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A New Starting Point for Mind Emancipation



**Labour Reorganized to
Lift Enterprise Efficiency**



Having Fun With Newlyweds

Recently Thomas Mirke and Cornelia Eybisch, a couple from the Federal Republic of Germany, held a marriage ceremony in a traditional Chinese fashion in Beijing.

Cheered on by the crowd, the bride and bridegroom are enjoying a red apple dangling from a red thread, which symbolizes matrimonial harmony and happiness.

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COVER: Liang Guolin (centre), director of Beijing's Yanjing Furniture Factory, discusses future improvements for the company's patented "Kangle" chair with staff from the production and technology department.	
Xue Chao	

HIGHLIGHTS OF THE WEEK

Tightening Party and Government Discipline

■ China's reform and construction programme could be seriously threatened unless serious action was taken to strengthen Party and government discipline, a leader of the CPC Central Commission for Discipline Inspection warned recently. As a result, steps have been taken to eradicate corruption, such as establishing corruption reporting centres and strengthening public supervision. The 10-point list of requirements for its members and cadres recently drawn up by the Beijing Municipal Party Committee is widely regarded as the kind of measure that needs introducing across the country (p. 4).

The Reform of China's Labour System

■ Minister of Labour Luo Gan discusses the issues raised by the reform of China's labour system, such as how many workers will have to be redeployed after companies reorganize their workforces, and examines the long-term implications for employment in China (p. 17). Factories and enterprises strive for efficiency by introducing competition into the selection of employees, streamlining administrative structures and tightening management practices (p. 19).

New Starting Point for Mind Emancipation

■ The thesis that China now stands at the primary stage of socialism expounded at the 13th Party Congress is both a result of the emancipation of the mind that has taken place in China since 1978 and a new starting point for further emancipation of the mind. In this article, however, Gong Yuzhi, deputy head of the Propaganda Department of the CPC Central Committee, points out that many of the ideas and practices that China has developed over the last decade were first discussed in 1956. The setbacks China suffered since 1959 until 1978 could have been avoided if correct policies had been adopted (p. 14).

Zhao Outlines Coastal Development Strategy

■ China will continue to promote the export-oriented economy in the coastal areas while ensuring the smooth implementation of the policy of economic adjustment, said Chinese Party leader Zhao Ziyang to a group of officials who attended a conference on the opening of coastal areas to the outside world (p. 5).

Tightening Party & Government Discipline

by Li Ning

A leader of the CPC Central Commission for Discipline Inspection recently warned that China's reform and construction would probably be seriously threatened if Party discipline was not strengthened.

The improvement of the economic environment now under way in China is aimed mainly at reducing total social demand, curbing inflation and rectifying the economic order. That is to say, comprehensively deepening China's reforms by eliminating the confusion which has emerged as the old economic structure is replaced with a new one. At this juncture, it is particularly necessary to strengthen discipline.

Since China initiated the reform and open policy, it has made dramatic achievements in all fields. Some Party members and leading cadres, however, have failed to withstand the temptations offered by China's new economic circumstances. They have violated both the law and Party discipline and engaged in malpractices for personal gain—the phenomena of corruption.

Proceeding from their local interests, leading cadres (who are also Party members) in some work units have implemented only those regulations of the Party Central Committee and the State Council which were to their liking. They thus neglected the overall national interests, often adopting measures to counter directly central policies. They likened central government prohibitions to traffic lights, saying they aimed "to jump the red light whenever they encountered it."

For example, it has been stipulated that certain industrial raw materials such as cotton and

silkworm cocoons can only be purchased through the unified state plan. Some work units, however, have vied with each other to buy these materials without authorization. To cool the overheated economy, repeated injunctions to reduce the scale of major building projects have been issued, especially of auditoriums, halls, hotels and hostels. But some departments have continued all-out construction. Despite strict orders to control group purchasing power, it has continued to exceed the set quotas. Many work units have rushed to buy imported luxury limousines and other high-grade articles. In the first nine months of 1988, institutions purchased 48.7 billion yuan's worth of consumer goods, comfortably exceeding the 42.2 billion yuan sum set by the State Council for the whole year. Additionally, illegal practices such as banquets paid for by public funds, unauthorized price rises, unreasonable charges, "bureaucrat racketeering," and the indiscriminate issue of bonuses have not been halted.

In a handful of instances, Party members and cadres have collaborated with criminals and illegally bought materials and equipment in short supply. They have then resold them, reaping exorbitant profits. Other leading cadres responsible for the management of projects, funds, materials and equipment, have abused their power to engage in bribery, blackmail and extortion.

The nature of the situation can be judged by the fact that in 1987, of the 149,379 Party members punished for disciplinary violations, 19,869 (13.3 percent) were guilty of corruption or bribery.

Clearly it is urgent to ensure that all Party organizations and government institutions rid them-

selves of the faintest taint of corruption.

History shows that when the development of a country's commodity economy reaches a certain stage, and when its legal system, regulations and orders have not been fully established, the emergence of corruption in state organizations is often unavoidable. But as China is a socialist country, the Party and government should be able to control their members and employees, ensuring that they are law-abiding and that the government is clean. Corrupt phenomena should be minimal, and never be allowed to spread unchecked. Communist Party members must pass a number of severe tests to qualify as fit for membership of the ruling party. These include forgoing the opportunities for easy self-advancement thrown up by China's reforms and opening to the outside world, and maintaining a clean government.

In order to strengthen discipline and overcome negative and corrupt phenomena, the Party and government have done a great deal of work, including opening their work and its results to public scrutiny, establishing corruption reporting centres, strengthening supervision from specialized organizations and the masses and improving discipline and related rules. As a result, administrative work has grown increasingly standardized and regulated, offering less abuses of power for personal gain, satisfactory progress has also been achieved in investigating and handling disciplinary and legal violations.

The Beijing municipal committee of the Communist Party of China recently issued a 10-point list of requirements for all its members and cadres. Aimed at

ensuring honesty, strict maintenance of discipline and constant wholehearted service to the people, the document insisted that all members:

- Act in unison — both politically and ideologically — with the CPC's Central Committee, so that all orders are implemented and all prohibitions observed.

- Always take the overall interests of the Party and the public into account, especially when reforms affect their personal interests, which must be courageously sacrificed if necessary.

- Should be constantly devoted to their duties, which should never be performed in a slack or perfunctory manner.

- All Party members and leading cadres are forbidden to engage in business or establish enterprises.

- Both socially and at work, official positions must not be abused to engage in corruption, seek or pay bribes, or participate in any other form of malfeasance.

- Personal privileges should not be sought, nor official positions abused for personal gain.

- State property should not be surreptitiously appropriated.

- All extravagance and waste should be avoided.

- Members should neither host banquets and send gifts with public funds nor issue bonuses and articles indiscriminately.

- It is forbidden to travel at public expense.

- In all dealings with foreigners, bribery, embezzlement, speculation and the illegal procurement of foreign exchange is strictly forbidden.

- At all times, Party members and leading cadres should recognize and accept supervision from their respective organizations and the public, while simultaneously boldly struggling against all manifestations of corruption. ■

Zhao Outlines Coastal Strategy

China is determined to continue adjusting its national economy and developing the economy of its coastal areas as well, Chinese Party leader Zhao Ziyang said on December 3 in Beijing.

"We can find a way to promote the export-oriented economy in the coastal areas while ensuring the smooth implementation of the policy of improving the economic environment and rectifying the economic order," he said.

Zhao, general secretary of the Chinese Communist Party, was speaking to a group of officials from coastal areas who were attending a conference on the work of opening coastal markets to the outside world.

China's present efforts to tune up the economy are different from previous ones in that they are occurring at a time when China is welcoming exchanges with the rest of the world, he said. "We should make the best use of this favourable situation and try to reduce and overcome the difficulties during the adjustment process," he added.

Zhao stressed the importance of developing an export-oriented economy in the coastal areas. "We should increase economic and technological exchanges with foreign countries by fully using China's manpower, technology, infrastructure and industrial ability," he said.

Foreign-owned enterprises also should be encouraged, the general secretary said. Foreign capital and advanced foreign technology and management could be useful in transforming the country's existing enterprises and expanding exports, he said.

In order to accommodate more exports and foreign investments, Zhao pointed out that adjust-

ments should be made to the coastal area's economic structure. Such changes should occur in regard to industries, product mix, investment and credit. These should promote the development of the export-oriented economy and restrain factors detrimental to the country's overall economic reform. Specifically, those products that consume a large amount of energy and raw material as well as those enterprises with poor economic returns should be cut back. This will save energy, raw materials and funds for an export-oriented production that will profit the entire national economy.

While processing such an overhaul, Zhao said, "One side of the net" should be left open for more exports from the coastal areas. At the same time, supervision should be strengthened to ensure the strict implementation of government regulations and policies.

Premier Li Peng also spoke at the meeting. When talking about developing an export-oriented economy and foreign trade, Li stressed the importance of honouring contracts, delivering exports on time, upgrading product quality and renewing product designs in accordance with the demands of an international market. He also called for better co-ordination between various departments and enterprises involved in such matters so as to prevent unchecked imports and exports. ■

China Applauds Human Rights

For the first time China commemorated the anniversary of the Universal Declaration

of Human Rights (UDOHR). This activity, in the shape of a symposium and the publication of some commemorative articles, lasted one week, from December 3 to December 10. The latter day 40 years ago saw the UDOHR be adopted by the General Assembly of the United Nations.

The ceremony was held in response to a call by the UN, said Bi Jilong, chairman of the China United Nations Association. Bi said China has always supported the UN's efforts to protect human rights and fundamental freedoms by taking part in some of the related international activities, in line with the principles of independence and self-determination. China is a member of the UN Commission on Human Rights and of its Commission on the Status of Women.

On December 3, some 150 people from the fields of law, education, international affairs and press attended a symposium in Beijing highlighting the one-week commemoration. Ten scholars from Beijing University (BU), China Politics University and the Chinese People's University gave speeches at the meeting.

The speakers all agreed that the UDOHR is a significant international document that reflects the world people's aspirations for equality and freedom, though it has historical limitations.

"Human rights traditionally meant rights and freedoms enjoyed by individuals," said Wei Min, a professor of BU. "But when a nation is enslaved by a foreign power, or deprived of the right to tap its own natural resources and unable to independently develop its national economy, how can people's individual rights be guaranteed?"

Human rights, therefore, naturally involves collective and individual rights, Wei said. "But the collective cannot be stressed in neglect of the individual. The

guarantee of fundamental individual rights constitutes the basis for practising democratic politics."

Inhumane activities such as racial segregation, genocide, slave trading, persecution of refugees and terrorism should be internationally condemned, and other countries' actions against such crimes cannot be considered as "interference," he said.

But things such as the stipulation of citizens' rights and obligations, the protection of minorities, and of women and children, and legal punishments meted out to criminals come under the scope of internal affairs, Wei went on. He cited several "amendments" adopted by the Congress of the United States in 1987 as an example of wanton interference in the internal affairs of other countries. In these documents, the congress has falsely accused China of "encroachment on human rights" in Tibet, he added.

Xiao Huiyun, also a professor of BU and a law specialist, said that much of the UDOHR has been reflected in China's Constitution, and the human rights stipulated in the constitution are wider and more practicable than those in the UDOHR.

According to Xiao, China's Constitution gives priority to citizen's rights and stipulates citizen's fundamental rights and freedom in terms of politics, law, nationality, economy, culture, education and society. Not only does it embody the principle that all persons are equal before law, but also it has concrete stipulations in the aspects of human dignity, personal freedom, religious freedom, nationality equality and economic rights. The constitution also incarnates the basic principles that the people are the masters of the country and all the powers belong to the people.

The constitution does not

mention some freedoms which temporarily can not be realized, Xiao said. The freedom of migration, for instance, is not described because of the population problem in big cities.

It is noted that almost all the relevant speeches and articles ignored China's "cultural revolution" (1966-76), one of the most terrible violations of the human rights since the end of World War II. The Chinese people should have enough courage to face this darkest period of New China's history. Ignorance is not a proper approach, said a student from BU.

Ba Jin, one of China's leading writers, once suggested that a "cultural revolution" museum be built to educate the Chinese people and their descendants so that they can remember this disgraceful history and make sure that such a political movement will never happen again. The museum, a good suggestion, hasn't materialized so far and seems to have been forgotten by many people. At a time when these Chinese humanists are remembering the UDOHR, it would seem natural that they link the UN document with the Chinese event, but they did not.

by Li Haibo

China Welcomes Soviet Decision

China welcomes Soviet leader Mikhail Gorbachev's announcement that Soviet troops will be pulled out of Eastern Europe and Mongolia, said a Foreign Ministry spokesman at the weekly news briefing in Beijing on December 8.

Addressing the United Nations General Assembly on December 7, the Soviet leader said that his country would withdraw part of

its troops from Eastern Europe and most of those stationed in Mongolia.

"This is a positive development and we welcome it," the Chinese spokesman, Li Zhaoxing, said.

Li disclosed that during Foreign Minister Qian Qichen's visit to the Soviet Union earlier this month, Qian had expressed hope to his Soviet counterpart that the Soviet Union would withdraw all its troops from Mongolia and reduce its troops along the Sino-Soviet border to a level in keeping with the standards of normal and good neighbourly relations. He also hoped that the Soviet Union would not deploy the reduced troops to other regions.

The Soviet side indicated that it would continue to withdraw its troops in Mongolia and cut its troops along the Sino-Soviet border to a level commensurate with the normalization of relations that the two countries are seeking, Li said.

