

A CHINESE WEEKLY OF NEWS AND VIEWS

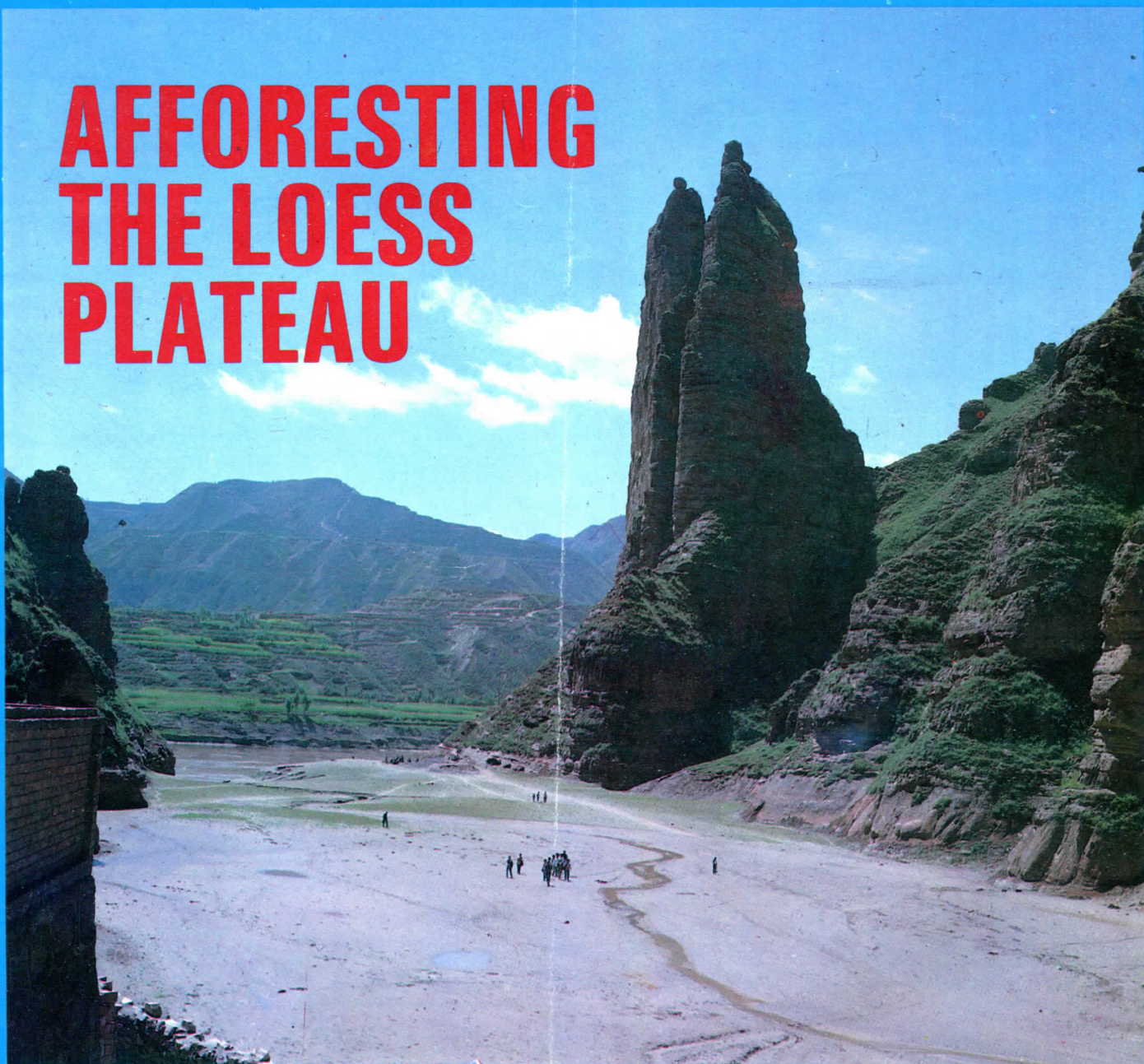
Beijing Review

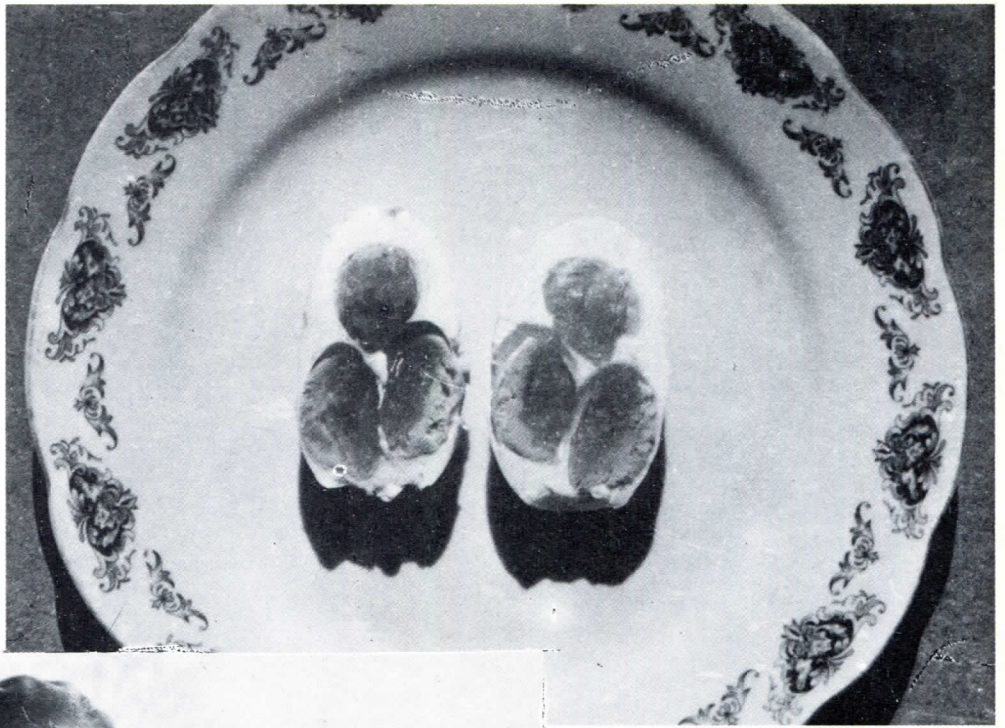
北京周報

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Zhao on Separating Party From Government

AFFORESTING THE LOESS PLATEAU





A triple-yolk duck egg produced in Gaoyou County, Jiangsu Province.



Li Boshao, head of the Gaoyou Duck Farm, has in the last few years improved dozens of local and imported duck strains and devised a scientific method of raising the famous Gaoyou ducks, so that they grow quickly and lay more eggs. His method has also increased the proportion of twin-yolk eggs laid from 0.15 to 1 percent, and made some ducks lay triple-yolk eggs. The ducks and their special eggs are exported to a dozen places including the United States, Japan and Singapore.

Photos by Hua Ai

CONTENTS

NOTES FROM THE EDITORS	4
Productivity and Ideology	
EVENTS/TRENDS	5-9
Zhao Reaffirms Role of Reform	
Teachers' Wages To Be Increased	
High Consumption Must Be Halted	
Pork Shortage Hits Big Cities	
Migration Ends Farmers' Poverty	
Shenzhen Holds Land Use Sale	
Weekly Chronicle (Nov. 30-Dec. 6)	
INTERNATIONAL	10-13
Africa: OAU Seeks Help to End Debt Crisis	
Latin America: Summit Opens New Era of Integration	
Poland: Government Still Committed to Reform	
Turkey: Ruling Party Loses Votes, Gains Seats	
On Separating Party From Government	14
Afforestation Greens the Loess Plateau	17
Irrigation System in Central Shaanxi	19
Confucianism's Relevance to Contemporary China	22
Facts & Figures: Improving Industrial Structures	25
TOURISM	27
FROM THE CHINESE PRESS	28-29
CULTURE/SCIENCE	30-32
BUSINESS/TRADE	33
CHINA CALENDAR	34

COVER: An unusual sight in Yongqing County, Gansu Province, formed by soil erosion.

Chen Zonglie

HIGHLIGHTS OF THE WEEK

Separating Party From Government

■ In a recent speech, Zhao Ziyang elaborated on the need to separate Party functions from those of the government, noting that solving this problem will strengthen the Party's leading role, enable Party committees to co-ordinate work, supervise administration and boost Party construction (p. 14).

Productivity and Ideology

■ After 1978, prime importance was attached to the development of productivity, so the state's strength was boosted and the people at large were benefited. Under the current comprehensive reforms, all concepts hindering the development of productivity should be rejected and those stimulating productivity promoted (p. 4).

Confucianism's Relevance to Contemporary China

■ During the international symposium on Confucianism held in Qufu, Shandong in early September, more than 100 papers were read, dealing with the development, basic ideas and principles of Confucianism and representatives of the school during different dynasties. Most participants considered the relevance of Confucianism to contemporary China (p. 22).

Pork Rationed in Most Big Cities

■ China's pork production has been adversely affected by the incomplete reform of the country's pricing system. Local governments in most major cities, including Beijing, have had to implement rationing to cope with the shortage, and the pork supply has become a common concern of both government and consumers (p. 7).

Afforestation and Irrigation in Shaanxi

■ On-the-spot reports from our correspondent on new developments in Shaanxi: The Loess Plateau in northern Shaanxi Province is becoming greener and greener every day as a result of better use of land resources and effective afforestation on the slopes (p. 17). The irrigation system in central Shaanxi has helped increase grain output and opened the way for a new structure of agricultural production (p. 19).

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Productivity and Ideology

by Jin Qi

By pointing out that facilitation of the development of productive forces should be the basic criterion for judging all kinds of work, the recent 13th Party Congress has clarified a perplexing question which arose after the establishment of the socialist system in China. Because many people often judge what is right or wrong in terms of political perspective and traditional concepts. This has great significance for guiding China's future comprehensive reform and removing ideological obstacles to advances.

History is a mirror. After the dominance of "leftist" thinking in 1957, the counter action of the relations of production on productive forces and the role of subjective activity were greatly exaggerated. This led to the "great leap forward" and the establishment of people's communes in 1958. Although both met with setbacks, no lessons were drawn from them. During the "cultural revolution" (1966-76), the "leftists" went a step further to criticize what they called the theory of "the unique importance of productive forces." Measures facilitating the development of productivity, such as individual economies, commodity exchanges, open markets, the eight-grade wage system and the principle of distribution according to work, were all castigated as "restorations of capitalism," or "remnant bourgeois rights." Disastrous consequences resulted.

These absurd theories have disappeared with the abandonment of the slogan "take class struggle as the key link." At the end of 1978, the focus of Party and government work was shifted to modern economic construction and the policies of reform and opening up to the outside world were implemented. Prime importance was then attached to the

development of productive forces. The achievements of the last nine years have surpassed all those made in over 20 years, boosting the state's strength and benefiting the people at large.

However, the influence of "leftist" thinking remains and often manifests itself as reforms proceed.

An illustration of this is the story of Guan Guangmei. Guan, a middle-aged woman from Benxi City, Liaoning Province, well-versed in business, was originally the manager of a state-owned grocery store. From April 1985 to January this year, she voluntarily gave up her "iron rice bowl." Through public bidding, she leased eight shops in Benxi, formed the Dongming Commercial Group staffed by over 1,000 employees and became its general manager. This year, the business volume of this well-managed chain store accounted for one-third and its profit for one-half of the total for the city's 36 grocery stores; its economic returns increased to four times those prior to the changes. During these two years, the income and welfare of its employees have improved. Guan herself has also had her fair share of dividends to the value of over 40,000 yuan. After deducting the cash pledge for risks and bonuses to the guarantor and key personnel, she actually received 7,000 yuan, equivalent to 2.5 times the average worker's wage.

The matter caused a sensation in Benxi and Guan was reproached by jealous outsiders. They accused her of "exploitation" and "following the capitalist road." Beijing's *Economic Daily* opened a special column to discuss Guan's case and spoke out against the unjust accusation. Leaders of Benxi government offered their support. All this helped Guan out of her plight and she was later

elected a delegate to the 13th Party Congress. During the congress, Guan attracted wide attention from Chinese and foreign journalists.

Self-employed Han Wenguang of Tianjin seems to have fared worse than Guan Guangmei. His application for Party membership is being rejected to this day. Han, 36, began research into the manufacture of a solar water heater in 1983. He has since set up a successful company in co-operation with an American firm. All of the company's products are marketed abroad. It is estimated that it earns US\$500,000 in foreign exchange a year. For five years now, Han has been active in business and ideologically progressive, for which he was elected a labour hero of Tianjin and of the whole nation.

Although his application for CPC membership was passed by the Party branch of his unit, its approval was held up at a higher level. Some accused him of "exploitation in hiring workers." The five workers hired by Han were released from a reformatory and some people charged him with organizing a "dare-to-die corps." In fact, Han has offered these workers a job which nobody else was prepared to give them. They are guaranteed a monthly wage of 120 yuan (equivalent to the local average wage). Since their employment, they have engaged in honest labour and refrained from returning to crime.

In a recent letter to a newspaper, Han asked: "Could it be that I was wrong in following the course charted by the Party?" "Could it be that I become a capitalist because I follow the state policies?" He reaffirmed his determination to apply for Party membership as an individual labourer. The *Economic Daily* uncovered this issue in a special column under the heading "How to Treat the Individual Economy." A reporter wrote: Some self-employed workers in

Tianjin look upon Han as their model and are closely following the outcome of this unsettled case.

This type of conflict in ideology and interests will continue to crop up in the future. However, the problem can be solved if judgments are made using the criterion of facilitation of the development of productivity and if the matter is discussed democratically.

Some argue that the use of productivity as a criterion only serves a pragmatic purpose, and does not conform to Marxist ideology. In fact, it is the Marxist theory that has advanced the general law—productive forces determine the relations of production—. This applies to all forms of societies. Upholding this basic principle, the 13th Party Congress reiterated that the fundamental task for a socialist society is to develop its productive forces. During the primary stage of socialism, in order to eliminate poverty and backwardness, it is especially necessary to use the development of productive forces as a main indicator of success. It is in line with this basic principle and the country's specific conditions that China has formulated a series of policies and measures facilitating the development of productive forces, including those for continued development of various economic sectors, while maintaining the predominance of public ownership, a certain degree of development in the private economy and allowance for unearned incomes. All these are logical and easily understood.

Marxists maintain that as a reflection of the economic base ideology is, in the final analysis, subject to the influence of productive forces and its validity must be tested in practice. Under the current comprehensive reforms, all concepts hindering the development of productivity should be discarded while those boosting the development of productivity should be promoted.

