing things which Comrade Mao Zedong once said would have been impossible in Western countries like Britain, France and the United States. Yet although Comrade Mao was aware of this, he did not in practice solve the problems in our system of leadership.

Together with other factors, this led to the decade of catastrophe known as the 'cultural revolution.' There is a most profound lesson to be learnt from this.

I do not mean that the individuals concerned should not bear their share of responsibility, but rather that the problems in the leadership and organizational systems are more fundamental, widespread and long-lasting, and that they have a greater effect on the overall interests of our country. This is a question that has

a close bearing on whether our Party and state will change political colour and should therefore command the attention of the entire Party."

These words of Deng as a Marxist statesman sum up his basic views on the need for comprehensively reforming the political structure to provide a guarantee for the successful development of the socialist cause and for the long-term stability and peace of China.

However, Deng also sees the urgent need for political restructuring in the interest of developing the socialist economy.

### Political Restructuring

During a meeting with an overseas friend in September 1986, Deng pointed out: "As economic reform progresses, we deeply feel the necessity for changes in the political structure. The absence of such changes will hamper the development of productive forces and the success of the four modernizations."

In the past while China's highly centralized mandatory planned economy was practised, the socialist commodity economy was neglected for a long time and therefore could not be fully developed. Today with the introduction of economic reform, socialist modernization is the major goal. This inevitably requires the vigorous development of a planned commodity economy and a change in the basic management methods from mandatory planning to guidance planning and indirect control. To realize this aim, it is necessary to reform government management systems and functions.

As Deng Xiaoping has pointed out, "Without political restructuring, it is impossible to protect the fruit of reforms in the economic structure and to continue its progress."

### General Goal

Deng's voluminous expositions on political restructuring can be summed up in three basic points:

1. The socialist system is successful in China; reform aims at consolidating and improving this system.

2. Productive forces must be fully developed so as to realize socialist modernization in China as quickly as possible.

3. Socialist democracy must be promoted so as to encourage people's enthusiasm for working towards socialist construction.

This is the general goal Deng has set down for political restructuring. The establishing of a democratic socialist political system which is compatible with the socialist commodity economy.

Marxists maintain that the superstructure and the relations of production must suit the development of productive forces; conversely, advanced relations of production can promote the development of productive forces. The development of China's productive forces in recent years calls for a change in the various socialist structures so that they will suit the development of productive forces.

That is an objective law governing social development. Why has Deng paid so much attention to political restructuring? The answer to this question lies in the need for China's economic development today and in the basic principle of historical materialism. ■



# Remarriage Still Causes Controversy

by Our Correspondents Lu Panqing and Li Ning

**Since the new marriage law was promulgated in 1981, many marriage bureaux, devoted exclusively to people over 50 have been established. However, due to die hard feudalist ideas, only a few of those who would like to remarry manage to do so.**

I have felt lonely and sad since the death of my wife," said one client at the Hujialou Match-Making Service in Beijing's Chaoyang District. "I hope to find a new mate, have a happy family life to release me from my depression." The widower, a doctor over 50, shares the feelings of many older people.

Over the past two years, Beijing has set up four match-making centres for the elderly and more than 3,000 people have registered.

## Reasons to Remarry

The traditional concept in China is that neither partner of a deeply loving couple would ever remarry so as to show his or her loyalty to the dead. But this tended to be particularly required of women. An old Chinese saying goes: "A virtuous woman never remarries."

Not until the 1980s have there been more reports of widows and widowers remarrying. In 1981, over 7,700 such couples in Beijing remarried, 11 times as many as in the previous year. The figure remains at an average of 8,000 couples annually, 7 percent of all the marriages in the city. Most of these, however, are young and middle-aged people, while the number of elderly couples is about 1,000 a year.

The major reason behind these marriages later in life lies in a shift towards small nuclear families. Traditionally, Chinese people lived in extended families, with three or more generations living under the same roof. If a parent

died, the spouse had the rest of the family for emotional and physical support.

Since the end of the 1970s, with the rise in living standards and the increasing employment rate, young people have become more independent. Meanwhile the "one couple, one child" policy and the housing building boom have helped keep families small and facilitated young people's moving away. The mutual dependence between parents and grown-up children has weakened, and more and more elderly people wish to live separately from their married sons and daughters.

An official survey conducted last year among 1,000 households in Tianjin revealed that only 40 percent of old people were willing

to live with their married children, down 21.2 percent from 1983.

The loneliness of old people who have lost their spouses has aroused sympathy in society. Since 1984, match-making services exclusively for older people have been set up in 13 Chinese cities, including Beijing, Tianjin, Xian and Chengdu. These services act as the traditional Chinese go-between and have promoted remarriage.

## New Happy Families

One widowed engineer of 73 in Nanjing saw his four children who were all working outside the city only at festival times, and the old man felt lonely and despondent. He did not feel like going home

**Huang Boping, a 67-year-old retired worker in Shanghai, recently married 66-year-old Saida Kimiko from Fukuoka, Japan. They fell in love in 1936 and then separated for 50 years.**

by XIA DAOLING





during the day, and cried every time he saw a picture of his deceased wife. A match-making service in the city introduced him to a 58-year-old retired worker, a widow for many years, who herself was unhappy and taking it out on her unfilial children. The two decided to marry after courting for less than a month. A year later, the match-making service went to see them, the couple, living very happily together, thanked the service over and over again.

Dai Guowen, an army veteran of about 70, married Chen Ruling, a 53-year-old statistician in a factory. Chen came to live in Dai's house with his daughter, son, daughter-in-law and grandchild. Chen soon began contributing to the housework. She rose first to clean the room, made breakfast for the whole family and prepared her husband's lunch before she went to work. As soon as she returned she would cook supper. Chen took much of the weight off the family's burden and endeared herself to the family. The daughter-in-law says: "Dai has found a good mother for us." Dai's children agree and maintain friendly relations with Chen's own two children.

## Psychological Barriers

Most of the time, however, these match-making efforts are not successful.

Since opening in August 1984, the match-making service in Xian, Shaanxi Province, has received 4,000 clients. Only 20 percent of them have succeeded in tying the knot. For the two match-making services in Beijing's Hujialou and Changan Avenue the rate is only 8 percent.

The primary reason for this is that older people are getting physically weaker and find it harder to make such a major decision. There are other problems too:

—A belief that the second partnership would not be as loving.



A group wedding ceremony for senior citizens sponsored by Wuhan Municipality. by YU CHENGJIAN

—An inability to decide the criteria for a suitable partner.

—Many people who are in poor health feel completely unattractive and unloveable fear being given a cold-shoulder after remarriage.

—Older women are very fearful of how they will be viewed if they remarry, particularly by their children.

—Some worry that they may find someone who does not want them for themselves but for some other material benefit they may have to suffer.

Traditional Chinese concepts, such as marriage at the same social status, still exerts great influence on the marriage of young people, and even more so for older people. Some old people who think they would like to marry break off the plans when they decide that it is contrary to custom. Still others find children's opposition insuperable.

## Children's Obstruction

Sun Xueqi is a retired worker from a Tianjin department store. Her husband died when she was young, leaving her two daughters and a son, who is working in Baoding, Hebei Province. All her three children are married. Sun has led a lonely life since her retirement. Loneliness and the

need for companionship have driven her to the match-making service in Heping District, Tianjin. Through them she met a retired government employer who used to work in the Tianjin Post Office. Both felt they wanted to marry. Sun's daughters who helped her throughout the registering process were happy. However, the son still held outdated beliefs that if a parent remarries it is a humiliation to the family. Sun could not but give up her plan for remarriage.

Often the instinctive love and loyalty children feel for their dead parent is given greater force by the old beliefs that remarriage is immoral. They may be studiously rude to their future step parents, refusing them entrance and picking quarrels with them. Some even intimidate them into breaking of relations.

Many children worry that their inheritance will diminish as a result of a second marriage of their parents. One son baldly told his father that he could remarry but would have first to give the son 5,000 yuan. The father did not have that kind of money and broke off the engagement.

Children have been bribed into approving the remarriage by being promised extra room, a distribution of the parents' property before the wedding on the agreement to live away from the

children. Many remarried parents agree that their children may continue to call their spouse uncle or aunt, on whatever address they used before rather than father or mother.

Many young people are worried about the shame their parent's remarriage will bring upon them. One woman asked her mother who was planning to remarry: "What do you want with a boy friend at your age?" Some other said: "You've always loved us. You should be more considerate of us now. You know, your remarriage will cause difficulties for us in our relationships."

Some old people talk at this: "People used to oppose parents arranging marriages for children. Now things are upside down and children decide on parent's marriages."

Children's rudeness can sometimes produce worse consequences. A woman in Fujian Province had to watch her husband being persecuted to death during the "cultural revolution" and bring up her four children on her own. Later she met a retired worker and told her children she was going to remarry. The infuriated children then forbade their mother to leave the house and would not allow the man to come and see her. They kept up a watch on their mother, who reacted by committing suicide.

### Imbalance Between Sexes

More men than women enlist the help of the marriage agencies. In Beijing, the ratio of male to female registrants is 7:1 and the figure is 10:1 in the city's Fusuijing Match-Making Service. In Tianjin, the male-female ratio for people over 70 is 14:1; 13:1 for those in the 60-70 age bracket, and 6:1 for people in their 50s.

