

A CHINESE WEEKLY OF NEWS AND VIEWS

Beijing Review

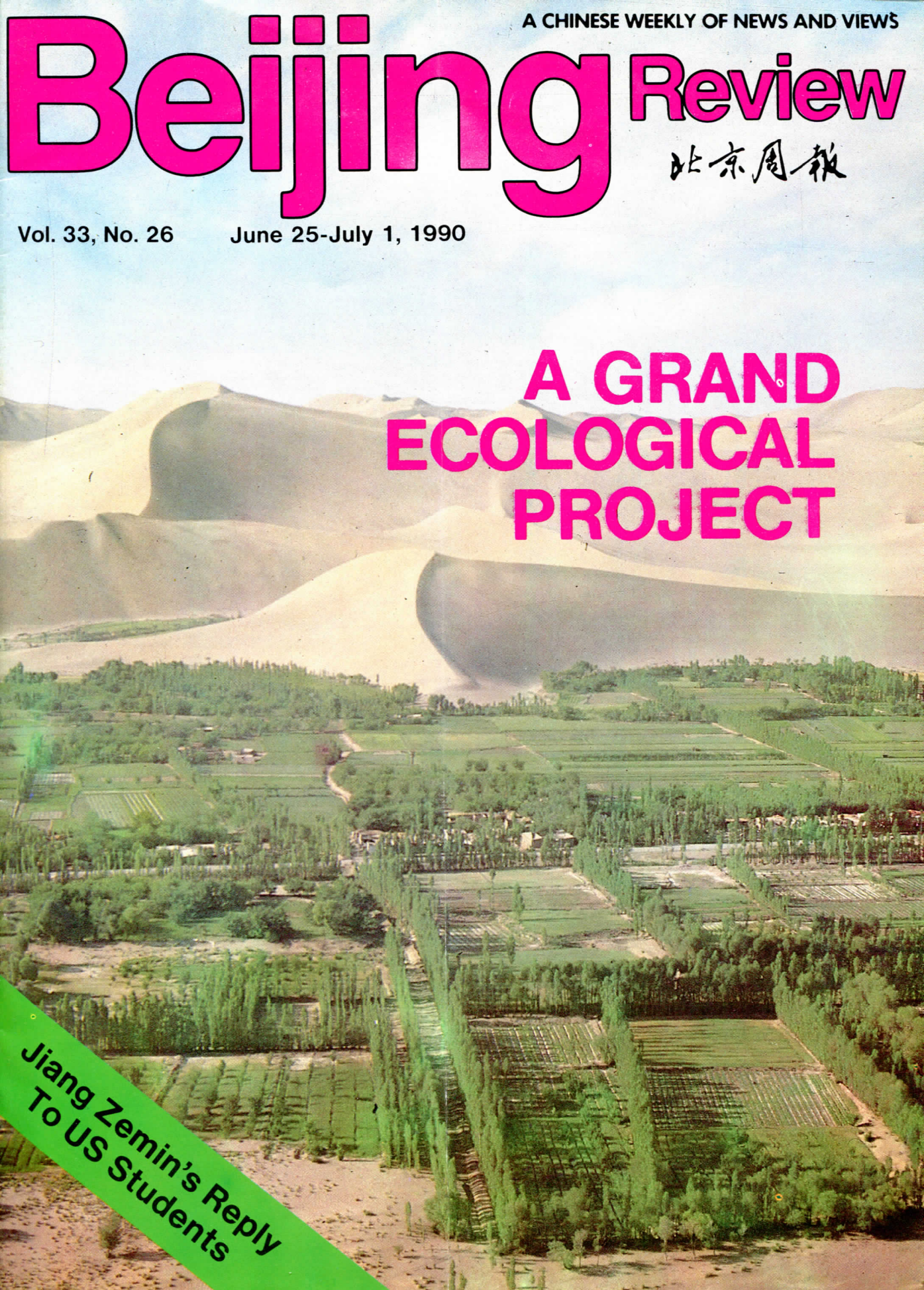
北京周報

Vol. 33, No. 26

June 25-July 1, 1990

A GRAND ECOLOGICAL PROJECT

Jiang Zemin's Reply
To US Students





"Keeping house is sure a tough job!"