Zhao Reaffirms Role of Reform

The State Council, in performing its many tasks, should grasp reform as the key link to promote economic construction and other work. Party General Secretary Zhao Ziyang made the comment at a plenary session of the council on December 1.

Zhao, who was handing over his work at the State Council to newly appointed Acting Premier Li Peng, stressed that reform is the most urgent task for China.

"Speed is important for China's national development," he said, "but economic results and the advance of science and technology are more fundamental."

Although the government has repeatedly called for cuts in unplanned investments in capital construction, such investments rose by 11.6 percent from January to October this year compared with the same period last year. Also, blind and recurrent imports have caused substantial waste.

If China does not improve its economic results and advance science and technology, Zhao said, the country and people cannot prosper and the gap between China and industrially developed countries will widen.

The solution, he said, lies not in traditional methods but in restructuring the present system.

He said China's economic development strategy depends on extending the reform. Only through a broad view of the reform can correct decisions be made as to what should be done first and what left for later.

"Only with the continuous and substantial progress of the reform can we advance our work in all fields."

China's reform is guided by correct theories and the orient-

ation and goals of the reform are clearly defined, Zhao said. But as long as the new and old systems coexist, the country's most difficult problem will be finding a comparatively safe way to realize the targets of the reform.

He called for a transitional form to carry out the reform, one that will reduce risks to a minimum and combine steadfastness and flexibility.

Oversimplification and rashness in decision-making should be avoided and boldness and the spirit of innovation encouraged, he said. "We should not be afraid of running risks."

In the case of unexpected problems, the original plan should be adjusted to conform to the reality and even indirect tactics can be used to pave the way for fundamental reforms, but the reform must not stop. "A halt means retrogression and we cannot afford to go back to the old road," Zhao said.

He promised full support from the Party Central Committee to the State Council in its work.

Acting Premier Li echoed Zhao's views and said he would try his best to push the reform forward.

Li said he is confident that he will be able to perform his duty well since Zhao has laid such a good foundation for the work of the State Council.

The focus of attention for all departments under the council is to plan next year's reform and to stabilize economy, he said. A leading council official stressed that in the new year, careful attention must be paid to the areas of revenue and expenditure and finance and credit, and to ensuring the basic stability of prices.

Teachers' Wages to Be Increased

The Chinese government has decided to raise the salary scales of its more than 7 million nursery, primary and middle school teachers by 10 percent. The increase is retroactive to October this year.

The average annual income of primary and middle school teachers will now be higher than that of workers and other staff members in state-run enterprises. Last year's figures showed that the teachers' average annual salary was more than 100 yuan (about US\$27) lower.

A circular issued by the State Council said the wage increase covers those teachers working in nursery schools; regular, agricultural and vocational middle schools; technical secondary schools; reformatory and special education schools, as well as primary education schools for adults. The wage rise for teachers working in enterprise-run nursery, primary and middle schools will be decided by the enterprises themselves, according to the circular.

Commenting on the decision, Zhao Dongwan, minister of Labour and Personnel, said the development of education has a bearing on the economic development, scientific and technological advances, and quality of the whole nation. As primary and middle schooling is the foundation of the country's educational system, he said, it is necessary to increase the wages of primary and middle school teachers.

Zhao emphasized that from now on, the wages for college graduates who choose teaching in primary and middle schools as their profession should be higher than for those working in other sectors. This step, like other measures taken to raise the social status and living standards of primary and middle school

teachers, aims to gradually make teaching an occupation respected by the entire society.

To improve their social positions and living conditions, the government has increased teachers' wages twice over the past few years and offered subsidies to teachers according to their years in teaching.

Although the range of the wage increase this time is limited, the minister said, the government has done its best in terms of its financial capacity. But he added that with the growth of the country's economic strength and state revenue, he believes the wages for primary and middle school teachers will be further increased. ■

High Consumption Must Be Halted

An investigation has shown that during the first 10 months of this year, purchases of consumer goods by Chinese enterprises, organizations, institutions and other social units rose 20.2 percent over the corresponding period of last year, while purchases by individuals increased 16.5 percent. Unit spending on consumption has outpaced individual spending for four years.

The consumption level of a country should be suited to the development of its productive forces. China is still relatively poor and limited in financial capacity and material resources. But many units show no consideration for the country's difficulties and take the lead in pursuing a high rate of consumption. In 1977, the purchasing power of units nationwide was 13.47 billion yuan (about US\$3.6 billion at today's rate of exchange). In 1986, the figure reached 46.2 billion yuan. During this period, state revenue increased by about 150 percent, while units' consumption grew by 250 percent.

Some units and unit leaders spend public money extravagantly, in the pursuit of ostentation and comfort. In 1981, units bought 15,728 cars costing a total of 340 million yuan. In 1986, 115,677 cars were bought at a cost of 5.34 billion yuan in public funds.

During the 1981-86 period, the country added 300,000 new cars, most of them imported. In China, foreign exchange is still in great demand. It is a waste to spend too much of it on imported cars.

The number of other high-cost consumer goods bought by units has also increased in the past few years. In 1986, units purchased 32 times the number of video recorders that they bought in 1981 and 21.6 times the number of sofas. Units spent 157 million yuan on video recorders and 86 million on air conditioners last year.

Funds spent on capital construction have also increased constantly since 1981. Many units have spent a lot of money on high-grade office buildings, guest houses, hotels and sanatoriums.

Furthermore, while people in some poor areas are still not guaranteed enough food and clothing, some leading units in these areas have no scruples about diverting anti-poverty funds, financial subsidies and even relief funds to build high-grade guest houses or buy high-quality cars or coloured televisions.

All this shows that to control the expansion of consumption funds, purchasing by units should be limited first. Some experts think that the unhealthy tendency of units to pursue high consumption is more serious than similar tendencies on the part of individuals. The units have created a bad impression and it has become urgent that their consumption level be reduced. The experts hope that leaders of Party and government organizations at all levels will take the lead in halting high consumption. ■

Pork Shortage Hits Big Cities

When Wang Yizhi, a Beijing retiree, went to the Dongdan Food Market for some minced pork on the morning of December 1, she saw no sign of the usual queues. Instead, she was asked to show her food card.

Shoppers in most of China's large cities have found meat supplies in state-owned shops less abundant in recent months. Now the governments of Beijing, Shanghai, Tianjin and other major cities have been forced to return to the old method of rationing to keep pork prices stable and prevent profiteers from bulk buying and selling elsewhere at higher prices.

Each resident in Beijing is entitled to 1 kg of pork a month from this month. In Shanghai, coupons were issued rationing each person to three yuan worth of pork a month.

The measure affects millions of urban residents. Pork is by far the most important meat for the majority of Chinese consumers. Sales of beef, mutton, fish and chicken are relatively small in comparison. Consumers are naturally puzzled and upset by the move, which reminds them of the rationing system during the 1960s and the "cultural revolution."

But officials from the Ministry of Commerce said the situation is different this time. The shortage is much less serious than it was in the 60s and 70s; extra pork can be purchased in small packets at higher prices from supermarkets; and "free markets," where farmers sell their own products, are still operating in the cities and the countryside. Meanwhile, there are no restrictions on the purchase of beef, mutton, fish, chicken or cooked meats in state-owned shops.

Rationing appears to be a step in the opposite direction from the current economic reforms, which

aim to see market forces replace much of the administrative interference in the economy. But the move seems to be a temporary necessity. The state purchased about 5 percent less pork from farmers in the first half of this year, while the country's pork consumption has been increasing at an annual average rate of about 7 percent in recent years. Moreover, speculators had been taking advantage of the fact that the state lifted the limits on pork prices in rural areas to stimulate hog-raising, while controlling the prices in state-owned shops in the cities to help urban residents balance their income and expenses.

Officials of the Ministry of Agriculture, Animal Husbandry and Fishery attributed the 2.6 percent decrease in pork production this year to higher feed prices. The state no longer controls the rural grain market. In Shandong Province, for example, the price for each kilogramme of feed grain jumped from 0.32 yuan in 1985 to 0.46 yuan last year. Thus hog-raising is not as profitable as it was a few years ago. In addition, flourishing rural industries are attracting farm labour away from traditional pursuits.

Given the current shortage, subsidizing a proportion of urban residents' average meat consumption and temporarily applying rationing, while working out some long-range solutions, seems to be the alternative to subsidizing all pork supplies or completely freeing pork prices. Total subsidization would be impossibly expensive for the state and unlikely to resolve the problem definitively, while freeing prices completely could trigger widespread complaints by consumers and other harmful repercussions.

The pork shortage has become a concern of the central and local governments alike. Reports say the state has decided to allocate 3 billion kg of grain next year to encourage hog-raising by farmers. And statistics show that the

amount of livestock is picking up in Shandong and Sichuan provinces, which have some of the country's main pig-farming areas. Still, it is hard to predict when supply and demand will meet and rationing will be lifted, the commercial ministry officials said.

They explained that the shortage is one consequence of China's half-reformed price system. Quoting Zhao Ziyang, general secretary of the Communist Party of China, they concluded, "Problems emerging in the reform can only be solved by the reform itself."

by Wang Xin

Migration Ends Farmers' Poverty

In the three years since Li Fuqi and his family resettled in an irrigated area, they have built a nine-bedroom house with their own money. Their 1-hectare field in Friendly Village has been yielding about 5,000 kg of grain yearly, as well as oil-bearing crops and watermelons.

The Lis could never have dreamed of being so well-off when they were in their old home in an utterly barren and destitute mountain village. They were among 200,000 people to move from the extremely dry areas in the middle of Gansu Province and the Ningxia Hui Autonomous Region to irrigated areas at the base of the Qilian Mountains or by the Huanghe (Yellow) River.

More than 1.4 million people in 28 counties in northwest China have little or no drinking water at hand in the summer, when every possible means of transportation is mobilized to fetch water—oil trucks, tractors, donkeys and people's shoulders. The state has been spending about 7 million yuan (about US\$1.9 million) each year to haul water to these thirsty mountain villages.

Matters get even worse when there is a drought. Then farmers face a fuel crisis, despite state aid, since they cook and keep warm by fires of stalks and grass. In Dingxi County, Gansu, an average of 1.7 hectares of vegetation was destroyed by each household in 1982. As a result, millions of hectares of mountain terrain were left even more impoverished. Nature has taken its revenge for this devastation by increasing the frequency of droughts. In the 17th to 19th centuries, droughts occurred in the area every four years. Between 1912 and 1946, they happened every 4 years, while between 1952 and 1983, it was every 1.4 years.

The International Desertification Conference in 1978 concluded that the population-bearing capacity for an area like Zhuanglang County is 20 people per square kilometre of land, while the actual population was 220 people per square kilometre.

In the summer of 1982, former premier Zhao Ziyang made an inspection tour to Dingxi Prefecture. During the tour, he approved a proposal for the migration of 700,000 farmers from the parched lands to newly developed, irrigated reclamation areas which were financed by state investment and aid from the World Food Programme. The proposal was put into effect immediately.

Since then five years have passed and the lives of the 200,000 migrants have changed greatly. Most were able to settle down within one year, support themselves the next and make money in the third. In the Shuanggou Migration Village, all but three of the 22 settler families have built new homes. Wang Zhenmin and his family, who settled in Linze County two years ago with little more than two small wooden boxes and a piece of luggage, are now selling grain. Some migrant families have earned more than 10,000 yuan, an unimaginable sum before the move. "We can



LIU JIANGSHENG

Rewi Alley's 90th Birthday Celebrated in China

Zhao Ziyang, general secretary of the Chinese Communist Party, and Li Peng (left), acting premier of the State Council, congratulate Rewi Alley on his 90th birthday at his home in Beijing on December 2. Alley, a New Zealander, is a long-time friend of the Chinese people.

certainly feed ourselves with a patch of land here, as long as the heavens don't fall," Wang said.

But 70 percent of the migrants are educated couples, families of craftsmen or ex-servicemen. Some 10 percent of the total number have returned to their former homes, while others prefer not to leave their ancestral poverty to seek a better life in a strange place. Commenting on the fact that people have more in the irrigated areas, one farmer in the dry Jingyuan County said, "One shouldn't try to keep up with others." When asked if he was willing to move to the irrigated land since the county was suffering another bad drought, a middle-aged community leader said, "We have a drought this year. But there is still next year and the year after next. And the state wouldn't

forget us." One woman returning to her former home said, "Sure, that was a good place. The horizon was flat. There was plenty of water. And we would have no worries about food and clothing if we stayed for one or two years. But I just could not get used to that strange land."

Problems have arisen because some of the migrants were moved according to mechanical plans of the authorities where they used to live and were not properly helped to settle down. But the director of Gansu's migration office said the programme has been mainly successful. "These new settlers will eventually influence their former neighbours. The fact that they have become well-off will be more eloquent than our persuasion," he said confidently.

by Wang Xin

Shenzhen Holds Land Use Sale

The right to use a parcel of land was auctioned for 5.25 million yuan (about US\$1.4 million) in the Shenzhen special economic zone on December 1. The winning bidder, Shenzhen Real Estate Co., can use the 8.6-square-metre parcel of land for a period of 50 years.

Shenzhen started its land management reform in 1980 by collecting land-use fees. But the 38.48 million yuan collected between 1980 and 1986 was not even enough to pay the interest on its loans, which amounted to 600 million yuan. Besides, charging land-use fees did not answer the need for a fundamental reform of the land management system because the old system of allocating land in an administrative way remained in place. To change the situation, the Shenzhen government introduced open bidding for land utilization rights.

The idea of transferring land-use rights in exchange for payment was first officially proposed at the 13th National Congress of the Communist Party of China (CPC), held in late October. The principle of public ownership of the land is retained while the right to use the land can be purchased.

Since the founding of the People's Republic of China in 1949, the use of land has been free of charge. This has become a heavy burden for the government, which invests a lot in land but gets no returns. On the other hand, the improper use and poor management of land has led to a tremendous waste of China's limited land resources.

The old system of land use could no longer satisfy the needs of the developing socialist commodity economy. China's open policy and increasing co-operation with international companies also require urgent changes in the land management system. ■

Weekly Chronicle (November 30-December 6)

POLITICAL

November 30

■ The Taiwan Democratic Self-Government League, one of China's eight democratic parties, adopts political resolution at its fourth congress which closes today.

The motion says a peaceful resolution of the Taiwan question would open up broad prospects for Taiwan's economy and the realization of the democratic right of people in Taiwan to be their own masters.

December 2

■ At the weekly news briefing, a Chinese Foreign Ministry spokesman says the Nansha Islands in the South China Sea have always been "an inalienable part of China's territory. The Chinese government has solemnly affirmed on many occasions China's indisputable sovereignty over the Nansha Islands and their adjacent sea waters."