A recent survey conducted by the Senior Citizens' Committee of the Xicheng District in Beijing shows that, of the 1,773 old people surveyed, 134 are male singles, 460

are female singles. Nearly 100 men had registered with the match-making services, while only a dozen women had visited the services.

Specialists believe the problem is that women are still encumbered by feudal thinking—whether their own or their children's. Furthermore, single women are more capable of taking care for themselves, and are often welcomed by their married children as housekeeper and nanny. The pressures to find a new spouse are lacking. Meanwhile old men are a burden around the house. They are eager to set up a new family so that they will be taken care of.

### Stiff Requirements

Women usually set higher standards for their men than the men do for the women. According to Geng Zhongling, director of the match-making service in Heping District, Tianjin, in the two years since the service opened, a total of 1,349 older people have registered there. Most of them came from the city and the outskirts. "We also have some registrants from other parts of the country," said Geng.

"These people usually have relatives in Tianjin and hope to find company to spend their remaining years here."

The service has served a go-between for over 800 clients. Only 38 remarriages have resulted, two of them divorced soon after. About 30 couples are courting now.

The low rate of remarriage among the registrants is partly due to the stiff requirements put forward by the females, which often include a high income, spacious housing, good health, ideal height and appearance, no siblings, or at least living separately. Often the women compare the men they meet with their previous husbands.

A 52-year-old retired worker with primary school education wants her new match to be childless, have high pay and good housing conditions. She has already passed up a numbers of otherwise ideal men.

Geng believes that these marriage bureaux are breaking down yet another part of the feudal thinking structure and are bound to become more and more popular. ■

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# China's Burgeoning Contracting Business

**"Outlook Weekly" (Overseas Edition) February 9 issue carried an article based on an interview with Lu Xuejian, vice-minister of Foreign Economic Relations and Trade, in which Lu talks about China's contracting business abroad, its problems and prospects. Following are excerpts.**

**C**ontracting construction projects and providing labour services abroad actually helps raise capital for domestic construction. Although part of our purpose is simple business, primarily it is to develop co-operation and friendship with other countries. To date, our main clients are third world countries and our efforts are a component of South-South co-operation.

China began its contracting business abroad after it introduced the open policy in 1978. Before that, China promoted its economic co-operation with other third world countries by assisting in their construction projects. Over the last three decades China has made great progress in this field and has aided about 100 countries in 1,000 projects. Chinese assistance has helped develop the economies of these countries, improved the living standards of local people and strengthened bilateral friendship.

But this single form of co-operation could not keep up with developments in the various countries nor allow for an expansion of economic co-operation between China and other countries. Since it adopted the open policy in 1978, China has explored other forms of co-operation. Contracting in which the client countries raise the funds while the Chinese side does the building is part of this. This has become a major form of South-South co-operation.

In contracting abroad, China applies the principles of equality and mutual benefit. As Premier Zhao Ziyang said during his tour of 11 African countries in late 1982 and early 1983, China lays stress

on practical results, diversity in form and common progress. In the last few years many third world countries have come to appreciate these principles and are willing to develop co-operation with China, based on them.

## Initial Success

When China took up this business in 1979 it faced serious competition. Sticking to its principle of mutual benefit, China achieved rapid successes. By the end of 1986 it had contracted 3,600 projects abroad valued at US\$6.4 billion. Of this, US\$3.3 billion worth of contracts have already been fulfilled. Some 200,000 workers have been sent abroad and China has 67 companies, as well as a large number of specialists, engaged in this work.

Iraq has been one of China's major clients. There are about 20,000 Chinese working in Iraq at the moment on 143 projects. Of the contracts signed over the last few years, 23 are each worth US\$10 million or more and three of them are valued at over US\$100 million.

The market for China's contracts has expanded. In addition to Middle Eastern countries, China has developed co-operative relations with countries in North Africa and sub-Saharan Africa, in West, South and Southeast Asia, in the South Pacific and in Latin America. Some Chinese companies have entered the North American, European and Japanese markets. China has also undertaken contracts with some

East European countries under which young Chinese workers are being sent there for training. In total, China has dealt with 88 countries and regions in this business.

Modest charges are another feature of China's contracting business. Confronted with keen competition, Chinese contracting companies have improved their management and worked to reduce costs and thus have met with success.

The China Highway and Bridge Engineering Co. sought little profits and won the contract for a construction project in Rwanda. The company finished the work in time and its work was acclaimed by the Rwanda state leaders, thus establishing China in the Rwanda market. The China Construction Engineering Corp. won the contract for constructing the Herma Centre in Algeria even though some world-famous companies also bid. The corporation built 1,000 apartments in the October 6th City in Egypt. For its speed, high quality and low cost. Egyptian President Hosni Mubarak made a special trip to the worksite and wrote an inscription for the project. The China Harbour Construction Engineering Corp. won one contract after another for projects in Kuwait. The Sichuan and Jiangsu International Economic and Technological Co-operation Corporations won acclaim from the Somalian president and officials from the World Bank for their work in that country. Six Chinese contracting companies have won international prizes. The China Construction Engineering Corp. was listed as one of the 30

biggest contracting companies in the world in 1984 by the US *International Building Weekly*.

Apart from buildings and highways, China also provides services such as factory management and labour, ranging from folk artists, gardeners, nurses, cooks and sailors.

In the last few years, the construction projects China has contracted have been smaller in size and more dispersed, involving little risk.

The methods of contracting and payment are flexible. Some payment is made partly in goods or in local currencies for which Chinese companies are now seeking outlets.

To sum up, Lu Xuejian said China has seen rapid growth in its contracting business abroad recently and won a good reputation worldwide. Chinese engineers and skilled people have been trained for work abroad. China has built up a wealth of knowledge on how to win international bids. Chinese workers respect local habits and customs and are welcomed by the local people, and more and more

foreign contracting businesses, firms and governments have sought to co-operate with China.

### Major Progress Expected

Contracting projects and labour abroad are comparatively new to China. Although it has raised only limited funds for the state, in the long term, it is important for China's exports of equipment, technology and labour.

But China is still confronted with many difficulties. The slump in the world economy, the drop in oil and primary product prices, the drain of resources into the Iran-Iraq war, the prolonged drought in Africa, the enormous debts of the Latin American countries—all these hamper the developing countries' economies and bring down the international contract business. In 1985 the international contract business value decreased to US\$81.6 billion from US\$130 billion in 1981. Contract terms were harsher and the profits smaller. Some countries set about controlling the inflow of foreign

companies and labour.

In 1986, however, the economy of the developed countries expanded at a rate of 2.5 percent, and is expected to do the same this year. Last year the international contract business picked up a little after three lean years. China's contract business with African countries in 1985 was four times that of 1984, with Latin American countries 22 percent more. At present there are many projects to be built in the Gulf which need foreign labour, especially technicians.

China has great potential to develop its contract business abroad. China has a huge labour force and good co-operative relations with other third world countries. Its people are experienced in overseas contracting and because correct policies provide excellent quality services, it enjoys good reputation.

Vice-Minister Lu concluded that to realize that potential growth, China should sum up its experiences, improve management and workers' quality and bring its advantages to the full. ■

## Chinese Journalists Look at Soviet Reforms

by Ding Yongning\*

**A**t the invitation of the USSR Union of Journalists, a delegation of Chinese journalists recently paid a two-week visit to the Soviet Union. Wide-ranging talks with Soviet officials and leaders of the Soviet press and visits to cities and villages left the delegation with the impression that the Soviet Union is firmly committed to reforms. Reforms

are spreading to the whole country and have already brought some positive changes to the social and economic life of the country.

Lev Tolkunov, chairman of the Soviet of the Union, one of the houses of parliament, said, "Since the October Revolution in 1917, the Soviet Union has made remarkable progress in a variety of fields. But since the mid-1970s, economic development has been stagnating. Although some measures have been taken, the results have been limited. This is essentially because of a lack of fundamental reforms and of

resolve and persistence in tackling the problems in our economic system." Another official, the first vice-chairman of the Council of Ministers of the Georgian Union Republic, said, "Dogmatism has caused us great losses. One major mistake we made is the overcentralization of power. Everything is decided by a superior. As a result, cadres' initiative cannot be tapped and a great many people do not use their brains. Life led us to the conclusion that an overall reform is necessary." Victor Afanasyev, chairman of the Union of Journalists, spoke of the urgency

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of reforms. He said, "We have no other choice: either ascend to the advanced level of the world or descend to a second- or third-rate country."

In the Soviet Union, people are not only talking about reforms; they are implementing them. In Georgia, the Chinese delegation visited a state-run cattle farm in the Mogis district which introduced the collective contract system in 1985. The farm's 30 workers raise 14,000 head of beef cattle every year, providing 3,200 tons of meat to the state. All production procedures have been mechanized.

The contract system has brought good results to the farm. In 1986, beef production increased by 400 tons over the previous year and the farm's income rose by 3 million roubles (US\$4.7 million). Three quarters of the income was retained as production fund and one quarter was used for the wages and welfare of the workers and staff. The workers' income, currently 400 roubles a month, is much higher than before the contract system was introduced (The average monthly salary for a Soviet worker is 195 roubles.). The income of the leader of the farm is linked to the farm's performance.

