

Beijing Review

北京周报

Vol. 33, No. 18

April 30-May 6, 1990

CHINA'S HIGH TECHNOLOGY KEEPS PACE

1964年10月我国试验成功第一颗原子弹

1965年人工合成牛胰岛素取得成功

1970年成功发射第一颗人造地球卫星，

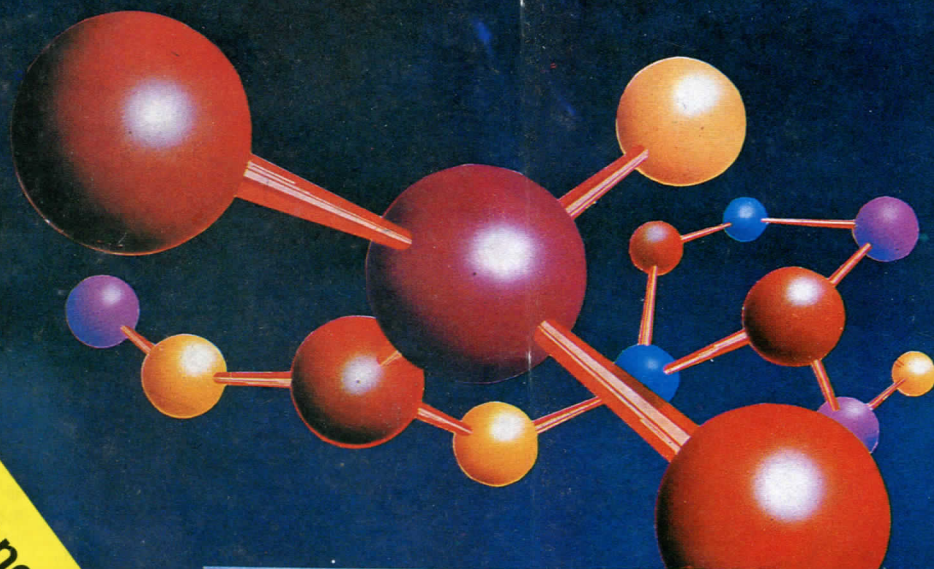
至今已发射25颗

1978年胜利完成洲际运载火箭的飞行试验，

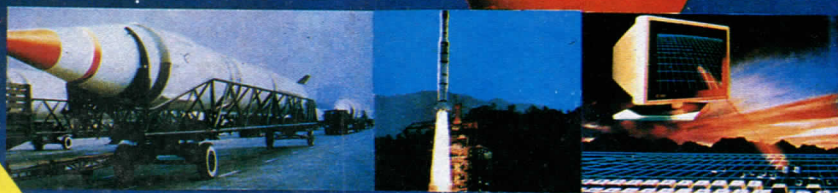
1983年研制成功亿次巨型计算机

和千万次向量计算机

1988年北京正负电子对撞机首次对撞成功



Hong Kong
Basic Law





A "White Dragon" visits farmer's home.

Photo by Xu Jinghao



China Enters World of High Technology

□ In light of China's technical and economic situation, a technological research programme named "863" was begun in 1987. The programme's goal is to narrow the high-tech gap between China and other countries and strengthen the nation's foundation for the formation and development of China's own high-tech industries (p. 9).

Migration and Urbanization

□ *Beijing Review* carries in this issue a three-part series on migration and urbanization, all authored by specialists who discussed the population question at two recent international academic symposiums held in Beijing. The first essay analyses the two types of population shifts in China—from agricultural to non-agricultural, and from rural to urban—and presents a policy for urban development (p. 14).

Marriage Law Helps Social Development

□ China's Marriage Law has helped to revolutionize society and realize the equality between women and men. It has also played an important role in promoting the family planning programme. As a result, the country's birth rate and natural population growth rate decreased over the past 20 years (p. 5).

Hong Kong Basic Law for the Record

□ The full text of the historic Basic Law of the Hong Kong Special Administrative Region, plus several related NPC resolutions and decisions, provides an authentic document to keep (p. centrefold). An interpretative article on the mutually restrictive and co-operative relationship between the executive and the legislature of the region, as laid out in the Basic Law, is also provided (p. 7).

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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

Beijing Marks World Law Day

China pays particular attention to serving peace and development through law, Justice Minister Cai Cheng told an April 22 rally in Beijing to mark World Law Day.

He noted that great achievements have been made in the legal construction of China, especially in the past decade. A legal system based around the constitution has been formed; reliance on the law has been realized in the basic aspects of the political, economic and social life of the State; a set of relatively perfect law enforcement agencies mutually co-ordinated and checked has been established, and a great number of highly qualified law enforcement personnel have been trained.

To speed up economic development, China has carried out reform of the economic structure and opening to the outside world and has been gradually bringing the two policies into the orbit of the legal system.

China attaches great importance to economic legislation concerning foreign businesses, Cai said.

To date, a total of 130 laws and regulations, including those on Chinese-foreign joint ventures, enterprises solely funded by foreign investors and economic contracts involving foreigners, have been formulated.

Jose Maria Ruda, president of the International Court of Justice, told the rally that peace must be made to prevail by means of comprehension and must arise from the heart and the spirit of man.

"Peace cannot aim merely at survival and cannot be maintained exclusively by means of the balance of terror," he said.

More than 1,500 leading figures of law from over 60 countries and regions attended the rally. Similar activities were organized throughout the world on the same day, with the rally in Beijing being the main event of World Law Day.

Chinese President Yang Shangkun, speaking at the opening ceremony of the Conference on the Law of the World the following day, said that maintaining world peace was the common goal of the people of all countries.

Forces working for world peace have made unremitting efforts towards this goal, he said. The maintenance of a peaceful and stable international environment is the prerequisite for economic development, social progress and friendly co-operation among nations of the world.

The international community of

today is composed of many sovereign states with different social systems, ideologies and cultural traditions, Yang said. In this context, continued growth of friendly relations between countries requires not only correct decisions by statesmen but also active participation of jurists, he added.

Yang also said it is the demand of the times and the aspiration of the people throughout the world that law should serve peace and development.

Ren Jianxin, president of the Supreme People's Court, and Charles Rhynne, president of the World Peace Through Law Centre, also addressed the conference attended by about 1,500 representatives.

Li Bin

Marriage Law Helps Social Development

China's Marriage Law has played an important role in promoting the country's social development and ensuring equality between men and women.

This was the consensus among speakers at an April 13 meeting in Beijing to mark the 40th anniversary of China's Marriage Law and the 10th anniversary of the amended version.

The Marriage Law came into being in 1950, a year after the founding of the People's Republic of China. It put an end to the feudal marriage system and set up a socialist system based on the freedom of marriage, monogamy, equality between the sexes and protection of legitimate rights and interests of women and children.

The amended version, promulgated 30 years later, furnishes provisions on family planning and marriage between the Chinese and foreigners.

Addressing the meeting, Qian Zhengying, vice-chairwoman of the National Committee of the Chinese People's Political Consultative Conference, said: "The

Marriage Law is changing the way people think and behave and promoting a revolution in society."

In the past, divorce was considered one of the greatest outrages in China, Qian said. Therefore, many people, especially women who wanted to end their marriage, often had little courage to bear the pressure from both inside and outside their families.

But now, divorce has become more understandable and acceptable in China, and many Chinese women have learned to use the Marriage Law to protect their own interests, she added.

However, Qian also noted that in past years in some regions of China there has been a resurgence of such unlawful activities as illegal cohabitation, concubinage, polygamy, the arranged, arbitrary and mercenary marriage, as well as the abduction and selling of women and children.

The Central Committee of the Chinese Communist Party and the State Council, she said, have taken these problems seriously and called on all departments

concerned to do their best to solve these problems and to guarantee the implementation of the Marriage Law, she said.

The Marriage Law states that "husband and wife are in duty bound to practise family planning," thus legalizing the family planning programme in China.

Peng Peiyun, minister in charge of the State Family Planning Commission, said that from 1970 to 1989 China's birth rate dropped to 20.83 per thousand from 33.43 per thousand, and the national population growth rate dropped to 14.33 per thousand from 25.83 per thousand. These figures are below the average of other developing countries, Peng said.

She pointed out that the new law has helped improve the well-being of women and children. It also provides women with more job opportunities.

Peng noted that the new law encourages young couples to marry three years after reaching the legal marriage age and not to have children before they are 25 years old.

"In this way," she said, "in 100 years' time China will have 100 million fewer people."

To achieve this goal is an arduous task for China, she said, noting that violations of the family planning programme are still serious.

In recent years, the annual number of people who married before they are eligible accounted for more than 20 percent of the total married. These early marriages result in about 2 million newborns each year, or 10 percent of the total figure.

In addition, Peng said, the defective birth rate of newborn children each year was 13.07 per thousand, seriously affecting the improvement of the quality of the entire nation. ■



Chinese President Yang Shangkun extends a warm welcome in Beijing to Colonel Teodoro Obiang Nguema Mbasogo, president of Equatorial Guinea. WANG JINGDE

Beijing Welcomes Kolingba, Obiang

A country should choose its political system according to its actual circumstances, Chinese President Yang Shangkun said on April 16 during talks with General Andre Kolingba. The president of the Central African Republic arrived in Beijing the same day for an official visit.

"We resolutely oppose the concept of bourgeois liberalization designed to copy Western social systems and change the existing systems in China," Yang said.

In his toast at an evening banquet given in Kolingba's honour, Yang reiterated that the Chinese government always values its friendship and co-operation with the Central African Republic and will consolidate and develop friendly and co-operative relations on the basis of the Five Principles of Peaceful Coexistence.

He noted that the government of the Central African Republic sets great store by international co-operation, especially South-South co-operation, is a cham-

pion of a new international economic order, actively safeguards African unity, and firmly supports the just struggle of the people in southern Africa.

"We appreciate Central Africa's active involvement in international affairs and we sincerely wish the Central African people new progress in the coming years," Yang said.

In reply, Kolingba said he appreciates China's principles for conducting friendly co-operation — "equality and mutual benefits, stress on practical results, diversified forms and common development."

In a meeting with Kolingba, who is also the chairman of the Democratic Union of Central Africa, on April 17, General Secretary Jiang Zemin of the Communist Party of China (CPC) expressed satisfaction with the "smooth development" of relations between the two countries and parties. "We are full of confidence that such relations will further develop," he said.

The same day, Jiang met with

Colonel Teodoro Obiang Nguema Mbasogo, president of Equatorial Guinea, who arrived in Beijing three days before his counterpart from the Central African Republic. Obiang had toured Shandong Province in East China.

Jiang expressed satisfaction at the smooth development of relations between the two countries and between the CPC and the Democratic Party of Equatorial Guinea.

He assured his guest that the Chinese treasure the common ground shared by the two countries and the two parties on international issues. ■

AsiaSat 1: Good Market Prospects

Asian satellite users have had positive reactions to the successful launch in China earlier this month of AsiaSat 1, said Wang Jun, vice-president of the China International Trust and Investment Corporation and chairman of Asia Satellite Telecommunications Company Ltd.(ASTC).

Wang was optimistic about market prospects for the new satellite in an announcement on April 17. He said the satellite's 24 transponders — radio or radar receiver-transmitters activated for transmission by reception of pre-determined signals — are all expected to be leased by the end of the year.

ASTC has already signed contracts with four Asian countries and regions for the lease of 19-and-a-quarter transponders. Hong Kong is leasing 14, South Korea three, Mongolia one and Myanmar (Burma) one-and-a-quarter, Wang said.

Transponders leased to Myanmar will be commissioned on May 21 to provide television broadcasting and other telecom-

munications services for the country's general election on May 27. Other transponders will be available to users before May 12.

Wang said ASTC is willing to lease one of the transponders to China. It will also donate free use of six transponders to the Eleventh Asian Games in September for live television broadcasting, he said.

AsiaSat 1, built by the Hughes Aircraft Company of the United States, was launched on April 7 with China's Long March 3 Rocket from the Xichang Launch Site in southwest China's Sichuan Province.

The satellite, Asia's first regional communications satellite, provides coverage for more than 30 Asian countries and regions. It will remain in orbit for 10 years. AsiaSat 1 has greatly improved the inadequate communications capacity in Asia, Wang said.

He also expressed confidence in ASTC's future, saying the company expects to recoup its total investment of US\$140 million in six to seven years. ■

Britain's Abode Plan Protested

A spokesman for the Hong Kong bureau of Xinhua News Agency reiterated on April 20 China's opposition to Britain's unilateral decision to grant the right of abode to some Hong Kong residents.

His statement came in response to the second reading of "The British Nationality (Hong Kong) Act 1990" in the House of Commons earlier the same day. The bill, submitted to parliament by the British government, provides for the granting of British passports to 50,000 Hong Kong households.

The Xinhua spokesman made

the following statement on the proceeding:

"The Chinese government has time and again made clear its solemn stand against the unilateral decision of Britain to change the nationality of some of the Hong Kong Chinese citizens.

"The Chinese memorandum on the Sino-British Joint Declaration states that under the nationality law of the People's Republic of China, all Hong Kong Chinese compatriots, whether they are holders of the 'British dependent territory citizen passports' or not, are Chinese nationals.

"The nationality status of the Hong Kong Chinese compatriots can only be determined in accordance with China's nationality law. This is a matter within the scope of China's sovereignty. 'The British Nationality (Hong Kong) Act 1990' worked out unilaterally by the British government without consulting the Chinese side goes against its own solemn commitment in its memorandum. It, in fact, is attempting to turn the 'Hong Kong people governing Hong Kong' stipulated by the Sino-British Joint Declaration into 'British governing Hong Kong'. It will only stir up divisions among Hong Kong people and speed up the 'brain drain.'

"Disregarding the just demand and repeated advice of the Chinese side, the British government has intransigently submitted 'the British Nationality (Hong Kong) Act 1990' to parliament. We express here our deep regret over it. The Chinese side absolutely will not accept the erroneous practice by the British side to unilaterally change the nationality of some Hong Kong Chinese citizens, and we reserve the right to take corresponding measures." ■

Hong Kong Basic Law Bonds Two Leading Bodies

The executive authorities and legislature should not only watch each other closely but also act in the spirit of co-operation. If the two bodies fail to co-operate in the process of mutual checking, they will lapse into endless bickering.

by Xiao Weiyun

The political structure of the Hong Kong Special Administrative Region constitutes a major part of the Hong Kong Basic Law. The relationship between the executive authorities and the legislature is an important issue pertaining to the political structure. Through repeated discussions, the Drafting Committee for the Basic Law concluded that their relationship should be based on a system of checks and balances and mutual co-operation.

For the two branches to accurately exercise their functions and power and to check and supervise each other so as to prevent the over-concentration of powers in either of them will be conducive to the normal operation of the political system and to Hong Kong's stability and prosperity.

Mutual Checking

Four aspects are involved in the process of mutual checking:

1. Under legal conditions and through legal procedures, the Chief Executive has the right to dissolve the legislature. According to the Hong Kong Basic Law, if the Chief Executive considers

that a bill passed by the Legislative Council runs counter to the over-all interests of the Region, he can send the bill back to the Legislative Council within three months for reconsideration. If the council passes the original bill again by not less than a two-thirds majority, the Chief Executive must sign and promulgate the bill within a month. Article 50 of the Basic Law states that, if the Chief Executive refuses to sign a bill passed the second time by the Legislative Council, or the Legislative Council rejects the government's budget or any other important bill, and if the dispute has not been settled after consultation, the Chief Executive may dissolve the council. But he can dissolve the Legislative Council only once during his term of office. This shows that the Chief Executive only has a relative right of dissolution, compared with the Hong Kong governor's absolute right of dissolution.

2. Under legal conditions and through legal procedures, the Legislative Council has the right to demand the Chief Executive resign.

There are two circumstances

under which the Chief Executive must resign: when, after the Chief Executive dissolves the council, the new council again passes the original bill by a two-thirds majority, but the Chief Executive still refuses to sign the bill; or when, after the legislative body is dissolved owing to its denial of the government's budget or any other important bill, the re-elected Legislative Council maintains its rejection of the bill.

This is an indication that the Legislative Council may force the Chief Executive to resign under legal conditions. But there is no such law to limit the powers of the Hong Kong governor.

It is reasonable to stipulate in the Basic Law the procedure through which the Chief Executive resigns. The new council's refusal of the bill in dispute suggests that the Chief Executive has failed to win majority support from either the dissolved council or the new one. This shows the Chief Executive has lost the confidence of the council and cannot go on working. Therefore, only the Chief Executive's resignation can settle a confrontation between the executive and legislature. In this way, the legislature functions as a check force.

3. The Hong Kong Special Administrative Region's government is accountable to the Legislative Council. Article 64 of the Basic Law states that the government must abide by the law and be accountable to the Legislative Council. It shall carry out laws passed by the council and laws already in force, regularly report government work to the council and answer council members' inquiries. For taxation and public expenditure, it shall get council approval.

The fact that the Chief Executive as head of the government, along with other leading government officials, holds responsibil-

ity for the legislature, highlights the legislature's checking function over the executive authority.

It is important to give an explicit definition of "accountability" in the Basic Law to avoid different interpretations of the word. Article 64 of the Basic Law is in line with Annex I of the Sino-British Joint Declaration on the Question of Hong Kong. It tallies with the actual situation of Sino-British talks and resembles the current practice in Hong Kong. The executive authorities' responsibility for the legislature mainly includes their implementing laws, making policy address, answering inquiries and obtaining the legislature's approval for taxation and public expenditure.

