

A CHINESE WEEKLY OF NEWS AND VIEWS

# Beijing Review

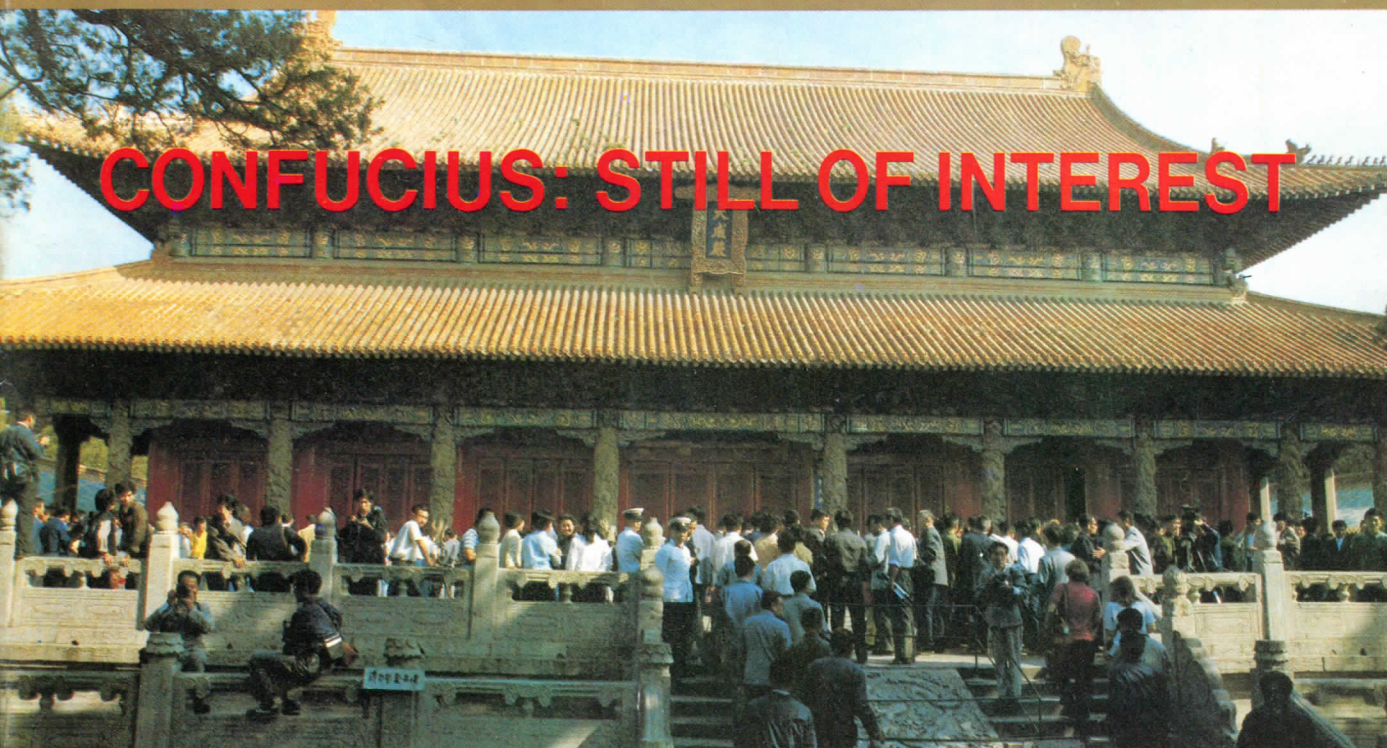
北京周报

Vol. 32, No. 51

December 18-24, 1989

## The 1980s in Review

**CONFUCIUS: STILL OF INTEREST**





Stories for his grandson.

*Photo by Liu Shehe*

## CONTENTS

### EVENTS/TRENDS 4-8

- Chinese Leaders and Deng Meet US Envoy
- Mockery to Nobel Peace Prize Breakthrough Needed in Agriculture
- Returned Students Warmly Welcomed
- Sino-Indonesia Talks Make Headway
- US Move Imperils Student Exchange
- International 'White-Coat Soldier' Honoured
- Hong Kong Policy Remains Unchanged

### INTERNATIONAL

- Superpower Relations Enter New Stage 9
- A Brutal Nobel Peace Prize Winner 10
- The 1980s in Retrospect 11

### CHINA

- Confucianism: Still a Subject of Interest 17
- Shoudu Iron & Steel Co. (3): Leadership Established Through a Democratic System 22

### BUSINESS/TRADE 26-28

### FROM THE CHINESE PRESS 29-31

### CULTURE/SCIENCE 32-34

**COVER:** Top: Dacheng Hall of the Confucian Temple in Qufu, Shandong Province. Bottom left: The Confucian Woods. Bottom right: A statue of Confucius in the Dacheng Hall.

by Chen Zhonglie

## Chinese Leaders Meet With US Envoy

● Chinese Leaders told American special envoy Brent Scowcroft, who made a 25-hour visit to Beijing recently, that relations between China and the United States must improve. The two countries should seek common points and do more practical work to improve bilateral relations, they said (p. 4).

## Reviewing the 1980s in Retrospect

● The world was full of tensions during the first part of the 1980s, but the latter part has been characterized by a trend towards detente. However, socialist countries must remain vigilant of Western countries' attempt at "peaceful evolution" (p. 11).

## Nobel Prize to Dalai Protested

● China has lodged a strong protest with the Norwegian government against the awarding of the Nobel Peace Prize to the Dalai Lama. The awarding and the participation in the ceremony by Norway's state and government leaders are commented as "a mockery of the Nobel Prize" (p. 5).

## Confucianism: Still a Subject of Interest

● On the occasion of the 2,540th anniversary of the birth of Confucius, Chinese and foreign scholars met in Beijing at a symposium on the role of Confucian ideas and their influence in modern society. Many believe that some of the ideas of Confucius can be of value in society today (p. 17).

## Over 700 Chinese Students Return

● More than 700 Chinese students have returned from abroad since the crackdown on anti-government riots in June. Jiang Guanzhuang, vice-minister of the Labour and Personnel Ministry, says that strengthening the administrative and service work for returned students is not only necessary for reform and opening to the outside world, but also effective to China's further development (p. 6).

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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Published every Monday by BEIJING REVIEW  
24 Baiwanzhuang Road, Beijing 100037  
The People's Republic of China  
Distributed by **China International Book Trading Corporation** (GUOJI SHUDIAN)  
P.O. Box 399, Beijing, China

Subscription rates (1 year):  
**Australia**.....A.\$29.00  
**New Zealand**.....NZ.\$39.00  
**UK**.....£14.50  
**USA**.....US\$29.00  
**Canada**.....Can.\$25.00



Deng Xiaoping meets with US envoy Brent Scowcroft on December 10 in Beijing.

CUI BAOLIN

## Chinese Leaders and Deng Meet US Envoy

**A**lthough there are some disputes, problems and differences of one kind or another between China and the United States, the two countries' relations should eventually be improved and this is the need of world peace and stability, retired Chinese leader Deng Xiaoping told Brent Scowcroft, special envoy of the US president, on December 10. Therefore, "your visit here is an important one," he added.

Deng met with Scowcroft, who is also assistant to the president for national security affairs, in the Great Hall of the People in Beijing.

In reply, Scowcroft said he totally agreed with Deng, adding that the United States is ready to co-operate with China to promote

the achievement of this goal.

Deng, who last month retired from his last Communist Party post, said that "to get involved in things like this is not my responsibility since I have retired. But it would be very impolite and unreasonable for me not to meet the special envoy sent by my friend President George Bush."

Scowcroft conveyed Bush's cordial regards to Deng. He told Deng that Bush still regards him as a friend forever although Deng has retired. He also thanked Deng for having taken time on a Sunday to meet with him.

Deng said that although Scowcroft came to Beijing to brief China on the recent US-Soviet summit in Malta, as a matter of fact he arrived with a desire shared by both sides: solving as

soon as possible disputes on certain issues between the two countries that have arisen since last June, so that Sino-US relations can move forward.

Deng asked Scowcroft to tell Bush that "there is a retired old man in China in the orient, who is concerned about the improvement and development of Sino-US relations."

The conversation between Deng and Scowcroft was cordial, friendly and wide-ranging.

Jiang Zemin, general secretary of the Communist Party of China Central Committee, and Premier Li Peng, also had separate meetings with Scowcroft during his 25-hour visit.

Jiang told the American envoy that China and the United States should seek common grounds and

## A Mockery to Nobel Peace Prize

China lodged a strong protest on December 11 with the Norwegian government against its participation in the ceremony to award the Dalai Lama with the US\$455,000 Nobel Peace Prize.

The previous day, the Norwegian Nobel Peace Prize Committee held the 1989 Nobel Peace Prize awarding ceremony for the Dalai Lama in the Norwegian capital of Oslo. The committee went ahead with the ceremony despite a strong protest earlier from the Chinese government and condemnation from people of deep insight the world over. Norway's King Olav, Prime Minister Jan Syse and some cabinet ministers attended the ceremony.

Meeting on appointment with Jan Tore Holvik, Norwegian ambassador to China, an official of the Department of Western European Affairs of the Chinese Foreign Ministry lodged a solemn representation to the Norwegian government about awarding the Nobel Peace Prize to the Dalai Lama, and the participation in the ceremony by Norway's state, government and parliament leaders.

The official pointed out that Tibet is an inalienable part of Chinese territory and that the question of Tibet is entirely Chi-

na's internal affair that brooks no interference by any foreign government, organization or individual.

"It was clearly out of political motives that the Nobel Committee awarded the 1989 Nobel Peace Prize to the Dalai Lama," he said, adding that it has constituted a provocation against the Chinese people.

What was more serious, he pointed out, was that Norwegian leaders of the state, government and parliament went so far as to participate in the prize-awarding ceremony and even met with the Dalai Lama.

"All this has constituted an open support to the activities of the Dalai Lama's clique aimed at splitting China and a gross interference in China's internal affairs," the official said.

He stated that the Norwegian government had completely gone against its declared position of recognizing Tibet as part of China and also flouted the basic norms governing international relations.

Difficulties in the Sino-Norwegian relations have been caused by the Norwegian side, he said, and Norway bears an unshirkable responsibility in this regard.

The official also told the ambassador that China hoped the Norwegian government would

after being steered away from the negative track of the last few months.

Premier Li Peng, during his meeting with the American special envoy, said he hoped both China and the United States would do more practical work to improve bilateral relations. He also hoped the special envoy's visit to China would help improve the Sino-US relationship and serve as the beginning of such an improvement.

Scowcroft said that this was the

treasure the long-term interests of the bilateral relations and abandon its present wrong attitude and return to the right position.

A December 12 *People's Daily* commentary noted that the purpose of the Nobel Peace Prize was to award those who have done their utmost and made the greatest contributions to the friendly and harmonious relations between nations.

Yet the Nobel Committee, which was appointed by the Norwegian Parliament to handle the peace prize, went against this purpose by awarding the prize to the Dalai Lama, who has long been engaged in activities aimed at undermining the national unity of China.

"It was nothing but the greatest mockery to the Nobel Peace Prize," the article said.

The commentary said the Chinese people, including the people in Tibet, are absolutely against separation, and regard safeguarding the national unity as their duty-bound obligation. Therefore, it continued, attempts by any country to split China and interfere in its internal affairs will inevitably end up in defeat.

Foreign countries, if they are really concerned about the people of Tibet, should respect their choice to take the socialist road and uphold the national unity, the commentary said. □

develop friendship and co-operation on the basis of the Five Principles of Peaceful Coexistence. Provided that both sides sincerely do so, he added, there will be broad prospects for Sino-US co-operation.

Scowcroft, who had never met Jiang, said that he was delighted to make his acquaintance.

Bush, Scowcroft told Jiang, attaches great importance to US-China relations and hopes they will be placed on a positive track

goal of the United States as well.

Briefing his American guest on China's current political and economic situation, Li Peng pointed out that the political situation in China is stable and that the country's new leadership with General Secretary Jiang Zemin as the centre has won the trust of the people of the entire nation. "Though our economy has come up against some temporary difficulties, it is, in general, proceeding in the direction of a healthy cycle," he emphasized. □

## Breakthrough Needed in Agriculture

**A**griculture is a major issue in China, both economically and politically. Without the steady growth of agriculture, a sustained, stable and harmonious development of the national economy would be out of the question. And without stabilization in rural areas, the country and society as a whole would be also affected."

Jiang Zemin, general secretary of the Chinese Communist Party, made the remarks during the national conference on the comprehensive development of agriculture which began November 27 in Beijing.

In the past 10 years, Jiang said, China's rural reform and construction have achieved prominent results. However, in the past five years the output of grain and cotton, China's major agricultural products, has stagnated.

Jiang called for a breakthrough in the development of agriculture. To achieve this goal, he pointed out, the present task is to sum up experiences and draw lessons from the past to find a way to solve the problems.

The current vacillation of the agricultural economy must be ended as quickly as possible, he said. The annual output of grain should reach 425 billion kilograms, and cotton should reach 4.5 billion kilograms to 5 billion kilograms.

This will be no easy task for the state and the Party, Jiang said. The whole country should make concerted efforts to promote agricultural development.

Great efforts should be devoted to stabilizing and improving the rural contract responsibility system in production. It is also necessary to encourage farming on a moderately larger scale where local conditions permit and the development of agricul-

tural services, the general secretary said.

