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Changes in China's Population Structure



**PREMIER LI PENG
CONCLUDES HIS
THREE-NATION TOUR**



Bian Shaobin (left), dean of the Chinese Civil Aviation Pilot Institute, inspects a student operating.

Photo by Sun Zhongjing

Students do anti-gravity, physical aviation training to prevent air-sickness.

Photo by Sun Zhongjing



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COVER: Premier Li Peng concludes his visit to Thailand, Australia and New Zealand.

Wang Shannan

HIGHLIGHTS OF THE WEEK

Premier Li's Visit to Three Nations

■ A visit to Thailand, Australia and New Zealand by the Chinese premier has increased understanding and promoted friendship and co-operation between China and these countries (p. 14).

One Academy, Two Systems

■ The Chinese Academy of Science has adopted a twin-track management system known as "one academy, two systems." The goal is to use applied research aimed at developing salable products and techniques to complement basic research. The former will generate funds and participate in China's national construction programme while the latter lays long-term foundations for the country's scientific development (p. 4).

Changes in China's Population Structure

■ In the 10th and final instalment of our "Decade of Reform" series, changes in Chinese demography are examined in the light of ten years of economic, political and social restructuring. Based on a sample survey conducted in July 1987, the State Statistical Bureau analyses national trends in age composition, household size, educational level, employment and marriage (p. 27).

The Impact of Reform on China's Police

■ Three years ago, *Beijing Review* featured an article on the work of the Erlong Road Police Station. Since then, China's reform programme has unfolded at a dramatic pace, reaching into almost every corner of society. To discover how this had affected the work of the country's police, and whether competition had permeated its ranks, reporter Lu Yun returned to Erlong Road (p. 17).

Gorbachev Woos New Delhi Again

■ Since becoming chief of the Kremlin, Mikhail Gorbachev has paid two visits to India, a fact that highlights the importance of India in the Soviet diplomacy (p. 12).

One Academy, Two Systems

by Yang Xiaobing

Since 1982, the Chinese government has stressed continually that science and technology have primarily to serve the national economy. Because of this, China's major scientific research institution, the Chinese Academy of Sciences, has reorganized itself along new lines. Its operations now broadly fall into two categories: serving economic construction on the one hand, and conducting basic research on the other.

As, in the short term, these two areas serve radically different purposes, the academy has adopted a twin-path management system known as "one academy, two systems."

While basic research is handled in a conventional way, for example, relying principally on the state for funding, its economic development-related work is fundamentally run through an enterprise management system.

This division of the academy's tasks was devised to accord with China's economic conditions, taking into account both the level of productive forces and the need to advance and apply science and technology. Now it is widely understood across society that science and technology are a constituent part of the productive forces, public support for scientific undertakings has expanded. As people see how technology has advanced production and productivity, many of them praise scientific and technological personnel as "the gods of wealth."

There is, however, still a need to emphasize that it is basic research that lays the foundations for long-term technical advances. Although science and technology will only receive popular backing if they are seen to be serving the

economy, it does not follow that all research must bring immediate economic results.

In the past, the Chinese Academy of Sciences both neglected to apply its research findings in commercially viable ways and tended to conduct its research behind closed doors. As a result, its workers tended to do research purely for its own sake. But today, as China develops a commodity economy, the academy has been forced both to gear its work to the needs of the market and strengthen its ties with society.

The academy's sources of income are one area in which such changes have started to take place. In 1987, it received 680 million yuan from the state for research. This amount is budgeted to increase by 3.8 percent a year—far below the rate of inflation. To counteract the shortage of funds, the academy started to sell its development work, eventually raising 330 million yuan in 1987.

Becoming commercially viable, however, does not entail neglecting basic research. What it means is that state funding can be concentrated on projects which lack immediate applications or which will directly benefit public welfare.

In time, the establishments devoted to commercially applying research should progressively increase the share of their income from enterprises marketing their developments, enabling them to be both self-sufficient and able to fund further research.

Within the Chinese Academy of Sciences, these parallel systems have to respect each other's markedly different characteristics on the one hand, while strengthening their integration on the other. There are three major ways in

which these dual tasks can be achieved.

First, personnel should be encouraged to move from one sector to the other. In particular, although scientific training is one of the major roles of basic research, once experience has been gained, people should be transferred to applied and development work.

Second, with growth in the commercial marketing of research results, the academy overall will receive information back from the marketplace of where to concentrate future research. Obviously, the development establishments will pick up on this first, but to ensure their long-term prospects, they will have to establish a two-way flow of information with their counterparts in basic research.

Third, with the introduction of a share ownership system, the academy will assume sole responsibility for its high-tech enterprises (presently state-owned, although funded by the academy and its affiliated research institutes). Profits earned will then be spread across the entire academy.

Since the establishment of the "one academy, two systems" in 1987, around 11 percent of the academy's 80,000 scientific and research personnel have left their laboratories to set up companies under the overall auspices of the academy.

At the same time, major advances have been accomplished in the field of research, examples being the Beijing electron-positron collider, the Fengyun No. 1 meteorological satellite, and the high pressure hydrogenation of processed gold concentrate. Refining its new management system while maintaining consistently high standards of research and application will be the academy's task for the foreseeable future. ■

Li Wraps Up Two-Week Tour

Having covered more than 30,000 km in 15 days, Premier Li Peng has wound up his first overseas visit to Thailand, Australia and New Zealand and returned to Beijing in the evening of November 24.

In its editorial on November 25, *Renmin Ribao* (People's Daily) cheered and congratulated Li on his tour, saying it "has sown new seeds of friendship," and "has reached the desired goal of promoting understanding and friendship, developing co-operation and maintaining peace."

This is also the first official visit by one of China's top leaders since the significant Third Plenary Session of the 13th CPC Central Committee was held in September, the paper said. "It indicates again that China attaches great importance to its friendly relations with the countries of the Asia-Pacific areas."

In New Zealand on November 22, Li assured his hosts that China's efforts to improve its economic environment and rectify its economic order in the next couple of years "will not adversely affect trade with New Zealand."

At a press conference, he said the impression he got from his talks with Prime Minister David Lange the same day was that his visit "will play an active role in the further development of bilateral economic and trade co-operation."

China is now New Zealand's largest wool buyer, taking up about 20 percent of its total exports.

Li said he anticipated growth also in China's purchase of New Zealand's forestry products, pulp and paper.

Due to the fact that China is

largely taking in raw materials from New Zealand, Li said, China can not expect an absolute balance in bilateral trade. However, it does hope to increase its exports to New Zealand. The bilateral trade is now much in New Zealand's favour.

Also on November 22, Lange said it was "difficult to imagine anything less than the full and friendly relationship" his country and China had enjoyed since the establishment of diplomatic ties 16 years ago.

Speaking at a state luncheon he hosted in honour of the Chinese leader, Lange said the beginning of a new relationship between the two countries in 1972 was a matter of more than just diplomatic significance.

He said it was essential that the two countries both adjust and adapt to meet the challenges of a dynamic Asia-Pacific region in the 1990s with common interests. ■

Extra Hands Sap Economy

The slow-down in changing the way people get and keep jobs in China has become a drag on the country's economic reform programme, a noted labour economist says.

The economist, Feng Lanrui, points out in an interview with the Beijing-based newspaper *Economics Weekly* that despite 10 years of reforms, a stagnated employment system exists and is boosting the inflation problem. The crux of the matter, Feng believes, is getting rid of the featherbedders, the surplus workers whom she calls the "hidden unemployed." According to conservative estimates, as many

as 20 million workers in state-owned businesses, institutions and agencies are unproductive. The amount of waste in terms of talent, money and progress is staggering.

A survey of Shanghai's state-owned enterprises, cited by Feng, shows workers' initiative at the lowest level since the birth of the People's Republic of China in 1949. The survey found that the current employment and wage systems have created a group of lazybones. Also overstocked work forces have dramatically increased labour costs.

The labour cost per unit output value shot up 25 percent in China between 1984 and 1986, Feng said. The cost per unit profits soared 75 percent. This, in turn, has fuelled inflation.

Hidden unemployment, the source behind such economic back-pedaling, is becoming serious, she said, chiefly because of three obstacles to labour reform:

One is conceptual. It generally has been held that there should not be unemployment in a socialist society. Many units have had to employ more workers, even if there is no work to be done.

The second obstacle is institutional. In many places today, the government decides how many workers an enterprise should employ. Therefore, it is difficult for individuals to find their own jobs. Furthermore, many employees are state-guaranteed lifetime tenure; they cannot be dismissed unless they commit a crime.

The third obstacle is personal. The loss of a job means the loss of a worker's security and material benefits that are unavailable elsewhere.

A new concept towards unemployment should be developed, Feng concluded. It should be admitted that unemployment is inevitable, even in a socialist society, when industry is restructured, equipment renewed,

technologies improved or when labour productivity increases.

Meanwhile, changes should be made, according to Feng. The personnel system should be altered to allow free movement in the labour market, and permanent employment should be replaced by a contract system. In addition, a social security system should be introduced so the unemployed will have an economic safety net while looking for new jobs. These measures would allow those idly employed to be exposed, laid off and recycled into a more personally rewarding and socially productive positions. ■

Special Education: Room to Grow

Chinese schools designed specially for blind, deaf and mentally retarded children have risen from 42 in 1949 to more than 500 at present, although education for disabled children still remains a weak link in the overall educational system, according to a senior education official.

Speaking at a national meeting on special education, He Dongchang, vice-minister of the State Education Commission, said that altogether 52,000 disabled children are being educated in these schools and in more than 500 classes attached to ordinary schools. There are 14,000 faculty members in the country engaged in special education.

Before the founding of the People's Republic of China in 1949, the number of disabled children who received special education was about 2,000, he said. China now has more than 50 million disabled people, 6 million of whom are children of school age.

The vice-minister said that great achievements have been made,

especially since 1978, with more courses opened, a special educational system taking shape and training centres set up for special-education teachers.

China began pilot education for retarded children in 1979. By the end of 1987, China had set up 90 special schools and 578 special classes in ordinary elementary schools in 24 provinces, autonomous regions and cities. Nearly 10,000 retarded children were enrolled in these schools and classes.

Efforts have also been devoted to higher education for the disabled. In recent years, Chinese schools of higher learning have enrolled about 3,000 handicapped youth. Some provinces and municipalities have launched vocational high schools and other training institutions for the disabled.

Despite all this, the vice-minister pointed out, special education still lags behind the development of the country's economy and education as a whole. So far, blind and deaf children enrolled in schools only account for less than 6 percent of the total, he noted.

"At present and for a long period to come, the basic principle for developing special education is to emphasize elementary and vocational education, which should also be more diversified," he stressed.

Talking about future plans, the vice-minister said that big and medium-sized cities as well as the economically and culturally advanced coastal areas should provide education for 70 percent to 80 percent of their blind, deaf and retarded children by the end of 1992.

Starting from 1989, he said that 23 million yuan will be allocated annually as subsidies for special education for the disabled. The money will be jointly contributed by the Ministry of Finance, the

State Education Commission, the China Social Welfare Committee for Lottery Donations and the China Welfare Fund for the Handicapped. ■

Reform Needs New Theories

A number of pressing theoretical problems must be resolved before China's economic reform can succeed, a senior Chinese official asserts in the latest issue of *China's Economic Reform*.

Gao Shangquan, vice-minister of the State Commission for Restructuring the Economy, writes in the monthly that in addition to price and wage reform, other thorny issues have emerged that require a new theoretical avenues to socialism.

The vice-minister specifically highlighted the immediate concerns of organizing and administering public ownership, curbing inflation, optimizing labour organization and overhauling employment and income distribution.

In regard to public ownership, Gao said the separation of management from the ownership has made this once rigid concept more flexible.

As experiments in the reform, now state-owned or collectively-owned small businesses can be contracted or leased out to private entrepreneurs; their property can be auctioned off or transferred; and state-owned companies can merge and sell shares, he said.

But, the question of how to turn state-owned companies into independent businesses with the right to manage their own affairs without government interference has not been sufficiently studied, Gao added, and the same applies to their responsibilities for profits and losses.

The villain of China's current economic reform is an inflation, fed by an overheated economy, that has stymied the implementation of many supportive measures.

The vice-minister called for effective approaches to steady growth, offset inflation, control the amount of money in circulation and limit the granting of loans.

"Our ultimate goal is to coordinate the development of both economic reform and economic growth," Gao explained.

The socialist commodity economy requires a sound market mechanism under which the nationwide marketing of commodities is guaranteed without interference, he said.

However, the Chinese economy is also a planned economy and the state must guide and control items of national importance such as the distribution of energy and raw materials, he said, adding that it is necessary to use both market mechanism and planned economic measures in regulating the national economy.

The practice of *youhua* (optimization of labour organization) eliminates redundant manpower from enterprises, thus raising productivity, the article continued.

However, it is also creating problems of unemployment. We must give up the outdated concept that a major strength of socialism is that it guarantees full employment, the author argues.