4. The Legislative Council possesses the right to impeach the Chief Executive. According to the Basic Law, if a quarter of the council members initiate a joint motion to charge the Chief Executive with serious violations of the law and dereliction of duty, and if the Chief Executive is still in power, the council may, after passing a motion for investigation, entrust the Chief Justice of the Court of Final Appeal to form and head an independent investigation committee. The committee is responsible for conducting the investigation and reports its findings to the council. If sufficient evidence is found to support the charges, the council may pass a motion of impeachment by the concurrence of two-thirds of its members and report to the Central People's Government for a decision.

Because the Chief Executive holds the most important post in the special administrative region and has extensive influence, it is necessary to grant the Legislative Council the right of impeachment to supervise and check up on the government head. Currently in Hong Kong, there is no such system to keep tabs on the

governor.

It can be seen that the Chief Executive's power to dissolve the Legislative Council and the latter's power to demand the former's resignation are designed to rationally divide the powers between the two in order for them to check each other. When exercising his power to dissolve the legislature, the Chief Executive must consider the possible consequence of being asked to resign, while the Legislative Council, when re-passing bills returned by the Chief Executive for reconsideration or refusing to pass a budget or any other important bill introduced by the government, must face the possible consequence of being dissolved. This is designed to prevent both the Chief Executive and the Legislative Council from randomly using their powers and to facilitate an appropriate resolution of disputes between them.

These stipulations are based on the actual conditions of Hong Kong without borrowing the practice of some countries which have a cabinet in charge, i.e. the parliament can cast a vote of non-confidence in the cabinet, but the prime minister of the cabinet can dissolve the parliament. In countries which maintain a multi-party system but which do not have a majority party in the parliament, there are frequent cabinet shuffles and the government cannot be stable.

The Hong Kong Special Administrative Region is merely a local administrative division of China that enjoys a high degree of autonomy. Small in size, it cannot adopt the cabinet-responsibility system and the practice of non-confidence voting, which will only destabilize the situation in Hong Kong and thus will be detrimental to the daily life and economic development of the territory. A small place like Hong Kong cannot afford any such unrest.

Mutual Co-ordination

Apart from its stipulations on the mutually restrictive relationship between the executive and the legislature, the Basic Law stresses co-operation between the two. A major feature of the Basic Law, such a combination is different from the checks and balances practised in countries where the executive, the legislature and the judiciary are separated. The Basic Law devotes much space to the co-operative relationship between the executive and the legislature.

It will be inappropriate to neglect either the restrictive or the co-operative aspect of the relationship. The high degree of autonomy means that the Hong Kong Special Administrative Region will have the power to handle independently affairs which fall within the limits of its autonomy. The central government will, in accordance with the law, respect its autonomy by refraining from interfering in these affairs. Failure to blend the relationship between the executive and the legislature by emphasizing either the checking or the co-operative aspect will lead the relationship to an impasse or endless disputes.

The relationship should not, as some people have suggested, be one between the superior and the subordinate.

The Drafting Committee for the Basic Law decided to set up an Executive Council and specified its composition and duties partly in an effort to co-ordinate the relations between the executive and the legislature through the Executive Council. Articles 54, 55 and 56 of the Basic Law elaborate on this spirit.

First, the Executive Council is an organ for assisting the Chief Executive in policy-making and will be presided over by the Chief Executive. The Chief Ex-

China Enters World Of High Technology

by Our Staff Reporter Wei Liming

ecutive has dual capacities as head of both the government and of the entire region. It is only suitable for him to preside over the Executive Council to promote co-operation between the executive and the legislature.

Second, the Executive Council will be composed of members from the Legislative Council and principal officials from the executive departments, enabling the Chief Executive to hear both identical and different opinions between the Legislative Council and the government. This facilitates the communication between the executive and the legislature.

Third, the Chief Executive must consult the Executive Council before making important policy decisions, introducing bills and making subordinate legislation. This shows that major decisions will have to be co-ordinated first between the executive and the legislature.

Fourth, the public figures in the Executive Council can get their views through to the Chief Executive when he makes decisions and they can co-ordinate the differences between the executive authorities and the legislature.

This combination of restriction and co-ordination is based on the policy of "one country, two systems" and the Sino-British Joint Declaration on the Question of Hong Kong while taking the actual conditions of Hong Kong into account. The colonial vestiges must be got rid of and a new relationship should be established between the executive and the legislature. In considering the actual conditions of Hong Kong, some parts of the existing system that have proved effective should be absorbed into the new law. This, however, is essentially different from the old relationship. ■

In March 1986, noted Chinese scientists Wang Daheng, Wang Ganchang, Yang Jiachi and Chen Fangyun jointly wrote to Chinese leaders and suggested that China should go out of its way to catch up with the advanced world level in a number of major disciplines of science and technology. The response was immediate and a programme, named "863" (referring to March 1986), to closely follow the world's high-tech development was begun in early 1987 with the support of Chinese leaders. In 1988, during a visit to the electron-position collider laboratory in Beijing, Deng Xiaoping said, "The next century will be marked by the development of high technology. Be it now or in the future, China must develop its own high technology and take a place in the world scientific and technological arena. The high-tech development and achievements reflect the capacity of a nation and a people and are a

sign of a country's vigour and prosperity."

Organization

The plan was drafted jointly by relevant administrative departments and experts in relevant fields at the invitation of a leading group for science and technology under the State Council. Before final approval, the plan was thoroughly discussed and revised. By taking into consideration China's technical situation and its economic strength, seven target fields were finally chosen — biotechnology, space technology, information technology, laser technology, automation technology, energy technology and advanced materials. A number of major research topics within each field have been selected for intensive study by closely monitoring relevant new developments in the world.

Limited by the nation's financial strength, the programme can

A small robot searches for a target.

WEI LIMING



neither cover all areas of high technology nor study every branch of the seven target fields. Priorities, based on financial resources available, had to be made.

In February 1987, each of the seven areas of study established an expert committee. Members visited various parts of China to investigate the state of various areas of research and, based on their findings, set requirements and goals.

Each area is divided into several major subjects of study in accordance with respective plans; each subject is then subdivided into a number of projects. Invitations were sent to research institutions for the submission of applications, and projects were chosen by the relevant expert committee after a review of the responses to the initial invitations. By the end of 1987, the first units to undertake the projects, selected basically to meet China's needs and keep the nation abreast of the current high-tech development trends, were chosen.

Expert Committees

According to Hu Haitang, de-

puty director of the Department of Fundamental Research and High Technology under the State Science and Technology Commission, a recent examination of the initial work of various expert committees found that almost all have stuck to their set strategic goals, have effectively managed their projects and been financially sound. Because every committee member is a noted scientist, few errors have been made in the selection of projects and quick returns have been garnered because research fund is contracted out to individuals or study groups. Practice has proved that for expert committees to exercise both technological and administrative decision-making power is effective and practicable.

Ma Songde, a member of the expert committee for automation technology and head of the state laboratory of pattern recognition of the Institute of Automation under the Chinese Academy of Sciences, said, "The expert committee makes the most of available expertise by letting the experts lead their respective areas of study. This is a kind of reform." Ma, 43, who received a doctor's degree in France a few years ago, is now researching ro-

bot vision. He described the efforts made by his committee to prove the need for developing robots in China, a controversial issue in the country.

Taking into account China's cheap labour pool and the fact that, although high technologies can yield some results, the cost is high, the experts suggested the development of robots for work in high-risk and harsh conditions, such as those for operation 300 metres and more below the water's surface and for work dealing with nuclear irradiation and pollution.

Keeping in mind China's national conditions, experts from Ma's committee have endeavoured to keep up with international developments in the field of robotics. High-tech research centres have been established through the "863" Programme which combine short-term targets with the long-term objective. To ensure the smooth progress of the programme, members of the expert committee examine and evaluate each other's work regularly to help readjust research targets. The committee's work, Ma says, is just and fair.

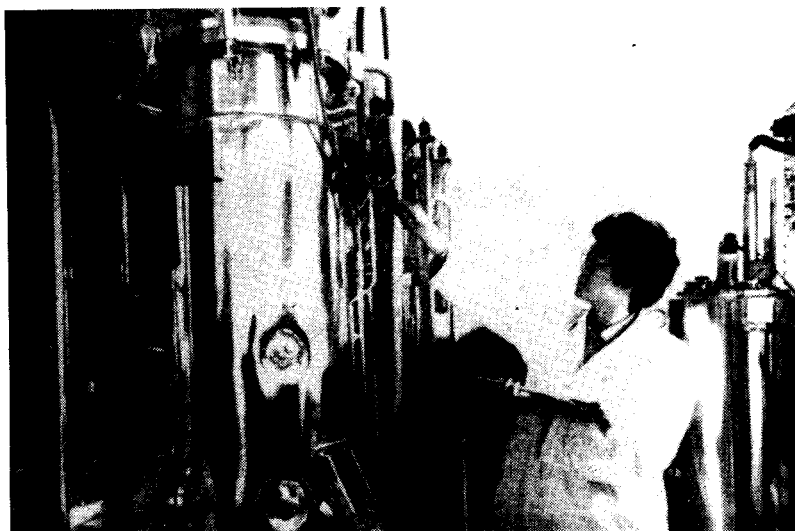
The "863" Programme stresses the spirit of "justice, dedication, practicality, ingenuity and cooperation." Since its conception in 1987, by strictly screening and selecting targets and constantly readjusting the projects, the programme has ensured competitiveness, timely cancelled some projects not in accord with the programme and disqualified incompetent units.

Biotechnology

In 1990, about 1 million Chinese are expected to receive less expensive inoculations of hepatitis-B vaccinations free of side effects, a result of genetic engineering studies. The work will help control the spread of the disease in China.

A technician oversees production of interferon.

WANG ZIJING



According to Ren Guifang, research fellow of the Institute of Virology under the Chinese Academy of Preventive Medicine, more than 100 million people in China today are carriers of the hepatitis B virus and the incidence of the disease has topped 1 million annually. The output of hematogenic vaccine used in the past is small due to the limited supply of raw materials and high cost. Moreover, the spread of AIDS in recent years has cast the use of blood products in doubt.

Even if there was an adequate supply of this kind of vaccine and all of the newborns with hepatitis B virus carrying mothers were inoculated, the number of virus carriers would only be cut by 50 percent by the mid-21st century, predicted Ren. The importance of the development and use of recombinant hepatitis B vaccine of surface antigen is therefore evident.

Ren, who has been engaged in the work for several years, said the development of a recombinant hepatitis B vaccine of surface antigen is an important outgrowth of the "863" Programme. His laboratory's work which began without any successful example in the world to go by now equals the advanced international level of the late 1980s.

In addition to the recombinant vaccine, Ren's laboratory has developed recombinant interferon-1, the first high-tech medicine in China to acquire the government's production licence in September 1989. It will soon be put into production and marketed. The recombinant interferon is able to readjust the immune system so that it is able to resist viruses and malignant tumours. Before the genetically engineered technology came into being in 1979, only 2 grammes of interferon, valued at US\$20 million, had been produced in the world. The technology has provided favourable conditions for produc-



Rice expert Wang Depei from Ningxia has bred a new high-yielding strain, 89-2, having a per-mu output of 900 kg.

CHEN SIYU

ing interferon and brought about a drop in the price of the product and its clinical application on a wider scale.

Huang Zhihua, associate research fellow of the "863" Biotechnology Office, told *Beijing Review* that biotechnology research is divided into three branches—new varieties of high-yielding, high-quality and adversity-resistant animals and plants; new medicines, vaccines and genetic therapy; and protein engineering. Currently, more than 80 percent of the project work is advancing smoothly; some work has been completed on time or ahead of schedule.

The three areas of study emphasize the research of agriculture, grain production in particular. The experts suggest increasing the output of grain by

combining the traditional with high technology. This principle, Huang said, is based on China's national conditions. "If we rely solely on high and molecular technology to raise grain output, we'll only get half the result with twice the effort. Practice over the past two years proves that the current arrangement is correct," added Huang.

So far, marked progress has been achieved in breeding high-yielding hybrid rice with the photoperiod-sensitive genetic male-sterile technology and China now still leads the world in this area. Evaluation shows that output of the newly developed strain is 5 percent higher than ordinary varieties; the new variety is expected to be grown on a limited area this year.

On August 15, 1989, China's



China's first "test tube" calf.

BAISI GULANG

first invitro fertilized "test tube" calf was born at the Animal Experimental Centre of the Inner Mongolian University. On September 2 and September 21, the second and third "test tube" calves were born. On September 23, another "test tube" calf developed from a frozen embryo was born at the Academy of Agronomy in Jiangsu Province. Such achievements marked China's entrance into the advanced rank of this high-tech area.

Predicting the development of biotechnology and its prospects of application, Professor Hou Yunde, a leading Chinese scientist in the biotechnology area, said such work will open new vistas for the production of grain and non-staple food in China. "The dawn of a new 'green revolution' in the next century is in sight," Hou says.

Automation Technology

At the artificial intelligent technology and systems laboratory of Qinghua University, a small robot no more than one metre in

height is searching for a target with its three "eyes" and, for example, when a chair is placed in front of it, it announces, "Please remove obstruction." When the objective is removed, the robot will send out the piercing message, "I've lost the target!"

Zhang Ba, a responsible member of the laboratory and professor of the computer department of Qinghua University, said that the robot is called "Establishing the Environmental Model Robot to Survey On-Site Situations." The laboratory's research project, under which the robot was developed, also includes a robot which moves automatically and an intelligent robot hand. The former can avoid various obstacles and arrive at a predetermined location. The latter can, in accordance with the spotted target, plan its own route of movement. With a six-dimensional force sensor, the wrist of the robot hand can undertake various and highly sensitive movements and automatically regulate the force of its action in the course of fulfill-

ing a task.

Professor Zhang noted that the first-generation robot did not have the ability to provide feedback of external information but that the second generation has been provided with sensors for force, touch and sight. It can sense, to a certain degree, changes in the external environment and the results of its own movement and then provide feedback on the objective environment it has encountered.

Ma Songde, a research fellow engaged in the research of visual sense for intelligent robot at the Institute of Automation under the Chinese Academy of Sciences, said that vision is an important means by which a robot can sense the external world. It involves varied branches of learning and, when confronted with a complicated three-dimensional environment, a considerable amount of difficult information need to be processed. At present, the research institute is reducing the amount of information visually transmitted by use of a nerve network; the amount of information has been reduced by more than 40 times. This achievement has required the development of a fairly high level of technology which holds good prospects for practical applications.

Automation research under the "863 Programme" includes two subjects, that of intelligent robot previously mentioned and of the computer integrated manufacturing system (CIMS for short).

CIMS was first put forward in 1974 by Dr. Joseph Harrington of the United States. By 1981, this concept was widely accepted and regarded as the first generation of automated patterns for use in the manufacturing industry. Based at the outset on unit technology, CIMS tries to combine such decentralized automated technology as the computer aided

design (CAD), the computer aided manufacturing system, information management systems and a decision-making support system in order to use computer synthesis as an integral component to attain a fairly high degree of automation in the ordering, design, manufacture, management and marketing of commodities. The system will greatly increase labour productivity and bring about a revolution in the manufacturing industry.

The expert committee for automation technology insist that the development of China's CIMS must be based on laboratory work and so a network of seven laboratories specializing in unit technology will be set up in China. The CIMS technology is geared with production. Currently, more than a dozen factories in China have applied for participation in the CIMS project or have co-operated with the expert committee for automation technology.

Some six achievements of CIMS are undergoing testing in real production settings. Management and decision-making software, for example, has been successfully put to use in the Zhengzhou Textile Machinery Plant and, in co-operation with the Hewlett Parkard Co. of the

United States, software for the CIMS aided management and the decision-making support system are being trial used in the Shanghai Metallurgical Plant.

Uneven Development

In a laboratory of the Acoustic Institute under the Chinese Academy of Sciences, a little while after the computer operators get acquainted with your voice they can make a computer recognize the voice patterns and display what you talk on the screen. This "real time speech recognition system" developed by Yu Tiecheng and others is another research achievement of the information technology under the 863 "Programme." It can automatically recognize language sounds and its man-machine interface capability has a wide practical value. In 1988, it won the international prize at a fair named Technology and Competition in Grenoble, France.

The information technology area under the "863 Programme" is divided into the intelligent computer system, optoelectronics devices and information acquisition and processing technology. According to Xu Xiaodi, a member of the Information Technology Office, computer intelligence

is the main feature of computer high technology and the developmental trends in the design of intelligent computers in the 1990s will make traditional computers "marter." Currently, scientists are making efforts to develop the spoken and written language and picture input and output, with a view to gradually removing the barriers between computers and the users.

Work on a Chinese handwritten character system is also included in the study of intelligent computers and the work to date has received technical approval. The system has 4 million written characters. It is the first of its kind ever developed in China and has the highest number and the best representation of handwritten samples in the world. It is predicted that in two years computers will be able to recognize the complete sample range.

In March of this year, the National Intelligent Computer Research and Development Centre was set up. Its task is to organize the research of the key products covered by the "863 Programme," chiefly a symbiotic environment of man-machine interface, based on a new generation of the computer technology, and an intelligent computer system meeting the requirements of many areas in China for computer intelligence.

Market prospects for six items of optoelectronic studies are good. Key technology for the distribution feedback laser, for example, is a major breakthrough and, according to Xu, an optoelectronic centre of advanced international level will soon be established.

Energy will be extremely important for the sustained development of China's national economy after the year 2000. Currently, power generated with coal accounts for 65 percent of the nation's total but the problems of coal transport, pollution and wat-

The "real time" speech recognition system.