The delegation also visited a vineyard contracted to a family in the same district. The Gemaytelashivilis, a family of six, signed a contract with a state-run farm in 1983 to be responsible for the 36-hectare vineyard. According to the contract, the farm allocated two tractors, other materials and funds to the family. The annual grape yield has increased several times, from 4 tons when the vineyard was run by the state to 14 tons last year. This year the yield is still expected to reach 15 tons despite adverse weather conditions. In 1985 and 1986, the state farm received 159,000 roubles in net income from the contractor. The Gemaytelashivilis used to earn 150 roubles a month each for working on the state-run farm. But after

they contracted the farm, their total income increased to 110,000 roubles over the past two years, thus greatly improving their living standard. They showed off their new car and spoke of preparations to build a new house.

The Georgian official said the family-contract system was first adopted in Georgia. The republic consists of 69 administrative divisions, one third of which are in mountainous areas. In 1983 the Council of Ministers of the Republic decided to introduce the family-contract system in the mountainous areas as a trial. Each herdsman was allocated a certain area of grassland. The results two years later showed that the herdsmen's output rose by 50 percent and their average annual income increased from 1,500 roubles to 3,400 roubles. The system also improved people's attitude towards their work. Cattle are now healthier and better cared for.

Still, it is not easy to spread the family-contract practice in the countryside. Accustomed to the old practice, many people have doubts about whether the system is in conformity with socialist principles. But the Central Committee of the Communist Party of the Soviet Union (CPSU) has decided to promote the family- and collective-contract system throughout Georgia this year and next.

The delegation also visited the Volga Automobile Manufacturing Works in Togliatti, which is experimenting with self-funding and self-responsibility for profits and losses. The factory, which can produce 720,000 Lada cars a year, has 100,000 workers. Exports to both Eastern and Western markets account for 40 percent of the total output.

A factory official said that under the experiment, instead of handing all its profits over to the state, the plant gives 47.5 percent to the state, 5 percent to the Ministry of the Automobile Industry, and retains the remain-

ing 47.5 percent for its own use. The factory uses economic accounting, which links workers' wages to their performance. Last year, the government gave the factory the right to retain and use part of the foreign currency it earns.

With the expansion of decision-making power and the right to use part of its profits, the plant can update its own technology. To increase the competitiveness of its products on the international market, the factory plans to update all its equipment within 15 years, which means one production line every five years. It now takes the plant five years to turn out a new type of car, instead of 15 years it did previously. The new system has heightened the workers' sense of responsibility for their output because their personal interests are directly associated with production.

The biggest problem the plant has encountered in the course of the experiment is the inconsistent co-operation between the factory and its parts suppliers. Some 2,000 plants, which still operate under the old system, provide 50 percent of the parts for the assembly of cars at the Volga works, but they fail, sometimes, to supply the components as required. However, the problem of co-operation should soon be solved. According to a law approved in June by the Supreme Soviet, the highest organ of state power of the Soviet Union, all state-owned enterprises are to move towards self-responsibility and self-funding.

Soviet comrades spoke of the difficulties and obstacles facing the reforms. They think it will be a long and complicated road to surmount the conservatism, inertia and egalitarianism that have accumulated over the years in the minds of cadres and the masses. They are interested in the question of simultaneous political and economic reform since political reform is seen as being conducive to economic reform.

Soviet leader Mikhail Gorba-

chev first mentioned the principle of *glasnost* (openness) at a plenary session of the CPSU Central Committee in April 1985. Today the Soviet Union considers *glasnost* an important part of socialist democratization. Tolkunov said *glasnost* is the essence of socialism and was first put forward by Lenin. But for a long time it was ignored, giving rise to bureaucracy, which has brought tremendous losses to the people. It is against bureaucracy that the principle of *glasnost* is now reaffirmed. The people must feel that they are really the master of the state if they are to join in the cause of reform, he said.

In promoting *glasnost*, the CPSU Central Committee pays particular attention to the principle that *glasnost* and democratiz-

ation must be based on law. "Real democracy does not exist beyond law and above law," Gorbachev said at a plenary session of the CPSU Central Committee in January. He added, "Socialist democracy has nothing in common with absolute freedom, irresponsibility, and anarchy." Soviet newspapers also noted that democracy requires, rather than negates, personal responsibility and discipline.

The plenary session in January clearly stated that cadres' attitude towards reform and what they actually do for the reform are the important criteria for appraising cadres. According to reports, more than 60 cadres at the ministerial level, 35-40 percent of the cadres at the republic and provincial level, and one third of

the cadres of the Moscow City Soviet (council) have been sacked from their posts largely because of their attitude towards reform. At the same time, efforts are being made to strengthen the training of cadres so that they can adapt themselves to the new working requirements.

In June, another plenary session of the CPSU Central Committee adopted some fundamental principles and measures to radically reform the economic system. And the Supreme Soviet approved the law on state-owned enterprises, which aims at reforming the basic unit of the Soviet national economy. The Chinese journalists' delegation got the impression that the tide of reform in the Soviet Union is rolling ahead over all obstacles. ■

## Indirect Talks On Afghanistan Fruitless

by Zhang Zhinian

The new round of indirect talks between the Soviet-backed Kabul regime and the Pakistan government ended short of an agreement on seeking a political settlement of the Afghan war.

During the four days of talks, which ended on September 10, Afghanistan proposed to shorten the Soviet pullout to 16 months while Pakistan extended its maximum offer to eight months.

At the last round of talks ending March 9, Kabul offered an 18-month timetable and Pakistan insisted on seven months.

After the talks, Pakistan Foreign Minister Sahabzada Yaqub Khan said Kabul's latest proposal was "unacceptable" and he was "deeply disappointed" because he had expected an initiative from Kabul, which would be substantial, serious and intended to overcome the remaining obstacles to an agreement.

The United Nations' secretary-general's personal representative on Afghanistan, Diego Cordovez, said in Geneva that he decided to adjourn the talks after "very difficult" negotiations that failed to bridge the gap.

The time frame of the Soviet withdrawal is not only a "problem of figures," the UN mediator said. "It involves political considerations."

Observers in Geneva said the talks show that the Soviet-backed Kabul regime is insincere about settling the Afghan issue.

The indirect talks in Geneva, which have been sponsored by the UN since 1982, are aimed at negotiating a mutually acceptable timetable for the pullout of an estimated 120,000 Soviet troops from the central Asian state of Afghanistan.

Pakistan, Afghanistan's southern neighbour, has so far borne the

brunt of the festering Afghan war which was triggered by the Soviet armed invasion of Afghanistan in December 1979. Pakistan provides humanitarian assistance to more than 3 million Afghan refugees who have taken shelter on its soil. Early this year alone, a series of Afghan air raids on Pakistan's western border areas claimed some 100 lives and wounded 400 civilians.

Islamabad maintains that Soviet withdrawal is the key to a comprehensive solution to the Afghan problem. Cordovez said the other three elements of an overall agreement have been settled, that is, non-interference and intervention, return of refugees and international guarantees.

Before the latest round of talks opened, there was a flurry of activity in the capitals involved in the Afghan conflict. A Soviet

spokesman said a new timetable was in the offing and a US official said Washington might accept a 12-month timetable. These statements led Pakistani officials to expect a dramatic breakthrough or at least tangible progress after five years of negotiations.

Moscow withdrew six regiments of their occupation troops from Afghanistan last October, supposedly to demonstrate its willingness for a settlement. But though much publicity was given to the move, it was not followed by a further pullout. It turned out to be merely a troop rotation, as some had predicted.

As the 42nd UN General Assembly session drew near, the Soviet-installed Kabul authorities launched a so-called peace offensive in Afghanistan and abroad in a bid to hoodwink world opinion and split the Afghan resistance forces.

The Kabul regime, headed by Czar Najibullah, recently decided to extend what it calls a unilateral ceasefire by another six months; publicize its "successful" national reconciliation; propose power sharing with the opposition; and draft a new constitution for the country.

All these moves ignore the question of Soviet troop withdrawal,—the crux of any political solution to the protracted Afghan conflict.

The "ceasefire" was first proposed by Kabul on January 15 and was immediately turned down by the resistance leaders. They said that accepting the offer would be tantamount to surrender to Soviet aggression.

During the six-month "ceasefire," Soviet-Kabul troops stepped up their attacks on the guerrillas. In May, 2,500 Soviet special forces and 4,000 Afghan soldiers conducted a violent mopping-up operation against the resistance base in the Jaji district of eastern Paktia Province. In June, more than 6,000 Soviet and Kabul troops unleashed a large-scale onslaught against a guerrilla

base near Kandahar, Afghanistan's second-largest city.

By advocating a sharing of power, Kabul is attempting to dissolve the Islamic Alliance of Afghan Mujahideen (Holy War Fighters) that seven major resistance organizations formed in May 1985. In mid-July, Kabul offered to share power in a coalition government with what it termed "moderate" resistance factions when they lay down their arms. The scheme was rejected by the leaders involved, as well as by ex-King Mohammad Zahir Shah.

During his visit to Moscow last month, Najibullah announced after meeting Soviet leader Mikhail Gorbachev that Kabul would give the opposition the vice-premiership and 11 ministerial posts (excluding foreign affairs and defence) in the proposed coalition government. He said Kabul might even give up the premiership.

Analysts said the announcement was unlikely to draw any positive response since the key posts and real power would remain in the hands of the present regime, which would continue to be propped up by the Soviet occupation troops.