Agroscience and technology should be widely spread and applied, Jiang said. As well, more investment, either from the central or local government or farmers themselves, should be injected into agriculture.

He pointed out that many other major problems in the agricultural sector should be studied and resolved. These include: developing a comprehensive agricultural operation; gradually beefing up the collective economy in the rural areas; streamlining, reforming and improving township enterprises; improving education and the work of family planning among farmers; protecting and making better use of farmland; strengthening grass-roots Party and administrative organizations in the rural areas; and drawing up a plan for the overall development of agricul-

ture. Resolving these issues is linked to the steady growth of agriculture, he said.

Jiang urged officials at all levels to go to the rural areas to learn about conditions there, make friends with farmers and discuss with them way to solve problems.

Premier Li Peng also talked to the representatives at the conference. He said enterprises of industry and commerce operated by individual farmers within the framework of law should be protected while illegal businesses should be disbanded. He confirmed the policy to properly develop rural enterprises and township enterprises should be guided by the state industrial policies.

He said that in the coming year, the state will invest more money in agriculture, mainly to support the harnessing of big rivers, construction of large water conservation projects, agriculture-oriented industry and other major agricultural projects. □

## Returned Students Warmly Welcomed

**M**ore than 700 Chinese students, who have returned from abroad since the crackdown on anti-government riots in June, have been warmly welcomed by relevant government departments, their employers and their colleagues, and have settled back into life in China.

An official of the State Education Commission said about half of the 700 students returned from the United States. Twenty-seven had earned a master's or doctor's degree and the rest were exchange scholars, said the official who is in charge of overseas student affairs.

The employers of the students have taken or are taking measures to improve their working and living conditions so that they will work enthusiastically, he said in Beijing on December 5.

Yan Yongping, an official at the Chinese Academy of Sciences, said that more than 50 scholars of the academy have returned home since June. Their research topics have been set and research funds offered. The academy has also done its best to improve their living conditions, he added.

Some people claimed that returned students face discrimination, and even persecution, because of their involvement in anti-government demonstrations and other activities while they studied abroad.

However, both Yan and the State Education Commission official denied the allegation.

"We have never asked them whether they took part in these activities," Yan said.

Zeng Yiliang, a scholar working at the academy's Animal Stu-

dies Institute, said, "It's sheer *Arabian Nights* to say that returned Chinese students have been persecuted."

The education commission official said the people who made up these rumours were actually "biased, if not with an ulterior motive in mind."

He stressed that the Chinese government has time and again stated that the reason some students studying abroad demonstrated and voiced misgivings on the measures taken by the government to quell the riots was because they did not know the true situation at home. They had been misled by the reports of the Western media. Some students had even voiced extremist opinions.

The government will take a tolerant attitude toward all this, he added. Their actions will not be looked into even after they come back.

"What has happened proves this," the official said. "We have not punished any of these students. When some of them finish their home visits, we even help them to go out again."

Educational and labour departments have also drawn up plans for settling the returned students and providing them with research funds in a bid to improve their working and living conditions.

Jiang Guanzhuang, vice-minister of the Labour and Personnel Ministry, said that strengthening the administrative and service work for returned students is not only necessary for China's reform and opening to the outside world, but also effective to China's further development.

Since the founding of the People's Republic of China in 1949, China has sent more than 70,000 students to 76 countries and regions. Until now, 43,000 have returned and contributed a great deal to scientific development and economic construction. □

## Sino-Indonesia Talks Make Headway

China and Indonesia have reached a consensus on most of the technical issues in normalizing relations between the two countries, Chinese Deputy Foreign Minister Xu Dunxin said.

Xu, head of a 10-member delegation who arrived in Jakarta on December 4, told reporters that the two countries agreed on the principles of normalizing bilateral ties, but that further details were not yet available.

Xu added that the process of normalization will be completed by the foreign ministers from the two countries.

Xu's group represents the first official Chinese delegation to Indonesia since the two countries suspended diplomatic relations in October 1967.

Last February, Chinese Foreign Minister Qian Qichen met

with Indonesian President Suharto and State Secretary Moerdiono in Tokyo, and reached a three-point agreement on the normalization of relations between the two countries. Xu said the December talks were based on the principles set down in the earlier talks.

Indonesian Foreign Minister Ali Alatas and Moerdiono expressed satisfaction with results of the Jakarta talks at a meeting on December 7.

Both officials reaffirmed that Indonesia will strictly abide by the "one China" policy, and considers its trade with Taiwan as only a form of non-governmental exchange.

The next round of talks on bilateral diplomatic ties will be decided upon after the results of the Jakarta meeting are submitted to the respective governments, the officials added. □

## US Move Imperils Student Exchange

China lodged a strong protest with the US government over its undermining of educational exchanges between the two countries and Sino-American relations.

On December 8, Liu Huaqiu, China's vice-foreign minister, met by appointment with B. Lynn Pascoe, interim charge d'affaires of the US Embassy in Beijing, and made representations over the US government statement and memorandum on Chinese studying abroad.

Liu said that although the Emergency Chinese Immigration Relief Act of 1989 adopted by the US Congress had been vetoed by President George Bush, the American government had issued a statement and memorandum on the matter with the same content as that of the congressional bill.

It declared that by administrative means the two-year home

country service requirement was waived for all Chinese studying abroad on J-1 visas because they might be persecuted upon their return to China. Liu called the allegation utterly groundless.

He hoped that the US government would take into account the relations between the two countries and long-term interests of the two peoples, and immediately halt all actions that undermine bilateral educational exchanges and bilateral relations.

On the same day, China's State Education Commission issued a statement on the US government's statement and memorandum on Chinese students studying in the United States. The statement said that the US government's statement and memorandum run counter to Sino-US agreements on educational exchanges. China's State Education Commission expressed



## International 'White-Coat Soldier' Honoured

**D**r. Hans Miller, a German physician who became a Chinese citizen in 1950, has been given the certificate of "Excellent International White-Coat Soldier" to honour his 50th anniversary of participating in the cause of the Chinese people's liberation and socialist construction. Chen Min-

zhang, minister of public health, presented the certificate on December 4 in Beijing.

A member of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) and consultant for the Beijing University of Medical Sciences, Miller was born in Ger-

its great indignation and strong protest against it.

As early as 1978, China and the United States reached an understanding on the exchange of students and scholars. In 1985, the two countries signed the "Protocol between the People's Republic of China and the United States on the Exchange of Students and Scholars." In 1987, the State Education Commission of China and Information Agency of the United States jointly issued the "Press Communique on Sino-US Talks on Education."

The understanding, protocol and press communique opened up broad prospects for Sino-US exchanges in the fields of science, technology and education. Such exchanges are conducive not only to the friendship and understanding between the peoples of the two countries but also to the scientific progress and cultural prosperity of mankind.

In the spirit of the 1987 press communique, China and the United States have affirmed that government-sponsored Chinese students in the United States were to return to their home country for two years of service upon completion of their studies. This conforms to international practices as well as to US law.

Due to the US violation of the Sino-US agreement on educational exchanges and its obstruction of normal student exchanges, the State Education Commission of the People's Republic of China has to make necessary responses, the statement said. □

## Hong Kong Policy Remains Unchanged

**C**hina's policy of "one country, two systems" will not be changed, Chinese Premier Li Peng reiterated on December 7. He

many in 1915.

In 1939, he went to the headquarters of the Chinese revolution in Yanan in Shaansi Province. Since then, he has devoted himself to the cause of the Chinese people's liberation and socialist construction. He joined the Chinese Communist Party in 1957.

The Chinese people have always cherished a profound respect for the international "white-coat" fighter who has worked hard without complaint and with a very high sense of responsibility and enthusiasm.

Among the more than 250 people who attended the conference marking the anniversary was Kang Keqing, vice-chairwoman of the CPPCC. Li Xiannian, chairman of the CPPCC and Deng Yingchao, widow of the Chinese Premier Chou Enlai, both sent messages to Miller expressing their great appreciation of his contributions to China.

Mi Dehua, son of Dr. Hans Miller, speaks on behalf of his father at the conference. Seated from left to right are Kang Keqing, Dr. Hans Miller and Chen Minzhang. □

made the remark during a meeting with Tak Shing Lo, vice-chairman of the Consultative Committee for the Basic Law of the Hong Kong Special Administrative Region.

During their cordial conversation, Li expounded China's principled stand and policies on Hong Kong. He said the Chinese government will, as always, work hard to strictly implement the Sino-British Joint Declaration on the Question of Hong Kong.

"We do not hope to see that there will be any damage done to this historic document," the premier stressed.

Lo expressed his agreement with Li's views, saying that he was fully confident of the future of Hong Kong.

Lo said he would work hard for the implementation of the Sino-British Joint Declaration and for the formulation of a basic law which can ensure Hong Kong's long-time stability and prosperity. □



# Superpower Relations Enter New Stage

by Zhang Hua

**A**s the two-day informal summit meeting between US President George Bush and Soviet leader Mikhail Gorbachev wound up on December 3, both leaders declared that a new stage in US-Soviet relations was beginning.

"Now, with reform under way in the Soviet Union, we stand at the threshold of a brand new era of US-Soviet relations," a jubilant Bush said at an unprecedented joint press conference at the end of the summit held on board two vessels on the Mediterranean off Malta.

"We stated, both of us, that the world leaves one epoch of cold war, and enters another epoch," an equally elated Gorbachev declared at the press conference, adding, "We are just at the very beginning of our long road to a long-lasting, peaceful period."

According to the two leaders, they also agreed to:

- Resolve all acute issues involving the two superpowers by political means;

- Avoid military interference in Eastern Europe;

- Work together to conclude arms reduction agreements, particularly on strategic arms and conventional troops in Europe; and

- Provide support to the Soviet reform.

The Malta summit took place at a time when the entire international situation, particularly that of Eastern Europe, was

undergoing changes so rapid that the pace far exceeded conventional expectations. Both Washington and Moscow felt the need to better understand each other through an exchange of views.

The United States intended to obtain first-hand information about the reform movement that is sweeping the Soviet Union and Eastern Europe so as to adjust to the changes and attune its policy towards Moscow. While not wanting to lose anything because of ignorance of the situation, the United States was also afraid of damaging US-Soviet relations and US interests because of inappropriate handling of the relationship.

The Soviet Union, though stressing the importance of reaching disarmament agreements at summit meetings, welcomed any exchange of views with Americans and was willing to let them know more about *perestroika* (restructuring). Moreover, Moscow hoped to derive huge Western economic and technological co-operation from the informal summit. The Soviets had also been worried that the Americans would take advantage of the East European situation and affect the process of

reform.

More recently, the opening of the Berlin Wall has presented new questions to the superpower leaders, mainly the reunification of Germany and security in Europe.

## US Initiatives

In a major divergence from its past attitude, the United States took the initiative this time by advancing a series of proposals aimed at improving relations with Moscow. These proposals mainly concerned two aspects — promoting the arms control negotiation process and enhancing US-Soviet economic and trade relations. The United States suggested that agreements be reached in nuclear disarmament, conventional disarmament, chemical weapons and nuclear testing next year and that support be given to Soviet efforts



Farewell to an epoch: US President George Bush and Soviet President Mikhail Gorbachev exchange smiles at their first round of talks at the Malta summit.

to join the Western market.

"The Soviet Union now seeks greater engagement with the international market economy, a step that certainly I'm prepared to encourage in every way I can," Bush promised.

Analysts believe that the US change of attitude reflects Washington's intention to improve its diplomatic image. Moreover, it represents a belief that supporting the Soviet reform conforms to US interests.

On the European situation, both sides adopted a cautious attitude and promised not to intervene in Eastern Europe's affairs. In particular, both avoided openly commenting on the question of the reunification of the two German states. Gorbachev, for example, said that both the West and the East must "remain realistic." He said his country did not want to do anything to accelerate the changes artificially for the peoples of the two German states.

"Each people has the right to decide, and does decide, the fate of its own state," he proclaimed.

Bush, for his part, said that although the United States is happy about the change in Eastern Europe, "I don't think it is the role of the United States to dictate the rapidity of change in any country."

"It's a matter for the people to determine themselves," he added.

Although the two leaders agreed on major issues, they differed on sea-launched cruise missiles and regional issues, especially over the Central American conflict.

Commenting on the Malta summit, a Chinese Foreign Ministry spokesman said on December 6 that China hopes the results of the meeting will genuinely help relax and stabilize the world situation, and will not harm the interests of any third party. □

## A Brutal Nobel Peace Prize Winner

by Andres Sanchez Diaz

**A**lthough the word "Dalai Lama" means "the sea of wisdom," it is this same Dalai Lama who placed the Tibetan people in poverty, serfdom and ignorance. But New China, under the leadership of Mao Zedong, liberated the serfs in the 1950s.

### Ear Tax

In the past, Tibetans were graded according to a class system. The lower class enjoyed absolutely no rights in comparison with the upper class, and a brutal suppression system was set up to safeguard such inequalities. Torture as a warning was common, and so was dismemberment as the symbol of a regime that held the power to kill.

To estimate the wealth of a temple, a local government or a serf owner, the amount of livestock and the number of serfs were calculated, while land was divided using mountains as borders.