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er supply is striking. The use of high technology, therefore, is necessary in order to provide possible new solutions to the problems. To this end, experts are designing nuclear reactors which suit China's national conditions and are carrying out economic, safety and engineering feasibility studies and research on the necessary key technology.

The research of advanced materials under the "863 Programme" made much headway in 1989. The design of materials through the use of layer microstructure theory and the combination of material research with application has been notable. Some research items are at advanced world level and other efforts have produced key raw materials. Some artificial crystal materials, such as BGO, are internationally competitive, and some high-performance compound materials are being mass produced with new products geared towards market sales.

In a review of the past three years of the 863 Programme, Hu Haitang, deputy director of the Department of Fundamental Research and High Technology under the State Science and Technology Commission, said that facts prove that whoever has the lead in high technology research is most likely to take the initiative in the new technological revolution.

Hu also noted that the Chinese government and scientists realize the technological challenge confronting China is not only a matter of competition but also an opportunity for the nation to build a new economic and technological base. We should work hard, Hu said, to narrow the gap between China and other countries by bringing up a new generation of highly qualified scientific and technical personnel and laying a good foundation for the formation and development of China's own high-tech industries. ■

Migration and Urbanization

As a developing country with a total population of 1.1 billion and most of whom in the countryside, China faces the problem of domestic migration and urbanization that is both unique to the country and similar to conditions in other countries. The population question was tackled at two international academic conferences held in Beijing recently. The following are some essays written for Beijing Review by specialists in the field.—Ed.

Two Types of Shifts in Rural Population

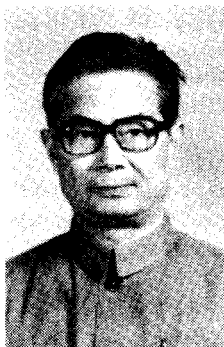
by Ma Xia

Two types of changes occurred in rural population worldwide during the transition from a pre-industrial to industrial society.

The first was the change of part of agricultural population into non-agricultural population. The developed countries' rural population was reduced to 5 to 15 percent of their economically active population base within 200 years. There has been no exception to this worldwide phenomenon.

The second shift referred to changes in residential areas. The developed countries have spent almost the same 200 years increasing their urban population to the present 70 percent of the total. The changes have been

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Ma Xia

brought about by rural exodus and by changes in the rural areas—the gradual change of rural areas into towns and cities.

Chinese farmers are in the process of these two shifts. By 1988, 95 million Chinese farmers, or one quarter of the nation's rural labour force, were involved in township enterprises and had taken jobs in industrial, commercial and service trades. Many of these people have become town residents. The necessity and inevitability of the second type of shift are often neglected. There is a common belief that "shifting rural population locally by developing township enterprises," in which only the shift of rural population to industry is emphasized to the neglect of geographical changes, is the way to avoid the bad effect of urbanization. In fact, the de-

The Basic Law of the Hong Kong Special Administrative Region Of the People's Republic of China

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Decree of the President of the People's Republic of China

No. 26

I hereby promulgate the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, including Annex I, "Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region," Annex II, "Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region and Its Voting Procedures," Annex III, "National Laws to be Applied in the Hong Kong Special Administrative Region," and the designs of the regional flag and

regional emblem of the Hong Kong Special Administrative Region, which was adopted by the Seventh National People's Congress of the People's Republic of China at its Third Session on 4 April 1990 and shall be put into effect as of 1 July 1997.

(Signed) Yang Shangkun
President of the
People's Republic of China
4 April 1990

The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China

Preamble

Hong Kong has been part of the territory of China since ancient times; it was occupied by Britain after the Opium War in 1840. On 19 December 1984, the Chinese and British Governments signed the Joint Declaration on the Question of Hong Kong, affirming that the Government of the People's Republic of China will resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997, thus fulfilling the long-cherished common aspiration of the

Chinese people for the recovery of Hong Kong.

Upholding national unity and territorial integrity, maintaining the prosperity and stability of Hong Kong, and taking account of its history and realities, the People's Republic of China has decided that upon China's resumption of the exercise of sovereignty over Hong Kong, a Hong Kong Special Administrative Region will be established in accordance with the provisions of Article 31 of the Constitution of the People's Republic of China, and that under the principle of "one country, two systems," the socialist system

and policies will not be practised in Hong Kong. The basic policies of the People's Republic of China regarding Hong Kong have been elaborated by the Chinese Government in the Sino-British Joint Declaration.

In accordance with the Constitution of the People's Republic of China, the National People's Congress hereby enacts the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, prescribing the systems to be practised in the Hong Kong Special Administrative Region, in order to ensure the implementation of the basic policies of the People's Republic of China regarding Hong Kong.

Chapter I: General Principles

Article 1

The Hong Kong Special Administrative Region is an inalienable part of the People's Republic of China.

Article 2

The National People's Congress authorizes the Hong Kong Special Administrative Region to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of this Law.

Article 3

The executive authorities and legislature of the Hong Kong Special Administrative Region shall be composed of permanent residents of Hong Kong in accordance with the relevant provisions of this Law.

Article 4

The Hong Kong Special Administrative Region shall safeguard the rights and freedoms of the residents of the Hong Kong Special Administrative Region and of other persons in the Region in accordance with law.

Article 5

The socialist system and policies shall not be practised in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years.

Article 6

The Hong Kong Special Administrative Region shall protect the right of private ownership of property in accordance with law.

Article 7

The land and natural resources within the Hong Kong Special Administrative Region shall be State property. The Government of the Hong Kong Special Administrative Region shall be responsible for their management, use and develop-

ment and for their lease or grant to individuals, legal persons or organizations for use or development. The revenues derived therefrom shall be exclusively at the disposal of the government of the Region.

Article 8

The laws previously in force in Hong Kong, that is, the common law, rules of equity, ordinances, subordinate legislation and customary law shall be maintained, except for any that contravene this Law, and subject to any amendment by the legislature of the Hong Kong Special Administrative Region.

Article 9

In addition to the Chinese language, English may also be used as an official language by the executive authorities, legislature and judiciary of the Hong Kong Special Administrative Region.

Article 10

Apart from displaying the national flag and national emblem of the People's Republic of China, the Hong Kong Special Administrative Region may also use a regional flag and regional emblem.

The regional flag of the Hong Kong Special Administrative Region is a red flag with a bauhinia highlighted by five star-tipped stamens.

The regional emblem of the Hong Kong Special Administrative Region is a bauhinia in the centre highlighted by five star-tipped stamens and encircled by the words "Hong Kong Special Administrative Region of the People's Republic of China" in Chinese and "Hong Kong" in English.

Article 11

In accordance with Article 31 of the Constitution of the People's Republic of China, the systems and policies practised in the Hong Kong Special Administrative Region, including the social and economic systems, the system for safeguarding the fundamental rights and freedoms of its residents, the executive, legislative and judicial systems, and the relevant policies, shall be based on the provisions of this Law.

No law enacted by the legislature of the Hong Kong Special Administrative Region shall contravene this Law.

Chapter II: Relationship between the Central Authorities and the Hong Kong Special Administrative Region

Article 12

The Hong Kong Special Administrative Region shall be a local administrative region of the

People's Republic of China, which shall enjoy a high degree of autonomy and come directly under the Central People's Government.

Article 13

The Central People's Government shall be responsible for the foreign affairs relating to the Hong Kong Special Administrative Region.

The Ministry of Foreign Affairs of the People's Republic of China shall establish an office in Hong Kong to deal with foreign affairs.

The Central People's Government authorizes the Hong Kong Special Administrative Region to conduct relevant external affairs on its own in accordance with this Law.

Article 14

The Central People's Government shall be responsible for the defence of the Hong Kong Special Administrative Region.

The Government of the Hong Kong Special Administrative Region shall be responsible for the maintenance of public order in the Region.

Military forces stationed by the Central People's Government in the Hong Kong Special Administrative Region for defence shall not interfere in the local affairs of the Region. The Government of the Hong Kong Special Administrative Region may, when necessary, ask the Central People's Government for assistance from the garrison in the maintenance of public order and in disaster relief.

In addition to abiding by national laws, members of the garrison shall abide by the laws of the Hong Kong Special Administrative Region.

Expenditure for the garrison shall be borne by the Central People's Government.

Article 15

The Central People's Government shall appoint the Chief Executive and the principal officials of the executive authorities of the Hong Kong Special Administrative Region in accordance with the provisions of Chapter IV of this Law.

Article 16

The Hong Kong Special Administrative Region shall be vested with executive power. It shall, on its own, conduct the administrative affairs of the Region in accordance with the relevant provisions of this Law.

Article 17

The Hong Kong Special Administrative Region shall be vested with legislative power.

Laws enacted by the legislature of the Hong Kong Special Administrative Region must be reported to the Standing Committee of the National People's Congress for the record. The reporting for record shall not affect the entry into force of such laws.

If the Standing Committee of the National People's Congress, after consulting the Committee for the Basic Law of the Hong Kong Special Administrative Region under it, considers that any law enacted by the legislature of the Region is not in conformity with the provisions of this Law regarding affairs within the responsibility of the Central Authorities or regarding the relationship between the Central Authorities and the Region, the Standing Committee may return the law in question but shall not amend it. Any law returned by the Standing Committee of the National People's Congress shall immediately be invalidated. This invalidation shall not have retroactive effect, unless otherwise provided for in the laws of the Region.

Article 18

The laws in force in the Hong Kong Special Administrative Region shall be this Law, the laws previously in force in Hong Kong as provided for in Article 8 of this Law, and the laws enacted by the legislature of the Region.

National laws shall not be applied in the Hong Kong Special Administrative Region except for those listed in Annex III to this Law. The laws listed therein shall be applied locally by way of promulgation or legislation by the Region.

The Standing Committee of the National People's Congress may add to or delete from the list of laws in Annex III after consulting its Committee for the Basic Law of the Hong Kong Special Administrative Region and the government of the Region. Laws listed in Annex III to this Law shall be confined to those relating to defence and foreign affairs as well as other matters outside the limits of the autonomy of the Region as specified by this Law.

In the event that the Standing Committee of the National People's Congress decides to declare a state of war or, by reason of turmoil within the Hong Kong Special Administrative Region which endangers national unity or security and is beyond the control of the government of the Region, decides that the Region is in a state of emergency, the Central People's Government may issue an order applying the relevant national laws in the Region.

Article 19

The Hong Kong Special Administrative Region shall be vested with independent judicial power, including that of final adjudication.

The courts of the Hong Kong Special Administrative Region shall have jurisdiction over all cases in the Region, except that the restrictions on their jurisdiction imposed by the legal system and principles previously in force in Hong Kong shall be maintained.

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The courts of the Hong Kong Special Administrative Region shall have no jurisdiction over acts of state such as defence and foreign affairs. The courts of the Region shall obtain a certificate from the Chief Executive on questions of fact concerning acts of state such as defence and foreign affairs whenever such questions arise in the adjudication of cases. This certificate shall be binding on the courts. Before issuing such a certificate, the Chief Executive shall obtain a certifying document from the Central People's Government.

Article 20

The Hong Kong Special Administrative Region may enjoy other powers granted to it by the National People's Congress, the Standing Committee of the National People's Congress or the Central People's Government.

Article 21

Chinese citizens who are residents of the Hong Kong Special Administrative Region shall be entitled to participate in the management of state affairs according to law. In accordance with the assigned number of seats and the selection method specified by the National People's Congress, the Chinese citizens among the residents of the Hong Kong Special Administrative Region shall locally elect deputies of the Region to the National People's Congress to participate in the work of the highest organ of state power.

Article 22

No department of the Central People's Government and no province, autonomous region, or municipality directly under the Central Government may interfere in the affairs which the Hong Kong Special Administrative Region administers on its own in accordance with this Law.

If there is a need for departments of the Central Government, or for provinces, autonomous regions, or municipalities directly under the Central Government to set up offices in the Hong Kong Special Administrative Region, they must obtain the consent of the government of the Region and the approval of the Central People's Government.

All offices set up in the Hong Kong Special Administrative Region by departments of the Central Government, or by provinces, autonomous regions, or municipalities directly under the Central Government, and the personnel of these offices shall abide by the laws of the Region.

For entry into the Hong Kong Special Administrative Region, people from other parts of China must apply for approval. Among them, the number of persons who enter the Region for the purpose of settlement shall be determined by the competent authorities of the Central Peo-

ple's Government after consulting the government of the Region.

The Hong Kong Special Administrative Region may establish an office in Beijing.

Article 23

The Hong Kong Special Administrative Region shall enact laws on its own to prohibit any act of treason, secession, sedition, subversion against the Central People's Government, or theft of state secrets, to prohibit foreign political organizations or bodies from conducting political activities in the Region, and to prohibit political organizations or bodies of the Region from establishing ties with foreign political organizations or bodies.

Chapter III: Fundamental Rights and Duties of the Residents

Article 24

Residents of the Hong Kong Special Administrative Region ("Hong Kong residents") shall include permanent residents and non-permanent residents.

The permanent residents of the Hong Kong Special Administrative Region shall be:

(1) Chinese citizens born in Hong Kong before or after the establishment of the Hong Kong Special Administrative Region;

(2) Chinese citizens who have ordinarily resided in Hong Kong for a continuous period of not less than seven years before or after the establishment of the Hong Kong Special Administrative Region;

(3) Persons of Chinese nationality born outside Hong Kong of those residents listed in categories (1) and (2);

(4) Persons not of Chinese nationality who have entered Hong Kong with valid travel documents, have ordinarily resided in Hong Kong for a continuous period of not less than seven years and have taken Hong Kong as their place of permanent residence before or after the establishment of the Hong Kong Special Administrative Region;

(5) Persons under 21 years of age born in Hong Kong of those residents listed in category (4) before or after the establishment of the Hong Kong Special Administrative Region; and

(6) Persons other than those residents listed in categories (1) to (5), who, before the establishment of the Hong Kong Special Administrative Region, had the right of abode in Hong Kong only.

The above-mentioned residents shall have the right of abode in the Hong Kong Special

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Administrative Region and shall be qualified to obtain, in accordance with the laws of the Region, permanent identity cards which state their right of abode.

The non-permanent residents of the Hong Kong Special Administrative Region shall be persons who are qualified to obtain Hong Kong identity cards in accordance with the laws of the Region but have no right of abode.

Article 25

All Hong Kong residents shall be equal before the law.

Article 26

Permanent residents of the Hong Kong Special Administrative Region shall have the right to vote and the right to stand for election in accordance with law.

Article 27

Hong Kong residents shall have freedom of speech, of the press and of publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade unions, and to strike.

Article 28

The freedom of the person of Hong Kong residents shall be inviolable.

No Hong Kong resident shall be subjected to arbitrary or unlawful arrest, detention or imprisonment. Arbitrary or unlawful search of the body of any resident or deprivation or restriction of the freedom of the person shall be prohibited. Torture of any resident or arbitrary or unlawful deprivation of the life of any resident shall be prohibited.

Article 29

The homes and other premises of Hong Kong residents shall be inviolable. Arbitrary or unlawful search of, or intrusion into, a resident's home or other premises shall be prohibited.

Article 30

The freedom and privacy of communication of Hong Kong residents shall be protected by law. No department or individual may, on any grounds, infringe upon the freedom and privacy of communication of residents except that the relevant authorities may inspect communication in accordance with legal procedures to meet the needs of public security or of investigation into criminal offences.

Article 31

Hong Kong residents shall have freedom of movement within the Hong Kong Special Administrative Region and freedom of emigration to other countries and regions. They shall have freedom to travel and to enter or leave the Region. Unless restrained by law, holders of valid travel documents shall be free to leave the Region with-

out special authorization.

Article 32

Hong Kong residents shall have freedom of conscience.

Hong Kong residents shall have freedom of religious belief and freedom to preach and to conduct and participate in religious activities in public.

Article 33

Hong Kong residents shall have freedom of choice of occupation.

Article 34

Hong Kong residents shall have freedom to engage in academic research, literary and artistic creation, and other cultural activities.

Article 35

Hong Kong residents shall have the right to confidential legal advice, access to the courts, choice of lawyers for timely protection of their lawful rights and interests or for representation in the courts, and to judicial remedies.

Hong Kong residents shall have the right to institute legal proceedings in the courts against the acts of the executive authorities and their personnel.

Article 36

Hong Kong residents shall have the right to social welfare in accordance with law. The welfare benefits and retirement security of the labour force shall be protected by law.

Article 37

The freedom of marriage of Hong Kong residents and their right to raise a family freely shall be protected by law.

Article 38

Hong Kong residents shall enjoy the other rights and freedoms safeguarded by the laws of the Hong Kong Special Administrative Region.

Article 39

The provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and international labour conventions as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region.

The rights and freedoms enjoyed by Hong Kong residents shall not be restricted unless as prescribed by law. Such restrictions shall not contravene the provisions of the preceding paragraph of this Article.

Article 40

The lawful traditional rights and interests of the indigenous inhabitants of the "New Territories" shall be protected by the Hong Kong Special Administrative Region.

Article 41

Persons in the Hong Kong Special Administrative Region other than Hong Kong residents shall, in accordance with law, enjoy the rights and freedoms of Hong Kong residents prescribed in this Chapter.

Article 42

Hong Kong residents and other persons in Hong Kong shall have the obligation to abide by the laws in force in the Hong Kong Special Administrative Region.

Chapter IV: Political Structure**Section 1: The Chief Executive****Article 43**

The Chief Executive of the Hong Kong Special Administrative Region shall be the head of the Hong Kong Special Administrative Region and shall represent the Region.