Adequate methods of channeling this unproductive manpower back into the national workforce—perhaps by means of a national labour service market—should be a priority of theoretical study.

Although efforts have been made to overcome the "big rice bowl" system (under which people get equal pay whether or not their work is any good) unfair

distribution of income is still widespread, Gao wrote.

Thus it is imperative that improvements be made in the taxation system to regulate the incomes of individuals and the social insurance system be perfected, he said.

All in all, Gao concluded, Chinese economic and social theoreticians must make a "break-through" in these theoretical problems in order to facilitate a smooth shift from the traditional product economy to a new socialist commodity economy and to ensure the success of China's economic reform. ■

Phony Products Plague Farmers

Producers and sellers of counterfeit farming materials are prevalent in many areas of China this year.

People's Daily (Renmin Ribao) reported that 100 incidents of making or selling more than 30 kinds of counterfeit farm chemicals have been found in 17 provinces, municipalities and autonomous regions. The main characteristics of these counterfeits are: The proportion of efficacious compositions are lower than the state-stipulated level or the level marked on the trade mark; some are sheer imitations; some are even poisonous, causing serious pollution when used. Likewise, products are often fraudulently labeled with such famous names as Decis and Somicidin in order to gain more profits.

Besides counterfeit farm chemicals, phony seeds are also found. Yangling District in Xianyang is a strain-breeding base of Shanxi Province. It has 10 agricultural research and teaching institutions that have won high prestige for their contributions to agricultural development. Yangling became

known as a centre for agricultural science. However, in recent years, Yangling lost its prestige because six of the institutions began dealing in counterfeit seeds for such foods as wheat, corn, rice, watermelon, and turnips. Among the several million kilogrammes of seeds they sold each year, there were only a few original good strains. Besides, there existed a problem of degeneration. This infringed upon both the farmers' and the state's interests. This year, though the farmers lacked good strains for their autumn sowing, they dared not risk buying seeds from Yangling.

Having become a serious problem, counterfeit farm materials show the following loopholes in the management system:

—Production and management are out of control. Despite the relevant rules of the state, some places approve setting up enterprises of farm chemicals according to their own will. With simple and crude equipment, less qualified technical personnel and poor management, these enterprises have no examination of raw materials, no operating rules and no categorizing or testing of their products' quality. There are more than 150 such enterprises in Jintan County in Jiangsu Province. Before the end of August this year, 60 samples of farm chemicals produced by these enterprises were examined, and 51 were found unqualified.

—Laws and regulations are not amplified, and measures taken against the making and selling of false materials are not forceful enough. In addition, China has no law for the management of farm chemicals. This makes ascertaining and punishing counterfeit chemical producers a difficult task.

—The means of circulation are confused. In Yangling, a water conservancy research institute,

which has nothing to do with seeds and strain breeding, dealt in the seed business. In other cases, farmers cannot get farm chemicals directly because of too many intermediaries. This causes confusion in both markets and prices.

—Management is decentralized and effective supervision is lacking. In China, farm chemicals are produced by chemical departments, supplied by commercial departments and used by agricultural departments. This decentralized management system does not cater to the development of the commercial economy.

—The examination power is not forceful. Though 14 provinces and municipalities have set up farm chemical examination institutes, they have only 81 personnel altogether, of which one half work part-time. Among these provinces and municipalities, only three or four can examine farm chemicals independently.

It was predicted at a recent agricultural meeting in Beijing that more farm materials will be needed next year. Farmers are looking forward to immediately taken measures that will eliminate the bogus products and develop better quality among the genuine items. ■

Public Property Suffers Robbery

It was an October night. Two cadres of Beijing Auto Transmission-Shaft Factory drew a cart out of the factory gate. The cargo it carried were large iron plates that they were taking care of for the enterprise. They then sold the plates and shared the loot.

Such cases that have been ferreted out and punished compose only a small portion of similar ones that go unpunished. Last year, more than 600 industries and institutions in the

capital reported theft, and 90 percent of the losses proved to be public property. This year, 1,466 cases of public property theft have been hunted down and seized in 44 Beijing units by police.

The word "robber" used to refer in Beijingers' mind to those idling-about vagrants in ragged clothes. But today more government or enterprise employees, as well as individual business people, are becoming involved in public property robbery.

A police investigation of a major meat-processing factory in the city found that more than 40 staff workers had engaged in robbing the factory. Such phenomenon as staff members involved in robbing their own employers have also happened in other enterprises from breweries to radio factories, and from eggs to steel ingots.

Serious thefts have also attacked some of the central governmental organizations. Last year, more than 80 such cases were reported in governmental units in the western Haidian District alone. Among them, 40 were cases with losses worth more than 10,000 yuan.

The main reason for the rampant public-property theft, according to *People's Daily*, is the ignorance of these organizations' "watch dogs." Take the meat-processing factory for example. The security regulations were vainly posted on the walls, with few people paying attention to them. As a result, more than 15,000 kg of pork were stolen in succession.

"It's easy to get into the steel plants because they are not well guarded," an arrested robber said. "I could easily find the warehouse and where to get out," he added.

One may find some people waiting under the arch of some grade separations around the city in the evening with two wicker

baskets on each side of their bicycles. Employees are found throwing their wrapped-in-paper booty into the baskets on their way home and being paid. The profiteers then carry these stolen goods outside the city to sell.

More than 300 iron and steel profiteers were tracked down and found in a few dozen peasant-run inns on the eastern outskirts of Beijing in September. The police summoned about 70 trucks to carry the metal materials away.

In a bid to bring public property losses under control, local security departments have sent out hundreds of warning notes since the beginning of this year to those organizations who have a slack security system. The Municipal Supervisory Bureau disciplined 23 leaders of 20 units, whose bureaucratic work style had resulted in a large amount of losses by robbery. And some 1,200 enterprises have set up their own full-time escorts.

Nevertheless, security slackness can still be easily found in many of the organizations, said Zhong Wei, an official from the Public Security Bureau. "It is said everybody is the master of their organizations and their country, but nobody really cares about them — at least it seems to me," he added. ■

China Is No. 2 Locomotive Maker

China is overcoming a serious shortage of train engines and carriages, which until recently hampered the development of this vital transportation sector. In the process, China has become the world's second-largest locomotive producer, following the Soviet Union.

According to statistics from the Ministry of Railways, China can turn out an electric engine every 33 hours; a diesel locomotive every 12

hours; a passenger carriage every two and a half hours; and a freight car every 13 minutes. To date, China has produced a total of more than 15,500 train engines, 26,000 passenger carriages and 441,000 freight cars.

China's locomotive industry next year will concentrate exclusively on the manufacturing of diesel and electric engines at the expense of steam-powered ones.

This year, diesel and electric engines will make up 70 percent of the total locomotives produced. They also will comprise 60 percent of all those running on China's 52,000 kilometers of track.

Since the beginning of this year, China has manufactured 709 locomotives, 1,576 passenger carriages and 20,000 freight cars. This includes newly operating models such as the Shaoshan No. 4 electric engine, the Dongfeng No. 4, No. 5 and No. 6 diesel locomotives, double-decker passenger carriages, suburban rolling stock, container trains and electric subway trains.

The modernization of locomotives, in turn, has helped improve the efficiency and handling capacity of China's over-strained railways. Ministry officials attributed these successes to the increasing investment by the state and the deepening of economic reforms.

China has invested heavily in this sector. The locomotive industry now accounts for 13 percent of the total railway investment, and this year a total of 800 million yuan will be earmarked for the manufacturing of locomotives. Also, since 1984, China has imported about 600 electric and diesel engines from the United States and France.

Despite the increase in output, officials from the Ministry of Railways noted, there is still a shortage of locomotives and rolling stock, but this sector will be given priority for development.

Weekly Chronicle (November 21-27)

POLITICAL

November 23

■ During a meeting with an Indian delegation led by Foreign Secretary K.P.S. Menon, Chinese Vice-Premier Wu Xueqian expresses China's hearty welcome of Indian Prime Minister Rajiv Gandhi's forthcoming visit in late December. He says that the Chinese government attaches great importance to Gandhi's visit and regards it as "a great event in the history of Sino-Indian relations."

■ The border issue, which was left over by history, should, through friendly consultation and on the basis of mutual accommodation and understanding, gain a fair and reasonable solution.

November 24

■ Chinese Foreign Ministry spokeswoman Li Jinhua reiterates China's indisputable sovereignty over the Nansha Islands and the surrounding sea waters, saying that if Viet Nam deliberately creates tensions in the Nansha sea waters, it will be held fully responsible for all succeeding consequences.

In a memorandum to the Chinese Ambassador to Viet Nam on November 22, the Vietnamese Foreign Ministry accused Chinese navy missile destroyer No. 134 of twice shelling Vietnamese warship No. 505 in the sea waters of the Nansha Islands on November 19.

Li says it has been verified that no military action was taken by Chinese naval vessels that day while they were performing their mission in the sea area of China's Nansha Islands. Destroyer No. 134 was resting at its anchorage then and could not have shelled the Vietnamese warship.

■ A Chinese Foreign Ministry

spokeswoman says that Chinese Foreign Minister Qian Qichen will pay an official visit to the Soviet Union between December 1 and 3 at the invitation of the Soviet Foreign Minister E.A. Shevardnadze.

The two foreign ministers will focus their talks on the Kampuchean question and issues concerning their bilateral relations. She adds that if the talks between them on the Kampuchean question go smoothly, a Sino-Soviet summit may be held at an early date.

ECONOMIC

November 23

■ The *People's Daily* reports that mining and construction activities in rural areas have eaten up about 13.33 million hectares of arable land.

The destruction of arable land is serious and results from mining, disposal of industrial waste and the quarrying of clay to make bricks, Deputy Director of the State Land Administration Bureau Chen Ye said. He added that China has rehabilitated only one percent of the destroyed land so far and that most of it can be recovered.

■ The China National Offshore Oil Corporation, the Atlantic Richfield Company of the United States and the Santa Fe Minerals (Asia) Inc. of Kuwait sign the second supplemental agreement on the development and production of Yacheng 13-1 Natural Gas Field. China's largest offshore gas field is located about 100km south of Hainan Province's Sanya City.

According to the agreement, it will begin operation in 1993, and its annual output will reach 3.25 billion cubic metres in a short period. Its maximum annual output is expected to be five billion cubic metres.

KOREA

DPRK Proposals: Realistic, Peaceful

The Democratic People's Republic of Korea proposed on November 7 a package peace plan for relaxing political and military confrontation between the two sides on the Korean Peninsula. It has won the praises and support of the people all over Korea.

The peace plan put forward by the Democratic People's Republic of Korea (DPRK) was made jointly by the Central People's Committee, the Standing Committee of the Supreme People's Assembly and Administrative Council of the DPRK. The plan includes four principles to ensure peace on the Korean Peninsula and a package of peace proposals.

The four principles state that the peace of the Korean Peninsula must aim to unify the country; be guaranteed by the withdrawal of the foreign forces; be secured by the disarmament of both the North and South; and be realized through talks among the parties concerned and those responsible for the increasing tensions on the peninsula. These four principles are closely interrelated and cannot be separated.

It is well-known that Korea historically has been a unified single-nationality country. Its present division was purely man-made after World War II. All Korean people, including the people in South Korea, have been looking forward to the reunification of the country and the reunion of this nationality. But since the end of the Korean war, foreign forces have been stationed in South Korea, and the North and South sides have kept military confrontation along the demarcation line. These have formed the main obstacles to the reunification of the country.

The DPRK peace proposals, based on the four principles,

include a phased withdrawal of US armed forces and nuclear weapons from South Korea, a three-stage disarmament of the North and South sides, and a tripartite meeting of the two sides and the United States, in order to relax tension and conduct high-level political and military talks.

According to the timetable set up by the proposals, by the end of 1990, all nuclear weapons should be withdrawn from South Korea. In addition, the US forces should leave South Korea in three stages by 1991. From the beginning of 1992, the two Korean sides should decrease their forces to under 100,000 and dismiss all non-government military organizations within six months after the beginning of mutual disarmament. The proposals also call for an end to slander from both sides and political activities laying blame and advocating confrontation. Furthermore, large-scale military manoeuvres by both sides are to cease and the demilitarized zone which separates the Korean Peninsula is to be converted into a

"peace zone."

It is apparent that all the proposals of the package are very realistic and practical. If they are achieved, they will surely remove the threat of war and dispel the misunderstanding, mistrust and confrontation existing between two sides. Above all, the peace proposals offer new hope for the Korean people in regard to establishing an independent and reunified country.

