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Premier Li Peng
Visits Three
South Asian
Nations

TRAVEL NOTES
—QINGHAI

The Fifth Plenum of the
13th CPC Central
Committee



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COVER: A Tibetan woman of Qinghai Province making butter.	

by Xu Xiangjun

Deng Xiaoping Resigns

□ The Fifth Plenary Session of the 13th Central Committee of the Communist Party of China was held recently in Beijing. Deng Xiaoping's request to resign has been accepted. His letter to the CPC Central Committee, CPC Central Committee's decision on Deng's resignation. A communique of the session calls for the whole Party to improve economy and further reforms (pp. 15-23).

Premier Li Visits 3 Countries in South Asia

□ Premier Li Peng traveled to Pakistan, Bangladesh and Nepal and exchanged views on bilateral relations and international issues with the three leaders. The Premier's visit will further promote good-neighbourly relations and mutual co-operation and it will be helpful to peace and stability of the South Asian region (p. 4).

Law Against Unfair Competition to Be Adopted

□ China is planning to adopt legislative measures against unfair competition, an International Symposium on Protection Against Unfair Competition has been told. "A relevant law is urgently needed," says Peng Chong, vice-chairman of the NPC Standing Committee (p. 7).

Bush, Gorbachev to Meet in December

□ The rapidly changing international situation, especially that in Eastern Europe, has prompted George Bush and Mikhail Gorbachev to hold an informal summit meeting in December to enhance mutual understanding and further bilateral ties (p. 11).

Qinghai Province's Bright Future

□ Qinghai, northwest China, is one of the country's most dynamic provinces. It boasts the unique, though little known nationality of the Tu, Minhe County's successful anti-poverty campaign and the boom city of Golmud, transportation gateway to both Qarhan Salt Lake, the country's largest, and Tibet (p. 24).

Unless written by Beijing Review correspondents, the opinions expressed in signed articles do not necessarily reflect the view of the Beijing Review editorial board.

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Li Peng Tours Three South Asian Nations

By Our Guest Commentator Song Deheng

Chinese Premier Li Peng visits Pakistan, Bangladesh and Nepal between November 14 and 21 at the invitation of the leaders of those countries.

As our South Asian neighbours, Pakistan, Bangladesh and Nepal all have a tradition of friendship and co-operation with our nation. Like China, the three countries have a history of enslavement and exploitation at the hands of foreign countries.

Today, all four nations belong to the third world, facing the tasks of improving their economies, building their countries and bettering their citizens' livelihood.

China, Pakistan, Bangladesh and Nepal observe the Five Principles of Peaceful Coexistence, a founding for all four nations to rise above their differences in social systems and ideology.

In recent years our relations with Pakistan, Bangladesh and Nepal have further developed.

Pakistan's Benazir Bhutto paid her first official visit to China after she took office as prime minister last December. Bangladesh President Hossain Mohammad Ershad has paid five visits to our country, the last one a year ago in November. Nepal's King Birendra Bir Bikram Shah Dev has visited China six times.

The mutual visits of leaders of all four countries have promoted co-operative relations.

China with Pakistan, Bangladesh and Nepal have co-operated in trade, science and technology and culture. Bilateral trade between our country and Pakistan amounted to US\$360 million in 1987 and greatly increased last year. This year the two countries extended a trade protocol to 1990, and signed an agreement aimed at avoiding double taxation and income tax evasion.

In recent years China and Bangladesh

have signed agreements on economic, scientific and technological co-operation, ocean transport and long-term trade. The two countries have set up a joint economic committee. This year Chinese engineers and technical workers helped Bangladesh build the Bangladesh-China Friendship Bridge, and the China-Bangladesh Friendship Primary School in Beijing was completely funded by Bangladesh.

China and Nepal have co-operated in transportation, paper-making and textiles. Bilateral trade has also increased.

As China is adjacent to the South Asian region, there has always been a consistent government policy. While developing bilateral relations, the Chinese government hopes South Asian countries will respect each other and have friendly relations to ensure peace and stability in the region. Peace and stability are necessary to carry out China's Four Modernizations policy (agriculture, industry, national defence and science and technology) and are also in the interests of the South Asian nations. Premier Li's visit to Pakistan, Bangladesh and Nepal embodies our government's policy towards South Asia. We deeply believe his visit will further strengthen friendly relations with Pakistan, Bangladesh and Nepal and promote peace and stability in South Asia.

Premier Li's message to the three countries was a sincere wish for the success of the South Asian Association for Regional Co-operation. He hoped the group, composed of seven nations in the area including Pakistan, Bangladesh and Nepal, would play a bigger role in developing their economies and promoting harmony and mutual beneficial co-operation among South Asian nations. At the same time he hoped it would make significant contributions to peace, stability and prosperity in the region. □



The Fifth Plenum of the 13th CPC Central Committee is held in Beijing from November 6 to 9.

WU JIANGUO

Deng Retires, Jiang Appointed Military Chief

The Communist Party of China (CPC) endorsed veteran leader Deng Xiaoping's resignation November 9 from his last Party post as chairman of the CPC Central Committee Military Commission. It also approved a decision on furthering economic revamping and reforms in China.

A communique issued by the Fifth Plenum of the 13th CPC Central Committee said that proceeding from the fundamental interests of the Party and state, Deng Xiaoping resigned from his present post while he is still healthy, and thus realized his wish of retiring from the leading posts, showing the broad-mindedness of a great proletarian revolutionary.

The Party's plenary session set a high value on Deng's great contribution to the country.

As early as 1980, Deng proposed the need to reform the leadership system of the Party and state. He suggested they adhere to collective leadership and oppose the over-concentration of power. He advocated the abolition of the life-long tenure of leading posts and the establishment of a retirement system.

In his letter of resignation, Deng said he would also put forward his request to the National People's Congress to resign his last official post as chairman of the State Military Commission.

On November 9, Deng met at the Great Hall of the People in Beijing with all members who attended the Fifth Plenary Session of the 13th CPC Central Committee. He expressed his gratitude to his comrades for their understanding and support in accepting his request to resign.

The plenary session also approved a decision to appoint Party General Secretary Jiang Zemin as the new chairman of the CPC Central Committee Military Commission.

By the same decision, Yang Shangkun is first vice-chairman of the Military Commission, Liu Huaqing, vice-chairman of the commission, and Yang Baibing, secretary-general of the commission.

The plenary session also decided that Yang Baibing becomes a new member of the secretariat of the CPC Central Committee.

The communique also said that the plenary session deliberated and adopted the CPC Central Committee's decision on further improving the economic environment and straightening out the economic order and furthering reforms.

"The session pointed out that in the past 10 years following the Third Plenary Session of the 11th Party Central Committee, we have taken economic construction as the central task, adhered to the Four Cardinal Principles and to the policy of reform and opening to the outside world," the communique said.

"Our national economy has developed in a sustained way, the economic strength of the country has been remarkably improved, the life of the urban and rural residents has been obviously bettered, great achievements have been made in various undertakings and the whole country has undergone profound historical changes," it added.

Deng Meets Henry Kissinger

Deng Xiaoping met former US Secretary of State Henry Kissinger in Beijing on November 10, a day after the announcement of Deng's retirement from his last Party post.

"You probably know that I have retired," Deng told Kissinger, who is in China at the invitation of the Chinese Foreign Ministry. "China needs to institute a system to abolish the life-long tenure of holding leading positions. China enjoys stability now and I am fully reassured."

Deng has just resigned as chairman of the Military Commission of the Central Committee of the Communist Party of China (CPC). His application for resignation was approved by the Fifth Plenary Session of the 13th CPC Central Committee which met between November 6 and 9.

Kissinger said he learned of Deng's retirement the day before but added that Deng would never be without great influence.

When Deng asked Kissinger whether he was against his retirement, Kissinger replied "I support it. You are still, I believe,

However, the communique admitted that at present there are also many problems and difficulties in the course of progress of the country's economy. "These problems and difficulties have accumulated over the years," it said. "As far as the nature of our present difficulties are concerned, they are difficulties caused by the pace of our progress and are only temporary ones which we are entirely capable of overcoming."

The communique also said that the current Party's policy on improving and rectifying the national economic environment and straightening out the economic order was correct (for details see PP. 15-23). □

playing an important role in the future of China, just as you did in the past."

Deng said that he is still a citizen of China and still a member of the Communist Party of China.

"As an ordinary citizen and Party member, I have both the duty and right to play my role as required," Deng said. "You are no longer US Secretary of State, but you are still busy with international affairs."

"Also as an ordinary citizen," Kissinger added, noting that he also knew Deng was the architect of many reforms in China.

Deng told his guest during their 90-minute meeting in the Great Hall of the People that this was his first meeting with a foreign guest since his retirement. "You look very vigorous," Kissinger said.

"I'm still in good health," Deng said with a smile. "After all, I am over 85 and one cannot go against the law of nature. However, my mind is still clear."

Kissinger said Deng was one of the few statesmen he knew who

had always done more than he promised and had brought major changes to China.

At a November 8 banquet to honour Kissinger, Chinese Foreign Minister Qian Qichen expressed the hope of a speedy end to the dispute between China and the United States.

China has worked very hard to protect Sino-US relations, Qian said. However, "things do not depend on our side alone," Qian added. "We expect the United States government to take the initiative."

In his reply, Kissinger noted that some people in the United States feel that China should make the first move in the present situation, while some in China feel the US should move first.

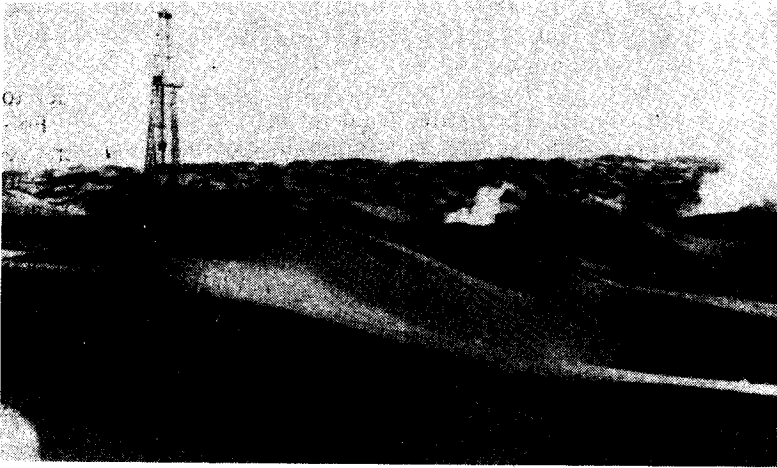
In his opinion, Kissinger said, given their mutual interest in stability and peace, both countries should take steps together to put relations on to a smoother path.

Kissinger also met Communist Party General Secretary Jiang Zemin, Premier Li Peng and President Yang Shangkun in separate meetings on November 9. □

Tarim Basin, A Promising Oil Resource

An exploratory oil well drilled in the Central Tarim Basin in Northwest China's Xinjiang Uygur Autonomous Region has found oil and natural gas flows of industrial development value. This has proved some geologists' belief that the basin contains extremely large deposits.

According to the China National Petroleum Corporation, the Tazhong No. 1 exploratory well had a daily output of 576 cubic metres of oil and 360,000



The Tazhong No.1 test well in the middle of the Taklamakan Dessert.

LI GUANGKUAN

cubic metres of natural gas when it was drilled to a depth of 3,700 metres. Drilling began in May.

Corporation spokesman Wu Zongying said a 117-metre-thick oil stratum bearing light crude has been discovered.

This discovery illustrates there are rich oil and natural gas resources in the Tarim Basin and a large oil-gas field is expected to be found there, Wu said.

Located in the southern part of Xinjiang and surrounded by the Tianshan, Kunlun and Altun mountains, the Tarim Basin covers an area of 560,000 square kilometres. It holds the world's second largest shifting desert, the Taklamakan.

Oil exploration in the basin began in the early 1950s. But big deposits were not found until the 1980s.

The most important discovery by geologists, in understanding the basin's structures and oil-pool formations, is that it is China's biggest marine sedimentary basin, said Wang Qiuming, chief geologist of the Tarim Oil Exploration Headquarters.

All the big oil fields in China currently being explored, however, are continental deposit strata, Wang added.

He believes that the Tarim marine oil-bearing stratum will

possibly turn out to be the biggest high yield oil and natural gas field in China.

So far an oil-bearing geological structure of 8,200 square kilometres has been found in the middle of the basin. The Tazhong No. 1 test well is located in this area.

Li Gansheng, chief engineer of the Exploration Department of the China National Petroleum Corporation, said that the seismic data prove that Tarim's oil resources account for one-seventh of the national total and the natural gas resources, one-fourth of the national total.

China is expected to invest up to 1.5 billion yuan in 1989-1990 in a large-scale oil exploration and development programme in the basin. □

China Deals With Unfair Competition

To improve the country's economic environment, China's National People's Congress (NPC) is planning to adopt legislative measures against unfair competition, said Peng Chong, vice-chairman of the NPC Standing Committee, on November 3.

China's reform policy has al-

lowed the country to change its over-centralized economic system, and over the past decade market regulation has played an active role in the national economy.

The national economy has been invigorated, competition stimulated, the modernization drive accelerated and people's living standards improved. However, cases of unfair competition have cropped up, Peng said at the opening ceremony in Beijing of an International Symposium on Protection Against Unfair Competition.

One of the major reasons for the widespread bribery and other forms of unfair competition in China today is that the country has not yet established an administrative system that is suited to China's planned commodity economy, Peng said. A relevant law is urgently needed, he added.

China is strengthening legislation in this field because of its own need to guard against unfair competition in its economy.

The symposium is designed to gather experiences from other countries in protecting businesses against unfair competition.

Gu Ming, chairman of the China Economic Law Research Institute (CELRI), listed several forms of unfair competition in China. They include counterfeiting, marketing of products of inferior quality, violation of patents and copyright laws, deception, violation of proprietary rights of technology and trade secrets, market monopolization and protectionism.

"We are working on a law on protection against unfair competition," said Gu.

The symposium is jointly sponsored by the CELRI, the State Administration for Industry and Commerce, the legislation bureau under the State Council and the World Intellectual Property Organization (WIPO). WIPO director-general Dr. Ar-

pad Bogsch proposed holding the symposium, which was supported by the United Nations Development Program.

"There are at least two advantages for China to draw up the law," Dr. Bogsch said. "First, it will bring about a better environment for competition among Chinese enterprises, and secondly, China can enjoy better conditions in international trade." □

Actors, Actresses Evading Taxes

Chinese film star Liu Xiaoqing paid a hefty fine recently for evading taxes. She gave the Qingdao City Tax Bureau in Shandong Province more than 16,800 yuan, which included the fine and the taxes she evaded when she performed in seven cities and provinces from February to July last year.

Famous Chinese comedian Ma Ji was fined 2,000 yuan for withholding some of his income while reporting and paying his taxes.

China's tax bureaux have been working hard to strictly enforce the tax law. They are paying particular attention to strengthening the management of actors and actresses and make sure that they pay their income tax. This emphasis is to eliminate the unfairness in social distribution.

During an inspection by the government of the West City District of Beijing on performers' tax payments, it was found that 50 performers were evading taxes. They had to pay more than 60,000 yuan in compensation. The inspection checked performers in theatre troupes including the well-known China Broadcasting Art Ensemble.

In recent years, many actors, actresses and singers have performed in their spare time at events organized by middlemen. Therefore, their income came from many different sources and

not just from their salary as in the past. The investigation showed that some singing stars could earn about 3,000 yuan by singing in one concert. The figure is equal to a professor's income of a year and a half or a worker's income of two and a half years. Some performers with nationwide reputation can earn thousands of yuan by participating in just one such performance.

Literary and art performers should be paid for their performances, a tax official said. But, there is a wide gap between their income and the work they actually claim to do. Some performers even demanded overly high payments.

China started to collect individual income taxes in 1987. The "Provisional Regulations of Individual Income Taxation in the People's Republic of China" stipulate that anyone whose total monthly income is three times or more above the fixed figure in his region must pay income tax.

Since it was revealed early this year that the singing star Mao Aming evaded 150,000 yuan in taxes, more actors, actresses, singers and other performers have been found committing tax evasion. □

News In Brief

Gold Stocks Increase

China increased its gold output by 40 percent in September and October, compared with the same period last year, or by 11 percent over the previous two months, *China Daily* reported on November 9.

This signals the possibility that gold production this year may exceed the average annual increase which has run at 10 percent for the last decade.

Mao's Hometown Sees More Tourists

Shaoshan Village, the late

Chairman Mao Zedong's hometown in Hunan Province, saw 62,000 tourists in October, doubling the figure of September, said an official of the Administration of Shaoshan.

Last year Shaoshan received 600,000 tourists and from January to October this year it had greeted more than 400,000, a little more than that in the same period last year.

Since Shaoshan was opened to tourists in 1952, it has received more than 130,000 overseas tourists.

Snail Fever Threatens 100 Million People

The incidence of snail fever has risen again in 373 counties along the lower reaches of the Changjiang (Yangtze) River, especially in Hunan, Hubei, Jiangxi, Anhui and Jiangsu provinces, according to the *People's Daily* on November 8.

In 110 counties where snail fever is rampant patients are estimated to number 1 million. Those in the advanced stages of the disease number about 40,000. About 100 million people are threatened by the fever.

The central and local governments are to conduct a five-year programme to combat the parasitic disease.

Fang Loses Academy Membership

Fang Lizhi was recently stripped of the highest academic title in China, membership in the distinguished Chinese Academy of Sciences (CAS). Fang was elected a member of the division of mathematics and physics of CAS in 1980.

A statement issued by the CAS on November 9 said that Fang's activities have harmed China's state interests and the country's scientific cause, and nullified his qualifications to enjoy the title in the fields of science and technology. □

Cut in Conventional Arms Hopeful in Europe

by Nanbei and Bu Ran

Negotiators have entered into the all-important fourth round of talks to reduce conventional weapons in Europe.

For six weeks beginning November 9 negotiators from 23 nations were expected to discuss specifics in reducing the number of troops, tank, artillery and other non-nuclear weapons.

Arms reduction talks between North Atlantic Treaty Organization (NATO) and Warsaw Pact countries were slated to take place four times this year. Negotiations began in March, and the third round ended recently on October 19. The talks have come at a time when the international situation has experienced many changes — military hostility between the East and West has eased, but political unrest and economic hardships have increased in various countries.

NATO and Warsaw Pact countries are attempting to improve security conditions and cut the huge cost of the arms race by sharply reducing East-West conventional forces in Europe.

Progress

Remarkable progress has been achieved in the first three rounds of talks. Those achievements are as follows:

1. A decision has been made on which weapons to reduce. They are conventional weapons used by armies and air forces, and nuclear and conventional dual-purpose weapons. Those include cannons, tanks, armoured personnel carriers, troops, fighter jets and helicopters.

2. Both sides have agreed on the type of cannon to be reduced. When the first round of talks began on March 9, NATO suggested a ceiling of 16,000 cannons. Warsaw Pact countries responded

with a higher figure of 24,000. Both sides refused to change their numbers. Later military experts found that the two sides differed in their definition of a cannon. The Warsaw Pact proposal included cannons with barrel apertures of less than 100 millimetres while NATO only counted cannons with apertures over 100 millimetres. In the third round of talks the Warsaw Pact decided to accept the NATO definition and only cannons above 100 millimetres would be taken into account, with the exception of defensive anti-tank cannons.

3. Both sides have largely agreed on conventional stabilizing measures. On September 21, NATO presented proposals on exchanging military information, restricting military manoeuvres, verification and non-circumvention. More specifically, if either side holds military manoeuvres involving more than 600 tanks, 400 cannons and 1,200 armoured personnel carriers and lasting for more than 14 days, the other side should be given 42 days' advance notice; no more than 40,000 soldiers and officers can be engaged in military manoeuvres in the region between the Atlantic Ocean and the Ural Mountains, and tanks are restricted to less than 800; each side may hold one military exercise every two years that would not be bound by the above-mentioned figures; permanent checks of military facilities, weapons, the reduction process and stabilizing measures should be conducted. The main points of NATO's proposals have been accepted by the Warsaw Pact.

Dispute

However, there are still a few snags, the key one being arms

reserves. According to a proposal by the Warsaw Pact during the third round of talks, the 5,800 tanks of the United States and Britain and their cannons and armoured personnel carriers in European frontline countries should be included in the number of weapons allowed to be possessed by NATO. That would mean a reduction of those weapons, including 4,000 US tanks. If this happened, the capacity for rapid deployment of US troop reinforcements in Europe would be greatly reduced, and the effectiveness of the "flexible response strategy" would be non-existent. NATO could not accept this clause. Therefore, NATO suggested that both sides should lock away their arms reserves in Central Europe and put them under the control of non-military personnel. This would enable NATO to retain its "forward defence" strategy and maintain the status quo of its arms reserves in Central Europe. The proposal was rejected by the Warsaw Pact countries.

Another problem is the reduction of military aircraft. At first, the Warsaw Pact believed the talks were aimed only at eliminating the capacity to launch surprise attacks and refused to take its huge anti-aircraft forces into account. However, on September 28, the Warsaw Pact agreed to the reduction of Su-22 and MiG-27 fighter jets. But it excluded anti-aircraft interceptors, land-based naval aircraft and trainers, which NATO thought would be included because of their dual-purpose defence-offence capacities. Moreover, NATO members Britain and France, which maintain independent nuclear forces, resolutely opposed a reduction in aircraft having nuclear and conventional

capabilities.

A third problem is the differing views on how many conventional weapons each country can possess. The Soviet Union favours a limit of 14,000 tanks or 70 percent of the total possessed by each side, and 18,000 armoured personnel carriers, or 64 percent of the total; the US favours 12,000 tanks and 16,800 armoured personnel carriers, both 60 percent of the total. Because the share of the Soviet Union's military forces in the Warsaw Pact is much larger than the United States in NATO, the Warsaw Pact tried to increase the number of weapons for a single country to raise whole bloc's military strength.