The Chief Executive of the Hong Kong Special Administrative Region shall be accountable to the Central People's Government and the Hong Kong Special Administrative Region in accordance with the provisions of this Law.

Article 44

The Chief Executive of the Hong Kong Special Administrative Region shall be a Chinese citizen of not less than 40 years of age who is a permanent resident of the Region with no right of abode in any foreign country and has ordinarily resided in Hong Kong for a continuous period of not less than 20 years.

Article 45

The Chief Executive of the Hong Kong Special Administrative Region shall be selected by election or through consultations held locally and be appointed by the Central People's Government.

The method for selecting the Chief Executive shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures.

The specific method for selecting the Chief Executive is prescribed in Annex I: "Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region."

Article 46

The term of office of the Chief Executive of the Hong Kong Special Administrative Region shall be five years. He or she may serve for not

more than two consecutive terms.

Article 47

The Chief Executive of the Hong Kong Special Administrative Region must be a person of integrity, dedicated to his or her duties.

The Chief Executive, on assuming office, shall declare his or her assets to the Chief Justice of the Court of Final Appeal of the Hong Kong Special Administrative Region. This declaration shall be put on record.

Article 48

The Chief Executive of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To lead the government of the Region;
- (2) To be responsible for the implementation of this Law and other laws which, in accordance with this Law, apply in the Hong Kong Special Administrative Region;
- (3) To sign bills passed by the Legislative Council and to promulgate laws;

To sign budgets passed by the Legislative Council and report the budgets and final accounts to the Central People's Government for the record;

- (4) To decide on government policies and to issue executive orders;

(5) To nominate and to report to the Central People's Government for appointment of the following principal officials: Secretaries and Deputy Secretaries of Departments, Directors of Bureaux, Commissioner Against Corruption, Director of Audit, Commissioner of Police, Director of Immigration and Commissioner of Customs and Excise; and to recommend to the Central People's Government the removal of the above-mentioned officials;

- (6) To appoint or remove judges of the courts at all levels in accordance with legal procedures;

(7) To appoint or remove holders of public office in accordance with legal procedures;

- (8) To implement the directives issued by the Central People's Government in respect of the relevant matters provided for in this Law;

(9) To conduct, on behalf of the Government of the Hong Kong Special Administrative Region, external affairs and other affairs as authorized by the Central Authorities;

- (10) To approve the introduction of motions regarding revenues or expenditure to the Legislative Council;

(11) To decide, in the light of security and vital public interests, whether government officials or other personnel in charge of government affairs should testify or give evidence before the Legislative Council or its committees;

- (12) To pardon persons convicted of criminal

offences or commute their penalties; and

(13) To handle petitions and complaints.

Article 49

If the Chief Executive of the Hong Kong Special Administrative Region considers that a bill passed by the Legislative Council is not compatible with the overall interests of the Region, he or she may return it to the Legislative Council within three months for reconsideration. If the Legislative Council passes the original bill again by not less than a two-thirds majority of all the members, the Chief Executive must sign and promulgate it within one month, or act in accordance with the provisions of Article 50 of this Law.

Article 50

If the Chief Executive of the Hong Kong Special Administrative Region refuses to sign a bill passed the second time by the Legislative Council, or the Legislative Council refuses to pass a budget or any other important bill introduced by the government, and if consensus still cannot be reached after consultations, the Chief Executive may dissolve the Legislative Council.

The Chief Executive must consult the Executive Council before dissolving the Legislative Council. The Chief Executive may dissolve the Legislative Council only once in each term of his or her office.

Article 51

If the Legislative Council of the Hong Kong Special Administrative Region refuses to pass the budget introduced by the government, the Chief Executive may apply to the Legislative Council for provisional appropriations. If appropriation of public funds cannot be approved because the Legislative Council has already been dissolved, the Chief Executive may, prior to the election of the new Legislative Council, approve provisional short-term appropriations according to the level of expenditure of the previous fiscal year.

Article 52

The Chief Executive of the Hong Kong Special Administrative Region must resign under any of the following circumstances:

(1) When he or she loses the ability to discharge his or her duties as a result of serious illness or other reasons;

(2) When, after the Legislative Council is dissolved because he or she twice refuses to sign a bill passed by it, the new Legislative Council again passes by a two-thirds majority of all the members the original bill in dispute, but he or she still refuses to sign it; and

(3) When, after the Legislative Council is dissolved because it refuses to pass a budget or any other important bill, the new Legislative Council still refuses to pass the original bill in

dispute.

Article 53

If the Chief Executive of the Hong Kong Special Administrative Region is not able to discharge his or her duties for a short period, such duties shall temporarily be assumed by the Administrative Secretary, Financial Secretary or Secretary of Justice in this order of precedence.

In the event that the office of Chief Executive becomes vacant, a new Chief executive shall be selected within six months in accordance with the provisions of Article 45 of this Law. During the period of vacancy, his or her duties shall be assumed according to the provisions of the preceding paragraph.

Article 54

The Executive Council of the Hong Kong Special Administrative Region shall be an organ for assisting the Chief Executive in policy-making.

Article 55

Members of the Executive Council of the Hong Kong Special Administrative Region shall be appointed by the Chief Executive from among the principal officials of the executive authorities, members of the Legislative Council and public figures. Their appointment or removal shall be decided by the Chief Executive. The term of office of members of the Executive Council shall not extend beyond the expiry of the term of office of the Chief Executive who appoints them.

Members of the Executive Council of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents of the Region with no right of abode in any foreign country.

The Chief Executive may, as he or she deems necessary, invite other persons concerned to sit in on meetings of the Council.

Article 56

The Executive Council of the Hong Kong Special Administrative Region shall be presided over by the Chief Executive.

Except for the appointment, removal and disciplining of officials and the adoption of measures in emergencies, the Chief Executive shall consult the Executive Council before making important policy decisions, introducing bills to the Legislative Council, making subordinate legislation, or dissolving the Legislative Council.

If the Chief Executive does not accept a majority opinion of the Executive Council, he or she shall put the specific reasons on record.

Article 57

A Commission Against Corruption shall be established in the Hong Kong Special Administrative Region. It shall function independently

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and be accountable to the Chief Executive.

Article 58

A Commission of Audit shall be established in the Hong Kong Special Administrative Region. It shall function independently and be accountable to the Chief Executive.

Section 2: the Executive Authorities

Article 59

The Government of the Hong Kong Special Administrative Region shall be the executive authorities of the Region.

Article 60

The head of the Government of the Hong Kong Special Administrative Region shall be the Chief Executive of the Region.

A Department of Administration, a Department of Finance, a Department of Justice, and various bureaux, divisions and commissions shall be established in the Government of the Hong Kong Special Administrative Region.

Article 61

The principal officials of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents of the Region with no right of abode in any foreign country and have ordinarily resided in Hong Kong for a continuous period of not less than 15 years.

Article 62

The Government of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To formulate and implement policies;
- (2) To conduct administrative affairs;
- (3) To conduct external affairs as authorized by the Central People's Government under this Law;
- (4) To draw up and introduce budgets and final accounts;
- (5) To draft and introduce bills, motions and subordinate legislation; and
- (6) To designate officials to sit in on the meetings of the Legislative Council and to speak on behalf of the government.

Article 63

The Department of Justice of the Hong Kong Special Administrative Region shall control criminal prosecutions, free from any interference.

Article 64

The Government of the Hong Kong Special Administrative Region must abide by the law and be accountable to the Legislative Council of the Region: it shall implement laws passed by the Council and already in force; it shall present regular policy addresses to the Council; it shall answer questions raised by members of the Coun-

cil; and it shall obtain approval from the Council for taxation and public expenditure.

Article 65

The previous system of establishing advisory bodies by the executive authorities shall be maintained.

Section 3: The Legislature

Article 66

The Legislative Council of the Hong Kong Special Administrative Region shall be the legislature of the Region.

Article 67

The Legislative Council of the Hong Kong Special Administrative Region shall be composed of Chinese citizens who are permanent residents of the Region with no right of abode in any foreign country. However, permanent residents of the Region who are not of Chinese nationality or who have the right of abode in foreign countries may also be elected members of the Legislative Council of the Region, provided that the proportion of such members does not exceed 20 percent of the total membership of the Council.

Article 68

The Legislative Council of the Hong Kong Special Administrative Region shall be constituted by election.

The method for forming the Legislative Council shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the election of all the members of the Legislative Council by universal suffrage.

The specific method for forming the Legislative Council and its procedures for voting on bills and motions are prescribed in Annex II: "Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region and Its Voting Procedures".

Article 69

The term of office of the Legislative Council of the Hong Kong Special Administrative Region shall be four years, except the first term which shall be two years.

Article 70

If the Legislative Council of the Hong Kong Special Administrative Region is dissolved by the Chief Executive in accordance with the provisions of this Law, it must, within three months, be reconstituted by election in accordance with Article 68 of this Law.

Article 71

The President of the Legislative Council of the Hong Kong Special Administrative Region

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shall be elected by and from among the members of the Legislative Council.

The President of the Legislative Council of the Hong Kong Special Administrative Region shall be a Chinese citizen of not less than 40 years of age, who is a permanent resident of the Region with no right of abode in any foreign country and has ordinarily resided in Hong Kong for a continuous period of not less than 20 years.

Article 72

The President of the Legislative Council of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To preside over meetings;
- (2) To decide on the agenda, giving priority to government bills for inclusion in the agenda;
- (3) To decide on the time of meetings;
- (4) To call special sessions during the recess;
- (5) To call emergency sessions on the request of the Chief Executive; and
- (6) To exercise other powers and functions as prescribed in the rules of procedure of the Legislative Council.

Article 73

The Legislative Council of the Hong Kong Special Administrative Region shall exercise the following powers and functions:

- (1) To enact, amend or repeal laws in accordance with the provisions of this Law and legal procedures;
- (2) To examine and approve budgets introduced by the government;
- (3) To approve taxation and public expenditure;
- (4) To receive and debate the policy addresses of the Chief Executive;
- (5) To raise questions on the work of the government;
- (6) To debate any issue concerning public interests;
- (7) To endorse the appointment and removal of the judges of the Court of Final Appeal and the Chief Judge of the High Court;
- (8) To receive and handle complaints from Hong Kong residents;

(9) If a motion initiated jointly by one-fourth of all the members of the Legislative Council charges the Chief Executive with serious breach of law or dereliction of duty and if he or she refuses to resign, the Council may, after passing a motion for investigation, give a mandate to the Chief Justice of the Court of Final Appeal to form and chair an independent investigation committee. The committee shall be responsible for carrying out the investigation and reporting its findings to the Council. If the committee considers the evidence sufficient to substantiate such

charges, the Council may pass a motion of impeachment by a two-thirds majority of all its members and report it to the Central People's Government for decision; and

(10) To summon, as required when exercising the above-mentioned powers and functions, persons concerned to testify or give evidence.

Article 74

Members of the Legislative Council of the Hong Kong Special Administrative Region may introduce bills in accordance with the provisions of this Law and legal procedures. Bills which do not relate to public expenditure or political structure or the operation of the government may be introduced individually or jointly by members of the Council. The written consent of the Chief Executive shall be required before bills relating to government policies are introduced.

Article 75

The quorum for the meeting of the Legislative Council of the Hong Kong Special Administrative Region shall be not less than one half of all its members.

The rules of procedure of the Legislative Council shall be made by the Council on its own, provided that they do not contravene this Law.

Article 76

A bill passed by the Legislative Council of the Hong Kong Special Administrative Region may take effect only after it is signed and promulgated by the Chief Executive.

Article 77

Members of the Legislative Council of the Hong Kong Special Administrative Region shall be immune from legal action in respect of their statements at meetings of the Council.

Article 78

Members of the Legislative Council of the Hong Kong Special Administrative Region shall not be subjected to arrest when attending or on their way to a meeting of the Council.

Article 79

The President of the Legislative Council of the Hong Kong Special Administrative Region shall declare that a member of the Council is no longer qualified for the office under any of the following circumstances:

- (1) When he or she loses the ability to discharge his or her duties as a result of serious illness or other reasons;
- (2) When he or she, with no valid reason, is absent from meetings for three consecutive months without the consent of the President of the Legislative Council;
- (3) When he or she loses or renounces his or her status as a permanent resident of the Region;
- (4) When he or she accepts a government

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appointment and becomes a public servant;

(5) When he or she is bankrupt or fails to comply with a court order to repay debts;

(6) When he or she is convicted and sentenced to imprisonment for one month or more for a criminal offence committed within or outside the Region and is relieved of his or her duties by a motion passed by two-thirds of the members of the Legislative Council present; and

(7) When he or she is censured for misbehaviour or breach of oath by a vote of two-thirds of the members of the Legislative Council present.

Section 4: The Judiciary

Article 80

The courts of the Hong Kong Special Administrative Region at all levels shall be the judiciary of the Region, exercising the judicial power of the Region.

Article 81

The Court of Final Appeal, the High Court, district courts, magistrates' courts and other special courts shall be established in the Hong Kong Special Administrative Region. The High Court shall comprise the Court of Appeal and the Court of First Instance.

The judicial system previously practised in Hong Kong shall be maintained except for those changes consequent upon the establishment of the Court of Final Appeal of the Hong Kong Special Administrative Region.

Article 82

The power of final adjudication of the Hong Kong Special Administrative Region shall be vested in the Court of Final Appeal of the Region, which may as required invite judges from other common law jurisdictions to sit on the Court of Final Appeal.

Article 83

The structure, powers and functions of the courts of the Hong Kong Special Administrative Region at all levels shall be prescribed by law.

Article 84

The courts of the Hong Kong Special Administrative Region shall adjudicate cases in accordance with the laws applicable in the Region as prescribed in Article 18 of this Law and may refer to precedents of other common law jurisdictions.

Article 85

The courts of the Hong Kong Special Administrative Region shall exercise judicial power independently, free from any interference. Members of the judiciary shall be immune from legal action in the performance of their judicial functions.

Article 86

The principle of trial by jury previously practised in Hong Kong shall be maintained.

Article 87

In criminal or civil proceedings in the Hong Kong Special Administrative Region, the principles previously applied in Hong Kong and the rights previously enjoyed by parties to proceedings shall be maintained.

Anyone who is lawfully arrested shall have the right to a fair trial by the judicial organs without delay and shall be presumed innocent until convicted by the judicial organs.

Article 88

Judges of the courts of the Hong Kong Special Administrative Region shall be appointed by the Chief Executive on the recommendation of an independent commission composed of local judges, persons from the legal profession and eminent persons from other sectors.

Article 89

A judge of a court of the Hong Kong Special Administrative Region may only be removed for inability to discharge his or her duties, or for misbehaviour, by the Chief Executive on the recommendation of a tribunal appointed by the Chief Justice of the Court of Final Appeal and consisting of not fewer than three local judges.

The Chief Justice of the Court of Final Appeal of the Hong Kong Special Administrative Region may be investigated only for inability to discharge his or her duties, or for misbehaviour, by a tribunal appointed by the Chief Executive and consisting of not fewer than five local judges and may be removed by the Chief Executive on the recommendation of the tribunal and in accordance with the procedures prescribed in this Law.

Article 90

The Chief Justice of the Court of Final Appeal and the Chief Judge of the High Court of the Hong Kong Special Administrative Region shall be Chinese citizens who are permanent residents of the Region with no right of abode in any foreign country.

In the case of the appointment or removal of judges of the Court of Final Appeal and the Chief Judge of the High Court of the Hong Kong Special Administrative Region, the Chief Executive shall, in addition to following the procedures prescribed in Articles 88 and 89 of this Law, obtain the endorsement of the Legislative Council and report such appointment or removal to the Standing Committee of the National People's Congress for the record.

Article 91

The Hong Kong Special Administrative Re-

gion shall maintain the previous system of appointment and removal of members of the judiciary other than judges.

Article 92

Judges and other members of the judiciary of the Hong Kong Special Administrative Region shall be chosen on the basis of their judicial and professional qualities and may be recruited from other common law jurisdictions.

Article 93

Judges and other members of the judiciary serving in Hong Kong before the establishment of the Hong Kong Special Administrative Region may all remain in employment and retain their seniority with pay, allowances, benefits and conditions of service no less favourable than before.

The Government of the Hong Kong Special Administrative Region shall pay to judges and other members of the judiciary who retire or leave the service in compliance with regulations, including those who have retired or left the service before the establishment of the Hong Kong Special Administrative Region, or to their dependants, all pensions, gratuities, allowances and benefits due to them on terms no less favourable than before, irrespective of their nationality or place of residence.

Article 94

On the basis of the system previously operating in Hong Kong, the Government of the Hong Kong Special Administrative Region may make provisions for local lawyers and lawyers from outside Hong Kong to work and practise in the Region.

Article 95

The Hong Kong Special Administrative Region may, through consultations and in accordance with law, maintain juridical relations with the judicial organs of other parts of the country, and they may render assistance to each other.

Article 96

With the assistance or authorization of the Central People's Government, the Government of the Hong Kong Special Administrative Region may make appropriate arrangements with foreign states for reciprocal juridical assistance.

Section 5: District Organizations

Article 97

District organizations which are not organs of political power may be established in the Hong Kong Special Administrative Region, to be consulted by the government of the Region on district administration and other affairs, or to be responsible for providing services in such fields as culture, recreation and environmental sanitation.

Article 98

The powers and functions of the district organizations and the method for their formation shall be prescribed by law.

Section 6: Public Servants

Article 99

Public servants serving in all government departments of the Hong Kong Special Administrative Region must be permanent residents of the Region, except where otherwise provided for in Article 101 of this Law regarding public servants of foreign nationalities and except for those below a certain rank as prescribed by law.