He says that attempts by any country to take possession of the islands by means of occupation, legislation or delimitation "are illegal and null and void."

December 4

■ Speaking at a meeting with Yoshio Sakurauchi, visiting president of the Japanese Society for the Promotion of Foreign Trade, Chinese leader Deng Xiaoping says that he would meet Soviet leader Mikhail Gorbachev in the Soviet Union only if the Soviets urge Viet Nam to withdraw its troops from Kampuchea.

"But Gorbachev has frustrated my aspirations," Deng says. "Gorbachev has opposed any preconditions although he is willing to have a meeting with me and even said he would like to come to China. My proposal does contain a precondition — that the Soviet Union urge Viet Nam to

pull its troops out of Kampuchea."

ECONOMIC

December 3

■ A contract to launch a Swedish scientific experiment and telecommunications satellite into orbit in 1991 was signed in Sweden on November 19 between the Swedish Space Co. and the China Great Wall Industrial Corp.

The satellite will be launched by the Long March-2 rocket, which is known for its high success rate.

CULTURAL

December 6

■ A total of 225 outstanding scientific and technological research findings and achievements receive 1987 State Invention Awards on the recommendation of the invention appraisal committee of the State Commission of Science and Technology, *Renmin Ribao* (People's Daily) reports.

SOCIAL

December 3

■ The Young Women's Christian Association (YWCA) of China has fully resumed its activities in many major cities, including Beijing, Shanghai, Tianjin and Guangzhou. The activities of the YWCA were suspended in 1966 at the start of the "cultural revolution."

FOREIGN RELATIONS

November 30

■ China and Laos have agreed to restore friendly relations on the basis of the Five Principles of Peaceful Coexistence and to exchange ambassadors, a Chinese Foreign Ministry official announces.

Talks on the normalization of Sino-Laotian relations were held between the two sides in Beijing. ■

AFRICA

OAU Seeks Help to End Debt Crisis

Although the whole African continent is heavily in debt, the problem can be resolved through international co-operation. The latest session of the Organization of African Unity made efforts in this direction.

The third extraordinary session of the Organization of African Unity (OAU), held in Addis Ababa on November 30 and December 1, adopted an African common position paper and a declaration on African debt. It also renewed the OAU's request for an international conference on the African debt crisis.

Africa's external debt has increased rapidly from US\$13 billion in 1970 to more than US\$200 billion last year. The average debt service ratio is approaching 40 percent, double the danger point set by the International Monetary Fund.

The African debt situation can be attributed to five major causes.

First, export prices for Africa's major commodities have fallen to their lowest levels in real terms since the 1930s, while prices for imported manufactured goods rose by 20 percent last year alone. According to the UN Economic Commission for Africa, export earnings dropped from US\$65 billion in 1985 to US\$46 billion last year, a 29 percent drop, the sharpest in 40 years.

Second, while Western countries shifted onto the third world the burden of the oil price rises of 1973 and 1979 by raising the export prices of their manufactured goods, African countries were seriously affected by the oil price shocks. In 1980, 13 African oil-exporting countries started to suffer from shrinking oil revenue, forcing their overstretched economies into grave difficulties. Nigeria, for example, has incurred an external debt of US\$20 billion. Africa's oil income dropped by US\$20-25 billion last year.

Third, the economic slowdown of the West in recent years has had a direct impact on Africa's economy through declining demand for its primary commodities, growing protectionism and curtailed assistance and capital flow to Africa. For example, World Bank figures show that US economic assistance to Africa this year has been cut by 30 percent.

Fourth, Africa faces increasingly harsh terms on new loans and rescheduled debt. The continent's debt structure has drastically worsened in recent years—the proportion of grants, official loans and soft (concessional) loans has decreased while the proportion of commercial and hard loans (non-concessional loans with higher interest rates and shorter periods of maturity and grace) has been on the increase.

Finally, the African debt crisis has internal causes, which are more fundamental in the long run. These include the prolonged neglect of agricultural development, particularly food production; the lack of incentives and other effective economic measures to promote production, exports, economic diversification and the mobilization of domestic resources; the lack of control of population growth; inappropriate and inadequate financial and debt management; as well as efforts by South Africa to destabilize the economies of neighbouring countries.

While reaffirming Africa's commitment to honouring its debt obligations, the summit pointed

out its difficulties in doing so in the present economic environment. This helped ease the concern of Western developed countries about possible massive defaults by African countries while demonstrating the need for international financial support so that Africa can again be in a position to honour its obligations.

The meeting emphasized the interdependence and shared responsibility of African debtors and Western creditors in resolving the crisis through continued constructive dialogue in the spirit of the North-South co-operation for development.

The summit outlined a series of proposals, based on deliberations at previous ministerial meetings, to resolve the crisis. They include the improvement of terms of trade for Africa; suspension of external debt servicing for 10 years; setting a reasonable and bearable percentage limit for Africa's debt service ratio; converting of all past official bilateral loans into grants; better terms for rescheduling existing debts and new concessional loans of 50-year maturities and 10-year grace periods.

As a matter of urgency, the summit reiterated its call for the convening next year of an international conference for African debtors, Western creditors and international financial institutions. The conference would discuss concrete and practical measures based on Africa's proposals for a just, lasting and mutually acceptable solution to the African debt crisis. The summit set up a contact group to promote and prepare such a conference.

Observers have noted that while summit was successful, whether it can succeed in resolving the debt crisis largely depends on a positive response from Western developed countries.

by Ye Zhixiong

Summit Opens New Era of Integration

The presidents of eight Latin American nations decided at their recent summit to join forces to confront their common difficulties and challenges. The summit marks a historic step towards the integration of Latin America.

The presidents of the eight member countries of the Contadora and Lima groups recently gathered in Acapulco, a Pacific beach resort in Mexico, to discuss regional integration, foreign debt, and Central American peace efforts. The November 27-29 summit closed with the signing of a document entitled the Acapulco Declaration on Peace, Development and Democracy.

The presidents of eight major Latin American countries—Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay and Venezuela—came together spontaneously without the participation of the United States. They declared their stands and views with one voice, and decided to establish a mechanism for continuing political consultation and co-ordination at the highest level. All this gives the meeting great historical implications.

The strong desire for unity of Latin American countries was obvious at the summit. Uruguayan President Julio Maria Sanguinetti said unity is strength. Mexican President Miguel de la Madrid said that dispersion and isolation have weakened Latin America and that unity will bring it vitality. Latin America's need for unity stems from a lack of sovereignty, the threat of internal conflicts and foreign intervention, and severe economic difficulties, the Mexican president added.

The presidents agreed that the Latin American economy is deteriorating as a result of the unjust international economic order. Statistics released at the summit show that the foreign debts of Latin American countries have reached about US\$400 billion, 70 percent of the total of all developing countries in the

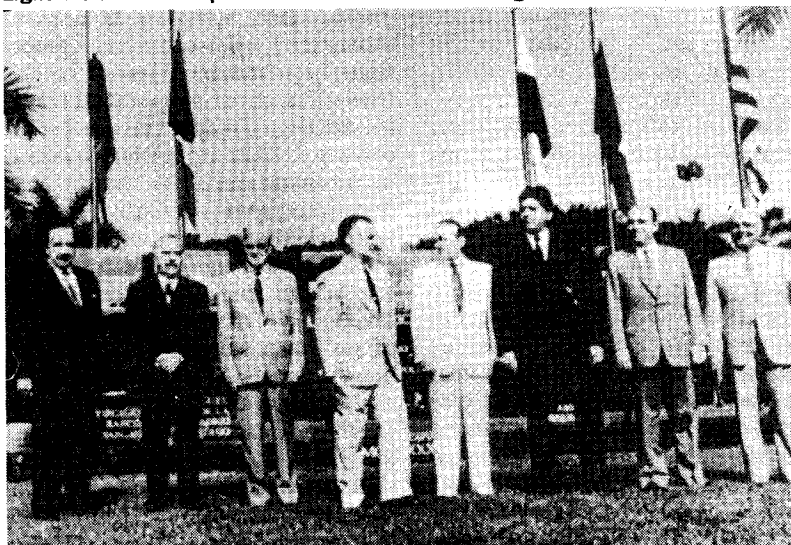
world. At the same time, Latin America's share of world trade is dropping. It fell from 5.7 percent in 1960 to 4.5 percent in 1985, and over the past two years, total Latin American export volume suffered a net drop of US\$20 billion. In 1986 per-capita national income was at the same level as in 1984. During the past five years, capital outflow reached more than US\$160 billion, of which US\$91 billion flowed to the United States. The outflow almost equals the total external investment in the region over the past two decades. Such a severe economic crisis contributes significantly to turbulence and instability in Latin American countries.

Peace cannot be realized in Central America while the social, economic and political factors causing the turmoil still exist. Panamanian President Eric Arturo Delvalle openly condemned the United States for its political and economic aggression against Panama. The summit document calls on the United States to fulfil its commitment under the US-Panamanian canal agreement to return sovereignty over the Panama Canal to Panama on schedule. The presidents reiterated their support for complete Argentine sovereignty over the Malvinas Islands. They also said it is crucial for all Latin American nations to help build peace and stability in Central America.

The presidents of Mexico, Venezuela, Colombia and Panama (the Contadora Group) and Brazil, Argentina, Peru and Uruguay (the Lima Group) concluded that none of their countries can surmount Latin American problems on its own. Consequently, the members of the two groups, which originally aimed at promoting the peace process in Central America, decided to set up a mechanism for continuing political consultation and co-ordination that will promote the comprehensive integration of Latin America.

Latin American integration is a

Eight Latin American presidents outside their meeting centre in Acapulco.



goal that generations of wise and far-sighted Latin American statesmen have striven to achieve. The presidents at the summit, who represent more than 80 percent of Latin America's population, agreed that their countries will undertake a series of obligations to facilitate the process of integration. This move will surely help promote the integration of Latin America, although no one can predict the outcome of their efforts.

Brazilian President Jose Sarney pointed out that political integration is a priority for all Latin

American nations. Economic integration will be a slow progress, he said, because of the different levels of development among the countries of the region.

Whatever happens, it is encouraging that Latin American nations have at last come together—not at the suggestion of a superpower, but spontaneously and as equals—to coordinate their stands and actions. And they are determined to keep up their co-ordination. This is progress of historic importance.

by Guo Weicheng

POLAND

Government Still Committed to Reform

A nationwide referendum showed that only 44.28 percent of Poland's eligible voters support the government's far-reaching economic reform plan. The government said the plan will be revised but bold changes will continue.

On November 29 the people of Poland voted on a radical reform programme proposed by the government.

The central committee for the national referendum said in a communique that about 17.64 million of the 26.2 million eligible voters participated in the referendum, for a turnout of 67.32 percent. Of the voters, 66.04 percent, or 11.6 million people, were in favour of the economic reform proposals and 27.7 percent, about 4.86 million voters, were opposed. The political reform plan won the support of 69.03 percent of the voters, or about 12.12 million people, while 24.57 percent, or about 4.31 million people, voted against it.

However, those who favoured the government's economic reform plan represented only 44.28 percent of the eligible voters, while the political reform programme received support from 46.29 percent of those who could vote. According to the referendum law,

the proposals required the approval of more than half of the eligible voters.

The proposed economic reform included remarkably steep one-time price hikes: 110 percent for food, about 200 percent for fuel and housing, and 40 percent for other goods and services. The price reform, which was scheduled for next year, is aimed at curing the serious imbalance and inefficiency in the nation's economy.

The accompanying political reform would broaden the scope of democratization, citizens' rights and their participation in governing the country.

The referendum was the country's second. The first, held in June 1946, addressed such vital problems as defining Poland's territory and setting up its political and social systems. This time Poles were asked the following major questions:

—Do you fully support the radical economic programme submitted by the Sejm (parlia-

ment) to improve living conditions, being aware that this will require going through a difficult two- to three-year period of rapid changes?

—Are you in favour of the Polish programme proposed for the deep democratization of political life, in order to strengthen self-government, broaden citizens' rights and increase citizens' participation in governing the country?

The results of the referendum will force the government to revise its plans. Before the results were in, a Polish government spokesman said that if the response were negative, it would take longer to cure the country's economic ills, say 15 years instead of three.

At a meeting on December 1 to discuss the results of the referendum, the Political Bureau of the ruling Polish United Workers' Party said that while the reform plans need to be revised, bold changes will continue. A statement from the meeting said the Sejm and the government will make "relevant revisions," particularly to the economic reform package, in light of the results of the referendum.

Economic reform was initiated in Poland in January 1982, when the country was plagued by its most serious economic crisis since World War II following labour unrest led by the Solidarity movement and economic sanctions imposed by Western countries. The first stage of reform included a reappraisal of the economic system that had existed in Poland since the war. The questions facing the Polish people were whether a socialist economy must follow a rigid, all-embracing centralized plan; whether state ownership should be the sole form of public property; and whether market forces should play a role in a planned economy.

On the basis of the reappraisal, the government adopted measures that gave market forces a greater role in regulating economic performance and allowed enterpr-

ises more freedom in decision-making and management. Meanwhile, the government also carried out political reforms, which helped expand socialist democracy and strengthen legal institutions.

The reform programme has brought about a marked improvement in Poland's economy. Last year's national income was 21.7 percent higher than the 1982 figure. In the agricultural sector, there have been good harvests for four years in a row, while industrial production last year exceeded the pre-crisis peak by 9.7 percent.

But the achievements during the first stage of reform still fell far short of the targets.

All this indicates that a fundamental economic upturn will require radical, sometimes even painful, reforms in both the economic and political fields. But, as the results of the referendum seem to indicate, most Poles prefer a less radical, less painful reform. "We need reform, but not in a hasty way," said a Polish worker who voted against the government reform blueprint.

Polish Vice-Premier Zdzislaw Sadowski said on December 2 that the radical reform plan was, from the start, a flexible and open programme which can be supplemented and revised. The controversial wage-income reform plan should not be implemented; and the pricing system reform may take longer; and government subsidies may be reduced at a slower pace, he said. But he stressed that the government will not put aside the reform policy on management autonomy and the policy aimed at putting private, collective and state enterprises on the same footing. Enterprises will be asked to take their own business risks and be responsible for their profits and losses. The state will formulate general policies and strategies, and will not interfere in the running of enterprises.

by Wen Youren

TURKEY

Ruling Party Loses Votes, Gains Seats

In the Turkish general election, the ruling Motherland Party took nearly two-thirds of the seats in parliament with 36.35 percent of the votes. The opposition parties have criticized the electoral system.

Turkish Prime Minister Turgut Ozal and his Motherland Party were re-elected on November 29, taking 290 seats in the country's 450-seat parliament.