Serfs owned nothing. They did not even have the right to be masters of their own existence. They engaged in forced labour and might be loaned, mortgaged, made over, presented to others as a gift, sold, beaten or killed by their owners. The owners' will decided their fate. It was only after the Dalai Lama fled from Tibet in 1959 that these awful days came to an end.

Another brutal measure was the "ear tax" that was used to collect military expenses. Those

who failed to pay the tax would be forced into having one of their ears cut off, hence the name of the tax. There was also a corvée system that forced people to work without payment.

The top ruler of this horrifying regime is the present Nobel Peace Prize winner, the Dalai Lama.

Evidence of the atrocities can be seen in the museum of Lhasa, Tibet's capital, and in the Revolutionary History Museum east of Tiananmen Square in Beijing.

### Living Buddhas and Serfs

According to the commandments of Buddhism, senior lamas must recite classics and meditate, and need not engage in physical labour, which is the task of lesser lamas, who are apprentices. In the past, leather whips were the tools of safeguarding such a livelihood. "Talking animals" was a synonym for the poor people of Tibet, or 95 percent of Tibet's population.

### Socialism Starting from Scratch

In 1954, the Dalai Lama and the Panchan Lama, Living Buddhas of the Yellow Sect, went to Beijing and preached in Yonghe Palace. As Living Buddhas of the serf-owner class, they agreed, at Mao's urging, to re-educate themselves to be more prudent and democratic. The same year, the Dalai Lama was elected vice-chairman of the National Peo-

ple's Congress Standing Committee and the Panchan Lama became vice-chairman of the Chinese People's Political Consultative Conference.

In 1958, usury was abolished and the debts of serfs were cancelled. Labourers profited by what crop they grew or animal they raised, rather than the serf owners. The next year, a handful of reactionaries of the Tibetan upper strata staged an armed rebellion. Meanwhile, more than one million serfs, according to Chinese official news coverage, carried out a reform against their former serf-owner masters. Again, in 1961 another democratic reform was launched. Several years later, in 1965, the Tibet Autonomous Region was founded.

Tibet, with an average elevation of 4,000 metres, is twice the size of Spain with half the popu-

lation of Madrid or Barcelona. But until 1959, when the Dalai Lama fled abroad, animal husbandry and crop planting had been the predominant occupations in the area. Religion was another unique part of Tibetan life. Living in tents woven with yak-hair, Tibetans drank tea mixed with salt and butter, ate cheese and *Zanba* (roasted bread or cake made from qingke or highland barley flour), and used dried yak dung as fuel. Small-scale trade was carried out in the form of barter; several kilograms of ox hair could be exchanged for a tool, or knife or a piece of cloth. Medicines were made from herbs. As well, there were no highways, factories or schools at that time.

But now things have changed greatly. The government of the People's Republic of China has built educational centres in Tibet

—three universities, 14 technical secondary schools, more than 60 middle schools and 2,000 primary schools. There are also many scientific research centres and cultural centres, and more than 1,000 medical service establishments with 7,000 medical personnel.

Children's schooling in villages engaging in agriculture and animal husbandry, however, remains a serious problem. On the pretext of herding horses or cattle, herdsmen refuse to send their children to school. Compared with other provinces in China, progress in Tibet is slower. But looking back at Tibet in the last century, the progress has been striking. It seems that socialism has taken its root in this land, noted for its harsh climate and unsophisticated way of life.

(An abridged translation from the original Spanish article that appeared in *Interview*, No.702) □

## The 1980s in Retrospect

**During the first half of the 1980s, the United States and the Soviet Union were locked in an intense arms race and regional contests, making the international situation tense and turbulent. After the mid-1980s, they resumed talks, "hotspots" generally cooled down, and the world entered a new period of relaxation and dialogue.**

**Under this general easing of tensions, the United States stepped up its "peaceful evolution" scheme in an attempt to overthrow the leadership of Communist Parties and change the socialist system in socialist countries.**

by Wang Lin

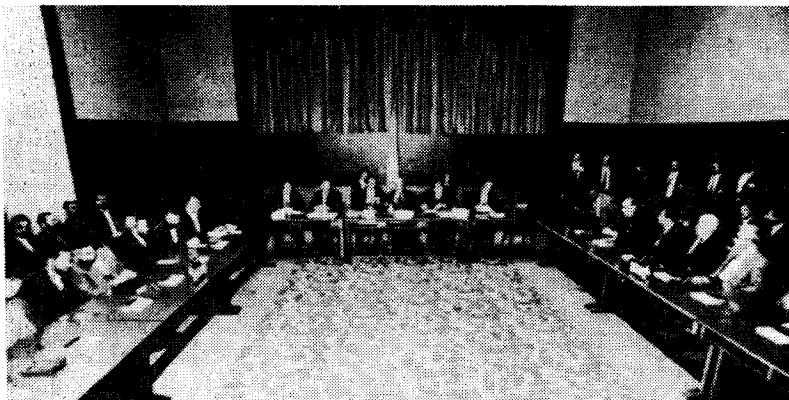
**W**ith the approach of the 1990s, the world faces a tremendous challenge combined with the hope of continued detente. This comes after a decade which saw the most significant changes the world has witnessed since World War II.

### International Situation Tense

The arms race and regional

contests between the two super-powers during the first half of the 1980s were intense, keeping the international situation in a state of turbulence. During the 1970s, the Soviet Union, seeing that the United States had turned inward to try to solve its many domestic difficulties, strengthened its military and expanded towards Southeast Asia, the Middle East, Africa and Central America, and even in-

vaded Afghanistan. This placed the United States in an unfavourable position. During the American presidential election campaign in 1980, Ronald Reagan, complying with the rise of conservative forces and ideas within the United States, said he would revitalize America's strength and restore national spirit. He won the election. After taking office in 1981, he opted to use a strategy of "strength and



The Foreign Ministers of Iran and Iraq, Ali Akbar Velayati (second from left) and Tareq Aziz (second from right) hold their fourth round of talks for peace in Geneva. United Nations Secretary-General Javier Perez de Cuellar (middle) attends.

negotiation" with the Soviet Union and pledged to double US military spending in five years.

Meanwhile, the United States took the "offensive" against Soviet expansion in various areas to restore its position. Reagan stressed repeatedly that the United States had made a major strategic mistake by allowing the Soviets to wantonly expand in the third world during the 1970s, and claimed that the United States would roll back Soviet influences. He also announced that the United States would increase its military support to third world countries — US\$9.7 billion in 1986 from US\$5.1 billion in 1981. The United States provided modern weapons to the Afghan guerrillas, increased military support to Angola's anti-government forces, strengthened military deterrence and subversion in Nicaragua, and contributed to potentially explosive contests with the Soviet Union in the Middle East, the Persian Gulf, Southeast Asia, Africa and Central America. The United States also carried out a "low-intensity war strategy" that can realize immediate results and avoid risking direct conflicts with the Soviet Union. This strategy was a means to gain superiority in some areas — the land-

ing action in Grenada and raiding Libya being examples.

The Soviet Union was not to be outdone and fiercely counter-attacked the US "offensive" to try to maintain its position. In Afghanistan, the Soviet Union, on the one hand, encircled and suppressed the guerrillas to cut their connections with the outside world. On the other hand, it tried to consolidate the Kabul regime to help it strengthen its military and calm the Afghan people. The Soviet Union also continued to support Viet Nam politically, economically and militarily in its invasion of Kampuchea, therefore increasing the difficulties of a political settlement of the Kampuchean problem. Moscow also sped up development of the Cam-Ranh Bay naval base to project their power into Southeast Asia.

◀ In general, US-Soviet relations were deadlocked in confrontation. Although they hadn't completely closed the door to negotiations and tried to avoid direct conflicts that would aggravate the situation, each side attempted to win superiority, thus increasing international tensions.

### Easing of Tensions

Since the mid-1980s, however,

both the United States and the Soviet Union have been faced with more and more difficulties both at home and abroad. The international situation has undergone tremendous changes. Therefore, while continuing to rival each other, Washington and Moscow resumed high-level negotiations, creating a situation in which dialogue and confrontation coexist.

The arms race between the superpowers failed to enable one side to prevail over the other. Rather, it made both sides susceptible to being destroyed. Moreover, their economies suffered greatly. During the eight years of the Reagan administration, a total of US\$2 trillion went to military spending. Soviet leader Mikhail Gorbachev disclosed in May that his country's military spending amounted to 77.3 billion roubles (US\$118 billion) — 15.6 percent of the budget.

Gorbachev took office as general secretary of the Soviet Communist Party in March 1985, when his country was faced with mounting difficulties. The Soviet economy had ground to a halt with the growth rate decreasing dramatically from the late 1970s onwards and reaching only 2.6 percent in 1984. Agriculture registered poor harvests for many years in a row, resulting in serious shortages. Budgetary deficits piled up, accounting for 3 percent of the gross national product in 1985, and even increased in subsequent years. Science and technology gradually fell behind, with the distance from the United States widening except in a few basic scientific fields. This posed a challenge to Gorbachev in responding to US arms race proposals, especially the Strategic Defence Initiative or "Star Wars" programme. Furthermore, the Soviet expansionist adventures in the 1970s proved to

be a huge burden for Moscow.

Under the circumstances, Gorbachev adjusted both domestic and foreign policies, placing the acceleration of economic development before everything. He launched a reform programme that embraced both economic and political sectors, rectified the leadership at various levels and urged the people to raise working efficiency and labour productivity. In foreign affairs, he adopted a flexible and pragmatic attitude, broke the impasse in relations with the United States, improved ties with other Western countries, made efforts to normalize relations with China and endeavoured to

reach disarmament agreements and seek political solutions to regional conflicts.

Meanwhile, the US economy did no better than the Soviet one. In 1985 the financial deficit reached a record US\$211.9 billion and the trade deficit rose to US\$148.5 billion, also a record number. National debt amounted to US\$1,824 billion, with an annual interest of US\$178 billion. The United States, as a world economic and financial giant, was greatly weakened and gradually turned into a debtor nation from a creditor nation, having to rely on investment from Japan, the European Community and the four Asian "lit-

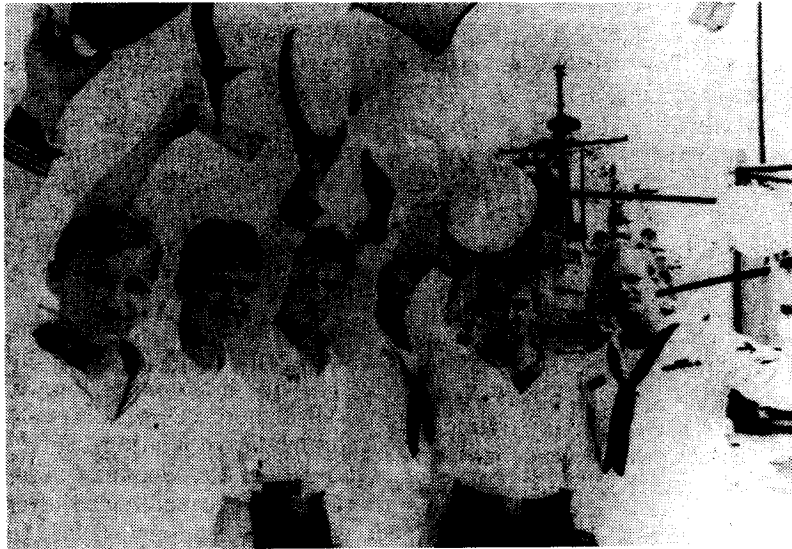
tle dragons"—South Korea, Taiwan, Hong Kong and Singapore. Reagan's plan to expand US military strength met with increasing opposition both inside and outside the United States. In light of this, in his 1984 campaign for re-election, Reagan made repeated overtures for detente with the Soviet Union. He said he was willing to conduct serious and constructive dialogues with the Soviet Union to establish more co-operative and accommodative relations.

US-Soviet dialogues and negotiations were strengthened after Reagan's re-election in 1985. In March 1985, US-Soviet arms control negotiations resumed in Geneva and later that year, on November 19 and 20, Gorbachev and Reagan met in Geneva, thus reopening the Soviet-US summit meeting that was suspended for six years. Contacts and talks between the two sides in other areas and at different levels also increased.

The international situation in general has changed significantly. A multi-polarized world is taking shape. The defeated nations during World War II achieved economic miracles after several post-war decades of reconstruction, and have caught up with the Soviet Union and the United States and even surpassed them in many fields. Japan has become an economic giant, a creditor nation, and is attempting to become a political power. Its military expenditure exceeded 1 percent of the gross national product. In 1986, Japan's trade surplus, mostly with the United States, reached US\$92.7 billion. All this has concerned the world, especially the Asian-Pacific region. At the same time the economic might of the European Community, and in particular the Federal Republic of Germany, has increased rapidly. Bonn's exports

Chinese President Yang Shangkun welcomes Soviet leader Mikhail Gorbachev (left) at Beijing Airport on May 15, 1989.





American and Soviet sailors are photographed together when the US naval sixth fleet visited the Soviet naval base of Sevastopol on August 7, 1989.

exceeded those of Washington with a surplus of US\$52.3 billion. Some countries and regions that used to enjoy US preferential treatment, particularly the four Asian "little dragons," have also achieved considerable economic development and posed a threat to the United States. US dominance in world economy is being replaced by a combination of three powers—the United States, Japan and the European Community.