The *New York Times* reported on September 5 that Afghan emissaries were sent to more than 60 third world and non-aligned countries in recent weeks to muster support in connection with the Geneva talks.

But New York-based analysts said the move may have stemmed from certain internal and external Soviet needs. It does not mean the Soviet Union is willing to give up its vested interest in Afghanistan.

The Pakistani foreign minister, on leaving for the Geneva talks, called for setting up a neutral government in Afghanistan to facilitate a Soviet pullout. Such an interim government, he said, should be "strictly neutral and acceptable to all the parties including the Afghan Mujahideen. ...to avoid bloodshed that might otherwise occur."

Even "moderate" guerrilla leader Sayed Gailani recently demanded that the Afghan people be given the right to choose their own government. He said the principal issue is the dismantling of the Kabul regime.

In view of the widely divergent positions of the parties involved in the Afghan problem, including Kabul and the resistance forces, a lengthy political stalemate can be expected over the composition of a new government. The time is not yet ripe for turning the concept of a new government into reality in war-torn Afghanistan.

The latest round of indirect talks was the first to be held at Kabul's initiative. The talks, which lasted one day longer than scheduled, were proposed in August. Diplomats and the media questioned the motives behind the proposal.

Some analysts said Moscow's real aim is simply to weaken support for a resolution on Afghanistan due to come up at the 42nd UN General Assembly session in New York, which began September 15. The international body has so far passed eight resolutions by overwhelming majorities calling for immediate, unconditional and total withdrawal of Soviet troops from Afghanistan.

An informed source revealed recently that the Soviet Union still insists on an end to "outside interference" by other countries as a prerequisite for its troop withdrawal. This appears to make any shortened timetable meaningless since the Soviet Union could delay its pullout whenever "outside interference" is alleged to exist.

Although UN officials were not surprised at the fruitlessness of the recent talks, they still hope that some day the Soviet Union and Kabul will show genuine sincerity and the Afghan issue will be peacefully resolved. ■

CORRECTION: In the article on Pakistan in issue No. 33, p.10, "national referendum" should read general election.

# More Chinese Touring at Home

by Our Correspondent Han Guojian

Ever since the beginning of the 1980s, newspapers have featured frequent stories on people travelling at home. In Fengyang county, Anhui Province, where the contracted responsibility system was first introduced, farmers now have enough to eat and wear, and to build new houses, some of them can afford visits to Nanjing to enjoy the sights of this ancient capital. In well-known Dazhai, Shanxi Province, recent rural economic reform has brought about great changes in people's lives. Many farmers set out in groups for a tour of Beijing. Those who prospered earlier than others even travel by air.

## More Chinese Travellers

On a business trip to Hunan and Henan, I met many Chinese tourists. A young worker with Wuhan Universal Machine Works told me that he toured Hangzhou and Suzhou for his honeymoon last year, and was now travelling to Beijing with his wife. With recent increases in output and profits, his factory awarded its workers who had accomplished their tasks a one-month holiday. So nearly 400 of the 1,000 or so workers left on travels outside the city. "We will always remember our pleasant visit to these beautiful scenes and historical sites," said the young man. Liu Jiang, a teacher in Beijing's Fengtai District, visited the scenic areas of Zhangjiajie, the Huangshan Mountain and Jiuzhaigou with her husband during the past three summer vacations. Liu believed that travelling to these famous tourist spots is not only an enjoyable exercise, but it

opens up one's field of vision and enriches one's knowledge.

In the past few years, the number of domestic tourists has rapidly increased. According to statistics from the State General Administration for Travel and Tourism, the number of Chinese tourists climbed at an average rate of 15 to 20 percent a year between 1980 and 1986, and the figure is expected to reach 300 million this year.

College students are particularly fond of travelling. A survey conducted last year among five universities in Shanghai revealed that 87 percent of the students travelled during their vacations. In better-off villages, touring has become common. Last year, nearly 7,000 farmers in the suburbs of the city of Luoyang, Henan Province, visited Beijing and Xian.

It is true that ordinary people are still poorly paid and only a small proportion can afford long-distance trips in the country. Most Chinese tourists, particularly the young people, set a low store on board and lodging. They would rather spend their money on more photographs than pay over five yuan to rent a room. The well-furnished guest houses or hotels are frequented by aged professors and entrepreneurs with good incomes, or retired cadres and workers who have some savings. A Shanghai travelling agency once sponsored a "deluxe trip" by aircraft or soft seats on the train. Though the cost of the nine-day trip was high—1,000 yuan, over 100 people applied only a few days after the news was announced.

More and more Chinese enterprises and government institutions are using their welfare funds and monetary rewards to organize tours for their workers

during the best seasons. The tours are usually one day visits to sites in their own provinces or neighbouring provinces. Sometimes two to three days trips with expenses averaging five to ten yuan a day per person. Trips to more distant places are organized as a form of reward for outstanding or retired workers.

Another reason for the rapid increase of domestic tourists is that many leaders from different trades and professions try to organize meetings and business activities in tourist cities or scenic areas, taking the opportunity to enjoy the sights there. This practice was very popular in recent years but has reduced markedly this year due to strong opposition by the government and public opinion.

## Benefit From Tourism

According to statistics from the State General Administration for Travel and Tourism, 204 million Chinese travelled the country in 1985, and the income from tourism amounted to 8 billion yuan. Last year, Chinese tourists totalled 270 million which boosted the income to upwards of 10.6 billion yuan. The large increase not only benefits the tourist trade in major cities such as Beijing, Shanghai, Xian and Guilin. In areas with beautiful landscapes, but backward economies, the returns are more obvious. These scenic areas, still unknown to urban residents, will attract large numbers of visitors when discovered. And the need for accommodation and other facilities would in turn promote the development of local tourism.

The Zhangjiajie State Forest Park in Hunan Province encom-



passes the two villages Zhangjiajie and Yuanjiajie. The Tujia nationality villages subsisted on an annual per-capita income of only 122 yuan and for 29 of the 34 years before 1983 relied heavily on state relief. With the rapid development of tourism there, farmers started up tourist services and within three years the average annual per-capita income increased to 515 yuan. Some families earned up to 10,000 yuan.

## More Tourist Agencies

In the 1970s, there were only a few agencies engaged in full-time or seasonal tourist services. Now there are 550 agencies serving about 5 percent of the total tourist numbers. They are mostly retired workers, veteran cadres, teachers, newlyweds and farmers who would rather spend more money than bother with buying tickets or finding houses.

Travelling agencies attracting few clients were forced to improve services and provide colourful tour programmes. Meanwhile competition also intensified. Among the various tour-related businesses, domestic tour agencies were the most unstable. It became common to see tour companies go bankrupt, and some others open only during peak seasons.

The Luoyang Global Tourist Company is one agency to successfully withstand the pressure of competition. In 1985, its first year of operation, the company opened a special route from Luoyang to Beijing, Qingdao, Shanghai and Guilin, attracting 17,000 visitors and earned an income of 165,000 yuan. Last year Luoyang hosted 43,000 tourists and netted an income of 460,000 yuan. To meet the needs of holiday makers, travel agencies in Shanghai arranged various colourful tours such as the "delicious meals tour," "a tour of English dialogue," "old mandarin duck tour," "science and tech-

nology tour" and "special train tour." All were eagerly welcomed by the visitors.

The Wuhan Tourist Agency, which has won a high reputation for its good service, has prepared a customers' book documenting the views of the tourists. The practice acts as an effective supervision over the work of its staff and tour guides. A newly married couple who took part in the agency's "March 8 Newlyweds Touring Delegation" very much appreciated the work of two tour guides saying: "They made us feel the warmth of living in a big family."

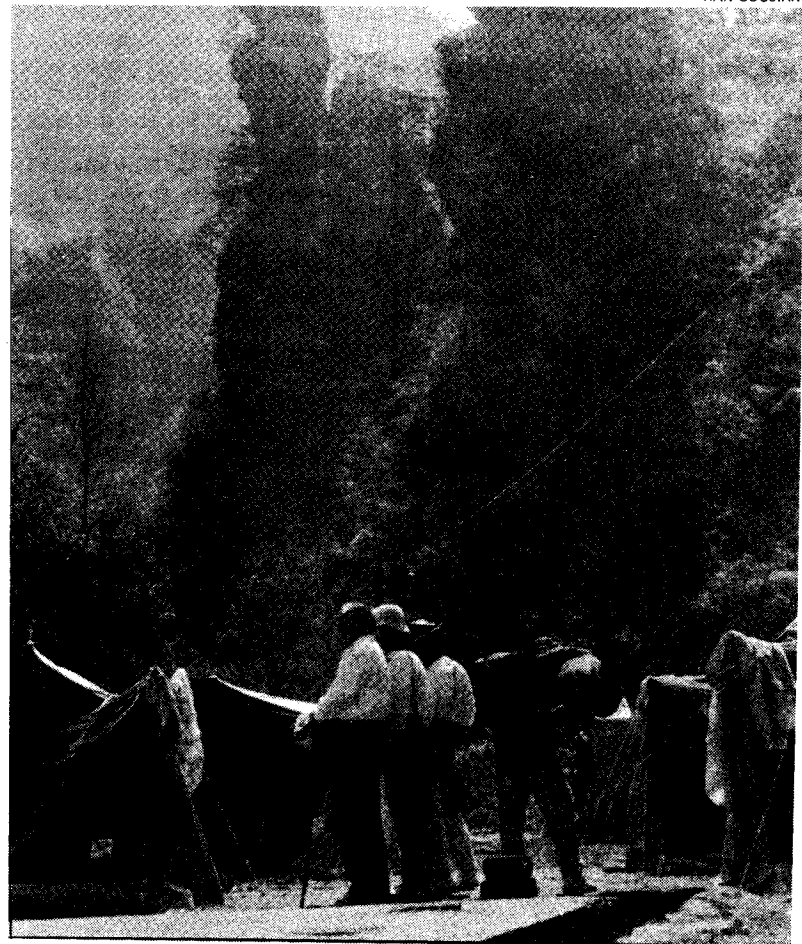
Despite various difficulties, China's domestic tourist agencies have received an increasing number of travellers each year. According to a sample survey conducted by the State General Administration for Travel and Tourism, the number of tourists in

Shanghai was up 15 percent in 1986 from the 1985 figure, in Liaoning, the figure was 25 percent and in Tianjin, 15 percent. At present, more and more people are touring the country through tour agencies. They can be found in Heilongjiang Province in the north, in Hainan Island in the south and even in Xinjiang and Tibet.