He said the Soviet Union first announced a withdrawal of troops from Mongolia in July 1986. The troops withdrawn at the beginning were small in number, but the move was welcomed.

The Soviet Union has expressed a willingness to remove obstacles hindering the normalization of relations between the two countries and also has taken some measures to this end, Li said. China hopes the Soviet Union will take further practical steps to eliminate all the obstacles at an early date.

"One meeting of course cannot solve all the problems," Li said. "There are still differences between the two sides, and much work remains to be done in the future."

He disclosed that during the talks between the Chinese and Soviet foreign ministers, both sides agreed that it is possible for a Sino-Soviet summit meeting to

take place in the first half of next year. "Preparations for the meeting have already started," the ministry spokesman said. ■

One Dead, 13 Hurt In Lhasa Riot

During the December 10 riot in Lhasa, capital of the Tibet Autonomous Region, the police were forced to fire warning shots as trouble-makers could not be persuaded to stop throwing stones and liquor bottles at on-duty officers, according to Xinhua News Agency.

In the ensuing chaos, one lama died and 13 people were injured. Among the injured, two suffered severe injuries while others sustained minor ones.

One slightly injured was a woman from the Netherlands, identified as Meindersma Christin A. Frederika. She has been to Tibet three times as a tourist this year and was seen moving about at the scene of the riot. She was treated and then left the hospital by herself.

The riot started at about 10:30 am. Leaflets advocating the independence of Tibet were found on the streets. Then, about 30 lamas and nuns gathered at the Ramoqe Temple and headed for the Johkang Temple square in Bargar Street.

On the way, some other people joined in. Some were seen waving flags in support of the independence of Tibet.

As the crowd grew unruly, policemen on duty began to take measures to stop the marchers, who were later dispersed. ■

State Diploma Losing Glamour

More than one hundred students of state-run regular

colleges have re-enrolled at the China Science, Technology and Management College (CSTMC) in Beijing, which is locally operated and subsidized by the state. The diploma, a state-affirmed record of formal schooling, is no longer decisive.

CSTMC is a full-time college with 63 specialities that have been offered according to social needs. It now has on the roll more than 4,000 students who are mainly graduates of secondary schools and those who failed the entrance examination for colleges or universities. Students here foot their own academic expenses (about 800—1,000 yuan for one school year), and the university does not offer them housing. Neither does the university assign jobs to graduates; nor does the state accept their transcripts.

Though there is no guarantee for either a job or a schooling record, many young people still come. Since its founding in 1985, more than 100 students of some 20 state-run universities, including Beijing University and Qinghua University, have come to study at CSTMC. Among them, 80 percent had been given a notice of acceptance by state-run universities, and 20 percent were enrolled and had transferred. They willingly abandoned the opportunity to get a state-affirmed schooling record because their majors were out of line with social needs, and post-graduate jobs would be hard to come by. Another reason is that they were not interested in what they learned.

Since the restoration of college and university entrance exams in 1977, which were cancelled during the 1966-76 "cultural revolution," a diploma, especially from a prestigious university, has become the main ticket for a job assignment. But students of CSTMC believe that society needs and relies on ability instead of diplomas. So long as they have

real ability and learning, they need not worry about their living in the future. They place their hopes on reform. They are full of confidence.

In fact, graduates of CSTMC are well received in society because many people no longer view the diploma as decisive. For example, more than 300 students, graduates from this year and last year, had jobs reserved by work units before their graduation.

"Be practical and be strong. If you don't want to be looked down upon, you'll have to have real ability and learning." This requirement made by Jiang Shuyun, president of CSTMC, is more glamorous than a diploma.

by Li Bin

Pollution, Pests Cause Epidemics

Pollution, pests and poor hygiene are now plaguing the Chinese people's living environment and causing epidemics of some once-controlled diseases, officials warned.

Qu Geping, director of the State Environmental Protection Bureau said that in China, air pollution is mainly caused by the burning of coal. According to a survey, 14.45 million tons of smog dust and 14.12 million tons of sulphur dioxide were belched into the air last year.

An examination of air quality in 60 cities of the country indicated that their levels of granules in the air all surpassed the national limit.

As a result, acid rain has appeared in 45 cities and the incidence of diseases of the respiratory tract has risen, said the director.

Another type of pollution accompanying China's urban and industrial boom is the noise factor. Traffic sounds and the cacophony of factories, Qu said, can not be neglected.

As nuclear technology becomes more popularly applied, the potential threat of radioactive pollution cannot be ignored either, according to Chen Minzhang, Minister of Public Health. A radioactive fallout can occur due to a mishandling of nuclear sources, Chen said.

And whatever affects the air, affects the water. Talking of water pollution, Qu said that last year a total of 35 billion tons of waste water were poured into rivers and lakes, most of which was not treated.

Moreover, many reservoirs are seriously polluted. And the proportion of colon bacillus, bacterium and chemical pollutants in the sources of drinking water in urban areas is found to be increasing.

One of the most serious all-around environmental pollutants is garbage. A recent survey showed that the country's total volume of garbage dumped in the open amounts to 5 billion tons.

This naked mountain of trash, in turn, is a banquet for pests. The estimated population of more than 3 million rats, the minister said, has threatened people's health and devoured about 10 percent of the country's gross grain production and large patches of seedlings.

From 1986-87 there were 170,000 cases of epidemic hemorrhagic, which is said to be spread mainly by rats, Chen said.

Other pests that are increasingly jeopardizing the public health are flies, mosquitos and cockroaches, he added.

But in many cases, hygienic ignorance is the major pest when it comes to pollution of the human body. Chen cited typhoid, paratyphoid and hepatitis diseases that have begun to thrive again due to this lack of education.

The number of epidemic cases of typhoid and paratyphoid in

Zhejiang Province jumped from 2,090 in 1985 to 6,290 last year. Outbreaks of hepatitis in Shanghai and Xinjiang, as well as frequent occurrences of dysentery, all point to unschooled use of polluted water, he said.

The health minister warned that serious epidemics of some diseases could run rampant at any time if the general hygienic environment is not tackled comprehensively.

In order to create clean and healthy working and living conditions, Qu urged steps to alert the whole society on the need to protect its environment. ■

Intruders Threaten Rare Animals

Some of China's rare animals are in danger. Their existence is threatened by humans encroaching on their territory.

Chinese river dolphins are in greater danger than the world-famed giant pandas, scientists have said.

River dolphins are found only in the middle and upper reaches of the Changjiang (Yangtze) River. With a total population of less than 300, they are classified as animals that need top-priority protection.

Pan Jinpei, a research fellow from the Institute of Hydrobiology of the Chinese Academy of Sciences, warned that the number of Chinese river dolphins may continue to decrease because of increased transportation on the river and future water-conservation projects.

To save these precious animals, Pan said, the Institute of Hydrobiology is planning to establish a dolphin reserve, the first of its kind in China, in central China's Hubei Province. This area will accommodate some of the dolphins now living in the river so that they will no longer be disturbed by shipping. Experts

from environmental protection and biology departments in China will carry out feasibility studies in the area quite soon, he said.

Also, the Institute of Hydrobiology has received permission from the Ministry of Agriculture to catch five dolphins for joint studies on their propagation and protection with the scientists in the United States and Japan at the end of this year.

Meanwhile, some 10,000 red deer and 15,000 gazelles have been killed annually since 1985 by gold prospectors in the Xinjinag Uygur Autonomous Region, northwest China.

According to the *Xinjiang Dily*, thousands of gold prospectors, medicinal herb collectors and hunters have intruded into the habitats of wild animals there in the past three years.

Recently, 23 kg of red deer tails and bones, and 26 kg of deer tendons were seized from a group of hunters in the region's Gongliu County, the paper reported.

In 1986, about 5,000 kg of red deer tendons were purchased from hunters in Tekes County. That means about 10,000 red deer were killed.

According to the regional department of forestry, since 1985 the rare animals killed include yaks, snow leopards, red deer and blue sheep. ■

Weekly Chronicle (December 5-11)

POLITICAL

December 7

■ Wan Li, chairman of the National People's Congress (NPC) Standing Committee says at a forum, which closes today in Beijing, that the NPC Standing Committee has been working on the rules governing the tasks of the NPC deputies.

He says that the focus for the

country's legislative work in the next couple of years is to draft and promulgate laws concerning the improvement of the economic environment and the rectification of economic order.

December 8

■ A central delegation entrusted by the Chinese Communist Party Central Committee, the NPC Standing Committee and the State Council leaves Beijing for Guangxi to participate in the activities celebrating the 30th anniversary of the founding of the Zhuang Autonomous Region.

The delegation is headed by Song Renqiong, vice-chairman of the Central Advisory Commission of the Chinese Communist Party.

■ At a weekly news briefing in Beijing, when asked to comment on the joint statement made by a delegation of American Jews and the Chairman of the Palestine Liberation Organization Arafat, a Chinese Foreign Ministry spokesman says: "We welcome it. This is another initiative taken by the PLO in seeking a peaceful settlement of the Middle East question."

"We hope that the Israeli government will size up the situation and respond positively," the spokesman adds.

ECONOMIC

December 5

■ Addressing the first working conference of the newly formed Ministry of Aeronautics and Astronautics, Minister Lin Zongtang announces a package of hi-tech projects China is to undertake in the next few years.

In 1989, a dozen projects, including new types of aircraft, missiles and airplane engines will be developed and tested, as well as a number of brand-new missiles, satellites and rockets, he says.

December 6

■ Minister of Energy Re-

sources Huang Yicheng says that the coal mine accidents in November left more than 100 dead, a record high for fatalities during the last 11 months.

According to him, last month saw 10 serious accidents in the country's coal mines, each causing the death of 10 or more workers.

CULTURAL

December 5

■ During the past 10 years, overseas Chinese world-wide and compatriots from Hong Kong and Macao have donated funds and materials valuing 1.77 billion yuan to their hometown in China's mainland to boost China's educational development, the overseas edition of *Renmin Ribao* (People's Daily) reports.

About 5,000 primary, middle schools and colleges in China have benefitted from these donations.

December 8

■ A total of 217 outstanding scientific inventions win the 1988 National Invention Prize, the National Invention Assessment Committee announces today.

The prize is the nation's highest honour for scientific inventions and is to be conferred annually. This year, first-class prizes go to four inventions. This prize-winning involves a total of 721 inventors.

SOCIAL

December 8

■ Ulanhu, vice-chairman of the Standing Committee of the 7th National People's Congress died of an illness today in Beijing at the age of 82.

Born in the Inner Mongolia Autonomous Region, Ulanhu was a long-tested veteran communist, an outstanding Party and state leader and a proletarian revolutionary as well as a noted guide of minority nationality affairs.

PAKISTAN

Female Premier — An Islamic First

Benazir Bhutto has become the first woman to serve as prime minister of Pakistan, and thus the peaceful transfer of power has been completed. This is a feat worthy of congratulations.

A 17-member new Pakistani cabinet headed by Benazir Bhutto took control in Islamabad on December 4 following a two-day dissolution of the caretaker cabinet. This is the first peaceful transfer of power in Pakistan's history.

Pakistan is a country that has a government composed of three independent branches—the judiciary, the legislative and the executive. Its National Assembly was suddenly dissolved and the Junejo cabinet was sacked last May 29 by former President Zia ul-Haq. Only a caretaker government, without a prime minister, remained to run the daily affairs. The new National Assembly and cabinet were to materialize through the elections.

During this period, Pakistan's judiciary organs were at the helm of change. The Supreme Court ruled historically on decisions concerning the registration of political parties and the electoral procedures. During the multi-party election, the agencies also quelled any potential rattle-rousing by the various constituencies, thus ensuring a free and fair vote. Hence, the electoral outcome was recognized by all the parties.

After the new members of the National Assembly were officially seated, they elected a new speaker Malik Meraj Khalid of the Pakistan People's Party (PPP). His party had topped the polls at 134 votes, garnering a majority of seats in the assembly.

In other post-election moves,

Acting President Ghulam Ishaq Khan started to huddle with leaders of the political parties who had tapped into the new National Assembly and with the military heads in order to pull together a government and appoint a prime minister. On December 1 Benazir Bhutto became that new minister, and the PPP would soon reactivate the machinery of state. At the same time the president also announced an end to the official state of emergency, lifting bans and dissolving the Emergency Council, formed immediately after the sudden death of President Zia ul-Haq in an air crash on August 17.

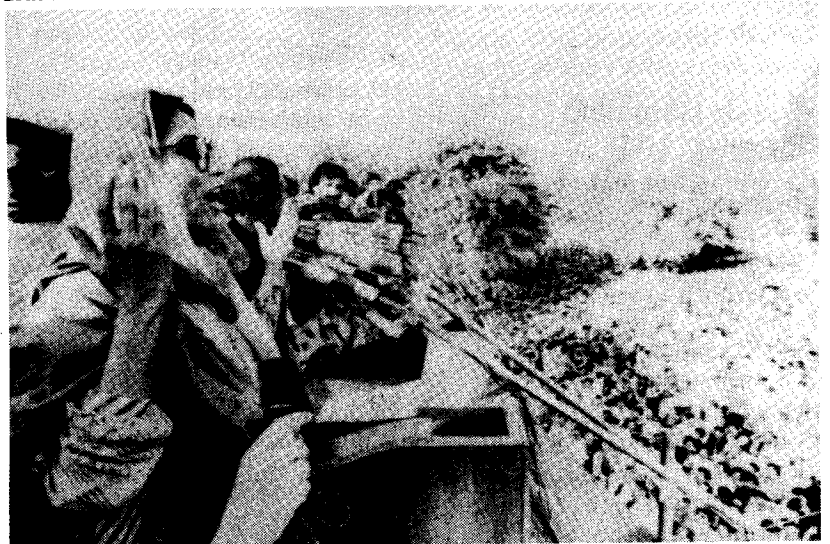
New Prime Minister Bhutto unveiled the names of her cabinet members and presided over the first cabinet meeting on December 4. With the formation of a new

cabinet, the judicial, legislative and administrative organizations of Pakistan again have been perfected. This marks a successful election and transfer of the power. Since then Pakistan has embarked on a new historical era.