Under Turkey's new election law, passed by parliament in September, any party that wins one-third of the total votes automatically obtains at least half of the seats in parliament to form a single-party government, while parties that win less than 10 percent of votes get no seats.

The Social Democratic Populist Party led by Erdal Inonu won 100 seats and the True Path Party led by Suleyman Demirel, who has six times been prime minister, obtained 60 seats.

The Democratic Left Party led by Bulent Ecevit, who served as prime minister on three occasions, got 8.54 percent of the votes, and the Muslim Fundamentalist Welfare Party led by Necrettin Erbakan obtained 7.12 percent. They and two smaller parties will not take any seats in parliament as they won less than 10 percent of the votes, both regionally and nationally.

Observers think the election system favours the Motherland Party, which created it. Reports pointed out that while Ozal lost votes as compared with the 1983 election, he got more seats thanks to the new system.

All opposition party leaders have criticized the electoral system. Inonu accused Ozal of creating an "unjust election system." Erbakan called the system "crooked" and called for its immediate revision.

The Motherland Party first came to power in a general election held on November 6, 1983. Its five-year term would have expired in November 1988. The party has made some remarkable achievements in stabilizing and developing the Turkish economy, particularly in raising exports. Over the past four years, the gross national product has increased at an average annual rate of 6.5 percent. Exports have expanded 65 percent from US\$5.7 billion to an estimated US\$9 billion this year. These achievements have won the party the approval of the people.

But the party has also encountered difficulties in controlling inflation and reducing unemployment and this has aroused some opposition. In addition, its objections to lifting political bans imposed on former top politicians are unpopular among the Turkish people. In a plebiscite held on September 6, 50.23 percent of the voters favoured lifting the bans. Taking this as a bad sign, Ozal called an early election, with the aim of defeating the former politicians before they regain a firm position and winning another five-year term.

A vote of confidence in the new Turkish cabinet is to be held in parliament in mid-January. According to the Turkish constitution, a new cabinet must win a majority vote of confidence after it is formed and its administrative programme is published. Otherwise, the cabinet must be reorganized.

by Li Wen

On Separating Party From Government*

Zhao Ziyang

Here I would like to go into the question of separating Party from government functions as it is the key to China's political structural reform.

Among the documents to be examined during this plenary session, the Report to the 13th National Party Congress and the Overall Plan for the Political Structural Reform concern themselves with this issue. Political restructuring involves primarily the reform of the leadership system. Without resolving the confusion between Party and government functions and the usurpation of government role by the Party, it is impossible to unfold the reform of the political structure as a whole.

General Trend

At present, many socialist countries are talking about political structural reform. Without exception, the socialist countries which have instituted such a reform have set themselves the task of overcoming the problem of the confusion of the responsibility between the Party and the government, and giving full play to the role of organs of state power. This has become a general trend and is bound to take place in China sooner or later. It must also be pointed out that

China is among those countries where the confusion of the responsibility between the Party and government has been rather serious. Other socialist countries have, for many years, practised a system under which administrators assume full responsibility at least in the grass-roots units and in all the enterprises and government institutions; here we leave aside things at the central and various local levels. Party committees in the enterprises and institutions of these countries have more or less the same role as the ones in our government organizations which only exercise their supervisory and guaranteeing functions.

In our country, however, the director responsibility system was only practised for a very short time, and primarily in northeast China in the early post-liberation days. Since the late 1950s, the centralized leadership of the Party committees in enterprises and institutions has been emphasized; indeed recognition of it was a hallmark for distinguishing between supporting and opposing the Party's leadership. Furthermore, this system was strengthened with each political movement, with the result that the Party committees took on more and more of the administration. Unwieldy working bodies developed, composed of a large number of cadres not engaged in production.

The switch from centralized leadership to the separation of Party from government will be a major change for our comrades. We must adequately estimate, and

be mentally prepared for, this change.

Top to Bottom Reform

Separating Party from government is a major reform in the system of our Party's leadership. It covers all levels—the central departments, the localities and the grass-roots units.

1) The Party Central Committee should exercise political leadership in all fields, which means that it formulates political principles, points political orientation, makes major policy decisions concerning internal affairs, foreign affairs, economy and defence, and recommends people for leading posts in state organizations.

2) Local Party committees at the provincial, municipal and county levels should exercise political leadership by carrying out the line formulated by the Party Central Committee and enforcing the decrees of the central government. They will have five responsibilities: to carry out directives from higher Party organizations and the Party Central Committee; to ensure the implementation in their local areas of directives from governments of higher levels and the State Council; to propose policy decisions on important local issues; to recommend cadres for key posts in local state organs; to co-ordinate the activities of the various local organizations.

3) The separation of Party from government functions at the township level will be postponed

Part of a speech made by Zhao Ziyang at the preparatory meeting of the Seventh Plenary Session of the 12th Party Central Committee on October 14, 1987. — Ed.

purposefully until it has been done at county level.

4) Party committees in enterprises must all play a supervisory and guaranteeing role. Those in government institutions must gradually change their functions and begin to do the same through the implementation of the administrative leadership responsibility system.

It seems that the centre has had little difficulty implementing the reform. The Central Committee now has no departments of industry, finance and trade, culture or education which overlap with similar government ministries. Next the Central Committee will gradually abolish the Party's leading groups in all government ministries. The motions submitted by the State Council to the Political Bureau or its Standing Committee for decision will not go through the Secretariat of the Party Central Committee first for deliberation. Meanwhile attention will also be paid to improving leadership and work methods.

In the past, Party committees in the localities set up departments which corresponded with government departments, and appointed corresponding industrial and agricultural secretaries, and standing committee members of finance and trade, culture and education. These local Party committees took on much more government work than the Party Central Committee did. As a result their task of separating Party from government is greater than the Central Committee. However, since the centre can do it there is no reason for localities not to do so.

The problem is at the grass-roots level. There, there are so much full-time Party cadres doing a great deal of the administrative work. To change the old patterns of Party committees being involved in every field we must maintain our resolve and do meticulous ideological and organizational work. Enterprise Party committees must take the

initiative and shift to playing a supervisory and guaranteeing role. This will facilitate the reform of the economic structure and ensure the smooth advance of the director (manager) responsibility system. There must be no hesitation or vacillation. The change of the functions of the Party committees in schools and research institutes should proceed steadily and in a clear direction.

Benefits

A major reason for the concern shown by some people over this separation of Party from government is that they have not had much experience of the benefits of the reform for themselves. The more we talk about these benefits, the more that concern will diminish. I hope all of you say more about the benefits of the reform at the plenary session. Here I'd like to stress at least four of them.

First, instead of enhancing and strengthening the Party's leadership, the lack of distinction between Party and government has lowered and weakened the Party's leadership. With the separation of Party and the government, the Party's leadership can really be strengthened and the Party's political leadership ability increased.

Leaders involved in things which should be done by those under them have only relegated themselves to a subordinate position. The Party committees which have taken on government work have turned themselves into governments, and those involved in enterprise affairs have turned themselves into enterprises. As a political leader the Party should exercise political leadership. To distribute money and goods, decide on construction and research projects, and give approval and instructions to routine work are the government departments' day-to-day business. The Party committee's direct

involvement in these affairs has not only hampered the government in carrying out its duties but has also abandoned the Party committee's own leadership. A leader should be cool-headed, far-sighted and thoughtful. One who involves oneself all day long in trivial matters cannot truly be a good leader.

Here the question is whether one can feel at ease with the government's ability to perform its duties well. Some people worry that things will not be properly handled once they have handed their work over to the government. This fear does not conform to the reality. Many of our comrades work as secretaries one day and mayors the next. Haven't they done their work well? If the Party secretaries do not involve themselves in concrete matters, and instead stand on a higher plane and see far ahead, they will have a greater ability to handle affairs. Being buried in routine work only limits one's perspective on the major issues.

Second, when there is no distinction between Party and government, the Party has no time or energy to attend to its own building. Only when the two are separated is it possible to see that "the Party handles Party affairs." To build up our Party, Party committees should put their own construction on the agenda; they should be good at ridding themselves of the burden of daily chores. Non-Party affairs should be handled by the government, the National People's Congress, the various social, economic and cultural organizations — they should be allowed to function fully. The Party's work, ideological and organizational construction is wholly for the Party committees, and should not be done by others. Under the conditions of reform and opening up, the Party, as the ruling Party, faces a whole new set of challenges: how to be fully competent in undertaking the great task of exercising leadership

over socialist modernization, how to stand up to the test of being a Party in power and the test of reform and opening China to the outside world; how to maintain a high prestige, strong cohesion and great appeal to the masses. The ideological and organizational construction of the Party and its mass work should be seriously undertaken by Party committees at various levels. They should never "cultivate the land of others while letting their own fields lay waste," (taking on the work of administration while neglecting the work of the Party).

Third, when there is no distinction between Party and government, the Party committees have to bear the burden of administrative work and may even become one opposite of a contradiction. Only when the two are separated is it possible for the Party to stand tall and be in a position to handle contradictions with ease and assume overall control of the situation, hence playing their part as the leader in "co-ordinating the work in all fields." The socialist society is not a monolith. In this society, people of all kinds, of course, share common interests, but their special interests should not be overlooked. The conflicting interests should be reconciled. The government should work to co-ordinate various kinds of interests and contradictions; the Party committees must be even better at the co-ordinating work. One of the five functions of local Party committees is "co-ordinating the activities of the various local organizations." If the Party committees take on government work and that of the various economic and cultural organizations, and if the Party committees make decisions and implement them all themselves, the Party committees are behaving like an executive organ. By then they will find themselves not only with little room to manoeuvre, but actually deprived of the qualifications they need to co-ordinate

contradictions.

Fourth, when there is no distinction between Party and government, the Party becomes the executive body; only when the two are separated is it possible for Party organizations truly to supervise. To raise work efficiency, the administrative system must be reinforced; to this end, supervision must be strengthened. One cannot supervise oneself. If you take on all the administrative work, you lose the qualification needed to supervise the administration. Overcoming bureaucracy is an extremely important task for all our leading organs. If the Party committees take on administrative work they themselves will become the hotbed for bureaucracy. Meanwhile, with the separation of Party and government, the Party committees, when free from routine administrative work, will truly be a force for fighting bureaucracy.

These four principles boil down to one point: there must be a clear orientation for separating Party from government. In order not to erode the Party's leading role, to enable the Party committees to co-ordinate work in all fields and supervise administration, and to boost Party construction under the new historical conditions, it is imperative to separate Party from government. Technical problems relating to the separation of the two, including forms and methods, should be studied in practice. The placement of cadres is a question of how to make appropriate arrangements in the light of the specific features of the Party and government work, and should not be an excuse for justifying the confusion of Party and government functions. If everybody from top to bottom realizes the importance of separating Party from government and can seriously and conscientiously work for it, it will proceed smoothly and steadily. This separation will facilitate the stable and gradual development of the political structural reform and the

implementation of other measures. The question is therefore of paramount importance, and I hope you attend to it seriously.

Historical Analysis

Of course, the situation where Party and government are lumped together must be analysed from a historical angle and must not be oversimplified. The old system has its own historical conditions and background. Formed during the revolutionary war years, the old system was strengthened by repeated political movements and adapted to the highly centralized mandatory planning economic system. Now the situation is different. The modernization programme calls for motivating various organizations and social interests and requires the establishment of a normal order for them. The system which took shape during the war years cannot meet the needs of peace time; the system that was strengthened by mass movement cannot cope with the requirements of modernization; a highly centralized system has no way of promoting the development of a commodity economy. With this change in situation and task, we cannot stick to the former leadership system. This is determined by historical conditions, not by any individual. In separating Party from government, we must make this clear. We should never do anything that will demoralize our comrades who do Party work and make them feel as if they made mistakes. This we would never do! On the contrary, we will make everyone understand that separating Party from government is a new higher demand on our Party's work following the development of the situation and the cause of the Party; therefore, they will conscientiously, actively and happily commit themselves to reform and work for the historical change. (*Renmin Ribao*, Nov. 26, 1987. Subheads are ours.)

Afforestation Greens the Loess Plateau

by Our Correspondent Li Rongxia

Yanan and Yulin Prefectures in northern Shaanxi are set squarely on the Loess Plateau of northwest China—the largest of its kind in the world. It stretches more or less along the route of the Huanghe (Yellow) River. It is high above sea level, up to 2,000 metres, and covers 400,000 square km. For centuries the hilly areas of the plateau were barren and desolate, ravaged by sandstorms in winter and spring; in summer the rains would wash the soil and sand away, gouging gullies all across

the plateau. The area had the worst soil erosion problem in China.

Northern Shaanxi, however, is different now. In Yanan Prefecture, the slopes have been terraced and covered with fruit trees, while the valleys are carpeted with green crops. In Yulin County in Yulin Prefecture poplar-lined roads are flanked by paddy fields. The head of Yulin County describes the area before the work began as a wind-swept desert of wandering sand dunes.

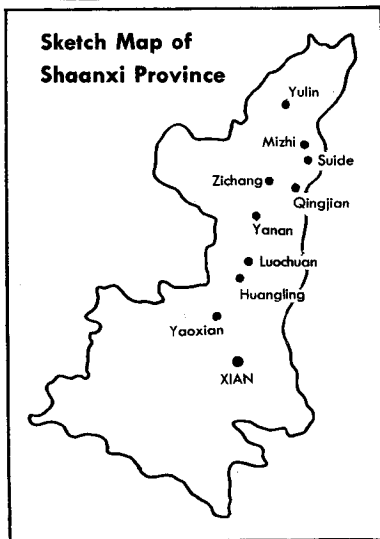
The difference is measured in money terms by the locals. Ma Shengrong, 55, a farmer of Mizhi County's Houmajiayuanzi Village, and his family of five contracted 0.6 hectare of land; they have a cow, a donkey, two pigs and 15 sheep. Since 1982, their annual income has been 3,000 yuan. Last year they built 10 cave dwellings, each costing about 1,000 yuan. They not only work on their own contracted land, but also for the UN-funded Loess Plateau improvement project. For

a day's work each receives 2.6 kg of flour.