Public servants must be dedicated to their duties and be responsible to the Government of the Hong Kong Special Administrative Region.

Article 100

Public servants serving in all Hong Kong government departments, including the police department, before the establishment of the Hong Kong Special Administrative Region, may all remain in employment and retain their seniority with pay, allowances, benefits and conditions of service no less favourable than before.

Article 101

The Government of the Hong Kong Special Administrative Region may employ British and other foreign nationals previously serving in the public service in Hong Kong, or those holding permanent identity cards of the Region, to serve as public servants in government departments at all levels, but only Chinese citizens among permanent residents of the Region with no right of abode in any foreign country may fill the following posts: the Secretaries and Deputy Secretaries of Departments, Directors of Bureaux, Commissioner Against Corruption, Director of Audit, Commissioner of Police, Director of Immigration and Commissioner of Customs and Excise.

The Government of the Hong Kong Special Administrative Region may also employ British and other foreign nationals as advisers to government departments and, when required, may recruit qualified candidates from outside the Region to fill professional and technical posts in government departments. These foreign nationals shall be employed only in their individual capacities and shall be responsible to the government of the Region.

Article 102

The Government of the Hong Kong Special Administrative Region shall pay to public servants who retire or who leave the service in compliance with regulations, including those who have retired or who have left the service in com-

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pliance with regulations before the establishment of the Hong Kong Special Administrative Region, or to their dependants, all pensions, gratuities, allowances and benefits due to them on terms no less favourable than before, irrespective of their nationality or place of residence.

Article 103

The appointment and promotion of public servants shall be on the basis of their qualifications, experience and ability. Hong Kong's previous system of recruitment, employment, assessment, discipline, training and management for the public service, including special bodies for their appointment, pay and conditions of service, shall be maintained, except for any provisions for privileged treatment of foreign nationals.

Article 104

When assuming office, the Chief Executive, principal officials, members of the Executive Council and of the Legislative Council, judges of the courts at all levels and other members of the judiciary in the Hong Kong Special Administrative Region must, in accordance with law, swear to uphold the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China and swear allegiance to the Hong Kong Special Administrative Region of the People's Republic of China.

Chapter V: Economy

Section 1: Public Finance, Monetary Affairs, Trade, Industry and Commerce

Article 105

The Hong Kong Special Administrative Region shall, in accordance with law, protect the right of individuals and legal persons to the acquisition, use, disposal and inheritance of property and their right to compensation for lawful deprivation of their property.

Such compensation shall correspond to the real value of the property concerned at the time and shall be freely convertible and paid without undue delay.

The ownership of enterprises and the investments from outside the Region shall be protected by law.

Article 106

The Hong Kong Special Administrative Region shall have independent finances.

The Hong Kong Special Administrative Region shall use its financial revenues exclusively for its own purposes, and they shall not be handed over to the Central People's Government.

The Central People's Government shall not levy taxes in the Hong Kong Special Administrative Region.

Article 107

The Hong Kong Special Administrative Region shall follow the principle of keeping expenditure within the limits of revenues in drawing up its budget, and strive to achieve a fiscal balance, avoid deficits and keep the budget commensurate with the growth rate of its gross domestic product.

Article 108

The Hong Kong Special Administrative Region shall practise an independent taxation system.

The Hong Kong Special administrative Region shall, taking the low tax policy previously pursued in Hong Kong as reference, enact laws in its own concerning types of taxes, tax rates, tax reductions, allowances and exemptions, and other matters of taxation.

Article 109

The Government of the Hong Kong Special Administrative Region shall provide an appropriate economic and legal environment for the maintenance of the status of Hong Kong as an international financial centre.

Article 110

The monetary and financial systems of the Hong Kong Special Administrative Region shall be prescribed by law.

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate monetary and financial policies, safeguard the free operation of financial business and financial markets, and regulate and supervise them in accordance with law.

Article 111

The Hong Kong dollar, as the legal tender in the Hong Kong Special Administrative Region, shall continue to circulate.

The authority to issue Hong Kong currency shall be vested in the Government of the Hong Kong Special Administrative Region. The issue of Hong Kong currency must be backed by a 100 percent reserve fund. The system regarding the issue of Hong Kong currency and the reserve fund system shall be prescribed by law.

The Government of the Hong Kong Special Administrative Region may authorize designated banks to issue or continue to issue Hong Kong currency under statutory authority, after satisfying itself that any issue of currency will be soundly based and that the arrangements for such issue are consistent with the object of maintaining the stability of the currency.

Article 112

No foreign exchange control policies shall be

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applied in the Hong Kong Special Administrative Region. The Hong Kong dollar shall be freely convertible. Markets for foreign exchange, gold, securities, futures and the like shall continue.

The Government of the Hong Kong Special Administrative Region shall safeguard the free flow of capital within, into and out of the Region.

Article 113

The Exchange Fund of the Hong Kong Special Administrative Region shall be managed and controlled by the government of the Region, primarily for regulating the exchange value of the Hong Kong dollar.

Article 114

The Hong Kong Special Administrative Region shall maintain the status of a free port and shall not impose any tariff unless otherwise prescribed by law.

Article 115

The Hong Kong Special Administrative Region shall pursue the policy of free trade and safeguard the free movement of goods, intangible assets and capital.

Article 116

The Hong Kong Special administrative Region shall be a separate customs territory.

The Hong Kong Special Administrative Region may, using the name "Hong Kong, China," participate in relevant international organizations and international trade agreements (including preferential trade arrangements), such as the General Agreement on Tariffs and Trade and arrangements regarding international trade in textiles.

Export quotas, tariff preferences and other similar arrangements, which are obtained or made by the Hong Kong Special Administrative Region or which were obtained or made and remain valid, shall be enjoyed exclusively by the Region.

Article 117

The Hong Kong Special Administrative Region may issue its own certificates of origin for products in accordance with prevailing rules of origin.

Article 118

The Government of the Hong Kong Special Administrative Region shall provide an economic and legal environment for encouraging investments, technological progress and the development of new industries.

Article 119

The Government of the Hong Kong Special Administrative Region shall formulate appropriate policies to promote and co-ordinate the development of various trades such as manufacturing, commerce, tourism, real estate, transport,

public utilities, services, agriculture and fisheries, and pay regard to the protection of the environment.

Section 2: Land Leases

Article 120

All leases of land granted, decided upon or renewed before the establishment of the Hong Kong Special Administrative Region which extend beyond 30 June 1997, and all rights in relation to such leases, shall continue to be recognized and protected under the law of the Region.

Article 121

As regards all leases of land granted or renewed where the original leases contain no right of renewal, during the period from 27 May 1985 to 30 June 1997, which extend beyond 30 June 1997 and expire not later than 30 June 2047, the lessee is not required to pay an additional premium as from 1 July 1997, but an annual rent equivalent to 3 per cent of the rateable value of the property at that date, adjusted in step with any changes in the rateable value thereafter, shall be charged.

Article 122

In the case of old schedule lots, village lots, small houses and similar rural holdings, where the property was on 30 June 1984 held by, or, in the case of small houses granted after that date, where the property is granted to, a lessee descended through the male line from a person who was in 1898 a resident of an established village in Hong Kong, the previous rent shall remain unchanged so long as the property is held by that lessee or by one of his lawful successors in the male line.

Article 123

Where leases of land without a right of renewal expire after the establishment of the Hong Kong Special Administrative Region, they shall be dealt with in accordance with laws and policies formulated by the Region on its own.

Section 3: Shipping

Article 124

The Hong Kong Special Administrative Region shall maintain Hong Kong's previous systems of shipping management and shipping regulation, including the system for regulating conditions of seamen.

The Government of the Hong Kong Special Administrative Region shall, on its own, define its specific functions and responsibilities in respect of shipping.

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Article 125

The Hong Kong Special Administrative Region shall be authorized by the Central People's Government to continue to maintain a shipping register and issue related certificates under its legislation, using the name "Hong Kong, China."

Article 126

With the exception of foreign warships, access for which requires the special permission of the Central People's Government, ships shall enjoy access to the ports of the Hong Kong Special Administrative Region in accordance with the laws of the Region.

Article 127

Private shipping businesses and shipping-related businesses and private container terminals in the Hong Kong Special Administrative Region may continue to operate freely.

Section 4: Civil Aviation

Article 128

The Government of the Hong Kong Special Administrative Region shall provide conditions and take measures for the maintenance of the status of Hong Kong as a centre of international and regional aviation.

Article 129

The Hong Kong Special Administrative Region shall continue the previous system of civil aviation management in Hong Kong and keep its own aircraft register in accordance with provisions laid down by the Central People's Government concerning nationality marks and registration marks of aircraft.

Access of foreign state aircraft to the Hong Kong Special Administrative Region shall require the special permission of the Central People's Government.

Article 130

The Hong Kong Special Administrative Region shall be responsible on its own for matters of routine business and technical management of civil aviation, including the management of airports, the provision of air traffic services within the flight information region of the Hong Kong Special Administrative Region, and the discharge of other responsibilities allocated to it under the regional air navigation procedures of the International Civil Aviation Organization.

Article 131

The Central People's Government shall, in consultation with the Government of the Hong Kong Special Administrative Region, make arrangements providing air services between the Region and other parts of the People's Republic of China for airlines incorporated in the Hong Kong Special Administrative Region and having

their principal place of business in Hong Kong and other airlines of the People's Republic of China.

Article 132

All air service agreements providing air services between other parts of the People's Republic of China and other states and regions with stops at the Hong Kong Special Administrative Region and air services between the Hong Kong Special Administrative Region and other states and regions with stops at other parts of the People's Republic of China shall be concluded by the Central People's Government.

In concluding the air service agreements referred to in the first paragraph of this Article, the Central People's Government shall take account of the special conditions and economic interests of the Hong Kong Special Administrative Region and consult the government of the Region.

Representatives of the Government of the Hong Kong Special Administrative Region may, as members of the delegations of the Government of the People's Republic of China, participate in air service consultations conducted by the Central People's Government with foreign governments concerning arrangements for such services referred to in the first paragraph of this Article.

Article 133

Acting under specific authorizations from the Central People's Government, the Government of the Hong Kong Special Administrative Region may:

(1) renew or amend air service agreements and arrangements previously in force;

(2) negotiate and conclude new air service agreements providing routes for airlines incorporated in the Hong Kong Special Administrative Region and having their principal place of business in Hong Kong and providing rights for overflights and technical stops; and

(3) negotiate and conclude provisional arrangements with foreign states or regions with which no air service agreements have been concluded.

All scheduled air services to, from or through Hong Kong, which do not operate to, from or through the mainland of China shall be regulated by the air service agreements or provisional arrangements referred to in this Article.

Article 134

The Central People's government shall give the Government of the Hong Kong Special Administrative Region the authority to:

(1) negotiate and conclude with other authorities all arrangements concerning the implementation of the air service agreements and provisional arrangements referred to in Article 133 of

this Law;

(2) issue licences to airlines incorporated in the Hong Kong Special Administrative Region and having their principal place of business in Hong Kong;

(3) designate such airlines under the air service agreements and provisional arrangements referred to in Article 133 of this Law; and

(4) issue permits to foreign airlines for services other than those to, from or through the mainland of China.

Article 135

Airlines incorporated and having their principal place of business in Hong Kong and businesses related to civil aviation functioning there prior to the establishment of the Hong Kong Special Administrative Region may continue to operate.

Chapter VI: Education, Science, Culture, Sports, Religion, Labour and Social Services

Article 136

On the basis of the previous educational system, the Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on the development and improvement of education, including policies regarding the educational system and its administration, the language of instruction, the allocation of funds, the examination system, the system of academic awards and the recognition of educational qualifications.

Community organizations and individuals may, in accordance with law, run educational undertakings of various kinds in the Hong Kong Special Administrative Region.

Article 137

Educational institutions of all kinds may retain their autonomy and enjoy academic freedom. They may continue to recruit staff and use teaching materials from outside the Hong Kong Special Administrative Region. Schools run by religious organizations may continue to provide religious education, including courses in religion.

Students shall enjoy freedom of choice of educational institutions and freedom to pursue their education outside the Hong Kong Special Administrative Region.

Article 138

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies to develop Western and traditional Chinese medicine and to improve medical and health services. Community organizations and in-

dividuals may provide various medical and health services in accordance with law.

Article 139

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on science and technology and protect by law achievements in scientific and technological research, patents, discoveries and inventions.

The Government of the Hong Kong Special Administrative Region shall, on its own, decide on the scientific and technological standards and specifications applicable in Hong Kong.

Article 140

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on culture and protect by law the achievements and the lawful rights and interests of authors in their literary and artistic creation.

Article 141

The Government of the Hong Kong Special Administrative Region shall not restrict the freedom of religious belief, interfere in the internal affairs of religious organizations or restrict religious activities which do not contravene the laws of the Region.

Religious organizations shall, in accordance with law, enjoy the rights to acquire, use, dispose of and inherit property and the right to receive financial assistance. Their previous property rights and interests shall be maintained and protected.

Religious organizations may, according to their previous practice, continue to run seminaries and other schools, hospitals and welfare institutions and to provide other social services.

Religious organizations and believers in the Hong Kong Special Administrative Region may maintain and develop their relations with religious organizations and believers elsewhere.

Article 142

The Government of the Hong Kong Special Administrative Region shall, on the basis of maintaining the previous systems concerning the professions, formulate provisions on its own for assessing the qualifications for practice in the various professions.

Persons with professional qualifications or qualifications for professional practice obtained prior to the establishment of the Hong Kong Special Administrative Region may retain their previous qualifications in accordance with the relevant regulations and codes of practice.

The Government of the Hong Kong Special Administrative Region shall continue to recognize the professions and the professional organizations recognized prior to the establishment of

the Region, and these organizations may, on their own, assess and confer professional qualifications.

The Government of the Hong Kong Special Administrative Region may, as required by developments in society and in consultation with the parties concerned, recognize new professions and professional organizations.

Article 143

The Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on sports. Non-governmental sports organizations may continue to exist and develop in accordance with law.

Article 144

The Government of the Hong Kong Special Administrative Region shall maintain the policy previously practised in Hong Kong in respect of subventions for non-governmental organizations in fields such as education, medicine and health, culture, art, recreation, sports, social welfare and social work. Staff members previously serving in subvented organizations in Hong Kong may remain in their employment in accordance with the previous system.

Article 145

On the basis of the previous social welfare system, the Government of the Hong Kong Special Administrative Region shall, on its own, formulate policies on the development and improvement of this system in the light of the economic conditions and social needs.

Article 146

Voluntary organizations providing social services in the Hong Kong Special Administrative Region may, on their own, decide their forms of service, provided that the law is not contravened.

Article 147

The Hong Kong Special Administrative Region shall on its own formulate laws and policies relating to labour.

Article 148

The relationship between non-governmental organizations in fields such as education, science, technology, culture, art, sports, the professions, medicine and health, labour, social welfare and social work as well as religious organizations in the Hong Kong Special Administrative Region and their counterparts on the mainland shall be based on the principles of non-subordination, non-interference and mutual respect.

Article 149

Non-governmental organizations in fields such as education, science, technology, culture, art, sports, the professions, medicine and health, labour, social welfare and social work as well as religious organizations in the Hong Kong Special Administrative Region may maintain and devel-

op relations with their counterparts in foreign countries and regions and with relevant international organizations. They may, as required, use the name "Hong Kong, China" in the relevant activities.

Chapter VII: External Affairs

Article 150

Representatives of the Government of the Hong Kong Special Administrative Region may, as members of delegations of the Government of the People's Republic of China, participate in negotiations at the diplomatic level directly affecting the Region conducted by the Central People's Government.

Article 151

The Hong Kong Special Administrative Region may, on its own, using the name "Hong Kong, China," maintain and develop relations and conclude and implement agreements with foreign states and regions and relevant international organizations in the appropriate fields, including the economic, trade, financial and monetary, shipping, communications, tourism, cultural and sports fields.

Article 152

Representatives of the Government of the Hong Kong Special Administrative Region may, as members of delegations of the People's Republic of China, participate in international organizations or conferences in appropriate fields limited to states and affecting the Region, or may attend in such other capacity as may be permitted by the Central People's Government and the international organization or conference concerned, and may express their views, using the name "Hong Kong, China."

The Hong Kong Special Administrative Region may, using the name "Hong Kong, China," participate in international organizations and conferences not limited to states.

The Central People's Government shall take the necessary steps to ensure that the Hong Kong Special Administrative Region shall continue to retain its status in an appropriate capacity in those international organizations of which the People's Republic of China is a member and in which Hong Kong participates in one capacity or another.

The Central People's Government shall, where necessary, facilitate the continued participation of the Hong Kong Special Administrative Region in an appropriate capacity in those international organizations in which Hong Kong is a participant in one capacity or another, but of

which the People's Republic of China is not a member.

Article 153

The application to the Hong Kong Special Administrative Region of international agreements to which the People's Republic of China is or becomes a party shall be decided by the Central People's Government, in accordance with the circumstances and needs of the Region, and after seeking the views of the government of the Region.

International agreements to which the People's Republic of China is not a party but which are implemented in Hong Kong may continue to be implemented in the Hong Kong Special Administrative Region. The Central People's Government shall, as necessary, authorize or assist the government of the Region to make appropriate arrangements for the application to the Region of other relevant international agreements.

Article 154

The Central People's Government shall authorize the Government of the Hong Kong Special Administrative Region to issue, in accordance with law, passports of the Hong Kong Special Administrative Region of the People's Republic of China to all Chinese citizens who hold permanent identity cards of the Region, and travel documents of the Hong Kong Special Administrative Region of the People's Republic of China to all other persons lawfully residing in the Region. The above passports and documents shall be valid for all states and regions and shall record the holder's right to return to the Region.