Benazir, 35, is the first and youngest woman to become prime minister in the history of the Islamic Republic of Pakistan since its independence in 1947. Like many children of well-to-do families in Muslim Pakistan, she attended a Christian missionary school, Jesus and Mary Convent, before going off to study at Radcliff (now part of Harvard) University in the United States. She then enrolled in Oxford University, becoming president of the Oxford Union Debating Society.

She was catapulted into politics by the hanging of her father, former Prime Minister Zulfikar Ali Bhutto in 1979. In 1982 when Bhutto's wife, S.A. Nusrat, was ill and hospitalized, B. Bhutto became acting chairperson of the PPP and afterwards she and her mother co-chaired. Because of her political appetite, she was imprisoned and dogged by house arrest for several years.

Leader of the PPP Benazir Bhutto rallies a crowd to announce her for office.



In 1984 she went to London for urgent ear surgery. After the operation she ran the PPP from a small flat in London and began appointing supporters to positions inside Pakistan in order to keep a taunter leash on the meandering party membership. In April 1986, she returned from self-exile to spearhead the opposition challenge. Her tumultuous welcome on return caught the attention of the world.

The new Pakistani prime minister is hailed at home. A *Pakistan Times* editorial said that the prime minister's nomination fully conformed to all canons of justice, wisdom and constitutional propriety. The *Nation* said that the swearing-in of Benazir Bhutto as prime minister was in many ways "a historic moment in our lives." The *Muslim* said that "for the first time in our history the transfer of power has been peaceful, constitutional and democratic following the open general elections."

Addressing her first press conference as prime minister at the prime minister's secretariat in Rawalpindi, B. Bhutto turned her eyes to the world. After the withdrawal of Soviet troops from Afghanistan, she said, relations between Pakistan and the Soviet Union will be improved. She thanked the United States for its support of Pakistan's democratic restoration and hoped to strengthen ties between the two countries. In regard to China, she said that Pakistan will continue to promote the traditional friendship. She added that this was a legacy from her father, who had fostered and nurtured such a relationship, and that she would like to see it grow.

In regard to domestic tasks, she said that these could not be lightly faced or easily swept aside by her administration. By toil and compromise her government will strive to build a progressive and democratic Pakistan free from all

kinds of exploitation. The realization of her promises, however, rides upon the support of the

Pakistan people and co-operation with the military.

by Ren Yujun

ARAB WORLD

Cairo Hosts, Arabs Bustle

One by one, Arab leaders have flown to Cairo recently to discuss matters of common concern. Arab diplomatic circles are now buzzing with activity.

On November 28, Iraqi President Saddam Hussain landed at Cairo's airport in a special plane.

Then, on December 1 King Hussein of Jordan reached Cairo and met with Egyptian President Hosni Mubarak again, shortly after a previous visit.

On December 3, Chairman of the Palestine Liberation Organization (PLO) Yasser Arafat returned to Cairo as well.

Such active diplomacy has been rare in Egypt for many years. Even the Western press called the scene at the Mideast political arena a prelude to Arab joint actions. In fact, this flurry of friendship was connected with another scene that happened at the UN headquarters in New York recently.

On November 26, US Secretary of State George Shultz announced that Arafat was to be refused an entry visa, so as to block him from making a scheduled speech on the Palestinian problem at the current UN General Assembly session.

The US decision violated US obligations as spelled out in the UN headquarters agreement concluded in 1947 and aroused strong grievances from the international community. So on November 30, the current UN General Assembly session adopted a resolution demanding the United States reverse its decision within 24 hours. Finally, on December 2, the assembly passed a resolution

unprecedented since 1945 to rehouse the UN debates on the Palestinian problem in the UN European headquarters at Geneva so that Arafat can have his say. The resolution carried by an overwhelming majority with 154 votes for and two against, the United States and Israel.

According to reports, the idea to move the UN debates to Geneva initially came from a high diplomatic salon in Cairo as a joint response by leaders of the PLO, Jordan, Egypt and Iraq to the US decision. This rebuttal was cheered by most countries around the world. The Arab co-ordinated victory hinged upon co-operation among Egypt, Jordan, Iraq and the PLO. Some reports said that the Arab proposal to export the UN debates on Palestine in fact was sponsored by Mubarak and King Hussein after consultations with Arafat.

After his arrival in Cairo on December 3, Arafat told reporters that he would continue talks with Mubarak on Palestinian-Egyptian-Arab joint actions. Political analysts believe that Arafat's latest journey to Cairo was to ensure Egyptian back-up for the PLO stance to be taken during the upcoming UN session. Arafat is certain to further expound upon the PLO stands for justice and peace and to promote the scheduling of an international Mideast peace conference in the

near future. Such a gathering would be opportune at a time when the international community generally shows sympathy and support for the Palestinian cause.

The Arab peace offensive is mounting. Arab countries have increased their efforts for a settlement of the Palestinian problem. And after two days of talks with a US Jewish delegation, Arafat made a historic diplomatic move by endorsing a statement on December 7 in Sweden that accepts Israel's right to exist. The document also denounced

terrorism.

In other arenas, Egypt and Libya have ended a 13-year flight passage ban, reopening, since December 4, their airspace to each other. This is just one sign of sweeter relations between these two countries in the last two years.

In addition, Soviet Foreign Minister Eduard Shevardnadze will also fly to Egypt in the coming days. Recent developments show that it is springtime for diplomacy in Egypt and throughout the Arab world.

by Lin Jiaoming

EUROPEAN COMMUNITY

Summit Targets Unity

Leaders of the European Community vowed to continue their efforts to achieve a single European market by 1992 while assuring the United States and Japan that they were not creating a "Fortress Europe" of protectionism.

On the Aegean Island of Rhodes in Greece, European Community (EC) leaders made haste to quicken the pace of realizing goals targeted for 1992. In a five-page declaration issued at the end of their two-day summit, the 12 EC leaders said that Europe in 1992 will be a fair and open trade partner. Greek Prime Minister Andreas Papandreou, host and chairman of the conclave, described the Rhodes talks as the most fruitful summit yet. Two points in the announcement reflected an EC emphasis on developing its international relations.

First, the top EC policy-making authority solemnly stated that the coagulation of a single European market would help open up the EC more to the outside world. It said it would not be a fortress of European protectionism, but rather a partner in promoting free international trade on the basis of reciprocity. This scenario is an

attempt to placate the United States and Japan, who fear that the EC is plotting to build trade barriers.

Second, in a bow to the East, the declaration reaffirms the EC's resolve to develop its trade relations with the Soviet Union and East European countries by considering each country's concrete conditions. The declaration stressed that the single market would benefit the community and non-community countries alike by ensuring continuing economic growth.

At the summit, the EC leaders expressed satisfaction that the Council for Mutual Economic Assistance (CMEA) countries had been eager to develop diplomatic relations with EC since the two blocs signed a recognition agreement last June. The community vowed to promote trade and cooperation with East European countries on the basis of mutual

benefit and on a country-by-country basis.

Some see this point as the community's joint and positive response to the Soviet Union's hopes expressed in recent years to develop bilateral relations. Such gestures have been especially prominent since the normalization of relations between Eastern and Western Europe.

The EC leaders took an upbeat attitude towards the ongoing reforms in the Soviet Union. The EC stand is designed to promote "the positive changes" in the Soviet Union and some East European countries while seasoning deals favourable to Western Europe.

In regard to other measures, the EC leaders also reached an agreement to jointly combat the depletion of the ozone layer in the upper atmosphere, and take steps against the earth-encroaching "greenhouse effect."

As to the EC's audiovisual sector, European Commission President Jacques Delors said that if the community does not do something about its communications soon, in a few years' time their televisions will be Japanese, their programmes will all be American, and the only European thing left will be the viewers.

But on the question of internal border controls, British Prime Minister Margaret Thatcher clashed with other EC leaders at the summit. She expressed the concern that a complete removal of border controls between EC countries would also disarm them in their fight against crime, drug smuggling and terrorism.

The EC leaders also parted company on their Middle East policy. Greece, France, Italy and Spain wanted to take a more positive line towards the Palestine Liberation Organization leader Yasser Arafat by sending the EC

foreign ministers to Geneva when Arafat addresses the United Nations General Assembly meeting there on the Palestinian issue.

But Britain, the Netherlands and Federal Germany blocked their move.

by Liu Mei

MEXICO

New Government Discusses Growth

In order to straighten out the snarl of Mexico's problems, new President Carlos Salinas de Gortari is weaving a policy of dialogue and consultation and putting growth as his first priority.

On December 1 there was a transfer of power in Mexico when Carlos Salinas de Gortari took charge as the 25th constitutional president.

Upon his inauguration, Salinas proposed that a national agreement be made to expand democracy and restore economic growth. This is a step that goes directly to the core of the country's many intertwined problems.

Over the past several years, Mexico has wrestled with some of its problems that are choking economic growth. A series of structural reforms and adjustments were made, and the soaring inflation was harnessed by means of social consultation. The inflation rate was jerked down from more than 100 percent in 1982 to 46 percent this year. At the same time painstaking efforts were made to toss the debt burden.

However, the situation has not been fundamentally reversed. At present, the country's foreign debt tallies US\$103.5 billion. To pay for this, Mexico has to bleed 5 percent of its gross national product to other countries. In light of this drain, Salinas has contended that this state of affairs is "unacceptable and unbearable" and that his government will "put growth, rather than repaying debts, in the first place."

Politically, opposition parties have been aroused by the plaguing economic difficulties, persistent drop in people's living standards and the many other problems caused by the half-century-long ruling of the Institutional Revolutionary Party. In the legislature, the new president will meet with unprecedented opposition, becoming the first president in Mexico's history that has to consult with congressional opposition on major economic policies.

To prime for such a challenge, the Salinas government will sally forth with a political policy that is more open and democratic. In order to test the waters of congressional warfare, the new president has already offered to conduct dialogues with opposition parties. He said that the spirit of dialogue and consultation is the greatest political wealth he wants to inherit from his predecessor, former President Miguel de la Madrid Hurtado. He also promised to institutionalize the successful experiences gained in harmonizing relations between the government and social groups so that they can serve as a springboard for formulating economic policies.

On the economic front, the new government first must hurriedly

set the table for quick economic recovery and stabilization. The biggest obstacle is the outflow of capital, and the only way out is to detonate a solution to the debt question. In an effort to strengthen forays against the debt problem, the new president has appointed a banker, rather than a diplomat, to be his foreign secretary and a former secretary of Planning and Federal Budget to be his secretary of Finance and Public Credit.

The new president has ordered that negotiations with creditor banks commence immediately. He also presented priorities to be considered in the negotiations, including the liquidation of net capital outflow; the safeguarding of a sustained economic growth; the guarantee of capital needed for economic expansion; and the reduction of the proportion of repayment, principal plus interest, to the gross national product. Besides, President Salinas has proposed to crop public expenditures, shun renewed inflation and endorse investment.

The current economic crisis, which has been haunting the de la Madrid government for six years, will not be easily exorcised. However, the new government has no other choice. It has to grasp the opportunity that will enable Mexico to pull together its economy and make it grow. This, in turn, will give the ruling party an upper hand in future endeavours.

by Guo Weicheng



New Starting Point for Mind Emancipation

The historical tasks of the mind emancipation movement are to emancipate the thinking of the whole Party from the personality cult of Mao Zedong, and extricate the people from the trammels of dogmatizing and deifying his directives and policy-decisions. This article traces the origins of the movement and discusses three materials little known to the public before, etc.

by Gong Yuzhi

The thesis expounded at the CPC's 13th Congress held in 1987 on China's primary stage of socialism was the result of emancipation of the mind since 1978 and should be a new starting point for further emancipation of the mind.

Is there a point at which mind emancipation will be complete? The brief answer is no, as it calls for the use of practice to examine people's acquired knowledge and help rid it of rigid and petrified concepts so that further development is possible. "Practice, knowledge, again practice, and again knowledge." This is an endless process, and, in this sense, mind emancipation has no limit. But, it should have stages, and each stage has its own historic tasks and demands. Each stage also has its own historically determined starting point.

One of these new starting points was in 1978. The nationwide discussion on practice being the only criterion for truth and the Third Plenary Session of the 11th Party Central Committee in December ushered in a great mind emancipation movement. The historic tasks of this movement were to revive Mao Zedong's ideological line of seeking truth from facts and emancipate the thinking of the whole Party from

the personality cult of Mao Zedong, and extricate the people from the trammels of dogmatizing and deifying his directives and policy-decisions. It was this movement which led to the great changes of the last decade.