Experts predict that with the current economic reforms, living standards will continue to improve and people will demand a richer and more colourful cultural life. On the other hand with little opportunity to invest and a shortage of high-grade commodities, people will have more money in hand. It is estimated, therefore, that more and more people will look to travel in the future and that the service available to them will be gradually improved. ■

**Travellers viewing an iron statue from the Song Dynasty (960-1279) in Zhongyue Temple in Songshan County, Henan Province.**

HAN GUOJIAN



## Young Workers Voice Concerns

"BEIJING WANBAO"

(Beijing Evening News)

With the development of economic structural reform in China's urban areas, great changes have taken place in young workers' outlook on occupations. What are their concerns? A recent survey of 210 people in different fields indicates:

- About 51 percent of the young people surveyed hope to accomplish something in their careers. They identify closely with the successes and failures of their enterprises and work hard.

- Close to 40 percent of those working in service trades and the medical and educational fields hope to gain the understanding and support of the public, because some people still look down on their jobs.

- Half of those surveyed are worried that their knowledge or skills do not meet the needs of their jobs. To deepen their professional know-how, blaze new trails and produce excellent results at work, nearly one-quarter of them hope to have an opportunity to take a more advanced course of study or training.

- About 50 percent worry about poor results at their enterprises. Changes in production and management, whether for better or worse, have a direct bearing on workers' immediate interests and future. So people pay a lot of attention to their enterprises.

- About two-thirds of the young workers surveyed fear that the leaders at their enterprises will not appreciate their efforts or will consider their accomplishments insignificant. They hope the leaders and society as a whole will pass fair judgement on their achievements.

The results of the survey clearly

show that most young workers hope that there will be an environment that enables them to give full play to their professional knowledge and skills.

(May 24, 1987)

## Local Ails Cured by Salt Medicine

RENMIN RIBAO

(People's Daily, Overseas Edition)

Some local diseases that are common in China's southwestern Sichuan Province have a high rate of occurrence. After years of unsuccessful state efforts to stop these diseases, the Wutongqiao Salt Works added medicine to salt. The salt is both a fine condiment and a good medicine. After it was sold at the standard salt price in the disease-struck areas, patients were cured and other people were prevented from catching the diseases. The salt has no side effects and there is no need for the state to distribute the medicine or for the doctors to

worry about patients who forget to take it. People who take the salt medicine are unaware of its wonderful effect.

Keshan disease is a local myocardium disease (affecting the heart wall) which seriously threatens the health of people in Sichuan. In 1982 the Wutongqiao Salt Works, at the request of the Disease Prevention Office of Sichuan Province, produced a selenium salt using special equipment, staff and testing procedures. The salt produced notable results in the prevention of Keshan disease and a disease of big joints.

The Wutongqiao and Shawan areas of Leshan City had a high rate of filariasis (a disease resulting from parasitic worms). In the past, the disease was treated with medicines. In 1985 it was eliminated after special salt was produced by the Wutongqiao Salt Works and sold in the area starting in February of that year. Half a year later experts and professors went to the area and tested a sample of 7,113 people for filariasis. Not a single case was found.

(June 9, 1987)

## China Faces a New Baby Boom

"RENMIN RIBAO"

(People's Daily)

According to calculations by a government department concerned, China's population growth rate will increase again this year as more young couples become eligible to have a baby.

An estimate shows that about 7.3 million more women will be of child-bearing age this year than in 1986. If the birth rate continues at last year's pace, 23 million babies will be born this year, making the natural population growth rate reach 14.95 per thousand. If we do our best to control the population,

the growth rate may be reduced; if not, it will be higher.

Women between 21 and 29 are most likely to have their child, so they have a great influence on the population growth rate. Since 1982, babies born to women between 21 and 29 have accounted for 75 to 80 percent of each year's total of newborns. Women between 21 and 29 now number 86.4 million, up 3.2 million from last year.

The present situation is rooted in a population explosion that began in 1963. People born since 1963 have begun to marry and China's population has entered a

new high tide of child-bearing. This is the basis of today's population growth. In addition, the marriageable and child-bearing ages have been lowered, and the numbers of second and third births have increased owing to slackening control over the population increase in some areas. According to available statistics, 3.12 million more "babies were born in 1986 than in 1985, and two-thirds of them were second

and third births.

To control the growth of China's population, the late marriage, late childbirth and one-child policies must continue during the period of the Seventh Five-Year Plan (1986-90). If we fail to strictly control population growth, it will be impossible for China to achieve a substantial improvement in the standard of living.

(June 12, 1987)

## Traffic Accidents on the Rise

### "RENMIN RIBAO"

(People's Daily)

Road accidents in China claimed 42,000 lives in 1986, 15.6 times the number that died as a result of fires, Yu Lei, vice-minister of Public Security, said recently.

In 1949 China had only 51,000 motor-driven vehicles and about 80,000 kilometres of roads. In 1986 there were 3.6 million civilian automobiles, or 71.6 times more than the 1949 figure. The length of the country's roads, however, increased by only 12 times in the same period. Moreover, with the development of construction and free markets in recent years, many roads are used for setting up stalls, piling materials and parking various kinds of vehicles. As a result, roads are often jammed with traffic, and road accidents in both urban and rural areas have increased every year. About 222,000 traffic accidents occurred in 1986, resulting in immediate economic losses and compensation for injuries and deaths of 1.24 billion yuan.

Inadequate roads have led to slower traffic, Yu said. The average speed of motor vehicles in big cities has dropped from 25 kilometres an hour in the 1960s to 20 kilometres in the 1970s and only about 15 kilometres today.

The slow pace causes people many difficulties in their work and daily lives and has greatly impeded the country's economic construction. The public is strongly urging the departments concerned to find ways immediately to solve the

## Bridge Construction Flourishes

### "RENMIN RIBAO"

(People's Daily, Overseas Edition)

By the end of 1985, China had about 176,000 rail and road bridges with a total length of 5,700 kilometres. Of these, 21 are over the Changjiang (Yangtze) River and 61 over the Huanghe (Yellow) River.

Bridge construction in China developed by leaps and bounds between 1976 and 1985. More than 33,000 rail and road bridges totalling 1,680 kilometres in length were completed. Many of the bridges are world class or close to that level.

China is among the most advanced countries in bridge construction theory and bridge design, using computers to help with these tasks. Some examples of recent achievements include:

— A prestressed-concrete rail-

difficulties in driving, riding, parking and walking. Traffic has become a social problem that is hurting the national economy and people's livelihood.

But the situation can not be changed in the near future, Yu said. From 1982 to 1986, the number of civilian automobiles increased by an average of 17.8 percent a year. It is predicted that there will be 13.67 million civilian automobiles in China by the end of this century, 4.8 times more than in 1986. But road building will not keep pace with the increase in vehicles and traffic volume. Traffic departments calculate that there will be 1.1 million kilometres of roads by the year 2000, a 14.6 percent increase from the current 960,000 kilometres. In other words, the gap between the demands of automobiles and road capacity will widen.

(June 8, 1987)

way bridge in the Guangxi Zhuang Autonomous Region, completed in July 1981, is the first such bridge in China and the fourth in the world. It is 398 metres long and the longest arch is 96 metres.

— China's first fibreglass road bridge was built in Beijing's Miyun County in February 1983.

— The 10.5-kilometre Changdong Huanghe (Yellow) River Rail Bridge, the longest of its kind in China, was completed in October 1985. Construction took only 20 months.

— In November 1985, the Haimen Bridge, China's largest lift bridge, was completed. The 903-metre-long bridge over the Haihe River in Tianjin can rise 24 metres from the water level and ships of less than 5,000 tons can easily pass under it.

(July 15, 1987)

## 90 Firms Come to Telecom Show

**M**akers of telecommunications equipment from around the world have been vying with each other for the Chinese market. From September 8-13, some 90 manufacturers from 13 countries and regions gathered in Beijing to display their latest products at the China International Office Automation and Commercial Telecommunications Equipment Exhibition.