The unbalanced development of the world economy has made it impossible for the United States and the Soviet Union to dominate world politics, reducing the dependence of many countries on the superpowers. Eventually a new international relations pattern will emerge.

As well, a new industrial and technological revolution centred around an information explosion is posing challenges to all countries. It is estimated that by the end of this century and early next century breakthroughs will be achieved in some high-tech fields and put into service. This new revolution will raise production to a new high and will gradually transform social produc-

tivity and life, exerting a deep influence on world economies and international relations. Advanced countries, especially the United States and the Soviet Union, feeling the future impact of this revolution on their comprehensive national strength and their standing in the world, have already started to compete for superiority in high technology.

The United States, taking advantage of its technological superiority, has competed successfully with the Soviet Union. But this superiority is being challenged by Japan and the European Community, which have actually surpassed the United States in some aspects.

Though lagging far behind in science and technology, the Soviet Union is doing its utmost to catch up with the United States. Some developing countries are also struggling to keep pace with the world trend.

International and domestic changes have prompted many countries to carry out economic reforms and adjustments in an effort to resolve the problems in their economic development and raise productivity. Gorbachev is deepening his economic and pol-

itical reforms. However, the many problems in the Soviet economy have been piling up for a long time and there is strong internal resistance. They cannot be surmounted overnight. It will not be easy for the United States to tackle its financial and trade deficits either, and it will be even more difficult for it to ease the internal and external dissension and conflicts. Raising taxes and controlling advance consumption at home will arouse complaints, and increasing exports and limiting imports will hurt relations with its allies.

## A New Era for Dialogue

The world has witnessed a new period of detente and dialogue during the second half of the 1980s, with Soviet-US dialogues going on and "hotspots" cooling down. Gorbachev developed a diplomatic "new thinking," and Reagan showed his liking for economic rivalry and initiatives in science and technology with the Soviet Union. From 1985 to 1988, there were a record four summits. Gorbachev also had a meeting with Reagan and George Bush, the newly-elected president, when the Reagan administration was about to shift power to Bush. Early this month, Bush and Gorbachev held their first informal meeting on board ships in the Mediterranean Sea. A formal summit is scheduled for next June.

Gorbachev and Reagan, at the third summit held in Washington on December 7, 1987, signed an agreement on an over-all elimination of intermediate-range missiles. This move, as the first time in history to eliminate nuclear weapons, drew worldwide attention, though the volume of this type of missile accounted for only 3 percent of the superpowers' entire nuclear arsenals. The procedures for destroying mis-

siles came under mutual verification. The Soviet Union and the United States have also made headway in talks on cutting strategic nuclear weapons, conventional forces and chemical weapons. As well, Gorbachev made a commitment that the Soviet Union would unilaterally reduce the number of troops and partially withdraw its troops and weapons from Eastern Europe and largely pull its troops out of Mongolia.

Currently, conflicts in "hotspots" either have been resolved or have eased. Within nine months from May 15, 1988, to February 15, 1989, the Soviet Union withdrew all its troops from Afghanistan. A ceasefire was reached in the eight-year-old Iran-Iraq war when the two sides finally accepted a United Nations' resolution. Through the efforts of the United States and the Soviet Union, hostilities in southwest Africa are nearing a solution. Angola, Cuba and South Africa reached an agreement in UN headquarters last year on the political settlement of disputes. Cuba was scheduled to withdraw all of its troops from Angola within 27 months

beginning April 1 this year. Namibia will soon win its independence after recent general elections. As for the Middle East, the situation presents a favourable turn. The Palestine Liberation Organization accepted a UN resolution, which included the acknowledgement by the PLO of the right of Israel to exist. The PLO also declared the founding of the State of Palestine. Possibilities have also greatly increased for a political settlement of the Kampuchean dispute. Tensions in Central America have largely eased after several summits among the five countries concerned. Likewise, long-standing conflicts in the western Sahara, Chad, the Horn of Africa and Cyprus have been put on the course of political solution. The state-to-state and internal relations in some regions have seen improvement. The UN and some regional organizations are playing progressively important roles in peacefully settling disputes.

### Unstable Factors

With the easing of tensions between the United States and the

Soviet Union, it is estimated that there will be a fairly long period of detente and dialogue amidst a peaceful global environment. However, it must be remembered that the unstable factors leading to turbulence and war still exist. Although US and Soviet economic strength has decreased, the two countries are still superpowers. They share a major influence in world politics and superior military positions.

With detente the United States and the Soviet Union will make more bargains while continuing to compete against each other. The emphasis will shift to seeking superiority in comprehensive national strength, particularly in economic science and technology. Both superpowers still possess nuclear and conventional weapons at unprecedented levels, continuously threatening world peace and other countries' national independence. The arms race has subsided, but neither side will relax in the fields of weapon improvement and military high-tech. They will continue to pursue a hegemonic policy and try to strengthen their control in all parts of the world. Although they want to resolve some regional conflicts by political means to avoid head-on confrontations, they will continue their carrot-and-stick approach to exert influence.

The easing of tensions between the United States and the Soviet Union, like their confrontation, is very complex. Both situations must be watched closely. Furthermore, the world is changing from a bipolar one to a multipolar one, and international relations are more complicated than in the past. The European Community will build an integrated market by 1992; the United States is trying to build a free trade zone under its control, and Japan plans the East Asian

The 10th round of US-Soviet negotiations on strategic weapons ends in Geneva on August 8, 1989.



economic rim. Each country has its own considerations and none of them can make a compromise. The tense race in science and technology continues and many new disputes will emerge. The gap between the North and the South will widen, resulting in the rich becoming richer and the poor poorer.

East European countries have achieved some results in economic and political reforms, but face many difficulties. Because long-standing issues in these countries could not be resolved at once, and there is no experience to fall back on, it is unavoidable to make mistakes.

New thinking in the Soviet Union has caused quarrels at home and abroad. Some East European countries are carrying out some political reforms too quickly, and this has led to unrest and instability. Internal contradictions in the third world, including those of political parties, armies, nationalities, religion and society, have intensified. Economic difficulties and the debt burden are also increasing. New conflicts within some countries or between countries will probably erupt. Some old conflicts may erupt again. Therefore, the unstable factors of the world still exist and it would be astute to remain vigilant.

It is worthy to note that the United States, backed by other Western developed capitalist countries, has stepped up its scheme for "peaceful evolution" towards the Soviet Union, China and East European socialist countries. It is a wanton attempt to overthrow the leadership of the Communist Party and change the socialist system.

In recent years, relations between the East and West have eased while transactions and exchanges have constantly increased. The United States considers it can use this opportunity to infiltrate into socialist countries and interfere more brazenly than in the past.

It is well-known that socialist countries have rapidly developed their economies and politics after overthrowing reactionary rule and establishing the socialist system, displaying the strong vitality of socialism. However, in recent years their economies have stagnated and met with difficulties and disappointments. Under such circumstances these countries have conducted economic and political reforms to modernize. Naturally this is a tough task that cannot be resolved immediately.

During this process new difficul-

ties have appeared. The United States and other Western developed countries have taken these difficulties as a "big failure of communism," claiming it can be replaced with the Western system. They have said publicly that this opportunity to reform socialist countries to their benefit and then merge them into the international community cannot be missed. The United States has also put forward a strategy to bring about "peaceful evolution" in socialist countries to realize its goal. The United States and other Western countries have also said reform in socialist countries needs Western capital and technology, which they can use as a political lever to exert influence. Of course, the anti-communist forces in these countries have always yearned for the collapse of socialist countries. They have never abandoned their ideology; the only difference is that their tactics are more glaring and brazen during the period of East-West relaxation than in times of tension. After the counter-revolutionary rebellion was quelled in Beijing in early June, the United States with help and support of some other countries launched an anti-China campaign. This clearly shows the fond dream of capitalism.

Detente and dialogue have not weakened the struggle between capitalist and socialist systems and ideologies. On the contrary, it is sharper. The struggle of interference and counter-interference, subversion and counter-subversion and infiltration and counter-infiltration will continue. □

A supporter of the South West African People's Organization takes part in pre-independence elections held in November in Namibia. SWAPO leader Sam Nujoma, inset, was declared the winner after his party won 41 seats out of 72.





# Confucianism: Still a Subject of Interest

On the occasion of the 2,540th anniversary of the birth of Confucius, domestic and foreign scholars and Sinologists met in Beijing at an academic symposium on the role of Confucian ideas in history and in modern society.

by Our Staff Reporter Wei Liming

In October 1989, more than 300 scholars and Sinologists from 25 countries and regions met in Beijing to commemorate the 2,540th anniversary of the birth of Confucius, one of the world's ten most famous philosophers. Co-sponsored by the China Confucius Foundation and United Nations Educational, Scientific and Cultural Organization (UNESCO), a four-day academic symposium was held at which 200 research papers were delivered.

During the symposium, Jiang Zemin, general secretary of the CPC Central Committee, addressed the participants. Jiang said, "Despite the difference in each country's political system, it is increasingly evident that each country's cultural heritage belongs not only to its own nation but also to the whole world."

Jiang continued by noting, "Confucius was one of China's great thinkers and his doctrine is part of China's precious cultural heritage. We must thoroughly study his fine ideals and carry them into the future. Owing to the limitations imposed by the times, however, Confucian doctrine also includes some material that is incompatible with our present needs. So, while we study Confucian doctrine, we should discard the superfluous and instead select the essential. In this way we can best educate our younger generation to carry on

our fine national tradition."

In his opening address, Gu Mu, honorary president of the China Confucius Foundation, said, "Confucius was a great thinker, educator and politician of ancient China. Noble of character, learned, and held in high regard, he devoted his life to education and to establishing the Confucian school of thought. He became, thereby, a founder of traditional Chinese culture."

Gu Mu also elaborated on the connection between traditional Chinese and foreign culture. "In building a new socialist culture," he said, "we should at one and the same time both inherit and reform our nation's traditional culture, including Confucian thought. We should also, forthrightly, absorb those advanced aspects of foreign culture and merge the two."

## Confucius and Modern Times

At the symposium, both Chinese and foreign scholars focused their discussions on the historical role of Confucian ideas and their influence on modern society.

Many scholars believe that these ideas of Confucius which transcend a particular time period can be of value in society today but that those ideas which are not of a positive character in light of the need of modern times

should be re-evaluated. The 2,540th anniversary of Confucius' birth fell on September 26, 1989 (27th, the eighth month of the lunar year). In the period of more than 2,000 years, he has remained a person of great influence on the development of Chinese culture and, at the same time, the centre of endless debates. Since 1978, especially in the last few years, the differences of opinions among the debates between scholars have continued to rage and many questions remain unanswered. Scholars have managed, however, to gain new insights from their study of Confucius, and have expanded the fields from limited areas to politics, economics, philosophy, logic, ethics, education, psychology, history, law, military affairs, aesthetics, literature, music, dance, religion, medicine, health and minority nationalities.

During the four-day gathering, the scholars spoke as one in their high opinion of Confucius' historical role. Zhang Dainian, professor of Beijing University, noted that Confucian doctrine still has a far-reaching influence upon the common culture and psychology of the Chinese nation. This rests, he said, on three ideological bases which Confucius provided for the development of Chinese culture: a positive and optimistic spirit, paying high attention to moral values, and looking to historical experiences as a guide for



Party General Secretary Jiang Zemin meets foreign guests and representatives from both sides of the Taiwan Straits who attended the meeting celebrating the anniversary of Confucius.

MA JUNLIAN

the future.

Bu Jinzhi, research fellow at the Research Institute of History under the Chinese Academy of Social Sciences, had high praise for Confucius' thought on unification. He said the thought advocated by Confucius resulted in harmonious relations between the Han and minority nationalities and that the Confucian concept of virtue ingrained in the Chinese nation a spirit of selflessness. Confucius' promotion of active participation in politics, together with his fighting spirit, have become a central characteristic of traditional Chinese culture and allowed China to avoid the stifling religious rule which was so common in medieval Europe.

The academic papers delivered at the symposium all pointed to the need to study and analyse the significance of Confucian ideas in modern times and to understand the way in which China's past and present culture has merged.

Cai Fanglu, associate research fellow of the Sichuan Academy of Social Sciences, speaking about Confucius' influence on modern society, said that the ideas of "regarding loyalty as superior to profit" and of "paying

regard to public interests and despising the pursuit of self-interests" helped cultivate many idealistic people. Such people are concerned about their country and its people and have even sacrificed their lives for the course of China's national liberation. These concepts of value, however, also have their negative, less beneficial aspects. An undue stress on society's interests as a whole and the repression of individual initiative allowed feudal rulers to weaken the restriction of these values on themselves and turn them into spiritual shackles on the working people.

Through the process of the Chinese revolution and construction, proletarian revolutionaries and thinkers, represented by Mao Zedong and Liu Shaoqi, transformed this Confucian value and instilled ideas better suited to the times. Mao Zedong not only put forward the principle of selflessness and utter devotion to others without any thought of self, but also believed that "consideration must be given to both state and individual interests." Cai is for the encouragement of the favourable elements of Confucian ideas. This includes those ideas noted above, as well as the Confucian support for the honest perform-

ance of official duty, moral excellence, overcoming corruption and by extension, resisting the corrosive influence of decadent, Western ideology like money worship and the esteem of individualism.