Origins

The origin of this mind emancipation movement can be traced back to 1956. In that year, our Party broke with the Soviet model and explored many new directions in search of its road to advance along. It should have become a new starting point for mind emancipation. At the Supreme State Conference held in January 1956, Mao Zedong made a speech which stressed the Chinese people should have a long-term plan to abolish China's backward economic and cultural status over the next few decades. Following this, Zhou Enlai noted at an intellectuals' work conference that China's intellectuals had become a component of the working class. He then called on them to march towards the modernization of science and meet the challenge of a new technological revolution.

In April, Mao Zedong made a report titled "On the Ten Major Relationships" which elaborated the relationships between heavy industry on the one hand and light industry and agriculture on the other, between industry in the

coastal regions and industry in the interior, between economic construction and defence construction, between the state, the units of production and the producers, between the central and local authorities, between the Han nationality and the minority nationalities, between Party and non-party, between revolution and counter-revolution, between right and wrong, and between China and other countries.

He emphasized that we must learn a lesson from the roundabout road travelled by the Soviet Union, and instead mobilize all direct and indirect forces to make China a powerful socialist country. He also laid down the basic principles of letting a hundred flowers bloom and a hundred schools of thought contend in art and academic studies, and of allowing the long-term coexistence and mutual supervision between the Communist Party and China's democratic parties.

In July that year, Zhou Enlai made a speech titled "Dictatorship Should Be Continued, Democracy Expanded." In it he noted that as the dictatorship became ever more strongly consolidated, democracy should be expanded. He added, "We must constantly pay attention to expanding democracy because it is of essential significance."

In their reports to the 8th Party Congress held in September, Liu Shaoqi, Zhou Enlai and Deng

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Xiaoping all discussed the resolution of China's one remaining principal contradiction. They pointed out that a decisive victory had been achieved in the socialist transformation of agriculture, handicraft and capitalist industry and commerce. Thus, the contradiction between the proletariat and the bourgeoisie in China had been basically resolved, leading to the establishment of a socialist system. Because of this, the contradiction between the people's demand for the establishment of an advanced industrialized country and backward agriculture had risen to become China's principal contradiction. They forwarded the principle of actively and steadily carrying out economic construction, stressing that the Party's strength should be consolidated and warning it not to deviate from reality and the masses.

In his speech at the 8th Party Congress, Chen Yun said China's economic system should rely mainly on state and collective management, planned production and centralized distribution, although it should be supplemented by a small amount of private management, free production and free markets.

After long deliberation throughout 1956, Mao Zedong systematically elaborated his thesis on the contradictions among the people in the socialist society in February 1957. These were: contradictions within the working class, within the peasantry, and within the intelligentsia; between the working class and the peasantry; between the workers and peasants on the one hand and the intellectuals on the other; between the working class and other groups of working people on the one hand and the national bourgeoisie on the other; within the national bourgeoisie; and between the government and the people. Mao said the only way to

solve these problems was "by the democratic method, the method of persuasion and education, and not by the method of coercion or repression."

In this, Mao forwarded many important and new theoretical questions. These were crucial, as China was faced with the problem of what form of socialism to pursue. In the main, the task of transferring the means of production from private to public hands had been completed, and following the criticism of Stalin at the Soviet Union's 20th Party Congress, the country was no longer bound to follow the Soviet model of development, which had dominated up until then.

This latter event was a major step forward in the emancipation of the mind. It signaled that we no longer had to blindly follow Stalin's dictates in constructing socialism. Instead, we could proceed from China's conditions, learn from the errors of the Soviet Union, and seek our own socialist road.

Unpublished Materials

In addition to these speeches which have already been made public, there are also materials little known to the public which can mirror mind emancipation at the time.

At the meetings of the All-China Federation of Industry and Commerce and the China Democratic National Construction Association (one of China's democratic parties) held immediately after the 8th Party Congress, complaints were raised that although the socialist transformation had been completed, there were still people in Shanghai running underground factories. Hearing this, Mao Zedong called together representatives from these two organizations and the Department of the United Front

Work of the Party Central Committee. He said that the underground factories had emerged to meet various social demands and needs. Because of this, they should be legalized and allowed to hire labourers, and small family-run shops and private factories should also be permitted to exist.

Mao said this was the "new economic policy," similar to that adopted by the Soviet Union in its early years. In his opinion, the CPSU had dropped this policy too early, and the Soviets in consequence still suffered from a shortage of social materials. He added that overseas Chinese investment would not be confiscated within 100 years, and that investment companies which repaid capital with interest could be run both by the state and by individuals.

Mao's reasoning for this was that the state-run and state-private owned enterprises could not meet social demand by themselves. As long as raw materials and markets existed, individuals would be allowed to invest in and run factories.

Liu Shaoqi adopted a similar stance in a speech made at a standing committee meeting of the National People's Congress in December 1956. When asked if capitalists were allowed to build factories, Liu replied, "Yes. In our country, more than 90 percent of property belongs to socialism. In my view, there is nothing to be afraid of in a few percent of capitalism. In fact, this supplements socialism."

Zhou Enlai repeated this view at a State Council meeting in April 1957 to discuss the year's national economic plan. As concerned mining, Zhou said, when the large coal mines were run by the state, small ones could be run by co-operatives or individuals. If it was ensured that the overall thrust was socialist, greater freedom could be

allowed within certain subsidiary fields if they aided the development of socialism. Apart from the railways, all other areas such as large and small-scale industry could adopt this method. Rickshaw drivers and street pedlars could all assume full responsibility for their own profits and losses. Some private-run primary schools should also be allowed to exist. Workers, peasants, business people and students, except for soldiers, could have some freedom to practise private management. Overall, Zhou said, the introduction of a little private management and flexibility in socialist construction would be advantageous.

This evidence all indicates that around 1956-57 the Chinese leadership held that the needs of socialism and the development of China's productive forces called for the active involvement of private business and there was no need to render socialism utterly pure. Subsequently, of course, these ideas were reversed and campaigns were mounted to thoroughly eliminate private and individual business.

This proves that 1956 offered a new starting point for the emancipation of the mind. The efforts of our Party since the Third Plenary Session of the 11th Party Central Committee in 1978 to build socialism with Chinese characteristics should be considered as a continuation and development of the principles laid down in 1956. Of course, what we have achieved in the last decade is a far greater stride forward than the tentative step of 1956.

Of course, it has to be asked why the ideas first put forward in 1956 did not properly take root for more than 20 years. In 1957, China shifted suddenly and dramatically to the "left," leading to many of the policies and proposals of the previous 18 months being cast aside, distorted and even criticized. This series of

events contain profound lessons which deserve to be closely studied so that similar errors do not occur in the future. It is from history that we can discover how to consolidate gains made through the emancipation of the mind and formulate correct policies for the future.

Thus, although 1956 should have been a new starting point for the emancipation of the mind, we had to endure all manner of setbacks and difficulties until the Third Plenary Session of the 11th Party Central Committee in 1978. Since then, we have more than compensated the mistakes of the previous two decades, and have ensured that the process of mind emancipation has become broader, more thorough and more profound than the initial step taken in 1956. Now, it has become an irresistible current that has surged ahead over the last ten years.

Truth Through Practice

In 1978, the initial goal for emancipation of the mind was rectifying the disorder created by the "cultural revolution." The prevalent ideology during the preceding decade of turmoil and chaos had been to regard class struggle as the key issue in continuing the revolution under the dictatorship of the proletariat.

Despite the overall success of the reform programme, vestiges of the "leftist" ideology of the "cultural revolution" still occasionally manifested themselves. Take agricultural policy for example. The Third Plenary Session of the 11th Party Central Committee adopted a draft of the Resolution of Some Questions Concerning the Acceleration of Agricultural Development. For the most part, this was a product of mind emancipation—it accorded with the reality of Chinese

agriculture and would vigorously promote the growth of output—but it still contained "leftist" elements, such as the "fixing of farm output quotas for each household is not allowed." A step forward was made at the Fourth Plenary Session of the 11th Party Central Committee in 1979, when it was announced that farm output quotas for households would only be applied to a few agricultural sideline products and in sparsely populated remote mountainous areas with poor transport facilities.

In 1982, the Central Committee of the Chinese Communist Party issued a document which finally removed this anomaly, and in 1984, the CPC's Central Committee decided that the overall goal was to create a socialist commodity economy. At the 13th Party Congress in 1987, this view was summarized in 12 theoretical points, which taken as a whole constitute a blueprint on building socialism with Chinese characteristics.

The congress also expounded the theory that China now stood at "the primary stage of socialism." This concept has marked a further starting point for the emancipation of the mind, an emancipation which has the following three characteristics:

1. As China's reforms have expanded from the rural areas to the cities and from structural reform of the economy to political and cultural reform, the emancipation of the mind has grown deeper and broader. As the emancipation of the mind is the guiding ideology of the reforms, its development in turn boosts the development of further reforms.

This emancipation of the mind was reflected in the programmatic document issued by the 13th CPC National Congress. This demanded that we must reunderstand socialism's economic, political and cultural aspects, reunder-

stand socialist fundamental tasks and motivation, and runderstand socialist historical stages and international development. This series of calls can effectively be called a new starting point for the emancipation of the mind.

2. The theoretical concept that China now stands at the primary stage of socialism has enabled people to understand more clearly the political line pursued by the CPC since 1978, and so has facilitated the progress of China's reforms.

3. All matters, including ideology theory and politics guiding China's construction and reform, must be considered in terms of whether they help the development of the productive forces or not. In this way, practice can be the only criterion for judging truth. And this concept has been concritized and deepened in the country's socialist construction and reform, and the emancipation of the mind will play its full role in liberating the productive forces.

'Cat Theory'

During the early 1960s, Deng Xiaoping advanced the argument that any measure which facilitated the development of the productive forces should be adopted and pursued. He summed up his case by saying it didn't matter whether a cat was black or white, it was the one that caught the mouse which was best, which has subsequently been dubbed "cat theory."

During the "cultural revolution," Deng was severely criticized for ignoring the colour of the cat, even though the circumstances in which he had first used this simile were highly specific. In a discussion on how to boost agricultural production, he had said it was immaterial whether a system of contracted responsibility, household management or the people's commune under unified management was adopted, as long as the measure selected could restore and develop rural productive forces.

At this time, Deng was talking only of the specific form of

administration which would best promote the management of socialist agriculture. The issue at no time or point involved the question of choosing between socialism and capitalism.

Deng has continued to reiterate "cat theory" throughout the 1980s, arguing that socialism should express its superiority in the faster development of the productive forces. To date, this has not been demonstrated in an all-round way, but we are confident that if we redouble our efforts, this goal will be achieved.

Armed with "cat theory," the advantages and disadvantages of socialism and capitalism can be judged in terms of the ultimate growth of their respective productive forces.

Acting from this basis, Marxism should achieve new and great progress and development. However, it is only through the emancipation of our minds that our theory and practice can stride forward in tandem towards a truly socialist future.

The Reform of China's Labour System

Our Correspondent Zhang Zeyu Interviews Minister of Labour Luo Gan

- During the reorganization of the labour force, over 20 million workers will be asked to leave their posts in all the state-owned enterprises across the country. This is aimed to overcome inefficiency and tap the true potential of those who remain.
- For the next five years, China faces the problem that overall supply of labour will outstrip overall demand. To redeploy redundant workers and give jobs to school and college leavers constitutes an arduous task.

Question: What are the changes that have taken place in China's employment system over the last decade?

Answer: The changes have taken place in three major areas.

First, the state is no longer solely responsible for the welfare and job assignments of all workers. Employment can be

found through the introduction of a labour department, and the unemployed can organize their own enterprises or become self-employed under the guidance of the unified state plan. Between 1979 and 1987, 70 million urban jobs were filled, of which 40 percent were in collectively owned or private businesses.

Second, many enterprises have introduced a system of contracting labour, selecting their employees by examination. Up to last June, there were 7.64 million contracted workers in state-owned enterprises, 7.9 percent of their total workforce and 33.8 percent more than in the same period last year.

Third, the contract responsi-



People in search of job register at a labour market in Shijiazhuang City.

bility system has introduced competition into employment practices. In more than 25,000 enterprises (with a combined total of 9 million employees—or around 12 percent of the fixed workers in China's state-owned enterprises) labour is being reorganized to optimize production, and management is being practised on a contract basis. This reform has fired the enthusiasm of both enterprises and their employees.

Q: How many people will be asked to leave their posts after the reorganization of the labour force?

A: According to figures from Fujian, Zhejiang, Shanxi, Yunnan, Shaanxi, Hebei and five other provinces, workers surplus to requirement now make up 8-15 percent of state-owned enterprises' total employees. On the basis of this, it is estimated that there are around 15 million surplus workers in all the state-owned enterprises across the country. The true figure, however, is probably around 20 million.

Of the surplus workforce, elderly, infirm, sick or disabled

people make up about 20 percent, technically unqualified, 63 percent, those with disciplinary problems, 5 percent, and others 12 percent.

The over-manning of previous years has meant that in many enterprises three people's work is often done by five. This hinders improvements in management and productivity. To ask surplus workers to leave their posts will help overcome inefficiency and tap

The opening of the Chengdu labour market.



the true potential of those who remain.

Q: How will these surplus workers be redeployed?

A: For the next couple of years, these people will either be redeployed by their enterprises or cared for through a system of in-enterprise unemployment.

Enterprises will redeploy these people by establishing new businesses, organizing attendance on technical training courses, and allowing workers who are infirm, sick, disabled or elderly to take early retirement with the appropriate allowance. In addition, those unemployed within the factory will have their wages and bonuses cut, and will be encouraged to find other work for themselves.