The government and the people of the People's Republic of China firmly support the four principles and peace proposals put forward by the DPRK. Addressing a banquet to mark the 35th anniversary of the signing of Sino-DPRK agreement on co-operation in economics and culture at the DPRK embassy in Beijing on November 23, Chinese Vice-Premier Tian Jiyun said that the plan represents "yet another sincere effort" on the part of the DPRK to ease tension on the peninsula and realize the peaceful reunification of Korea. The Chinese people and government "firmly support all the rational proposals and propositions" put forward by the DPRK for the peaceful reunification and independence of Korea, he added. He also urged the United States and South Korea to "seriously consider" the package North-South peace plan put forward by the DPRK.

by Li Wen

THE PHILIPPINES

Aquino Marks 1,000 Days

The Philippines' overall political and economic situations are on the up as President Corazon Aquino celebrates her first 1,000 days in office on November 21. Now she must dig in to confront continuing problems.

Contrary to certain earlier predictions that President Corazon Aquino would not last

long, the nation's first female president has survived five coups and has been firming up her reign

on the government since she assumed the top political post in a civilian-backed military uprising in February 1986.

In the political arena, she has introduced a new constitution and restored a constitutional government that replaced the 20-year regime of ousted President Ferdinand Marcos. This appears to be a major achievement of the Aquino administration. A new bicameral congress is now functioning. The elections of new officials of the country's 42,000 townships will be held.

Having withstood the trials of the series of coups that culminated in the biggest and bloodiest putsch ever on August 28, 1987, the Aquino administration has considerably weakened the threats of the forces still loyal to Marcos and other opponents in the military.

Under the Aquino administration, the national economy is now on an upturn after three consecutive years of negative growth during the waning years of the Marcos regime.

Business confidence has been somewhat restored after her administration instituted a spate of economic reforms. It has dismantled the agricultural monopolies formed by the former associates of the deposed president, allowed market forces to operate freely and restructured the country's tax system.

Economic indicators are quite encouraging: the GNP has turned positive to 0.13 percent in 1986, 5.7 percent in 1987, 6.8 percent in the first half of 1988.

The inflation rate has remained single-digit since the president assumed power. The foreign exchange reserve has raised some concerns, as it stood at around only US\$1.8 billion. But this is much better than the US\$300 million reserve at the time the administration took over.

The comparatively stable political situation and growing

economy have somehow encouraged foreign investors to pour much money into the country. Trade and Industry Secretary Jose Concepcion has reported that a total of US\$1 billion in new investments has been recorded for the first nine months of this year. This is the highest investment level the country has had since 1945.

Aquino's successful visits to ASEAN countries, Japan, the United States, Europe and China are among her tangible diplomatic achievements. The recently concluded Philippine-US memorandum of agreement, which covers the remaining two years of the US military bases agreement, will help improve the country's relations with one of the world's two superpowers.

However, political observers have noted that Aquino seems to have been irresolute and hesitant in changing the nation during her first 1,000 days in office.

When recently asked what she had learned in the past two years and more, Aquino, in her own defence, said to foreign reporters that she had known "one cannot institute reforms totally and right away."

One of the knottiest problems Aquino still faces is the prevalence of mass poverty. About two-thirds of the country's population of 58 million live still below the poverty line. About 10 percent of the country's work force of 25 million are unemployed, while nearly 40 percent are underemployed.

Meanwhile, the two biggest political parties in the ruling coalition are locked in a bitter rivalry. Contradictions between

the legislature and the executive branch have become apparent. Grievances continue to be aired from the military. The past 1,000 days also saw the break-up and realignment of major political actors in the 1986 military uprising.

Some critics have charged Aquino with being too soft-hearted towards grafters in government offices.

The country's debt burden of US\$28.9 billion has also been considered one of the biggest issues the Aquino administration must face until her term of office ends in June 1992. In addition, export receipts are not increasing. The flow of concessional and commercial credits remains uncertain. The government has projected a financial gap of about US\$8.4 billion for the critical period 1988-92.

The ambitious 10-year comprehensive agrarian reform programme, considered one of the cornerstones of the Aquino administration to arrest rural poverty, is moving with difficulty and resistance.

The Aquino administration must also confront the fate of the two US military bases in the Philippines since the military bases agreement will expire on September 16, 1991.

So the road ahead of President Aquino and her administration in the next half of her six-year term is by no means smooth. She has to handle all these problems and give the Filipinos a better life before she fulfills her six-year term of office.

by Zhai Shuyao



INDIA-USSR

Gorbachev Affirms Special Friendship

The recent visit to India by Mikhail Gorbachev has consolidated the traditional ties between the Soviet Union and this South Asian country.

Soviet leader Mikhail Gorbachev paid his second official visit to India from November 18-20. The first was in November 1986. India is the only Asian country Gorbachev has toured twice since he became chief of the Kremlin in 1985. This has highlighted the importance of India in regard to Soviet-Asian diplomacy.

During the latest visit, Gorbachev held talks with Indian Premier Rajiv Gandhi on bilateral ties, regional questions and the international situation. Upon conclusion, they released a joint declaration supporting the current momentum towards world disarmament. They also called for international relations to be based on democratic and humanitarian principles.

Other finalized agreements envisage further exchanges in the fields of economy, trade, culture, science and technology. The two sides also decided to set up joint ventures and increase transfers in high technology.

Apart from receiving the Indira Gandhi Peace Prize and attending the closing ceremony of the Soviet Culture Festival organized by the host nation, Gorbachev came to India mainly to discuss the international situation.

Since assuming the office of general secretary of the Communist Party of the Soviet Union, Gorbachev has courted stronger relations with Asian-Pacific countries. He made two important statements on the Soviet policy towards the Asian-Pacific region

in July 1986 and September this year, in Vladivostok and Krasnoyarsk respectively.

Gorbachev's overtures came at an opportune time. Recently, in the context of relaxed Soviet-US relations, situation in this area of the world has improved accordingly. In Afghanistan, a political settlement has progressed; in Kampuchea, signs portend a solution to the unrest; and in Pakistan, a democratic election has just ended. Likewise, Sino-Soviet relations have improved somewhat, and Gandhi is due to visit China in December. Under such circumstances, Gorbachev's visit was a successful bid for mutual understanding and development.

For a long time, the Soviet Union and India have been developing political, economic and military bonds. As Moscow draws closer to other Asian-Pacific nations, New Delhi has increasingly felt its importance reduced in the Soviet diplomacy. To ease this concern, Gorbachev

reaffirmed the existence of a "special relationship" between the two countries, which will not be affected by Soviet links with other countries.

This special relationship is reflected mainly in the Soviet aid to India. By the end of 1986, Soviet economic aid to India totalled US\$5.4 billion, while military aid amounted to US\$5.1 billion at the end of 1985. In recent years, the Soviet Union also has provided India with MiG-29 fighter planes, which even Moscow's Warsaw Pact allies have not acquired. This year, the USSR added a nuclear submarine to India's arsenal.

Gorbachev's visit came on the eve of Gandhi's trip to China and Chinese Foreign Minister Qian Qichen's departure for the Soviet Union. Therefore, Gorbachev and Gandhi reportedly devoted considerable time to discussions on Sino-Soviet and Sino-Indian relations. Gorbachev, in his open speeches, emphasized China's role in Asian and world affairs and said that a good relationship among China, the Soviet Union and India is vital for the fate of Asia and world progress. "We're glad to see the signs of improved Indo-Chinese relations," he said, adding, "Our own relations with China are also increasingly encouraging."

by Gul Tongchang

LATIN AMERICA

Markets Open, Growth Promoted

Some Latin American countries, such as Brazil, Argentina and Mexico, have mapped out new policies this year in the face of current economic situation at home and abroad.

From the 1950s to the 1980s, the prevailing pattern of development in Latin American countries was "Import substitution." It strengthened government intervention and regula-

tion in economic affairs, protected the development of national enterprises by limiting imports with tariff and non-tariff barriers, and introduced foreign capital to build industrial sectors

that would produce the goods badly needed by the state. These, in turn, were expected to replace imported products and help the countries to realize economic self-reliance. This kind of development pattern played a positive role in promoting Latin American countries' economic development.

From the late 1970s, however, Latin American countries, suffering from two worldwide economic crises, faced increasing foreign debts and high inflation, and the economic growth slowed down. Although constant economic readjustments were made, Latin American countries had not shaken their difficulties. This was because excessive defensive measures and the long-standing strict limitation on imports resulted in problems. Many enterprises were content with the status quo and did not pay much attention to the improvement of management and production modernization. Eventually, many industrial sectors were not only incapable of adjusting to the developing trend of the new technological revolution, but also became a drag on overall economic development. The practice of "import substitution" strategy apparently did not suit the rapidly changing domestic and international situation. Juan Vital Sourrouille, Argentine Minister of Economy, pointed out that there is no competition without joining in international markets and no economic growth without competition.

Under such circumstances, some Latin American countries have taken important measures to internationalize their economies.

This past May, the Brazilian government announced new industrial policies. They mainly were the removing of protective measures from national industrial markets, thus allowing foreign ventures within the boundaries of Brazil to have equal opportunity

to occupy domestic markets; passing a preferential tax for technological investments in any industrial field; and using the producer's trademark to replace the registration system on products; and excusing capital goods used in industrial activities from tariffs on imported products. Brazilian minister of Industry and Commerce considered the implementation of these measures another very important stage in the country's industrial development.

In late October, the Argentine government issued an "open economy" policy, lifting the system of advance application for imports, allowing the majority of commodities to be imported freely and lowering the general tariff on nearly a hundred commodities by nine percentage points. Argentine economic experts believed that the new policy would change the current economy's performance by strengthening its ties with international markets.

Recently, Mexican President Miguel de la Madrid Hurtado introduced an open policy to the Mexican economy, lifting import licences, lowering tariffs and participating in multilateral trade competitions. The Mexican newspaper *Excelsior* commented that the country's development strategy changed basically. Namely, it had turned to an export-oriented development pattern with open trade as its main emphasis. Thus, import limitations would be called off and more foreign investments would be invited into Mexico. At the same time, Mexican investments in foreign countries would increase. The newspaper said that the above change was an important part of the ongoing Mexican structural reform.

New economic policies in Brazil, Argentina and Mexico, although bearing different

contents, basically emphasize the internationalization of economy, that is to say, increasing imports, removing protection from backward domestic industrial sectors; and introducing an international competitive mechanism to promote industrial modernization at home. Clearly, this new strategy is expected to extricate these countries from a long-standing economic standstill.

Economic experts of these three countries think that "economic internationalization" will profit their nations. The strategy is to promote domestic industrial competition and raise production levels, while forcing domestic prices down to prevent inflation. In these experts' opinion, Latin American countries, through more than 30 years of endeavours, have already set up comparatively a integrated industrial system. Especially with the large increase in foreign trade in recent years, many enterprises are well-experienced in mastering the management of modern production and foreign economic relations. Furthermore, the Latin American countries' abundant natural resources and cheap labour will enable them to bear international competition.

Some economic experts, however, have expressed their concerns that the unilateral opening of markets is out of step with the times, when Western countries generally are practising protectionist trade. A vast amount of imports might break state control over foreign exchange and confuse the countries' economies. Also, bankruptcy of the backward enterprises could produce large unemployment and bring about social instability. In order to implement the new economic policies, however, these three Latin American countries are taking the risk.

by Wu Zhihua

Li's Tour Strengthens Friendships

Li Peng's first diplomatic trip abroad as China's premier of the State Council took him to Thailand, Australia and New Zealand from November 10-24. The visit, which was aimed at promoting mutual understanding, developing co-operation and safeguarding peace, was a complete success.

by Chen Jing

Premier of the State Council of the People's Republic of China Li Peng paid an official and friendly visit to Thailand, Australia and New Zealand at the invitations of his counterparts Chatchai Choonhavan, Bob Hawke and David Lange from November 10 to 24. This was the first diplomatic trip abroad for Li since he became premier last April. During this tour he explained in detail China's strides in pursuit of openness to the outside world, reform within and the independent foreign policy for peace. Li and his three hosts exchanged views on bilateral relations and international issues of mutual concern. On the whole, they concurred. Thus Li's successful visit reached its scheduled targets of promoting understanding and friendship, developing co-operation and safeguarding peace.

The premier's first stop from November 10 to 14 was in the neighbouring country of Thailand. The friendly exchanges between the Thai and Chinese peoples have a long history. Since the establishment of diplomatic relations in 1975, the two countries have increasingly shared exchanges in the fields of politics, economy, science and technology and culture. The volume of trade, for example, was only US\$21 million at that time. But by 1987 it had reached US\$550 million. This

year it is expected to be US\$800 million.

What's more, China and Thailand have co-operated well in international affairs. Especially in regard to the Kampuchean issue, the two countries have united and made long-term efforts to force the Vietnamese troops' withdrawal and safeguard peace in the region.

During his stay in Thailand, Premier Li reaffirmed the five-point proposal: first, Viet Nam should work out a timetable for the withdrawal of all its troops from Kampuchea in a short period of time; second, China supports

the formation of a provisional quadripartite coalition government headed by Samdech Norodom Sihanouk and opposes any single party to be excluded or take power exclusively in Kampuchea after Viet Nam pulls out; third, the troops of various parties should be frozen, not take part in politics, nor should they intervene in the general election, which should be held without external interference and threat of force; fourth, effective international supervision should be exercised over Viet Nam's troops' withdrawal, the maintenance of peace in Kampuchea and the conducting of a free

Premier Li tours the Map Ta Phut Petrochemical Complex of eastern Thailand.