Zhang Qizhi, professor of the Xibei University, believes the great personages of modern times have not ignored traditional Confucian moral concepts. For instance, Sun Yat-sen held that, if properly used, traditional moral values could play a binding role in building his ideal republic. Mao Zedong, in addition to the foregoing, added new materials to the concepts, advocating that "a person should be strict towards himself or herself and broad-minded towards others," and that "each person should uphold the truth and correct his or her mistakes." He supported the Confucian spirit of "teaching with a tireless zeal" and of "not feeling ashamed to ask and to learn from one's subordinates." Zhang Qizhi believes, therefore, that positive Confucian moral concepts can play an active role in China's socialist modernization drive.

In his academic paper, "Confucius in the Minds of China's Young Intellectuals," Fan Peng, from the Party School Under Gansu Provincial Party Committee, pointed out that Confucius' emphasis on morality, loyalty and spiritual life is relatively weak today among young intellectuals because, simply put, goals are both fame and gain. Moreover, the concept of seeking achievements in the successful management of the state as one's highest pursuit as profounded by Confucius is somehow changed today. Instead, many young intellectuals now pursue the integration of career, love and friendship.

Fan believes whether or not Confucianism will lose its relevance or be strengthened in the

eyes of future generations depends primarily on today's young intellectuals. In the 21st century, he expects Confucian ideas to have greater influence. He also predicts that a weakening of the influence of Confucian thought in China will be counter balanced by the influence of Confucian thought internationally, and consequently the Chinese and Oriental cultures, represented by Confucianism, will have a greater influence on the international scene.

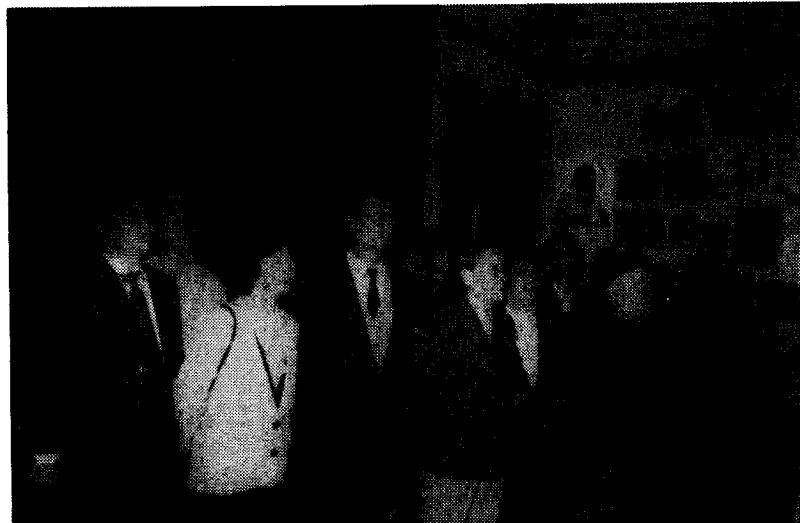
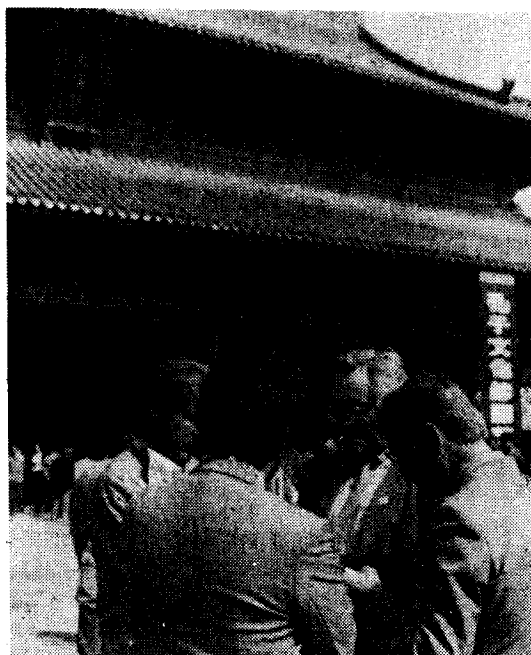
### Confucius in Asia

Chen Galuo, professor of the Taiwan Normal University, who read a paper on behalf of Chen Li-fu, honorary chairman of the Taiwan Institute of Confucius and Mencius, said to a reporter, "Getting many people to discuss Confucius is really not a simple task."

Chen believes that despite the economic development in all countries, the study of the humanities and people's thought has

**Sinologists from the Soviet Union conducting research on Confucianism at the Confucius Temple in Qufu, the hometown of Confucius in Shandong Province.**

ZHANG MIN



**Descendants of Confucius visit the Exhibition of Confucius' Life at the Shoudu Museum.**

ZHENG SHUFU

been neglected. Young people, though satisfied with material enjoyment, are too limited in their thinking. He recognized, however, that Confucian thought is now in an uphill battle. Even though some people have advocated Confucius doctrine, it has not yet won public support.

For Bernard Li of Taiwan Fu-

Jen Catholic University, it was his first time attending an academic symposium on the mainland. "There's no denying the fact," he said, "that the study of Confucian doctrine will be a major subject in discussions regarding China's culture of the future."

He, like Chen, believes that problem of ethics exists on both sides of the Taiwan Straits, and that young people pay too much attention to material gain. He also believes that Confucianism may help

improve their moral character.

There was a general agreement among the scholars from Singapore, Taiwan and South Korea that Confucianism had played an important role in promoting economic prosperity and social stability in these regions.

In his essay, Wang Su, professor of Tamkong University of Taiwan, noted that the economic prosperity of the "four small dragons" of Asia has been attributed to the Confucian influence. It is not surprising according to Wang that Confucian advocacy of industry, thrift and harmonious cooperation among people has been extremely useful in building a prosperous economy.

Yang Huanying, a scholar from China's mainland, also mentioned the historical role that Confucian moral education played in Oriental civilizations. In his opinion, when Confucianism was spread throughout the Orient, it greatly influenced the rising feudal system and gradually became an orthodox ideology in Korea for 500 years, in Viet Nam for 400 years and in Japan for 200 years and even today, its scientific, social nature is readily apparent in Oriental society.

The many South Korean scholars who attended the symposium



Scholars from Taiwan attending the ceremony marking Confucius' birth at the Confucius Temple. ZHANG MIN

introduced the history of Confucianism in Korea and analysed its modern significance. Kim Dong-Hyun of Yulgok Ideological Institute, said in his essay, "Pragmatism has threatened the traditional system of value, and the family, social and national ethics have rapidly disintegrated." His solution is to encourage the return of Confucianism. Today, he argues, Confucianism combines "justice" and "interests" in a harmonious, perfect form while the simple pursue of individual interests ends in evil. In contrast, if the interests of others are considered, then this "interest" is of public profit and of benefit to modern society.

### Confucius in Sinologists Eyes

On August 7, 1582, an Italian missionary came to Macao, a city in southern China. With his Western appearance and the *Kasaya*, he looked out of place. After the contact with the local people, however, this clever and astute missionary removed his *kasaya* and began instead to wear Confucian clothing. When he appeared in various locations throughout China as a Confucian scholar, he quickly became familiar with Chinese intellectuals

and won the confidence of both the court and the public. The missionary was the famous Matthaues Ricci.

Matthaues Ricci translated the *Four Books* into Latin, the *Analects of Confucius* and other Confucius doctrines were later published in Paris in the 17th century. Since then, Confucius has been regarded as the premier scholar in Chinese culture by Western Sinologists. As Von Senger Harro, professor of Freiburg University of the Federal Republic of Germany, said, "In the eyes of Westerners, Confucius symbolizes traditional Chinese culture. He is undoubtedly the most famous Chinese among Westerners."

At the symposium, Von Senger read in fluent Chinese his essay, *Confucius in the Eye of One Modern Westerner*. He said Confucianism is attractive to both Chinese and the people of other nations, especially to modern Westerners. Believing it has value as a reference point, they have tried to incorporate it into their own culture.

Quoting Confucius "I do not worry that others do not know myself, but I do worry that I do not know others," Von Senger said, Westerners should indeed be concerned that they do

not know others, especially Easterners and Chinese people in particular. In spite of the fact that he lived 2,000 years ago, Confucius still holds attraction for some modern Westerners because he provides inspiration not found in their own culture.

A Sinologist of the German Democratic Republic, Ernst Schwarz, whose translation of the *Analects of Confucius* has been published three times, also says that Confucian thought is of value to modern society. For these years, he has made efforts to introduce Chinese culture to Europe. Besides the *Analects of Confucius*, he has also translated into German the *Book of Morality* written by Lao Zi and compiled and translated a book entitled *Zi Yue* (Chinese Philosophers and Thinkers) which is a selection of the representative works of Chinese philosophers from the *Book of Change* to the works of Li Dazhao, one of the founders of the Chinese Communist Party.

Semenenko I., a scholar from the Moscow University, said in his essay *Confucius in Historical Trends* that Confucian principles on nature and history were the cultural root of Far East. These ideas of Confucius have great significance not only for current oriental nations but also for the West, he points to his own country, the Soviet Union, as a place where people have great interest in the ideological heritage of Confucius.

Perelomov L. S., director of the research office of the Far East Research Institute affiliated to USSR Academy of Sciences, has made an in-depth study of Confucius and the Confucian school and he separates the two in his books *Political and Historical Function of Confucianism and Legalist schools in China*, published in 1981, which provides a comprehensive introduction to Confucianism and the legalist school from the Spring and Autumn

Period (770-475BC) to the end of Han Dynasty (206BC-220AD), and from the end of the Han Dynasty to the 1920s as well as the time during the "cultural revolution". His other work, *Life, Thought and Fate of Confucius*, has gone to press and will be published soon.

According to V.F. Feoktistov, also a scholar in the Far East Research Institute, scholars of China and the Soviet Union have strengthened their co-operation in the study of Chinese traditional culture. Co-operation is demonstrated by the *Encyclopedia of Chinese Philosophy and Social Ideology* which is to be published in the Soviet Union with the collaboration of Fudan University, Huadong Teachers University and the Chinese Academy of Social Sciences. He said the broad content of this 400,000-word encyclopedia is mostly concerned with scholarly and academic viewpoints on Confucianism. It is the first time such an extensive work on the subject has been published outside China.

Professor of philosophy at Hawaii University and President of the Far East Advanced Research Institute of the United States, Chung Ying Cheng, gave a speech on the development of the



Xin Guanjie, vice-president of the Chinese Confucius Foundation, plays "Guzheng" (a traditional Chinese stringed plucked instrument) in front of the Dacheng Hall.  
ZHANG MIN

study of Confucius and Confucianism in the United States, study there, he notes, began rather late. It was only one part of Sino-logy research and was confined to the research of Chinese language at the beginning. Later, some American scholars recognized that the study of Confucianism was necessary to gain a deeper and more comprehensive understanding of the values and ideological basis of the Chinese people. There are, additionally, two more reasons why Westerners try to understand Confucianism. One is a reality crisis brought about by the pressures of the material civilization on the

human psyche. Another is the need to find solution to some pressing social problems such as drug abuse and those concerning marriage and the aged people. With the overflow of individualism in the industrial society many people begin to doubt their value of the life. For solution, they have turned to the Oriental civilization in the hope that Oriental wisdom can be of help. With Confucian doctrine, they have a new concept of humanity and morality, a new ideal and a philosophy of ethics which their perception of life can be rooted.

In the United States, Chung established the Association of Chinese Philosophy and launched a quarterly, *Chinese Philosophy*, in the 1970s. Both have played a role in the assimilation of Confucianism into American culture. Membership in the association has grown from 30 to over 300.

Chung said that Chinese people, coming as they do from the Confucian cradle, should readily master its essential points. By doing this, he believes they can solve their own problems, and also many of those common in the world today. Overseas scholars have contributed much, he says, and he hopes they can continue to contribute to the development of Chinese culture. □

A rite performance during the ceremony marking Confucius' birth at Confucius Temple in Qufu.  
ZHANG MIN



SHOUDU IRON &amp; STEEL CO. (3)

## Leadership Established Through a Democratic System

**According to China's Enterprise Law, the factory director is responsible for management. In conformity with this law, the Shoudu Iron and Steel Co. developed a manager responsibility system under the control of the Enterprise Committee, equivalent to the Board of Directors. The system has proved itself to be a sound method in scientific and democratic decision-making and in facilitating subsequent implementation of decisions.—Ed.**

by Our Staff Reporter Zhang Zhiping

**W**ith the introduction of the contract system, the Shoudu Iron and Steel Co. was given more leeway in self-government. Currently, for example, the annual funds independently handled by the company for production development, depreciation and maintenance amount to 450 million yuan and the corresponding decisions and management of daily production and management has become increasingly complicat-

ed. In order to prevent an over-concentration of power and bureaucracy, and to guarantee the leadership role of all workers, the enterprise thus launched a reform of the leadership system. Beginning in 1987, the manager responsibility system under the leadership of the Enterprise Committee took effect.

The new leadership system includes both a decision-making and an executive body. The Workers Congress is the supreme

authority. When the Workers Congress is not in session, the Enterprise Committee, a permanent organ of the congress, is authorized to deal with important problems. When necessary, programmes worked out by the committee are discussed among all workers before being put into practice. The executive body, with the general manager as its head, is responsible for carrying out the decisions.