Q: As well as the large number of workers needing to be redeployed, 6 million young people enter the labour force in China's cities and towns each year. Will this create a huge pressure and adversely affect social stability?

A: For the next five years, China faces the problem that the overall supply of labour will outstrip overall demand. To redeploy redundant workers and give jobs to school and college leavers constitutes an arduous task.

If redundant workers are not appropriately rearranged and so join the existing body of unemployed people, they may pose a threat to social stability. Currently, the Chinese government is formulating policies to help these workers find jobs. They include:

After reorganizing their labour forces, enterprises should find appropriate jobs for their redundant workers. Only a small number should be allowed to leave their enterprises to seek jobs in society;

—Efforts should be made to cultivate and develop a labour market so that redundant workers who cannot be redeployed by their enterprises can be transferred to suitable occupations;

Q: Will the reorganization of the labour force, currently being put into effect in China's enterprises, adversely affect the workers' status as masters of society? Does it mean the restoration of the wage labour system?

A: The social status of working people is decided in the final instance by who owns the means of production. In socialist China, working people are the masters of society and have the right to use the publicly owned means of production to conduct their labour.

The reorganization of the labour force is aimed at optimizing production. Based on socialist public ownership, each enterprise allows its employees to compete for production posts through

examinations and checks on technical ability. At the same time, management standards will be raised through the introduction of contracts.

Enterprises will also sign contracts with their employees defining the responsibilities, rights and interests of both parties. This does not alter the workers' status, but is conducive to the rational deployment of the labour force and the means of production. This in turn will mobilize the initiative of the country's working people and raise productivity and economic returns, hence, optimizing production through the reorganization of labour both reflects socialist relations of production and is essentially different from the capitalist wage labour system. ■

Enterprises Optimize Labour Organization

Beijing leads the nation in labour reorganization. Since companies started optimizing their labour forces in the second half of 1987, more than 200 state-owned enterprises have begun to streamline their employees. This article tells how they do so.

by Our Correspondent Zhang Zeyu

With the introduction of the contract system in most state-owned enterprises this year, their retained profits have become linked to economic returns, while employees' incomes have been tied to individual performance. As a result, a full-scale assault has been launched against the overstaffing and low efficiency prevalent in many enterprises through the reorganization of their labour forces.

This has involved introducing competition into selection for production posts, streamlining administrative structures and

tightening management practices. Employees asked to leave their position during reorganization will be assigned new jobs later.

According to the State Statistical Bureau, reorganization has produced dramatic changes. Productivity of state-owned enterprises was 8.8 percent higher in the first half of 1988 compared with the same period last year, while the number of employees fell by 390,000—an unprecedented phenomenon for many years.

Beijing leads the nation in labour reorganization. Since companies started optimizing their

labour forces in the second half of 1987, more than 200 state-owned enterprises have begun to streamline their employees. Zhao Jinggong of the Municipal Labour Bureau has said the reform will be introduced into all other enterprises next year.

According to the Municipal Economic Commission, before reorganization commenced only 50 percent of the 1 million industrial employees in Beijing were directly engaged in production. Cadres in non-productive posts made up the other 50 percent, making reform essential.



XUE CHAO

The general assembly workshop of the Beijing No.2 Motor Vehicle Plant after the labour optimization.

Starting Afresh

When the Beijing No. 2 Motor Vehicle Plant reorganized its workforce, it was decided that cadres had to be appointed again from scratch, said Yao Tianqiu, manager of the factory's enterprise management department. First of all, the plant's director removed all the 2,001 cadres from their posts, and then he declared that anyone in the factory who fell into one of the following four categories could apply to become a cadre:

- state cadres who previously held a cadre post;
- state cadres now employed as workers;

Unemployment Insurance for Workers

With the development of the socialist planned commodity economy in China, changes in market and production conditions have resulted in state-owned enterprises making some employees temporarily unemployed. To ensure their basic living requirements are met, unemployment insurance system has gradually been introduced since October 1986. As well as searching for suitable work, unemployed workers can also take the opportunity to attend training courses to improve their skills.

Currently, unemployment insurance only covers workers and staff in state-owned enterprises and contract workers in government organizations and institutions. At present, only four categories of unemployed people qualify for benefit: Those from enterprises declared bankrupt; those who have been made redundant during the reorganization of enterprises on the brink of bankruptcy; contract workers whose contracts have expired or

been terminated by their enterprises; and workers and staff dismissed by their enterprises.

Unemployment benefit is funded from three sources: from state-owned enterprises, who have to hand over a sum of money equal to 1 percent of their total basic wage bill; from interest paid by the bank on funds already deposited; and from financial subsidies provided by local governments.

The amount of benefit received is determined by length of service and average basic wage over the previous two years. Those who had worked for five years or more qualify for 60-75 percent of their monthly standard salary for 12 months and then 50 percent for another 12 months. Those who have worked for less than five years 60-75 percent of their basic wage for a period not exceeding 12 months. All workers who have been dismissed or whose contracts have either expired or been terminated qualify for unemployment relief and medical subsidies.

Unemployed workers and the

unemployment insurance fund are managed by the labour service companies under local labour administrative departments. Their responsibilities include:

1. Registering and administering unemployed workers and staff;
2. Managing and issuing unemployment relief;
3. Giving guidance on finding new work and introducing jobs to unemployed workers and staff;
4. Organizing attendance on training courses and offering support and guidance to those who wish to become self-employed.

To facilitate the reform of the labour system and promote a rational flow of labour beneficial to both the employer and the employee, the unemployment insurance system has to be further improved. The scope of unemployment insurance needs to be expanded not only to ensure that all unemployed workers can maintain a basic standard of living but also to help them find new employment as quickly as possible. ■

—workers who previously held a cadre post;

—workers with self-taught professional knowledge.

Applicants had to fill out a form indicating three posts they would like to take. They then had to go through an interview and answer questions from the workforce on how they would fulfil their duties. Section leaders had to be nominated by a department manager and ratified by the director; administrative and technical cadres in each section were nominated by section heads and then approved by the relevant

After reorganization, the number of section cadres was reduced from 173 to 136, and the number of ordinary administrative cadres from 948 to 561. Most cadres who were not reappointed have been transferred to the factory floor as workers.

Beijing's No. 218 Factory, a manufacturer of military equipment, advertised for a new manager to run its nursery last March. Six people applied for the position. After they all answered a series of questions at an appraisal meeting attended by more than 200 people, Zhang Xia, a teacher

resolve problems of overstaffing and inefficiency, it has also helped resolve many disciplinary problems. Wang Yaoqiang, 28, works in the briquet workshop at the Beijing No. 2 Coal Processing Factory. Previously he had a long record of absenteeism and fighting, and so when his factory set about regrouping, none of the group leaders wanted to have him in their group.

Spurned by all of them, Wang eventually apologized to his workshop head for his previous activities, but still none of the group leaders would accept him. He continued to beg to be reinstated, promising to turn over a new leaf, and finally a group leader succumbed.

Wang is now doing an excellent job. On September 15, the factory leaders signed a labour contract with each employee with terms of three to five years. Wang, however, insisted that he be given a one-year contract, saying he would like to receive a further test.

During their contracted period, all employees have to take a routine test every six months. Those who fail, do not fulfil their production tasks for two consecutive months, violate any other part of the contract will be asked to leave their posts. Their positions can then be filled from those on the surplus labour list who are suitably qualified.

In-Factory Unemployment

To oversee workers deemed surplus to requirements during regrouping, many enterprises have set up redeployment offices. Those waiting to be assigned a new job must check in at these offices every day. While waiting for redeployment, their wages are reduced. This system has been termed "in-factory unemployment."

According to Zhu Baokai, head



XUE CHAO

Redeployed workers voluntarily organize themselves to find other tasks in the Beijing No. 2 Automobile Factory.

department manager; and section chiefs of each workshop or branch factory were appointed by their leaders, the only subsequent requirement being to inform the personnel department of all promotions. Of the 1,900 applicants, only 1,313 were appointed. All the section leaders had to sign a three-year contract with their department manager defining their responsibilities and the objectives to be achieved within their term of service. After taking office, they could then select their subordinates through an examination.

in the nursery, was selected. She proposed to increase the number of children by 50 percent to 320 while cutting the number of nurses and teachers by 17 percent to 45. She said the staff's monthly bonus would be raised to 45 yuan within three months, and pledged her personal property that the nursery would yield 8,000-yuan profit in 1988 and 13,000 yuan in 1989.

Strengthening Discipline

The reorganization of workforces has not only helped to



XUE CHAO

A shop opened by the Beijing No. 2 Automobile Factory as part of its diversification programme to provide work for redeployed workers.

of the redeployment office at the Beijing No. 2 Motor Vehicle Plant, those waiting for a fresh job assignment include people on sick, injury and compassionate leave for more than six months, people who have worked on the side while claiming they were sick, people who failed to fulfil their production quotas, people who refused transfer to other work, technically unqualified workers and people guilty of frequent disciplinary violations.

To find work for its surplus labour, the factory has diversified by establishing a number of service companies. Surplus workers are employed by these companies on the recommendation of the redeployment office. Since it was founded in February, Zhu's office has found new jobs for more than 100 people, while currently he has 79 people on his books waiting for work.

Among the more difficult to re-employ are those guilty of disciplinary violations, but even among this group reorganization has scored some notable successes. Xiao Zhang, a worker at the

General Assembling Branch Factory, was asked to leave his post because of his low standard of work. After he was assigned to a service company, he still refused to change his habits and was soon dismissed again. When he decided to mend his ways, he was sent to

the factory's installation company, where after working hard he has been appointed an acting group leader.

The Beijing No. 2 Coal Processing Factory adopted an alternative method. Those who lost their jobs during regrouping first received three months of training and then were allowed to return to their posts for a probationary period. Those who still proved unsatisfactory or refused to accept their new job assignments were then dismissed.

Reorganization is not a once and for all reform. Those who subsequently prove unqualified or violate labour discipline will be asked to leave their posts and attend training courses.

As a further incentive, the wages of the "in-factory unemployed" will be cut progressively. In the first month, they will receive their original wage but no bonus, in the second month this will be cut to 80 percent, and in the third month, to 70 percent. Any person who is disabled at work will continue to receive their original wages for an unlimited period. ■

Hot Off the Press

One Hundred Questions About Tibet has just been published this month in Chinese, English, French, German and Spanish by the *Beijing Review Press*.

The book covers 10 topics: history, population, human rights, the Dalai Lama, religion, culture, autonomy, economy, people's livelihood and the Lhasa riots.

In a question-answer format, the book provides a wealth of historical records and facts for people at home and abroad curious about recent happenings in Tibet.

In a 34-mo format, the book totals 70,000 words, with 42 photos and a map of Tibet.

After the Yunnan Earthquakes

Soon after two earthquakes hit Yunnan Province in southwest China in November, the country mobilized to aid the victims. The international community has also been quick to respond to the earthquakes with offers of aid and messages of sympathy.

by Our Correspondent Lou Xinyue

Shortly after 9 pm on Sunday November 6, two earthquakes hit Yunnan Province in southwest China. Registering 7.6 and 7.2 on the Richter scale, they killed 730 people and left 4,015 injured, 3,472 of them seriously.

These earthquakes were the strongest to have struck China since the Tangshan and Haicheng earthquakes in the mid-1970s. The Yunnan earthquakes destroyed 400,000 houses and damaged another 700,000, wrecked 48,000 hectares of farmland, causing a loss of 150 million kilogrammes of grain, and damaged or destroyed 1,300 schools and 980 hospitals and clinics. Seventeen reservoirs were also damaged.

Official estimates put direct economic losses caused by the

earthquakes at 1.4 billion yuan, and the damage to housing at 790 million yuan.

The first of the earthquakes had its epicentre in Zhutang Township, Lancang County, and the second, on the border of Gengma and Cangyuan counties. With 1,300 after-shocks, an area embracing 19 counties and a population of 5.17 million was affected, around a third of them from minority nationalities.

Zhang Dejiang, vice-minister at the Ministry of Civil Affairs, said the death toll was a lot lower than at first had been feared. This was because the first earthquake hit the sparsely populated north-western part of Lancang County, and as it was a Sunday evening many people were outside watch-

ing a film. Its shock waves had been felt in the county towns of Gengma and Cangyuan, acting as an alarm to the residents of these densely-populated areas and causing them to leave their homes before the second earthquake struck 13 minutes later.

Immediate Action

As news of the disaster and its scale spread across China, the country mobilized to aid the victims. The following afternoon, Premier Li Peng chaired an emergency conference to hear reports about the earthquakes, and the central government immediately decided to dispatch a special investigatory delegation to the region.

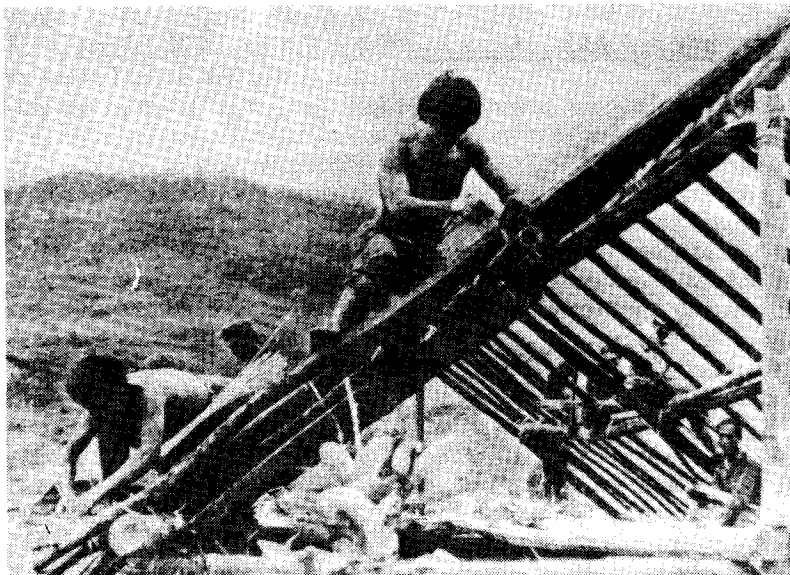
Headed by State Councillor Song Jian, a member of the CPC's Central Committee, and including Li Changan, the State Council's deputy secretary-general, and Zhang Dejiang, vice-minister of Civil Affairs, the delegation arrived in Yunnan on November 9 to prepare a detailed report on the situation for the central government.