LIU JIANGUO





LIU JIANGUO

Chinese leader, Li Peng visits a Sino-Australian Channar Iron Ore Joint Venture.

election; and fifth, if the various parties concerned can reach an agreement on a political solution to the Kampuchean question, China is willing to join other countries in making an international guarantee for Kampuchea's status of independence, neutrality and non-alignment.

Li clearly pointed out in Bangkok that Viet Nam should withdraw its troops completely from Kampuchea by the end of June next year.

China's stand on the Kampuchean question is completely for upholding the norms of international relations and peace in this region. China does not seek private interests in this matter, Li said.

The premier stressed that even after the Kampuchean issue is resolved, China will still attach importance to the development of cordial relations with the countries of the Association of Southeast Asian Nations (ASEAN). He put forward four principles on the active development of relations with them. These four principles are: First, China strictly adheres to the Five

Principles of Peaceful Co-existence in state-to-state relations; second, China opposes hegemonism under any circumstances; third, in economic relations with other countries China upholds the principle of equality, mutual benefit and attainment of common prosperity; and fourth, in international affairs China follows the principles of independence, mutual respect, co-operation and mutual support.

All these principles issued by the Chinese leader were welcomed by the public opinion of Thailand and other ASEAN countries.

Then Li left the Asian continent to fly to the Pacific country of Australia. Upon arriving at Perth Airport, he spoke of his mission in terms of "deepening our mutual understanding and friendship, and promoting exchanges and co-operation."

China and Australia have different social systems and their economic development is also at different levels. However, the people of the two countries have a traditional friendship. In the 1850s both sides commenced with trade, labour and cultural exchanges. In the early 1960s China began to import wheat from this country. In 1972 China and Australia formally established diplomatic relations. Since then, co-operations in the fields of trade, science and technology and culture have blossomed. Import and export volume between the two countries has increased from US\$86.55 million in 1972 to US\$1.67 billion in 1987. Now Australia has become China's eighth largest trade partner, and China has become Australia's

China's premier calls on a farmer's family in New Zealand.

CUI BAOLIN



fourth largest market abroad.

Meanwhile the two countries have constantly expanded their economic and technological co-operation. So far China has set up 18 joint ventures in Australia, and Australia has set up 35 joint-invested and co-operative enterprises in China. This fully shows the singular strengths and character that each economy shares with the other. There are interdependent, sharing complementary relations in terms of funds, technology, raw materials, natural resources, labour and market.

During his visit to Australia, Li held talks with Prime Minister Hawke. Both were satisfied with the present bilateral relations and the potential for greater ties. These two leaders committed themselves to unremitting efforts in order to promote such relations.

Hawke said that "the maintenance and further development of that relationship is one of the central elements in my government's foreign policy." Australia welcomes China's policies of modernization and opening up to the outside world, he said.

Premier Li said that China stands for an active expansion of economic and technological exchanges among the Asian-Pacific countries and promotion of regional economic co-operation under the principles of "mutual respect, equality and mutual benefit, increased exchanges and common progress." Thus conditions in the Pacific region will remain peaceful, friendly and co-operative.

Li concluded his Australian visit by signing several agreements. One was to avoid double taxation; a second concerned fishing; and third was a memorandum for occupational health co-operation.

In New Zealand, Li's first visitation was in the hometown of Rewi Alley. Alley came to China

in the 1920s. Although he died in 1987, he "is now a symbol of friendship between the peoples of China and New Zealand," Li said at a banquet held in Christchurch.

On the eve of Li's visit, New Zealand Prime Minister Lange assessed the relations between the two countries. He said that in the 16 years since diplomatic relations

China stands for an active expansion of economic and technical exchanges among the Asian-Pacific countries and promotion of regional economic co-operation under the principles of "mutual respect, equality and mutual benefit, increased exchanges and common progress."

were established in 1972, China has become a very substantial trading partner with New Zealand. Furthermore, it has matured to the point where significant developments in joint ventures can be realized.

Before the establishment of diplomatic relations in 1972, the trade volume between the two countries was only US\$9.7 million. In 1987-1988 it was US\$358 million. China is the leading buyer of New Zealand's wool. It purchases 50,000 tons each year, one sixth of New Zealand's total wool export.

During their talks, Li and Lange expressed a desire for technological exchanges in the fields of industry, agriculture, animal husbandry and forestry. China and New Zealand can also make mutual investments and conduct joint ventures, they said.

To this effect, the leaders signed

an investment protection agreement. The agreement provides investors from both countries with assurances of non-discriminatory treatment, transferability of funds, compensation in the event of expropriation and dispute-settlement procedures.

Furthermore, the two premiers stressed that they would promote peace, stability and development of the Asian-Pacific region. Li said that China seeks both mutual benefits and regional stability. He also pledged continuing friendship and co-operation with the South Pacific countries.

During his three-nation tour, Li visited the Map Ta Phut Petrochemical Complex in eastern Thailand, a high-tech company and port facilities in Australia, and the Woodhill State Forest and a refrigerator plant in New Zealand. He made detailed queries about their production, management and technology, stressing China's need to learn from the economic developments of these countries.

Li also had the opportunity to meet with local and overseas Chinese. He told them about changes in China since the implementation of Chairman Deng Xiaoping's policies. He encouraged the overseas Chinese to live amicably with the local inhabitants and continue to make contributions to the prosperity of the countries where they live.

On November 24 Li rounded up his two-week tour by departing from New Zealand, bringing back to China the continuing friendship of the three countries. ■



What Does Reform Mean to the Police?

— Revisiting Erlong Road Police Station

by Our Correspondent Lu Yun

Local police stations are the grassroots of China's public security. Three years ago I visited western Beijing's Erlong Road Police Station under the Xicheng (Western District) public security sub-bureau and covered the daily life of the police. The impact of China's reforms has spread to almost every corner of society in the past two years. But have they exerted any impact on the work of the people's police? With this question in mind, I recently returned to Erlong Road.

Democratic Supervision

Every policeman and policewoman in China has a conspicuous aluminium badge pinned to the left side of their jacket bearing seven Arabic numerals. Being readily identifiable encourages the police to fulfil their tasks and duties to the best of their ability. Policewoman Bai Yuhua told me that since she wore the badge, she was more prudent in her work, defending the prestige of the people's police at all times.

Since May last year, each of the seven people's police squads has had a disciplinary supervisor responsible for reporting any breaches of discipline committed by a police officer to the head of his or her police station. These supervisors also study all laws and policies related to police work. The Erlong Road Police Station has also invited 150 people from local organizations, enterprises

and neighbourhood committees to form a police watch committee. The head of the police station periodically reports to them on his work and in turn solicits their opinions. This practice has become widespread in the other police stations of the Xicheng public security sub-bureau this year.

China's newspapers play an important role in exposing illegal activities and their perpetrators. However, unless the police act on these leads, it is quite possible that after the first blaze of publicity, nothing much will happen. In order to help the press fulfil its supervisory functions, therefore, the Erlong Road Police Station pays special attention to reports of

crime in its area.

For example, on August 23 this year, *Beijing Ribao* (*Beijing Daily*) published a short article criticizing some second-hand dealers who cheated customers and cornered the market, practised forcible purchase and sale, and disrupted both the public order and the normal operation of legitimate shops. The article mentioned the Zhongchang store, which falls under the jurisdiction of the Erlong Road Police Station. The following afternoon, in co-operation with the local industrial and commercial administrative departments, a detachment of policemen took action against nine people illegally trading in front of the Zhongchang store.

The residents' registration office in the Erlong Road Police Station.



They then fined them and confiscated 200 second-hand articles such as refrigerators and wardrobes.

Brothers Reunited

Since the Taiwan authorities have allowed Taiwan compatriots to visit their relatives on the mainland, policeman Hou Weiliang has spent much of his time helping them find relatives who they had not heard from for decades. For example, on June 3 this year, Li Hsu-ming, a businessman from Taiwan, came to the Erlong Road Police Station. Li said his brother had lived in the area during the 1940s and asked if inquiries could be made about his whereabouts. Hou Weiliang checked the residence cards, to no avail, and then asked the Beijing Public Security Bureau to check the city's cards.

When all these efforts failed, Hou visited the old households and checked the pre-liberation residence cards. He discovered that his brother had moved to work in the railway bureau of Nankou, a town on the outskirts

of Beijing. The following day, Hou and Li went to Nankou to visit retired workers and check railway's dossier.

Eventually they found that the man had retired to Taiyuan in Shanxi Province. The railway bureau immediately telephoned him, and the brothers exchanged their first words for 40 years.

New Responsibilities

China's economic reforms of the last decade have laid the foundations for a thriving commodity economy and its accompanying flow of manpower, financial and material resources. This, however, has complicated the work of the police, adding extra and new tasks to their duties.

Fang Xueli, a veteran policeman and deputy head of the Erlong Road Police Station, said that public order in the area was generally good, and the crime rate was much lower than that of the country and Beijing as a whole. Since a crackdown on crime in 1983, recorded crime had decreased for few years, before rising again slightly in the last two years.

The most common offences are theft, robbery and swindling, and most of the offenders are contracted building workers, craftsmen and pedlars from other parts of the country, although incidents of theft within some work units are also on the increase. The majority of the crimes—around two-thirds—occur during daylight hours. Recently, criminals have grown more sophisticated. On many occasions no footmarks or fingerprints can be found at the scene of a crime, and motor vehicles are being used to an increasing extent.

Crime Prevention

In general terms, the incidence of crime in any given area is directly related to whether crime prevention work has been strengthened or not. However, local public security committees organized and managed by retired workers, cadres and housewives remain the most effective of discovering and exposing lawbreakers.

The Erlong Road Police Station has 32 of these committees under its jurisdiction. One of them, the public security committee of Wenjia Street, was cited as one of Beijing's models of public order last year after reporting that it had not had a single incidence of crime in the last decade. Another of the police station's committees was nominated an advanced public security committee at the municipal level.

To cope with the rapid changes in Chinese society, the Erlong Road Police Station has had to take on many new responsibilities. With the sharp increase in street markets and the floating population, it now has added shop registration to its tasks and pays a lot more attention to ensuring that people residing in the area

Erlong Road's police leaders discuss the station's work.





Checking a name in the permanent resident registration files.

temporarily do not pose a threat to public order.

Within the three square kilometres under the station's jurisdiction are 24,000 households with 73,000 residents, 320 shops with 3,400 residents and a transient population of around 7,000 at any one time. Statistics collected daily by the police in areas under the Erlong Road Police Station's administration, have helped provide the state with accurate demographic data, and have often thrown clues about the activities of lawbreakers.

"The amplification of the socialist legal system and the widespread publicity it has been given have strengthened the public's awareness of the law. This has also set higher demands on the people's police," said Miao Lin, the station's young deputy head. "Previously," he continued, "the law was what the people's police said it was. But now the legal system has been strengthened, not only do the higher authorities demand that we handle affairs strictly in accordance with the law, but every citizen, suspect and criminal can judge whether our words and actions are legal or not.

"If we don't carry out the correct procedures, a suspect can

refuse to be summoned to court for interrogation. It is common knowledge that a person detained should not be longer than 24 hours without bringing him before a court. Some criminals know the provisions of the Criminal Law and the standard penalties for each crime like the palm of their hand.

“The amplification of the socialist legal system and its widespread publicity have strengthened the public's awareness of the law. This has also set high demand on police. Every citizen can judge whether our words and actions are legal or not.”

"Even in civil disputes you have to use the correct legal procedures nowadays otherwise there will always be someone who will find fault with you."

When a suspect is summoned to the police station for questioning following the reporting of a crime, care has to be taken to presume innocence unless there is sufficient evidence of guilt. I discovered that the police try to respect all suspects as well as treating them in accordance with the law. For instance, it is not uncommon for the interrogating policeman to offer a suspect a cigarette, buy him or her food from the canteen at lunchtime, and if necessary pay the registration fee if a visit to the hospital is called for.

Crime Detection

The police station is responsible for preventing and stopping all counter-revolutionary and other criminal activities and assisting

the higher authorities to solve cases. It also has to publicize the law among the public, and encourage them to play a full role in the fight against crime. The police station's head, Sun Fengwu, said that the morale of his officers is high, and they have been striving to raise their professional skills and their crime detection rate. One policewoman said that she is now so obsessed with her job, that she even thinks of how to clear up cases in her dreams.

The people's police have always relied on public help in solving cases. In each of the past two years, the station has held a four-day training class for activists from the neighbourhood public security committees to help them handle their work. As a result, many crimes have been successfully solved and their perpetrators brought to justice.