There are also differences on the number of troops to be deployed in Europe. NATO proposed to confine the number of US and Soviet troops in Europe to 275,000, while the Warsaw Pact suggested 350,000. However, the number proposed by the Warsaw Pact only included ground forces, which meant tens of thousands of Soviet air force personnel in Europe was excluded. On the other hand, NATO neglected to include more than 100,000 troops from Britain, France, the Netherlands, Belgium and Canada stationed in West Germany. The Warsaw Pact felt this oversight was completely unfair.

A final stumbling block is on-site verification. NATO insisted that all troops removed by both sides be demobilized and weapons destroyed. But neither side has worked out a concrete proposal on how to check whether these measures have been carried out.

The two sides also differ over the division of disarmament zones. The range of disarmament zones proposed by Warsaw Pact is wider than what NATO proposed. NATO proposed to establish four zones along West Germany, the Netherlands, Belgium,

Luxembourg, Democratic Germany, Poland and Czechoslovakia while the Warsaw Pact wanted Britain, France and the Baltic Sea region of the Soviet Union added. Given its "forward defence" strategy, NATO does not want to see the disarmament zones expanded to include Britain and France.

Prospects

Despite numerous disputes during the talks, prospects are bright. Disarmament experts are hopeful that the fourth round of talks will produce an overall draft treaty on the reduction of conventional forces in Europe. Provided there are no serious setbacks, a final agreement should be reached in about a year. The reasons for such optimism include:

1. A solid foundation has been put in place. During preparatory talks between February 1987 and January 1989, the two sides reached an agreement in principle on what the talks hoped to achieve. Issues included the geographical zones of disarmament, the principles of disarmament and the methods of verification. The agreement ended the squabbling of the "Mutual Balanced Forces Reduction" talks that stretched over 15 years in Vienna.

2. Both sides are positive. The Warsaw Pact headed by the Soviet Union has adopted a positive and flexible attitude. It has decided to reduce its armed forces unilaterally and has made some concessions in the talks. There is every indication that it is eagerly promoting the talks. NATO, after re-examining the Soviet Union's intentions, changed from its passive attitude in former talks and actively presented proposals, even making some concessions to the Warsaw Pact in some areas. This change in attitude will play a constructive role in

later talks.

3. Security interests come into play. Although NATO, especially its West European members, is aware that the threat from the Soviet Union and Eastern Europe has been reduced, it still worries that if reforms in the Soviet Union fail, it will be threatened again. As a result, NATO is eager to grasp the current opportunity to reduce the superiority of the Warsaw Pact's conventional forces, reduce the level of military confrontation in Europe and improve the security environment. As for the Soviet Union and other Warsaw Pact countries, they also want an improved security environment in which they can carry out their reforms.

4. Economic interests play a major role. Both NATO and the Warsaw Pact must make enormous defence expenditures to maintain their current conventional forces. Because most Western European NATO countries are devoting themselves to the integration of Europe into a single market in 1992, they prefer to spend money on economic development rather than defence. Many Americans are dissatisfied that the US spends 40 percent of its military budget on defence in Europe. As for the Warsaw Pact, the Soviet Union, Poland, Hungary and other East European countries are badly in need of capital, materials and labour to carry out economic reforms. Therefore, reaching an agreement on reducing conventional forces in Europe is advantageous to everyone.

5. Arms reduction would facilitate modernization of equipment for troops on both sides. The arms race has been accelerating since World War II, resulting in large stocks of obsolete equipment. Reaching an agreement would see both sides get rid of obsolete equipment and arm their troops with up-to-date weaponry.

In general, both NATO and the Warsaw Pact have their own interests in the talks being successful. Therefore some of the traditional barriers will be removed. However, because the basic world strategic pattern re-

mains unchanged and both Washington and Moscow want to conduct the talks to their advantage, just how many achievements will be reached will depend on the bargaining prowess of both sides. □

Bush, Gorbachev to Meet In December

by Zheng Ren

With a view to preventing the rapidly changing situation in the world, especially in Eastern Europe, from affecting Soviet-American relations, US President George Bush and Soviet President Mikhail Gorbachev will hold an informal summit meeting December 2 and 3 on warships in the Mediterranean Sea.

The mid-water meeting, announced simultaneously in Moscow and Washington, is to be held one day on an American ship and the other on a Soviet vessel.

Earlier, the two countries agreed to hold a formal summit meeting in the United States late next spring or early summer. The difference between the two summits, according to US officials, is that the formal one will concentrate on arms control, regional conflicts and requires several months' preparation. The informal meeting will have no fixed agenda. Instead there will be an exchange of views on the current international situation and the prospects for further improving US-Soviet relations on the basis of enhanced mutual understanding.

Many factors contributed to the forthcoming summit. In recent months, the international situation, especially that of East-

ern Europe, has undergone historical changes. Political reform in Hungary has led to the change of names of the Hungarian Socialist Worker's Party and the Hungarian People's Republic and, in Poland, the establishment of a Solidarity-led government. Recently, the German Democratic Republic and other East European countries have shown signs of political changes. In the Soviet Union, the reform programme initiated by Gorbachev has also met with great difficulties, with ethnic conflicts, an increasing shortage of food, and mounting conservative pressure topping the list of problems. Both the United States and the Soviet Union hope the informal summit will provide first-hand information on the other side's views.

The announcement of the informal summit comes at a time when the United States is adjusting its policy towards the Soviet Union. For quite some time the United States has been keeping a wary eye on Gorbachev's *perestroika* and arms control initiatives. Consequently the United States appeared hesitant and reluctant in dealing with Soviet proposals. This over-cautious attitude has aroused disagreement and criticism both at home and abroad.

Many US scholars and politicians believe that now is an historic moment in US-Soviet relations and that the "cold war" is basically over. They argue that the United States should seize the opportunity and encourage Moscow to go further down the road of detente. Some Congressmen are urging Bush to demonstrate more flexibility in responding to the dramatic changes in the Soviet Union and especially in other East European countries, including Hungary and Poland.

Since becoming president, Bush has urged the US government to re-examine Washington's foreign policy, in particular the policy towards the Soviet Union. As a result, the policy of "beyond containment" to promote "peaceful evolution" in Eastern Europe and the Soviet Union has been advanced.

It is reported that the re-examination has finally convinced Washington that Gorbachev is serious in reforming his country and that a reform-minded and reconciliatory Gorbachev in power is in Washington's interests.

As a result, in the past few months Washington has adopted a more active position towards Moscow's *perestroika* and arms control initiatives. Washington tends to believe that the United States should support Gorbachev and promote his reform drive rather than sit idly by. For example, Bush changed his mind several times on whether to hold a summit meeting with Gorbachev. Last July Bush toured Poland and Hungary, and made no mention of a future meeting. But after the economic summit meeting of the seven major Western industrial countries in Paris, later in July, he proposed holding a meeting to Gorbachev. The Soviet leader responded promptly that he would be interested. However, it was not until late

September when Soviet Foreign Minister Eduard Shevardnadze visited Washington and talked with Bush and Secretary of State James Baker that both sides agreed on an informal meeting.

At a hastily called press conference on October 31, Bush explained that he changed his mind because he had consulted with allies and gained their support and that drastic changes had tak-

en place in Eastern Europe.

Bush, in the capacity of president-elect, met Gorbachev last December when the Soviet leader came to New York to attend the United Nations. Many analysts believe the informal summit will enhance mutual understanding between the two leaders and, hopefully, pave the way for further arms cuts and better bilateral relations. □

Egypt, Libya Improve Relations

by Fu Bailin

Relations between Egypt and Libya have improved dramatically after two rounds of talks between Egyptian President Hosni Mubarak and Libyan leader Muammar Gaddafi.

Gaddafi crossed the Libyan-Egyptian border and met with Mubarak in the Egyptian border town of Mersa Matruh on October 16. It was the first meeting between the leaders of the two countries since diplomatic relations were severed on December 5, 1977, one month after then-Egyptian President Anwar Sadat broke Arab ranks and visited Israel to pursue a Mideast peace agreement.

At a press conference afterwards Gaddafi said Libya and Egypt would follow similar policies, hold frequent meetings and work for the benefit of the people of both countries. Mubarak said the two countries have moved towards normalizing relations.

The following day Mubarak met Gaddafi in the Libyan border town of Tobruk. The two agreed to open official bureaus in each other's capitals. They also announced 15 co-operative projects, indicating improvement

in their relations.

Relations between the two neighbours, usually stormy since Gaddafi came to power 20 years ago, plunged to an all-time low in 1977 when a brief border war broke out. After Sadat's visit to Israel, Gaddafi was a leading force in the Arab "rejectionist front," which froze diplomatic relations with Egypt. Then, after Egypt and Israel signed the Camp David accords in 1979, Libya severed relations in protest as did most other Arab countries.

During their talks Gaddafi and Mubarak stressed the importance of strengthening Arab unity. The past 10 years have proven that division among the Arab world is unfavourable to the Arab people, they said, noting that more and more Arab leaders are recognizing the importance of unity. In Morocco in May, Egypt finally rejoined the Arab League, creating a favourable climate for an historic meeting between Mubarak and Gaddafi and Syrian President Hafiz al-Assad. Syria, too, had broken off relations with Egypt after the signing of the Camp David accords.

In recent years Libya has been

changing the direction of its foreign policy and has held talks with various countries to improve relations. After ending its war with Chad last year, Libya expressed its willingness to be reconciled with Britain. On several occasions Gaddafi said he was ready to engage in dialogue with Libya's arch foe, the United States.

During the meeting of Arab nations in Casablanca, Libya adopted a positive attitude towards the Palestine Liberation Organization's (PLO) peace plan for the Middle East, improved relations with Iraq and achieved mutual reconciliation with Egypt. Libya and Egypt agreed to put aside their differences and reach for the common goal of a united Arab world.

After the meeting, Gaddafi said a decade of disunity among Arab nations "taught us not to fall into the trap of division."

"The entire world should listen to the voice of the Arabs, the voice of peace and unity," Gaddafi said.

He also stressed that the Arab world should close ranks to face foreign challenges. Mubarak shared Gaddafi's conviction that Arab solidarity should transcend any dispute. And he dismissed any barriers to the development of Egyptian-Libyan relations. Both countries agreed on Arab and PLO issues. Although their approaches to the issues in the past had differed, their common goal today is the Arab cause, the Egyptian leader said.

The 15 co-operative projects announced in their joint communiqué involved industry, agriculture, trade, communications, electricity and construction. In the past, Libya was a market for Egyptian commodities and labour. After 1977, Libya twice drove away Egyptian labourers in 1982 and 1985, resulting in huge financial losses for Egypt.

On the other hand, Egypt withdrew a large number of technical workers, hurting Libya's economic development.

Gaddafi has said his country's economy must be revised to conform to Libyan society. He has also advocated a united Arab bloc to safeguard Arab interests.

With the trend towards reconciliation among Arab nations following the Casablanca summit, Egyptian-Libyan co-operation has progressed rapidly. At the end of May the two countries reopened their borders and restored naval and air links. Frequent visits and consultations between delegations of both countries resulted in establishing the foundation for economic co-operation.

Egyptians and Libyans do not need visas to travel to each other's country; only identity cards are required. Experts estimate 240,000 Libyans may travel to Egypt each year. That's expected to boost the Egyptian economy by more than US\$1 billion.

Chedli Klibi, secretary-general of the Arab League, praised the Egyptian and Libyan leaders for taking steps towards normalizing relations and closing Arab ranks.

Observers in Cairo maintain that after the 12-year estrangement the process towards normal relations between Egypt and Libya will take time. However, the meetings between Mubarak and Gaddafi prove that despite their differences, it is possible for Arab countries to co-operate and improve relations.

Gaddafi said that the rift between Egypt and Libya led to confusion in the Arab world, and patching up this rift will help to restore Arab unity.

The wind of reconciliation continues to blow and relations between Egypt and Syria have also improved. Syria will likely join Libya in resuming diplomatic relations with Egypt in the future. □

India: Developing Economic Diplomacy for the 1990s

by Zhao Weiwen

Faced with many economic challenges, Indian Prime Minister Rajiv Gandhi has stressed that India should meet these challenges and participate in international competition. India has embarked on a policy to increase its role in the international market, giving priority to the development of exports and economic diplomacy.

India has two goals: First, it must consolidate its economic relations with Western Europe to avoid a financial beating in 1992 when Western Europe's unified market is established.

Western Europe is the main target of India's foreign trade, and also an important channel for India to import high technology, machinery and weapons. Of the 12 countries that assist India nine are West European nations. They provided assistance worth 39.987 billion rupees between 1980 and 1987, accounting for 14.5 percent of the total foreign assistance received by India during that period. The European Community's trade with India reached 93.453 billion rupees (US\$7.3 billion) in 1986-1987, 15.5 times that of 1970-1971. Of India's exports, 22.2 percent is provided to the European Community, with two-thirds given preferential treatment. Britain, West Germany and

France have pledged to buy more of India's products to reduce its unfavourable trade balance and increase transfers of Western technology. Since 1980 Britain has provided India with a grant of 12 billion rupees which accounts for 52 percent of all the grants India has received. West Germany has become India's fourth largest trading partner and country offering assistance. In recent years, its investment in India has ranked second following the United States, but it moved up to first place in the first half of this year, accounting for 56 percent of the total. West Germany has also been permitted to build submarines in India. France has also developed close relations with India. It has indicated its willingness to conduct technological co-operative ventures, including manufacturing light aircraft, building nuclear power stations, and, possibly, developing air-to-air missiles.

Second, India must develop economic relations with the United States and the Asian-Pacific region.

India expects vigorous development of the economies in the Asian-Pacific region in the next 10 to 15 years, and feels it should participate in and share the benefits. However, India has shown no interest in various economic co-operative or-

ganizations proposed by the United States, Japan or Australia. It regards the situation in the Asian-Pacific region as complicated. Therefore cooperative organizations would be difficult to form, and it would be better to develop bilateral relations.

India wants to strengthen its trade relations with the United States. In the past, the United States provided the most assistance of any country to India in the form of grain. But, American assistance was greatly reduced when India became self-sufficient in grain. From 1985 to 1988, the United States was India's largest investor, its investment totalling US\$662 million. After a settlement was reached over the poison gas leak by Union Carbide in Bhopal, which left thousands dead, American companies increased their efforts to invest. DuPont, the US chemical giant, alone has applied to launch three projects with an investment of US\$200 million. According to a US newspaper, if this momentum continues, India will become one of the countries that will see a rapid development of commercial relations with the United States in the 1990s. Currently, the United States is India's largest trading partner. Last year's trade volume was US\$5.5 billion, with India's favourable trade balance at US\$800 million.

India also wants Japan to increase its trade and development assistance. Between 1985 and 1988, Japan permitted 310 billion yen in assistance, more than 3.5 times the amount in the previous four years. In 1986-1987, India's trade with Japan increased to 10 percent

of its total foreign trade volume from 5 percent in the early 1980s, putting Japan in second place in India's foreign trade. India's unfavourable trade balance with Japan has also been greatly reduced. Japanese investment in India has rapidly increased. Total investment by Japan from 1981 to 1986, excluding 1982, reached 440 million rupees. But in 1987 alone, investment reached 1.08 billion rupees, and in the first half of 1988 nearly 2 billion rupees. Last March, a Japanese economic delegation visited India to discuss middle- and long-term development assistance, co-operation and how to go about implementing the plan.

India has also stepped up its efforts to open the markets of the Association of Southeast Asian Nations, with Thailand and Singapore the prime targets. New Delhi plans to setup a steel mill and a pharmaceutical factory in Thailand, with a total investment of US\$330 million. It has also explored the possibility of establishing joint ventures in Thailand. In late March, Thai Prime Minister Chatichai Choonhavan visited India for the first time, and the two sides signed an agreement on co-operation in extracting Thailand's oil and natural gas. Bilateral trade volume increased from 630 million rupees in 1980 to 5.5 billion rupees (about US\$350 million) in 1988. Both countries plan to raise the volume to US\$1 billion by 1992.

In November last year India and Singapore exchanged visits by delegations of industrialists. Singapore wants to serve as a springboard for India's goods and services to enter the Far

Eastern market and hoped India could act as a go-between for Singapore's trade with Eastern Europe. New Delhi, on the other hand, hopes Singapore can help it export goods.

India's economic links with South Korea have also improved. Bilateral trade volume in 1987 was only US\$40 million, but in 1988 it soared to US\$650 million. India hopes that its software base can be integrated with Seoul's hardware and the finished goods can be exported to third countries.

Last February Australian Prime Minister Bob Hawke visited India and both leaders signed memoranda on mutual co-operation in electronics, meteorology and railway.

To further strengthen its economic ties with the Asian-Pacific region, India is planning to promote economic development in its eastern area first, with its "Eighth Five Year Plan" due to start next year. The first step is to modernize the State of West Bengal, especially the city of Calcutta. It also plans to build a free port like Hong Kong along the coast adjacent to Thailand and Indonesia.

Traditional ties with the Soviet Union has yielded more benefits. Moscow has reportedly promised to provide 7.7 billion roubles to New Delhi in aid. Both countries have agreed that Moscow will help India build 50 new projects and set up 55 more joint ventures.

This year many third world countries hope that India will invest and set up factories in their countries. Among them are Malta, Trinidad and Tobago, Mauritius, Cyprus, Algeria and Cuba. □

Communique of Fifth Plenary Session Of 13th CPC Central Committee

(Adopted on November 9, 1989)

The Fifth Plenary Session of the 13th Central Committee of the Communist Party of China (CPC) was held in Beijing from November 6 through 9, 1989.

Before the session was convened, the Political Bureau of the CPC Central Committee held a central working conference from October 30 through November 3 at which the present economic problems in China were seriously reviewed and studied.

The session deliberated and adopted the CPC Central Committee's decision on further improving the economic environment and straightening out the economic order and deepening the reform.

The session pointed out that in the past ten years following the Third Plenary Session of the 11th Party Central Committee, we have taken economic construction as the central task, adhered to the four cardinal principles and to the

policy of reform and opening to the outside world. Our national economy has developed in a sustained way, the economic strength of the country has been enhanced remarkably, the life of the urban and rural residents has been obviously improved, great achievements have been made in various undertakings and the whole country has undergone profound historical changes. At the same time, there are also many problems and difficulties in the course of progress of our country's economy. These problems and difficulties have been accumulated over the years. As far as the nature of our present difficulties are concerned, they are difficulties in the course of advance and temporary ones and conditions are entirely present for overcoming them.

The plenary session held that the decision made at the Third Plenary Session of the 13th Party Central Committee on improving the national economic environment and straightening

Fifth from left to right Wan Li, Song Ping, Qiao Shi, Jiang Zemin, Li Peng, Yao Yilin and Li Ruihuan on the rostrum of the Fifth Plenary Session of the 13th Party Central Committee. WU JIGUO



out the economic order was correct. After a year's efforts, initial result has been achieved in the work: Excessively high industrial growth rate has slowed down, a fairly good harvest has been obtained in agriculture, investment in fixed assets has been brought under control to a certain extent, the tendency of price-rise has begun to ease, withdrawal of money from circulation has been good and the national economy has continued to grow. The session believed that to continue to carry out in an unswerving way the principle of improving the economic environment and straightening out the economic order and furthering the reform is the fundamental way of overcoming present economic difficulties and achieving a sustained, steady and co-ordinated development of the national economy.

The session decided to basically complete the task of improving the economic environment and straightening out the economic order in three years (including this year) or a little longer period of time. The main targets are: to gradually slow down the inflation rate and to gradually bring the national rate of retail price-rise under 10 percent; to avert the situation in which the issue of currency exceeds the economic growth and to gradually achieve a compatibility between the amount of currency issued in a year with the rational needs of that year's economic growth; to strive for a balance of revenue and expenditure and gradually wipe out financial deficits; to maintain appropriate economic growth rate on the basis of intensified effort to improve economic efficiency, economic quality and the scientific and technological level and strive for an average annual growth rate of gross national product from five to six percent; to improve the irrational economic structure and strive for the gradual increase in the supply of major agricultural products and the gradual mitigation of the shortage of energy and raw materials supplies and inadequacy of transportation facilities; and to further deepen and improve various reform measures and gradually establish a macro-economic control system which is in line with the principle of combining planned economy with market regulation and which comprehensively employs economic, administrative and legal means.

The session emphatically pointed out that whether during the period of economic rectification or after this task is completed, it is essential to always persist in the long-term policy of sustained, stable and harmonious economic development, which is the most important experience and lesson gained from reviewing China's economic construction over the four decades. We must

at all times adhere to the approach of proceeding from China's basic conditions, firmly embrace the idea of a sustained, stable and harmonious development as our guiding thought, firmly prevent the one-sided pursuit of excessive rate of development and always place the constant improvement of economic efficiency on the top of the economic work.

The session called for grasping four important links in the endeavor to improve the economic environment and straighten out the economic order: 1. Continued efforts should be made to cut the total social demand, persistently carry out the policy of tightening control over finance, credits and loans, resolve the problem of earmarking an excessive proportion of the national income for consumption, and be determined to lead a thrifty life for several years. 2. Vigorous efforts should be made to readjust the industrial structure, increase the effective supply, and strengthen the staying power of economic development. In particular, it is essential to swiftly bring about a high tide throughout the Party and the nation of paying great attention to, supporting and developing agriculture in a concerted effort to promote the development of agriculture and ensure the stable increase of the main agricultural products such as grains and cotton. 3. Effective steps should be taken to straighten out the economic order and great efforts should be made to screen and rectify various kinds of companies, particularly those engaged in circulation, so as to overcome the serious confusion in the realms of production, construction, circulation and distribution. 4. The campaign of increasing production and practising economy, of increasing revenue and cutting expenditure should be deepened. It is necessary to make hard efforts to improve management of enterprises, tap internal potentiality, raise their scientific and technological standards, and adopt an economic development strategy with less input, more output, high quality and better economic results.