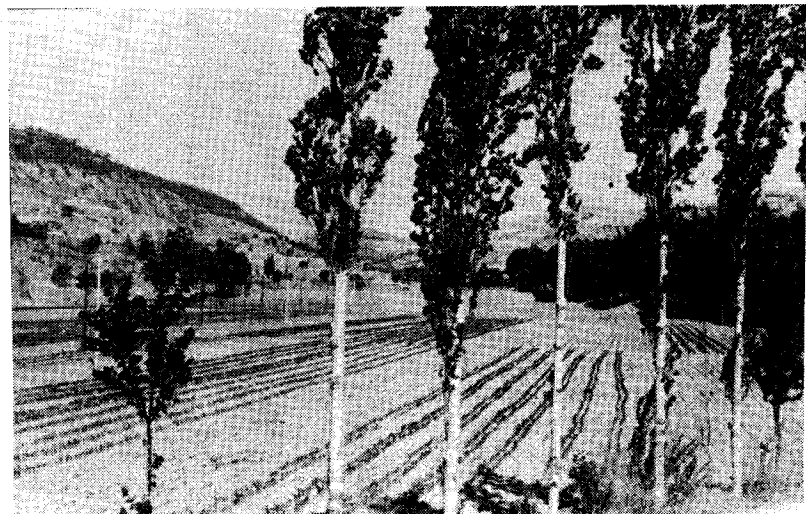
UN Assistance

Shaanxi Province set up the Loess Plateau improvement research institute in Mizhi County in 1979. In 1984, the institute established relations with the UN Food and Agriculture Organization (FAO) and has since received US\$1.2 million worth of aid from it. The World Food Programme (WFP) has provided the county with 45,640 tons of flour to pay the farmers who have worked on the project since 1984. So far the co-operating organizations have studied three projects—the initial survey and planning for the whole region; the rational utilization of land resources, and the uses of biological engineering.

With the help of FAO specialists and officials the research institute evaluated the



Farmland in a mountain gully in Nianzhuang Village.





Terraced hillside fields.

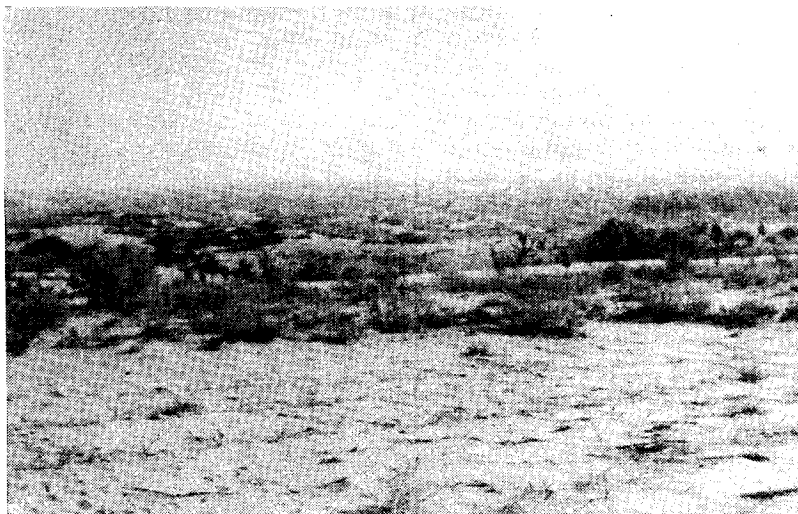
land resources on the plateau and planned the optimal use of the land. Previously, 75 percent of the land was planted with cereals, to no good effect. Now they plant 25 percent of the land with farm crops and 30 percent with trees. Another 20 percent has been turned into pasture and the rest is used for housing and other non-productive purposes.

A pilot project has been set up in Quanjiagou Village where 104 hectares of poor farmland has been given over to grass and trees. However, building terraces on mountain slopes has increased its total farmland by 11 hectares. In 1985 the village's grain output was 29.1 percent higher than in 1979, while its vegetation coverage rose from 18 to 43 percent. The village has also expanded its animal husbandry—it raises fine wool sheep from Xinjiang and cattle from central Shaanxi Province, both highly lucrative. Today all the slopes of 35° or less in the village are covered with shrubs. Willow, poplar and other shade trees are planted around the village and along the gullies.

Wang Zhengqiu, deputy director of the Irrigation Bureau of Shaanxi Province, says that in northern Shaanxi afforestation over the past eight years has

brought 40 percent of the areas affected by soil erosion under control and increased land fertility. The per-hectare grain output in northern Shaanxi rose from 584 kg in 1979 to 2,138 kg in 1986. Efforts during the past eight years have improved the ecology of 38,000 square km of land. A total of 726,000 hectares of high-quality farmland has been reclaimed, 426,000 hectares have been turned into paddy fields, 1.952 million hectares have been planted with trees and 533,000 hectares, with grass.

Hardy desert shrubs form sand-control belts.



Photos by LI RONGXIA

Systematic Planning

Although specialized water and soil conservation institutions were established in northern Shaanxi in the 1950s, work proceeded very slowly because of political upheavals and ineffective methods. Early on, the concentration was on dykes in the gullies which was meant to stop the mud from washing away. However, the dykes did not hold out very long. Later, during the "learn-from Dazhai" movement and in response to the slogan "take grain as the key link" during the "cultural revolution" terraced fields were built on all the slopes. The grain harvest from them was very meagre however, and the lack of maintenance meant that most of these terraces were soon in disrepair.

Comprehensive improvement methods have since been introduced. The fields on the slopes have been planted with trees and grass in an effort to preserve water and soil. Fertile terraced fields have been built in the gullies and planted with suitable crops. These efforts have boosted agriculture, forestry and animal husbandry simultaneously.

A variety of suitable crops has been profitably planted. Luochuan County has become an

export apple production centre. Timber trees and drought-resistant firewood shrubs have taken roots, and many places in northern Shaanxi have planted broad leaf alfalfa from Xinjiang to support the animal farming. Purebred fine wool sheep and Angora rabbits from Australia and elsewhere have also been introduced.

This project in Shaanxi has been planned systematically. The Huanghe River valley will be tackled section by section. According to the plan, over 10,000 square km of eroded areas in northern Shaanxi will have been dealt with before 1990. Between 1990 and 2000, another 15,000 square km of land will have been treated. This means that by the turn of this century, most of the soil erosion areas in northern Shaanxi will have been brought under control.

With the household responsibility system, where farmers benefit from land they contract, 4 million households (there are 12.7 million in northern Shaanxi) have already contracted one-third of the land requiring improvement.

Zhao Liujiao, a farmer of Chendagedu Village in Yulin County, and his family contracted 1.3 hectares of desert land and 0.7 hectare of cultivated land. He and

his son planted sand-control barriers and dry-soil shrubs on the desert. The shrubs they planted have grown well and are used as firewood and to make baskets. The family now yearly harvests 3,500 kg of grain and earns 3,000 yuan from it and sidelines. The year before last, they bought a 14-inch colour television, a luxury for many Chinese farmers.

Reviving the Past

The Loess Plateau project is aiming to restore some of the plateau's original features. According to historical records, in 155 BC during the Western Han Dynasty (206BC-24AD) the area was a fertile land with lush pastures, a major crop and animal farming area. In the heyday of the Tang Dynasty (618-907) the authorities encouraged the local people to raise horses with great success. The imperial court sent troops to guard the frontier and settled civilians there to build the border areas, promoting its development.

However, after that, and through the Song Dynasty (960-1279), prolonged wars and drought destroyed the pastures. Farming never recovered.

In the Ming Dynasty (1368-1644), there was concern about the southward encroachment of the Mongolian nomads, and the royal army burnt the grass on the frontier so the Mongols would not graze their herds there. This reduced large stretches of natural pastures to empty wasteland.

During the Qing Dynasty (1644-1911), population growth was followed by wanton felling of trees and over-cultivation which exhausted the land. In the 26th year of the reign of Emperor Kang Xi (1687), authorities in Yulin area allowed the locals to reclaim the desert in a circumference of 25 km around the farmland. Although thousands of hectares of desert land were reclaimed, the massive unplanned felling and tilling damaged the vegetation which further destroyed the ecological balance and led to soil erosion and frequent flooding of the Huanghe River.

A vicious circle was set in motion: the more land was exploited the poorer the place became, and the poorer it became the more pressure was put on the land, producing the eroded Loess Plateau.

The process is now being put into reverse, in the hope that fertility can be completely restored to the plateau. ■

Irrigation System in Central Shaanxi

by Our Correspondent Li Rongxia

The Weihe Plain in central Shaanxi Province, quite different from the Loess Plateau in northern Shaanxi which I mentioned in "Afforestation Greens the Loess Plateau" (in the same issue), is famous for its agriculture. The fertile plain is one of the main grain and cotton growing areas in China, producing 85 percent of the province's wheat and 90 percent of its cotton.

The sophisticated agriculture of the Weihe Plain is due to its careful irrigation. Constructing irrigation canals and harnessing rivers started 2,000 years ago. The Zhengguo Canal was built in the Warring States Period (475-221 BC) and is one of the oldest canals in China. The work was accelerated after the founding of New China in 1949, but before the 1980s it was often obstructed by

the repeated political movements. Some of the water projects took for ever to be built, others were constructed without the help of machines and inefficiently. Most importantly, the living standards of the local farmers remained stuck at an income of about 100 yuan a year per person.

Since China implemented new economic policies in 1979, the construction of water conservancy

projects has begun a new phase — one with emphasis placed on economic efficiency. In order to increase the returns from the irrigation projects, efforts have been made to construct auxiliary facilities, shorten the construction time and put projects into operation as soon as they have been completed. Meanwhile, the efficient working of the irrigation itself has been stressed. Fields have been levelled into squares of

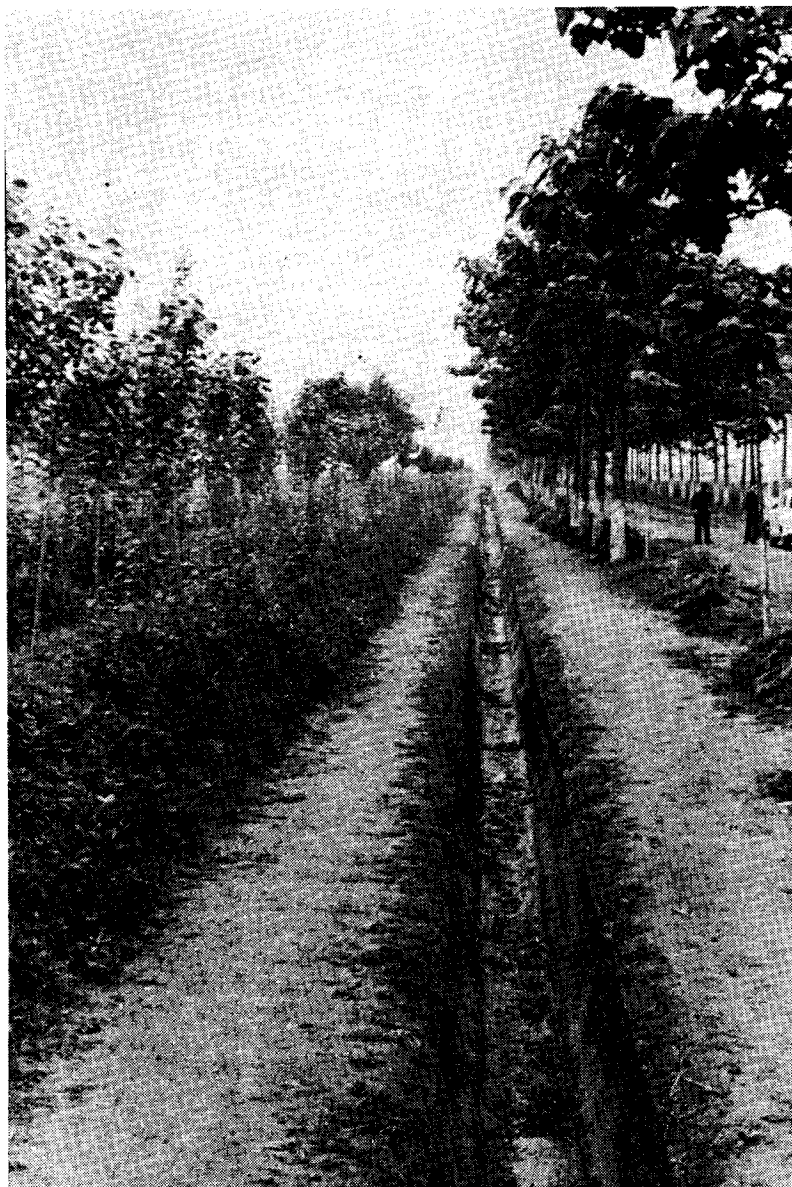
700 hectares each. They are irrigated with more attentive management and an improved method of cement ditches. This saves one million cubic metres of water a year for each square, which is enough to irrigate another 325 hectares of land.

The local farmers are more enthusiastic about taking part in the construction of these projects. For building large and medium-sized irrigation works, the farmers

provide half the labour time and 30-40 percent of the investment. For the small projects, they provide all the resources except some state subsidies of rolled steel, cement, timber and money. After these projects go into operation, the locals take on 70 percent of the labour and financial burden of maintenance. In the winter of 1986 alone the farmers in the plain gave about 100 million workdays building water projects; local rural enterprises and people invested 21.34 million yuan.

By now 180,000 water irrigation projects of various kinds have been built, watering 1.25 million hectares of land, 5.5 times the 1949 acreage, 34.3 percent of the total cultivated area of the plain. The projects include 30,000 big and small reservoirs with a total storage capacity of 4.6 billion cubic metres; 10,000 gravity water-carrying projects and 130,000 pumping works.

A newly laid cement ditch.

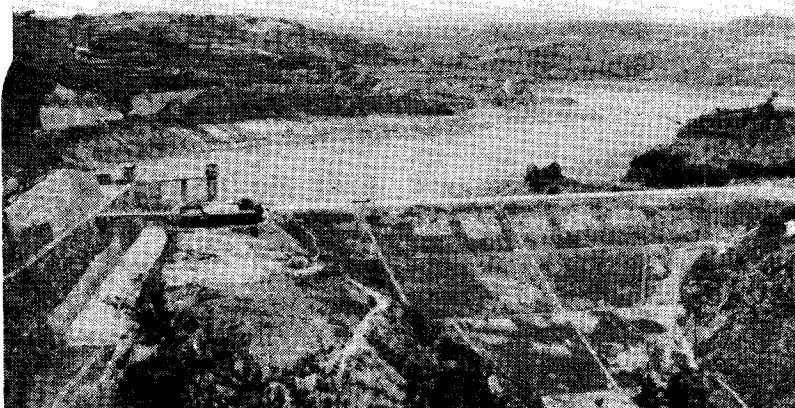


Boon to Agriculture

Wang Mingxin, head of Xuelu township in the Baoji Gorge irrigation area, said that in the past "farmers relied totally on nature and in February and March they lived on state loans. This is no longer the case and grain production has increased since the irrigation was improved. In 1986 Xuelu harvested 10 million kg of grain, more than double the 1980 yield. The total agricultural output value has increased from 1.77 million yuan in 1976 to 13.23 million yuan last year, and the farmers' per-capita income has gone from 147 yuan to 578 yuan."