The Government of the Hong Kong Special Administrative Region may apply immigration controls on entry into, stay in and departure from the Region by persons from foreign states and regions.

Article 155

The Central People's Government shall assist or authorize the Government of the Hong Kong Special Administrative Region to conclude visa abolition agreements with foreign states or regions.

Article 156

The Hong Kong Special Administrative Region may, as necessary, establish official or semi-official economic and trade missions in foreign countries and shall report the establishment of such missions to the Central People's Government for the record.

Article 157

The establishment of foreign consular and other official or semi-official missions in the Hong Kong Special Administrative Region shall

require the approval of the Central People's Government.

Consular and other official missions established in Hong Kong by states which have formal diplomatic relations with the People's Republic of China may be maintained.

According to the circumstances of each case, consular and other official missions established in Hong Kong by states which have no formal diplomatic relations with the People's Republic of China may be permitted either to remain or be changed to semi-official missions.

States not recognized by the People's Republic of China may only establish non-governmental institutions in the Region.

Chapter VIII: Interpretation and Amendment of the Basic Law

Article 158

The power of interpretation of this Law shall be vested in the Standing Committee of the National People's Congress.

The Standing Committee of the National People's Congress shall authorize the courts of the Hong Kong Special Administrative Region to interpret on their own, in adjudicating cases, the provisions of this Law which are within the limits of the autonomy of the Region.

The courts of the Hong Kong Special Administrative Region may also interpret other provisions of this Law in adjudicating cases. However, if the courts of the Region, in adjudicating cases, need to interpret the provisions of this Law concerning affairs which are the responsibility of the Central People's Government, or concerning the relationship between the Central Authorities and the Region, and if such interpretation will affect the judgments on the cases, the courts of the Region shall, before making their final judgments which are not appealable, seek an interpretation of the relevant provisions from the Standing Committee of the National People's Congress through the Court of Final Appeal of the Region. When the Standing Committee makes an interpretation of the provisions concerned, the courts of the Region, in applying those provisions, shall follow the interpretation of the Standing Committee. However, judgments previously rendered shall not be affected.

The Standing Committee of the National People's Congress shall consult its Committee for the Basic Law of the Hong Kong Special Administrative Region before giving an interpretation of this Law.

Article 159

DOCUMENTS

The power of amendment of this Law shall be vested in the National People's Congress.

The power to propose bills for amendments to this Law shall be vested in the Standing Committee of the National People's Congress, the State Council and the Hong Kong Special Administrative Region. Amendment bills from the Hong Kong Special Administrative Region shall be submitted to the National People's Congress by the delegation of the Region to the National People's Congress after obtaining the consent of two-thirds of the deputies of the Region to the National People's Congress, two-thirds of all the members of the Legislative Council of the Region, and the Chief Executive of the Region.

Before a bill for amendment to this Law is put on the agenda of the National People's Congress, the Committee for the Basic Law of the Hong Kong Special Administrative Region shall study it and submit its views.

No amendment to this Law shall contravene the established basic policies of the People's Republic of China regarding Hong Kong.

Chapter IX: Supplementary Provisions

Article 160

Upon the establishment of the Hong Kong Special Administrative Region, the laws previously in force in Hong Kong shall be adopted as laws of the Region except for those which the Standing Committee of the National People's Congress declares to be in contravention of this Law. If any laws are later discovered to be in contravention of this Law, they shall be amended or cease to have force in accordance with the procedure as prescribed by this Law.

Documents, certificates, contracts, and rights and obligations valid under the laws previously in force in Hong Kong shall continue to be valid and be recognized and protected by the Hong Kong Special Administrative Region, provided that they do not contravene this Law.

Annex I: Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region

1. The Chief Executive shall be elected by a broadly representative Election Committee in accordance with this Law and appointed by the Central People's Government.

2. The Election Committee shall be com-

posed of 800 members from the following sectors:
Industrial, commercial and financial sectors 200

The professions 200

Labour, social services, religious and other sectors 200

Members of the Legislative Council, representatives of district-based organizations, Hong Kong deputies to the National People's Congress, and representatives of Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference 200

The term of office of the Election Committee shall be five years.

3. The delimitation of the various sectors, the organizations in each sector eligible to return Election Committee members and the number of such members returned by each of these organizations shall be prescribed by an electoral law enacted by the Hong Kong Special Administrative Region in accordance with the principles of democracy and openness.

Corporate bodies in various sectors shall, on their own, elect members to the Election Committee, in accordance with the number of seats allocated and the election method as prescribed by the electoral law.

Members of the Election Committee shall vote in their individual capacities.

4. Candidates for the office of Chief Executive may be nominated jointly by not less than 100 members of the Election Committee. Each member may nominate only one candidate.

5. The Election Committee shall, on the basis of the list of nominees, elect the Chief Executive designate by secret ballot on a one-person-one-vote basis. The specific election method shall be prescribed by the electoral law.

6. The first Chief Executive shall be selected in accordance with the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region."

7. If there is a need to amend the method for selecting the Chief Executives for the terms subsequent to the year 2007, such amendments must be made with the endorsement of a two-thirds majority of all the members of the Legislative Council and the consent of the Chief Executive, and they shall be reported to the Standing Committee of the National People's Congress for approval.

Annex II: Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region and Its Voting Procedures

I. Method for the formation of the Legislative Council

1. The Legislative Council of the Hong Kong Special Administrative Region shall be composed of 60 members in each term. In the first term, the Legislative Council shall be formed in accordance with the "Decision of the National People's Congress of the People's Republic of China on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region." The composition of the Legislative Council in the second and third terms shall be as follows:

Second term

Members returned by functional constituencies 30

Members returned by the Election Committee 6

Members returned by geographical constituencies through direct elections 24

Third term

Members returned by functional constituencies 30

Members returned by geographical constituencies through direct elections 30

2. Except in the case of the first Legislative Council, the above-mentioned Election Committee refers to the one provided for in Annex I of this Law. The division of geographical constituencies and the voting method for direct elections therein; the delimitation of functional sectors and corporate bodies, their seat allocation and election methods; and the method for electing members of the Legislative Council by the Election Committee shall be specified by an electoral law introduced by the Government of the Hong Kong Special Administrative Region and passed by the Legislative Council.

II. Procedures for voting on bills and motions in the Legislative Council

Unless otherwise provided for in this Law, the Legislative Council shall adopt the following procedures for voting on bills and motions:

The passage of bills introduced by the gov-

ernment shall require at least a simple majority vote of the members of the Legislative Council present.

The passage of motions, bills or amendments to government bills introduced by individual members of the Legislative Council shall require a simple majority vote of each of the two groups of members present: members returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee.

III. Method for the formation of the Legislative Council and its voting procedures subsequent to the Year 2007

With regard to the method for forming the Legislative Council of the Hong Kong Special Administrative Region and its procedures for voting on bills and motions after 2007, if there is a need to amend the provisions of this Annex, such amendments must be made with the endorsement of a two-thirds majority of all the members of the Council and the consent of the Chief Executive, and they shall be reported to the Standing Committee of the National People's Congress for the record.

Annex III: National Laws to be Applied in the Hong Kong Special Administrative Region

The following national laws shall be applied locally with effect from 1 July 1997 by way of promulgation or legislation by the Hong Kong Special Administrative Region:

1. Resolution on the Capital, Calendar, National Anthem and National Flag of the People's Republic of China

2. Resolution on the National Day of the People's Republic of China

3. Order on the National Emblem of the People's Republic of China Proclaimed by the Central People's Government

Attached: Design of the national emblem, notes of explanation and instructions for use

4. Declaration of the Government of the People's Republic of China on the Territorial Sea

5. Nationality Law of the People's Republic of China

6. Regulations of the People's Republic of China Concerning Diplomatic Privileges and Immunities

Decision of the National People's Congress on the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China

Adopted by the Seventh National People's Congress at its Third Session on 4 April 1990

The Seventh National People's Congress at its Third Session adopts the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, including Annex I, "Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region," Annex II, "Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region and Its Voting Procedures," Annex III, "National Laws to be Applied in the Hong Kong Special Administrative Region," and the designs of the regional flag and regional emblem of the Hong Kong Special Administrative Region. Article 31 of the Constitution of the People's Republic of China provides: "The state may establish special administrative

regions when necessary. The systems to be instituted in special administrative regions shall be prescribed by law enacted by the National People's Congress in the light of the specific conditions." The Basic Law of the Hong Kong Special Administrative Region is constitutional as it is enacted in accordance with the Constitution of the People's Republic of China and in the light of the specific conditions of Hong Kong. The systems, policies and laws to be instituted after the establishment of the Hong Kong Special Administrative Region shall be based on the Basic Law of the Hong Kong Special Administrative Region.

The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China shall be put into effect as of 1 July 1997. ■

Decision of the National People's Congress on the Establishment of the Hong Kong Special Administrative Region

Adopted by the Seventh National People's Congress at its Third Session on 4 April 1990

In accordance with the provisions of Article 31 and sub-paragraph 13 of Article 62 of the Constitution of the People's Republic of China, the Seventh National People's Congress decides at its Third Session:

1. that the Hong Kong Special Administrative Region is to be established as of 1 July 1997; and

2. that the area of the Hong Kong Special Administrative Region covers the Hong Kong Island, the Kowloon Peninsula, and the islands and adjacent waters under its jurisdiction. The map of the administrative division of the Hong Kong Special Administrative Region will be published by the State Council separately. ■

Decision of the National People's Congress on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region

Adopted by the Seventh National People's Congress at its Third Session on 4 April 1990

1. The first Government and the first Legislative Council of the Hong Kong Special Administrative Region shall be formed in accordance with the principles of state sovereignty and smooth transition.

2. Within the year 1996, the National People's Congress shall establish a Preparatory Committee for the Hong Kong Special Administrative Region, which shall be responsible for preparing the establishment of the Region and shall prescribe the specific method for forming the first Government and the first Legislative Council in accordance with this Decision. The Preparatory Committee shall be composed of mainland members and of Hong Kong members who shall constitute not less than 50 percent of its membership. Its chairman and members shall be appointed by the Standing Committee of the National People's Congress.

3. The preparatory Committee for the Hong Kong Special Administrative Region shall be responsible for preparing the establishment of the Selection Committee for the First Government of the Hong Kong Special Administrative Region (the "Selection Committee").

The Selection Committee shall be composed entirely of permanent residents of Hong Kong and must be broadly representative. It shall include Hong Kong deputies to the National People's Congress, representatives of Hong Kong

members of the National Committee of the Chinese People's Political Consultative Conference, persons with practical experience who have served in Hong Kong's executive, legislative and advisory organs prior to the establishment of the Hong Kong Special Administrative Region, and persons representative of various strata and sectors of society.

The Selection Committee shall be composed of 400 members in the following proportions:

Industrial, commercial and financial sectors
25 percent

The professions 25 percent

Labour, grass-roots, religious and other sectors 25 percent

Former political figures, Hong Kong deputies to the National People's Congress, and representatives of Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference 25 percent

4. The Selection Committee shall recommend the candidate for the first Chief Executive through local consultations or through nomination and election after consultations, and report the recommended candidate to the Central People's Government for appointment. The term of office of the first Chief Executive shall be the same as the regular term.

5. The Chief Executive of the Hong Kong Special Administrative Region shall be responsi-

ble for preparing the formation of the first Government of the Region in accordance with this Law.

6. The first Legislative Council of the Hong Kong Special Administrative Region shall be composed of 60 members, with 20 members returned by geographical constituencies through direct elections, 10 members returned by an election committee, and 30 members returned by functional constituencies. If the composition of the last Hong Kong Legislative Council before the establishment of the Hong Kong Special Administrative Region is in conformity with the relevant provisions of this Decision and the Basic

Law of the Hong Kong Special Administrative Region, those of its members who uphold the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China and pledge allegiance to the Hong Kong Special Administrative Region of the People's Republic of China, and who meet the requirements set forth in the Basic Law of the Region may, upon confirmation by the Preparatory Committee, become members of the first Legislative Council of the Region.

The term of office of members of the first Legislative Council of the Hong Kong Special Administrative Region shall be two years. ■

Decision of the National People's Congress Approving the Proposal by the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region on the Establishment of the Committee for the Basic Law of the Hong Kong Special Administrative Region Under the Standing Committee of the National People's Congress

Adopted by the Seventh National People's Congress at its Third Session on 4 April 1990

The Seventh National People's Congress decides at its Third Session:

1. to approve the proposal by the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region on the establishment of the Committee for the Basic Law of the Hong Kong Special Administrative Region Under the Standing Committee of the National Peo-

ple's Congress; and

2. to establish the Committee for the Basic Law of the Hong Kong Special Administrative Region Under the Standing Committee of the National People's Congress when the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China is put into effect. ■

Proposal by the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region on the Establishment of the Committee for the Basic Law of the Hong Kong Special Administrative Region Under the Standing Committee of the National People's Congress

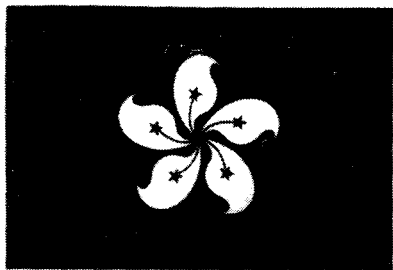
1. Name: the Committee for the Basic Law of the Hong Kong Special Administrative Region Under the Standing Committee of the National People's Congress.

2. Affiliation: To be a working committee under the Standing Committee of the National People's Congress.

3. Function: To study questions arising from the implementation of Articles 17, 18, 158 and 159 of the Basic Law of the Hong Kong Special Administrative Region and submit its views thereon to the Standing Committee of the National People's Congress.

4. Composition: Twelve members, six from

the mainland and six from Hong Kong, including persons from the legal profession, appointed by the Standing Committee of the National People's Congress for a term of office of five years. Hong Kong members shall be Chinese citizens who are permanent residents of the Hong Kong Special Administrative Region with no right of abode in any foreign country and shall be nominated jointly by the Chief Executive, President of the Legislative Council and Chief Justice of the Court of Final Appeal of the Region for appointment by the Standing Committee of the National People's Congress. ■



The regional flag and emblem of the Hong Kong Special Administrative Region.

velopment of township enterprises will inevitably turn the small villages into towns and cities, thereby enabling the farmers to complete the two types of shifts. This is nothing new in world history and China is no exception.

Two Communities Open Up

In the pre-industrial society where a natural economy was in a dominant position, the rural and urban communities were closed as a result of the isolation of town from country and the conflicting interests of farmers and workers. With the rapid development of a capitalist commodity economy, this contradiction between town and country further intensified and it was only with the unification of the commodity market that the isolation was broken. With the cooperative transformation of agriculture in 1956, China replaced its traditional rural economy with a planned economy and the contradiction between town and country thereby disappeared. However, differences between

town and country and the isolation of one community from the other still existed. The promotion of a highly centralized planned economy sharpened the closed nature of the two communities. Industrial in nature and under the ownership of all the people, the town was still quite different from the agriculturally based country which practised a collective ownership. Under unified state management, enterprise workers were not allowed to have work change by themselves. Neither were citizens allowed to migrate. With the economic reforms of the past ten years, however, China has begun to regulate its population migration through economic means on the basis of a planned commodity economy and the town and country communities are therefore gradually opening their doors.

Principles

Academic opinion about China's urbanization is widely divided. Some people believe that efforts should be made to develop

small towns in order to curb the swelling population of the big cities, others insist that development of big cities is of high economic benefit, and still others suggest the development of medium-sized cities, an approach which they believe would make use of the advantages and discard the disadvantages of the first two policies. As now, there has been no final conclusion. In 1982, some departments had a policy of "restricting the development of big cities, developing medium-sized cities to a proper scale and actively expanding small ones." Such a policy was theoretically and practically lopsided and, like the three mentioned above, also took population scale as a basis for urban development. If this principle is followed, cities rich in natural resources and qualified for further development will have no chance to develop because of the population restriction while those devoid of potential can be developed blindly because of their hitherto small population.

About 75 percent of the rural families in Dongguan, Guangdong Province, have built new houses.

LI CHANGYONG





The development of township enterprises has changed the small town of Bixi, Jiangsu Province.

XU XIANGJUN

Clearly, decisions should be made after full consideration of an area's potential natural resources, geography and urban facilities. Looked at in this way, cities in China can be divided into four types:

a. Cities that are densely populated and poor in natural resources and industrial potential. They should be restricted in their expansion.

b. Cities that, despite their large population, are still rich in natural and energy resources and geographically, politically and culturally important. They should be developed on a proper scale.

c. Cities that are abundant in natural and energy resources, conveniently located, and having both domestic and international markets. They should be energetically developed.

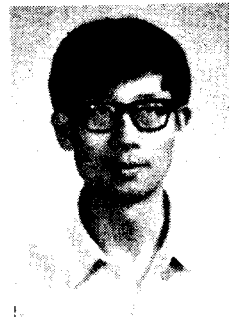
d. Cities of special significance such as the open ports, special economic zones, power bases, promising science centres, famous scenic spots and historical sites and ecological reserves. They should be properly developed and protected.