The session stressed that the reform of China's economic structure is a self-perfection of the socialist economic system. It is imperative to correctly understand and handle the relationship between economic rectification and deepening of reforms. The rectification will not only create necessary conditions for healthy, in-depth reform, but it itself also needs the support of the reforms. During the period in which efforts are concentrated on the rectification, reforms should center around the latter and serve it. Indifference towards rectification means indifference towards the reform. At present, priorities should be given

to in-depth reform and perfection of enterprise contracted production responsibility system, financial contracted system, monetary system and foreign trade contracted system. It is imperative to continue to persist in the policy of opening to the outside world, boldly absorb foreign investment and import advanced technology while effectively expanding foreign trade and economic and technical exchanges. The basic policies and measures adopted for the special economic zones and coastal open regions remain unchanged and will be further perfected in practice.

The session noted that the Party must bring into full play its political advantages and strengthen the Party's leadership over rectification and in-depth reform. Party organizations at various levels should help Party cadres to have a correct understanding of the present economic situation and be fully aware of the favorable conditions for overcoming the difficulties, build up confidence, and get united for hard struggle. It is imperative to firmly foster the idea of taking the whole country as a whole, subordinating the interest of a part to that of the whole, strengthen organizational discipline and resolutely oppose decentralism. It is imperative to overcome corruptions and earnestly strengthen the effort for a clean government and improved style of work. Leading officials at various levels must follow the mass line, improve the work style, serve the people wholeheartedly, take the lead in the struggle against all kinds of corruptions. Great efforts must be made to enhance the Party's ideological-political work, continue the education on adhering to the four cardinal principles and the struggle against bourgeois liberalization over a long period of time.

The session discussed and adopted "the decision of the Fifth Plenary Session of the 13th Central Committee of the Communist Party of China endorsing Comrade Deng Xiaoping's resignation from the chairmanship of the CPC Central Committee Military Commission."

The session held that proceeding from the fundamental interests of the Party and state, Comrade Deng Xiaoping resigned from his present post while he is still in good health, and thus realized his years-long wish of completely retir-



Deng Xiaoping cordially shakes hands with Jiang Zemin.

WANG XINQING

ing from leading posts, showing the broad-mindedness of a great proletarian revolutionary. All comrades attending the plenary session paid high respects to him for setting an example in earnestly abolishing the life-long tenure of leading posts.

The session highly evaluated Comrade Deng Xiaoping's outstanding service to our Party and state. Comrade Deng Xiaoping is an acknowledged outstanding leader of the Chinese people of all nationalities who enjoys high prestige, and he has made significant contributions in various historical periods of the revolution and construction led by the Party. Especially following the Third Plenary Session of the Party's 11th Central Committee, Comrade Deng Xiaoping became the nucleus of the second-generation leading collective of our Party. In the past ten years, Deng Xiaoping is worthy of being the chief architect in all aspects of our Party's and army's work, in economic construction, reform and opening to the outside world and in the work for a peaceful reunification of the motherland and in China's foreign affairs. Under the powerful guidance of the leading collective with him as the nucleus, the people of our country have made achievements of world attention in the socialist modernization programme, thus creating a new period

in the annals of socialist New China. The revolutionary practice in the past decades has shown that Comrade Deng Xiaoping is worthy of an outstanding Marxist, a staunch Communist, a brilliant proletarian revolutionary, statesman, military strategist and a long-tested leader of our Party, state and army.

The session pointed out that the series of views and theories Comrade Deng Xiaoping has advanced in line with the principle of combining Marxism-Leninism with China's practice and especially his basic theory on building socialism with Chinese characteristics constitute an important component of Mao Zedong Thought; they have inherited and developed Mao Zedong Thought under new historical conditions and are the valuable ideological wealth of the Chinese Communist Party and the Chinese people. The session urged the whole Party to earnestly study Comrade Deng Xiaoping's works so that they will play an important guiding role in the great process of socialist modernization of our country in the years to come.

On the basis of full deliberation, the session decided that Comrade Jiang Zemin be chairman of the Military Commission of the CPC Central Committee, Comrade Yang Shangkun first vice-chairman of the Military Commission, Comrade

Liu Huaqing vice-chairman of the Military Commission, and Comrade Yang Baibing secretary-general of the Military Commission; the session also decided that Comrade Yang Baibing is made a member of the Secretariat of the CPC Central Committee.

Attending the session were 167 full members and 106 alternate members of the Central Committee. Attending the session as observers were 183 members of the Central Advisory Commission, 67 members of the Central Commission for Discipline Inspection, and 53 leading comrades of relevant departments. Comrade Jiang Zemin, general secretary of the CPC Central Committee, made an important speech at the close of the session.

The session called on the whole Party and people of all nationalities throughout the country to rally closely around the Party Central Committee with Comrade Jiang Zemin as its nucleus and work with full confidence and concerted efforts, carry forward the glorious traditions of self-reliance, working hard to build up the country and sharing weal and woe, and strive unremittently to overcome the temporary economic difficulties, realize the strategic goal of quadrupling China's GNP by the turn of this century and push forward the great cause of building socialism with Chinese characteristics! □

CPC Central Committee Decision on Deng's Resignation

The Fifth Plenary Session of the 13th CPC Central Committee, after earnest discussion, decided to endorse Comrade Deng Xiaoping's resignation from the chairmanship of the Military Commission of the CPC Central Committee.

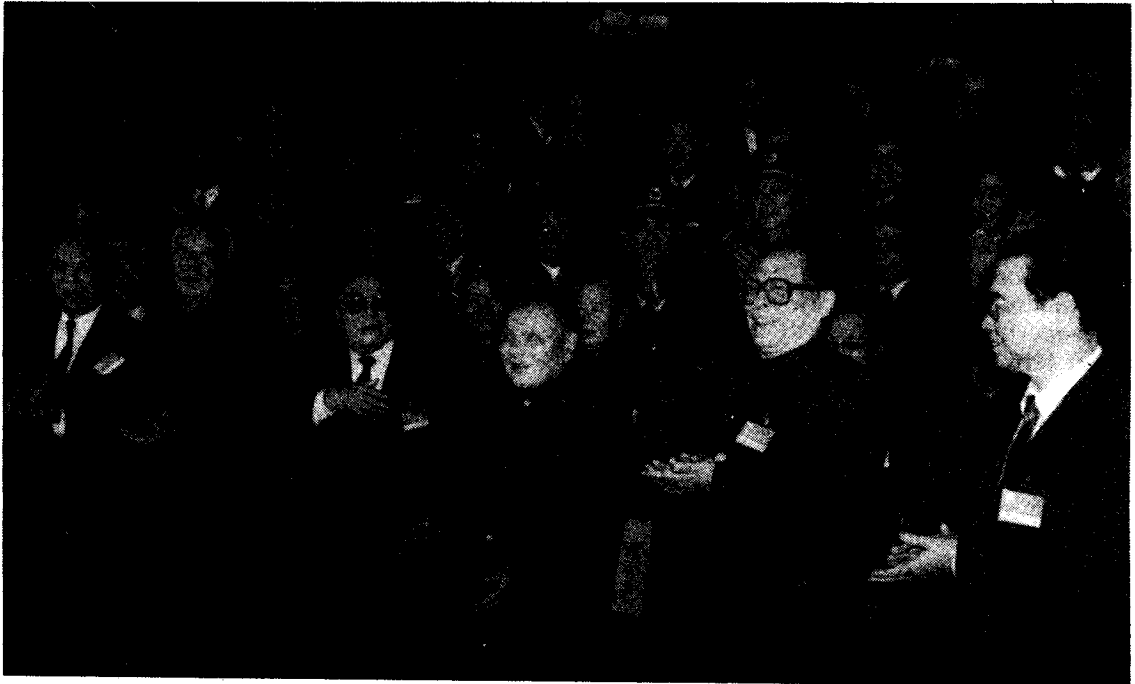
Comrade Deng Xiaoping is an acknowledged outstanding leader of the people of all nationalities in China who enjoys high prestige, and he has rendered tremendous contributions in all historical periods of the revolution and construction led by the Party.

Comrade Deng Xiaoping is one of the first members and activists of our Party. He was in charge of political work among the revolutionary army during the period of the First Revolutionary Civil War. In the period of the Second Revolutionary Civil War, he launched and led the Base and Longzhou uprisings, founded the Seventh and Eighth Armies of the Chinese Red

Army and established the Youjiang and Zuojiang revolutionary base areas; in the central revolutionary base area and during the Long March, he implemented the correct line represented by Comrade Mao Zedong.

During the War of Resistance Against Japan, he and Comrade Liu Bocheng led troops to set up the Shanxi-Hebei-Shandong-Henan base area and, working in co-ordination with other anti-Japanese bases behind the enemy line, recovered large tracts of land occupied by Japanese invaders. Later, he became acting secretary of the Northern Bureau of the CPC Central Committee and took charge of the headquarters of the Eighth Route Army, and under very difficult circumstances took upon himself the heavy task of guiding the Anti-Japanese bases behind the enemy line in north China.

In the period of the Liberation War, he and Comrade Liu Bocheng, displaying dauntless



On November 9, Deng Xiaoping accompanied by Jiang Zemin, Yang Shangkun, Li Peng, Wan Li and Yao Yilin met all comrades attending the Fifth Plenary Session of the 13th Party Central Committee.

TANG MENGZONG

heroism, firmly carried out Comrade Mao Zedong's strategic decision of switching from fighting on interior lines to fighting on exterior lines, and led their troops across the Huanghe (Yellow) River and onto central China. Then, he became the secretary of the General Front Committee of the CPC and, together with leaders of the second and third field armies, directed the Huaihai campaign and the campaign of crossing the Changjiang (Yangtze) River, resulting in the liberation of Nanjing, Shanghai and the provinces in southeast China. Following on this, he led troops to liberate the vast areas of southwest China.

Comrade Deng Xiaoping performed indelible feats in winning independence of the nation and the liberation of the people and in founding New China.

After the founding of New China, Comrade Deng Xiaoping guided the work in all of southwest China region and served, after the Party's Eighth National Congress, as general secretary of the CPC Central Committee for ten successive years as a member of the Party's central leading collective with Comrade Mao Zedong as its nucleus. He worked with great efficiency in many fields, contributing significantly to the establishment of the socialist system and the unfolding of the socialist construction in our country.

He was stripped of all posts and subjected to undue criticism during the "cultural revolution."

After he was reinstated and especially after he took charge of the day-to-day work of the Party and the state early in 1975, he waged a tit-for-tat struggle against the "gang of four" and effected a marked turn for the better in the overall situation within a short span of time, winning the hearty support of the people throughout the country. Although he was again mistakenly removed from all posts in and outside the Party, the groundwork for smashing the "gang of four" had been laid among the masses both inside and outside the Party.

After the downfall of the "gang of four" and especially through the Third Plenary Session of the 11th Party Central Committee, Comrade Deng Xiaoping became the nucleus of our Party's second-generation leading collective. At that time, China was confronted with a very grave situation and arduous tasks: It had to extricate itself swiftly from the dire calamities wrought by the "cultural revolution" and moreover a new blueprint had to be charted for advance in the years to come. Comrade Deng Xiaoping lived up to the great expectations of the Party and the people. He, together with the comrades of the Party Central Committee, the Political Bureau and its Standing Committee, emancipated the mind and sought truth from facts, set things to right, carried forward the revolutionary cause and forged ahead into the future; he presided over the formulation of correct ideological, pol-

itical and organizational lines suited to China's conditions, advanced the basic theory of building socialism with Chinese characteristics, and persisted in and developed Mao Zedong Thought under new historical conditions. He resolutely put forward the important strategic decision of taking economic construction as the central task, calling for concentrated efforts to develop the productive forces. To ensure a correct direction for the modernization drive, he raised the question of adhering to the four cardinal principles in clear-cut terms (adherence to the socialist road, the people's democratic dictatorship, the Communist Party leadership and Marxism-Leninism and Mao Zedong Thought--Tr.). He unswervingly insisted that policies of reform and opening the country to the outside world must be followed in order to make China powerful and strong. He always attached importance to consolidating and developing political stability and unity, to expanding democracy and improving the legal system, to developing advanced socialist culture and ideology, and to making the ranks of cadres more politically aware, younger, better-educated and more professionally competent, respecting knowledge and the intellectuals.

In line with the changes in the international and domestic situation, he proposed for a strategic change in the thinking guiding the building of our army and made other important expositions about the army building in the new period. He has enriched and developed the Party's ideas of the united front in the new historical period.

To bring about a peaceful reunification of the motherland, he creatively advanced the concept of "one country, two systems." He has consistently adhered to an independent foreign policy of peace, advocating the Five Principles of Peaceful Coexistence as the norms for establishing a new world political and economic order.

It is under the powerful guidance of the leading collective with Comrade Deng Xiaoping as its nucleus that our country was able to tide over swift currents, steer clear of hidden shoals, steadily embark on a correct path of socialist modernization, and made achievements of world attention in the past decade, ushering in a new period in the history of socialist New China. Comrade Deng Xiaoping is worthy of being the chief architect in all aspects of our Party's and army's work, in economic construction, reform and opening to the outside world, and in the endeavour for a peaceful reunification of the motherland and in foreign affairs in the past decade.

Back in 1980, Comrade Deng Xiaoping called for the need to reform the leadership system of

the Party and the state, persisting in collective leadership and opposing over-concentration of power; he stood for abolishing the life-long tenure of leading posts and instituting a retirement system. On several occasions in recent years, he sincerely expressed the desire to retire. The Party Central Committee repeatedly weighed his desire and the views from both inside and outside the Party; it was decided and agreed at the Party's 13th National Congress that he is not included in the new Political Bureau and its Standing Committee nor in the new Central Committee and the new Central Advisory Commission. He retained the chairmanship of the Central Military Commission of the Party and the state and continued to render many important contributions in the effort to make our army more revolutionary, regular and modern. When consulted upon by the Party's central leading collective on major issues, he invariably offered his opinions and views and, together with other veteran comrades, firmly safeguarded the authority of the collective leadership of the Party Central Committee.

Since 1979, while stressing the need to make economic construction the central task and the need to persist in reforms and opening the country to the outside world, Comrade Deng Xiaoping has all along stressed the importance of adhering to the four cardinal principles and opposing bourgeois liberalization, deeming it the fundamental prerequisite to the realization of socialist modernization. A certain leading comrade acted against the Party Central Committee's consistent decisions on adhering to the four cardinal principles and opposing bourgeois liberalization, acted against the views of the majority of the central leadership, connived at, encouraged and supported bourgeois liberalization, and even at the time of emergency committed the mistake of backing turmoils and splitting the Party.

At the critical junction involving the life and death of the Party and the state, Comrade Deng Xiaoping and other revolutionaries of the older generation firmly supported the views of the majority of the Standing Committee of the Political Bureau of the Central Committee and stood squarely behind the serious political struggle to adopt resolute measures to quell the counter-revolutionary rebellion, so that the independence, dignity, security and stability of the People's Republic are preserved, and the cause of socialist construction, reforms and opening, socialist democracy and the socialist legal system can continue to be developed and improved. This will exert a far-reaching influence on the destiny and future of our Party and our country.

Despite personnel changes, the Party's central leading collective has been stable in the past decade and will remain so for a long time to come. The system of collective leadership of the Party Central Committee and the scientific and democratic procedure of decision-making of the Party and the state will be improved steadily. Our country's policies of reform and opening will be implemented with greater resolution, efficiency and result so as to attain the anticipated objectives.

Under the leadership of Comrade Deng Xiaoping, the Chinese People's Liberation Army (PLA) has made marked progress over the past decade or so in the effort to make it a more revolutionary, modern and regular army. In the struggle to check turmoils and quell the counter-revolutionary rebellion in Beijing earlier this year, the PLA again demonstrated its noble character of being loyal to the People's Republic, to the Party and to the people. It is the conviction of the Party Central Committee that the heroic PLA, nurtured by the Chinese Communist Party over a long time, will always keep and carry forward its glorious traditions and remain the bastion of iron of the Party and the country.

The plenary session highly evaluates Comrade Deng Xiaoping's outstanding service to our Party and country. Revolutionary practice over several decades shows that Comrade Deng Xiaoping is

worthy of an outstanding Marxist, a staunch Communist, a brilliant proletarian revolutionary, statesman and military strategist, and a long-tested leader of our Party and our country. The series of viewpoints and theories he has put forth under the principle of combining Marxism-Leninism with China's realities, constitute an important component of Mao Zedong Thought; they have inherited and developed Mao Zedong Thought under new historical conditions and are valuable ideological wealth of the Chinese Communist Party and the Chinese people. We must conscientiously study Comrade Deng Xiaoping's works so that they will play an important guiding role in the great process of our country's socialist modernization in the years to come.

The plenary session calls on all the members of the Communist Party, workers, farmers and intellectuals of all nationalities in the country, cadres at all levels, democratic parties, patriots in all circles and all PLA officers and men to rally closely around the Party Central Committee with Comrade Jiang Zemin as its nucleus and, guided by Marxism-Leninism and Mao Zedong Thought, adhere to the basic line, principles and policies of the Party formulated since the Third Plenary Session of the 11th Party Central Committee, review the past, look forward to the future, work with one heart and one mind, and strive unswervingly to build socialism with Chinese characteristics! □

Deng Xiaoping's Letter of Resignation to CPC Political Bureau

Political Bureau of the Party Central Committee:

I hereby request to the Central Committee to resign from my present post as chairman of the Military Commission of the CPC Central Committee.

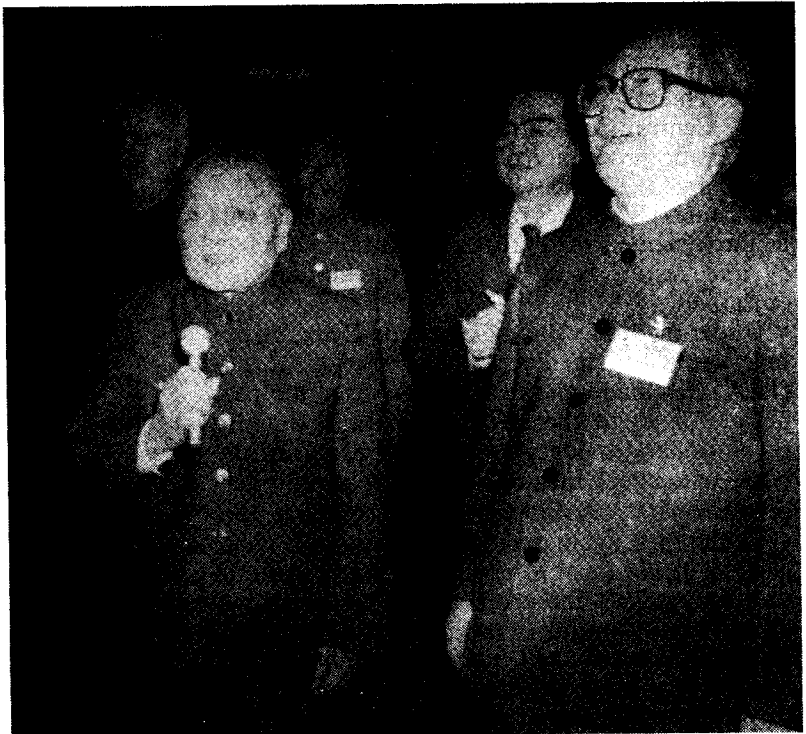
As early as in 1980, I proposed reforming the leadership system of the Party and state and abolishing the life-long tenure of leading posts. In recent years, many veteran comrades have quit the central leading posts one after another. In 1987, prior to the convocation of the Party's 13th National Congress, I expressed my desire to retire, in order to earnestly practise my proposal of abolishing the life-long tenure of leading posts. At that time, after repeated considerations of my opinion and the opinions from both inside and outside the Party, the Central Committee agreed to my resigning from the posts as a member of the

Political Bureau and its Standing Committee, of the CPC Central Committee, and as chairman of the Central Advisory Commission, and agreed to my retiring from the CPC Central Committee and the Central Advisory Commission altogether; it decided that I remain chairman of both the Party and state military commissions. Thereafter, when the central leading collective consulted me on major issues, I, on my part, have all along respected and supported the views of the majority of the central leading collective. However, I have insisted on not taking up day-to-day affairs and have been looking forward to completing the succession of the older generation by the younger generation as soon as possible and realizing my aspiration of completely retiring from the leading posts.

The Fourth Plenum of the 13th Party Central Committee elected a leading nucleus headed by

Comrade Jiang Zemin and it is now already carrying out its work effectively. After careful consideration, I wish to resign from the present post while I am still healthy so as to realize my long-cherished aspiration. This will be conducive to the cause of the Party, the state and the army. I sincerely hope the Central Committee will approve my request. I shall also put forward my request to the National People's Congress to resign as chairman of the State Military Commission.

As a veteran member of the Communist Party and senior citizen who has fought for the cause of communism and the independence, unity, construction and reform of the country for decades, my life belongs to the Party and the state. After I retire, I shall continue to be loyal to the cause of the Party and the state. The achievements our Party, our state and our army have made are the results of the endeavors of several generations. Our cause of reform and opening to the outside world has just started, we have arduous tasks ahead and there will be some twists and turns on our way of advance. But, I firmly believe that we will be able to overcome various difficulties and carry forward the cause pioneered by our predecessors



Deng Xiaoping and Jiang Zemin.

WANGXINQING

from generation to generation. Since the Chinese people have shown the ability to stand up, they will surely have the ability to ever stand firmly among the nations of the world.

Deng Xiaoping
September 4, 1989

Brief Biography of Liu Huaqing

Liu Huaqing, the new vice-chairman of the Military Commission of the Central Committee of the Communist Party of China (CPC), was born in October 1916 in Dawu County, Hubei Province.

He joined the Chinese Communist Youth League in October 1929 and became a member of the Chinese Communist Party in October 1935. He joined the Red Army in December 1930.

He worked as commander and political commissar of the Cadres Brigade of the 31st Army of the Red Army, chief secretary in the Headquarters of the 129th Division of the Eighth Route

Army and head of the Political Department of the Supplies Department of the Division, head of organization in the Political Department of the Southern Hebei Military Area Command and the Plains Military Area Command respectively, director of the Political Department of the 11th Army of the Third Corps of the Second Field Army, director of the Political Department of the Military and Political College of the Southwest China Military Area Command, deputy political commissar of the 10th Army of the Second Field Army, and deputy political commissar of the No. 1 Navy College.