### Decision-making and Executive Bodies

In the Shoudu company, the term of workers covers all employees. Deputies to the Workers Congress are elected every three years by the corresponding congresses of the branch companies, subsidiaries and departments. The Workers Congress, which meets annually, has a membership of 1,000.

Members of the Enterprise Committee are elected democratically by the congress while its director and deputy director (chairman and vice-chairman of board of directors) and general manager are directly elected by all workers. The committee is composed of Party Committee chiefs, major administrative offi-

At a symposium for the Shoudu Co.

FU JIANWEI





Shoudu's think tank discusses future plans.

Drawn by ZHAO REN

cial and ordinary workers. The present Enterprise Committee has 11 members. They have the same tenure as the general manager, deputy general managers and deputies. They can be re-elected.

The committee has special sub-committees. The Workers Supervision Sub-Committee is responsible for the supervision and examination of cadres; the Workers Examination Sub-Committee is in charge of examining and promoting cadres; the Workers Education Sub-Committee deals with the training of workers; and the Workers Welfare Management Sub-Committee takes charge of collective welfare. The four sub-committees are managed democratically by workers and are also elected by the congress. Their size, rights and duties are determined by the con-

gress.

Any decisions of great importance are made either by the congress or the committee after soliciting a wide range of opinions from the workers so that they are made in a scientific and democratic manner.

Usually, an enlarged committee meeting is held in preparation for the annual session of the congress. Experts and leading cadres of the company's subsidiaries are invited to discuss the annual plan in light of market situation and the production target set by the state. The enlarged committee meeting formulates a programme for implementing the annual plan which will be debated among workers for two months before it is presented to the congress for review and approval.

In July the enlarged commit-

tee meeting discussed the production and scientific research schedule for next year. Afterwards, the schedule was debated among workers who raised more than 20,000 suggestions and proposals. Those found to be useful have been incorporated into the plan. The committee explained to the workers why the other proposals and suggestions were turned down. Two months later, at the end of September, the congress met to discuss in detail the implementation of the next year's plan, including product variety, output, marketing, profit index, cost, technical transformation, distribution of wages, bonuses and welfare. After a thorough review, a resolution was adopted by which the general manager was held responsible for the plan's implementation.

Between meetings of the con-

gress, the Enterprise Committee makes decisions on matters of importance and resolves problems which crop up during the plan's implementation. Some issues, however, need fuller discussion among the workers before the committee can make decisions and as well, require the ratification at the next session of the congress. For example, in 1986, the Beijing municipal government granted Shoudu company a loan of 700 million yuan for the construction of a coal-gas engineering plant. The committee followed the above decision-making procedure because the project involved a dramatic change in the enterprise's annual technical, development and production plan.

In order to place democratic decision-making on a sound and more practical footing, there are specialized committees (technical, finance, labour and capital) with many highly qualified personnel. They discuss the schedules and relevant rules of their specialized trades. They also conduct feasibility studies and provide scientific demonstrations of their work, programmes and proposals of workers.

The company's executive body is divided into the managerial department, finance department, business department, machinery and power department, materials department, personnel department and the general management office. The general manager exercises a unified control of all the production and management activities of the enterprise and its subsidiaries through his direct control over the six departments and the general management office. Specific jobs are assigned for the general manager all the way down to production teams according to contractual terms and by an internal division of responsibility.



The foreign language lab at the Shoudu Iron and Steel University. CHU YUPING

## Democratic Supervision

The new leadership system allows for a structurally sound democratic supervision. The committee reserves a seat for an ordinary worker so as to promptly report the workers sentiment on issues. Sun Tie, 33, a section chief of the No.2 Steelworks who became a member of the committee last December by winning 1,170 of the 1,400 votes, is one such worker.

"At first, I felt awkward. I thought it was just for show," said Sun. "But a year's experience has convinced me that I can do something beneficial for the workers. Once I brought up at a committee meeting the fact that the company had previously repaired water taps and windows in workers' homes free of charge, but workers were now asked to pay. The workers, of course, objected but the leaders knew little about the change. There was an investigation and the problem was quickly resolved, to the workers satisfaction. This kind of thing is now very common."

Speaking of matters about production, Sun said, "I know little about the other workshops but I do have a say on what matters in my own steelworks. Leaders respect my views and, I think, my presence in the com-

mittee has helped to settle some of the difficulties and problems facing workers. The result is that, if something unfavourable happens to a fellow worker, he tends to report it to me and I bring it up in committee meeting. I have a responsibility which I take very seriously."

The Workers Supervision Subcommittee is organized through a general election. It examines and supervises cadres at various levels including head of the Enterprise Committee, the general manager and the various professional personnel. The scope of its supervision includes overseeing the implementation of the state's policies, laws and decrees and the congress resolutions, regulations and rules. It also supervises the strict and fair implementation of the "distribution according to work" system and general discipline within the enterprise. In addition, bureaucracy, the abuse of power for personal gain and violations of public morality are under its supervision. It is authorized to independently deal with these problems by means of criticism and disciplinary action according to the seriousness of the case.

The general company and its subsidiary companies, factories and mines each have their corresponding supervision commit-



tees or groups elected by their own workers congress. In each workshop and production team, there is also a supervisor. Nowadays, the company has 205 full-time and 1,200 part-time supervisors and 102 supervision groups.

By providing "democratic supervision letter boxes" and holding opinion-soliciting forums, the supervision committees and groups at various levels can collect a wide range of opinions and proposals from workers. Investigation and research, democratic inquiry meetings, dialogues and approval meetings all help those involved to arrive at correct judgments in cases brought before them. The results are publicly published for the workers in the supervised units.

Workers are encouraged to communicate with supervision committees if they find that leaders violate regulations, or abuse their power for personal gains or break rules in promotion, bonus issuing, housing distribution and job assignment. If an investigation supports the accusations, the committee orders a rectification. For instance, a worker reported that he was the object of retaliation by a workshop chief. After the factory's supervision group checked the facts and supported his claim, the charged person was administratively disciplined and stripped of his post as workshop chief.

## Selection of Leaders

During its reform, the company instituted regulations for examining and selecting cadres so as to remove the traditional method which allowed cadres only to be promoted but not demoted; the contract

system now places higher requirements on cadres. The underlying reasoning is that if a leader is not competent in his post and fails to fulfil the task set by the contract, he will bring losses not only to his fellow workers, but also affect the overall efficiency of the company. The leader will be demoted or dismissed. Talent and competency are now the overriding requirements for holding a post. Over the past several years, about 80 percent of the company's leaders have been reshuffled in an attempt to weed out incompetency.

Li Wenxiu is chief of the No.1 Steelworks. In 1983, he assumed the post of company deputy manager. His inability to fulfil his job assignment, however, required his transfer to the post as deputy director of the Iron and Steel Research Institute in 1987 and this year, to his former post as No.1 Steelworks chief. Li accepts his demotion without complaint.

After advancing through the examination system, Lei Xu was sent to work at the Mesta Co. in the United States.

Drawn by ZHAO REN



The Examination Subcommittee selects and promotes cadres based on an examination of their technical and professional abilities as well as on their work performance. It places the selection and appointment process on more solid footing and helps to break down older, less efficient methods. This promotion system firmly adheres to the principle of openness and equality. Since there is no distinction between white- and blue-collar workers, the system has provided an equal opportunity for promotion for all who are talented and devoted to their work.

The promotion system sets loose an outpouring of able workers by encouraging them to study diligently and struggle to improve themselves. From the system's debut in 1987 to the end of June, more than 5,000 people have sat for the promotion examination, 700 of whom have assumed leading posts. Lei Xu, a storehouse keeper in the steel wire factory, who taught himself

English for five years, had an excellent examination record at the end of 1987. After a brief professional training Lei was sent in May 1988 to the U.S. Mesta Company to deal with the export of products and the import of advanced equipment for the machinery company. "The promotion system gives me a leg-up to take off and fly," said Lei.

Leading cadres, chosen either through election or by their examination record, are placed under the watchful eyes of the workers. Those, who lack management skills and enthusiasm or stand aloof from the masses, will gradually be removed by the workers in a democratic procedure.

□

## Bright Prospects in Agriculture With Use of Foreign Funds

According to the Ministry of Agriculture, the main projects using foreign funds from 1990 to 1992 include the following: in the middle reaches of the Changjiang (Yangtze) River (for oranges and tangerines); in Guangdong, Hebei and Henan provinces; irrigation in the Tarim Basin and other areas; and ratoon forest-growing in 12 provinces. Foreign funds over the next three years are expected to reach US\$1.4 billion.

The major projects to be undertaken in agriculture in the next decade are:

- Develop production of meat, milk, eggs, poultry, vegetables, fruit and aquatic products for large and medium-sized towns;

- Organize regional agricultural development. Emphasis will be put on harnessing the Huanghe (Yellow), Huaihe and Haihe river plains and Northeast China's three river plains (Nenjiang, Heilongjiang and Songhua-jiang) and other development regions; making comprehensive use of farm resources; raising per unit area yield and increasing the production and export of crops, cotton and oil-bearing crops;

- Build production centres for farm and sideline products at the state level; develop the production of crops, cotton, oil-bearing crops, sugar, meat and other products; raise proportion of commodities in agricultural production and expand exports of farm produce;

- Strengthen agricultural, scientific and research education and technological promotion;

- Organize the implementation of "sufficient food and clothing project." Emphasis will be placed on popularizing the use of polythene covering technology in maize fields. Slum areas will be developed to help them resolve

food and clothing problems.

Foreign funds used in agriculture from 1980 to 1988 reached more than US\$3 billion. By October of this year, agricultural departments were engaged in 261 projects using foreign funds with a negotiated value of US\$1.812 billion. Most of this sum was middle- and long-term compensation loans. They made up for a lack of funds and played a positive role in modernizing Chinese traditional agriculture.

by Kou Zhengling

## UN Co-operation With China

The United Nations Fund for Population Activities (UNFPA) is now in negotiation regarding co-operation with China on its third periodic plan. UNFPA and China have respectively invested US\$600,000 and 1.6 million yuan to co-operate in research of the aged problem and in the establishment of the aged problem research centre in China. The centre is expected to be open in 1990.

Co-operation between UNFPA and China began in 1979. Over the past decade, UNFPA and China respectively invested US\$100 million and 690 million yuan in 60 co-operative projects including census, demography, demographic policy study, family planning propaganda, the production of contraceptives, health care for pregnant women and other projects. As a result, many important scientific and research achievements have been made, and the establishment of medical facilities have played a positive role in the development and implementation of the study of China's population and family planning.

Roy. D. Morey, UNFPA representative in China said that great achievements have been made in the co-operative efforts between UNFPA and China in the past decade. He was full of confidence regarding the next decade, and hopes to continue the bilateral co-operation without interruption.

by Li Ming

## Share Purchase in Chilean Fish Co.

On November 27, the China Agriculture Trust and Investment Corp. signed an agreement in Santiago, Chile, for the purchase of shares worth US\$18.6 million from the Chile San Johe de Corp.

China's shares make up 25.6 percent of the San Johe de Corp.'s total. It is China's largest investment project in all of Latin America as well as one of the major projects of economic co-operation between China and Chile. Also China and Chile have invested US\$9.93 million in the establishment of another joint venture, the Beijing-Santiago Copper Tube Co. Ltd.

The San Johe de Corp. has 17 fishing vessels and two fish processing factories. They produce 3.57 million cartons of canned fish, fish meal and oil annually, 70 percent of which are exported to the United States and Canada.

According to both Chinese and Chilean representatives, they will share profits proportionate to investment. China expects to recoup its capital outlay within the next eight years. □

## New Computers on The World Market

At the World Computer Fairs held in the Federal Republic of Germany and the United States this spring, the

286-type miniature computers, developed by the Institute Co. of Computing Technology of the Chinese Academy of Sciences, attracted the public's attention with its preferential price and modern design.

The Institute Co. sells an average of 3,500 computers of this kind a month to more than 30 countries and regions such as the United States, Canada, Europe and Southeast Asia.

On November 14, the Beijing Legend Computer Group Corp., based on the Institute Co. of Computing Technology, was established. To date, the company has set up 17 branches, two research and development centres, two production bases and one intermediate experimental factory in both China and abroad. It has also established a sales service centre in Singapore. The company has thus become a foreign-oriented computer industrial group integrating technology, industry and trade.

The Legend Computer Co. began with the successful development of the legend character system for use in computers. Over the past five years, the Legend Co. transformed its 156 high technology breakthroughs into applied products. A total of 20,000 sets of computers using the legend character system were sold and earned the company 60 million yuan. In 1988, this project won the top scientific and technological progress prize from the state.

Sales volume of the Legend Co. in the domestic market in 1988 was 134 million yuan and in Hong Kong reached 120 million HK dollars. This year's sales volume on the domestic market is expected to be 200 million yuan. In addition, the Hong Kong Legend Co. in the first seven months of this year had sales of 170 million HK dollars.

**by Wei Liming**

## Neste to Expand Ties With China

**M**atti E. Lehtonen, manager of the East Asian Department under Finland's Neste Co. expressed his hope for an expansion of business co-operation with China. The Neste Co. has already joined in the construction of the power system for use with microwave stations in Jiange County, Sichuan Province. This is the first technological co-operation project between the Neste Co. and China. Construction began early this year.