The competitor had strong support from their governments. The 19 participants from Japan had the assistance and support of the Ministry of Posts and Telecommunications, Ministry of International Trade and Industry, and the Science and Technology Bureau of Japan. They took up half the 3,071-metre exhibition area, and the European Economic Community (EEC), 42 percent of the total area.

The Japanese delegation included well-recognized names such as Matsushita, Hitachi, Mitsubishi, Sumitomo, Toshiba and Fujitsu.

Led by J.F. Beselor, director of the EEC Foreign Relations Bureau, 49 manufacturers from eight countries for the first time displayed communication and electronic products in the EEC's name. A total of 17 manufacturers organized by the Hong Kong Trade Development Council also participated in the exhibition.

Since 1979, Chinese postal and telecommunications departments have introduced advanced technology and equipment from abroad. Initially, China's orders were almost monopolized by Japanese businesses, but a determined challenge is rising from European business quarters.

One of the largest joint ventures in China, the Shanghai-Bell Telephone Equipment Manufacturing Co., jointly set up by the Bell Telephone Manufacturing Co. in Belgium and China's Posts and Telecommunications Industry Corp. (PTIC), produces S-1240 and SSU-12 digital programme controlled telephone

exchanges. This gives Bell telephones the advantage in maintenance, parts supply, expansion of orders and personnel training.

When Shanghai-Bell went into production, Japanese businesses adopted underselling tactics to compete for the Chinese market. As a result, in 1986, the first year of Shanghai-Bell's operation, its losses came to US\$10 million.

The Chinese government welcomes the transfer of advanced production technology from overseas companies, and has taken measures in favour of Shanghai-Bell. New measures to protect the joint venture are reported to be in the works.

Chinese enterprises have already joined the competition for the communications market. On September 4-8, PTIC displayed Chinese-made postal and telecommunications equipment. The Chinese products were priced at one-third or one-fourth the price for equivalent foreign products.

During the Seventh Five-Year Plan period (1986-90), the Chinese government will allocate 10 billion yuan to further develop the telecommunications industry in China.

PTIC's products include 480-channel digital microwave and 480-channel optical fibre digital system equipment. The optical equipment won an international bid for a defence base telecommunications project in Tianjin.

On display at the exhibition were all kinds of telecommunications devices, computers, data processors and office automation equipment. For instance, there were digital telephone exchanges, optical fibre communications systems, TV conference systems, and satellite telecommunications networks as well as computers.

The exhibition hosted 31 technological exchange meetings. The show was co-sponsored by the China Council for the Promotion of International Trade and the Adsale Exhibition Services Ltd. of Hong Kong. ■

Part of the China International Office Automation and Commercial Telecommunications Equipment Exhibition held in Beijing from September 8 to 13.



## China Cuts Imports Of Telecom Devices

Reports claim that China plans to limit imports of postal and telecommunications equipment and production lines which can be domestically produced.

Responsibility for the examination and approval of these imports has been shifted from the Ministry of Post and Telecommunications and Ministry of Foreign Economic Relations and Trade to the State Economic Commission. Under the supervision of Vice-Premier Li Peng and State Councillor Zhang Jinfu, the office will handle all import orders for telecommunications equipment.

Imported programme controlled telephone exchange systems will be replaced by the S-1240 system produced by the Shanghai-Bell Telephone Equipment Manufacturing Co., a Sino-Belgian joint venture. In future, China will no longer import similar equipment with foreign capital.

Imports of optical fibre communication systems (34Mb/s480-

channel) and digital microwave communication systems (34Mb/s480-channel) will also be restricted. On July 24, China's first domestically built digital microwave communication circuit began operation. Completed in only 6 months, the project's 480-channel circuit with three microwave stations extends 98 kilometres from Foshan via Shunde to Zhongshan in Guangdong Province.

Zhang Qingzhong, assistant general manager of China's Post and Telecommunications Industry Corp. in charge of the project, said the equipment is up to the early 1980s international standards. But Chinese products are one-third the price of comparable foreign products.

Imports of other telecommunications equipment, including carrier communication equipment under 4,380-channel, satellite receiving systems and vertical-horizontal system telephone exchanges below 10,000 channels will also be cut back. China began imposing limitations on imports of machinery and equipment in 1985. The new restrictions are an important extension of this programme.

by Yue Haitao

## Beijing Softens Investment Policies

Beijing, which does not enjoy the preferential treatment given to the 14 coastal open cities, has softened its foreign investment policies in order to promote economic and technical cooperation with foreign countries, announced Han Boping, deputy mayor of the city, in late August.

The main preferential policies are as follows:

— Beijing municipality can now approve projects each involving a total investment of US\$30 million rather than US\$10 million if the foreign investment is used to update technology or build new factories and if the export of the projects' products does not impinge state export quota and they can balance their foreign exchanges;

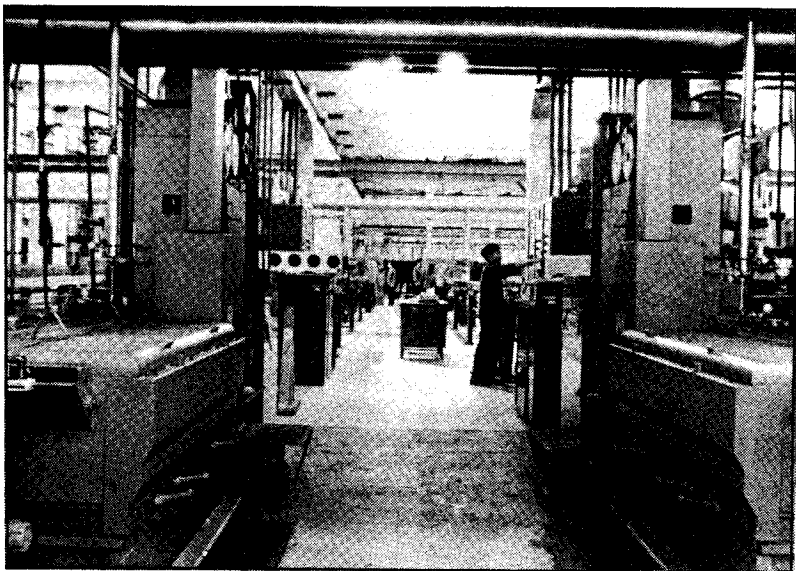
— Enterprises in the city can enjoy preferential treatment according to the state provisions for use of foreign investment and are exempt from customs duties and industrial and commercial consolidated tax on equipment and materials which are in short supply in China and are imported with foreign exchanges provided by the Bank of China and the China International Trust and Investment Corporation;

— Technology-intensive enterprises using foreign capital, or projects each involving a foreign investment of up to US\$30 million with an expected long-term investment recovery, when approved, are required only to pay a 15 percent income tax;

— Foreign investment enterprises are exempt from customs duties and industrial and commercial consolidated tax on imports of a reasonable quantity of office supplies and furniture and transport for overseas technicians if these are brought in with money not exceeding the invested amount.

All these new policies were put into effect in August this year. ■

All-plastic telephone cable production line at the Chengdu Cable Factory. WANG LI



## Samples of Rare Ancient Porcelain

China has always been known as the land of porcelain. Indeed, in English the word "china"



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means porcelain. The town of Jingdezhen is famous as the porcelain centre of China. It is located on the lower reaches of the Changjiang (Yangtze) River, near Kaolin Mountain, which is rich in porcelain clay (also called kaolin).

(Picture 1) The rough pottery jar was unearthed in Wannian County, Jiangxi Province, in 1962. The New Stone Age jar is the earliest piece of pottery discovered so far in China.

(Picture 2) The piece of pottery is an imitation of an ancient bronze of the Spring and Autumn and Warring States period (770-221 BC). It was found in Guixi County, south of Jingdezhen. The piece has a cloud design and an animal head spout.

(Picture 3) The celadon (grey-green glazed) bowl with a circular stem unearthed at a historical site of the Shang Dynasty (C. 16th-11th century BC) in Wucheng. Qinjiang County, Jiangxi Province, is one of the several "proto-porcelain" pieces discovered in 1974. Proto-porcelain, made of kaolin, looks similar to glazed pottery, which is more advanced than pottery. This kind of porcelain has been found in only a few places in China.

(Picture 4) The celadon frog-shaped water dropper of the 3rd century AD—unearthed in Ruichang County, Jiangxi Province, in 1972—is an elegant

example of early celadon porcelain. A total of 73 pieces of celadon porcelain were discovered at the same time, including a model cow, horse, pigsty, dog-house, chicken coop and duck coop. Since the 3rd century AD, porcelain articles have gradually replaced lacquerware, those made of pottery, wood, bamboo and metal. From then on most funeral objects found in the tombs in Jiangxi are porcelain.

(Picture 5) One of the 73 celadon pieces found in Ruichang County, the model granary with sculptures of buildings, figurines, animals on the upper part portrays the life of the owner of the piece.

(Picture 6) The celadon hoof-shaped ink slab with double pots of the Tang Dynasty (618-907) was unearthed at the Hongzhou kiln in Fengcheng County, Jiangxi Province. The kiln, first discovered in 1977, is one of the six famous ancient celadon kilns. The porcelains found there piled up mountain-high, including bowls, cups, and studio articles. The decorations which are rich and varied, include lotus petal, rose, plum blossom and cypress designs.