From 1954 to 1958, he majored in navy commanding at the Voroshilov Navy Academy in Leningrad of the Soviet Union.

After 1958, he served as first vice-commander and chief of staff of the Lushun Base of the PLA Navy, deputy commander of the North China Sea Fleet of the Navy and commander of the Lushun Base, president of the Seventh Research Institute of the Ministry of National Defence, vice-minister of the Sixth Ministry of Machine-Building Industry, vice-minister of the Commission of Science, Technology and Industry for National Defence, deputy chief of staff of the navy, member of the Party Nucleus Leading Group of the Chinese



Jiang Zemin (top left), Yang Shangkun (top right), Liu Huaqing (bottom left) and Yang Baibing (bottom right).

Academy of Sciences, assistant to the chief of general staff of the PLA, deputy chief of general staff of the PLA, and commander of the navy.

He was member of the 12th Central Committee of the CPC

and deputy secretary-general of the Military Commission. He is now member of the Central Advisory Commission of the CPC, and member of the Central Military Commission of the People's Republic of China. □

Brief Biography of Yang Baibing

Yang Baibing, the new secretary-general of the Military Commission of the Central Committee of the Communist Party of China (CPC), was born in September 1920 in Tongnan County, Sichuan Province.

He joined the Chinese Communist Party in March 1938 and the Red Army in January the same year.

He studied at the Northern Shaanxi College, the Chinese People's Anti-Japanese Military and Political College and the

Party School of the CPC Central Committee, all in Yanan.

After 1944, he served as political assistant at the Yanan Liaison Office of the 129th Division of the Eighth Route Army, head of the organization Department of the Jingfu County Party Committee of the Dabieshan Second Sub-district, secretary of the Jingdong County Working Committee and political commissar of the County Brigade, section chief in the Political Department of the Central Plains Military Area Command, deputy head of organization in the Logistics Department of the Second Field Army, head of organization in the Logistics Department of the Southwest China Military Area Command, director of the Organization and the Cadres Departments of the Second Political Cadres School of the Chinese People's Liberation Army (PLA), deputy head of youth work in the Political Department of the Southwest China Military Area Command, and head of organization in the Political Department of the Chengdu Military Area Command.

He studied at the philosophy class at the Political Academy of the PLA in 1958 and 1959. He worked as deputy director of the Political Department of the Chengdu Military Area Command from 1960 to 1966.

Between 1966 and 1979, he was persecuted and imprisoned as a victim of the "cultural revolution."

After 1979, he served as deputy director of the Political Department of the Beijing Military Area Command, deputy political commissar and then political commissar of the command.

He is now director of the General Political Department of the PLA, member of the Central Military Commission of the People's Republic of China, and member of the 13th Central Committee of the CPC. □

Golmud—a New Plateau Town

by Our Staff Reporter Lu Yun

The new town of Golmud abruptly rose out of the Gobi Desert 2,800 metres above sea level when the area was still a land of lianas, reeds, floods and grassland, and no houses were seen on the plateau until the early 1950s even though herdsmen had travelled the land in search of pasture as early as 2,800 years ago. Golmud, with its many buildings, broad roads and trees, is now a big city on the plateau, second only to Xining, the provincial capital of Qinghai.

Golmud is beginning to take the shape of an industrial city. It has a population of 120,000, most of whom are builders who migrated from other parts of the country, an urban district of 17 square kilometres and an area under its jurisdiction of 125,000 square kilometres, about seven times larger than the area which falls under Beijing's jurisdiction.

A Wonderful View of Salt Lake

Situated on the southern fringe of the Qaidam Basin, Gol-

One view of Golmud city.

mud is rich in salt, copper, lead and zinc, gold, rock crystal, natural gas, coal and petroleum and is designated as one of the bases for the development of important resources of Qinghai Province. Not faraway, 60 kilometres to the north, the Qarhan Salt Lake, with its rich, high grade reserves, provides an abundant source of material for the development of the salt industry.

The lake, China's biggest natural salt lake, sits at 2,670 metres and has a total area of 5,856 square kilometres. Its sylvite and magnesium salt reserves amount to 60 billion tons, enough to supply the needs of the entire world population for more than 2,000 years.

Due to the year round arid climate and low rainfall, a hard salt cover, one to four metres deep, over which automobiles and trains may run and aeroplanes take-off and land, forms on the lake. The lakebed is so solid a foundation that sections of the Xining-Golmud Railway, the Xining-Golmud Highway and the Golmud-Dunhuang (known

as the Mogao Grottos) Highway are able to traverse it.

On first entering the area, people sometimes see a salt-paved highway, known as the "salt bridge" on the lakebed. The highway, ten metres wide and stretching 32 kilometres as it crosses the lake, was formed by road-builders smashing the salt cover, scooping out the bittern and then pouring it over the roadbed, leaving the salt to solidify. The result was a highway so smooth and level that people feel no bumps as they ride along in their automobiles, but on which at high speeds, a motor vehicle can easily slip off and turn over because of its sheen-like pavement. As a precaution, signposts on the bridge clearly post the maximum speed per hour at 80 kilometres. Road maintenance on the lakebed is also quite unlike what is normally expected. Workers put salt in the hollows of the road, then pour some bittern over it, and after the salt and bittern solidify, the road is as good as new.

The reason why the highway is called a "salt bridge" is that there's a layer of blue bittern mixed with white salt crystals under a top layer of salt. Below this layer there is a mixture of sand, soil and cobblestone, under which fresh water is located.

Workers do not need to "dig" for salt. After breaking through the upper salt layer, they may then load and transport salts directly from the bittern. In each salt ditch about four metres wide and 500 metres long, the bittern, after removing the salts, may entirely evaporate within three months and leave a new salt deposit. In one year, workers can



XU XIANGJUN

remove salt from the same ditch two times.

Another eye-opener of the Qarhan Salt Lake is the workers' houses; sturdy, durable, hot and cold-resistant, they are entirely made of salt.

Qarhan Salt Lake's rich mineral resources include sylvite, magnesium, sodium, lithium, boron and iodine, but its most valuable asset to date has been its use. In the late 1950s, builders from all over the country were able to manufacture with indigenous methods the first batch of potash fertilizer. Now, the first phase of a large-scale modern potash fertilizer factory has been completed and can produce 200,000 tons annually. The factory, with 3,500 workers and staff members, including 700 specialized technicians, will also produce potassium chloride, bischofite, carnallite, industrial sodium salts and edible low sodium salts. In addition, facilities to make potassium sulfate, magnesium products, magnesium sands and lithium salts are under development.

The factory's operation has reduced the amount of foreign currency the government spends on importing potash fertilizer from abroad each year. However, it does use foreign equipment, and all of its imported pieces of

The salt highway.



Temporary housing for workers are made of salt.

XU XIANGJUN

American equipment, including four belt filter machines, have been running well. Mr Robert C. Emmett, a senior engineer from the United States who was at the factory, recently expressed the opinion that due to the workers' strenuous efforts, the factory would be a success. Once fully operation, it will be able to produce 1 million tons of potash fertilizer annually.

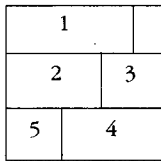
The Communications Hub

Golmud, the transportation hub of the Qinghai-Tibet Highway, every day sees a large quantity of goods and materials for Tibet shipped to Lhasa.

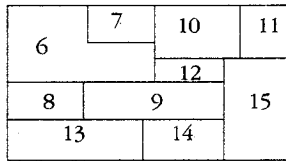
XU XIANGJUN

To co-ordinate the transportation needs, the Tibet Autonomous Region has a large office in Golmud. Yang Qingfan, a person of Han nationality who came from Gansu Province in 1953, is the office director. The socio-economy of Tibet under the serf system was very backward. When Tibet was peacefully liberated in 1951, there were no highways, a situation posing severe difficulties to moving materials and goods into Tibet. To deal with this, according to Yang, the office first arranged for more than 20,000 camels to transport materials and goods. The round-trip which took half year during which time three-fourths of the camels died. As a result, the Chinese government decided to build a highway from Golmud to Lhasa, a project happened by thin air and the adverse climate in the Qinghai-Tibet Plateau. Despite the many hardships, the builders were successful. The completion of the Qinghai-Tibet Highway, and of the section from Xining to Golmud of the Qinghai-Tibet Railway, have made Golmud an important communications hub, linking Tibet with the hinterland. Now, 85 percent of materials and goods entering Tibet are transported by way of Golmud.

Qinghai Province

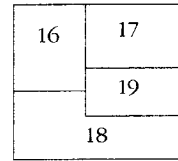


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Qinghai, a province of west China, is located in the northern part of the Qinghai-Tibet Plateau, "the roof of the world." Its terrain varies from high mountains to vast prairies, contains China's largest saltwater lake and is the source of China's two most famous rivers—the Changjiang (Yangtze River) and Huanghe (Yellow River). Qinghai is rich in natural resources, and its scenery is beautiful. Recently, our staff reporter, Xu Xiangjun, visited the region where historical poverty and backwardness have disappeared and great progress has been made. His photos give readers and friends a clear impression of an area full of legendary colour.—Ed.

1. Qinghai Province has the most saltwater lakes in China and is a major source of table salt. Salt is so abundant that there are salt roads and salt houses. The Cherhan Lake, with an area of 5,800 square kilometres, is China's biggest salt mineral deposit as a source of potassium and magnesium and is helping to build up China's salt chemical industry. Above is a view of carnallite—the raw material from which potassium chloride is refined.

2. The Chaka Salt Lake above is just one small area of the "Salt Kingdom."

3. China's first large-scale production enterprise for potassium salt. At present part of the project is in operation. The annual output of potassium chloride will reach 1 million tons once the project is in full operation.

4. Qinghai Province teems with hydroelectric power. Six stair-formed electric power stations with an installed capacity above 1 million kilowatts can be built on the 280-km-long riverbed of the upper reaches of the Huanghe River. Above is the Longyang Hydroelectric Power Station, the first of the 15 stair-formed electric power stations planned for development on the upper reaches of the Huanghe River. Currently under construction, its main dam is 178 metres high installed capacity of 1.28 million kilowatts and its annual generating capacity is 6 billion kwh.

5. Water from Qinghai's ice and snow can generate electricity for production and daily life of farmers and herdsmen. At the same time, the sight of snow-capped mountains and ice peaks make clear the wonders of Qinghai Province.

6. Grasslands make up 96 percent of Qinghai's total area. Qinghai has more than 20 million animals such as sheep, horses, yaks, donkeys and camels. In addition to its use for grazing, the pastureland along the Qinghai Lake attracts many tourists.

7. Yaks have very strong resistance to the cold of the plateau and can carry heavy weights. Their use as pack animals and their ability to easily travel the thin-air high mountains won them the title of "the boat on the plateau."

8. Minority nationalities, the Tibetan, Mongolian, Tu, Hui and Shala, live in compact communities in Qinghai, and by paying a visit to Qinghai, one can learn about their charming customs and living conditions. The Tibetan people, who raise livestock as their main means of livelihood, now use brick houses in their settlements although they still use traditional tents when herding.

9. People of the Mongolian nationality still live in their unique, portable yurts. The present furnishings inside the yurts, however, are more luxurious than before. They don't forget modernization as they maintain their traditions.

10. The Tu nationality lives mainly in a compact community within Qinghai and nearby Gansu Province and has a population of 160,000. They believe in Lamaism and engage in agriculture. At a dance, in which many people participate, people of the Tu nationality demonstrate their versatility at songs and dances.

11. The women of the Tu nationality have clever hands and are skilled in embroidery. Their pretty costumes and decorations are constantly changing and improving. The dress of the woman above, however, was popular half a century ago.

12. At present there are more than 3.8 million people of the Tibetan nationality in China. Besides Tibet, Qinghai Province is another region where they live in a compact community. There are five autonomous prefectures of the Tibetan nationality where the Tibetans enjoy the rights of regional national autonomy and freedom of religion. The Tibetan herdsman above explained to the reporter that he leads a very comfortable life.

13. Qinghai Province has made great progress in agriculture during the 40 years since the founding of New China. The terraced fields built by farmers show their willpower and resolution to harness nature.

14. The prairie scenery is colourful, particularly when flowers are in full blossom....

15. The exquisite dress and personal adornments of the Tibetan woman. The adornments are of silver, bronze, coral, agate, pearl and shell. A full adorned robe can weigh up to 20 kilogrammes.

16. The Taer Temple, the pride of Qinghai Province, is located 25 kilometres southwest of Xining, capital of Qinghai Province. A shrine of Lamaism, it is under state protection as a valuable historical and cultural monument. Originally built in 1560, rebuilt over hundreds of years, it gradually became a combination of Han and Tibetan style of palaces and temples, halls of sutra and Buddhist pagodas. Each year hundreds of thousands of people visit and pay pilgrimage.

Butter articles are unique works of art of the Tibetan nationality. The butter is edible fat refined and processed from cow and sheep milk. Though it can be used for lamps, the versatile Tibetan artists make it into all kinds of objet d'art. Nobody would probably recognize that this exquisite figure of Buddha is also made of butter.

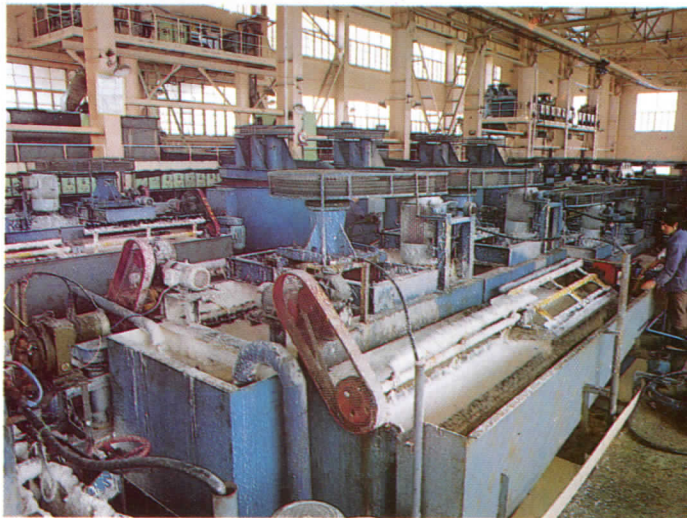
17. In the Taer Temple many lamas piously recite sutra in front of the wheel of turning sutra.

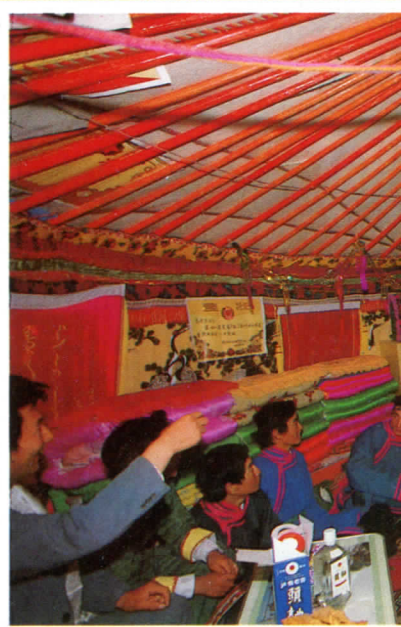
18. The temple, built in harmony with mountain terrain, is spectacular.

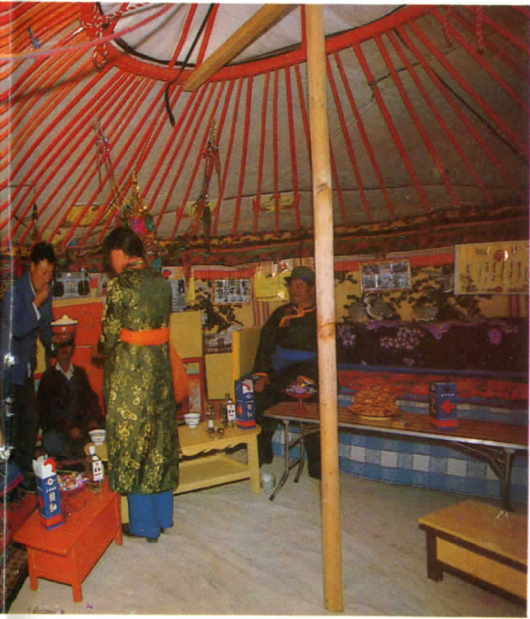
19. The eight Buddhist pagodas on the square in front of the temple are perhaps the most distinctive feature of the Taer Temple. The eight pagodas are in memory of the eight blessings received from Skt. Sakyamuni, the founder of Buddhism.

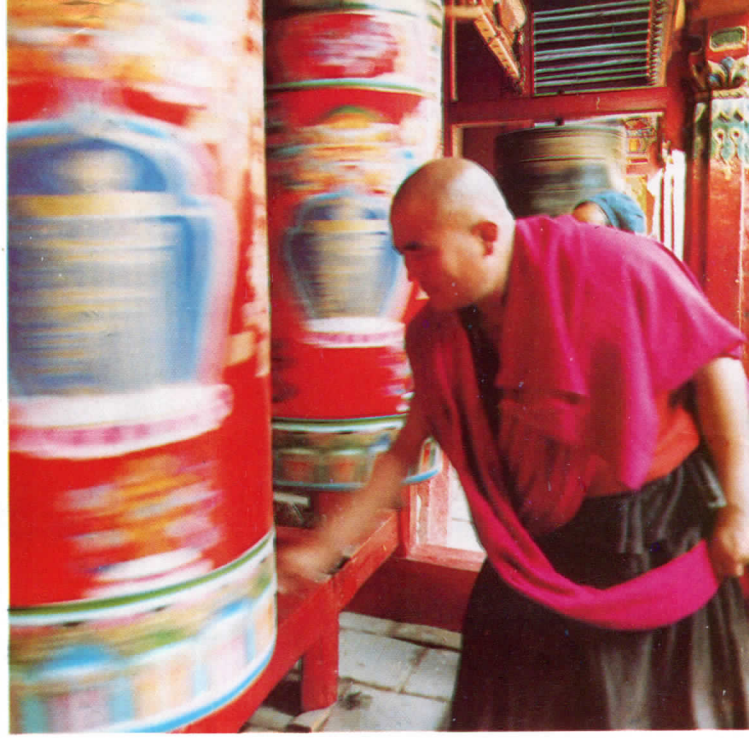
QINGHAI

Photos by Xu Xiangjun

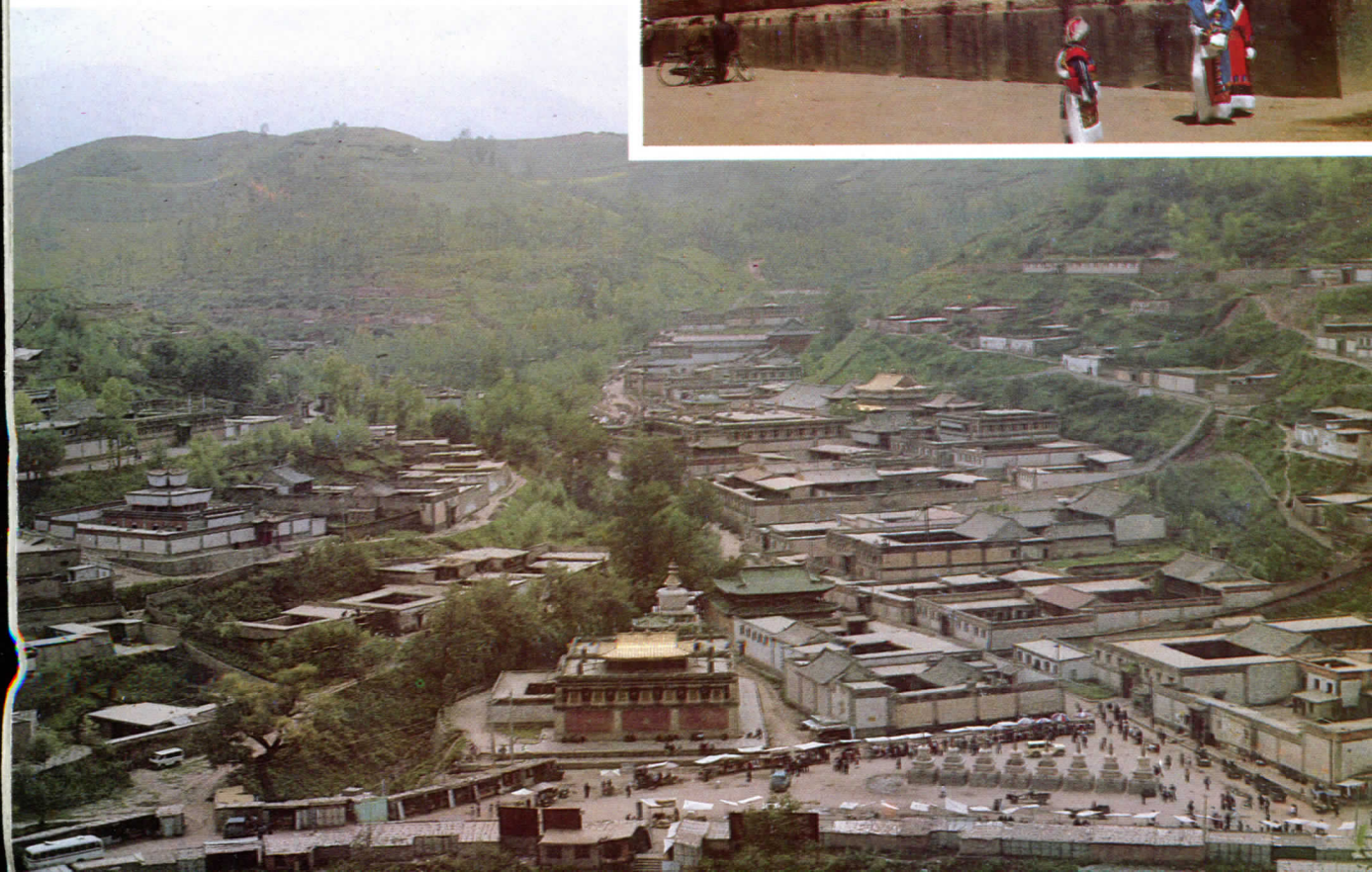






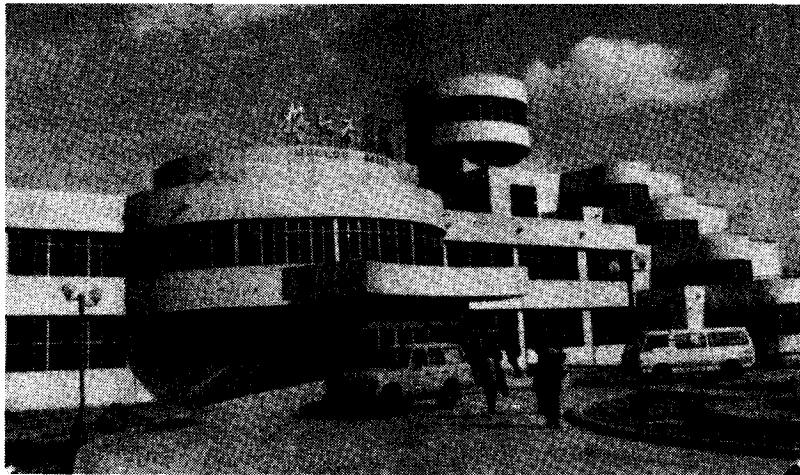
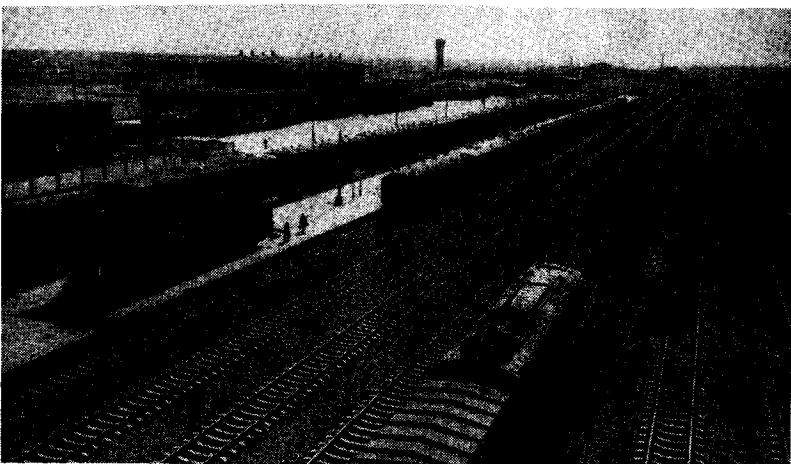