With only US\$150,000 investment, the project is expected to be completed by next February. It is being undertaken as part of the scientific and technological co-operation agreement signed between China and Finland without direct commercial interests, although the Neste Co. foresees good prospects in China's market for the supply of advanced technology.

His company has concluded agreements with China for co-operation in installing a power system in the Guangdong Province and Guangxi Zhuang Autonomous Region for 24 microwave relay stations in 1990, he said. Investment for the project totals nearly US\$2.5 million. After its completion, the project will be China's largest for use in solar energy communication and power, and the project will also lay a foundation for future development of China's market for the Neste Co.

Lehtonen added that co-operation between the two sides is quite extensive. It is very important, for example, to co-produce storage batteries, and in order to give China some familiarity with Finland-made refrigerators, the Neste Co. next March is expected to provide the China Changjiang Hovercraft

Expeditionary Team with six Camel brand duty-free refrigerators worth about US\$24,000. This is the preliminary step for joint, co-operative production.

The Neste Co. is aware of the problems and difficulties sometimes encountered in co-operative ventures. Lehtonen expressed his confidence that his company will do its best to help China find financial resources and sales markets and enhance co-operation between China and Finland.

**by Kou Zhengling**

## New Toys Move Abroad

**T**he "Intelligence Magic Wheel," recently produced by the Beijing Yunhai Co., in line with a China's patent, will be sold on the international market.

Intelligence development toys integrating knowledge and interest are made of non-poisonous plastics. This toy is composed of a calculating tube, 37 wheels and symbols and through the combination of the various elements, 567 questions and answers can be formulated. According to trial tests, a three-year-old child is able to master addition; subtraction, multiplication and division calculations within a month by using the toy with the help of parents. It can also help children tell time and distinguish geometric, and plant or animal figures.

The company's general manager, Qi Dawen is confident of market prospects. He said that during trial sales in Beijing, several thousand sets of such toys snapped up within a few days. There are standing orders for purchase of several dozen thousand sets. Based on its numerical magic wheel, the company plans to develop a foreign language magic wheel and seek agents abroad.

**by Yao Jianguo**

## A Big Go in the Use Of Foreign Funds

**L**ocated on the south bank at the lower reaches of Changjiang (Yangtze) River, the city of Zhangjiagang has made eye-catching progress in its use of foreign funds and in its opening up to the outside world over the past few years. By the end of October 1988, the city had approved the establishment of 54 Sino-foreign joint ventures covering US\$95.11 million in investment. Of this sum, US\$33.07 million represents investment by foreign businessmen. To date, 26 of the 54 Sino-foreign enterprises have been put into operation, and are now doing well.

Zhangjiagang, only 200 kilometres from Shanghai, is a newly built industrial port city. The city has a population less than one-fifteenth of Shanghai's, but its industry is varied, including such businesses as metallurgy,

machine-building, automobile, building materials, chemicals, electronics, light industry, textiles, woollen textile and arts and crafts. Export value doubled to reach 637 million yuan from 1986 to 1988. It is expected to exceed 700 million yuan in 1989.

The city's deputy mayor Jiang Hao said that his city had a harbour capable of handling more than 4 million tons a year, a major advantage for the city in attracting business. So far, seven 10,000-ton berths, big enough to simultaneously accommodate 17 cargo vessels, have been completed. Some 11 international sea routes linking Eastern Europe, the United States, Canada, the Mediterranean and Hong Kong and six international container transport routes have been opened. Container transport ranks sixth in China. At present, the second-stage port project, in which the state has invested 260 million yuan, is under construction. After its completion, the annual handling capacity is expect-

ed to exceed 10 million tons.

According to Jiang Hao, his city has improved the investment climate over recent years. It already possesses telex, microwave communication and long-distance auto dialing telephone facilities, and an imported 10,000-channel programme-controlled telephone project is expected to be completed by the end of 1990. A newly built 24,000 kw thermal power plant has been put into operation. The second-stage project of a 25,000 kw generating set is now under construction and its completion is expected to ease the strain of electricity supply for the city.

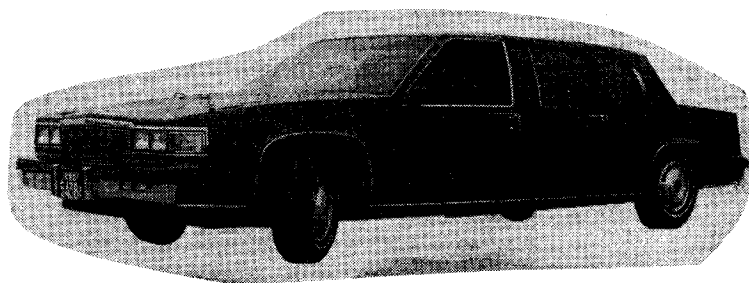
According to Jiang Hongshen, director of the city's Commission of Foreign Economic Relations and Trade, his city's emphasis for the use of foreign funds will be on the establishment of container docks, development of raw materials, breeding and processing industries for farm and sideline produce, as well as of high-tech industries.

**by Han Baocheng**

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## Readjusting of Industrial Structure

JINRONG SHIBAO  
(Financial Times)

The relationship between credit and industry is a symbiotic one. When an industry is structured rationally, funds used in production are not only recovered but increased through the process of manufacture and sale. But when industry is structured irrationally, production capital flows to poorly operated enterprises where it is squandered, resulting in a shortage of industrial capital. The effect of a poorly run enterprise can be wide-ranging because China's large and medium-sized enterprises do not exist independently but are connected with related concerns.

The main reason why some enterprises defer payment of their debts is that many poorly managed enterprises legally let production capital lie idle for long periods.

There are two reasons for price increases in raw materials. First, ineffective enterprises with outdated equipment and technology divert raw materials from those with advanced equipment and technology. Second, too many enterprises are small and scattered throughout the country, hindering coordination in related fields. This has worsened the existing problem of raw material utilization.

The over-all effect is that inefficient enterprises which should be terminated siphon off a large part of the nation's limited capital rather than generate new wealth. The result is an ever-worsening shortage of capital. With regard to the inadequate capacity of the railway freight system, it is obviously the result

of the stagnation of basic industry.

In view of all these facts, the key to resolving capital shortages in large and medium-sized enterprises lies in accelerating and deepening the reform of industrial structure.

(September 12, 1989)

## Books for Prisoners

LIAOWAN  
(Outlook Weekly)

Since 1985, the Zhejiang Provincial Library has been organizing people to take books and magazines to local prisons. This "food of the spirit" has proved a great help in the remoulding of prisoners, juvenile delinquents included.

Through investigation the library learnt that many who fell into bad habits and committed crimes were either ignorant of the law or poorly educated. To help these people rejoin society, it decided to organize a mobile library to regularly visit three provincial jails and the reformatory for young criminals.

In the last four years, around 10,000 political, cultural and technical books have been taken to the jails and have proved to have great appeal to the prisoners.

Shao Huikang, 39, was an electrician. In 1979, he was sentenced to 15 years' imprisonment for taking revenge on a young man by electrocuting him. When he was sent to the No.6 Zhejiang Provincial Jail, he was suffering extreme mental anguish and refused to listen to

warders. Through repeated counselling, he finally realized that his detention behind bars was not only a punishment but also an opportunity for him to begin a new life. From then on, he spent much time reading books on electrical subjects, which were brought to the jail by the Provincial Library, and greatly increased his knowledge and skill. In a few years, he wrote a score of articles on electricity which later were published either in newspapers or in magazines. In 1987 he won second prize in a TV contest on electrical knowledge co-sponsored by nine TV stations including China Central Television. His good behaviour and achievements led to the reduction of his prison term from 15 years to nine years and five months. In September 1988 he was released. Upon his return home, he opened his own electrical appliances-repair shop and set about writing a book on electric circuit design.

The mobile library workers, while taking books to the prisoners, also organize lectures, knowledge contests and examinations on knowledge of the law. Many of the 10,000-plus prisoners who have taken part in these activities have expressed their determination to study hard to make up for lost time.

(Issue No. 27, 1989)

## Ups and Downs Of 'Red Flag' Car

GONGSHANG SHIBAO  
(Industrial & Commercial Times)

China's first Red Flag car was produced in 1958 at the Car Factory of the Changchun No.1 Automobile Factory. It became Mao Zedong's special vehicle. Its hood ornament was a dragon, and la-

ter politically meaningful red flags were added. At first, there was one flag at each side of the car, then three, then five, and back to three again. What one flag and five flags meant is not clear today, but it is well known to us that the Three Red Banners stand for the general line for socialist construction, the great leap forward and the people's commune.

The Red Flag car signified political rank and was only used by state and provincial leaders and cadres above the level of army commander.

In 1980, production of Red Flag cars far exceeded demand, with 200 cars in storage. The factory was forced to slow production. Between 1958 and 1980, altogether 1,800 such cars were manufactured. They were sold at 40,000 yuan apiece when the real cost of production was 80,000 to 90,000 yuan. It became evident that the more cars produced, the more money they lost. In addition, the car's oil consumption was high. The Red Flag was also slow in starting and it was not suitable for expressway driving. The speed meter indicated that the highest speed of the Red Flag was 200 km per hour, but it was actually 170 km an hour. Drivers also said that the car body was too broad since many government leaders lived in areas where the streets were narrow. Therefore, in 1983, the government decided to stop producing the Red Flag. The factory then switched to the production of luxury 19-seat coaches and by the end of 1987, about 2,000 coaches were manufactured, and production stopped again.

Today, the Red Flag car plant now houses an Audi sedan assembly line imported from the West German Volkswagen Automotive Co. With an annual production capacity of 30,000

cars, the assembly line is expected to go into operation in 1992.

How does the Red Flag car fare today? Many of them are now in use by government institutions at a level lower than ministerial department, some have become special cars of even the self-employed.

However, the Red Flag was never forgotten by the workers who built it. They believed the car would regain its prestige. The plant was expanded in August 1988, and the higher authorities ordered it to once again produce the Red Flag in March the same year. Ten cars are expected to be turned out before October 1, 1989.

*(August 8, 1989)*

## **Handicapped Better Their Lives**

**SHEHUI BAOZHANG**  
(Social Insurance News)

**T**aking part in social and cultural activities is coming into vogue among the 100,000 young handicapped in Shanghai.

Coming out of their shell, they are flinging themselves into more colourful and fulfilling pastimes, from reading and sports to entertaining and travel. There have been several major changes in the lives of the handicapped.

**Reading is no longer a means of killing time but is a way to acquire knowledge.**

The handicapped are studying culture and technology and even acquiring a knowledge of law. According to incomplete statistics, all young and middle-aged handicapped people in Shanghai have thrown off the cloak of illiteracy. More than 1,000 have completed junior middle school,

200 have finished high school and 100 have received college certificates. For the first time ever, ten blind people have become lawyers. And 5,000 disabled youths have successfully completed their polytechnical education and professional training in such occupations as drafting, sewing, painting and massage.

**Handicapped artists are going outside their homes and performing locally and abroad.**

In factories where the handicapped are employed, small art troupes have been formed. During breaks and after work disabled workers can be heard singing and playing musical instruments in the factories. Sometimes they will perform in the streets or lanes. The Municipal Disabled Art Troupe has performed in the United States and Japan, receiving the highest of praise. Upon the request of the United Nations, a small band at the Shanghai Low Pressure Electrical Equipment Factory recorded their music and sent a tape to the United Nations to be played.

**The handicapped are involved in more and more sports activities.**

Every year a large variety of sports meets are held in Shanghai and surrounding areas. In addition to the traditional events of running, long jump and table tennis, there are dozens of new events such as football, shot put, wheelchair racing and wheelchair basketball. More and more handicapped youth are participating and the level of some events are close to or surpass records at the international special Olympic games. Disabled sports associations in each district of Shanghai have organized table tennis, basketball and football teams at all levels.

Frequent training has allowed Shanghai's disabled athletes to improve their skills. They are

quite successful in disabled sports meets in China. During the first national special Olympic games and the 11th Hong Kong special Olympic games, the disabled athletes in Shanghai won nearly 100 medals.

**The handicapped leave the city and travel to various scenic spots.**

Disabled youths from Shanghai are travelling all over China by bus, air-conditioned coach, ship, train and plane. The country's beauty, magnificent natural scenery and mountains compete for their attention. Travel has opened their eyes and the love for their motherland is even greater.

(September 1, 1989)

**The Story of Yunnan Baiyao**

JINGJI GONGZUO  
(Economic Work News)

Yunnan *baiyao*, a white medicinal powder for treating cuts and bruises, sells well both on the domestic and foreign markets. It has an interesting history involving a young doctor from Yunnan Province in southwestern China.

In 1898, 20-year-old Qu Huanzhang practised medicine around Jianchuan in the province. Qu felt guilty and frustrated at being unable to help people who got cut and scraped while walking in dense forests and rocky areas, or had been bitten by wild animals.

Moved by Qu's spirit and desire to help those around him, a 100-year-old man told the young practitioner of a herb with a white flower that could be found among the cliffs. The herb could cure wounds, the old man said.

Qu then went on a mission to find the herb. He tramped over hills and through valleys, tasting every herb he collected in his

quest to find the herb with the white flower.

One morning on a mountain, Qu observed a woodcock draping the root of a herb over its broken leg.