During my time in the Erlong Road Police Station, a group who had stolen two racing bicycles and 35 other bicycles were caught with the aid of the Shoupa Lane Public Security Committee. The leader of the group, Wang Yuntao, had attracted suspicion. Although he had neither a job nor a fixed income, he had recently been seen freely spending money and touring several cities of China. In addition, it was well known that he already possessed a criminal record.

After he was implicated in another case in Beijing's Haidian District, he was summoned to the Erlong Road Station for interrogation, and was soon exposed as the leader of the bicycle stealing group.

Informants are another effective way of securing information to solve crimes, particularly those recruited from the ranks of ex-prisoners who wish to establish a fresh reputation as law-abiding citizens. On the first day of my visit to the station, I saw three men



Qin Bo.

Photos by LU YUN

who had assaulted a farmer pedlar in a local market. They had been apprehended after another pedlar who had previously been found guilty of several crimes came forward and identified the principal offender.

The police have also started to use psychological means to analyse the weaknesses and contradictions in suspects' stories. Sun Yi is one of the station's officers specializing in such techniques. He recently uncovered two cases, each involving more than 10,000 yuan, after playing on fears that the perpetrators' acts might cause their parents to become ill or get their girlfriends into trouble.

Sun concentrates on urging offenders to confess on their own initiative as then they will be dealt with more leniently. In his experience, he said, it was important to remember that even criminal offenders were human beings, and so the major task was always to analyse the social environment they came from and establish their psychological motives for committing crimes. Simply to throw the general principles of the law at them was rarely satisfactory.

Undercover work is another way in which the police have

stepped up their clear-up rate. One spectacular case took place in August involving "101" hair tonic. Black market dealing in this product had stepped up dramatically after it had won prizes at the Brussels Eureka International Invention Fair and the Geneva International Invention Technological Fair.

Competition has found its way into Beijing's police stations through the introduction of a clearly defined job responsibility system. Rewards and promotion are decided by work performance rather than by seniority and cronism.

Following up a lead, plain clothes police officers had "clinched" a deal to buy 46,000 yuan's worth of "101" from a man in front of the "101" consultancy clinic in Xuanwumen Street. When he turned up on August 18 with his package of illegally obtained goods, he was promptly arrested by policeman Miao Lin and two other officers.

Competition in the Force

One major change that had taken place within the police station since my previous visit was the introduction of a clearly defined job responsibility system for personnel at all levels. To tighten up management, both the amount and the quality of work are used to assess achievements, rewards and promotion.

In June this year, the Xicheng public security sub-bureau decided to inject some competition

into the selection of police station heads. When the chief of Fusuijing Police Station retired, instead of following the standard practice of allowing the higher authorities to name his replacement, they advertised for applicants among the public security officers and policemen of the sub-bureau.

It was demanded that whoever got the job would have to ensure the station was in the top seven of the Xicheng district's 10 household registration stations within two-and-a-half years. If it was in the top three, it would be awarded a bonus of 1,000 yuan. Because of this, the new head would have the right to form the station's management committee and appoint or remove personnel.

Altogether, seven people—four policemen and three public security officers—were interviewed for the position. The selection panel of nine made up of section heads from the public security sub-bureau and police station chiefs invited each applicant to outline their proposed administrative programmes and then cross-examined them.

The man who got the job was Qin Bo, who after six years at Erlong Road had been working for the secretariat of the public security sub-bureau. Qin, 29, took up his new post on June 28. To date, he has not used his right to appoint or remove personnel, concentrating instead on winning the confidence of all his colleagues.

He certainly seems to have injected a new spirit into the Fusuijing Police Station. The introduction of his new administrative programmes helped to put his station first in the Xicheng public security sub-bureau during the second half of August, and he hopes this morale-boosting performance will enable him and his policemen and women to realize the rest of his programme during the next 12 months. ■

The Global Struggle Against Leprosy

by Our Correspondent Wang Jian



Dr Armauer Hansen.

Despite the advances of modern medicine, there are still an estimated 10-12 million leprosy sufferers around the world. To discuss ways of eradicating the disease entirely, more than 1,000 doctors, medical researchers and representatives from international relief organizations gathered in the Hague during mid-September for the 13th International Leprosy Congress.

Sponsored by the World Health Organization (WHO) and the International Leprosy Association (ILA), the congress was presided over by Dr Michel Lechat from Belgium, president of the ILA. In his address, he said that leprosy was probably the most stubborn disease in the world's underdeveloped countries. Around 25 percent of those who catch the disease will develop severe disabilities if they are not treated early with the appropriate drugs.

The fight against leprosy involves not only the developing countries, where most of the world's cases are found, but also the majority of the developed nations. During the congress many tributes were paid to individuals who had played a major role in combating the disease.

It was a Norwegian, G. Armauer Hansen, who first identified and described the leprosy bacillus in 1874. Even today, leprosy is frequently referred to as Hansen's disease. At the end of the congress, Wayne M. Meyers, newly elected president of the ILA, reminded the delegates

that although the diagnosis of leprosy has continually been refined its essential methods are those developed by Hansen more than a century ago.

A contemporary of Hansen, Joseph de Veuster, better known as Father Damien, played a pioneering role in developing care for leprosy patients on the Hawaiian island of Molokai, before himself dying of leprosy in 1889. Today, two Belgian foundations for fighting the disease are named after him.

Leading Figures

Among the many researchers

The late British leprosy specialist, Stanley Browne, treating a patient.





A Swedish reporter interviews a former leprosy patient from Hawaii at the 13th International Leprosy Congress.

and doctors present at the congress was Mali Browne, widow of the late British doctor, Stanley Browne. Her husband had formerly been secretary-general of the ILA for 18 years, during which he had organized four international congresses. He also invented Clofazamine, a multidrug medication for leprosy which has been widely used around the world. He travelled to 75 countries.

Mali Browne has devoted 45 years of her life to the struggle against leprosy, including spending almost 30 years in Africa.

Another family famous for their leprosy work are the Skinsnes. Olaf K. Skinsnes, an internationally known leprosy specialist and pathologist, was the first person in the 1940s to introduce the drug sulphone into China to treat leprosy patients. He now lives with his wife in the city of Guangzhou in southern China, acting as a senior adviser to the Chinese Research Centre for the Prevention and Cure of Leprosy.

His daughter, Anwei Skinsnes Law, is a social historian who has

extensively researched the history and impact of leprosy in Hawaii. In her experience, the best way of challenging public prejudice against leprosy sufferers is allowing leprosy patients to participate in the activities of public education.

Henry Law, Anwei's husband, has put this theory into practice in the Kalaupapa National Historical Park, which serves as a natural and historical museum on the one hand and a leprosy education centre on the other. The park is a monument both to the sufferings of leprosy patients and the spirit they have shown in their struggle for acceptance.

Accompanying Henry and Anwei Law were six former patients, five of whom submitted papers to the congress. In his contribution, Bernard K. Punikai said that leprosy patients in Hawaii had overcome traditional prejudice and barriers to take a leading role in public education. He said that they had worked with social scientists, community leaders and health professionals to create an awareness among the public of the realities of the disease

in the modern world.

Two other former patients, William Malo and Elroy Malo, described their experiences in working with community organizations on a diverse range of educational projects. Their major task was explaining that leprosy could be cured and that it did not deserve the social stigma that had become attached to it.

For the last 22 years, Richard Marks has been organizing trips to Kalaupapa through his travel company, Damien Tours. He said that 5,000 people now visit the park every year, while its residents travel freely both throughout the United States and the rest of the world.

Chinese Contributions

China was represented at the congress by a delegation of more than 30 leprosy researchers and professionals, the largest number ever to have been sent to such an event. Among them were many of China's foremost medical practitioners.

Dermatologist Zhao Bian combines lecturing at the East China Nanjing Medical College with treating patients in the hospital attached in to it and supervising the publishing of China's *Journal of Clinical Dermatology*. At the congress he exchanged experiences with the editor-in-chief of Britain's *Leprosy Review* as well as contributing to many of the academic discussions.

Stomatologist Tu Yifu began working with leprosy patients in 1985 after receiving a set of dental surgery equipment donated by the Federal Republic of Germany. Since then he has examined 1,155 people with leprosy. He denied that the dental profession should neglect or segregate leprosy patients. Tu's work in this area, along with the work performed by China's oculists, was applauded at the congress.

Hu Lufang was one of the two women in the Chinese delegation. The director of the Sichuan Research Institute for the Prevention and Treatment of Dermatitis, she has been engaged in the clinical treatment and research of leprosy for 28 years since graduating from medical college in 1960.

Hu submitted a paper to the congress on the use of multi-drug therapy in the treatment of multibacillary leprosy among the Yi nationality of Sichuan Province in southwest China. Sichuan has the highest incidence of leprosy in China, with about 5,000 sufferers distributed mainly in remote mountainous areas. The Netherlands Leprosy Relief Association offered the Chinese delegation US\$600,000 to help combat the disease in Sichuan.

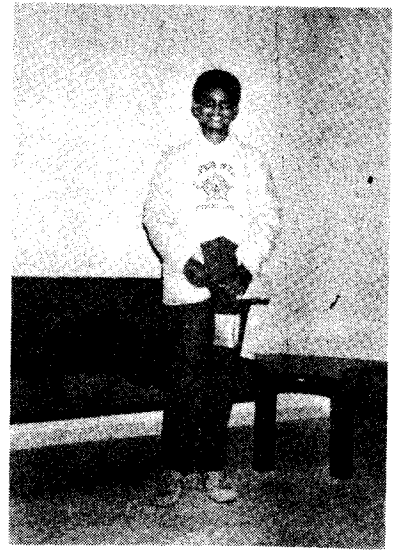
Dr Zhao Tianen, director of the Shandong Research Institute for the Prevention and Cure of Dermatitis, delivered a paper to the congress on the possibilities of eradicating leprosy in the Shandong Peninsula by the end of the century. He also took the

opportunity to meet and exchange experiences with the many friends he had made on an international dermatology diploma course in Bangkok.

An exhibition of British medical equipment designed to enable leprosy patients to cope with physical disabilities attracted the attention of the Chinese delegation, because although it is expensive it offers great potential for rehabilitation into society.

In the coastal province of Jiangsu, for example, there are still some 3,000 leprosy patients with physical disabilities despite the great efforts that have been made to control the disease since 1949. As a result, Chinese medical workers have devoted a lot of attention to making leprosy sufferers self-reliant in every-day matters such as eating and relieving themselves.

According to a survey conducted in 1987 by the China Leprosy Prevention Centre, although 1,480 people had successfully been cured of leprosy, around 67.5 percent had some form of disability ranging from



Eleven-year-old Sunil wants to be a leprosy doctor like his father, Casabianca.

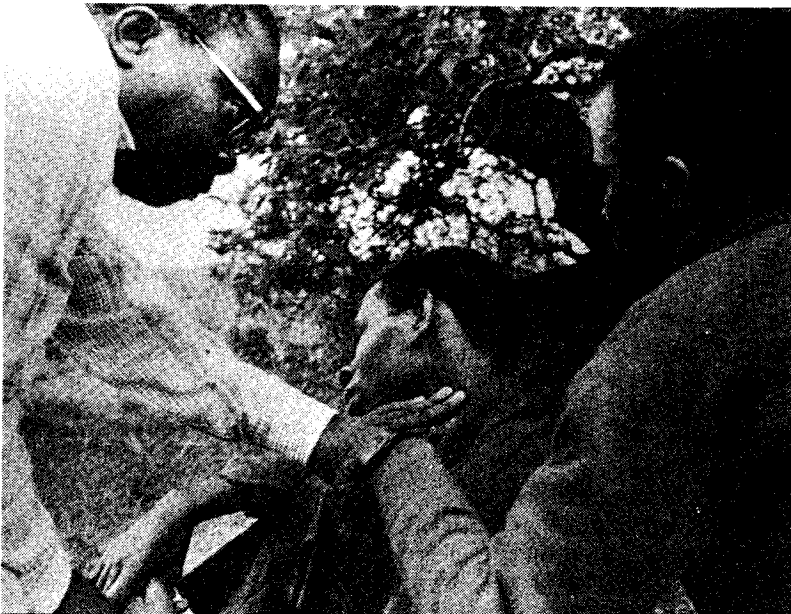
numbness of the skin to deformities of the hands or feet. In the conclusion to their report, they stated that one of the major focal points in the controlling of leprosy had to be the prevention of physical disability.

Chairing Sessions

Several members of the Chinese delegation chaired some of the congress' sessions. One of these was Professor Liu Zijun, a pathologist at the Sun Yat-sen Medical University, who reported his own discoveries on the pathology of peripheral nerve lesions in an armadillo infected with leprosy. (Since 1971, armadillos have been regarded as the animal most suitable for experiments concerning leprosy.)

Ye Ganyun, a senior researcher at the Dermatology research Institute under the Academy of Medical Sciences, read his paper on the study of leprosy's social aspects based on research conducted by himself and various colleagues under the direction of Dr Ma Haide, a pioneer of China's leprosy work. Ye was one of the

Dr Nicholas Chitimta (left) of Malawi examines a local leprosy sufferer in Africa.



first group of medical students to be trained after the founding of the People's Republic. Now, he is deputy secretary-general of the China Leprosy Association, and at the congress he was elected an ILA council member.