The construction of the irrigation projects has promoted rural economic development and improved the people's living standards. They are playing an important role in helping change the farming conditions in the plain. Drought is no longer such a threat there.

Last year was the plain's driest this decade. A total of 1.41 million



A reservoir in central Shaanxi.

Photos by LI RONGXIA

hectares of summer crops and 1.52 million hectares of autumn crops were affected. But the average per-hectare output of the 990,000 hectares of irrigated land (one-third of the total grain acreage) was three times greater than that of the dry land, and a total of 3.87 million tons of grain were harvested from the irrigated land which was 60 percent of the total grain harvest of the area.

The construction of irrigation projects has helped increase grain production and opened the way for major readjustments of the agricultural production structure. With the help of professors from the Northwest Agricultural University, Caidai village in Dengcheng County drew up a plan for diversifying its farming during 1985-90, which involved a decrease in the acreage of grain crops and an increase in cash crops. The first two years have yielded remarkable results.

In 1986 the grain area was reduced by 51 hectares, but the total grain output for the 136 hectares increased from 343,000 kg to 725,000 kg. The grain the village handed over to the state rose from 70,000 kg to 135,000 kg.

On the other hand, the acreage of cash crops expanded from 44 hectares to 96 hectares, including 26 hectares of orchards. This is 42

percent of the total cultivated land in the village. The crops include vegetables, watermelon, tobacco and peanuts. Income increased: in 1980 the village earned 26,000 yuan and last year the figure rose to 225,000 yuan. The per-capita income in the village went up from 139.5 yuan in 1980 to 582 yuan in 1986.

In the past Yang Zhongsheng, a local farmer, was always in debt. In 1985 he planted watermelons and earned 2,000 yuan. With the money he built a new house and bought a cow. Shang Zhiwen

began to cultivate 0.2 hectare of vegetables instead of grain a couple of years ago, and has earned an annual 3,000 yuan since then.

An official from the World Food Programme residing in Beijing inspected the village in 1985 and spoke highly of its achievements in the readjustment of its production structure.

Potential Crisis

However, not everything is rosy. In the process of building new water projects, the repair of the old irrigation systems has been neglected. Some projects have been badly run and their efficiency has dropped. A survey shows that 37,000 of the province's 180,000 irrigation works (24 percent) have some problems or have broken down completely. This has brought the effective irrigated acreage down by 286,000 hectares (23 percent). Their repair or renovation requires a total input of 150 million yuan. Since localities have taken over their own finances and they earmark less and less money to the repair and construction of water conservancy projects, these problems have persisted and could develop into a crisis. ■

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Confucianism's Relevance to Contemporary China

by Our Correspondent Li Li

Almost 2,500 years ago, Confucius (551 BC-479 BC) was born at the foot of Niqiu Hill in Qufu, Shandong Province. Confucius was worshipped as China's great sage and his philosophy, Confucianism, was adopted by all feudal rulers as the orthodox doctrine. Even today, Chinese scholars in ideological and academic circles still highly value Confucius as one of the founders of traditional Chinese culture. They have studied and collated Confucianism as an important part and even the main part of this culture.

In early September, an international symposium on Confucianism, jointly sponsored by the Confucius Foundation of China and the East Asia Philosophy Research Institute of Singapore, was held in Qufu for the first time in history. Present at the symposium were 120 noted Confucian scholars from China, Singapore, Japan, South Korea, the United States, the Federal Republic of Germany, Britain, the Soviet Union, Australia and Hong Kong. During the meeting more than 100 papers were read, dealing with a wide range of topics, including the development, the basic ideas and principles of Confucianism, and representatives of the school in different dynasties. All of them, however, more or less considered Confucianism relevant to contemporary China. Generally speaking, there are three viewpoints on this issue.

A Thing of the Past

Some people argue that it is necessary to study and collate Confucian ideas from an historical perspective. However, the study is relevant only to academic circles,

and has no real practical value. Confucianism as a philosophy emerged in the late period of China's slave society and was based on the political and economic conditions of the feudal society. In contemporary China, the impact of Confucian ideas on the thinking and behaviour of people can still be felt, but the conditions under which it could continue have basically been eliminated. The end-point of this reasoning is that Confucianism will gradually wither away and any study into the immediate significance of Confucianism will be unnecessary and impossible. Today new modes of thinking and new code of conduct have been established to meet the times, whereas Confucianism as the main part of the traditional culture has become a thing of the past.

Professor Zhou Jizhi of Anhui University said in his paper that after the middle of the Western Han Dynasty (206 BC -24 AD), Confucianism was the nucleus and main stream of feudal social ideology. For feudal rulers, Confucianism was an ideal ideological system, but it hindered the development of society and rejected foreign culture. In modern times, many Chinese who accepted advanced foreign culture have criticized Confucian ideas from different standpoints. This indicates the general trend of historical development. Today, we should inherit this critical spirit. It is necessary for the modernization of our country, and the promotion of a more advanced culture through the interchanges between traditional Chinese culture and the progressive cultures of the world.

Zhou's view was shared by Professor Cai Shangsi of Fudan University in Shanghai, who feels that, "The doctrines of Confucius

are bound to wither away sooner or later."

Critically Inheritance

Another view sees Confucianism as a main part of traditional Chinese culture, which has played a major role in forming an Oriental civilization with Chinese characteristics. Over the past 2,000 years, the Chinese people followed Confucianism as a standard for thought and behaviour. The doctrine infiltrated their way of thinking, customs, habits and culture as a whole. In this sense, the traditions are things of the past handed down to this day; they are called up not only in academic and historical circles, but also in real and practical considerations. Thus discussions on Confucianism inevitably involve contemporary issues. For example, China now aims to build socialism with Chinese characteristics. Where do these characteristics come from? They are from its history. We cannot discuss them without linking them to the past. Just as Lenin said: "Marxism has won its historic significance as the ideology of the revolutionary proletariat because, far from rejecting the most valuable achievements of the bourgeois epoch, it has, on the contrary, assimilated and refashioned everything of value in the more than two thousand years of the development of human thought and culture." Confucianism played a decisive role in featuring the Chinese nation and culture. Even today, it has an influence on modern society that should not be ignored. It does have its negative aspects, but we should not reject it completely; instead we should critically inherit it, absorb its essence and discard

its dross, so as to transform it, improve it and make it serve the modernization drive.

What then are the positive aspects of Confucianism which we should inherit? And what are the negative ones we should discard?

Professor Yang Beiming of Fudan University said: "It is Confucius, the founder of Confucianism, who was the first in China and indeed the world to stress the prime value of human beings, emphasizing respect for one another, subordinating everything to human nature and coordinating relationships between people. The essence of the Confucianism concept of *ren* (virtue) stresses human relationships based on kindheartedness and magnanimity, "Do not do unto others what you would not have them do to you." In Confucianism humanity only refers to the individual; it does not include identity, social status or wealth. It is therefore clear that *ren* reflects primitive humanitarianism handed down from ancient clan societies and based on kindheartedness. Professor Yang said, the charisma of human value advocated in Confucianism still draws the attention of many progressive scholars in the world today.

Donald J. Munro, Professor of Philosophy, University of Michigan, explained that over the past decades, the word humanitarianism is often defined in four ways. Two meanings of which are: 1. One should take pity on, or be kind to others no matter who they may be; 2. The government of a country should take pity on their subjects. The two meanings are also the moral concepts of Mencius (373-289 BC), another great scholar of the Confucian school. The people who advocate humanity have carried on the teachings of Mencius.

Kuang Yaming, president of the Confucius Foundation of China and professor and honorary president of Nanjing University, said that Confucius and Mencius

strongly opposed aggressive war as early as 2,000 years ago and advocated peaceful coexistence between countries. Proceeding from humanitarianism epitomized in the word "ren," they repeatedly criticized the wars of aggression and annexation between principalities in the late period of the slave society. Confucius maintained

The 1987 symposium on Confucianism shows that Confucianism occupies a definite position in international academic circles and offers reasons for its relevance in contemporary society.

that people around the world including those of minority nationalities should treat one another as brothers. Mencius carried forward and developed this thinking and reprimanded warmongers who launched aggressive wars and massacred people for land and cities. Mencius thought even capital punishment could not offset their crimes. He believed even if people were conquered by force, their hearts could never be won over. The only way to truly achieve this is to convince people with humanity, justice and virtue. Professor Kuang also said, "The ideas on war and peace held by Confucius and Mencius are of great, practical significance to the maintenance of world peace and the opposition to the superpowers' hegemony and arms race. Although Confucius and Mencius lived in an era different from ours, they offered many relevant instructions towards achieving peaceful coexistence between

countries, large or small, strong or weak, and towards resisting aggressive war."

The scholars also analysed and debated the issue of the dross in Confucianism. Associate professor Qian Xun of Qinghua University fully affirmed the positive aspects of "ren". But he said while Confucius stressed personal obligation and personal obedience to the society, he neglected personal rights and interests. Later, these shortcomings in Confucianism were developed into the idea of following heavenly principles and eliminating personal desire. This idea has a profound social and historical root and reflects the interdependence of people in the slave and feudal societies. It is a negative aspect of Confucianism deserving criticism and rejection.

Worldwide Studies

Tu Weiming, professor of East Asian languages and civilization at Harvard University, and Professor Cheng Chungying, head of the philosophy department of the University of Hawaii, believe that a further study of Confucianism requires profound deliberation on Confucianism itself and through this an assessment of traditional Chinese culture and its ability to confront the challenge of Western and world cultures. The study also aims to transform and develop Confucianism on the basis of the deliberation and then apply the new, developed Confucianism to the world, so that traditional Chinese culture will contribute to enriching world culture. The scholars said that Confucius is acclaimed by intellectuals as one of the three great thinkers in the ancient world (the other two are Sakyamuni and Socrates). Since World War I, many Western philosophers and scholars in Chinese civilization have either directly or indirectly praised, analysed and assessed Confucius and his thinking. In the

last few years, scholars from Japan, Singapore and other Southeast Asian countries have tried to apply Confucianism to modern industrial society. The 1987 symposium itself fully demonstrated that Confucianism occupies a definite position in international academic circles and offered reasons for its relevance in contemporary society.

Certainly, to make Confucianism acceptable to the world as a worthy doctrine one of the important tasks facing the scholars is to emphasize research in the field. The starting point should be to distinguish between the universal and non-universal aspects of the philosophy and make universal application the basis for transforming and developing Confucianism.

Universality in Confucianism has two meanings. First it must be applicable to various historical periods and remain constant with the passing of time. Second it should not be limited to a certain nation or a certain area but should have universal significance for the whole of mankind. Many aspects of Confucian education theory are universal.

Zhang Jian, professor and vice-president of the Confucius Foundation of China, Yuan Huanying, associate researcher of the Institute of the Science of Chinese Education, and Qian Xun, associate professor at Qinghua University, all discussed Confucian theories on education in their papers. They believe Confucius is largely acknowledged as a great educator in Chinese history. Generally speaking, his theory on education is outdated or even obsolete, but in practice Confucius made many good suggestions on teaching methodology which conform to the law of educational developments. Confucius once pointed out that teachers should raise the consciousness of their students and inspire them to progress step by step. If students could not draw inferences from one instance and

apply them to other cases, the teacher should consider the students' actual receptive ability and should not expect too much of them. It is useless to teach by rigid methods. Confucius also said, "If you do not think over what you have learnt or refuse to study what you have thought over, you will learn nothing; neither should be emphasized at the expense of the other." He also proposed a commendable attitude to study, "not to feel ashamed to ask and learn from people beneath you," and "Among three persons walking together, one must be my teacher." He encouraged his disciples to be "insatiable in learning and tireless in teaching." These attitudes and study methods are still universally applicable today.

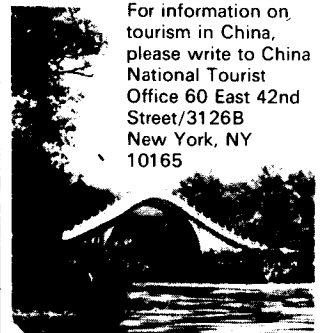
Eddie Kuo, associate professor and director of the department of sociology at the National University of Singapore, said in his paper that since 1982 his country has offered classes on Confucian ethics in middle schools and the interest has spread across the community. Education on morality is the nucleus of the educational theory of Confucius. Mr. Kuo believes his government's moves to encourage Confucian ethics are aimed at solving the ethics crisis which hit his country when it entered the modern industrial community. The application of these ideas in his country is a test of the suitability of Confucian ethics to modern society. Doubtless, it is of universal significance.

At the five-day symposium, attendants actively and enthusiastically exchanged views. In his closing speech, Wu Tehyao, director of the Institute of East Asian Philosophies, quoted Professor Fredrich W. Mote from Princeton University, "Confucius is only one person, but he exerted a far-reaching influence on history. This is a commendable achievement." His conclusion was supported by all participants at the symposium. ■

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Improving Industrial Structures

With the deepening of the economic structural reform, changes have taken place in China's industrial structures. The primary and secondary industries continue to keep an appropriate proportion, and the proportion of the tertiary industry is increasing. The internal structures of these sectors have also been adjusted.

Distributions of Employees in Various Industries

Years	Absolute Number (million people)		Proportions (%)	
	1978	1986	1978	1986
Social Labourers	398.56	512.82	100.0	100.0
Primary Industry	294.26	313.11	73.8	61.1
Secondary Industry	60.74	113.56	15.2	22.1
Tertiary Industry	43.56	86.15	11.0	16.8

Gross Domestic Product

Years	Absolute Number (billion yuan)		Proportions (%)	
	1978	1986	1978	1986
Total Output Value	348.2	937.1	100.0	100.0
Primary Industry	101.5	275.5	29.2	29.4
Secondary Industry	166.6	426.9	47.8	45.6
Tertiary Industry	80.1	234.7	23.0	25.0

Investment in State-Owned Units Capital Construction

Years	Absolute Number (billion yuan)		Proportions (%)	
	1978	1986	1978	1986
Total Investment in Capital Construction	50.099	117.611	100.0	100.0
Primary Industry	5.263	3.506	10.5	3.0
Secondary Industry	29.365	55.017	58.6	46.8
Tertiary Industry	15.471	59.088	30.9	50.2

Changes in Rural Industrial Structures

Years	Absolute Number (million people)		Proportions (%)	
	1978	1986	1978	1986
Rural Labour Force	306.378	379.898	100.0	100.0
Agriculture	274.882	304.679	89.7	80.2
Industry	19.639	44.479	6.4	11.7
Services	11.857	30.740	3.9	8.1
Total Rural Product of Society (billion yuan)	203.754	755.423	100.0	100.0
Agriculture	139.700	401.301	68.6	53.1
Industry	53.124	297.272	26.0	39.3
Services	10.930	56.850	5.4	7.6

Note : The output values in the table are calculated according to the prices of that year.