On the same day, the CPC's Central Committee and the State Council sent a special message of sympathy to everyone affected by the earthquakes.

On November 10, the ministries of civil affairs and finance allocated 2 million yuan for immediate relief. Following the delivery of the special delegation's report to a regular meeting of the

Young farmers in Lancang County rebuild their home.

ZHU YUHU



State Council on November 15, this amount was raised to 27 million yuan. To date, the central government has sent 25 million kilogrammes of grain, 7.5 million metres of cloth, 250,000 garments and other vital materials to the earthquake region.

Donations of money and materials have also flooded in from across China. The day after the earthquake, Young Pioneers from Beijing's Chongwen District handed over 1,000 yuan to Yunnan Province's Beijing office, and on November 17, the Beijing Municipal Committee of the CPC and the capital's municipal government jointly donated 10 million yuan.

Other contributions include 1 million yuan for orphans, the old and the disabled from the All-China Committee for Welfare and Donation by Lottery, 400,000 yuan for workers and their families from the All-China Federation of Trade Unions and trade unions in Yunnan, 500,000 yuan from the Aba Tibetan Autonomous Prefecture in Sichuan Province and 100,000 yuan each from the Yunnan Children's Foundation and the Civil Affairs Department of Guangdong Province.

An official source in Yunnan said an avalanche of money orders was pouring into the province from workers, office workers, teachers, soldiers and even primary school pupils across China. In Kunming, the province's capital, a campaign has been organized in government offices, factories and schools to collect emergency materials for the earthquake victims. In one morning, nearly 2,000 items of clothing were collected from the Hongshan Sanatorium for Retired Officers of the Yunnan Provincial Military Command, and a temporary worker at the Yunnan Cigarette Corp. donated her entire savings of 1,000 yuan. Long lines



Orthopaedist Lao Hanchang examines an injured man.

CHEN HAINING

of people can be seen outside Kunming's blood donation stations.

International Aid

The international community has also been quick to respond to the earthquakes with offers of aid and messages of sympathy. Vice-Minister Zhang Dejiang said at a press conference on November 18 that China had received promises to provide relief funds and materials from various UN programmes and the World Health Organization, the EEC, Britain, Switzerland, France, Australia, New Zealand, Italy and the United States.

The Federal Republic of Germany has offered 20 million Deutschmarks, and on November

17, the Japanese government donated US\$500,000 on top of 20 million yen's worth of medicine, the first batch of which had been flown into Beijing the previous day. Various non-governmental foreign organizations have also said they will provide aid and technical assistance.

Zhang gratefully accepted all the offers of aid from abroad, saying, "The Chinese government and people, particularly those in the earthquake-hit areas, extend their sincere thanks to all the international organizations, foreign countries, non-governmental organizations and individuals for their generosity."

Emergency Relief

In the aftermath of the

earthquakes, all transport and communications links with the worst-affected areas were cut. The first people to reach the area were soldiers from the People's Liberation Army (PLA) and the People's Armed Police Force. Working round the clock, more than 5,000 officers and men transported emergency supplies of food, clothing and shelter, using 11 helicopters and aircraft and 600 military trucks.

As soon as news of the disaster filtered out of Gengma and Lancang on the night of November 6, the Yunnan provincial government set up an emergency committee to organize relief. Headed by the province's Governor, He Zhiqiang, it rapidly set about re-establishing transport links, requisitioning materials and dispatching medical teams. The following day, He flew into the area, and for the next six days and nights he personally oversaw the emergency work.

Since the earthquakes, more than 1,000 medical personnel have been at work attending to the injured. Thousands of tons of food, medicine, clothing, temporary housing and construction materials have been transported into the region. Already more than 300,000 people made homeless have been resettled, the injured have been treated and the killed have been buried.

The local government and the PLA have built temporary shelters, most roads into the area have been repaired and there is enough food and clothing to ensure everyone is well-fed and warm.

A crucial, if invisible, role in the relief work was played by seismologists from the State Seismological Bureau. Using data gathered from observation stations, they rapidly located the earthquakes' epicentres, providing invaluable information about the worst-affected areas to help



An insurance payout is handed over in Lancang County.

ZHU YUHU

guide relief work.

On November 7, Professor Fang Zhangshun, the bureau's director, arrived in Kunming with a group of experts before rushing

and temporary hospitals have been treating the injured. There have been no outbreaks of contagious diseases, no reports of theft or robbery, and no one has been left without shelter of one form or another.

The Yunnan provincial government has decided to allocate 15.7 million yuan in relief funds, and the Yunnan branch of the Chinese People's Insurance Co., which has already paid out 8.5 million yuan, has estimated it will end up handing over 20-30 million yuan. Chen Fengxia, the company's deputy general manager, said this would be the largest amount paid out to an earthquake-stricken area since China re-introduced an insurance system in 1980. He added, "Premiums from Lancang, one of the worst hit counties, only came to 60,000 yuan this year. It will receive 10 times that in compensation."

As the first phase of reconstruction draws to an end, the State Council's Yunnan Relief Committee is planning how to organize long-term reconstruction in the areas devastated by the earthquakes. The local population has also expressed a determination to return to their homes to restore production and rebuild their lives. ■

Life in Lancang and Gengma has begun to return to normality. There have been no outbreaks of contagious diseases, no reports of theft or robbery, and no one has been left without shelter of one form or another.

to Lancang to monitor the possibility of after-shocks. Aided by 140 seismologists from Jiangsu, Anhui and Beijing, his knowledge and confirmation that the earthquakes were unlikely to be repeated helped reassure the local population and ensure there would be no widespread panic in the area.

Reconstruction Under Way

Over the last few weeks, life in Lancang and Gengma has begun to return to normality. Businesses and some schools have re-started,

Hard Times for the Professionals

Although China's professional personnel play an important role in modernization, they face a variety of impediments. More rational conditions are yet to be created to make better use of their talents. Here is an analysis made by Xiao Yao in an article carried in the Opinion Column of China Daily.

China's professional personnel, who play an important role in modernization, face a variety of impediments. More rational conditions are yet to be created to make better use of their talents.

China now has 10.03 million professionals (exclusive of teachers in primary and middle schools), an increase from 38 per 10,000 Chinese in 1978 to 95 in 1988.

Yet, a recent survey conducted by the State Statistical Bureau and the State Science and Technology Commission reveals that the professionals continue to suffer poor conditions.

More than half of the surveyed professionals listed three requirements to guarantee the full display of their ability: good leadership, a harmonious working environment, and better living conditions.

Many said that their superiors did not assign work to them according to their ability and achievements, and sometimes suppressed criticism. They also complained that it is difficult to get along with some leaders who lack professional knowledge.

Low incomes probably are a direct threat to the professionals. One's length of employment usually determines one's wage in disregard of ability and performance. And the rate of pay rises is not keeping up with that of inflation.

The survey indicates that the middle-aged professionals, the backbone force, suffer from poor living conditions. In families of those aged from 31 to 50, the average monthly income of each

member is below 70 yuan. After a day of hard work, many of them have to moonlight to make ends meet. Premature ageing, illness and early death are common among them.

Early in 1985, the state set out to reform the old assessment and grading system for the professionals, trying to match professional title with one's capability and achievements.

However, the new practice has encountered strong resistance from the deep-rooted egalitarianism in China. In many cases, seniority is still the first consideration in according titles. Only 23.2 percent of surveyed thought the new title system gives them an incentive to work harder.

Change of Jobs

In the last two years, the state has begun carrying out a system that would allow greater mobility for talent as a remedy to the current rigid management of professional personnel. But several hindrances face those who want to change jobs.

Many people fail to move to other jobs because their work units refuse to hand over their personal files, including their professional performance records. And it is a complicated process to transfer one's household registration to a new city.

Therefore, most of those surveyed suggested that the state makes legislation defining job change as a legitimate right. And it is also necessary to establish a more flexible and open market for

manpower. "Talent exchange centres" have been set up in Beijing, Shanghai and some other cities to serve professionals with various specialities who want to change their jobs.

His status could be impaired because he must work for a certain period in the new unit before his capability is recognized. And as a newcomer, he may not enjoy same treatment as his colleagues, as in pay rise, benefits and housing allotment.

The housing allotment system and other social security systems both burden the nation's economy and reduce people's work incentives. Thirty-four percent of the surveyed professionals favour the commercialization of the housing system.

Over the past 30 years in China, priority has always been given to the training of specialists in engineering and natural sciences, to the neglect of those in finance and law. Professionals in engineering now make up 45.83 percent — the biggest fraction — of the total professionals, while those in finance and law account for only 9.64 percent and 0.69 percent respectively.

The state's effort to developing a commodity economy and a legal society is impeded by the lack of strong law and financial experts.

For instance, it was only recently that the China Institute of Certified Public Accountants was established to improve the nation's out dated accounting system. However, the country's scientific specialists are overstaffed. ■

Kunlun Hotel a Home-Run Hit

Kunlun Hotel in Beijing, the first major hotel run as a Sino-foreign joint venture, formally opened for business on November 26, 1988.

This US\$95 million structure has luxurious accommodations to suit international tastes. Its main building towers 30 storeys high and boasts 978 rooms, as well as restaurants, a ballroom, bar, shopping centre, commercial centre, entertainment centre and other facilities. It also has a helicopter landing pad, the first of its kind in Beijing.

At the time of its informal business debut in 1986, it was administrated by Hong Kong and American personnel and began to incur losses. In April 1987, the Shanghai Jinjiang (Group) Holding Co. took over, and a year later its total income doubled. It even pocketed some profit after paying capital, interest and taxes.

General Manager Zhang Xianbing said that kudos are due to the hotel's new and efficient management, administration and services, which are more in line with Chinese business practices. For example, the new administrative staff do not live in guest rooms. They eat in the staff canteen, and the living standards and pay among workers of the same rank are equitable. Administrators and personnel work together as a team. The hotel likewise has trained its workers and staff in their own groups and set up regulations for rewards and punishment. As a result, services have been notably improved.

The hotel's main income comes from their restaurants. Their aim is to maintain rich local flavour and serve customers inexpensive but nutritious meals, in order to

increase business.

This year, 12 large international conferences were held in the hotel. Among these were a gathering by the board of directors of Associated Press and the 9th UNESCO's Asia-Pacific Region Conference. The Kunlun also hosted many receptions for state guests, including General Secretary of the Czechoslovak Communist Party, Milos Jakes and Dr. Henry Kissinger.

by Han Guojian

Shexian Opens History Hall

The newly erected history exhibition hall has opened in Shexian, a famous Chinese cultural city, to share its treasures with art-lovers and history-buffs.

The hall, located in one of Huicheng Town's residential

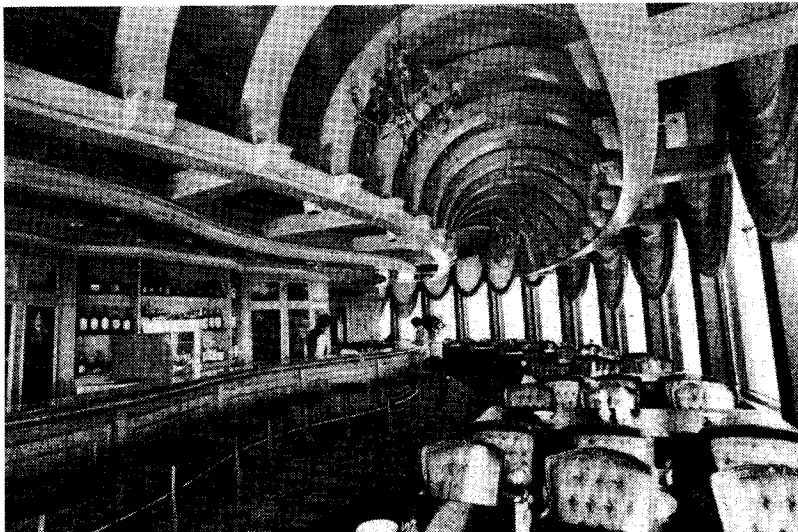
houses, displays architectural memorabilia from the Ming and Qing dynasties (1368-1911), such as stone foundations, brick carvings, beams, columns and stone lions, as well as survey maps, line drawings, photos and introductions.

Also, a museum of the Ming residential homes is now under construction here. It includes a model of a typical ancient village in south Anhui, complete with houses, a memorial archway and a bridge and street pavilion.