**BEIJING REVIEW • BEIJING INFORMATION
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1989 • 11**



The Tibet Autonomous Region's Golmud office has about 6,000 workers and staff members. Using more than 1,000 vehicles, materials and goods such as grain, minority nationality specialities, articles for daily use, household electrical appliances, various building materials, geological prospecting equipment, farm machinery and fertilizer from all parts of the country are continuously flowing into Tibet, while minerals, animal products and Chinese medicinal herbs are transported to other parts of the country via Golmud. The trucks, their total annual freight volume about 500,000 tons, travel in an endless stream along the 1,137 kilometre highway between Golmud and Lhasa. As the man in charge of such massive transport, Yang Qingfan takes great interest in his work, "My efforts on behalf of Tibet could not succeed without the support and resources available in Golmud. At the same time, as Golmud helps Tibet, the city is becoming more prosperous because of Tibet's progress and development." The mayor of Golmud said that Golmud has become an important window, a material and goods collection and distribution centre, and primary product processing base for Tibet. It's clear that Golmud's present prosperity

The busy Golmud Railway Station.



The uniquely designed Golmud Hotel

XU XIANGJUN

is the result of joint efforts by both Qinghai and Tibet.

Yang Qingfan said that before the Golmud-Lhasa Railway is completed his office will certainly be important to Tibet. He doesn't expect that construction of this section of railway would begin in many years ahead because of funding constraints, and so his office will remain for a long time.

Yang's family of four generations has settled quite comfortably in Golmud.

The Welcome Sign Is Out For Foreign Investments

-Herders on the outskirts of Golmud have also benefited con-

CHEN XUESI

siderably from Golmud's development. Qiao Suorong, 42 years old, of Mongolian nationality is one example. He has erected three yurts of different ages, each succeeding one looks more impressive than the previous one. His eight-person family has 900 sheep, 50 horses, oxen and camels and his standard of living continues to improve. Qiao Suorong has been able to purchase many household goods in recent years, including a TV set, a washing machine, a small generator, a motorcycle, a walking tractor, rugs and woollen garments. His ageing mother-in-law said with feeling that she was pleasant to see her descendants able to enjoy a better life.

When the town was first founded, there were neither trees nor grain nor vegetables in Golmud. However, farms, forests and pastures have been established and many greenhouses and large vegetable-growing sheds covered with plastic film can be seen about the countryside. This abundance is reflected in the food costs; the price for vegetables in the Golmud market was lower than that of Beijing in August.

Golmud has a base of local industry. There is a cement plant, a lime factory, a brick and

tile plant, a hydroelectric power station, a farm machinery repair plant, a motor repair shop, a leather factory, a grain processing plant and a bakery and confectionery. In addition, an oil refinery with an annual production capacity of 1 million tons is under construction and two factories, an acrylic plant with an annual production of 10,000 tons and a carbamide factory of 300,000 tons, are under consideration.

The overall development plan for Golmud approved by the Qinghai provincial government in 1986 is now in effect. According to the plan, by the end of 2005, Golmud is prospected to

have a population of 300,000 and the area of the city proper will cover 60 square kilometres. With emphasis on the development of salt-chemical and petrochemical industries, the city will be transformed step by step into an economic, cultural, scientific and technological centre, a communications hub and a distribution centre for western Qinghai.

After discussing the plan recently, Mayor He Daan emphasized that as a state declared open area and a base for exploiting the resources of Qinghai Province, Golmud cordially welcomes foreign business people and compatriots from Hong Kong, Macao and Taiwan to invest in the development in a var-

ety of ways, but particularly in comprehensive resource exploitation. To encourage investment, the Golmud city government has many preferential policies, including the provision of land for factories and residences free of charge; independent marketing of products; product price pegged to market index; priority in employment to investors' mainland relatives; and giving tax incentives and preferential treatment for industrial and commercial registrations. As a sign of things to come, Mayor He Daan noted that in May of this year, Golmud and an Austrian company signed a letter of intent to jointly establish a red vitriol sodium plant in Golmud. □

The Little Known Nationality of the Tu

by Our Staff Reporter Lu Yun

China's Tu nationality with a population of over 159,000 is one of the nation's 55 minority nationalities. Most of the Tu nationality people live in Huzhu, Minhe and Datong counties of Qinghai Province, while the rest are scattered in Qinghai's two other counties and Tianzhu Tibet Autonomous County in Gansu Province. Recently I visited the Huzhu Tu Autonomous County.

While entering Huzhu County, one is struck by the unique style of the Tu nationality's clothes and ornaments. Their most noticeable style of clothing are their felt hats decorated with brocades. A woman's dress often has its two sleeves made of red, yellow, green, purple and blue coloured cloth, although some wear an elegant black sleeveless garment. Men wear robes with narrow strips of cloth of various colours decorated on fringes and have a red belt on their waist which contrasts strikingly with the women's bright-coloured

dresses.

In Huzhu County, there is a story spread far and wide about Tu ancestors from Mongolia. It is said that one general under the Mongolian leader Genghis Khan (1162-1227) once led troops to Huzhu County. They remained and afterwards married into the local tribe. When the Youning Monastery, the biggest lamasery in Huzhu County, was completed during the reign of Emperor Shen Zong of the Ming Dynasty in 1604, the general was granted the title of "Nida" (or master of Tu nationality). A bronze statue of the general stands in the monastery.

The Tu language belongs to the Mongolian branch of the Altay language family and the basic vocabulary is similar to Mongolian. The religious phraseology, however, is based mainly on the Tibetan language, while words of daily life, new words and expressions are mostly adopted from Chinese.

The policy of the Chinese gov-

ernment that all nationalities, no matter large or small, are equal, ensures that the small Tu nationality not only elects its own deputies to the National People's Congress, but is also able to bring up experts from among its own ranks. The Tu people have not only been elected county heads for several terms of office, but have held, as well, the post of deputy provincial governor.

Galaxy of Talent in One Family

One night, I paid a visit to Li Yanwu, a retired cadre of the Tu nationality who lives in a newly built two-storey building. When I entered, he was watching TV with his wife, daughter-in-law, two grandsons and a brother who works for the Weiyuan town government of the Huzhu County.

Li Yanwu, a former county head, began the conversation by saying something about his family. He said, "I was born into a farmer's family." "My parents,

both illiterate, now live in the countryside. Of the six children in our family, only my second brother, Keyu, became an intellectual. He worked for three years in the Institute of Linguistics of Minority Nationalities under the Central Institute for Nationalities and later graduated from the Inner Mongolia University. Now he works as a deputy director and associate professor of the Institute of Nationality Research Institute under the Qinghai Institute for Nationalities. All of our children, however, my brothers' and my sister's, six in all, are university graduates."

The 61-year-old Li Yanwu began his work in the early 1950s and, in 1980, was elected head of the Huzhu County. In 1984, he was made Chairman of the County Political Consultative Conference. Though he retired in 1987, he never forgets the time when he worked as a county head. Both the difficulties he experienced and the production achievements with which he was involved after the system of contracted household responsibility related to output was implemented still remain fresh in his memory.

Tu nationality people are hospitable. When guests arrive, hosts wait at their doorway to entertain them with wine which the guests must drink up before they enter.

Photos by XU XIANGJUN



Beautiful embroidery is characteristic of Tu nationality women.

He remembers with satisfaction the building of a cement factory and the expansion of a brewery, both of which he oversaw at the time. With those enterprises completed, the gross industrial output value of the county increased more than 40 percent within four years. What is more, in his opinion, they laid a solid foundation for industrial and economic development of the county.

When Li's third brother worked as Party secretary to the Donggou Township, he made

such significant contributions to forestation and agricultural production, that he was elected, between 1983-87, deputy to the Sixth National People's Congress; there, he participated in the major state events such as the election of state leaders. He is currently a director of the Tax Bureau of Huzhu County and was also elected one of the 13 advanced directorships of the tax bureaux in Qinghai Province.

Li's fourth brother Kezhong lives with his parents. Now in his fifties, he works as a Party branch secretary in his village. His father set such an example in planting trees in the village beginning in 1974 that he was elected "tree-planting model" by both the county and province many times. As of now, 20,000 trees planted by him have made a visible contribution to the greening of the village. Li's only younger sister is an accountant at the county agricultural machinery supply station.

The six children, all of whom grew up after liberation, are all talented, but the second brother, Li Keyu, is the only one of the six to work in Xining, capital of Qinghai Province. He is also one of the creators of the "Tu Nationality Writing Programme"

which came out 10 years ago. The Tu nationality originally had their own spoken but no written language. In 1979, a programme of the Tu writing was drafted, based on the Latin alphabet and the Chinese phonetic alphabet, and put into use that year. In 1988, Li Keyu's new book "Tu-Chinese Vocabulary" with its 70,000 entries, was published and has done much to popularize Tu writing.

The creation and use of Tu writing is playing an important role in eliminating illiteracy, bringing to light the Tu nationality's cultural heritage and raising the nationality's scientific and cultural level. Since 1983, about 2,200 people in the countryside of Huzhu County have studied the Tu writing, and by doing so, taken off the hat of illiteracy. Some 567 pupils have also taken up the study of Tu writing. A comprehensive and simple quarterly in the Tu script has been published by Huzhu County for six years along with another mimeographed paper in Tu script, which has completed six issues of publication this year. Tu language, however, is not limited to print communication. Tu language broadcasting, well received by the Tu nationality, is broadcast each evening for 15 minutes and the dubbing of films into the Tu language has been done for many years. There are now about 18 films that have been dubbed into Tu. And every year the Tu people can see two to three newly dubbed films.

Tong Chengrong: Deputy to the National People's Congress

Since his graduation from the Central Institute for Nationalities, Tong Chengrong considers himself among the first generation of the Tu nationality of the Huzhu County to have completed

higher education. He has worked as a middle school teacher, a rural cadre, and a deputy county head. In 1984, he was elected Huzhu County head; in 1988, a deputy to the 7th National People's Congress.

Having participated twice in the National People's Congress, the 46-year-old Tong Chengrong understands quite well that the state pays close attention to the rights of small nationalities to be active in state affairs and to the opinions raised by the people of the Tu nationality. At the First Session of the 7th National People's Congress held in 1988, Tong Chengrong, on behalf of the Tu people, voted in the election of new state leaders.

During the 1988 spring ploughing season, Tong visited the Danma Township. Township leader Wang Yongan told him that the state put a handsome amount of investment in local agricultural production, but the money was distributed in an unfocused way. He suggested that the money be used more effectively by developing fertilizer and pesticides. Tong thought it a reasonable idea and put forward the suggestion (his speech was published in the *People's Daily*) at the National People's Congress. Not long after, a decision was made to build a phosphate-ammonium factory in Niezhong County of Qinghai Province. At the Second Session of the 7th National People's Congress, Tong made some recommendations for the report on the work of the government. He thought that the policy of regional national autonomy hadn't been well implemented and hoped that the state could conduct an investigation on how to implement it. He was pleased when he saw that his opinions were adopted in the revised report.

Tong confidently exercises the democratic rights of the people's deputies and his work as a coun-

ty head. He was pleased to note that after he had accepted the county post every undertaking in Huzhu County had gone forward as originally planned. Capital construction on farmland is one example. About 6,000 hectares of mountain slopes have been terraced and some 3,300 hectares of forest areas have been added every year. Because the farmers have an organized pig industry, the number of pigs ranks first among all the counties in the province. Other examples are the Huzhu County brewery, the products of which have sold well in Qinghai, and a cement factory. After its renovation, annual production of the brewery increased from 1,000 to 3,000 tons, while the cement factory increased its production from 10,000 to 50,000 tons. A newly established ferrosilicon factory is capable of producing 6,000 tons every year. These industries demonstrate that all nationalities of the county have good relations and are working together to develop their economy and culture.

Ma Yuanbiao: A Deputy Governor

Ma Yuanbiao, born in Donggou township of Huzhu County, is also a Tu nationality cadre who grew up after liberation. He began work in 1950 and has worked as a secretary of the Huzhu County Party committee, and as a director of the provincial water conservancy department. In early 1988, he was elected deputy governor of Qinghai Province, and placed in charge of agriculture and animal husbandry work. Bold, resolute, and steadfast in his work, his frequent travels about the countryside have earned him a good reputation.

Ma Yuanbiao clearly knows he carries a heavy responsibility. He noted that because the province has an average elevation of 3,000

metres and the climatic conditions are bad, there are many natural disasters caused by snow, hail and frost, flooding and drought and plague of insects. Per-capita cultivated land is only 1.97 *mu* (15 *mu* equal 1 hectare), while average annual grain production per capita is only 230 kg, less than the national level of 310 kg. Each year, the province consumes 400 million kilogrammes of commercial grain, but 300 million kilogrammes of grain have to be brought in from other provinces.

In his post of deputy governor, Ma takes every opportunity to tap the potential to raise the output of the existing 564,000 hectares of cultivated land and to expand the land under cultivation. The effort has been well received and given wide support. Various local governments have improved the facilities of water conservancy projects, enlarged the amount of irrigated land, and transformed saline-alkali land. Efforts have also been made to build horizontal terraced fields on shallow mountain areas.

About 136,000 hectares of land have been contracted out and are farmed in a scientific way, such as plastic coverings, reasonable use of manure and deep ploughing after autumn. Although the output was lower by 200,000 kg last year because of disasters, the total grain output still reached 1.08 billion kg, an increase of 1.6 percent over the previous year. At the same time, about 7,200 hectares of wasteland have been reclaimed and cultivated. The province plans to open another 16,600 hectares of land by the year 1992.

Ma believes animal husbandry is the province's primary industry, but says that it is underdeveloped because the area lies at such high elevation and so many animals die from natural disasters. He advocates the establishment of anti-disaster bases to solve the problems of feed in the winter and spring and of thin and weak animals dying of winter cold. He has organized the sowing of grass seed by plane, the establishment of natural pastures, the herding of sheep and

cattle by enclosures and the elimination of insects and mice. Despite of serious disasters last year, the number of animals still grew compared with the year before, while the average annual per-capita income of herdsman increased by 32.8 percent.

As deputy governor of the province, Ma Yuanbiao is supported by the cadres and masses of various nationalities. "I am frank and always ready to say what's on my mind," he says. "To safeguard people's interests, I sometimes criticize cadres but, generally, they can accept my criticism. I always treat all nationalities equally, no matter their background, and consider matters from the perspective of the whole province." Ma also thinks that in Qinghai Province, where there are multiple nationalities, relations between them are handled well because local cadres of various nationalities know their own nationality's characteristics. They thus develop a sense of equality and unity. □

Minhe County's Fight Against Poverty

by Our Staff Reporter Lu Yun

Minhe County in east Qinghai Province, at an elevation of 1,650 to 4,000 metres, is located in an area where the northwest Loess Plateau and the Qinghai-Tibet Plateau meet. The county has a total population of 316,000, of which the ethnic groups and the Han nationality are equally represented. Some 92 percent of the people are engaged in agricultural production. But, because the county is located in the dry and semi-dry area of little precipitation and much hailstone and frost, agricultural output has over the years

been low and unstable with the per-hectare grain output at only about 2,000 kilogrammes. In addition to its large population and limited area of cultivation, its industry, technology and culture are undeveloped. Most people have low incomes and live in poverty. In 1984, 44.7 percent of all households (an average annual income of less than 120 yuan) were listed as poor as were 77 percent of all villages in the county.

In 1986, Minhe County became one of 141 minority nationality counties designated as poor

which would be given top priority for state assistance. Now with the help of the State Council, the Qinghai provincial authorities and some international organizations, this autonomous county of the Hui and Tu nationalities is shedding itself of poverty.

Improving Production Conditions

After the "Circular on Helping Poor Regions Change the Face of Poverty as Quickly as Possible" was issued by the Central Com-

mittee of the Communist Party of China and the State Council in 1984, the Qinghai provincial authorities took measures to help poor regions. These included the relaxation of policies, subsidies, reduction in and exemption from taxes and encouraging development of local resources. The provincial authorities also decided that government organizations would be responsible for helping poor townships and towns to extricate themselves from poverty. Efforts made in the past few years show that these measures have produced the desired result. Minhe's 14 poor townships and towns are helped by 22 government units at the provincial, prefectural and county levels. With the help of the aid-the-poor work team of the Qinghai Water Conservancy Department, the Zhuandao township started with improving the production conditions, and became a model for anti-poverty efforts.

In 30 of the past 38 years, Zhuandao township has been hit by droughts and hailstorms. The local people accepted their conditions and waited for government relief while people of other regions complained that the township was a bottomless pit which would never be filled. The aid-the-poor work team of the Qing-

hai Water Conservancy Department stayed in the township for more than two years as two leading members of the water conservancy department conducted 12 investigations. They interviewed 70 percent of the local population and invited 15 provincial experts to make on-the-spot survey. They analysed the advantages and disadvantages for developing production, studied the points of difficulty and worked out plans for dealing with them. In the end, they decided that a major effort should be devoted to farmland capital construction. After three years of hard work by a 320,000 township labour force, 13.4 kilometres of irrigation canals were built, 400 hectares of irrigated farmland expanded and upgraded, and 571 hectares of fields terraced. The work team also helped erect electric supply lines and lay tap water pipes so that electricity and tap water were available for every household in the mountainous area. Following the improvement of production and living conditions, the per-capita income doubled and most poor households have eliminated poverty.

Funded jointly by the World Food Programme and with Qinghai Province for supporting facilities, a total of 18.982 million yuan was spent to complete the

farmland in Minhe County. The project, a central canal totalling 17.42 kilometres, 189 irrigation buildings, four small reservoirs, and 28 cisterns, will allow an additional 902 hectares of fields to be irrigated. At the same time, tap water pipes have provided drinking water for the first time to more than 10,000 people and 12,000 head of cattle.

Minhe County lies between Lanzhou, capital city of Gansu Province, and Xining, capital city of Qinghai Province. Both the highway and railway linking the two cities run through the county. Since 1985, Minhe County has devoted efforts to improving the rural highway in order to create conditions for the economic growth of the poor, mountainous areas. In the past few years, the county has invested 11.4 million yuan to build, repair and reconstruct 258 kilometres of highway and now, motor vehicles can reach each township and village.

Popularizing and Applying Science and Technology

Minhe County has made it a point to offer technical information and services to poor households. As part of its subsidy to help households, the county first decides on production items, then conducts technical training and, afterwards, makes the investment. Since 1985, 56,000 people have taken part in short-term training classes and another 130,000 people have participated in technical consultations. The county has printed and distributed 270,000 pieces of technical information. In the past three years, it has set up seed-breeding fields in 56 villages and enlarged the area free of plant diseases and pests, the area cultivated by proper manure application, and the area using mixed medicated seeds and soil treatment have soared to over 30,000 hectares, or 100 times

Minhe women work in the milk powder plant which was set up with the assistance of the United Nations Fund for Population Activities.



and three times respectively higher than in 1985. In recent years, the poisonless potato cultivation technique has been introduced in 12 poor townships, and resulted in increased production. Most poor households in eight townships have adequate food and clothing.