Changes in Internal Industrial Structures

Years	Number of Enterprises (thousand)		Proportions (%)		Total Industrial Output Value (billion yuan)		Proportions (%)	
	1978	1986	1978	1986	1978	1986	1978	1986
Total	348.4	499.3	100.0	100.0	423.1	902.8	100.0	100.0
Light Industry	204.4	282.3	58.7	56.5	180.6	449.0	42.7	49.7
With Form Products as Raw Materials	102.0	193.7	29.3	38.8	123.6	303.9	29.2	33.6
With Non-Farm Products as Raw Materials	102.4	88.6	29.4	17.7	57.0	145.1	13.5	16.1
Heavy Industry	144.0	217.0	41.3	43.5	242.5	453.8	57.3	50.3
Mining Industry	21.7	29.2	6.2	5.9	29.2	51.1	6.9	5.7
Raw Materials Industry	22.8	38.1	6.5	7.6	86.1	162.4	20.3	18.0
Manufacturing Industry	99.5	149.7	28.6	30.0	127.2	240.3	30.1	26.6

Notes:

1. The table excludes enterprises run at or below village level.
2. Figures for output value in 1978 are calculated according to the constant price set in 1970. The figures for 1986 are based on the fixed price of 1980.

Hotel Grouping

More Chinese hotels have grouped this year. In April, the Shanghai-based Jinjiang Hotel Group, which includes 12 hotels, took over the Kunlun Hotel in Beijing which had fared badly in its first eight months of operation.

In October the Beijing-based Huayuan Hotel, which has joint management with Nanjing's Jinling Hotel, went into operation. The Meilidu Hotel in Wuxi, Jiangsu Province, which is jointly managed by Wuxi and Beijing's Yanxiang Hotel, started its trial operation in November.

The Beijing Hotel and the Hebei Hotel in Beijing have signed a co-operation contract. The Beijing Hotel will take over the latter's management including rooms, accounting, and purchasing of materials and goods, and will also train the staff. The White Swan Hotel in Guangzhou also has joined in the management of a hotel in Xian.

The Yanxiang Hotel in Beijing was the first to experiment with the cross-country grouping when it was invited to join in the management of the Haishan Hotel in Shenzhen in July 1985. Yang Guanghua, head of the Yanxiang Hotel, said some hotels in Yichang, Hubei Province, in Shenzhen, Guangdong Province, and in Guilin, Guangxi Zhuang Autonomous Region, have also invited the Yanxiang to join with their management.

Yang Yanping, deputy general manager of the Kunlun Hotel, said the Jinjiang Hotel Group plans to run hotels in Hangzhou, Xian and other places and to buy 24 percent of the shares in the Kunlun Hotel (total investment, US\$95 million).

In general, the hotels which merit joining these groups have a good standing both at home and abroad. The Beijing-based Yanxiang Hotel offers some of the best services in the city. The UN secretary-general once stayed at



HAN GUOJIAN

Beijing welcomed this year's millionth overseas tourist — De Moulin — and his wife from France at Beijing Airport on November 24

the hotel and spoke highly of its services. The hotels under the Jinjiang group in Shanghai report a high occupancy rate and sophisticated management. The White Swan Hotel in Guangzhou is one of the leading hotels in the world. The Jinling Hotel and the Beijing Hotel have also made good names for themselves in China.

China has 900 state and collective hotels, owned by over 300 departments. As the economic structure is being further reformed, ownership is being separated from management. Many hotel owners are willing to invite experts from other prestigious hotels to join their management in order to improve their operation and services and to increase their occupancy rates.

Chen Shihong of the State General Administration of Travel and Tourism said hotel grouping was necessitated by the success of China's tourism and the growing demand for good hotel services. The booking system and the standardized services of hotel groups should prove helpful to foreign travel agents and tourists.

Chen said standards for classification of hotels and the terms governing hotel grouping are being formulated. Recently several tour companies have applied for grouping licences.

Next year the first hotel grouping administration company is expected to be established in China.

by Han Guojian

A Farmer-Run Hotel

In a beautifully decorated room of the Huilongguan Hotel in Beijing, the attendants are toasting the marriage of a newly wedded couple from Japan. This is a Chinese-style wedding ceremony being held especially for the couple.

Huilongguan, the first farmer-run hotel in China, is on the Beijing-Changping Highway on the outskirts of Beijing and is 27 kilometres away from Beijing Airport. The hotel keeps its rural features while providing modern services. It offers traditional north China food including boiled maize, baked sweet potatoes, porridge of peanuts and beans, and dumplings.

In the stiff competition between the hotels in Beijing, the Huilongguan Hotel has kept up well. Since its opening in 1981, the hotel has received a total of 400,000 guests.

by Han Guojian

Prospects for Economic Structural Reform

"JINGJI RIBAO"
(Economic Daily)

China's economic structural reform has been going on for nine years since the Third Plenary Session of the 11th Central Committee of the Communist Party of China in late 1978.

Reform in the rural areas has entered a more difficult stage and a stalemate has been reached in the process of replacing the old structure with the new. But the stalemate does not mean that the reform will get bogged down. Rather, it has set the stage for a new breakthrough. From now on, the reform in the countryside must be closely integrated with the development of agricultural production. While rationalizing the structure of production and actively promoting new economic associations, the reform should be intensified to promote the quick maturity of the market mechanism.

Urban reform is currently focused on: invigorating enterprises owned by the whole people by separating ownership from managerial authority; promoting horizontal economic ties; speeding up the establishment and improvement of socialist market system; gradually improving the macroeconomic control system based mainly on indirect control of enterprises; developing an economy with different types of ownership, with public ownership remaining predominant; and adopting diverse forms of distribution, with distribution according to work remaining predominant, and determining a correct policy in this regard.

The commercial reform will centre on the establishment of a unified, active and orderly socialist market system. First, it is necessary to set up a centralized and efficient macroeconomic control system, carry out the

policy of separating government administration from enterprise management and gradually improve the macroeconomic control system based mainly on indirect control of enterprises in order to establish a simple and unified management structure. Second, it is necessary to set up a new commodity market system and establish a unified market network. Third, efforts must be made to develop management mechanisms for state-run commercial enterprises, which have been given full authority for management and full responsibility for their own profits and losses.

The reform of the monetary system is a major part of the economic structural reform. It is necessary to gradually establish: a comprehensive, multi-tiered, effective and flexible monetary control system based mainly on indirect control; a credit system based mainly on the banks and incorporating different channels, approaches and monetary means to collect and circulate funds; and a socialist monetary system in which the People's Bank of China takes the lead, the national banks play a key role, and insurance companies and other financial institutions exist side by side, adopt a division of labour and cooperate with one another.

Three major measures must be adopted to intensify the monetary reform: the role of the central bank in macroeconomic control must be strengthened; specialized banks and other financial institutions must be managed as enterprises; and monetary markets must be established.

In extending the reform of the scientific and technological structure, China will give priority to the development and application of science and technology. In the next stage of reform, we should direct our major efforts towards developing a flourishing tech-

nological market and strive to gradually turn research institutes into economic entities taking responsibility for their own gains and losses. Under this new system achievements in scientific research will be quickly channelled into economic construction and thus immediately contribute to production. A well-organized legal system—distinct from general and specific policies, and the development strategy—should be established step by step to guarantee that science and technology are geared to the needs of economic construction.

The reform of the investment system also takes on importance. Reorganizing the investment system involves the following tasks:

— The state must strengthen its control over total investment. The budgetary and extra-budgetary investment, including investment made by the central and local authorities, enterprises and individuals, as well as investment in capital construction and technological transformation, should all be brought into the state's overall balance.

— Further steps must be taken to reduce the scope of central government investment. Investment in ordinary profit-making sectors should be progressively shifted to enterprises while investment in some regional public utilities and public works should gradually transferred to local authorities. At the same time, an investment decision-making responsibility system should be established.

— It is necessary to separate profitable and productive investment from the state budget and put into effect a loan system. Taxes should be paid before loans are repaid, contrary to the current practice.

— Apart from a small number of key projects, the banks should grant loans to projects according to their expected efficiency and in line with the principle of the

banks' maintaining a balance between credits and loans.

Speeding up the establishment and improvement of a socialist market system is of great importance in intensifying the economic structural reform. In the years ahead, it is necessary first to establish the market for the means of production, reform the price control system, and gradually reduce the extent of mandatory planning, so as to establish step by step a system under which the state sets the prices of a few basic means of production while for the others prices float under the guidance of the state.

The reform in foreign trade

should focus on giving foreign trade enterprises full authority over management and full responsibility for profits and losses, and on ensuring better co-ordination between industry and foreign trade, between technology and foreign trade and between imports and exports, so that a system can be established whereby foreign trade corporations can act as agents for other enterprises in the export of their commodities.

The reform in planning, material supply and tourism have also been put on the agenda and new plans will soon be worked out.

(September 17, 1987)

Different Views on Urbanization

"LILUN XINXI BAO"

(Theoretical Information)

Not long ago, a symposium on urbanization sponsored by the Sichuan Academy of Social Sciences was held in Chengdu, capital of Sichuan Province. Participants aired their views on China's process of urbanization from the following standpoints.

First, what kind of cities should get the priority in the process of urbanization. There are five divergent views.

1. Developing large cities. As the centre of regional economic development and the expansion of urban culture and life style, large cities occupy a decisive position in promoting the regional economic and social development as well as the prosperity of medium-sized and small cities and towns in their respective regions.

2. Concentrating efforts towards the development of medium-sized cities. Some people feel that medium-sized cities have great economic potential and they can play an important role in reducing the pressure on big cities through absorbing large amounts of surplus rural labour, and

promoting the industrialization of the countryside, commodity circulation between rural and urban areas and regional economic development.

3. Stressing the development of small rural towns. Both China's rural and urban areas have large populations. Only by relying on the development of large-scale modern enterprises in the urban areas and of village- and township-run enterprises based on traditional technology in the countryside, will the rural population be able to achieve urbanization.

4. Simultaneously developing large cities and small towns. The demand for centralized development of large-scale enterprises and better investment results incline the state to invest heavily in the development of big cities. At the same time, China's vast population and the existence of surplus labour in both urban and rural areas determine that the farmers have to raise their own funds for the development of village- and township-run enterprises, which will eventually be turned into numerous rural small towns.

5. China's urbanization should

proceed towards a pyramid structure, under which large, medium-sized and small cities and rural towns develop simultaneously with the help of larger cities.

Second, bringing about urbanization through regional progress. There are two points of view.

1. With a higher level of industrialization, the economy in eastern coastal regions will develop rapidly. Therefore, urbanization in China should progressively spread from the eastern to the western region in a staircase pattern.

2. China's urbanization should proceed in three steps: First, the development of towns; then the belts along communication lines; and finally, the entire regions.

Third, stressing social and economic efficiency.

Some experts who see urbanization in terms of social and economic efficiency disagree with the above-mentioned opinions. They hold that China should give priority to the development of cities with high social and economic efficiency.

(September 23, 1987)



New State Library Set Up in Beijing

The new National Library of China has become a landmark in the western suburbs of Beijing. The library, located to the north of Zizhu Yuan (Purple Bamboo Park), opened to the public on October 15. It is the third largest library in the world after the US Library of Congress and Britain's National Library.

The new building covers 140,000 square metres of floor space on 7.42 hectares of land. Including the old building downtown, which is now functioning as a branch, the National Library boasts a total floor space of 170,000 square metres. The new building is a modern, typically Chinese structure, set amid flowers and trees. Construction of the 290-million-yuan (US\$78 million) project started in September 1983.

The library includes an automated inventory and search system for various informations

on books; reproduction, micro-reproduction and advanced printing equipment; microfilm reading; conveyor belts for books and readers' request slips; audio-visual equipment and facilities for simultaneous translation. It has a 1,000-square-metre exhibition hall and a lecture hall with 1,200 seats, as well as more than 30 reading rooms with a total of 3,000 seats. The library has almost 14 million books and the capacity to house 20 million. It can receive 7,000-8,000 readers a day.

The original National Library, also known as the Beijing Library, was built in 1912. China's sole state library, it provides reading, lending, reference, and information services. It is a repository for China's books, reports and other materials, a centre for book exhibitions, exchanges with international libraries, and a base for developing information resources. ■

Magazine Sets Fine Example

Window of Southern Breezes is a comprehensive magazine published in Guangzhou, a major coastal city in south China. The monthly magazine, which portrays society's rapid changes under the open policy, sets a good example for the Chinese press with its frank, sharp and broad-minded approach.

The 48-page magazine started publication two years ago. Today it has a circulation of 300,000 copies and is on sale throughout the country, including Hong Kong and Macao. It also went as far as to Singapore. It has an attractive format, with coverage of news, trends and impressions; people and events. When readers open the magazine, they see ancient Greek philosopher Herakleitos' well-known saying: "Every day the sun is new." These simple words are so impressive that its readers often mention in their talks, speeches or articles.

The magazine's content is extensive. It includes news about economic development zones, the reform of factory administration, rural economic development, price reform and co-operation with domestic or foreign enterprises, as well as features on topics such as luxury supermarkets, free markets, night life, hair-dressers' business, beauty parlours and consumption patterns. It also discusses urban issues such as housing, traffic, rubbish and sewage disposal, water and power supply and speculators. And it carries articles on education including college students' study on philosophy through social survey, their lecture contests and others on spare-time education such as the "English corner" in open squares.

The magazine encourages self-assertiveness and self-reliance and the development of individual character, and discusses how to operate a business and how to

Staff members entering information on the circulation of 300,000 Chinese books on open shelves. SONG LIANFENG



conduct oneself in society. It also comments on social phenomena such as teenage love, earning money and changing jobs. It offers prizes for essays on the topic "if I was the mayor of Guangzhou." It has also invited readers to choose the 10 best public servants in Guangzhou and to say what they see as the most important and urgent issue facing urban dwellers, as well as to give their views on prices, bankruptcy and religion under the heading "citizens' forum." The magazine runs a column on what the mayor and vice-mayors, and secretary and deputy secretaries of the Guangzhou municipal Party committee are thinking and doing. It also publishes articles by municipal Party and government leaders about their work, lives and personal interest. For example, Ye Xuanping, then mayor, wrote an article "I Am in Charge of Your Dining Hall." Shi Anhui, a vice-mayor, had an article printed entitled "I Am Also in the Squeeze on the Bus." Two columns—"News Figures" and "That Is Me" are open for readers to write about their experiences, personalities, feelings, impressions, successes and failures. In these two columns, the articles are always written openly and with deep feeling.