Shexian County, located at the southern foot of Huangshan Mountains in Anhui Province, has a history of more than 2,000 years. During the Tang (618-907) and Ming (1368-1644) dynasties, Shexian County was famous for its booming business, brisk economy and flourishing culture. And many of the structures preserve the ancient *hui* (Anhui) style of architecture. Its numerous residential quarters, ancestral temples and stone memorial archways exemplify structural features that are rare in China. The famous *xuan* paper and *hui* inksticks are among the four Chinese treasures of study produced here.

by Jiang Wenbo

Revolving cafe atop Kunlun Hotel.



Minister Explains Grain Reduction

"ZHONGGUO XINWEN"

(Chinese News)

Addressing the Fourth Session of the Standing Committee of the Seventh National People's Congress in November, He Kang, China's minister of agriculture, said that progress had been made in China's rural economy this year.

However, he pointed out that this year's grain and oil-bearing crops would be lower than last year, and the cotton output would be the same. At the same time, the production of sugar and cured tobacco would increase.

The minister attributed the decrease in grain production first to the severe natural disasters, that afflicted 52 million hectares of farmland. Second, he said the low benefits derived from growing grain chill the farmers' enthusiasm for grain production. Although the government has again adopted measures to readjust prices for major agricultural products this year, the prices for grain and other farm products to be purchased by the state are still low. Third, the short supply of and unauthorized price rises in farm equipment have directly increased agricultural production cost, the minister said.

This year, the Chinese market on means of production has been thrown into confusion. The market price of carbamide and diesel oil in some areas has exceeded 1,000 yuan per ton, and that of plastic film topped 10,000 yuan per ton, doubling the state prices. At the same time, fake and low-grade seeds, chemical fertilizers and insecticide sold on the market have harmed the interests of the farmers and have thus aroused them to great indignation.

The minister said that inadequate investment remained the major

factor restricting the development of agricultural production. In recent years, the investment in agriculture has been reduced greatly. The proportion of budgeted state investment in agricultural capital construction has dropped, and the local financial investment in agriculture has come down every year. Meanwhile the farmers have been focusing their investments on the development of profitable products, resulting in a tangible investment reduction in grain production.

The minister said that there should be an adequate understanding of the agricultural situation, especially the grain production. While bringing the scale of capital construction and the developing speed of industry under control, China must devote major efforts to agricultural production in order to effectively increase the supply of farm and sideline products. He outlined major measures for developing agriculture next year. They include more investment in agricultural production and strengthening the construction of agricultural infrastructures.

(November 4, 1988)

Ageing Afflicts Intellectual Circles

"SHIJIE JINGJI DAobao"

(World Economic Herald)

At present in China there is a fatal disease called "ageing" that exists in intellectual circles.

The average age among members of the General Assembly of the Chinese Academy of Sciences is 73 years old. Among eight academic-level leading members,

five are below 56 years old and three are over 61. Their average age is 58 years old. Of 827 leading cadres at the Research Institute level, with an average age of 53, about 10 percent are below 45 years old. Only 1 percent are below 40. Of 4,103 department leaders, with an average age of 49, about 20 percent are below 45 years old, and only 7 percent are below 40.

Among the six presidents and deputy presidents, their average age is 66. And the leaders at research institute level average 56 years old.

China now has 77,000 professors and associate professors. Of these, professors average around 59 years old, and associate professors average about 53 years old. Only less than 5 percent of professors and associate professors are below 40 years old.

Of the total 6,896 research fellows and associate research fellows with the Chinese Academy of Sciences, their average age is 53 years old. The average age of research fellows alone is over 55. The number of research fellows and associate research fellows aged 40 years or less occupies 5 percent and that of the same group aged between 40 and 45 years is only 8.3 percent.

The situation of ageing among members in the Chinese Academy of Social Science is even more serious. By the end of 1987, the average age of research fellows with the Nationalities Research Institute was 60.5 years old, and that of associate research fellows was 53.8. The average age of research fellows with the History Research Institute was 58 years old, and that of associate research fellows was 53.

All afore-mentioned figures show that the ranks of Chinese professors and senior research fellows are composed of "aged" people.

(No. 408, 1988)

Stock Market Picks Up in China

"RENMIN RIBAO"

(People's Daily, Overseas Edition)

Strongly appealing to people, the Chinese negotiable securities market is becoming brisker day by day.

This market allows businesses to directly raise and accommodate funds through the issuance and transaction of bonds and shares to the public. Since the securities market opened in 1984, an increasing number of state and business bonds, business shares and financial bonds have been issued. According to reports, the total volume of Chinese bonds and shares issued has amounted to 90 billion yuan. Shares accounted for 2 billion, and bonds were about 20 billion. The total volume of shares and bonds issued nationally is expected to reach 100 billion yuan by the end of 1988.

The negotiable securities market has played an important role in the development of the Chinese economy. Savers no longer have to depend on banks alone. Urban residents and enterprises now have a choice of where to deposit their money. Those who choose to invest in the market transform a large amount of idle social capital into long-term funds for production, thus guaranteeing the needs of the state's major construction and enterprises.

At present, not only collective enterprises, but also larger state-owned enterprises issue bonds and shares.

The Chinese security market also deals with shares and bonds. In August 1986, Shenyang Trust and Investment Corporation was the first business in China to start dealing in securities as well as mortgaging bonds. One month later, the Industrial and Commer-

cial Bank of China, Shanghai Branch started bartering shares for material. Beijing, Harbin and other cities have also adopted securities market. In April of 1988, business markets for state treasure bonds opened in China. To date, the stock market has been established in more than 80 cities. Its transactions include corporate buying and selling, business commissions and discounts and mortgages. The volume of negotiable securities has reached about 1.3 billion yuan.

Although the Chinese negotiable securities market is developing rapidly, there are many problems. The major problem is that the issuing market, with fewer varieties of securities, doesn't match the circulating market. In addition, the issuance of bonds and shares doesn't conform to standards and some related laws have not been established.

To counter this tendency, the People's Bank of China, the institution responsible for the negotiable securities market, has set up security companies and companies to monitor business credit in some cities starting this year.

(October 6, 1988)

Turpan Provides Sand Therapy

"BEIJING RIBAO"

(Beijing Daily)

Known as "the Oven" since ancient times, Turpan in Xingjiang is the hottest place in China, with temperature reaching 47°C (116.6°F) in July. In this part of the world, there is a natural sand-therapy hospital where many diseases can be cured miraculously.

The sand-therapy ground is

located eight kilometres to the west of Turpan City. Three high sand dunes there are dotted with canvas sheds. Under the sheds or simply out in the sunshine people lie, sit, or kneel to get the sand's treatment.

The sand is iron-coloured, the whole ground covers 19 hectares. From June to August, the dunes' temperature averages 60-70°C, or 82°C in some days. As there is hardly any moisture in the sand, a person's skin won't get scalded. With magnetite filings, the sand dunes provide people with such treatment as sunbathing, massage, heat and magnetic therapy. They receive more than 4,000 people every summer.

Sand therapy include both sand rubbing and sand burying. Sand rubbing simply involves massaging the body repeatedly with sand. Sand burying, however, is quite fastidious—the burying mustn't too deep nor too shallow (must be from the knees to the waist). Because the sand is so hot, it is soaked with sweat in a few minutes. A person needs to use three pits and change pits every half hour.

Sand therapy is evidently effective in easing the pain of arthritis, as well as common ailments such as sciatica, tinnitus, chronic tingling of lumbus and legs, adnexa inflammation, vasculitis, light hypertension and closed injury of muscle tendons and ligaments. But, it is not suitable for those suffering from heart disease, heavy hypertension, emphysema or infective dermatosis.

In recent years, close to 10,000 patients received sand therapy there, of these 98 percent have seen effective results. A patient of vasculitis came here with slim hope after his surgeon suggested an amputation because his feet had turned black. A summer passed, and the patient's legs resumed their normal function.

(Oct. 27, 1988)

Home-Grown Stone For CITC Building

Providing the decorative stone for the China International Trade Centre has been the Sichuan Huaxin Marble Co.'s most prestigious project to date. To win the contract the company had to see off a dozen international competitors from countries including Italy, the Federal Republic of Germany and the Netherlands.

The company, a joint venture between the Macao Taishun Co. and four Sichuan enterprises, was established in 1984. It went into operation in 1986, earning US\$559,900 of foreign exchange in its first year, and US\$1.0194 million the year after.

Overseas earnings are expected to hit US\$3 million this year, with its products selling in Japan, the United States, Singapore, the Federal Republic of Germany, Spain, Portugal and Kuwait (see *Beijing Review* Vol. 31, No. 21, 1988 for further details).

US\$2.78 million has been invested in the company, equipping it with a granite and marble slab production line capable of producing 60,000 square metres of marble slabs, 40,000 square metres of granite slabs and 20,000 pieces of sculptured reliefs annually.

For the 17,000 square metres of stone the Huaxin Marble Co. has

supplied to the China International Trade Centre (CITC), it will be paid US\$1.4 million in foreign exchange—making it one of Sichuan's 58 top hard currency-earning joint ventures.

Towering above east Beijing, the CITC building will be the second largest of its kind in the world, only surpassed by the New York International Trade Centre. When fully completed in 1990, it will cover a ground area of 12.8 hectares and have a total floor space of 400,000 square metres.

Being built by the French company, SAE, it will include an international hotel, an exhibition centre, a commercial centre and conference facilities as well as office space and living apartments.

by Li Ning

China Covers Its Walls

China has imported some 50 wallpaper production lines in the last few years. Recently, the Baihua Wallpaper Factory in Beijing's western suburbs added to this tally by buying a set of Anglo-German equipment capable of turning out 10 million square metres of flowery wallpaper a year.

The new production line incorporates the world's latest advanced technology. It comprises an engine made by Britain's Emerson-Remwich Ltd. and printing machinery from Walter Wetzel GmbH of the Federal Republic of Germany. Using deep-pressure techniques, it can operate with up to nine colours, and turn out plastic-coated wallpaper to standards laid down by the European Standards Commission. Combined with Chinese-made raw materials, this makes the Baihua company one of the most competitive in the country.

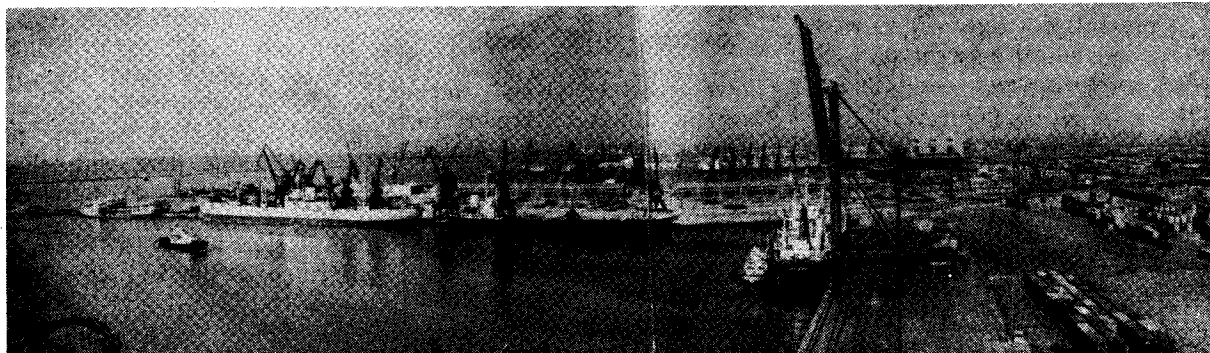
The production line can also incorporate a technique developed in China for binding two layers of paper together with a special binding agent. The process was tested in Europe before the equipment was imported and received high praise from British and German experts.

Currently, Baihua produces 18 varieties of coloured wallpaper in three different categories. Contracts are being lined up to sell wallpaper to the China International Trade Centre, which is now under construction, the Beijing Hotel's new building and two other hotels in the capital. Orders for wallpaper from the new production line have also come in from Shanghai, Hebei, Hainan and Shenzhen.

An expert from the Federal

The Xingang Port in Tianjin.

YANG BAOKUN



Republic of Germany who came to China to oversee the installation of the new equipment has already held several talks with the factory about selling its output back to Europe.

Early next year, the first batch of 100,000 rolls of wallpaper (around 500,000 square metres) will be shipped to Rotterdam. Another batch will be sent to the port of Heihe for next year's border trade fair with the Soviet Union.

It is estimated that by the year 2000 annual demand for wallpaper in China will have reached 330 million square metres. Although the imported production lines have a designed annual capacity of 500 million square metres, most factories have to operate under capacity because of a shortage of PVC, which has to be imported. At present, annual output stands at around 50 million square metres.

by Li Ning

Kumagai Gumi Builds Long-Term Ties

The 1985 downturn in Japan's domestic building industry led many Japanese construction companies to cast their eyes towards China.

Most of them, however, decided to look elsewhere, citing reasons such as over-charging for services and labour, frequent amendments or changes to orders, and various other unimagined obstacles. Indeed, only two Japanese companies were involved in China's construction projects at that time: Mitsui with Shanghai's Ruijin Mansions and Kajima with the Haitian Hotel on Hainan Island.

But one major company, Kumagai Gumi, decided to press ahead with a strategy of investment, design and construction. Three years on, the decision appears to have paid off.



China's International Trade Centre rises above east Beijing.

YUE HAITAO

The company has now invested 13.5 billion yen and overseen the construction of the JAL Longbai Hotel in Shanghai and the Beijing Amusement Park, which was completed last year. With other companies, they have worked on Beijing's Wangfu Hotel, Jing-Guang Centre and the Jiulong Amusement Park, as well as part of the Beijing-Tianjin-Tangshan Highway.