Minhe County earmarked 38.6 percent of the aid-the-poor preferential loans for the development of livestock farming and set up five quality cattle and sheep production centres. The number of cold-resistant sheep (noted for their small tails) introduced from Shandong Province has grown to 6,000 and it is reported that one poor household, by raising one ram and two ewes, could have enough food and clothing for the year by marketing lambs. With preferential loans, 6,000 households have been able to purchase 17,000 cattle and bred 5,500 livestock. The return on every yuan spent is estimated at 2.31 yuan, which allows a profit of 305 yuan, for each household. In 1988, earnings in the county from livestock farming were 47.6 percent higher than in 1985, and the conspicuous economic returns of which have drawn the attention and imitation of farmers and herdsmen in the surrounding counties.

Minhe has established an agrotechnic dissemination system to spread and apply agrotechniques. An agrotechnic dissemination centre has been set up in the county town. Townships have their own agrotechnical service stations and deputy village heads take charge of science and technology dissemination with the help of a number of agrotechnicians, and scientific and technical demonstration households. Thus, an agricultural scientific and technological service network has taken shape.

Tapping Local Resources

Formerly, when Minhe County



The Yaoshuiquan mineral water is soon to be tapped.

Photos by XU XIANGJUN

was engaged solely in agricultural production, many mountainous villages had a surplus labour force. They wanted to set up enterprises in the locality, but were handicapped by such resources as water, electricity and transport facilities. In 1986, Du Wenyuan, a township leader, and Chen Shixiong, a farmer, of Beishan township, put forward a proposal to run a ferrosilicon plant in Chuankou town 30 kilometres away on the railway line. They could both develop and utilize the rich quartzite around Chuankou town and also provide possible employment for Beishan township's surplus labour force. The tentative idea won the warm support of the county government. The annual output of ferrosilicon of the ferroalloy plant in Chuankou is now 3,700 tons. Members of the poor households in the township who work in the plant have been able to extricate themselves from poverty and the plant hands over 120,000 yuan in profit each year to the township government. The township government uses the earnings not only to develop production but also to improve the conditions for township primary schools and to establish collective welfare services.

In 1986, Ye Tingxiang, a farm-

er of the Hui nationality in Chuankou town, was running his private ferroalloy plant. Prior to 1986, Ye Tingxiang was a building contractor and had set up a trade warehouse and a farm machines repair plant. He netted a profit of 170,000 yuan through his enterprises. With the additional support of the government, he got 440,000 yuan in loans from the bank to set up a ferrosilicon plant in his hometown, Milawan village. Ye has now been elected the country's best entrepreneur of the minority nationality. His ferroalloy plant has an annual capacity of 2,600 tons of ferrosilicon and has become the biggest private enterprise in Qinghai Province, able to provide employment to 100 young farmers from the poor mountainous areas, ensuring that their families have adequate food and clothing. With fixed assets worth 1.83 million yuan and 1.4 million yuan of circulating funds and personal savings deposits, Ye has repaid all his loans and also donated 360,000 yuan for the building of a highway and primary school buildings in his village.

Minhe County has a reserve of more than 100 million tons of quartzite. The pioneering work made by Beishan township and Ye Tingxiang has sparked the

masses' enthusiasm for developing local resources. In 1988, the county drummed up 34.5 million yuan and set up 11 ferrosilicon plants run either by county, townships, villages or some joint form of operations. The capacity is 30,000 tons and 10 million yuan of the product tax is turned over to the state. This year, in cooperation with the China Electrical Appliances Co., Minhe County is going to construct a hydro-power station and a ferrosilicon plant using a total investment of 14.23 million yuan. The first-phase of preparations are in full swing and it is expected that work on the project will start at the end of this year.

The experience of Beishan township in running factories has spread like wildfire in Minhe County. Currently, ten townships and towns including Lucao and Xiamen townships, the poorest in the county, have successfully run enterprises in the rural areas and towns. Minhe County has used 61 percent of the 6.3 million yuan allocated by the state to assist enterprises set up by poor townships and towns. In 1988, enterprises set up by the county, townships, villages and farmers' households put 7,800 people to work.

Nowadays, Minhe not only engages in construction, business, transportation, labour service and agriculture within the county itself, but also takes on work outside of Qinghai Province. Minhe's farmers' construction teams of 3,100 people have undertaken contracts for engineering projects outside of Qinghai, increasing their annual income to more than 10 million yuan, by building fairly complex frame-structures and high-rise buildings in Qinghai, Tibet and Gansu. More than 1,000 other Minhe farmers have also got involved in business, setting up restaurants, for example, in other parts of the country. Over 400 Minhe farm-

China Through Foreigners' Eyes

The Third International Photo Exhibition entitled "China Through Foreigners' Eyes" will be held at the Beijing Cultural Palace of Nationalities from November 17-26, 1989.

Some 300 photos will be displayed at the exhibition.

The exhibit is sponsored by the *China Bridge* magazine and 14 other organizations, including the Chinese People's Association for Friendship With Foreign Countries, China Council for the Promotion of International Trade and the National Tourism Administration.

ers, owners of 350 motor vehicles including large and medium-sized tractors and many walking tractors, are engaged in transportation, and register an annual income of 2.2 million yuan. In 1988, 46,000 farmers took up gold mining and other labour services in various parts of the country, which earned them an annual income of up to 10 million yuan. In the past, the masses of Manping township in the mountainous area did not have the chance to work in other parts of the country, but, induced by high income in recent years, the number of farmers working in other places has soared to 2,100. Of which 170 households, reclaiming wasteland and farming in the western part of Qinghai Province, have solved their problem of adequate food and clothing the same year.

New Factories

The first phase of milk powder and the flax plant for employment of Minhe women, assisted by the United Nations Fund for Population Activities, has been completed and begun operation. Formerly, after harvesting flax fruits, flax stalks would be burnt as fuel by the farmers. Now, however, flax stalks are sent to the flax plant as its raw materials. After the completion of the plant's second phase, it will be able to turn out degumming flax and flax stalk products. The

women working in the plant will be able to extricate themselves from poverty with income from their new work.

The medicinal mineral water which has flowed for thousands of years in Qilisi, Gushan township, is waiting to be tapped and utilized by Minhe County for another new enterprise. After analyses by the hydrogeological engineering research institute under the Ministry of Geology and Mineral Resources, Qinghai Province, Minhe County and two other units discovered that the natural mineral water, containing strontium and carbonic acid chemical compounds, is a good, tasty, high-quality water which can be bottled and made into beverages. According to the clinical and experimental tests by the Minhe County medical scientific research group, Qilisi mineral water was 80.85 percent effective in 47 cases of chronic gastritis (the average cure rate is 40.42 percent) and 100 percent effective in 13 cases of digestive ulcer (the average cure rate is 69.23 percent). Preparations for the construction of the Minhe Yaowangquan Mineral Water Beverage Factory are currently under way and its products are expected to be on the market next summer. The factory start-up will be a good news for poor households of Gushan township who'll have priority in job hiring and also for Minhe County still living in poverty. □

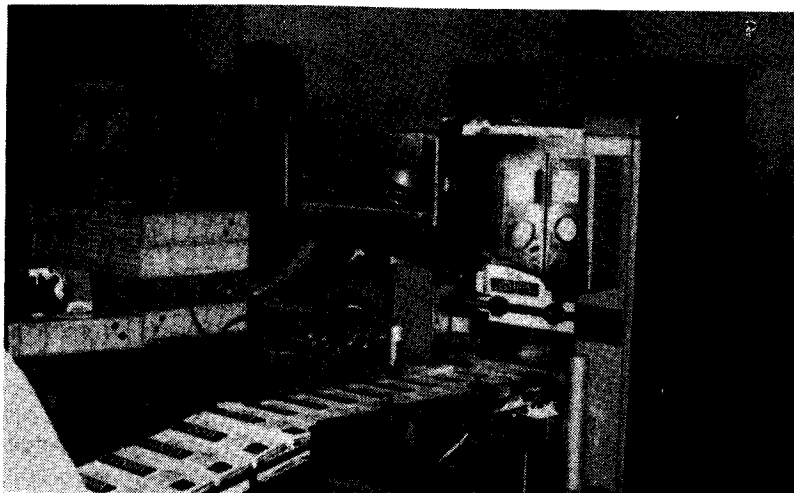
Two Open Areas in Yunnan Province

by Our Staff Reporter Li Rongxia

As part of China's opening to the outside world of its coastal and border areas, Yunnan Province in China's southwest has opened 29 cities and counties. This article is about two of these areas, the Qujing Prefecture and the Honghe Hani and Yi Autonomous Prefecture.

Despite its beautiful scenery, land-locked Yunnan was left far behind the coastal regions in both transportation and economic development before the founding of the People's Republic of China in 1949. With 40 years of construction and development, particularly efforts to improve environment for foreign investment in recent years, both its industry and agriculture have made remarkable progress. The task to attract foreign funds has been made easier because the province boasts rich natural resources and pleasant weather. Qujing and Honghe prefectures are good examples of the great changes which have taken place in Yunnan.

The Qujing Cigarette Factory.



Qujing: Beneficiary of the Open Policy

About half a day's drive from Kunming, capital of Yunnan Province, is Qujing City, seat of the Qujing prefecture government. Located in central Yunnan-Guizhou Plateau and eastern Yunnan Province, the prefecture is comprised of one city and eight counties and has a population of 5.1 million, including 400,000 minority people, the Yi, Hui, Zhuang, Bouyei, Yao, Miao and Shui. Its area totals 32,500 square kilometres, 88 percent of which are low mountains. Qujing Prefecture was approved by the State Council to be one of China's open areas in 1985.

Advantages of Opening-up

According to Li Yuejian, head of the prefecture's Economic Co-ordination Office, Qujing used to be a closed area quite content with its self-sufficient, small-farming economy. Since the Third Plenary Session of the 11th CPC Central Committee to-

wards the end of 1978, in particular since China's opening to the outside world in 1985, however, the prefecture began to have increased contact with the outside. Owing to its poor economic foundation and outlying location, though, it lacked sufficient attraction for foreign businessmen at the time. Their first step, therefore, was to promote economic development by opening up to the other economically developed areas of China to attract advanced technology and talented personnel. By these efforts, they laid a fairly solid base for the later steps in opening up to the outside world.

Meng Jiyao, an administrative officer of the prefecture, said, "During the last decade, the prefecture co-ordinated about 1,056 projects with other provinces or regions and brought in 96.61 million yuan, 55.36 million of which in 1988 was in the form of 117 economic and technological co-ordination projects. At the same time, about 5,968 personnel were either brought in or trained locally." By combining other area's advanced technology, equipment and funds with local rich resources, the prefecture has registered remarkable technological and economic development in the past ten years. Its total industrial and agricultural output value increased from 810 million yuan in 1978 to 2.96 billion yuan in 1988 (calculated on 1980 constant prices) and its financial revenue from 100 million yuan to 587 million yuan. Today, Qujing has become a newly developed industrial centre and a giant producer of grain, tobacco and edible oil.

Diversified Industry. Today,

the prefecture has more than 40 industrial sub-sectors such as energy, transportation, metallurgy, machinery, architecture, building materials, textile, chemicals, domestic and industrial ceramics, and foodstuffs.

Rich Agricultural Products. As a major farming area in the province, the prefecture produces one-third of the province's grain, and respectively a quarter of the total rapeseeds and tobacco. Qujing, together with the Weifang area in Shandong Province and the Xuchang area in Henan, is listed as one of the three major tobacco producers in China. Qujing topped the other two in output in 1988.

Rapid Development of Township Enterprises. In 1988, there were 41,481 township enterprises employing 230,000 people and generating a total income of 709 million yuan, a figure which accounted for 32.79 percent of the prefecture's total income from agricultural economy.

Li Weilin, Qujing's mayor, said, "Since our opening to the outside world in 1985, we have stressed not only economic development for attracting increased foreign investment but also improving the investment environment. Compared with the other regions of Yunnan Province, we

are conveniently located and historically known as Yunnan's strategic passage, and host the Beijing-Kunming, Chongqing-Kunming, Shanghai-Kunming and Guangzhou-Kunming railway lines. The Nanjing-Kunming line via Qujing already listed on the state plan, will soon be under construction. Also, the Guiyang-Kunming line is being rebuilt and its carrying capacity double when completed. Highways connecting Yunnan Province with Sichuan, Guizhou, and Guangxi also go through here. In regard to telecommunications, the city plans to install 7,500 programme-controlled telephones this year which will boost the city's communication capacity to 10,000. In addition, the region has rich coal and water resources and therefore enjoys sufficient power supply. In a word, it has much to attract foreign investment."

Developing an Outward-Looking Economy

Owing to a climate suited for growing a variety of crops, Qujing Prefecture began to export its local products as early as the 1960s, though in small volume. Expanded contact with the outside world, and its own economic

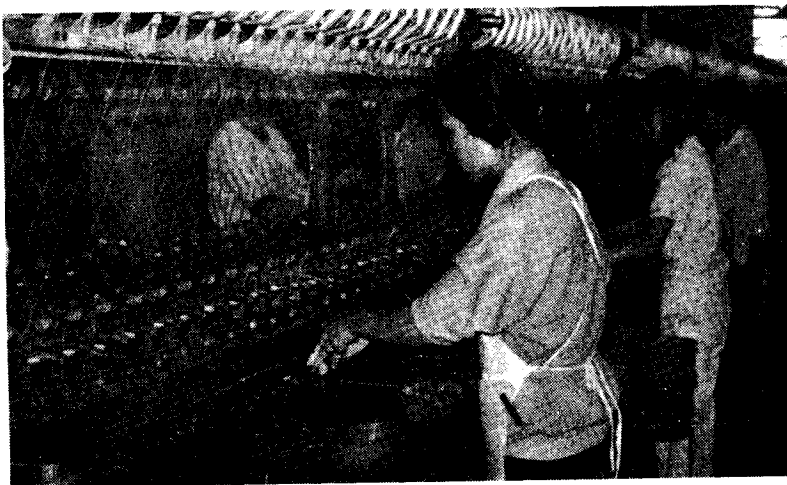
development have increased both volume and variety of products exported. Today, the prefecture exports more than 80 varieties of animal by-products, agricultural produce, minerals, chemicals, textiles and light industrial products, including ham, beans, dried ginger, eucalyptus oil, dried red pepper, pumpkin seeds, pinellia tuber, yellow phosphorous, barite, marble, coke, cotton, yarn, filature silk, pig iron, hog bristles and rabbit hair to more than 20 countries and regions such as Japan, Federal Germany, Thailand, India, Canada, Italy, the United States and Britain. Its total export value reached US\$13 million in 1988.

To promote export, the region has set up production bases of ham, dried ginger, eucalyptus oil and silk. At the same time, the region concentrates on the export of minerals, chemicals, textiles and light industrial products like marble, silk and satin, calcium carvide and ferrosilicon.

One export enterprise is the Luliang Silk Factory founded in 1984. Wang Shengzhong, factory director, said that in 1984 "the factory began operations by introducing advanced technology and talented personnel from China's coastal provinces such as Jiangsu and Zhejiang. This resulted in a continuous improvement in both production and quality of products. The factory has now developed into a comprehensive enterprise engaged in reeling, weaving, dyeing and clothes-making. Manufactured goods were expanded from a single product line to more than 20 varieties, including raw silk, silk fabrics, interwoven quilt cover, synthetic fibre fabrics, and silk-synthetic fibre blends. Since 1986, its products such as filature silk, satin and ready-made clothes have appeared on the markets of the Soviet Union, Japan, South Korea, the United States and Hong Kong and

The cocoon-reeling workshop of the Luliang Silk Factory.

LI RONGXIA



earned a total US\$4.1 million. Last year, the factory received state approval to operate as one of China's major export enterprises."

At the New York International Product Exhibition Centre last year, products from the factory were highly rated by foreign businessmen, who poured in orders and applications for exclusive selling rights, and investment proposals. An American-Chinese businessman, Yung-kang Ho by name, signed a letter of intent with the factory in which he planned to invest US\$5 million, including US\$3 million for purchasing advanced equipment from Federal Germany. Both sides are now working to finalize the contract by way of compensation trade.

Qujing Prefecture has a well-established textile industry of cotton spinning, wool spinning, silk, knitting, printing and dyeing. These mills boast state-of-the-art equipment and advanced technology of the 1980s, some of which were imported from Japan and the Netherlands. Their final products are now exported to Southeast Asia, Western Europe, Japan, the Soviet Union and Hong Kong.

Honghe: Welcoming Investment

Situated in the south of Yunnan Province and bordering on Viet Nam, the Honghe Hani and Yi Autonomous Prefecture, with its seat of government at Gejiu, has 13 cities, autonomous counties and counties with a total area of 32,931 square kilometres, 88.9 percent of which are low mountains. It has a population of 3.5214 million, 53.1 percent of which are minority ethnic groups of Hani,



A worker at the Jianshui Purple Pottery Mill moulding a steam pot. LI RONGXIA

Yi, Miao, Dai and Yao. It enjoys a sub-tropical plateau monsoon climate with the average annual temperature ranging from 15°-20°C.

The Honghe Prefecture was approved by the State Council to be an open prefecture in October 1988. During the first half of the year, nearly 1,000 people from more than 20 countries visited for business talks, investment or sightseeing. In March 1989, an overseas Chinese of Singapore

came to the prefecture for a three-day on-the-spot investigation of the karst cavern in the White Dragon Cave area in Mile County and signed a letter of intent on a tourist programme with the local government. According to the letter, he will invest 15 million yuan and manage the project for 20 years.

Resource Advantages

World-famous long ago for its tin reserves and mining, the city of Gejiu is regarded as China's "tin metropolis" because its annual tin output accounts for half of China's total. Situated at the meeting point of the three large mineral belts in the east, southeast and west of Yunnan Province, Gejiu is also rich in many other mineral resources, the deposits of 18 of which have been verified. They are copper, aluminum, zinc, tungsten, bismuth, nickel, nepheline, manganese, iron, gold, silver, gypsum, marble, asbestos, mica and graphite. In addition, its coal reserves are the third largest in China. The prefecture also has rich hydro-electric resources of about 2.4 million

A worker of the Gejiu Arts and Crafts Factory making tin handicrafts. LI YULONG



kw, with 1.34 million kw available for development. Up to now, however, only 53,000 kw or 3.95 percent of the exploitable total have been exploited. Today, the autonomous government is actively seeking partners to exploit these natural resources. One current example is the possibility of co-operative exploitation of nepheline with the Soviet Union.

Industrial Development

Since 1979, Gejiu has gradually changed from a tin mining city to a comprehensive, industrial centre of non-ferrous metals.

Gejiu is the home base of the Yunnan Tin Corp. According to Fu Qiangling, deputy manager, the corporation leads the world in ore-dressing and smelting

technology. Its refined tin, *laissez passer* holder and twice the state gold medal winner, has been shipped to more than 40 countries and regions. The corporation is also one of China's few mining and metallurgical enterprises which exports its technology and equipment. The continuous electric-heat mechanical crystallizer they have manufactured uses physical method instead of the traditional chemical process used in foreign equipment and has won wide customer acclaim for its low cost and reduced pollution. This technology has now been exported to Brazil, Britain, Malaysia, Bolivia and some other countries. In addition to the export of primary mineral products, the corporation also exports a large quantity of finished tin products, manufacturing tin

goods for industrial use and tin handicrafts.

Based on Gejiu's experience, other cities and counties under the Honghe autonomous government are also actively developing industries. Kaiyuan, a neighbouring city, has made full use of its transportation and resource superiority to form an industrial system based on coal, power, chemicals, building materials, foodstuffs, paper-making and clothes processing. With its initial development and improved technology, the city is regarded as "a rising star of Yunnan's industry." Such factories as the fruit wine factory, sugar refinery, pickled vegetables factory in Kaiyuan and the purple pottery mill in Jianshui County have become big hard currency earners in Yunnan Province. □

'China Has Not Been Isolated'

After the student unrest and the counter-revolutionary rebellion that hit China's capital city of Beijing in May-June, Beijing Review and other Chinese magazines received many letters from their readers; they expressed their understanding and support of the move by the Chinese government. Following are some of these letters.—Ed.

by Our Staff Reporter Zhou Jinghong

MD. Dawo from Guinea: "My friends and I have always been concerned with the developments in Beijing. Although news reaching us came mostly from the West, through our own experience we know very well the attitude of the Western mass media towards the third world, in particular the socialist countries. We also know clearly whose interest they represent. Do they really wish to see prosperity in the third world? No! Whenever something happens in the third world countries which benefit the fundamental interest of their big boss, they will voice their support in a big

way. Otherwise, they will fly into a big rage, especially when the plot of the Western big boss has been disclosed. We are very glad to learn the Chinese government has put down the rebellion, because China is the most trustworthy friend of us Africans. China helps Africa with the construction of factories, railways, sports grounds and highways without any bad intention. It has never invaded and enslaved us. We hope to see a stronger China, which is good for the third world countries. We support the Chinese government. We sincerely wish the Chinese people a happier life. We wish China more

prosperity."

Bamba N'Guessan from Benin (university student): "From the Western newspaper stories about Africa I can tell more lies than truth are contained in their stories about China. This time, they try to make use of Beijing's move to quell the rebellion to isolate socialist China. But the overwhelming majority of the people in the world are still friends of China. China has not been isolated."

K. Casaneti from Italy: "In China and other socialist countries, people demand greater democracy, or the Western democracy. Actually, in Italy and oth-

er Western countries, life is very unfair. Taxes are numerous, and living cost keeps rising. The young feel a dim future, and employment has become the dream of so many people. In the United States and the EC, people in their thousands strong are homeless. I once lived in some East European countries, where I saw the difference between the East and West. In socialist countries, there exist justice and normal human feelings, while in the world where I live, these did not exist and never will in the future. In the West, friendship has been lost to oblivion and people are hankering after fame and interest for the mere goal of money. In the world where robots are used everywhere, life is not easy. People have become robots. The Western world is going astray to the extent that no normal human feelings exist."