The magazine helps its readers in other parts of the country understand the Guangzhou people amid reform, challenge, open policy and competition. The magazine's staffs are lively thinkers, dedicated and industrious. Without these fine human qualities, it is unimaginable that such a rich and unique magazine can be run by a middle-aged woman (the editor-in-chief) and a dozen or so young journalists, most of whom had no previous journalism experience. ■



Soft Science Services — Solid Success

As the reform deepens, various scientific consultancy services have been set up to cater to it. The Guangzhou Soft Science Co. (originally named the Guangzhou Soft Science Development Service Co.) is among the most successful of these. Started by three young research workers from the city's Academy of Social Sciences, the company now has 30 full-time workers and about 200 scholars from Beijing, Shanghai or other units from Guangzhou as part-time researchers. After two years, the company has done well; it has expanded its business scope and qualifies for the title—research economic entity. It plays the role of a think-tank for its clients.

Its new expanded business scope includes providing the local government with management resources and programmes for decision-making. For instance, traffic jams have been an increasingly pressing problem in the city. The company drew up a plan for better urban traffic control which was based on careful surveys of Guangzhou's problem and on the experiences of other big cities at home and abroad.

For a long time debate raged about the direction for the city's economic development. The company provided a timely research report entitled "To gain the best economic development by placing our tertiary industry in first place." It explains some of the theory of urban economic growth, and gives a detailed analysis of the city's particular situation and the experiences of other big cities.

The company's present projects include a research report on the history and development of the rural reform, and an appraisal of the economic results of a draft plan for one of Guangzhou's urban district.

The company also offers consultancy services to individual enterprises. Its first major success was when a factory asked it to do a feasibility study for an air-conditioner production line the factory was considering importing. The company's recommendation was to drop the plan. It no doubt saved the factory from a huge wasted investment. This helped build the company's reputation.

About 200 factories and enterprises have so far asked for close contact with the company and some have invited the company to be their year round management advisors. Clients from Hong Kong, Singapore, the United States, Great Britain, and Federal Germany have trusted it with drawing up feasibility studies for their investments in China or for market research studies. For example, the entry of *Nescafé* into China is partly due to the company's recommendation. Another report on the market for soft drinks in China's nine cities for an Asian soft drink plant is under way.

The success of the soft science company is proof of the development of this new industry, and also of the vitality scientific research has achieved by reforming the old structure and combining research with application and service. This success played an important role in the social and economic development of China and suggests the measure of respect which has been restored to the intellectual in the country's modernization drive. ■

Yu Youjun—Soft Science Pioneer

Yu Youjun, 34, is one of the founding members of the Guangzhou Soft Science Company. He is committed to the reform and opening-up. His field has shifted from economic problems to social issues. He has studied the thinking

of the youth and the changes in China's cultural values. He has published many papers mainly concerned with people's attitudes to the major issues in a changing era and many of his ideas have proved to be correct in practice.

One of his papers published in 1980 deals with the basic law of socialist economics. In it, Yu asserts that the aim of socialist production is to meet the cultural and material needs of the people. He believes that given China's low production level and the great differences between the various departments, it is necessary to have varied economic sectors and management methods under the premise that the public ownership remains predominant. Though these ideas seem common-place nowadays, it was daring innovation seven years ago, and to publish required courage as well as good scholarship and intelligence.

In a research paper on the future development of Guangzhou, Yu put a strong emphasis on entering the world market. Another of his papers was on how to understand the Marxist idea of complete separation from traditional ownerships and traditional ideology. He states that communism will eventually abolish the ownership of means of production which is based on class oppression and class exploitation, but it does not at all imply abolishing all property ownership. The private economy will come to an end as the mass production develops; however, that does not mean taking private ownership where the individual owner does not exploit others' labour as a target for revolution. Yu explains that the separation from old values and ideology was never meant to be mechanical but rather scientific and dialectical. That is, one should decree the abolition of the declining ideology and morality of all the exploiting classes, while inheriting the excellence of all human ideologies and cultures. Based on this thesis the paper convincingly supports the need to

uphold the four cardinal principles (adherence to the socialist road, to the people's democratic dictatorship, to the leadership of the Communist Party and to Marxism-Leninism and Mao Zedong Thought) throughout the process of reform and opening to the outside world.

Yu is also the co-author of a best selling book, "Socialism 400 Years," in which he reviews the thinking and activities of several hundred persons representing the socialist ideological trend, with reference to the historical periods they lived in. The book did well because of its level of scholarship combined with a simple and direct style. After the "cultural revolution," many people become cynical about socialism, in theory and practice. In response to this, Yu and his colleagues wrote the book to give a comprehensive and systematic analysis of the development of the basic theory of Marxism and socialist thinking, thus reaffirming that our goal is still socialism and communism. Their efforts have been rewarded with high praise. ■

A Chinese Serenade Chosen for Textbook

A middle-aged man walks onto the stage to the warm applause of the audience. Holding his violin to his chest, he plays a soulful tune and sings, "What a quiet, lovely night, only my song echoes across the prairie..." The song touches everyone in the audience.

The performer is Tian Ge, composer of *Night on the Prairie*, presenting the piece in a recent concert of his works. The song, selected for the music textbooks edited by UNESCO in 1985, is regarded as a "Chinese serenade." It has enjoyed wide popularity for many years. In one letter, a British-Chinese architect writes: "Listening to *Night on the Prairie*, I visualize a gurgling stream in a

desert. The song is so sweet that it makes me nostalgic."

Born in Shandong Province in eastern China, Tian Ge took to the local opera early in his childhood and began to develop an earnest love for music. In 1949 he travelled with his army to north western Xinjiang where he composed the popular folk song *The Child Clings to Its Mother As the Melon Does to the Vine*. During the following 40 years, he often plunged himself into the experiences life had to offer, and from them composed more than 1,000 musical pieces, including scores for spoken drama, operas, dance drama, dances, full-length song and dance pieces, films and TV plays.

Tian Ge ingeniously integrates the melodious notes of the various minority peoples in Xinjiang with the music language of the Han people. Most of his works are based on his comprehensive study of the folk music of the Xinjiang Uygur, Kazakh and Khalkhas nationalities. He turned folk music into a distinctive musical language with his own special signature.

Tian Ge's lyric works draw from colourful subjects and reflect not only army life but the changing face of our nation and the life of its young people.

His music repeatedly won national prizes. Since the 1960s, he has released four collections of songs, and the concert of his works included 28 of these pieces.

by Hong Lanxing



China Exports New Techniques

Foreign businesses interested in the latest Chinese technology can now contact the Technology Co. of the China International Trust and Investment Corp. (CITIC), which opened in Beijing on December 5.

Every year China comes up with some of the latest achievements in science and technology. This company aims to help the development of new technology, promote the import of advanced technological equipment, components and spare parts and undertake technological transfers and international technical exchanges.

Assistant general manager and state-level scientist Ma Jilong said, the company's predecessor, CITIC's Technique Development Office, exported more than 40 Chinese scientific and technological inventions in the past year.

One Shanghai invention, a lacquer scraper, won an award in Geneva and was bought on the spot by Austria. At present, the two parties are discussing technological exports. The Beijing Xinhua Printing Factory sold a printing technology to five overseas companies and further sales are being discussed. Another recent Chinese technical achievement, the heart shock diagnostic instrument, is now in the process of seeking international patent. Since the company was entrusted to export the instrument, some companies in the United States, Federal Germany, Japan, the Netherlands and Australia have inquired into buying the technology. Other technological items, such as remote aerial sensing and special explosive technology, have also attracted the attention of foreign businesspeople.

The company has already made a good start in developing Sino-foreign co-operation. It has established wide links and co-operative relations with dozens of technology import and export

dealers in the United States, Britain, Japan, Sweden, Australia, Argentina and Guyana. Some of these companies have exchanged project materials with China, and some are discussing co-operative links and technological transfers. On the biological engineering front, the company is holding discussions with US and French companies on the import of medical technology, clinical chemistry reagents and medical instruments.

The company has a registered capital totalling 5 million yuan. It is largely dependent on CITIC's assistance in finance, international trade, economic consultancy and overseas relations to back its risky investment in new technology, import and export, engineering design and consultative services.

by Yao Jianguo

New Regulation on Imported Materials

Materials and spare parts imported for the production of export-oriented machinery and electrical appliances began to be exempt from import duty from December 1, 1987. Imported materials for processing goods for the domestic market are subject to tax after customs' check. By-products, substandard goods and surplus bits and pieces are taxed according to their value.

This new regulation was enacted by the State Council and the General Administration of Customs according to the provisions for the supervision of imported materials for processing export-oriented machinery and electrical appliances. Customs will also adopt other methods to supervise the import of materials and exports of processed goods.

—For enterprises with import and export licences in locations with custom houses, some bonded

factories or workshops will be established if the conditions permit;

—For materials imported for contracted processing of export machinery and electrical appliances, tax will be waived or deferred according to the regulations on approved processing with supplied materials; and

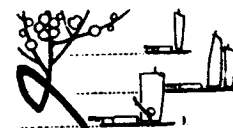
—For other enterprises customs will charge 15 percent on imported raw materials and 5 percent on imported spare parts and packaging goods. ■

News in Brief

■ Beijing established its world trade centre association on December 7 and is the ninth city in China to join the World Trade Centres Association following Shanghai, Nanjing, Xian, Shenzhen, Guangzhou, Xiamen, Chengdu and Hefei.

■ The Longxin Chemicals Co. Ltd. (in Anda, Heilongjiang Province)—China's largest joint venture in the chemical industry—signed contracts on the import of French and Italian technology and equipment in mid-November. The company is expected to begin operations in 1990, with an annual production capacity of 20,000 tons of methylmethacrylate (MMA), 12,000 tons of polymethyl methacrylate (PMMA), 3,000 tons of organic glass and 40,000 tons of chemical fertilizers. Of these products 25-30 percent will be exported.

The company is a joint venture between the Anda Chemical Plant and Hong Kong-Macao International Investment Co. Ltd. Chinese investment in the company comes to 75 percent of the total 159 million yuan. The co-operation will extend over a period of 23 years. ■



Business and Trade

March 1-6, 1988. Shanghai. International Pen Industry Exhibition. Sponsored by the Shanghai International Trade Information and Exhibition Co. Participants will come from North America, Western Europe, Eastern Europe, Japan and Hong Kong.

March 2-8, 1988. Beijing, China International Exhibition Centre. Second International Exhibition on Furniture and Woodworking Machinery and Equipment. Sponsored by the China Council for the Promotion of International Trade (CCPIT).

March 3-11, 1988. Beijing, Cultural Palace of Nationalities. Beijing Foreign Trade Fair. Sponsored by the CCPIT Beijing Branch. Participants will come from Hong Kong, Macao, Taiwan and from other countries.

March 4-18, 1988. Beijing, China International Exhibition Centre. International Exhibition on Machine Tools and Universal Machinery and Equipment. Sponsored by Hong Kong's Adsale Exhibition Services Ltd. Participants will come from the United States, Japan, Britain, France, Federal Germany, Australia and Hong Kong.

March 16-21, 1988. Shanghai. International Ceramics Exhibition. Sponsored by the Shanghai International Trade Information and Exhibition Co. Participants will come from North America, Europe, Japan and Hong Kong.

March 13-18, 1988. Beijing, China International Exhibition Centre. The German Democratic Republic Export Exhibition. Sponsored by the Democratic German International Advertising Agency.

April 19-24, 1988. Beijing, China International Exhibition Centre. International Exhibition on Electronics and Semiconductors. Sponsored by the US Cahners Exposition Group. Participants will come from the United States,

Britain, Federal Germany, Japan and Hong Kong.

April 20-26, 1988. Shanghai. International Exhibition on Water Conservancy and Electric Power. Sponsored by the Ministry of Water Resources and Electric Power and the CCPIT Shanghai Branch.

May 26-31, 1988. Beijing, China International Exhibition Centre. International Welding Technology Exhibition. Sponsored by the Hong Kong International Convention Promotion Centre. Participants will come from the United States, Britain, France, Canada, Australia, Japan and Hong Kong.

June 1-7, 1988. Beijing, China International Exhibition Centre. Second International Printing Technology Exhibition. Sponsored by the CCPIT. Participants will come from the United States, Canada, Britain, France, Japan and Hong Kong.

June 2-7, 1988. Beijing, China International Exhibition Centre. Second International Sports Equipment Exhibition. Sponsored by the CCPIT. Participants will come from the United States, Britain, France, Italy, Japan and Hong Kong.

June 20-28, 1988. Beijing, China International Exhibition Centre. International Energy Technology and Equipment Exhibition. Sponsored by Hong Kong's Adsale Exhibition Services Ltd. Participants will hail from the United States, Japan, Britain, France, Federal Germany, Canada and Hong Kong.

June 21-26, 1988. Beijing, China International Exhibition Centre. International Automobile Technology and Equipment Exhibition. Sponsored by Hong Kong's Adsale Exhibition Services Ltd. Participants will come from Japan, Italy, the United States, Federal Germany, France, Britain, Canada and Hong Kong.

Cultural Exchanges

December 7-12, 1987. A visit by a seven-member French cultural delegation.

Late December. A visit by a five-member Soviet government and cultural delegation.

Late December. A visit by a Senegalese government and cultural delegation.

December 21-25. A visit by the Ethiopian minister for literature and art.

December 10-23. The China Art Gallery in Beijing will hold a Romanian folk art exhibition.

December 21-30. Chinese children's calligraphy and paintings will be exhibited at the China Art Gallery in Beijing.

Dec. 23, '87-Jan. 5, '88. A Norwegian photographic exhibition at the China Art Gallery in Beijing.

Science and Technology

March 7-11, 1988. Beijing. International Symposium on Urban Economy and Planning. Sponsored by the Beijing Development Strategy Research Institute.

April 12-16, 1988. Kunlun Hotel in Beijing. Beijing International Conference on Urological Surgery. Sponsored by the Beijing Medical Sciences University.

April 23-29, 1988. Shanghai. International Satellite Conference on Microscopic Surgery. Sponsored by the China Microscopic Surgery Society.

May 10-13, 1988. Beijing. International Symposium on Countermoves Against Earthquakes. Sponsored by China's State Bureau of Seismology.

May 16-19, 1988. Beijing. Sino-US International Conference on Oil Shale and Shale Oil. Sponsored by the China Energy Research Society. ■



Miners.

ART PAGE



The fruit harvest.

**Traditional Chinese Paintings by
Li Shinan**

Li Shinan, born in 1940 in Shanghai, works with the Hubei provincial artists' association. His works are rich, bold and distinctive.



Yue Fei (1101-42), a general of the Song Dynasty.

Fourteen Magazines in Foreign Languages to Keep You Abreast Of Developments in China



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