Photo by Zhou Xiaochun



Chinese Party Chief Answers US Students

□ Nine American students recently wrote a joint letter to General Secretary Jiang Zemin, hoping to engender goodwill and a mutually beneficial and educational dialogue on such-questions as the "June 4 event," China's political reform, the international communist movement, Sino-US relations, Hong Kong, Taiwan and environmental protection. Full text of Jiang's reply to them (p. 8).

Jiang Sets Standards for Party Officials

□ At a national conference of Party school presidents, Party General Secretary Jiang Zemin stressed that it is a strategic task for the Party to improve officials' quality which is the decisive factor in China's socialist construction. He urged Party schools to help trainees improve themselves in five areas (p. 4).

A Major Ecological Project

□ Thanks to China's persistent efforts in afforestation over the past 40 years, its designed forest area now ranks first in the world. Shelter-forests now under cultivation in the loess plateau and desert areas, in coastal areas, in the middle and upper reaches of the Changjiang River and on the plains are bringing into balance the uneven distribution of China's forest resources and markedly improving the ecological environment (p. 13).

Bribe-Taking Officials Expelled From Party

□ The Chinese Communist Party Central Commission for Discipline Inspection recently expelled a former deputy minister of railways and eight other railway officials from the Party for taking bribes and dereliction of duty. The commission called on all Party members, particularly leading members at various levels, to learn from this case and further fight against corruption (p. 5).

Beijingers Enthusiastic About the Coming Asiad

□ China has formed its largest ever delegation of athletes to the 11th Asian Games which includes Olympic and world champions and some rising sports stars.

A recent survey made by the Beijing Municipal Government shows that more than 70 percent of the respondents in the capital are willing to make personal contributions to the Asian Games (p. 5).

CONTENTS

EVENTS/TRENDS 4-7

- Party Chief's Message to Students
- Standards Set for Party Officials
- China Forms Its 11th Asiad Squad
- Officials Expelled From Party
- Party Discipline Violators Punished
- Rural Enterprises Increase Output
- News in Brief

CHINA

- Jiang Zemin Replies to American Students 8
- Green the Land: A Nation Mobilized 13
- Guangdong—A Province of Green Hills 19
- Introduction to 20 Key Projects Under Construction 23
- Forty Years of Capital Construction 24
- Liu Binyan's 'Second Loyalty' 29

BUSINESS/TRADE 32-34

FROM THE CHINESE PRESS 35

CULTURE/SCIENCE 36-38

COVER: The benefits of the sand-control and afforestation programme in Zhongwei Prefecture of the Ningxia Hui Autonomous Region are evident.

Photo by Liu Wenmin

General Editorial Office
Tel: 8314318
TLX: 222374 FLPDA CN
FAX: 8314318
English Dept. Tel: 8315599 Ext. 546

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

Party Chief's Message to Students

China will not hold to account overseas students who made thoughtless statements or outdid themselves in response to the turmoil in Beijing last spring, said Jiang Zemin, general secretary of the Chinese Communist Party.

Jiang said on June 14 at a national conference on united front work held in Beijing that the students are welcome to return to China and the government will make appropriate work, study and living arrangements for them.

"They will not be discriminated against, but will be well cared for and united with," the Party chief said.

Those who wish to return temporarily to visit friends and relatives, travel or work are also welcome. Furthermore, they will be allowed to go broad again if they wish, Jiang noted.

As for those who joined reactionary organizations, he said, China welcomes them to return as well, so long as they show repentance, break away from the organizations, and give up activities designed to oppose and subvert the People's Republic of China.

The Party leader said that the majority of Chinese intellectuals and students studying abroad are patriotic and cherish deep feelings for their motherland, and many of them have already made contributions to China's construction and will continue to do so in the future.

United Front Work. Earlier, Jiang had said that the whole Party, leading officials at various levels in particular, should increase their awareness of the importance of unit-

ed front work.

"This is a prerequisite for doing other work well," he said.