Ji Baohong presided over one of the congress' sessions in his capacity as secretary of the Chemotherapy of Leprosy Steering Committee of the WHO. Altogether, the Chinese delegation submitted 25 papers to the congress.

At the end of the congress,

acting secretary-general of the China Leprosy Association. He Daxun, said that leprosy prevention was now a global cause. He said that all of China's provinces and regions with incidences of the disease had received money from international leprosy relief organizations. The Netherlands has offered funding to help combat leprosy in the northwest, northeast and Sichuan Province; Japan for East China and Hainan Island, and Belgium for Tibet, Guangxi and Fujian. The United States had promised financial

support to Guizhou, and Italy had offered aid to Guangdong and Yunnan.

Komer Braber, director of the Netherlands Leprosy Relief Association, declared that these donations "should not be regarded as grants, but as participation in a cause." In the Netherlands, about 200,000 people from its population of 14 million regularly give donations to leprosy relief associations. This kind of public concern indicates that the global eradication of leprosy surely cannot be too far off. ■

Developing the Tourist Goods Market

by Our Correspondent Han Guojian

As the number of overseas visitors to China has increased over the past few years, the money they have spent on souvenirs has multiplied. From 1980-87, total sales reached US\$3.555 billion—39.7 percent of all income from international tourism. In 1987 alone, the figure was US\$940 million.

That year, 3.6 million customers passed through the doors of the Beijing Friendship Store, generating a turnover of 316 million yuan. In 1964, the figure was 5 million yuan, only rising to 6 million yuan by 1978. But when China opened its doors to the outside world in 1979, turnover leapt overnight to 55 million yuan.

According to Shen Xuqiang of the Beijing Tourism Administrative Bureau, the capital now has 80 tourist stores each with an annual turnover above 5 million yuan. Altogether the city has 1,000 retail tourist outlets. The volume of business in the Beijing Hotel's

shop now surpasses its income from food and drink, and comes second only to the money earned from its guest rooms.

To ensure their shelves are filled with the goods tourists want, many stores have developed close

links with factories. This has meant that not only are popular items, such as silk and fur coats, often in short supply in ordinary Chinese shops, are still available in major tourist outlets, but they are also more in tune with the tastes of

Tourists purchasing drawn-work linen in the Beijing Friendship Store.



foreign visitors.

The Beijing Friendship Store, for example, discovered its line of marten coats was selling well. To maintain its stocks it dispatched buyers to purchase furs and commissioned a leather factory to process and tailor them according to international fashion styles. This factory now makes one-quarter of the store's 360 varieties of fur goods with materials provided by the store. Altogether, the Beijing Friendship Store has business relations with 1,065 factories and around 80 trading companies.

But the stores are not the only organizations taking the lead in combining production with marketing. Between 1978 and 1988, the China Tourist Souvenirs Production and Supply Co. and the China Tourist Service Co. held most of the country's tourist trade exhibitions and fairs. Their aim was to bridge the gap between factories and the marketplace—and they clearly succeeded: volume of business at the fairs has risen from 10 million yuan to 1 billion yuan.

Chao Hongling, general manager of the China Tourist Souvenirs Production and Supply Co., said that, aside from Hainan and Tibet, the country's 28 provinces, autonomous regions and municipalities had each established an office to coordinate the production and supply of tourist-related goods. In turn, they mount a local tourist trade exhibition at which souvenirs are selected for national exhibitions and factories can establish quantities to produce.

Tradition & Innovation

To expand the range of goods on offer, many Chinese factories have developed old techniques in new ways. Cloisonne, for example, has been produced in China for



A tourist from West Asia selects a cloisonne bracelet.

more than 500 years, and is well-known both at home and abroad. The Beijing Huayi Cloisonne Factory, however, has reaped enormous success by designing and manufacturing an entirely new range of cloisonne products such as vases and jars. Reproductions of cultural artefacts have also sold well—models of a Beijing bridal sedan chair, copies of 3,000-year-old Shang Dynasty bronzeware, clay figures from Wuxi, and wooden coffins from Liuzhou to name but a few.

The state has actively promoted thousands of items by giving them its seal of approval or nominating them for awards. According to Cheng Gong, chief engineer at the China Tourist Souvenir Production and Supply Co., digging up the past is not enough: new products must be created. To this end, China presently has around 50 tourist souvenir research institutes employing 2,600 people examining and developing potential items. The government plays its part by allocating funds to tourist souvenir factories—nearly 100 million yuan was allocated by the Ministry of Light Industry since 1978.

As a result, the numbers of factories turning out souvenirs

have risen from 2,000 in 1978 to 5,000 now. More than 60,000 items are currently in production.

Carving Out Trade

After seeing a satisfied Filipino tourist leave with his newly purchased set of lacquerware vases, Liu Lude, manager of the Beijing Nationality Hotel's shop, turned and smiled: "The exquisite carving of lacquerware attracts new customers every day. It may be an old product, but it still sells well."

At the Beijing Carved Lacquerware Factory, deputy director Tong Hanbai explained the work that goes into every item, no matter how large or small. Using a pen holder as an example, he said the multiple procedures needed, including the painting, meant that it could take up to six months to complete an entire production cycle.

To maintain its high standard of quality, a supervision committee examines every item at every stage of its manufacture to prevent substandard goods leaving the factory gate. Over the past ten years, 99 percent of its output has

been passed as first class, for which the state awarded it a "Laissez-Passer" certificate.

Carved lacquerware has been made in China for 2,000 years, the Beijing Carved Lacquerware Factory today develops dozens of new products annually while continuing to mass-produce traditional vases, jars, cases and plates. Its consistently high standards have meant its goods have never lacked a market.

Eye for Detail

The expanding range of goods in tourist stores has forced manufacturers to up their standards. A Japanese customer in the Nationality Hotel's shop offered a vivid illustration of how demanding tourists can be: he inspected a large number of embroidered shirts with a magnifying glass before finally selecting ten made by the Taizhou Embroidery Factory. Indeed, the Taizhou factory's products—winners of many international awards—have proved so successful that other companies have had to lower their prices to compete.

Increasing numbers of Chinese factories have recently established quality control departments in order to guarantee the standard of their output. Many have also substantially re-equipped themselves and updated their techniques. The Beijing Ivory Carving Factory has imported 20 Canadian grinding machines, the Beijing Ornaments Factory has installed Italian chain-making equipment, and the Beijing Metal Arts and Crafts Factory has just completed a modernization programme.

Attention is also being paid to training staff. The Beijing Huayi Cloisonne Factory, for instance, has a permanent series of technical courses which have raised the average technical level of its employees to 5 or 6 out of a



Japanese visitors examine Chinese furs.

Photos by HAN GUOJIAN

possible 8. Through the classes, 28 people have become "master technicians" and two have been awarded the title of "Master of National Arts and Crafts."

At Your Service

It is not just the quality and range of goods in China's tourist stores that have improved. With new shops opening one after another across the country, competition has stepped up. To stay ahead of the market, shops have introduced a whole new range of facilities and services.

Since 1985, the State Tourism Administration has encouraged all measures aimed at helping the customer's life by compiling a league table of tourist-oriented stores based on their quality of service and goods.

The Beijing Friendship Store has consistently polled well. One day in November 1987, the Chilean who was leaving China the next day thought there was not enough time to sort out the paperwork on a pair of stone lions worth 10,000 yuan. Slightly embarrassed, he asked if his credit card was accepted. Not only was it, but the store conducted all

the packing and shipping arrangements, delivering all the necessary documents to his hotel the same day.

Altogether, the Beijing Friendship Store offers an impressive range of services. Apart from accepting credit cards and handling import-export certificates and shipping documentation, it also has currency changing facilities, offers door-to-door delivery, can develop and print films within an hour, and has a wide range of business services including typing, photocopying and teleprinting.

Looking to the Future

As the increasing number of tourist shops and their ever-growing turnover indicates, China's souvenir trade has leapt forward in recent years. But several serious problems still remain to be overcome.

One of them is a shortage of goods. With many items produced in small batches, continuing difficulties in the supply of raw materials and low profit margins, it has proved impossible to meet the demand for many of the most popular gifts and souvenirs.

At the same time, although the design, quality, packing and variety of goods on offer have improved, there are still many drawbacks in all these fields. The same can be said for marketing services, particularly in the fields of after-sale delivery—a must for tour groups who have to hurry from one spot to the next—and the lack of foreign languages among shop assistants.

By far the worst problem, however, is the occasional collaboration between stores and tour guides to sell goods at vastly inflated prices. There are also many small retailers scattered around famous scenic spots who often try to force inferior items upon unwilling buyers.

These problems have caused the government to draw up a series of measures aimed at boosting production of tourist commodities and clamping down on those who exploit overseas visitors:

- Special funds are allocated to factories which manufacture tourist gifts and souvenirs.

- A series of production and supply bases will be established across the country accompanied by a marketing conglomerate to ensure stores have the goods they want on their shelves.

- Raw materials for tourist goods will enjoy tax reductions or exemptions to overcome shortages.

- Retail outlets will be incorporated into all plans for the development of tourist spots.

- Wherever possible, shops should offer packing and shipping for their customers.

- Training courses should be offered to all shop staff in both English and the goods they sell; all stores should have a clear set of service rules and regulations.

- Management of the tourist trade market will be strengthened to eliminate illegal traders and practices and so protect customers' interests.

FACTS & FIGURES (A Decade of Reform X)

China's Population Structure

by the State Statistical Bureau

On July 1, 1987, the State Statistical Bureau conducted a survey of 1 percent of China's population—10,711,652 people—chosen at random from across the entire country. Analysis of the data has revealed marked changes in the structural characteristics of the population compared with 1982, most notably in the areas of the size of national minorities, age composition, members per household, educational achievements, employment, marriage and birth rate.

Minority Expansion

Since the founding of the People's Republic in 1949, the size of China's national minorities expressed as a percentage of the total population has fluctuated. The first national census of 1953 put them at 6.1 percent, falling to 5.8 percent in 1964, before rising to 6.7 percent in 1982 and 8.0 percent in 1987.

This surge over the last five years is partially due to the government's decision that national minorities should be excluded from the family planning policy applied to the majority Han people, but has also been caused by a large number of people who were originally registered as Hans being re-registered as a member of a national minority.

In 1982, 15 national minorities each numbered more than 1 million people. By 1987, there were 17. The number of Manchus had risen fastest—by 113 percent—but the Dongs, Dais, Tujias, Mongolians, Yaos and

Miaos had all increased in excess of 50 percent.

China Matures

The number of Chinese aged 14 has dropped from 33.6 percent in 1982 to 28.76 in 1987. The proportion aged 15-64 rose from 61.47 percent to 65.71 percent, and the 65 and over from 4.91 percent to 5.48 percent. Using a United Nations standard classification, China's age composition has finished its transition from a "youth type" to an "adult type."

This transformation is largely attributable to the widespread introduction of family planning in the 1970s. Whereas in the 1960s, China's population was considered typical of an "increasing type," the declining birth rate has meant that in 1987 it could be recategorized as a "stable type."

Work Restructured

Since 1982, 65.47 million job opportunities have arisen in China. The state employed 587 million people in 1987, with a 2.7 percent greater share of the working population than five years ago.

The principal changes in employment structure, however, have been:

- A severe drop in the number of school-age employees from 74.1 percent of the 15-18 age group in 1982 to 64 percent in 1987. Correspondingly, there has been an 8.6 percent rise in school attendance rates.

■ Increasing number of middle-aged women employees. The proportion of women employees aged 40-44 in relation to the population in the same age group rose 11.1 percent, and that of those between 45 and 55 was also greater than in 1982, notably the increase in the number of rural women workers.

■ Comparing 1987 with 1982, commercial employees have risen by 67.3 percent, service trade employees by 21.3 percent and management employees in the Party, the government and business by 27.3 percent.

■ Overall, China's workforce has become better educated in the last five years. The proportion of illiterate or semi-literate workers fell by 5.3 percent, while the numbers with a college education grew by 54 percent. These national figures, however, mask the fact that 30.5 percent of the rural workforce still cannot read or write, and that the proportion of graduates in agriculture, forestry, fisheries and animal husbandry fell slightly from 0.014 percent in 1982 to 0.012 percent in 1987, while those with a high school education fell from 5.2 percent to 4.3 percent.

A Woman's Role

The numbers of women working in China fell marginally from 70.06 percent in 1982 to 69.23 percent in 1987. This, however, reveals nothing about the major redistribution of female employment.

Since 1982, increasing numbers of women have moved from manual labour to white collar jobs in commerce services, social welfare, finance and government administration. Many women have also found employment in high-tech industries and research, the legal profession, further education and business

management.