The cities, although different in scale and function, are all

joined in an urban network. They are also connected with the agricultural communities around them. Therefore, in urban planning, full consideration should be given not only to the economic potential, population scale and geographic conditions of each individual city but also to the overall development potential of urban network within a certain area. Metropolitan groupings can be developed in areas with particularly favourable conditions such as the Beijing-Tianjin-Tangshan delta in north China, the Nanjing, Shanghai and Hangzhou delta in east China, the Zhujiang (Pearl River) delta in south China, the Liaohhe delta in northeast China and the Chengdu Plain in southwest China. Moreover, metropolitan belts can be shaped along the Beijing-Tianjin and Guangzhou-Shenzhen expressways when these two projects are opened to traffic. Urban development has its own laws. We should act in accordance with these laws instead of trying to limit the expansion of cities to an enforced scale and direction of development. ■

The Role of Towns in Modernization

by Ma Rong



Ma Rong

A 1982 general survey indicated that towns in China boasted only 6.2 percent of the nation's population and labour force, but 29 percent of the nation's government functionaries, 26 percent of the commercial workers, 25 percent of transport workers, 28 percent of bank and credit co-operative staff members and 21 percent of service trade employees. This shows that these towns have become a link connecting city and countryside, and are playing an important role in the social, economic and cultural life of the country.

Since the adoption of the policy of reform and opening to the

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outside world in 1978, township enterprises have developed apace. This boosted the population of China's towns from 53 million in 1978 to 239.8 million in 1988.

The development of township enterprises has been significant in three ways:

(1) Absorbing a large number of rural surplus labour forces. In 1988, township enterprises had 95 million workers, compared to 99.84 million people in the state-owned enterprises in the same year. Most workers in township enterprises were ex-farmers.

(2) Promoting rural industrialization. The total output value of township enterprises topped 640

billion yuan in 1988, surpassing the total output value of agriculture. While the farm produce processing and building materials industries mushroomed in various places, many township enterprises, with the support of urban industries, have developed manufacture, transportation services and even export-oriented production.

(3) Supplying the state coffers with capital. In 1987, the taxes from township enterprises accounted for 7.2 percent of the nation's tax revenue, a significant amount given the fact that the state had invested very little in township enterprises.

However, there also exist such

problems in township enterprises as inferior product quality, pollution and their scramble with state-owned enterprises for raw materials. They are being solved through efforts to improve economic environment and rectify the economic order.

With the progress of industrialization and agricultural modernization, there will inevitably be more people who switch from farming to industries and service trades. We need to fully understand the situation and use it to the nation's advantage because it is an important part of the state's development strategy to expand township enterprises and towns. ■



Wujiang County in Jiangsu Province contributes 17 percent of China's silk exports. Picture shows a workshop of the county's Xinsheng Silk Factory.

GAO MEIJI

Urbanization in China and India

by Ashish Bose

Increasing migration from rural to urban areas, the movement, in particular, into the big cities is a worldwide phenomenon. What is unique about China and India, however, is the size of the urban and rural population. China has 800 million



Ashish Bose

people living in rural areas and India some 600 million, the urban population in both countries constituting about 26 percent of the total. Given such proportions, it follows that unless bold and imaginative steps are taken to contain the migration into urban areas, the cities in both countries will collapse under the sheer weight of numbers.

One significant difference between China and India, however, is the overall rate of growth of population. China has implemented a fairly successful population control programme in the last ten years, bringing its population growth rate down to 1.4 percent per year whereas India is still struggling with a growth rate of around 2 percent per year. In other words, India faces the additional problem of a high rate of natural increase in population (i.e. births minus deaths) even in the urban areas.

Another significant difference between China and India is the control of migration within the country. In China, the urban household registration system has been a key method used to curb migration to the cities. On

The writer is a professor with the Institute of Economic Growth, New Delhi.

the whole, such administrative measures have been successful. In India, such measures are not feasible because the country's Constitution guarantees free movement of citizens. Thus, the main instrument influencing migration in India is the policy

to locate industry and invest in public works outside of the large cities. This policy, however, has only been partially successful.

Regardless of whether or not these policies are in place, however, China and India still face the problem of growing migration to the cities. The floating migration in China's cities has been estimated at around 50 million while Indian population's endless migration from rural to urban areas is growing in all the cities. Both in China and India, the capacity of the cities to gainfully employ surplus labour from rural areas is extremely limited, thus constantly threatening the already over-strained urban infrastructure. What,

then, is the solution?

There is consensus in both these countries that one possible solution lies in the development of medium and small towns. Such towns will serve as a bridge between the rural and urban areas and bring about both urban and rural development. It would contribute significantly to the much-needed modernization of the economies in both countries. In China, for example, the township enterprises employ roughly 80 million people. According to leading experts like Professor Ma Xia, there is, despite several limitations, hope in such enterprises. In India, the National Commission on Urbanization appointed by the Prime Minister recommended in its report (1988) that 329 Centres of Growth and 49 Special Urbanization Regions be developed.

China and India have much to learn from each other's experience. China could perhaps adopt a more open door policy in regard to migration and formulate a new policy for migration and urbanization. India could perhaps adopt a more effective policy to control migration based on China's experience. Both countries must keep in mind, however, the urgency of improving the quality of life for millions of citizens and the reality that HOPE is the most important input for development. ■

BROADCAST TIMES and FREQUENCIES FOR RADIO BEIJING ENGLISH LANGUAGE SERVICE

(Beginning November 6, 1989)

Beijing Time	UTC	Local Standard Time	Metre Bands	kHz
North America (East Coast)				
08:00-09:00	00:00-01:00	19:00-20:00 (E.S.T.)	31,30,25	9665,9770,11715
11:00-12:00	03:00-04:00	22:00-23:00 (E.S.T.)	30,25	9690,11715
12:00-13:00	04:00-05:00	23:00-24:00 (E.S.T.)	25	11695
13:00-14:00	05:00-06:00	00:00-01:00 (E.S.T.)	25	11840
19:00-20:00	11:00-12:00	06:00-07:00 (E.S.T.)	31	9665
20:00-21:00	12:00-13:00	07:00-08:00 (E.S.T.)	31	9665
North America (West Coast)				
11:00-12:00	03:00-04:00	19:00-20:00 (P.S.T.)	30,16	9770,17855
12:00-13:00	04:00-05:00	20:00-21:00 (P.S.T.)	25	11695
13:00-14:00	05:00-06:00	21:00-22:00 (P.S.T.)	25	11840
22:00-24:00	14:00-16:00	06:00-08:00 (P.S.T.)	40	7405

CNPC's Foreign Business Brisk

According to Gao Shan, deputy manager of the Foreign Business Division of the China National Philatelic Corp. (CNPC), his company's total stamp sales came to 10 million yuan (about US\$2.7 million) in 1989, an increase of more than 70 percent over 1988. He predicts a further increase in 1990.

At present, CNPC's customers and sales agencies, including 45 big ones, are spread throughout the world with the exception of Africa and South America. In early 1989, more than 1 million yuan worth of China's stamps were sold to Taiwan for the first time through what Gao called "normal" channels, to the warm welcome of stamp-collectors there. In the same year, China's stamps gained entrance to the Indonesian market, so far making more than 500,000 yuan.

Gao noted that on March 3, 1990 China published a set of commemorative stamps on the centenary of the birth of Norman Bethune in co-operation with Canada, China's first co-operative arrangement with a foreign country. Norman Bethune, a Canadian surgeon, is hailed as an international hero for his contribution to China's struggle against the Japanese invaders during World War II.

China's stamps cover a wide range of subjects and distinctively Chinese designs. Their high-quality printing and design make them in high demand by stamp collectors throughout the world. At the

International Best Stamp Award held in Japan in 1987, seven of the top 30 were Chinese. In 1989, the third of the set of China's orchid stamps won a prize at the World Stamp Printing Exhibition held in France in 1989.

In order to promote the development of its stamp industry, China has conducted annual nation-wide best stamp contests since 1980, a practice which has appealed not only to those who like to collect stamps in the mainland but also those in Hong Kong, Macao, Taiwan and foreign countries. Last year, the company called back nearly 400,000 stamps.

Gao disclosed that CNPC would publish 21 sets of stamps in 1990 and attend seven international exhibitions to be held in France, Britain, New Zealand, Australia, Singapore and Japan.

China's stamp import and export trade can be traced back to 1955 when it began selling a few variety of sealed stamps to Britain, France, Singapore, Hong Kong and Macao. China's only administrative organ for import and export of stamps, CNPC was established in 1979 on the basis of the China Stamp Import and Export Corp., with branches in every province.

by Kou Zhengling

Sino-US Aviation Ties Continue

The China National Aero-technology Import and Export Corp. (CNA-TIEC) and the Shanghai Air Industry Co. have signed a new contract with the US McDonnell Douglas Co. to as-

semble 20 MD-80s in Shanghai.

The contract, valued at US\$260 million, took effect on March 23 after the approval was given by the Ministry of Foreign Economic Relations and Trade. Of the planned 20 planes, ten are expected to be assembled and trial-flown between October 1991 and December 1992 with five to be delivered to China and the rest sold to other foreign companies through McDonnell Douglas.

The fact that China sells jumbo jets on the international market, said a CNATIEC official, indicates that the nation's aero-industry has made a big stride towards the world marketplace. He hoped that the contract would play a positive role in furthering co-operation between the aviation industries of China and the United States.

In 1985 China contracted to produce 25 MD-82s in co-operation with McDonnell Douglas, of which 12 have been made available to Chinese users and two more are expected to be delivered soon to China. The contract is due to expire in August 1991. ■

Principles for Foreign Investment

While providing more than 200 projects for foreign businessmen to invest in 1990, Ye Longfei, deputy director of the Standing Committee of the Shanghai Foreign Investment Commission, announced Five-Point Principles on the Encouragement of Foreign Investment at a news briefing

held in early March. They are as follows:

- Projects for new technology, equipment, materials and products, which meet the requirements both at home and abroad, and are not available in China.

- Projects which can fill the demands abroad, open the international market, revamp the city's existing enterprises, improve the product quality and expand the capacity of export earnings.

- Projects armed with advanced technology geared to improve the quality of products, reduce consumption, increase the output and raise economic returns.

- Projects which help promote the development of new zones and construction of the city's infrastructure, energy and raw materials industries.

- Projects which introduce advanced technology from abroad to update the agricultural technology and increase the capacity of export earnings.

The first contract on the transfer of land-use right for industrial production, Ye said, will be signed with foreign businessmen in April. This was preceded by contracts for three plots of land, all of which were used for non-industrial projects.

So far, Shanghai has had four foreign-funded bank branches, and plans to have more in the future. In addition, the city expects to sell stocks regarding foreign-funded enterprises, transfer the property right of joint ventures and auction small state-owned enterprises to foreign businessmen. ■

Jaycee, the Hangzhou Style

The China Small and Medium-sized Enterprises Association for International Co-operation was established in the southeast China city of Hangzhou on March 28. Its major tasks:

- Strengthen connections with foreign organizations, companies and enterprises; establish ties of co-operation with them and develop economic and technological exchanges between Chinese and foreign small and medium-sized enterprises.

- Provide information and consulting services for small and medium-sized enterprises, companies and economic entities both in China and abroad.

- Investigate and report to the relevant government authorities the conditions and problems of small and medium enterprises.

- Organize a training programme for small and medium-sized enterprises and make use of foreign experts to help them improve their operations and upgrade their managerial expertise.

- Assist the government in its effort to co-ordinate and guide the co-operation of small and medium-sized enterprises with their foreign counterparts.

- Handle such tasks as requested by relevant government departments.

As of now, the association's President Zheng Zhaojiao said, China has more than 1.85 million small and medium-sized enterprises. They cannot develop connections and co-operative arrangements with foreign

countries by their own efforts because of their limited resources. The organization serves as a non-governmental link, providing information for small and medium-sized enterprises both at home and abroad.

The association is based in Beijing.

by Han Baocheng

Establish Luxury Restaurants Abroad

According to Yin Ruiqing, manager of the China Commercial Corp. for International Economic and Technical Co-operation, formerly named the China Cuisine Skill and Service Export Corp., China will continue to establish luxury restaurants abroad in 1990 and beyond to meet the worldwide demand for Chinese cooking.

The company signed 20 contracts valued at US\$1.71 million with foreign businessmen to establish joint-venture restaurants and offer labour services in 1989. It also sent some 40 cooks to Japan, Federal Germany, Singapore and Switzerland to give Chinese cooking demonstrations, which were all well received by foreigners.

The company's business scope includes arranging cooking demonstrations, labour export and designing and constructing shops, hotels, restaurants and frozen equipment as well as cereal, oil, and food processing projects. It also establishes Sino-foreign co-operative enterprises, joint ventures, commercial and service outlets abroad.

The company has already signed agreements on esta-

blishing joint ventures with the Moscow Restaurant in the Soviet Union and the Cairo Restaurant in Egypt, both of which are under construction. Also, it is now negotiating on establishing a restaurant in Canada, Angola, Camerouns, Australia, the United Arab Emirates and Singapore. Three or four of them are expected to be put into service this year.

by Kou Zhengling

Sales Agents Sought For Detector Units

The new, China-made *Haiying* SJN-2031 B-supersonic detector and 3.5 Mc searching unit will soon be put on the market.

These two products were researched and produced by the Jiangning Machine-Building Factory, a subsidiary of the China Ship-Building Industry Corp. Based in the city of Wuxi, Jiangsu Province, beside the Taihu Lake, the company, which has a 30-year history in manufacturing sonar electric equipment, is seeking sales agents for these two products. Qin Sheng, factory director, feels optimistic about the prospects for his products to be sold on the international market by noting that the SJN-2031 B-supersonic detector is technically comparable to the advanced world standards of the mid-1980s in image presentation and resolution, while the searching unit, with high sensitivity and focusing, gains a competitive edge compared with its foreign counterparts.

The appearance of these two

products has quickly caught the interest of the Soviet Union, Romania, Bangladesh and Pakistan. Representatives from these countries have made inquiries and had talks with the factory about possible purchases.

Qin added that his factory would be able to reach an annual production capacity of 1,000 SJN-2031 B-supersonic detectors and 2,000 searching units this year through technical upgrading. The factory has recently succeeded in manufacturing a portable B-supersonic detector sample while new luxury version is in the making. A B-supersonic detector series including portable and luxury versions and 3.5 and 5 Mc searching units is expected to be turned out early next year to meet the varying needs of consumers.

by Yao Jianguo

China Runs Brewery With Czechoslovakia

The Beijing Hursen Beer Brewery (BHBB), the first co-operative enterprise established by China and Czechoslovakia, began operations in Beijing in April.

The contract to co-operate technologically on the project was signed in December 1986. According to the contract, the BHBB used advanced equipment of the 1980s imported from Czechoslovakia which was responsible for general design of the factory. The Chinese side was responsible for the construction and installation of the project with the help of experts from Czechoslovakia, Poland and the Federal Republic of Ger-

many. The brewery has a total investment of 51 million yuan, and produces 30,000 tons of beer annually. Three months of trial-production indicate that the performance of equipment and the taste and quality are up to the contract-specified standards.

Hursen beer is prepared from quality barley malts, hops and mineral water with Bilzen beer production technique. Golden and transparent in colour, the beer has the excellent flavour of European beer. So, it has been well received by foreigners and beer connoisseurs.

This is a successful example of technological co-operation with China, said Cilek, general manager of the Czechoslovakia Technology Import and Export Co. He added that his company plans to strengthen co-operation with China in order to increase sales in the China market.

by Li Ming

News in Brief

Yuan Zhenmin, director of the Department of Treaty and Law of the Ministry of Foreign Economic Relations and Trade was selected as the executive council member at the 43th special meeting of the International Institute for the Unification of Private Law Association held recently.

The association, headquartered in Rome, is an international inter-governmental organization with 53 member countries. China joined the association in 1986. This is the first time a Chinese official was chosen as an executive council member. ■

Jiang Zemin's Family

JIA TING
(Family)

Who is Jiang Zemin? Rumour has it that Jiang Zemin is the son-in-law of Li Xiannian, the former president of the People's Republic of China and now chairman of the Chinese People's Political Consultative Conference. In 1985, when Jiang was appointed mayor of Shanghai, he heard of the rumour but didn't take it seriously.

However, the rumour didn't stop. Instead, it spread widely and several newspapers and magazines outside of China published the story. This left Jiang no choice but to set the record straight at a meeting of high-ranking officials.

"Someone said that I was the son-in-law of Comrade Li Xiannian and here I seriously tell you that it is a groundless rumour," he said.

A look at the background and family of the general secretary of the Central Committee of the Chinese Communist Party reveals that his wife's name is Wang Siping. Like her husband, she is a native of Yangzhou in Jiangsu Province. She and Jiang were friends when they were small children.

Wang's father used to run a small artifacts factory in Shanghai and his family lived a moderate life. Wang and Jiang were married in Shanghai after liberation and the couple had two children. In 1956, Jiang completed an educational term in an automobile factory in Moscow and returned to China. He was assigned to the Changchun No.1 Automobile Works as associate power engineer in chief. Later, he was transferred to Shanghai as vice-director of the Electric Appliance Research Institute under the First Ministry of

Machine-Building Industry. His wife went with him, first as secretary and later as deputy director and director of a research department. After that Jiang went through constant changes in his work. Wang stayed on at her post until she retired.

From 1956 to 1985, Wang lived with her two sons and her mother in Caoyangxincun, Puto District, in Shanghai in an apartment assigned to Jiang in the 1950s when he worked in the Electric Appliance Research Institute. Every day, Wang went to work by bus and the family lived a thrifty and simple life. She had good relations with her colleagues and neighbours. In 1985, the family moved to a better house in the compound of the municipal Party Committee when Jiang became mayor of Shanghai.