"Is it the herb I'm looking for?" Qu wondered.

Several days later he saw a snake on a hillpath and cut off its tail. The snake tumbled painfully about and then slipped down into a thick growth of grass. Qu observed the snake quickly swallowing an unknown herb. As Qu described it, the snake then crawled back to the hillpath and put its body on its separated tail, and after a while body and tail were rejoined.

Qu was overjoyed and immediately collected several herbs from the area.

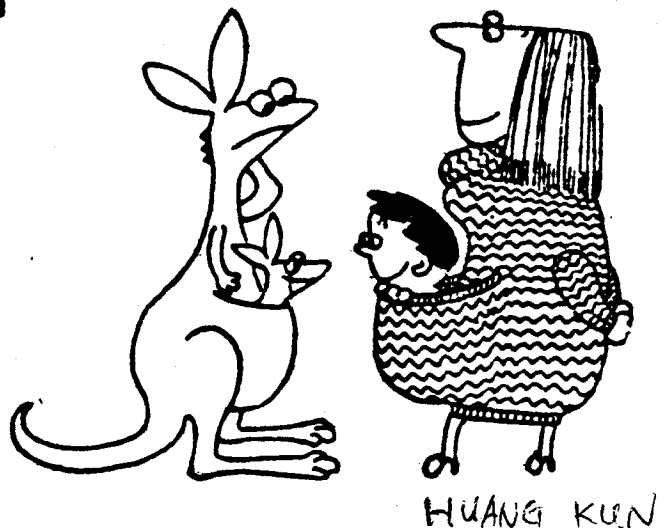
It took him ten years of research but he finally extracted from the *baiyao* herb a miracu-

lous medicine that promoted healing in damaged tissue.

During the War of Resistance Against Japan (1937-45) the Kuomintang regime, in order to learn the secret formula for the *baiyao* medicinal powder, appointed Qu president of a hospital behind the lines and ordered him to move to Chongqing in Sichuan Province. Qu realized he was in danger so before departing told his wife to guard the formula for the *baiyao* medicine and not let anyone have access to it. Just as Qu feared, within a mere two months after he arrived in Chongqing he was dead.

In December 1949, Yunnan Province was liberated peacefully, and Qu's wife turned the formula over to the new government.

(Issue No.13, 1989)



## Prizes Awarded for Defence Articles

Out of 5,000 articles on the modernization of China's national defence, 120 were awarded prizes recently in Beijing.

The contributions were solicited last year with the aim of promoting China's achievements in building a modern national defence over the past 40 years. The sponsors were 50 news media organizations including a committee formed by the China Writers' Association for Science Popularization, *Renmin Ribao* (People's Daily), *Jiefangjun Bao* (Liberation Army Daily) and CCTV.

After the notice soliciting contributions was released, scholars, scientists, cadres, teachers, journalists, college and high school students, PLA officers and soldiers wrote and compiled articles. Some of them were senior military leaders, including Defence Minister Qin Jiwei, Deputy Chief of General Staff He Qizong, and President of Academy of Military Sciences Zheng Wenhan.

Among the contributions, there were more than 100 about the achievements in modernizing China's national defence. Articles about aerospace technology and nuclear weapons were particularly impressive. For instance, Tu Shou, a well-known rocket expert and the chief engineer of the Ministry of Aeronautics and Astronautics, drew on his personal experience to write "Past and Future of China's Astronautics Technology," which illustrates the brilliant achievements of China's aerospace industry.

"Standing up Among the World's Nations" by Li Yingxiang from the China National Nuclear Industry Corp. describes how, relying on its own resources, China strengthened its defence capabilities by developing atomic and hydrogen bombs despite its weak industrial base.

Many of the articles introduced advanced Chinese and foreign weapons and equipment, popularizing knowledge about China's defence modernization. For instance,

"Varieties of Modern Mines," which received a first-class prize, tells how the old-fashioned mine, in order to meet the requirements of modern warfare, was transformed from a defensive weapon to an offensive one.

"New Stealth and Anti-Stealth Weapons" also won a first-class prize. It tells how the use of stealth technology to make weapons "invisible" to radar and other electronic sensing equipment has added a whole new dimension to defence.

"Dauntless Fighters in Future Space War" and "Space Army, Space War and the Fourth Battlefield" show how space has joined the land, sea and air to become the fourth arena of human activity. Therefore, in future wars, space will inevitably become the fourth battlefield.

"Strategy and Tactics of Sun Wu and Electronic Warfare," "Mysterious Contest," "Laser Confrontation in Military Affairs" and "Blitz in Future War" introduce extraordinary methods of modern warfare. "Subtle Biological Missiles," "A New Generation of Rockets in Space" and other prize-winning essays introduce the structures, functions and uses of the most advanced weapons, broadening the readers' vision and helping them know more about the characteristics of modern warfare and the nature of advanced military equipment.

Generally speaking, the articles had the following characteristics:

- The subjects were novel and the materials rich. Most articles introduced China's achievements in building a modern national defence, including new equipment, new technology and new materials for China's armed forces. This showed the impact of the worldwide technological revolution of the 1980s on military affairs.

- The articles displayed several writing styles—description, explanation, commentary, news reporting—to good effect.

- Theory was combined with reality, connecting the lessons of modern wars with China's current military situation. □



# New Archaeological Discoveries

## Ancient Bone and Stone Beads Puzzle Archaeologists

If not for the ancient stone and pottery objects buried with them, archaeologists would find it difficult to believe that recently uncovered bone and stone beads as small as grain seeds were the products of primitive people.

Archaeologists found about 1,000 decorative articles in a New Stone Age tomb in the Ningxia Hui Autonomous Region in north-western China. The beads are about 3.5-4 millimetres in diameter with a 1-1.5 millimetre hole in the centre. These beads, strung together with thread, are delicate artifacts even to modern eyes.

Scientists wonder how the ancients produced such delicate work. The neatly cut shape, the smooth surface and especially the centre hole which is thinner than a ball-pen nib must have required precision tools and involved a difficult processing technique.

The large quantity of stone and bone beads also says something. It is estimated that a 50-centimetre necklace required about 1,600 such beads. Because the beads were discovered in several tombs, it is assumed that they were not luxuries limited to a small number of people. But who made these popular items?

This question posed a great challenge to historians. As opposed to the production of tools, such precise work would have been difficult for common hands in the late New Stone Age. Had the production of decorative articles already become an independent industry? If the answer is yes, can it be that the division of labour in primitive society and the development of production are somewhat different from the descriptions in classic history books?

## 3,000-Year-Old Pottery Boot

A ditch in northwestern China's Qinghai Province has yielded up a 3,000-year-old pottery boot. It was discovered by a peasant woman in Liuwan Village of Ledu County, while she was digging 300 metres east of the well-known Liuwan Primitive Society burial site. After preliminary examination, archaeologists believed it to be a relic of the

Xindian Culture of the Bronze Age dating back 3,000 years.

The boot is 11.6 centimetres high. The sole is 14.3 centimetres long and the gaiter is 6 centimetres long with a 7-centimetre opening. The sole and upper part were made separately and joined together. The surface of the boot is purplish red, covered with strips and triangle patterns. The general shape is that of a modern leather boot but only half the size.

Also unearthed was a double handled pottery vessel.

Experts said the boot might be a sacrificial object. It is the first of its kind discovered in China and is an important artifact for the study of ancient Chinese culture.

## Sacrificial Pits of Shang Dynasty

Four sacrificial pits of the Shang Dynasty dating back 3,000 years have been discovered in the western outskirts of Anyang in Henan Province. The discovery by one excavation group from the Archaeology Institute of the Chinese Academy of Sciences was the second important find in the Yin ruins. The remains of an ancient palace were found earlier.

The four sacrificial pits, located three metres under ground, included two that each contained a chariot and two horses facing east. The chariots in good condition are 1.7 metres long, 1.06 metres wide and about half a metre high. In the pit north of the two pits two horses and three humans were buried. The remains of a child were found between the horses and two adults were on the outer sides.

In the pit south of the two archaeologists found the remains of two sheep and one man. The sheep wore bronze halters. Yang Xizhang, deputy leader of the excavation group, said that the sheep with halters were a very rare discovery and had great significance for the study of court life in the Yin-Shang Dynasty.

The excavation group believes there must be tombs of nobles near the sacrificial pits.

□



One segment of the woodcut *Views of the Great Wall* shows people of different nationalities celebrating Spring Festival under the Jiayuguan Pass.

## The World's Longest Woodcut

**V**iews of Great Wall, a woodcut painting 34 metres long and almost half a metre wide, is said to be the longest woodcut in the world. It was on display from mid-November at the China Art Gallery in Beijing.

The work's creator is 61-year old Zhu Chunyi, a professional woodcut artist of the Manchu nationality from Dalian in Liaoning Province. He is now vice chairman of the Liaoning Woodcut Association and adviser to the Dalian Artists Association. Zhu made 10 trips to the Great Wall, collecting materials and drawing sketches, and spent six years and six months in completing the work.

Combining realistic methods and a romantic approach, Zhu cut four parallel panoramas of the Great Wall across the broad face of the work.

The first shows the scenery of the Great Wall from the Shanhaiguan Pass

in the east to the Jiayuguan Pass in the west. More than 20 passes, ancient castles and beacon towers are included in the picture.

The second presents the sweep of history, focusing on the important events and figures along the Great Wall.

The third depicts traditional local customs and festival activities of the Han and minority nationalities that live along the Great Wall's route.

The fourth shows the varied seasonal features of the landscape. The four topics are smoothly and naturally combined into an artistic whole.

Although thousands of figures, mountains, rivers and other natural scenes are included in the picture, every line and cut is delicate and accurate, demonstrating the serious attitude and outstanding accomplishments of the artist.

by Han Baocheng



The Changbai Mountains in August.

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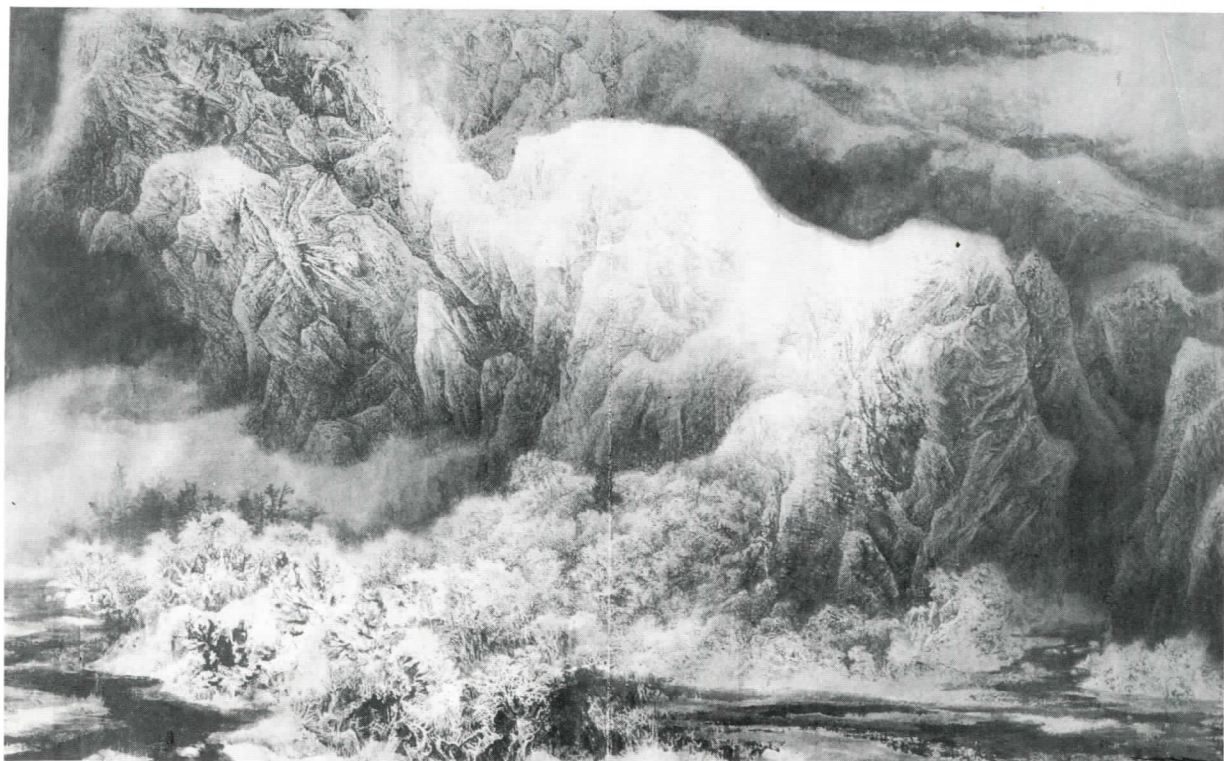
## ART PAGE

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### Chinese Paintings by Song Yugui And Feng Dazhong

Song Yugui, born in Linyi County, Shandong Province in 1940, and Feng Dazhong, born in Gaixian County, Liaoning Province in 1949, are Chinese painters from Liaoning Province. These two paintings are their joint work.

Though they have inherited China's traditional style, they do not stick to convention but instead break out of the stereotyped style of Chinese paintings. The artistic appeal of their works lies in their creative use of new techniques based on realistic experiences to bring about the flavour of times.



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