Particularly striking has been the numbers of women in economic business. From 38.92 percent in 1982, they now outnumber their male counterparts at 50.75 percent.

Younger Wed

In 1987, of those who had married: 90.38 percent still had their spouses; 8.93 percent were widowed; and 0.69 percent were divorced. Compared with 1982, the proportion of married couples had risen slightly while bereaved or divorced had dropped, indicating the generally stable nature of marriage in China.

In general, Chinese have been marrying slightly younger of late. Some 4.91 percent of males aged 15-21 and females aged 15-19 were married in 1987, a rise of 1.67 percent over the 1982 figure. Men in this age group seem particularly eager to wed: in the same period their numbers have risen from 2.32 percent to 5.4 percent. The women, however, want children: compared with 1982, the birth rate of women aged 15-19 has tripled.

This increasing number of early marriages lowered the average age of first marriage from 25.49 for the male and 22.8 for the female in 1982 to 23.66 and 21.01 respectively in 1987.

The Family Shrinks

In 1987, there were an average 4.23 people in each of China's families—a drop of 0.18 on 1982. In the more developed regions of Beijing, Tianjin, Shanghai, Jiangsu, Zhejiang and Shandong the figure averaged less than four. Clearly, as Chinese society develops, the traditionally large family is gradually declining.

Now around 65.86 percent of Chinese households consist of two

generations, 18.52 percent of three or more, with the remainder being split between married couples at 5.48 percent and single adults at 5.53 percent.

Despite the overall trend towards smaller households, the number of directly related three generation households rose from 17.13 percent in 1982 to 18.52 percent in 1987, indicating how deeply rooted the tradition of living with one's parents remains in China.

The Birth Rate Grows

In 1986, around 80.65 per thousand of Chinese women of childbearing age gave birth. By 1987, the figure had risen to 86.02 per thousand. The birth rate has fluctuated over the years, from a low of 2.19 in 1984 to a peak of 2.49 in 1987. It is predicted that the rate will rise again in the near future.

With the drop of 1.79 years in women's first marriage age to 21.01, the age at which the first child is born should drop correspondingly. In fact, in both urban and rural areas, women are bearing their first child two or three years ahead of the 1981 average.

Around 20 percent of women in one-third of China's provinces have now given birth to more than one child. In Guangxi, Guizhou, Yunnan and Qinghai, this figure rises to 30 percent, and in Xinjiang it is 47.97 percent. Stemming this practice is the major challenge to China's policy of regulating the nation's population growth through family planning. ■



Sci-Tech Trade: Ten Megatrends

"RENMIN RIBAO"

(People's Daily, Overseas Edition)

In recent years, rapid progress has been made in China's foreign exchanges of science and technology. Now there are 10 major developing tendencies:

Policies are becoming more flexible. The power to examine and approve foreign scientific and technological exchange projects is being delegated gradually to the lower levels. Long inaccessible, the science and technology for national defence is opening step by step, and foreign exchanges and co-operation are becoming more active. Private enterprises' foreign exchanges also are increasing annually.

The exchange scope is becoming more extensive. In the past, China's contacts on science and technology were mainly with the developing countries. However, similar activities with the United States and Japan increased rapidly when China's open-door policy was first initiated. During the 1980s, China's exchanges and co-operations with the West European Economic Community continued to develop. Since 1983, scientific and technological contacts and activities with the Soviet Union and other East European countries have expanded. In recent years, China has also established non-governmental contacts in the same areas with some countries that it has not yet established diplomatic relations with. Currently, China has established scientific and technological relations with more than 100 countries and regions.

The exchange channels are becoming diversified. China now conducts foreign scientific and

technological exchanges through diversified channels, governmental (such as through agreements between government departments, provinces and states), semi-governmental (such as through the academies of sciences and scientific associations) and non-governmental (such as alumni associations and societies).

Distribution is becoming more extensive. In the early years of China's opening to the outside world, the foreign-exchange projects involved mainly the central and ministerial departments. In recent years, they gradually developed towards local and grass-root units. Exchange projects that originally concentrated on port cities are now spreading towards the inland.

Managerial personnel are becoming much more concerned. The Chinese Academy of Sciences decided in 1985 to send postgraduates and visiting scholars to study management abroad. The China International Talents Exchange Association plans to send 1,000 top managerial and technical personnel abroad before the end of this year. Also in this year, China will invite some 2,200 foreign technical and managerial experts to work in China.

High technologies are being stressed. In the next 15 years, China will concentrate its scientific and technical forces on researching the techniques of biology, space, information, laser, automation, energy and advanced materials. International exchanges and co-operation of all kinds in these fields will be sought.

Exchange forms are becoming more comprehensive and practical. The forms have ranged from

general inspections and visits at the beginning of China's opening to the outside world to lectures on specific subjects; from general reports to short-term joint researches; and from bilateral co-operation in certain fields to the co-establishment of research offices, co-coaching postgraduates. Now there are even joint developments of new technologies and joint establishments of enterprises. In addition, comprehensive exchanges are now increasing with each passing day, combining academics with business and introducing both "hardware" and "software."

Exports are increasing. China is making efforts to export its technology. Many technologies introduced from abroad in the past are now being exported abroad. In 1987, China's technological export volume reached US\$1.67 billion, surpassing the 1979-86 total. China's agricultural machine products have begun to make way into the markets of Western Europe and South and North America.

Administrative levels are being perfected. Foreign exchanges are being conducted by scientists themselves. Now organized foreign exchanges are becoming more popular. China has set up dozens of state-level research laboratories that are open to the outside world. China has also formed a "world laboratories" with other countries for top researchers.

Management has been strengthened. In order to meet the needs of the foreign scientific and technological exchanges, a number of managerial service institutions have sprung up in recent years, including the China Scientific and Technological Exchange Centre and the China International Science and Technology Conference Centre, as well as consulting service centres and information stations.

(September 14, 1988)

China Pumps Up Cycle Exports

China is well-known as the "bicycle kingdom," with an estimated 300 million pushbikes shared among its 1 billion population.

Recently, however, the domestic market has reached saturation point. In 1987, for example, 41.12 million bicycles were manufactured, but sales only totalled 30 million. As a result, China expects to export 4 million bicycles this year.

With output volume no longer a problem, China's bicycle factories have started to concentrate on improving quality. Official figures show that in recent years more than US\$37 million has been spent on importing advanced bicycle projection technology such as electroplaters, electrostatic spray-painting machinery and new welding equipment.

The Tianjin No. 2 Bicycle Factory, for instance, has benefited from the purchase of a frame and front fork production line from the Federal Republic of Germany. Now, it produces 1

million Sprick-brand high-grade bicycles annually, one-third of which are sold back to the Germans.

Traditionally, Southeast Asia and Africa have been the major markets for Chinese bicycles, buying for the most part large, sturdy 28-inch machines. In the last two years, however, increasing numbers have been sold to Europe and North and South America. At the same time, the range of models has widened to include portable, small-wheeled and geared bicycles.

Ren Baokun, deputy general manager of Tianjin's Flying Pigeon Bicycle Group Co., said his company's products were now selling well in the United States. This year, they have already received orders for 800,000 bicycles, which should increase to 1.2 million next year.

As well as exporting bicycles, China has started to transfer bicycle manufacturing technology to developing countries. The Anshan Bicycle Factory of Liaoning Province, for example, has helped in the construction of a factory in Kenya. Completed ahead of schedule, it has the capacity to produce 100,000 bicycles a year.

by Li Ning.

An exercise scooter made by the Shanghai No. 4 Bicycle Factory.

XU YIGEN



Sino-US Cigarette Deal Clinched

Two Chinese companies have signed a US\$21 million agreement with America's R.J. Reynolds Tobacco International to manufacture Camel, Winston, Gold Bridge and Sprint brand cigarettes in Xiamen.

The deal, with a contract term of 18 years, will be funded equally by Reynolds, a subsidiary of RJR Nabisco, and its Chinese partners, the Xiamen Cigarette Factory and the Xiamen Special Economic

Zone Development Co.

Named the China-America Cigarette Co., the joint venture produces 125 million packs of cigarettes annually using state-of-the-art equipment. It is now China's leading cigarette manufacturer. According to a spokesman for the company, not only is it the first cigarette joint venture, but it will remain the only one as national cigarette production now outstrips sales.

Speaking at the company's opening ceremony, President of RJR Nabisco (China), Jerrell K. Perry, said, "We open this factory in a spirit of mutual trust and confidence. Together we have created one of the first factories of its kind in Asia. We hope the effort we have put in and the relationships we have established will foster better understanding between China and the United States, as well as bring tangible benefits to China's modernization programme and the Chinese people."

He added that RJR Nabisco had already gone into partnership with Chinese companies with the Yili-Nabisco bakery in Beijing and a Del Monte sweet corn processing project in Shanghai. He said further projects were being considered.

by Li Ning

Chinese Beer Bound for US

China's Guangdong Chang Lee Group Co. Ltd. has signed a two-year contract with the American Sebastiani Vineyard and Oriental Trading Distributor Inc. To export 1 million boxes of its beer to the United States.

Following two years of trial sales, the deal was formally completed in Beijing's Great Hall of the People on November 15.

Using imported equipment,

hops from the Federal Republic of Germany and Australian malt, the Chang Lee Group invited the Hong Kong Brewer Zhong Ronghan to ensure their raw materials were blended into a quality product.

Chang Lee beer remains fresh for more than a year. Since 1987 it has been exported to the United States, Canada, Japan, Puerto Rico and Singapore. Its overseas sales totalled US\$3 million in 1987, while US\$4.5 million worth has been sold this year.

Because of his management record, Chang Lee's general manager Chen Shaotai has been selected as an international member of the Master Brewery Association of America.

by Yang Xiaobing.

Corp. to Market Chinese Software

Becoming China's international software broker is the aim of the newly founded T & A Corp., the first solely Japanese-funded enterprise in Beijing.

With an investment of 50 million yen and a 30-year contract, T & A will initially market Chinese developed software in Japan, North America and Southeast Asia.

Yoshifumi Hamata of the Ascii Corp., one of the two backers of T & A, said the decision to establish the corporation in China had been taken because "we consider that Chinese software writers are of an excellent quality, while the country's production costs are low."

He added that the appreciation of the yen and Japan's shortage of top-grade software writers had forced up the costs of developing programmes in Japan while simultaneously their quality had declined. As the Ascii Corp. is Japan's major software sales

company and publisher of computer-related publications, it had switched its attention overseas.

According to Hamata, the cost of developing software in China is 4,000 yuan a month per person—around one-third of the cost in Japan and one-fifth in the United States.

When the corporation advertised for software developers, more than 5,000 young Chinese applied for the posts. Among those who were selected after a rigorous series of examinations were three holders of PhDs, 24 with master's degrees, and 43 college graduates. Their average age was 25, said Kelly. K. Shu Ku, T & A's general manager, who also added that the standard of knowledge exhibited by the applicants outstripped their Japanese equivalents.

The establishment of T & A has enjoyed the warm support of the Chinese government. It was only eight months from the time that the application to found the corporation was received to its formal opening on October 28.

by Yue Haitao

News in Brief

■ The Xichang Satellite Launching Centre in southwest Sichuan Province opened its doors to overseas visitors and compatriots from Hong Kong, Macao and Taiwan on September 1.

For the first time, tourists can view the spot from which China launched three communications satellites into synchronous orbit. Also on view are the 70-metre high launching tower, a Changzheng (Long March) III carrier rocket and the control room.

The centre stands in a valley through which the Red Army trekked on the Long March, adding extra historical significance to the site.

Handicapped Athletes Go for the Gold

Representing 500 million disabled people in the world, 4,500 athletes from 61 countries joined the Eighth Paralympics (Oct. 15-25) in Seoul, South Korea, and had a fierce rivalry.

China sent 43 athletes to this paralympics. They took part in four big events (track and field, table tennis, swimming and shooting) and broke a number of world records, either in the disabled field or in the paralympics' history. Winning 44 medals, an average of 1 medal for each athlete, China's delegation placed 14th among the contestants.

The large delegation from the United States, with 87 gold medals, took first place, while the Federal Republic of Germany and the United Kingdom came in second and third.

With 17 big events altogether including about 1,000 contests, the Eighth Paralympics was the largest in its history. According to the nature of the disabilities, there were four athlete groups: contestants without sight, those without limbs, those with cerebral paralyses and those with other parts of the body paralyzed. Each group had different grades, depending upon the seriousness of the disability.