Jiang's two sons are both students in the university. The elder son got married and went to university after he worked in an industrial enterprise in Shanghai for several years. Jiang is very strict with his two sons.

(Issue No.1, 1990)

More Money for Agriculture in 1990

RENMIN RIBAO
(People's Daily Overseas Edition)

Last year, China's grain output reached 407.9 billion kilogrammes, its highest in history. However, China has not pulled itself out of its slide in agricultural production. And overall productivity has not been significantly strengthened. The grain ratio per capita is lower than that of 1984. Therefore, more investment should be put into agriculture to improve farming conditions and realize the goal of a sustained and steady increase in grain output.

This year, China began to attach greater importance to agriculture. Most of the provinces, autonomous regions and municipalities increased their financial and material investment in agriculture and offered a better supply of production materials, raw materials, energy and electric power compared with the previous years.

Shandong Province, for instance, has increased its agricultural fund portion of the total capital construction investment to 6.5 percent from last year's 2 percent. The agriculture fund now takes up 12.8 percent of the budget, an increase from less than 10 percent in the previous year. Shanxi Province has increased agricultural capital construction investment 23.6 percent over last year. Heilongjiang and, Sichuan provinces and the Tibet Autonomous Region have added 100 million yuan, 20 million yuan and 12 million yuan respectively to their agricultural funds. Banks and other financial institutions also adjusted their credit structure in order to give substantial support to agriculture.

This year's agricultural fund is mainly directed at technology to increase grain production. The Guangxi Zhuang Autonomous Region invests a special fund of 32.5 million yuan to production technology, 5 million yuan more than the previous year. Combined with funds provided by the local government the total fund exceeds 60 million yuan. Sichuan Province and the Xinjiang Uygur Autonomous Region increased their agricultural technology fund by 2 million yuan.

This year some provinces are giving preferential treatment to enterprises producing fertilizer, pesticides and plastic film in the form of funds, power, raw materials and transportation. Jiangsu Province plans to give a special supply of energy and some raw

materials to enterprises associated with agricultural-oriented enterprises. The province also plans to invest 271 million yuan to renovate and expand 37 agricultural-related enterprises in order to increase the supply of agricultural materials. Hunan Province is preparing to guarantee coal, water, power and raw materials to renovate three nitrogenous fertilizer plants. Hopefully, this will solve the long-standing problem of a fertilizer shortage. Many provinces, autonomous regions and municipalities also plan to increase their distribution of diesel oil, steel and wood to agriculture.

(February 17, 1990)

Village of Longevity In Inner Mongolia

MINZU TUANJIE
(Unity of Nationalities)

In China's northern border area there is a small village of beautiful landscapes that is known for its villagers' long life-spans.

For many years the average life-span exceeded 80 years and people over the age of 60 account for 28 percent of its total population.

The village is Dongyaotun, in the Fuxin Mongolian Nationality Autonomous County in Liaoning Province.

None of the villagers has suffered from tuberculosis, hepatitis, beriberi, cancer or open sores. Even domestic animals have not been afflicted by any diseases. Attracted by this phenomenon, and after investigations and careful study, many experts discovered the source of the mystery.

It turned out that the village was rich in a mineral called *maifanshi*, both above ground and below. The village's seven wells all had a layer of *maifanshi* 1.5

metre to two metres deep. As a result the water was a natural medicinal drink.

Italics, contains many minerals and trace elements that are good for human health. *Maifanshi* not only aids in the functioning of the human body's metabolism and organs but can also eliminate harmful elements such as mercury, lead, chloride and phenol as well as prevent bacterial attacks.

(Issue No.2, 1990)

Cadres Called on to Do Manual Labour

BEIJING RIBAO
(Beijing Daily)

Many cadres and office workers in Beijing recently took a break from their jobs to do some manual labour. Some took part in capital construction projects on farmland and irrigation and water conservancy projects. Others joined in reforestation projects and other work to improve the environment.

The Communist Party of

China has cherished a tradition that cadres should take part in manual work. However, in recent years, some cadres began to take a passive attitude towards manual labour and seldom went to the grass-roots units. Some even nourished a contempt for manual labour and considered it an outdated idea that cadres should take part in manual labour.

Labour has created the world. As for cadres who are the servants of the people, it is natural for them to take part in collective manual labour. Particularly at this time when China is facing difficulties in economic construction, it is realistic and significant that cadres take part in collective manual work.

By doing collective manual work, cadres gain opportunities to strengthen their ties with the masses, understand the real situation and solve problems. It not only helps the cadres look into the difficulties of the people and listen to their suggestions and criticisms, but narrows the gap between the cadres and the masses, and promotes the improvement of social morality.

(February 25, 1990)



Overprotective parents.

CHEN JINGKAI

Exploring the Mysteries of Keke Xili—the No Man's Land

China has established a team of scientific experts to make a comprehensive investigation of Keke Xili, a no man's land deep in the Qinghai-Tibetan Plateau.

Keke Xili, an area bordering Qinghai Province, Tibet and the Xinjiang Uygur Autonomous Region, is surrounded by the Kunlun Mountains in the north, the Tanggula Mountains in the south and the Bayan Har Mountains in the east.

With an average elevation of 5,000 metres, the frozen land covers an area of 250,000 square kilometres and is the largest depopulated zone in the Qinghai-Tibetan Plateau. It has 300 lakes, large and small, of which 90 percent contain salt water.

This land, though rich in natural resources, has remained untouched because of its high elevation and formidable weather. China has sent several groups of scientists to the Qinghai-Tibetan Plateau but all failed to enter Keke Xili.

The current team, the first to focus exclusively on Keke Xili, was organized by the State Commission of Science and Technology, the Chinese Academy of Sciences, the State Administration of Environmental Protection and the People's Government of Qinghai Province.

Its three-year investigation will involve 22 disciplines, including high altitude physiology, palaeontology, botany, zoology, geology and geomorphology, lakes, glaciers, permafrost, the atmosphere and environmental protection.

In the late spring and early summer of 1989 the state organized a preliminary, 40-day investigation by 11 scientists in a depopulated area north of the Tuotuo River and south of the Kunlun range.

Experts who took part in this expedition said Keke Xili has some of China's richest gold deposits, especially in the Malan-shan area in the northern part of the region.

They also found that Keke Xili has the country's largest stocks of wild animals. They counted 34 flocks of Tibetan antelope, totalling 668 head. (The Tibetan antelope, which is under state protection, is estimated to number about 90,000 in the area surrounding the Kunlun Mountains.)

Bronze Age Village Ruins Discovered in Liaoning

Chinese archaeologists have discovered the remains of a large, 3,500-year-old Bronze Age village in northeastern China's Liaoning Province.

The ruins found in Zhaodian village include remnants of a dozen orso houses surrounded by two defensive stone walls each more than 50 metres long. The ruins cover an area of 11,820 square metres, 197 metres from north to south and 60 metres from east to west.

The building foundations are mainly rectangular in shape, built with stone below ground and clay above. They differ from the round, half-above-ground foundations with two supporting columns discovered in Xiajiadian, also in Liaoning Province.

The arrangement of the Zhaodian houses and the objects discovered in them indicate which were used as living areas and which were used for meetings or ceremonial purposes.

For instance, in a rectangular building aligned on a north-south axis and covering more than 40 square metres, six pieces of pottery were excavated. West of this ruin was a sacrificial pit, in front of

The team also saw 22 herds of wild donkey, totalling 384 head, 12 herds of wild yak, totalling 245 head. Bears, wolves and wild hares were seen as well. Near the freshwater and semi-freshwater lakes, yellow ducks and snow chickens were spotted.

The preliminary investigation discovered that Keke Xili is one of the most active volcanic areas in the Qinghai-Tibetan Plateau. Since the New Stone Age, volcanic eruptions have been frequent, beginning with the formation of the Qinghai-Tibetan Plateau.

An indication of volcanism was the discovery of a hot spring. The water temperature was higher than 85°C and the spring covered an area of more than 1,000 square metres. ■

which a three-legged *ding* (a cauldron for meat and cereals) was found. This has led scientists to believe that the building was used for meetings and ceremonial activities.

The remains of a round building showed signs of having originally been a typical tribal habitation. The door faced southeast and led into a two-metre passageway. Near the passageway and around the foundation a circle of potholes was discovered. In the centre of the room there was a stove built of stones. Pottery pots and bowls, stone axes and knives and spinning wheels were also unearthed. In all, more than 2,000 artifacts were discovered.

The Zhaodian *ding* shows the combined influence of central China and the local culture. The largest ceramic pot discovered is 70 centimetres high and 50 centimetres wide, its large size making it a rarity.

Archaeologists said that the excavation provided material for the study of the cultural origins and history of minorities in the area, especially the Huomo and Gaogouli nationalities. ■

Beijing Improves Traffic for Asian Games

Seeing the tide of bicycles on Beijing's streets, a Japanese reporter asked recently whether normal traffic conditions could be ensured for the forthcoming 11th Asian Games.

He got a positive answer. Cheng Yi, head of the traffic section of the Games Organizing Committee, declared at a news conference that the committee guarantees safe and punctual travel and high-quality services for all Games personnel.

Beijing's road network is based on four concentric ring roads and has about 30 main traffic routes. The 13 primary routes to be used during the Games total 250 kilometres in length and take full advantage of the ring roads, avoiding bicycle congestion and commercial centres.

Thirty-seven kilometres of new roads have been added and more than ten overpasses built, including three cloverleafs single and three multiple overpasses and a railroad bridge near the Asian Games Village in north Beijing. Roads to the north and west of the Village have been widened to 16 metres.

The Village, located just north of the fourth ring road, now sits at the centre of an extensive, high-capacity road network, which should help ease traffic congestion during the Games.

In east Beijing, the Chaowai Avenue leading to Beijing Workers Stadium, site of the opening ceremonies, has been widened.

The Games Organizing Committee has tentatively decided to provide 2,500 motor vehicles for the Games. They include about 550 buses, 1,200 minibuses, 550 traveller's cars (cars with more than 15 seats), and 200 other vehicles for special services, such as police cars, ambulances, street sweepers and trucks.

Nine hundred of these vehicles

will come from the central and Beijing governments, while the others will be hired from taxi companies. As stipulated by the constitution of the Olympic Council of Asia, they will be used free of charge for 33 days during the Asiad, from September 8 to October 10.

Public transit departments are also making provisions for the Games. Seven permanent and five temporary routes will be created and capacity will be increased on 22 other routes. All personnel involved in the Games will be able to take buses and subways free of charge by showing their special passes.

Three types of travel services will be offered to Games participants. The first is the provision of cars to sports delegations and guests who will receive police escorts to sports venues.

The second is the provision of buses for athletes, reporters, umpires and judges. There will be 101 express routes, of which about 40 will be for reporters. Two hundred motorcycles will be made available to provide escorts.

The third is the establishment of taxi stations at all Games venues. Information services will also be located at these stations.

Measures to ensure effective traffic management will be further strengthened, Cheng said. For instance, athletes will not be travelling to and fro during rush hours; trucks will be permitted to travel only at night in order to reduce the number of vehicles on the streets during the day; there will be a temporary limitation on outside vehicles coming into Beijing; some roads will be closed for special use by athletes; along main roads and at sports venues, trucks will be on hand to clear any blockage.

Cheng noted that rowing will

be held at the Haizi Reservoir in rural Pinggu County. The distance from the town where the competitors will stay to the reservoir is 22 kilometres. Since the Games will coincide with the harvest season, tractors will be on the road, so certain measures will have to be adopted to avoid congestion, Cheng said.

Games officials are working to upgrade the skills of all those involved in local travel services. Drivers have been receiving training since last July and each has to learn 100 English sentences the committee has compiled on a tape. They will receive a comprehensive test before the opening of the Games. Traffic police have also been trained since last winter.

More difficult to deal with than Beijing's 450,000 motor vehicles are its 7.5 million bicycles. Seoul, site of the 1988 Olympics, has one million bicycles but most of them are used for exercise whereas most of Beijing's bicycles are used for essential daily travel.

Therefore, without the understanding and co-operation of Beijing residents, the city's 5,000 traffic police will be able to do little to control bicycle traffic. At present, an extensive campaign to foster "the correct traffic consciousness for the Asian Games" is being carried out and regulations are being enforced.

by Lou Linwei



Cinema Finds a Superwoman

Huang Shuqin, one of China's few women film directors, is being praised by critics as a "superwoman" for her remarkable work in the past decade.

She had a film festival devoted to five of her most influential movies last winter in Shanghai. She is the first woman director so honoured in China.

Influenced by her father, Huang Zuolin, a noted dramatist, she dreamed of being a film director as a little girl. In 1964, she graduated from the directing class of the Beijing Film Institute and was assigned to work in the prestigious Shanghai Film Studio.

Every time Huang begins to shoot a film, she will spend some time "observing" life. She says she believes that the success or failure of a film lies in the director's understanding of life. She says she cannot understand how certain screenwriters and directors can make so many "stories" behind closed doors.

"Nothing can substitute for my personal experience of real life," she said.

Before shooting *Long Live Youth*, a film adapted from Wang Meng's novel, Huang visited the author several times and asked him about the hit songs and dances of the 1950s among middle school students. Then, she had the young actresses learn them. Sometimes she also joined them, dancing like a crane among chickens. Laughing and shouting, the middle-aged woman tried to pick up the memories of her lost youth.

Before shooting *Child Friends*, she and her colleagues went to Yan'an to visit the revolutionary museums and the cave dwellings in which Mao Zedong and his comrades-in-arms lived during

the war.

When she stood on the Loess Plateau and saw the mighty Huanghe River rolling and surging towards the east, she felt she had a better understanding of the sufferings of Chinese people for centuries and the valour of ordinary men and women who laid down their lives for the survival of the nation. She made up her mind to describe their spirit of devotion, their friendship and love, and their human feelings in this cruel war.

Huang established her reputation nationwide when she finished her representative work *Man, Demon and Human Feelings*.

The film is based on the personal life and career of Pei Yanling, an actress of Hebei *bangzi* opera. She is renowned for playing male roles, mostly the strong, chivalrous hero type.

Huang followed Pei's troupe from village to village in Hebei Province. Every time she watched Pei's splendid performance, she would be overwhelmed with admiration for Pei's stage art. Every time she had a chat with Pei, she felt their hearts got closer.

Huang poured all her love and hatred into *Man, Demon and Human Feelings* and the heroine, Qiu Yun.

In the film, when Qiu sees her mother make love with a man in a wheat stack, the little girl is wounded. From that moment she hated her loose mother, her bald-headed lover and all the evils in the world. When she later becomes an opera actress, she chooses to perform the role of Zhong Kui, a legendary figure who catches demons.

In an ancient Chinese legend, Zhong Kui is an extremely ugly man who allegedly fails an im-

perial military exam and kills himself in indignation. After his death, he is made a god by the Jade Emperor and is given the task of wiping out demons. In the old days it was the custom during the Dragon Boat Festival to hang pictures of him to expel devils and bad fortune.

Huang used Zhong Kui in her film to symbolize a peculiar inner beauty. Through Zhong Kui, she voiced her burning desire to eliminate those ugly things still existing in real life.

As a woman, Huang has unique views on film-making. Her inner world is profound and complex. She never follows in other people's footsteps to seek something "fashionable."

"I just write and shoot what moves me," she says.

Many of her films have won prizes in China and at international film festivals. However, she pays little attention to these glories. She aims high.

Life is not always smooth, though. At the end of last year, she broke her right leg in a traffic accident and this energetic woman had to stay in bed for some time.

In the past, her idea of luxury had been to sleep for three days and nights without doing anything. Now that she has plenty of time to rest she is eager to work. So much work cries out to be done and always urgently. She is expected to direct *Castle*, a 10-part TV series adapted from Qian Zhongshu's novel of the same title. The shooting was to start this spring. Now the crew would rather wait for her than invite a new director.

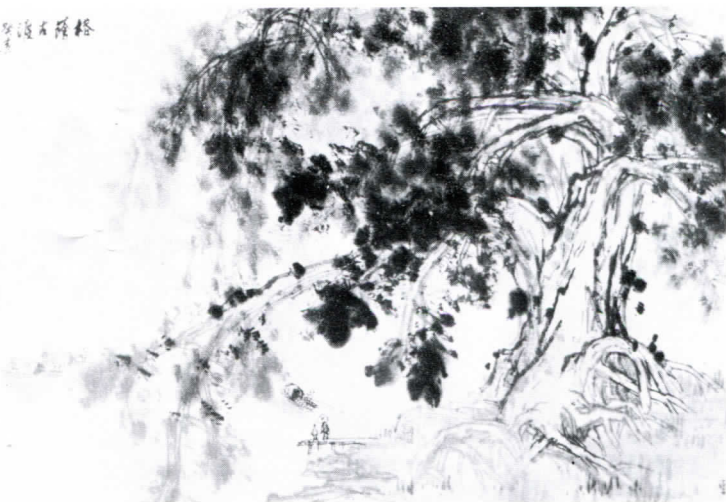
But Huang cannot wait. When Chen Chong, a Chinese actress who starred in *The Last Emperor*, came to visit her, she immediately got up and discussed the scenario with Chen, the would-be leading lady in Huang's next film *Zhang Yuliang*.

by Yu Wentao

Chinese Paintings by Lu Guozhu

Lu Guozhu, born in Tianjin in 1938, now works at Shanhaiguan's Workers' Cultural Palace of Hebei Province. These three Chinese paintings are representative of his artistic style.

松樹
國柱
畫



A Fig Tree.

ART PAGE



Family Homes Amidst Mountains and Rivers.



Waterfall.



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