R. Cria from Spain: "I feel great sorry because of the June developments in Beijing and Shanghai. At the same time, I feel great sorry because of the stories about this event covered by Spanish TV and newspapers. These stories show how ignorant they are of the Chinese situation. Here I wish to express my unreserved support to you. My view on this event is that although the struggle against corruption and bureaucracy was correct in principle, the struggle had been manipulated by people with ulterior motives and would have yielded a result which is more worse than people expected. I notice that the Chinese students, who repeatedly demanded democracy, failed to have a correct understanding of democracy. If democracy can be likened to the so-called developed countries, it will exist only in name. My personal experience tells me that in our country, although there exists" freedom of speech and news coverage, there is social unfairness. This democratic country is not more impar-

tial than those which are thought to be not democratic. By social unfairness, I mean consumption is stimulated in the whole society, which leads to the dramatic change in the human feelings and further to the damaging of other people's interests. I do not hope China will become such a society. Perhaps China should learn from the strong points of the other social systems. Anyhow, I don't think the best way out for China is to copy things foreign when it has made so much effort to establish such a unique social system. I'm for the elimination of the old and the decadent, but I don't hope China will copy the existing social system of the West."

Xidadi from Switzerland now works for the Central Institute for Nationalities in Beijing. He has been living in China for many years. As a witness to the turmoil, he uttered his understanding of the viewpoints of the Chinese government. In his letter he pointed out that the restraint and tolerance exercised by the Chinese government and army are rare in the world. He strongly denounced Fang Lizhi and his wife, who incited the turmoil and are now seeking asylum with the American embassy in Beijing.

J. Kander from Federal Germany: "I hope your new Party Central Committee leadership will continue to uphold the principle of reform and opening up. My sympathy and respect for the Chinese people will never change."

G. Foerster from Federal Germany: "Those politicians in the West who attacked the so-called Chinese violation of human rights better work against the violation of human rights in their own countries! No problem will be solved by inciting turmoil and anarchism. Even the mass media in the West has reported the rioters' terrorist action

against the army. The students turned a deaf ear to the government call for them to leave the Tiananmen Square. Even the ceremony held by the Chinese government in honour of Gorbachev met with interference."

P. S. Tu from the United States: "Unquestionably, China must have law and order in order to carry out the reconstruction and modernization for creating prosperity for the Chinese people after one hundred years of civil and predatory foreign wars. No outsiders have any right to meddle with the internal affairs of any other country. The students have no mandate of heaven to make a pigsty out of Tiananmen Square, which is for everybody to enjoy, even though they are entitled to public protest. They behaved like a bunch of rabble running temporarily amuck. Worse, a few American news media agents tried to fan the flame. They created more turmoil on the TV tube with such headlines as *China in Crisis, Revolution and Civil War in China, So-and-so Dead*, etc.... This is sheer propaganda dug out from the Tiananmen garbage dump, second-rate yellow journalistic sensationalism, out to make a few dirty stinking dollars and fit only for the visual delight of some fat, heart-stricken bourgeoisie."

J.A. Meyer from the United States, who has been to China and written some books about China: "People enjoy freedom, but people must observe the government laws and should not move towards anarchism and turmoil. What some university students did and what the rioters perpetrated run counter to the bright road of reform and opening to the outside world."

Hidenobu Muraue from Japan: "China, under the leadership of the Chinese Communist Party, takes the socialist road and persists in the people's democratic dictatorship. This is the

choice made by the Chinese people. Japan should not meddle with China's internal affairs. Many mass media in the world went too far in covering Chinese events. Of so many things spread the world over, little is truth. It is not feasible for the countries in the West, headed by the United States, to cry 'imposing sanctions on China'."

Satoru Hili from Japan (university student): "The June 4 action taken by the martial law enforcement troops is correct. If the rebellion was not quelled

then, China would have been reduced into inextricable turmoil. Some people who do not have an inkling of the truth about the rebellion have wagged their fingers at the Chinese government, attempting to rationalize US and other countries interference in China's internal affairs. However, the Chinese who live in China everyday know the truth more clearly than these foreigners."

Hiroshi Yoshinaya from Japan: "I hold that the mass media in the world, except that of

China, are restricted in getting information about China. They covered the event with certain intentions or prejudices."

M. Wong from Hong Kong: "Chinese students are clearly impatient to wrest power from the government in order to effect rapid change. But what changes do they propose? And where would they lead us? Do they deserve our trust?China needs real solutions to real problems, to benefit all 1.1 billion Chinese (not merely themselves)." □

Chen Jingrun: Still Working on 1+1

by Lin Jian and Yin Zhonghui

Mathematician Chen Jingrun who was engrossed in the study of "*Goldbach Conjecture*" ten years ago became known far and wide. Today, many people still show a lot of interest in both his life and research. How is he faring now?

Chen lives in Zhongguancun at the heart of northwest Beijing's Haidian district. His flat is in the Gaozhi Lou, a building owned by the Chinese Academy of Sciences and used to house senior intellectuals.

He used to live alone in a small room just several square metres. His living conditions were not only poor, but he was forced to live apart from his wife and son who stayed outside Beijing. When they came to visit, his room was very cramped.

Once a reporter went to interview Chen in his room. Nappies were hanging from the ceiling and strewn across the floor were scraps of paper with "1+1" written on them. The reporter could not even find a bit of spare space to sit down.

In his article he mentioned this, and it soon came to the attention of a leading member of the Party Central Committee. He asked the

Chinese Academy of Sciences to allot Chen a suite of better rooms as soon as possible. Within a week he moved into the Gaozhi Lou and his wife and child were transferred to Beijing.

Now, Chen's five-room apartment is now spick and span. Inside it are all the necessary household electric appliances including a colour television and a refrigerator. In the sitting-room, the original borrowed yellow sofa has been replaced with a new brown one Chen and his wife bought themselves. In a glass-fronted dresser stands a collection of antique pottery. Hanging on one of the walls is an inscription written in Chinese characters. It reads, "High aspirations and great breadth of vision." At the centre of the room a milky-yellow glass lamp hangs from the ceiling. As a whole, the room strikes one as elegantly furnished.

Four Years in Hospital

Unfortunately, Chen has not been able to enjoy the full pleasure of home life in recent years. In July 1987, he returned to his flat after spending almost four years in hospital.

One day in April 1984, he was

knocked down by a bicycle when he was on his way to a nearby bookstore to buy some English books. Shortly afterwards he began to suffer from Parkinson's disease, for which he has been receiving treatment ever since.

While he was in hospital many people showed concern for his well-being. Party and state leaders telephoned the hospital many times to ask after his health and enjoin the doctors to try their best to cure him.

The main symptoms of Parkinson's disease are difficulties in controlling one's movements and speech. Chen still both talks unclearly and walks unsteadily. As he writes his hand shakes and his characters get smaller. Nevertheless, his health has improved, but he still needs to visit the Zhongguancun Hospital daily for an injection.

His difficulties were compounded earlier when he was knocked over by a crowd of people getting off a bus when he was on his way to work at the Institute of Mathematics.

Everyday Routine

During his four years in hospi-

tal, Chen continued his research work. The doctors and nurses who cared for him said that although outwardly he appeared weak his spirit remained strong. From his bed he continued to coach several postgraduate students studying for their master degrees or doctorates. He also wrote several articles about number theory and applied mathematics.

Soon he had turned his room into a research office. The hospital warned him over and over again that he should stop this, he did not, but he kept a pretence of lying on his bed whenever doctors came in to inspect him. As soon as they left he would be up again to resume his work.

Nowadays Chen works mainly in his home. Even under the strict control of his wife he still manages to put in eight hours every day.

His daily routine is regular. Each morning he gets up at 6 am and goes for a walk accompanied by his helper. Then he returns and eats his breakfast. When he has finished he goes off to see his doctor before coming home to begin his work. He rests a moment at noon and continues to work through the afternoon. In the evening he works until midnight. These late night sessions he says are his golden hours.

Chen is responsible for coaching two postgraduates. Recently he has written several papers with them which were published in the magazine *Science in China*.

Progress With the Goldbach Conjecture

Chen stopped his work on number theory around three years ago and turned his attention to applied mathematics in order to help contribute to China's scientific and technological development. Already he has made great progress in this field and had a series of his articles published.

"But now my research work has come back to the same old subject, namely how to prove the answer to one plus one," said Chen. At the

moment he is striving to remove all outside obstacles to this problem. "It's only by doing this completely that I can concentrate on forcing a breakthrough at the core of the problem of one plus one."

The biggest outside obstacle is what is called by mathematicians the "distribution of the zero of a function." To date, more than half the problem has been solved, and in 1987 Chen published two papers demonstrating the achievements of his research. Other problems remaining to be solved include the issuing of "screening."

We asked Chen how long these problems would take to be solved. "That depends upon my health," he answered. "If I can stay fit and well then it should take about three years, although the core problem will probably take a decade."

Chen said that solving the Goldbach Conjecture was his lifetime goal, and he firmly believed that he would be successful in his remaining years.

Reduced Social Activity

Chen was elected a deputy to both the Fifth and Sixth National People's Congresses. Before his illness he also took part in many social activities. His name, however, was not on the list of deputies for the Seventh NPC. But this had nothing to do with his health problem or with his heavy research schedule. "The regulations state that deputies who have served two terms cannot stand again for a third time." He added with a smile, "Judging from what has happened, at least this has been conducive to my research work."

In addition to being a member of the General Assembly of the Academia Sinica, Chen is also an honorary professor at Xiamen University, Fujian Teachers University, Anhui University, the East China Engineering Institute, Qingdao University and the Guizhou Institute for Nationalities.

"I still participate in foreign affairs activities. Many foreign

mathematicians, especially those engaged in number theory, like to meet me when they come to China. The Institute of Mathematics always invites them to my home," said Chen.

Harmonious Family

Chen's family life is harmonious. Stuck on to his front door is a red piece of paper saying "Five-Good Family" which was presented to the Chen household by the local neighbourhood committee. One of the requirements for such an honour is family harmony.

You Kun, Chen's wife, works in the radiation room at the No. 309 Army Hospital near Beijing's Summer Palace. The couple have lived together through thick and thin. You is broad-minded and warm-hearted. Several years ago, she asked a cousin of hers called Xiaoli to move to Beijing to help take care of her husband. Now not only is she regarded as a full member of the family but she also works as Chen's assistant. The Institute of Mathematics once suggested he have another helper but Chen and his wife turned down the offer because Xiaoli fulfilled her role so well. As a result, Xiaoli became Chen's formal assistant and receives a wage every month from the Institute of Mathematics.

The final member of the Chen family is the "little emperor"—Chen's son, Chen Youwei. Chen junior is six years old, and already he resembles his father. Chen explained that his son's name includes the character "wei" which means great. He chose this name because he hopes his son will realize even greater achievements than his father.

Youwei is clearly bright and active. In September 1988 he started to attend Zhongguancun Primary School, where his teacher often asked him if he was going to follow in the footsteps of his father and become a mathematician. "No," he always replied without thinking, "I want to become a designer of spaceships." □

Foreigners Not Allowed to Buy Goods for Export

Recently, the Ministry of Foreign Economic Relations and Trade (MFERT) announced that all foreign businessmen including Hong Kong and Macao business people and overseas Chinese enterprises abroad are not allowed to purchase commodities for export with Renminbi (RMB).

To overcome temporary difficulties between revenue and expenditure in foreign capital, those foreign businessmen with investments in China may apply for the purchase of Chinese goods under the Provisions of Foreign-Funded Enterprises to Resolve the Balance Between Revenue and Expenditure in Foreign Capital by Purchasing Chinese Goods for Export. For foreign businessmen violating the foregoing, the MFERT will

inform relevant Chinese companies to halt trading with them.

Provisions also stipulate that any unit and person in China are strictly forbidden to purchase commodities, provide export quota and licences or do export customs clearing for foreign business people.

The reasons for the rule is that in recent years a few foreign businessmen, especially Hong Kong and Macao businessmen, have illegally sold foreign currencies for Renminbi and then purchased goods for export by using Chinese export quota and licences. This resulted in violation of Chinese provisions on the control of foreign capital and export and upset the supply of Chinese export resources and overseas marketing channels. □

Foreign Investment Used to Develop Shenfu Coalfield

A new method to pay back loans by the use of coal exports was announced at the end of last month in a bid to enlarge the scope of foreign investment and accelerate the development of energy and communication industry.

Liang Zhengyin, general manager of the Huaneng Fine Coal Corp., disclosed that the amount of foreign funds the corporation will spend in the coming years will reach US\$2 billion. The money will be mainly spent on building a 1,100-kilometre-long railway for coal transportation running from China's largest coalfield, the Shenfu Dongsheng in the north, to the coastal harbours; a coal transfer harbour

capable of handling 35 million tons annually; a thermal power plant with installed capacity of 1.2 million kilowatts and purchasing the facilities necessary for comprehensive coal mining, coal chemistry industry and other projects.

Liang said that the investment used in these projects will come from international finance organizations, government loans and buyer credits, and will be paid back by export of power-generating coal from the Shenfu Coalfield.

Shenfu Dongsheng Coalfield, located in the boundary juncture of Shaanxi Province and the Inner Mongolia Autonomous Region, has an area of 25,000

square kilometres and reserves of 230 billion tons of low-dust, low-sulphur quality coal. According to the state-approved development programme, Shenfu Dongsheng Coalfield will be developed in three stages:

—From 1986 to 1992, the annual coal production will reach 12 million tons; transportation capacity 10 million tons.

—By 1995, annual coal production and transportation capacity will respectively reach 30 million tons.

—By the end of the century, annual coal production and transportation capacity will reach 40 to 50 million tons.

As the Shenfu Coalfield develops steadily, it will become China's largest coal production base by the end of the century and will have the ability to pay back all loans by way of compensation. It is reported that during the first five years of 1990s the annual amount of export coal will be 600,000 tons while during the peak period of debt repayment the coalfield's annual export capacity will reach 5.8 million tons. So, there will be no problem for the coalfield to clear its foreign debts on schedule.

by Yao Jianguo

Ericsson Develops China Market

The Ericsson Co. of Sweden has set up a new agency in Shanghai in mid-October modeled after its agencies in Beijing, Guangdong and Dalian. The establishment of the agency is designed to promote the company's sales and services in east China.

The company is now the largest supplier of public communication switching equipment and mobile telephone facilities for China. Statistics show that by the end of July the company had

sold over 1 million channels of digital AXE switchboards (excluding mobile telephones) to China.

Co-operation between China and Ericsson dates back to the end of last century. Over the past decade of China's reform and opening to the outside world, it has significantly expanded its involvement in China.

In 1981, Beijing ordered the first digital AXE local exchange from the Swedish company with an installed capacity of 7,500 channels. Later, Shenzhen, Guangzhou, Ningbo, Dalian, Shanghai, Qinhuangdao and Shenyang each ordered AXE exchanges.

In 1988, Ericsson signed with Guangdong Province a general agreement to provide the latter with AXE local exchanges of 210,000 channels, AXE long-distance exchanges of 4,900 channels and facilities for transmission, power generating, testing and cooling. The scope of the telecommunication agreement is the widest Ericsson has to date signed with China and consolidates the company's position as the main supplier for Guangdong's telecommunication facilities. This was followed by the signing of contracts with Jiangsu and Liaoning provinces on supplying AXE exchanges of 210,000 channels.

Recently, Ericsson signed contracts with Shanghai to provide the city with AXE switching equipment and mobile telephone systems. The TACS (900 mcgahertz) system incorporated into the mobile telephone systems was recently rated by the state as the standard mobile telephone system in the country.

The Ericsson system for private communications (digital MD-110-PABX) was first installed in China in 1985. To date, 80 such systems with a total capacity of 100,000 channels have been in operation in China.

China now has several special networks each with more than 5,000 extensions to serve government departments, hotels and shopping centres.

Moreover, Ericsson has signed an agreement with the Beijing Wire Communications Plant on transfer of MD-110-PABX technology and its local production. The agreement, valid for six years, will allow the Beijing factory to produce 100,000 extensions lines annually.

China now has about 8 million telephones. The government emphasizes the expansion of China's telecommunication networks, and plans to bring the total of telephone sets to 33 million by the end of the century.

by Li Ping

A New Coca Cola Bottling Factory

The Nanjing Chongcui Foodstuffs Co. Ltd. began operations in early November. The Sino-US joint-venture bottling factory produces coca cola, fanta, sprit and some local drinks. To date, it is the 12th coca cola producer in China.

According to R. Fenton-May, vice-president of the Coca Cola Central Pacific Ltd., 95 percent of the materials for the above three drinks produced by the Nanjing factory are obtained in China. The concentrate liquid factory in Shanghai not only provides all bottling factories on China's mainland with raw materials but also exports to Hong Kong and Southeast Asia.

The Nanjing company is equipped with a coca cola bottling line imported from the United States and the Federal Republic of Germany, which is able to bottle 4 million cartons annually.

At present, the annual soft

drink sales in China are estimated at 3.4 million tons, 5 percent of which is coca cola.

by Han Baocheng

Tangshan Updated With Foreign Equipment

The Tangshan Iron and Steel Co. invested US\$2.8 million to import automatic control systems for a 1,260-cubic metre blast furnace from Australia, the United States and Japan.

Starting operation early in October, the imported facilities include a feeding system, an automatic sintering system and an automatic blast furnace control system. After they begin full operation, the blast furnace is expected to produce 680,000 tons of pig iron annually, enough to meet the needs.

Built in 1943, the Tangshan Iron and Steel Co., one of the China's ten largest iron and steel producers, possesses ore dressing, iron-smelting, steel-smelting, steel-rolling, refractory materials and other production equipment. Apart from the automatically controlled blast furnace system, the company have invested since 1984 total of US\$40 million in 27 imported projects, including steel-bundling machine from Sweden, an oxygenating machine from the Soviet Union, a revolver slag treatment system from Japan and an active lime kin from Switzerland.

A company official in charge of import and export said that while increasing products for export, the company is expected to import some technologically advanced facilities such as a 1,000-ton refractory press, a sulphur removing device and some power-generating equipment.

by Li Ming

Students' Living Expenses Increase

CHANGJIANG RIBAO
(Changjiang Daily)

The cost of being a student has increased, according to a recent survey conducted by the Wuhan Institute of Geodesy, Photogrammetry and Cartography. The survey of students in nine classes in the 1988-89 term found students spent an average of 92.2 yuan a month on living expenses. Part of the students' expenses go beyond what their parents can provide, and most of the students came from cities and towns. Those who spent more than 100 yuan on living expenses per month made up 42.9 percent, those spending 80 to 100 yuan were 20.5 percent; those spending 60 to 80 yuan were 28.6 percent; and only 8 percent of the students, who came from the countryside spent less than 60 yuan.

Male students said they spent 45 yuan on food each month, while female students spent 38.2 yuan. However, meal tickets recalled from the students between September and December 1988 indicated that the average spending per person reached 60 yuan a month. What was interesting was that 50 percent of male students and almost all female students are fond of nibbling between meals. This snacking cost male students an extra five yuan a month while female students spent an extra 12 yuan on average. Some students, however, spent as much as 20 yuan per month on snacks. Surprisingly, around 80 percent of students who came from the countryside spent 10.5 yuan a month on cigarettes and wine. Costs for birthday celebrations, festivals and excursions averaged an expensive 20 to 30 yuan for each time.

According to an analysis, there were four reasons leading to students' higher expenses, apart from regular price increases and neglect to teach them the value of

hard work and plain living. First, the phenomenon of corruption in society has resulted in a passive attitude and pessimism among some of the students, fostering their craving for material goods. This allowed the phenomenon of "consumer competition" to take shape. Second, university life does not meet their spiritual demands, so some students are passing the time smoking, drinking and playing cards. Third, some parents substitute love with "satisfying their child's material needs," forming the habit of spending carelessly. Fourth, under the lure of "higher consumerism" in society, university students lack the strength to fend off its powerful influence.

(Issue No. 14661, 1989)

Impact of Global Warming

CHENGXIANG KAIFA
(Urban & Rural Development)

What influence will a warmer global climate have on China? After careful study, experts on protecting the environment and meteorologists say that the northern boundary of China's subtropical area will move north from the Qinling Mountains and Huaihe River where it is now to the north of the Huanghe (Yellow) River. In winter, the temperature of the Xuzhou and Zhengzhou areas will be similar to that of Hangzhou and Wuhan today. In China's northeast and on the Qinghai-Tibet Plateau, most of the land which has been frozen for many years may tend to thaw and the small glaciers in the Qiliang and Tianshan mountains may disappear.

The general trend of temperature changes in China is basically the same as for the globe as a

whole. In the last decade, there have been two characteristics to the climatic changes. First, changes in the north, especially in northeast and north China, have been more conspicuous than in south China. Secondly, the change in winter has been more obvious than in other seasons. Last winter (from December 1988 to February of this year), temperatures in most areas went up to a varying extent, and were clearly higher than the average annual temperatures, particularly in northeast and north China.

What changes will this have on the climate and what consequences will it bring to China's environment in the coming decades? According to a preliminary study, China's ground temperatures may go up unevenly and this change will be no less than that of the northern hemisphere as a whole. In north China, temperatures will rise at a greater speed than in the south. If the annual average temperature increases four degrees centigrade, Beijing's climate will be like that around the Changjiang (Yangtze) River, or even like that of the area south of the river.

The warmer climate may raise average global temperatures. Sea-water may swell because of its higher temperature, and the sea level will rise. Flood and drought may increase and the adequacy of water resources may become a more obvious problem. Owing to higher temperatures, the forest belt will move northward. The variety of trees will be transformed and they may grow more rapidly. This will lower the quality of the wood. At the same time, forests will suffer from more plant diseases and insect pests. The incidence of forest fires will also increase. This changed climate will also cause agriculture more harm than good.

Preventive measures can be adopted to ease the unfavourable impact from the warming climate. Major ones are the fol-

lowing four:

First, reduce the volume of warm air released from households, utilizing more clean energy, such as nuclear energy, hydroelectricity and solar energy; improve energy-use efficiency by utilizing advanced technology;

Second, plant more trees to expand the forest area, protect the natural environment and through the photosynthesis of plants assimilate extra carbon dioxide in the air;

Third, research and work out measures and plans suitable to the warming climate;

Fourth, pursue international co-operation to take preventive measures.