The Chinese athletes made a good impression on the audience in the following events:

Track and field: High jump (A6 grade)—2, Yang Shaomin, 1.88 m, old record 1.80 m; shot put (A3)—2, Zhao Bin, 9.87 m; long jump (A4)—1, Sun Changting, 5.37 m; discus (A4)—1, Yao Zhenyu, 43.80 m; women's long jump (B3)—2, Zhao Jihong, 4.71 m; women's 100-metre sprint (B3)—1, Zhao Jihong, 13.27 seconds, breaking world record; women's discus (B1)—1, Song

Meijie, 23.50 m;

Swimming: 100-metre butterfly (A6)—1, Liu Zebin, 1:12.87; 100-metre butterfly (A8)—1, Niu Guijun, 1:15; 100-metre breaststroke (A1)—1, Wu Yunhu, 1:39.27; 2, Liu Wenhua; 100-metre breaststroke (A6)—1, Cai Zhusheng, 1:28.06; 2, Liu Zebin;

Table tennis: Women's group (TT7)—1, Zhang Xiaozhen and Cheng Yu defeated France, 3:2;

Shooting: Women's 10-metre air pistol (TP4)—1, Zhang Wei, 370 rings.

The next Paralympics will be held in Barcelona, Spain, in 1992.

by Zhang Wei

Artist Creates Legacy in Clay

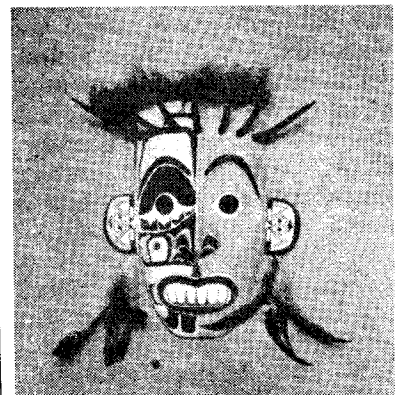
Scores of masks stare at viewers, with expressions from dignity and mystery to ferocity and aloofness. These masks condense universal feelings. That is why viewers are astounded by the exhibition of Wu Chuanben's ceramic art.

Wu Chuanben, art designer at the Beijing People's Art Theatre, is a diligent artist. For many years, he has been active in his work with clay.

He adds different chemical ingredients to his works to enhance their qualities. His works are made to resemble ironwares, bone carvings and also wooden products. At the exhibition, an imitation of a jade pendant in the form of dragon attracts the viewers. It emits a warm, fine and smooth gloss that is characteristic of jade products. A mottled-green warrior's helmet, decorated with a Taotie—a gluttonous, brutal animal in ancient mythology, reveals the mystery of bronze

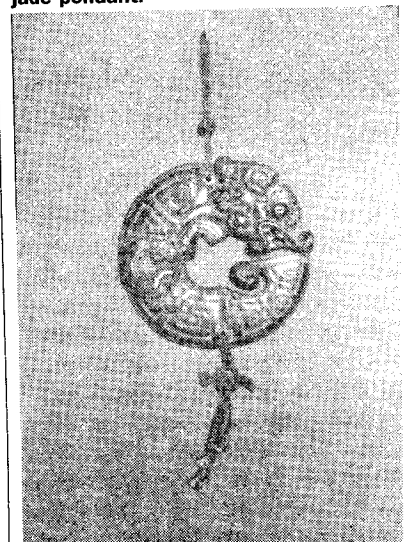


Life depicts the will to survive.



A mask.

A dragon's body shapes this intricate jade pendant.



vessels produced in the Shang and Zhou periods (C. 1600-771 BC.).

For the most part, his early works were still tinged with apparent imitations. His later works, however, have displayed the artist's speculations on life, history and society. In order to create his beautiful moulds, Wu has thumbed through many documents, travelled to Guizhou Province in southwest China to gather cliff paintings, and researched frescoes at the Dunhuang Grottoes in northwest China.

Life is his masterpiece. It is a sculpture of a primitive man, wearing an ox-totem mask, with a pebble (the symbol of life) in one hand and a stone axe in the other. He is staggering along with a puzzled expression. This statue portrays our ancestors' hard struggle with nature in order to survive.

All of Wu's works come to the world from the briquet stove in his living room. Wu's works, an intricate part of his life, clearly show that "the style of art is just like the artist himself."

by Wei Liming

Campus Song Competition

The Central People's Broadcasting Station and the Overseas Chinese World Fund has been holding a "Competition of China's Campus Songs" from October 14 to December 15.

Works composed since 1987 by Chinese from the mainland, Taiwan, Hong Kong, Macao or overseas, which reflect the ideas and feelings about campus life of teenagers, especially middle school students, and young adults are welcomed.

The competition will award first- through third-place prizes. The winners will be invited to Beijing to take part in the

presentation ceremony.

Those willing to participate in the competition may write to the radio programme "Era of the Youth", care of the Central People's Broadcasting Station, Beijing. ■

Sculptor Enhances Beauty of Wood

Wang Keping, 39, is a Chinese artist who immigrated to France in 1983. His works have been exhibited in Paris, New York, Chicago and Hong Kong, and received high acclaim. Recently, one of his works, a sculpture entitled *Titleless*, was chosen as one of 80 works by world-famous masters to be permanently exhibited in the Olympic Park in Seoul.

Titleless is a wood sculpture 3 metres in height. It looks like the head of a giant, or maybe like the huge mushroom cloud of an atom bomb. Making best use of the natural shape of the wood, the work has a distinctive appeal.

Wang was born into an artist family in Hebei Province. His father is a writer and his mother an actress. He showed great interest in painting when he was a small child. During the "cultural revolution" (1966-67) he was sent to the countryside to be "re-educated," where he joined the army. In 1974, he passed the examination and became a playwright and an actor in the Central TV Drama Troupe. He tried to write drama and fiction but found these two literary forms too weak to meet his blossoming inspirations. Then he took a leg from a broken chair and made his first wood sculpture of a human figure, which greatly surprised professional sculptors. People found it hard to believe that this creative sculpture was made by an amateur. This unexpected success

inspired him to create more pieces. Professor Jiang Feng, then president of the Central Academy of Fine Arts, highly acclaimed Wang's works.

In 1981, Wang's sculptures were first displayed in the National Art Gallery of China, and the audience was much impressed by his boldness and originality. Some critics commented that Wang's sculptures are bold in imagination, unique in form and deep in artistic conception. For instance, in *Mother and Son* and *Pigeon*, he tried to seek a kind of balance and harmony in a new form.

It is obvious that contemporary Western art has had a great influence on him. However, Wang also has paid great attention to Chinese folk arts, such as stone carving, clay sculpture and porcelain. He once spent a long time in the rural areas of Shaanxi Province to study folk clay sculptures. He wanted his works to have a simple and bold character. He painted his works with a kind of black lacquer that he made himself, to make them look like they were made of black marble.

Wang has showed his talent in using the most representative images to reveal his understanding of reality. For instance, in one of his works entitled *A Strong Woman*, he made full use of the natural shape and grain of the wood to represent a female figure. This piece has been displayed at the Pompidou Art Centre in Paris.

Wang now is the president of the Overseas Chinese Artists' Association. When asked to explain the meaning of his works, he smiled and said: "You can say about them whatever you like. They speak for themselves." He dislikes titling his works, saying that artists should encourage the audience to have their own perception of an artistic piece.

by Zhang Wei

Beijing Beters Tourism Service

Beijing has since 1987 been making efforts to improve tourism services. New regulations were issued for this purpose. As a result, the quality of the capital's tourism services is considered better than in other Chinese cities.

On October 12, General Manager of Xizhimen Hotel, Shong Laishun, again received a blue plate from the hands of the official of the Beijing Administrative Bureau of Tourism, the sign of a hotel which offers good services. Three months before, this same hotel's delinquent workers were found to be delaying the delivery of a guest's international mail. This incident brought to light the hotel's disheveled management and crumbling quality of services.

Having learned its lesson, the hotel reshuffled its management. In the meantime, it adopted the general manager responsibility system and sharpened working rules. Training classes were held for the staff, and only those who passed the examination were allowed on the posts. The hotel also assembled a group for quality control over services. Consequently in less than three months' time, the hotel received 30 letters of service commendation.

In 1987, about 400 units in Beijing received a check-up for quality services. They included tourist hotels, restaurants, souvenir shops, traveling services and taxi companies, together with 35 scenic spots.

In the past year and a half, the bureau and concerned organizations have enacted 40 regulations on the local tourist trade. They include those on price management, guide qualifications, punishments for those receiving rebates and tips, tourist market management, and also checks and penalties on the quality of services.

So far, Beijing has inspected tourist services on four occasions. The administrative bureau chastised those unqualified units in private with notices or in public via the press. Some were ordered to suspend business to shape up management within a given period; some others even had their business licenses revoked. To date, three traveling services have had their licenses pulled, and two traveling services, one taxi company and eight restaurants have been ordered to cease business for reorganization.

At the same time, the bureau has sent examiners to certain units. There, suggestion boxes have been placed, opinion cards dispersed and a 24-hour-service hot line is connected for guests.

This June, a phone tip from a guest revealed that a tourist guide had been hawking a scarce supply of hair tonic at an inflated price to unsuspecting tourists. After an investigation, the tourism bureau instructed him to return the illegally gained money to the guests and apologize. The person was later fired from his job and banned from Beijing travel services for three years.

by Han Guojian

News in Brief

■ Beijing's Gongdelin Vegetarian Restaurant, which opened four years ago, is located in downtown Qianmen Street. One of the many restaurants for both foreigners and Chinese, it has served 480,000 customers since its opening, 10 percent of them foreigners.

Zhao Puchu, chairman of the Chinese Buddhist Association, sponsored the restaurant's establishment in Beijing. Before

that, China's only vegetarian restaurant was in Shanghai.

The Gongdelin Restaurant mainly offers Yangzhou-style vegetarian dishes cooked with specially selected condiments. Much attention is paid to shredding and cutting, and the vegetarian dishes are cooked in a variety of ways for all seasons.

■ The city wall and moat in Xian, Shaanxi Province, have been restored to their original condition after a five-year renovation. The 13.7 km-long rectangular moat was previously rebuilt by an emperor of the Ming Dynasty (1368-1644) from the foundation ruins of the Sui and Tang (581-907) imperial city.

■ The 1988 Guangzhou-Beijing Dragon Year International Bicycle Sightseeing Tour activities, organized for the first time by China, will end on September 18.

On September 5, 23 tourists from Japan, the United States, Britain, the Federal Republic of Germany, Ireland, New Zealand and the Netherlands started from Guangzhou on bicycles made in China. They reached Tiananmen Square after touring scenic spots and historical sites in a dozen cities and appreciating performances of local *wushu* (Chinese martial arts) and acrobatics en route.

■ The general strategic plan for developing tourism on Hainan Island has passed the assessment by a group of experts.

According to the experts, there are 241 areas of great tourism potential on Hainan, China's second largest island and newest province.

Only about 30 of them have so far been developed for tourism.

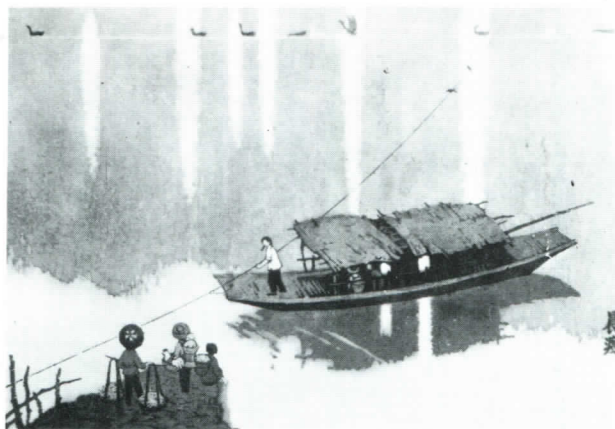
The plan recommends that five main tourist areas be set up, each with its own particular attractions.

The northern one will feature amusement, the eastern one, shopping and the central one, scenery.

Woodcuts by Zhang Kaisen

Zhang Kaisen, born in 1939 in Wuwei County, Anhui Province, now works in the Wuhu Studio of Calligraphy.

He develops his talents in watercolour block printing and watercolour paintings. He likes to paint landscapes along the Changjiang (Yangtze) River.



Ferrying Across the River at Dawn.



ART PAGE

Waterside Village.



Qu Yuan (340-278 BC) Reciting While Walking.

BEIJING REVIEW

A Window on China



Beijing Review, China's only weekly foreign language current affairs magazine, was first launched in English in March 1958. It is now available in English, French, Spanish, German and Japanese. As well as the regular English edition, a North American edition is printed and distributed in the USA.

In January 1988, *Chinafrique*, a monthly in French, was published by *Beijing Review* for distribution in African countries.

The six editions are essentially similar in content but vary to cater for the readership in different regions of the world. The magazine aims to

- provide information on political, economic, cultural and social developments and trends in China;
- offer insight into the theories, lines, principles and policies of the Chinese Communist Party;
- acquaint readers with Chinese views on major international issues.

Beijing Review is an important source of information for overseas government officials, experts, scholars and business people interested in recent developments in China. It is often quoted by foreign media and is used by professors as a source of reference for students of overseas universities.

The back cover of *Beijing Review* carries colour advertisements.

Beijing Review is airmailed to over 150 countries and regions. It is distributed by the China International Book Trading Corporation (Guoji Shudian), P.O.Box 399, Beijing, China.