Currently, Kumagai has also signed contracts for Lanzhou's Pandaoling tunnel project, the China Recuperation Research Centre in Beijing, the Jiujiang Bridge in Jiangmen, Guangdong Province, a new workshop for the *Guangming Daily's* printing factory, and the International Finance Building in Haikou, capital of Hainan Province, where it is also discussing several other projects.

Kumagai's general manager,

Minoru Tokioka, said recently that the development of business co-operation between foreign and Chinese partners was of great importance. Although he expressed general satisfaction with his company's dealings with China, problems had arisen in various areas such as the lack of experience in international co-operation on the part of Chinese business representatives, the bureaucracy involved in hiring Chinese workers, and the problems of following Chinese-set timetables. But the untransparency of China's policies and the lack of an authoritative organization to explain these policies also often make foreign partners at loss.

He summed up Kumagai's goals in China as a long-term co-operator rather than for short-term gains, leading to benefits for both sides.

by Feng Jing

Scientists Review 60-Year-Old Dig

Sixty years ago this past October, the Yin Ruins became the first important historical site to be discovered by a group of Chinese archaeologists in an organized way. Recently forums were held in Anyang and Beijing, two of the major ancient Chinese capitals, to commemorate this event.

On this occasion, Hu Houxuan, a renowned archaeologist, said: "The excavation and study of the Yin Ruins have won splendid achievements in the past years and caught the eyes of world academic circles. Now this area has become a subject much studied by the whole world."

Located at Xiaotun village in the northwestern outskirts of Anyang City, Henan Province, the Yin Ruins was the site of the capital of the Yin Dynasty (the late Shang Dynasty) since King Pan Geng of the Shang Dynasty moved his capital there at the end of the 14th century BC. The place remained the capital of the dynasty till 1112 BC, when it was replaced by the Zhou Dynasty.

The discovery of the Yin Ruins was quite accidental. In 1899, a Chinese palaeographer named Wang Yirong stumbled upon some ancient inscriptions scratched on a Chinese medicinal piece called "dragon bone," which was actually an oracle bone. Famous scholars Luo Zhenyu and Wang Guowei scrutinized and researched the discovery. They then concluded that the prophetic piece was a leftover from the Shang Dynasty and that its proper resting place was the site of the Yin capital. In October 1928, at the initiative of Cai Yuanpei, then president of the central Academia Sinica, the excavation work began.

Fifteen digs were completed by the archaeological section of the

Institute of History and Philology of Academia Sinica from 1928 to 1937, conducted by Dr Li Ji (1896-1979), Dong Zuobin (1895-1963) and Liang Siyong (1904-1954). Many historical relics were unearthed, including 24,913 fragments of inscribed oracle and animal bones, numerous wares of bronze and jade. In addition, dynastic palaces and ancestral temples, ten palatial tombs and more than 1,000 small ones with the same number encasing immolated slaves, were also discovered.

In 1931, another significant discovery was made at the Hougang site of the Yin Ruins: the relics there were in three layers. From surface to bottom, there were remains of the Yin-Shang Culture (16th century BC-11th century BC), the Longshan Culture (29th century BC-24th century BC) and the Yangshao Culture (50th century BC-30th century BC). This provided solid basis for the study and dating of the three cultures in mid-China.

In 1933, Li Ji drew conclusions on three aspects of the Yin Ruins: First, it is composed of cultural layers formed gradually over thousands of years. This is evident from the pottery pieces, shapes of the pits and other cultural relics, which all bear distinctive characteristics of different historical periods. The changes that occurred in oracular inscriptions also give convincing proof.

Second, the discovery is a blend of various cultures, both foreign and Chinese. Among the unearthed objects, there are pure Eastern items, such as oracle bones, silk and black pottery; objects related, more or less, to cultures in middle or west Asia, such as bronze spears and adze; and culture in south Asia, such as

rice, elephants, buffalo and tin.

Third, it reflects human progress. The unearthed articles with their various shapes and forms mark a cultural evolution. One such example is the comparison between *li* (a kind of pottery cauldron for meat and cereals), the stone knives and the bronze spears. The forms of the inscriptions on oracle bones also show varieties.

The 273 years of oracle bones of the Yin (late Shang) Dynasty are divided into five stages by Dong Zuobin in his book entitled *Examples for the Study of Inscriptions on Oracle and Animal Bones*. He based his theory on archaeological findings and related it to historical records. That laid a solid foundation for the study of this ilk and era.

The discovery at the Yin Ruins and the studies have pushed back the original dates of Chinese cultural history by several hundred years and loaned credence to China's claim as the oldest civilization in east Asia. The aforementioned scholars not only advanced the field of scientific methodology, but gained personal kudos as outstanding archaeologists.

After the founding of the People's Republic of China, the excavation work continued after a suspension of many years. In 1950, a large tomb was discovered at Wuguan village. In 1959, the Institute of Archaeology of the Chinese Academy of Sciences set up a working unit in Anyang. In 1961, the Yin Ruins was listed as one of the key cultural relics and historical sites under state protection.

Since 1970, a number of achievements have been made in the excavation and the study of the Yin Ruins:

— New sites have been dis-

covered. For instance, the Fu Hao Tomb, containing exquisite burial objects, was discovered northwest of the Xiaotun village in 1976. To date, the Yin Ruins is believed to cover an area of at least 30 square kilometres, far surpassing the generally believed 24 square kilometres.

—The structure has roughly been defined. In the centre of the ruins are palaces and ancestral temples, which served the kings and nobles; scattered around are workshops and houses for common people. In the western part of the Yin Ruins are the public tombs. North of the River Huan is the king's mausoleum and tombs with immolated slaves.

—A 20-metre-wide ditch has been detected running 1,000 metres from north to south and before winding to the east by another 650 metres. It encompasses the western and southern sides of the

palace and temple area and meets the River Huan in the north and east. The trench is believed to have been used as a defense since no city wall thus far has been discovered.

—A basic knowledge of the Yin Ruins has been attained. It was built up gradually, and the culture layers show an unbroken continuity.

Because many of the original Yin Ruins scholars now live in Taiwan, the achievements at Yin Ruins during the past 60 years are actually a joint archaeological adventure. Mainland archaeologists sincerely hope that their counterparts in Taiwan, especially veterans Shih Chang-ju and Kao Chu-hsun, will come to revisit the Yin Ruins or invest their efforts in the academic activities to be held next year. These will hail the 90th anniversary of the discovery of the inscribed oracle and animal bones.

by Li Ning

traditional Chinese admonition. The hope of a happy ending among kind-hearted people draws some to the songs. Others are able to sympathize with the criminal's plight due to their own family experiences. However, young people's curiosity about the strange and dismal prison life has also helped to spread the popularity of such songs.

In a broader sense, cultural changes have stimulated consumers' overall musical tastes. The expansion of Chinese spiritual and mundane experiences has been accompanied by variety in the popular music market.

In the late 70s, tape recorders became more available to Chinese families and listening to pop music became a favorite pastime. From then until 1986, hits by singers from Hong Kong and Taiwan, as well as some foreign vocalists, with their great endearments and prevailing gloom, dominated the pop music market for some time.

In 1986, music-lovers were impressed by a theme song from the Chinese TV series *Monk Dao Ji*, and tastes became more upbeat. This series told tales about the travels of a raggedy, 12th century ascetic. This monk with uncombed hair, a dirty face and patched clothes had a good heart. His humour, his satire on officials and deeds of helping those in need won him the nickname of "living Buddha Ji Gong."

Later, listeners' patriotic sentiments roused admiration for the nation's frontier guards, and "songs of the battlefields" became popular. *The Moon of the Fifteenth* and *Heroic Elegance* may be typical examples. Both songs express the longing, hope, encouragement and understanding between soldiers and their family members.

Then, in 1988, a northwest wind swept new songs into the pop music field. These folk songs blended modern rhythms with the

New Tastes Opt for Pop Tunes

In recent months, mainlanders are turning their ears to a new kind of sad songs. These vocal laments, called "jail tunes," are in vogue because they, like all popular music, cater to the universal ever-changing tastes of the cultural consumer.

Most of the "jail songs" tell the tales of young criminals who, from behind prison bars, voice their remorse to loved ones. These tunes, similar to folk songs from the northeast, include such hit titles as *Regretful Tears*, *My Old Mother*, and *A Crime Condemned by History*.

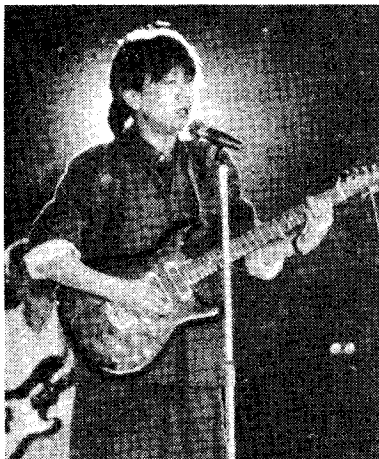
All in all, the songs' sound effects create a somber and repressive atmosphere. The siren of a police car shrieks and shackles clank as a sorrowful confession is sung to the accompanying moan of wind and storm.

Some singers, such as Chi

Zhiqiang, a former film actor, were in the news when they committed crimes and were jailed. Because of this, "jail songs" roused the attention of youths, who are a majority among pop music fans. It is estimated that "jail-song" tapes, published by several recording and video companies, have surpassed ten million in number. These do not include dubbings or copyrights.

The popular distribution of "jail songs" first puzzled music circles. They now ponder why these tapes with hackneyed tunes and simple words can be so widely spread, in spite of low-quality production (about half are recorded by private tape producers).

Some regard the appeal of such songs as psychological. "A prodigal son who mends his way is more precious than gold" is a



LU QIN

China's number-one rock-and-roll singer Cui Jian is singing his own work "I Am Penniless."

tunes of folk songs from north China. Adding hoarse cries to lyrics created distinct sounds that are both harmonious and free. Theme songs from the film *Red Sorghum* and the TV series *The City Covered With Snow* are of this type. The film *Red Sorghum* captured the Golden Bear prize at the international film festival held in Federal Republic of Germany.

Tapes of *Red Sorghum* music have been distributed by the largest state-owned recording company, the China Record Company. Cassette sales have peaked at 700,000 and the sales volume for similar music published by this company soared to more than 100,000.

Now the fan's rage has turned to "jail songs." Music critics widely contend that this, too, is a fleeting musical fancy.

Authoritative people in the music circle think that the appearance of "jail songs" shows that the day when professional composers can impose one song or one type of song on people will never come. Neither is it wise to neglect the pop music style of plain words and easily sung tunes, to try to "raise" the artistic standards, or

to stifle this type of modern creative expression.

Most contemporary hits have been composed by amateurs. This fact challenges music professionals. One way for them to meet this is for professionals to start tuning in and writing their own pop songs. The success of one such innovative composer Gu Jianfen exemplifies this.

The popularity of "jail songs" also testifies to the fact that songs which cause no immoral social effects can be really successful. This shows progress. Just as consumers now have the freedom to choose their favourite necessities, they likewise can cull cultural goods, such as song recordings, to suit their changing tastes.

by Li Li

Official's Chair Makes a Comeback

Most Chinese today are drawn to modern, Western-style furniture, but some are beginning to look back into their heritage and show an increasing interest in equipping their homes with more traditional furniture, among which *Taishiyi*—a hardwood arm-chair of traditional style—is a longed-for luxury item, costing over 1,000 yuan for a pair, as compared to about 300 yuan for two ordinary sofa chairs.

Besides their artistic value, the unquestionable durability of hardwood furniture is viewed as an advantage by many Chinese.

In Beijing's Forbidden City, all the chairs are in perfect condition though they are more than a century old. The more frequently one of these chairs is used, the smoother its surface becomes. And with Chinese lacquer coating or fine wax, the chairs are immune to accidental and rough contact such as hot water or cigarette burns.

Literally, *Taishiyi* means prime minister's chair. It is said the chair was first designed for the treacherous prime minister Qin Hui in the Song Dynasty (960-1279).

As depicted in a Song Dynasty painting, *Evening Return From A Spring Trek*, the prime minister rides on a horse on his way back from a day-long pleasure trip in the fair season of spring, followed by a dozen servants who are carrying everything he needed on the trip including a *Taishiyi*.

The *Taishiyi* then was a collapsible wooden chair with a wheel-shaped back and a lotus-shaped head support. Its seat was a net of strong strings, most probably strips of animal skins.

Such a chair was off limits to the common man at that time.

The *Taishiyi* lost its complicated lotus-shaped head support and collapsible structure by the Ming Dynasty (1368-1644)—the high point of Chinese traditional furniture making.

The Ming Dynasty armchair became harder, no longer collapsible and without a head support. But the wheel-shaped back and the name *Taishiyi* remained.

After completing the woodwork, craftsmen applied Chinese lacquer to the chair to make it even more graceful. The lacquer surface is coated with tung oil and then wax. Patterns were painted directly on the black or red surface.

Taishiyi became highly popular in the Qing Dynasty (1644-1911), when it changed into a more solid shape with straight lines. The back stiffened into a flat hard screen with paintings or relief on it. The legs of the chair were also finely carved. Uncomfortable as it is by modern standards, a person sitting on it usually had a dignified appearance with his back straightened, head up and hands rested on the square arms of the *Taishiyi*. ■



Chrysanthemum.

Watercolour Paintings by Wu Yuanmou

Wu Yuanmou was born in 1936 in Zhejiang Province. He now teaches in Jining Vocational Normal School there. Here are two of his still-life watercolour paintings.

Dahlias.



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