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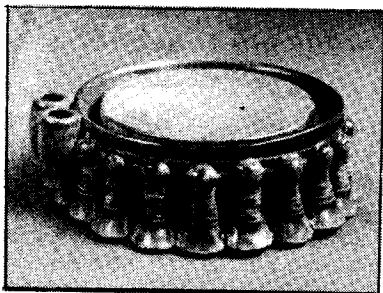
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(Picture 7) The blue-and-white porcelain horse and groom, unearthed in the suburb of Jingdezhen city, is smooth and brilliant. The piece portrays an Arab merchant in China.

Historical records show that people in China began to make pottery during the Han Dynasty (206 BC-220 AD) in present-day Jingdezhen. Porcelain production started there in the 6th century AD and it gained an immediate reputation throughout the country. During the Tang Dynasty, porcelain from the locality was called "imitation jade," and served as a tribute to the royal court.

The kilns got their name Jingdezhen in the early years of the 11th century when the Song court set up a special organization to supervise the porcelain production and instructed the workers to put the word "Jingde" (title of reign) on all of their porcelain as a tribute to the imperial court. By that time the production was already in a very large scale, and all of the porcelain pieces were beautifully shaped and decorated with varied colours and designs. The local workers assimilated the experience of other provinces and invented a new kind of porcelain — blue-and-white porcelain. This kind of fine chinaware is very smooth and translucent, and is imbued with different shades of blue. The lines of the porcelain are easy and polished, and the designs are delicate.

(Picture 8) The blue-and-white glazed porcelain ewer and a bowl



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of the Song Dynasty (960-1279) was found in a tomb. Hot water was poured into the bowl to warm wine in the ewer. This kind of porcelain ewer and bowl were popular during the period.

(Picture 9) The blue-and-white covered jar with lotus leaf and dragon designs of the Yuan Dynasty (1271-1368) was unearthed in 1980 at Gaoan County west of the provincial capital Nanchang. The invention of blue-and-white porcelain ended the history of single-glaze porcelain in China and was the beginning of the era of painted porcelain which formed a unique Chinese style. Cobalt oxide was used to draw pictures on white porcelain. The piece was then covered with a transparent glaze and fired in the kiln. In China today there are only about 200 pieces of blue-and-white porcelain from the Yuan Dynasty which have been well preserved.

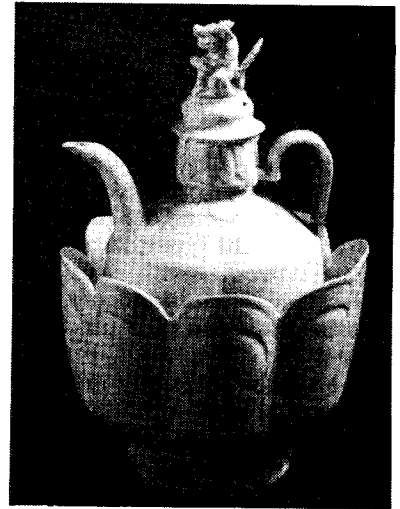
(Picture 10) One of the best-preserved Yuan Dynasty porcelains, the underglazed red model granary, is coloured with copper oxide. As this technique is very difficult to handle, only a few underglazed red porcelains have survived. The blue-and-white inscription on the memorial tablet about the owner of the tomb is of



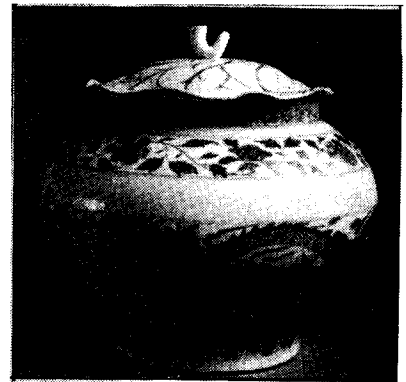
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great academic and historical value.

by Zhang Yihua



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Photos by ZHOU KEMING

## An Art Festival For the Young

More than 1,000 youngsters from the United States, Japan and local schools and children's societies in Shanghai gathered and became friends during the four days of Shanghai International Children's Music and Dance Performance. From August 26 to 29, they delighted the city of Shanghai, particularly its young citizens, with excellent performances that included ballet, classical music and folk songs and dances.

The event was jointly initiated and sponsored by the Shanghai People's Association for Friendship With Foreign Countries, the China Welfare Institute and the Shanghai Soong Ching Ling Foundation. Peace, friendship and health were the themes of the festival, which also received the support of the Beijing Office of the United Nations Children's Fund (UNICEF) and the Shanghai municipal government. UNICEF offered 60,000 yuan in aid to the event.

The sponsors and supporters shared the hope that the cultural exchange programme would contribute to international co-operation to promote the health, welfare and development of children, and would help develop friendly ties between Chinese children and others. These aims were clearly realized.

At the opening ceremony, Manzoor Ahmed, UNICEF's representative in China, and Liu Zhenyuan, vice-mayor of Shanghai, spoke highly of the efforts to hold the festival in Shanghai. Liu called the children present "little ambassadors of peace and friendship." The young artists got a warm reception from the local government.

The four main performances were given jointly by local Chinese children and performers from the United States and Japan.

The Best of America Kids from

Oklahoma, the only US group at the festival, impressed the audience with its American West style and flavour. The group of 28 youngsters, aged from 6 to 17, gave two performances of a musical "epic" entitled the *Spirit of Oklahoma*. The rich collection of folk songs and dances depicted the history of their home state from the time of Cherokee Indians until today.

Mary Ella Weidner, the group's art director, said, "It's my idea to put everything in. The Chinese people and the Oklahoma people are working together very closely on many projects. There is a friendship there. I know there is great fascination with the Indians and cowboys. So I want to show you what our state is all about."

The Homura-Tomoi Ballet School Group from Japan is an outstanding after-school troupe. It was the group's first China visit, and the children hope to have more opportunities to join in similar events and make contacts with their counterparts in Shanghai, said Makio Homura, the master of the ballet school and head of the group. Another Japanese group, the Osaka Girls' Folk Dance Troupe, gave a colourful display of Japanese folk songs and dances.

The local Chinese groups—the Shanghai Little Companions, Shanghai Little Screen Stars, Shanghai Handicapped Children's Performing Group and Shanghai Children's United Performing Group—demonstrated the talent and creativity of Chinese children.

The China Welfare Institute's Little Companions Art Troupe was founded under the auspices of the late Chinese honorary president Soong Ching Ling in 1955. Its regular members are generally 6-16 years old. They are trained in Chinese and European music and dance. The Little Companions

frequently perform with young foreign friends from all over the world and they have made visits to Japan, the United States and the Democratic People's Republic of Korea.

The earnest and hearty performance given by the handicapped children was so touching that the eyes of many in the audience were wet. Other groups also performed well and won the hearts of their audience.

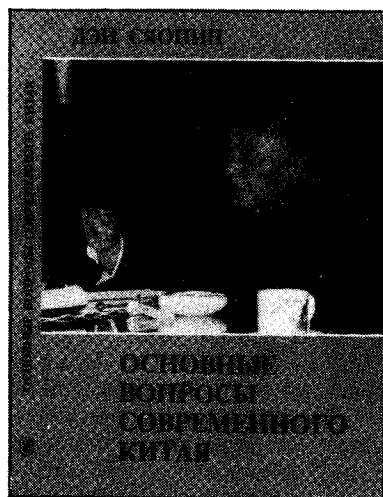
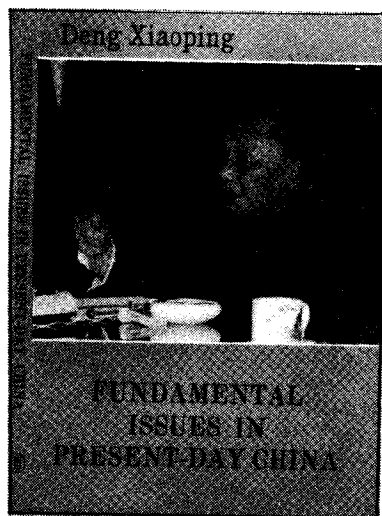
On August 29, more than 1,000 Chinese children and their guests from the United States and Japan shared a pleasant Saturday evening in Shanghai's Children's Palace, one of the places in the metropolis that provides after-school education in various subjects for children. The Chinese and foreign children, hand in hand, visited the different parts of the palace and watched specially prepared performances. On the spacious lawn outside, they chatted with one another in English or communicated with the help of Chinese and Japanese characters, which are of the same origin. The flash of cameras, the whispers, laughter and smiling faces of that evening will live for ever in the hearts of many. The children, who came together in friendship and innocence, found it hard to say good-bye.

by Dai Gang





# Deng on China's Present-Day Issues



**Fundamental Issues in Present-Day China** (in English, Russian, Japanese, French, Spanish and Arabic)

**Written by:** Deng Xiaoping

**Edited by:** Department for Research on Party Literature, Central Committee of the Communist Party of China

**Translated by:** Bureau for the Compilation and Translation of Works of Marx, Engels, Lenin and Stalin under the Central Committee of the Communist Party of China

**Published by:** Foreign Languages Press, Beijing

**Distributed by:** China International Book Trading Corporation, P.O. Box 399, Beijing, China

The English, Russian and Japanese editions of Deng Xiaoping's *Fundamental Issues in Present-Day China* have recently been published, and French, Spanish and Arabic editions are expected to follow.