(Issue No.58, 1989)

Farmers' Joys And Worries

JINGJI CANKAO
(Economic Reference)

Today, farmers have five joys and five worries.

Firstly, they are happy that the basic position of agriculture in the national economy has been reaffirmed by the central government to localities this year. Every department concerned is actively doing all it can to ensure a good harvest. This has given farmers hope for a successful year. But they worry that inputs from the state, collectives and farmers themselves may still not be enough and that capital investment may be limited.

Secondly, this year the government has made key materials available in exchange for the sale of farm produce to the state. Farmers have benefited from this. The practice of selling the means of production at special shops has prevented the phenomenon of speculation in chemical fertilizer and farm insecticides. This has also effectively protected farmers' interests. But farmers worry that these essential materi-

als are still in short supply and that the demand cannot be met. They are also afraid that sales channels will not operate smoothly when the means of production are sold in special shops, and further result in supply falling behind demand.

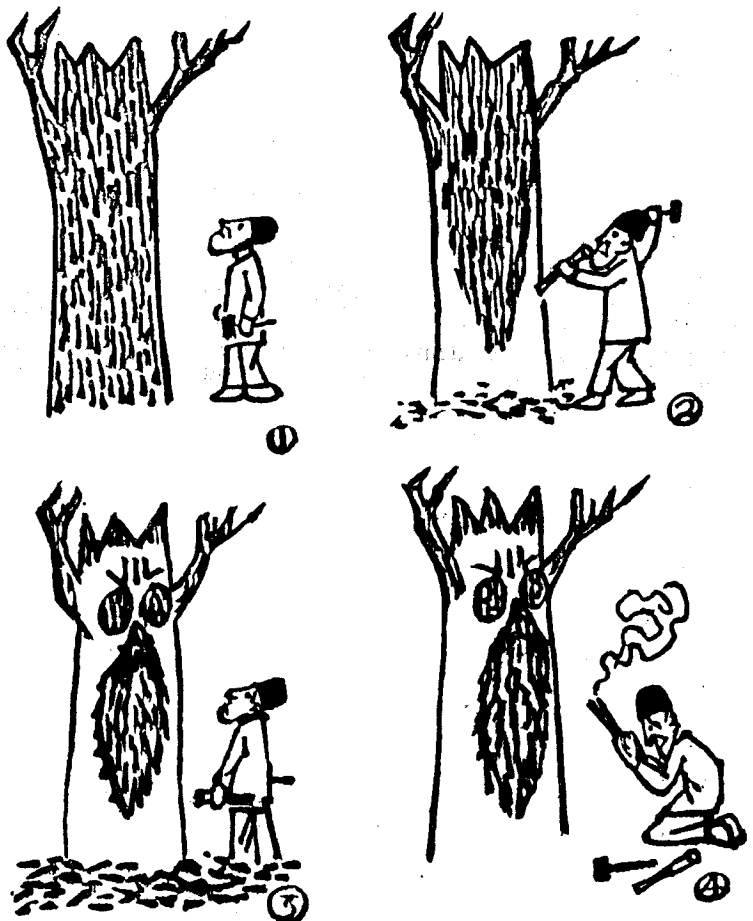
Thirdly, the state has increased the price of grain bought by it under contract. Hence farmers' incomes have risen and their enthusiasm for investment in agricultural production has been gradually growing. At the same time, they worry that the price rises in the means of production will cancel out their gains from the increased price of grain.

Fourthly, agricultural science and technology has brought ad-

vantages to farmers, so farming in a scientific way has been popularized. However, they worry that systems to spread agricultural science and technology have not been established in a comprehensive way and that there are too few agrotechnicians. When they meet problems, farmers cannot find immediate help.

Fifthly, thanks to the Party's reform policy over the last decade, farmers have more opportunities to enrich themselves. Their material and cultural conditions have been greatly improved. But they feel uneasy that their personal and property security is not effectively ensured because of problems which have appeared in society in recent years.

(August 10, 1989)



Create a God.

HUA JUNWU

China Today: Annals of Contemporary China

As a generous gift marking the 40th anniversary of the founding of the People's Republic of China, 50 volumes of *China Today* have been published.

Work on *China Today* started in November 1982, after a decision by the Secretariat of the CPC Central Committee. Supervised by Deng Liqun, Ma Hong and Wu Heng, it will consist of 100 million words filling 180 volumes when completed in late 1990. The work is defined as "one of the key projects" of China's cultural and publishing enterprises and of social science research work during the Seventh Five-Year Plan.

China Today, available now only in Chinese, is a monumental, historical and scientific work on the achievements of all sectors and regions since the founding of New China. The collection is divided into several subject areas, including general topics, such as *China's Economy Today* and studies of more specific sectors and regions.

Authors and editors of the series hope their contemporary history will stand the test of time. Therefore, a basic requirement has been to verify all facts in every volume in adherence to the principle of seeking truth from facts. As the editors point out in the preface, "*China Today* aims at being a truthful history of China's 40-year construction for future generations through a scientific approach of seeking truth from facts and with reliable facts and materials."

Reviewing the 50 volumes already off the press, one can see that despite slight difference in theoretical approach and language, the authors have been scientific and realistic in dealing with both successes and failures by various departments and regions. A careful look at any particular volume will enable the reader to get an all-round understanding of China's socialist construction in a given field.

For example, *China's Space Enterprise Today* and *China's Nuclear Industry Today* relate the encouraging and vivid stories of enterprises that won international renown

after starting from scratch. These two volumes include much rare material about setbacks as well as successes, clearing away all shadows and mysteries.

Based on facts and figures selected from more than 30 million words of material, *China's Grain Work Today* realistically records China's efforts in grain production during each period of the People's Republic. By reading the book one can understand how the Chinese government solved the problem of feeding 1.1 billion people. And readers will be moved by the vivid descriptions in *China's Army Work Today* (in two volumes), which details all the battles fought by PLA men in defence of the motherland.

China's Economy Today depicts the achievements of China's socialist economic construction as well as its mistakes and setbacks. Made public for the first time is the fact that China's population reduced by 10 million because of the government's mistakes in its economic policy during the 1957-1960. The rate of abnormal deaths at that time soared to 25.43 per thousand, compared to 20 per thousand in 1949. This example indicates the author's rigorous scientific approach and spirit of seeking truth from facts. In addition, the theoretical value of this volume is also of great significance.

By drawing heavily on these indisputable facts and figures, the *China Today* series reports realistically on the great changes in China since the founding of the People's Republic in 1949. It corrects both deliberate and inadvertent misinterpretations and promotes international understanding about China. At the same time, the series provides the Chinese people with a better and more systematic view of themselves, serves as a reference for China's future socialist construction and will benefit coming generations as a national cultural resource.

by Wang Lei

Flea Market Opens in Beijing

The Beijing Jin Song Flea Market, which features cultural relics and handicraft articles, opened at the end of September. It is the first comprehensive market of its kind in the country and operates under special permission.

It is located in Chaoyang District, two kilometres south of the newly completed China International Trade Centre.

The market is extensive in business scope. It sells articles of daily use and stationery and handicrafts which include pottery and porcelain, glass ware, gold, silver and copper articles, woven fabrics, embroidery and furniture. They include goods produced both at home and abroad before the founding of the People's Republic in 1949. However, valuable historical relics are not allowed in the market. The second-hand goods tourists or others buy may be sent abroad provided there are receipts and they carry inspection labels and comply with the requirements of the department responsible for historical relics. The flea market can also arrange export clearing on behalf of buyers.

The shops, which are arranged in knock-down houses around a public ground of 1,000 square metres, look like ancient Chinese castles. To date, there are 39 shops. The majority are privately run by owners from Beijing, Tianjin, Hebei, Jiangxi, Guangdong and Xinjiang. The second-hand goods on display vary from old-style furniture, clocks and watches, tea services, wine sets, snuff bottles, jewellery, old-type gramophones and records and indoor furnishings to examples of calligraphy and paintings, ink slabs, pen containers and penholders as well as arts and crafts.

Jin Licheng, owner of Wa Shishan Shop, said that he had just sold an old pen container to a Taiwan customer for 8,000 yuan in FEC. The Taiwan customer had been glad to pay this much for the container with its 150 years of history.

A Japanese company manager made a special trip to Beijing in a bid to establish a co-operative relationship with the market after he had read in *Beijing Review* about

the arts and crafts market--the predecessor of the flea market. After negotiations, it was agreed that Japanese tourists accredited by his company could have a 20 percent discount on purchases at the market which would be responsible for the delivery.

Peng Siqi, deputy director of the Beijing Historical Relics Bureau, said that the operations of the market were under the bureau's supervision to prevent any precious historical relics from leaving the country.

Over recent years, there have been semi-underground black markets dealing in historical relics in Beijing. Peng said these black markets have to be banned and any second-hand historical relics bought through them can not be sent abroad. The aim is to encourage legal markets to sell second-hand goods under supervision.

Li Chunsheng, the owner of Yuanyuantang, a shop which deals mainly in carpets and historical relics, said, "Tourists have been decreased in numbers and the whole market has been sluggish since the riot at the beginning of June." But he believes that business will pick up as tourism returns to normal. Li said, "The shops here are well stocked, there is a wide variety and, compared with the state-run shops, the service is good and prices are negotiable."

The site used to be a wholesale market for vegetables and fruit. This May it was renovated and rebuilt into an arts and crafts market. (see *Beijing Review*, issue No.23, P.30 1989)

Yan Shujuan, head of the market, said the market would also organize some activities of particular interest to tourists apart from its normal operations. For instance, it will hold ancient and used Chinese book fairs and displays of second-hand historical relics and handicraft articles. It would be a market that not only sells handicraft articles and historical relics under supervision, but also a place to show traditional Chinese culture and customs and habits.

by Han Baocheng

China's Film Industry Based on Realism

Over the past 40 years China's film industry has been based on a fine tradition of revolutionary realism and this approach will not change for the future, said Teng Jinxian, head of the Film Bureau of the Ministry of Radio, Film and Television.

"Realism has been the main creative theme in New China's films," he told a news conference during the First China Film Festival held in Beijing in late September to celebrate the 40th anniversary of the founding of the People's Republic of China.

"It embraces the theories of Marxism to truly reflect the life and thoughts of the Chinese people."

The past 40 years, added Teng, "have taught us to adhere to the policies of serving the people and serving socialism."

"We must continue to carry out the policy of 'Letting a hundred flowers blossom and a hundred schools of thought contend' so as to prevent bourgeois liberalization."

Since New China was founded on October 1, 1949, China has produced more than 2,000 feature films as well as scientific, animated and dubbed films and documentaries, Teng said.

It was in July 1949 that a new chapter in China's film history began when film crews from liberated areas and Kuomintang-controlled areas joined forces.

The first film in New China was *Bridge*. It was followed by *White-Haired Girl*, *A Dauntless Fighter*, *Sons and Daughters of the Chinese Nation*, *Fighting North and South* and *Reconnaissance in Crossing the Changjiang River*. All the films reflected new people, new thinking and the features of a new age, eulogizing the Chinese people's heroic struggling spirit under the leadership of the Communist Party of China against various reactionary forces.

Later, *New Year's Sacrifice* and *Li Shizhen* were produced. By the 10th birthday of New China in 1959, *Lin Zexu*, *Nie Er*, *Tempest*, *Ten Thousand Crags and Torrents*, *Electric Wave Never Dying Away*, *Song of Youth* and *the Lin Family* had been produced. They were so successful in presenting the historical life and portraying a number of impressive film stars that the year 1959 was dubbed "unforgettable." The late Premier Zhou Enlai highly praised this period in film history.

"Our films have created a new

style to reflect our great age," he said.

China's film industry experienced ups and downs in the 1960s. Before 1965, a number of popular films were produced, including *Li Shuangshuang*, *Scholar-tree Village*, *The City Is Under Siege*, *A Stranger on Snow Mountain*, *Red Flag* and *Serf*. This period was regarded as the second peak in China's film history. Both peak periods produced many classic works, which continue to have artistic appeal, and many prominent screenwriters, directors and film stars made their reputations.

For the 10 years of the "cultural revolution", the film industry was in a state of calamity. No feature films were shot from the late 1960s to the early 1970s. Some films like *The Pioneers* and *Hai Xia* were produced under difficult conditions while the "gang of four" was in power.

In 1976, the "gang of four" was crushed and China's film industry got back on track. Good works sprung up like mushrooms. From 1979, there were films like *Xiao Hua*, *At Middle Age*, *Wreaths at the Foot of the Mountain*, *The Legend of Mount Tianyun* and *Yellow Earth*, constituting the third peak in Chi-

A scene from "Bridge," New China's first feature film.

MEN SUXIAN



A scene from "The Minor Official," a comic opera.

MEN SUXIAN





A scene from "The City Is Under Siege."

MEN SUXIAN



A scene from the newly shot "The Grand Ceremony for A New China."

MEN SUXIAN

na's film history. There was more depth and variety in these films presenting a realistic portrait of Chinese life. Some films even won international prizes. And all of them showed that China's film production was maturing.

In the past three to four years, China has made new progress in film production. Many works have reached relatively high standards and some films such as *Yellow Earth*, *Red Sorghum* and *The Last Tolling of the Bell* won international awards. This is an indication that China's film industry has made a historic step towards world standards.

The Grand Ceremony for A New Republic and *The Great Kunlun Mountain*, gifts for the 40th anniversary of the founding of the People's Republic, paid tribute to China's old generation of proletarian revolutionaries who had worked hard to build a new China. As well, the films encouraged people to work still harder to build a socialist China.

The two films, along with *A Dream of Red Mansions*, *Inside Story of Potala Palace* and *Private Teacher Company*, shown at the First China Film Festival, formed the fourth peak in China's film history.

A total of 40 films including feature films, science and educational films and documentaries

were presented at the festival. They not only reflected China's achievements in film production but indicated that China's film industry is flourishing, Teng said.

"By carrying out the policies of 'Letting a hundred flowers blossom and a hundred schools of thought contend,' we mean to do our work within the framework of artistic laws to use various subjects and methods to reflect reality and to encourage artists to fully display their artistic talents," Teng said. "Only by doing so can China's film industry be

invigorated and meet the demands of various audiences," he added.

Realism in films must look at history objectively, provide people with healthy entertainment, be creatively presented and draw on various schools of thought, he said. "Those smearing socialism, consorting with nihilism and hopeless and decadent sentiments, or presenting false pictures of life will be criticized," Teng said. "We must stick to the principle of revolutionary realism—past, present and future." □

Confucian Culture Festival

September 28, 1989 was the 2540th birthday of Confucius, a towering figure in Chinese history. From September 26 to October 10, the first China Confucian Culture Festival was held at Qufu, Shandong Province, where the ancient sage was born. The festival featured theatrical performances, exhibitions, folk handicrafts and scholarly discussions, all revolving around the life and thought of Confucius.

Among the 10,000 participants were about 800 scholars, officials, businessmen, tourists

and journalists from 18 countries and regions, including the United States, Canada, France, Federal Germany, Japan, Singapore, Thailand, Hong Kong and Taiwan.

Qufu has a population of less than 100,000 but it is one of China's oldest cities. Its construction can be dated to the Western Zhou Dynasty (C. 11th century BC-771BC). In 478 BC, the second year after the death of Confucius, the ruling dynasty had a Confucian Temple built at Qufu. Since then it has been repeatedly rebuilt and repaired.

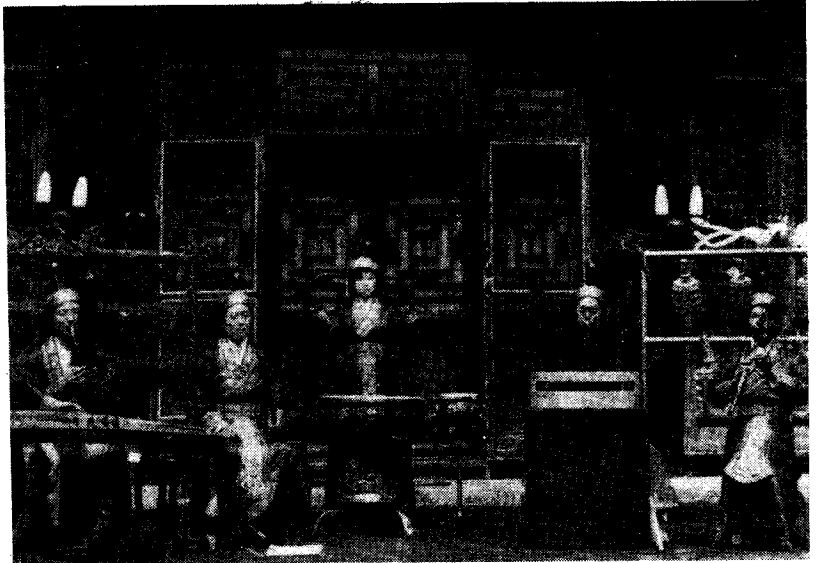
The Confucian Mansion, where Confucius' descendants live, and the Confucian Forest, the graveyard for Confucius and his descendants, were added. All of these sites and the city of Qufu itself, capital of the ancient Lu Kingdom, have been designated as important cultural relics and are under strict preservation orders.

The main activities at the festival were carried out in the Confucian Temple. For the opening ceremony on the morning of September 26, the main building was splendidly decorated. More than 100 dancers wearing ancient Chinese costumes and carrying lutes and pheasant feathers performed for 45 minutes in a present-day sacrifice to Confucius. They were accompanied by the music of bronze chimes, and ancient musical instruments.

Sacrifices to Confucius began on a small scale right after his death. As his reputation heightened, however, the sacrifices held by emperors became increasingly grand and artful. Sacrifices of animals—pigs, cattle and sheep—gave way to elegant musical dances. The earliest dance in honour of Confucius was performed in the second century BC during the Han Dynasty. By 600 AD during the Sui Dynasty, the type of dance, still used today, had evolved.

The dance at this year's festival was true to the Sui original, according to dance director Wang Mingxing. Composed of six acts, its theme was a eulogy to the memory of Confucius. Wang said the dance was a valuable living artifact of Confucian culture.

Hirano Keitaro, head of the visiting Japanese Keizan-Kai delegation to China, said he was honoured to have an opportunity to see the traditional dance



Ancient music "The Ensemble of Eight Sounds."

HAN GUOJIAN

because such ancient art forms have been lost elsewhere.

The "exhibition of Confucius' life story" gave visitors a vivid picture of the man and his era. Displays, including photographs and literary records from Confucius' family, outlined his scholarly research work, teaching and political careers and his travel through many kingdoms.

A Federal German tourist said the exhibition convinced him that Confucius's reputation was deserved.

"Precious cultural relics in the Confucius Mansion" held in the Confucius Mansion also impressed the visitors. Among them were 10 bronze sacrificial utensils given by Emperor Qian Long (1711-1799) of the Qing Dynasty. Although made in the 11th century BC during the Western Zhou Dynasty, their exquisite designs were as bright as new.

More lively was a display of ancient archery in the garden of the Confucian Mansion, the performance of an ancient north China marriage ceremony and a scene of horse-drawn carriages in the streets of Qufu. Theatrical companies from Shandong

Province presented the dance opera *Dream of Great Nation* and the modern drama *Pauper Confucius*, which received bursts of applause from the audience.

Among these in attendance were 78 Canadian tourists of all ages who came especially for the Confucian Festival. All of them enjoyed the festival and a white-haired lady in her sixties said she would come back next year.

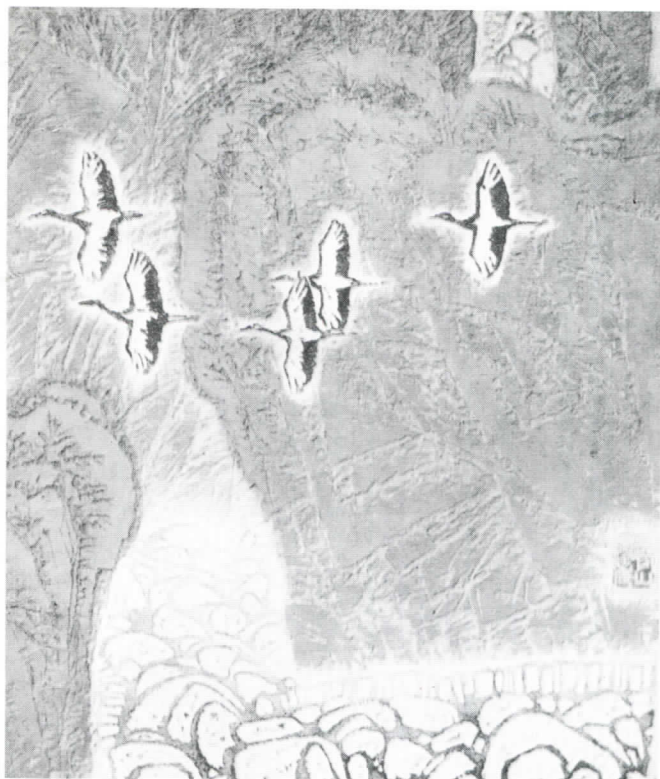
Gu Mu, honorary president of the China Confucius Fund and vice-chairman of the National People's Political Consultative Conference, said in his opening speech that the Confucian doctrine has had a wide and prolonged impact on the development of traditional Chinese culture. The Confucian Culture Festival, he added, was a grand occasion for carrying forward traditional Chinese culture and promoting cultural exchanges between China and foreign countries.

Fang Liquan, acting mayor of Qufu, announced that the Confucian Culture Festival would be held annually around the birthday of Confucius.

by Han Guojian

ART PAGE

Harvesting Kelp (woodcut).



Cranes Flying (coloured rubbing from woodcut).

Woodcuts by Zhang Baibo

Born in Qingdao, Shandong Province, in 1944, Zhang Baibo is a professional painter at the Qingdao Municipal Studio of Art and Calligraphy. He also draws on traditional Chinese skills in making rubbings to create coloured rubbings from his own woodcuts.



Evening Fishing (coloured rubbing from woodcut).

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