The present volume is a

collection of 47 talks and speeches (about 100,000 Chinese characters) made by Deng Xiaoping between September 1982 and June 1987. It may be regarded as a continuation of *The Selected Works of Deng Xiaoping* (1975-82) published in 1982.

In his opening speech at the 12th National Congress of the Chinese Communist Party held in September 1982, Deng Xiaoping pointed out that we must integrate the universal truth of Marxism with the concrete realities of China, blaze a path of our own and build socialism with Chinese characteristics. Since then, Deng Xiaoping has shed light on many issues relating to this statement, including political, economic, ideological, scientific and technological, cultural and educational issues, as well as foreign policies and army building.

After the founding of New China, the Chinese Communist Party set out to build socialism relevant to actual conditions in China. The Party put forward some important ideological theories which are still useful

guides today. But owing to the limitation of historical conditions, and especially the problems in the Party's guiding principle, it failed to fulfil its prime task, and what is more, made serious mistakes.

Since the convocation of the 3rd Plenary Session of the Party's 11th Central Committee in 1978, the Party, through summarizing the historical experiences after the founding of the People's Republic and studying the practice in recent years, finally found a way for building socialism with Chinese characteristics. The present volume *Fundamental Issues in Present-Day China* is the guiding document for attaining socialist modernization in China. This collection lays emphasis on two points in the central task of economic construction: to uphold the four cardinal principles\* and to adhere to the general policy and principle of reform and opening to the outside world.

Reading through the articles in this collection, it is easy to get Deng Xiaoping's steadfast stand. He emphasizes the importance of developing the productive forces, and sees economic construction as the key link.

This central task can not be moved unless world war breaks out. Deng said, "What is socialism and what is Marxism? We were not quite clear about this before. Marxism attaches utmost importance to developing the productive forces.... The fundamental task for socialism is to

\* The four cardinal principles are: upholding the socialist road, the people's democratic dictatorship, the leadership of the Communist Party of China and Marxism-Leninism and Mao Zedong Thought.

develop the productive forces." He recently added: "We will go on building socialism, there's no doubt about that. But if it is to be superior to capitalism, it must enable us to eliminate poverty."

How to best develop the productive forces? Keeping the door shut, locking up the country, or embarking on "the big leap forward" have proved unsuccessful; and the "cultural revolution" was simply historical deterioration. The talks and speeches made by Deng in this book proved that the policies and reform, opening to the outside world and invigorating the domestic economy are suited to China's realities. Only by continuing to uphold them can the socialist system prove its superiority to capitalism.

The book makes it clear that China's reforms embrace both the economic and political structures; and opening to the outside world is meant to include all countries, whether they be developed or developing nations.

The reforms and opening to the outside world are long-term policies. Deng said, "Invigorating our domestic economy and opening to the outside world are our long-term, not short-term, policies which will remain unchanged for at least 50 or 70 years." Deng continued to explain: Quadrupling the GNP, which will take 20 years, is only our first step and will be followed by a second, attaining the level of moderate developed countries, which will take 30 or 50, let's say 50 years. The two steps together will take 50 or 70 years. By then opportunities for changing the policies will be even more limited. If anything, we shall open up still more. Our people would not allow anything else.

The slightest sign of disturbance in China comes worry among some people abroad as to whether China will consistently abide by the open policy. This shows a failure to understand that the policy is a fundamental, long-term

one. Any changes will lead to still wider opening to the outside world. China's open policies have proved sound and have brought major benefits to the country. Without it, the goal of an average well-to-do living standard for the one billion Chinese people will never be achieved.

The author points out emphatically that China's reforms must proceed from its realities. Reform of the economic and political structures cannot completely follow the experiences of foreign countries. To successfully implement reforms in China means to free ourselves from the mode of the Soviet Union. The mindless imitation of the Soviet Union's experience proved unsuccessful in the past. But the experiences of Western capitalist countries should neither be copied indiscriminately. Only useful elements which suit China's special conditions should be absorbed from foreign countries.

In terms of upholding the four cardinal principles, the book explains that this is a basic and firm stand of the Communist Party of China. Upholding socialism and the leadership of the Communist Party are the most important principles among the four.

Deng repeatedly makes this clear during his talks with foreign

guests, including state or government leaders, friendly individuals, guests from third world and developed countries, and leaders from socialist and capitalist countries. The reason Deng expounds is convincing. Only by building socialism with Chinese characteristics under the leadership of the Communist Party of China can we ensure lasting stability and unity and fulfil the long-term tasks of economic construction. In the final analysis, upholding the four cardinal principles is for the effective implementation of the general policies of reform and opening to the outside world, which centre around economic construction, and for the continued development of the productive forces.

In short, building socialism in such a large and economically backward oriental country is a new concern in the history of the development of Marxism. Deng's book *Fundamental Issues in Present-Day China* throws light on the issue of building socialism with Chinese characteristics. It is significant that the book is published in foreign languages, as it can help foster an understanding of the fundamental issues in present-day China for overseas readers interested in the country and its development.

by Zhou Shu

## Book News

■ China's first national gazetteer is being published by the Commercial Press in Beijing.

It has been jointly compiled by specialists in geography, history, linguistics and ethnology, based on the results of the first national general survey of place names, beginning in 1978.

The gazetteer will appear in 32 volumes and include 100,000 place names in China's 30 provinces, autonomous regions and municipalities directly under the central government and in the Hong Kong and Macao regions.

The volume for Jiangsu has

come off the press, with the names of 4,800 places in the province.

■ The Science Press recently published *Selections From the Bulletin of the Chinese Academy of Sciences (1986)* in English.

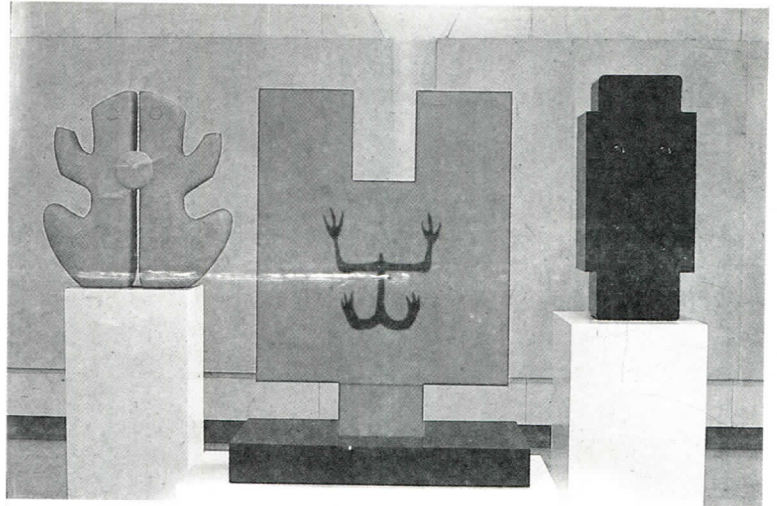
The Bulletin is a quarterly journal of the Chinese Academy of Sciences. Ye Duzheng, an eminent scientist, is its chief editor. It explains policies for developing China's science and technology and introduces the institutions, scientists and research results of the Chinese Academy of Sciences.

The de luxe 570-page book was compiled by the Institute of Policy and Management under the Chinese Academy of Sciences.

## ART PAGE



Spring.



Decorative Sculptures.

### **Sculptures by Huang Yali**

Huang Yali, a Tujia woman born in 1954 in Hubei Province, now works as an artist at the Hubei Fine Arts Office.

She has produced simple pieces, imbued with a traditional Chinese flavour.

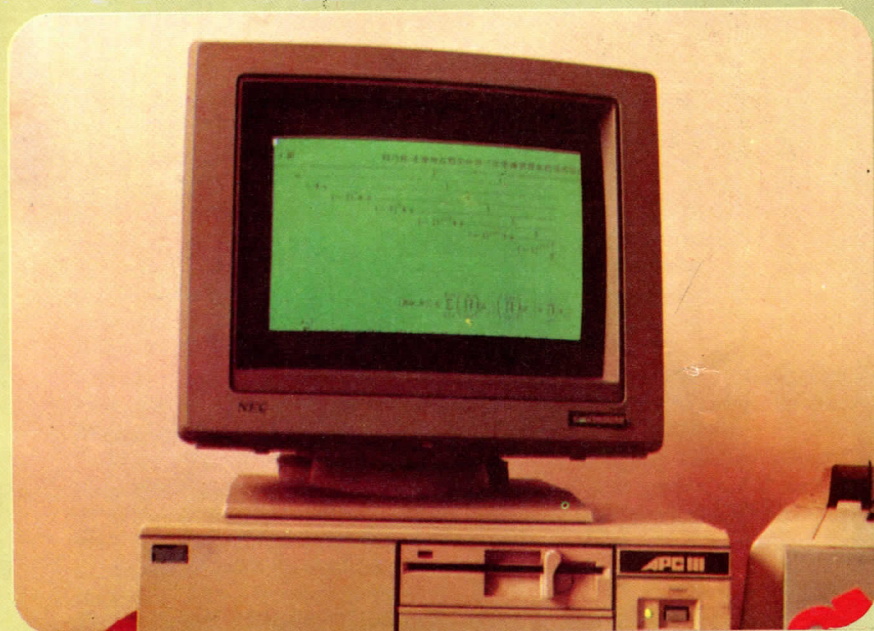
Girl by a Spring.





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