The Party chief said united front work is of strategic importance, and that all members of the Party committees at various levels should pay attention to it.

He said that for the time being it is imperative that the Party's principle and basic policies for united front work be carried out in a practical way.

Developing the patriotic united front means to expand it and strengthen its unity. Any class, social stratum, political party, group or individual will be united with, if they work for national unity, social progress and the peoples's happiness, and fight against infiltration, subversion and peaceful evolution attempted by domestic and foreign hostile forces. ■

Standards Set For Party Officials

Party officials, especially Marxist theorists, should further emancipate their minds, seek truth from facts, sum up experience and probe new problems.

This remark was made by Jiang Zemin, general secretary of the Communist Party of China (CPC), at a national conference of Party school presidents on June 12.

He said that the quality of the officials of this generation, especially those under the age of 50, is the decisive factor in China's socialist construction, and that to improve it has been a strategic task for the Party.

The most important object at present, Jiang said, is to im-

prove the officials' Marxist theoretical knowledge. With its leading force well-versed in Marxist theory, China's modernization drive will have a brighter future.

He said Party schools, particularly those run by Party committees at the provincial level, should stress education in Party spirit and help trainees improve themselves in five areas:

— They should have an adequate command of Marxist theory needed to perform their duties, understand China's actual condition and combine theory with practice;

— They should correctly carry out the Party's basic line, consciously adhere to the Party's four cardinal principles and the reform and open policy, oppose bourgeois liberalization and remain sober-minded in the complicated domestic and international situation;

— They should firmly take the socialist road, be resolved to break new ground and unswervingly strive for the strategic aim set by the Party Central Committee;

— They should serve the people heart and soul, maintain close ties with the masses and carry forward the Party's fine hard working tradition;

— They should implement democratic centralism, be open-minded and good at uniting with others, especially those who have different opinions, and have strong leading and organizational abilities. ■

China Forms Its 11th Asiad Squad

China will send its biggest ever delegation of athletes to the 11th Asian Games which will take place in Beijing from September 22 to

October 7 of this year.

Wu Shaozu, minister in charge of China's State Physical Culture and Sports Commission, announced on June 12 the formation of the 800-member Chinese team, including more than 600 athletes and 200 coaches and officials, with Yuan Weimin at the head.

The Chinese athletes will compete in all 27 medal-winning events and two demonstration sports in the games. Yuan, also deputy minister of the commission, said the team included Olympic and world champions and some rising sports stars.

All the 39 members of the Olympic Council of Asia will participate in the 11th Asian Games, the largest sports meeting ever held in the region.

In a recent survey made by the Beijing municipal government to assess resident awareness of the forthcoming Asian Games, about 70 percent of the respondents said that they cared about the event and were willing to make contributions to it on a voluntary basis.

About 10,000 students from Beijing's colleges and universities did voluntary work at the site of the Asiad centre. Within a month they leveled an area of 36,000 square metres and built up a 2500-metre-long green fence with more than 11,000 newly-planted trees.

On the construction site of the Asiad Village and the north suburban sports centre, more than 200,000 voluntary workers cleaned up rubbish and debris and planted trees in the past few weeks. Among the volunteers were Party and state leaders, government officials, the People's Liberation Army officers and soldiers, people of minority nationalities,

compatriots from Taiwan, Hong Kong and Macao and ranking members of various religions.

A special coordination system has been set up in various public service trades including commerce, transport, tourism, and medical care to strengthen professional and moral cultural education among all workers in hopes of improving service quality for all the athletes and tourists from abroad during their stay in Beijing.

With only 100 days to go, "The Summer of Beijing", a gala evening party focusing on the Asiad theme will be held on June 14 and 15 to highlight a week-long publicity campaign for the games in the capital. The Municipal Committee of the Youth League mobilized all the young people in the capital to make personal contributions to the Asian Games. ■

Officials Expelled From Party

Luo Yunguang, a former deputy minister of railways, was expelled from the Party for accepting bribes and dereliction of his duties, according to a notice circulated by the Central Commission for Discipline Inspection of the Communist Party of China (CPC).

Simultaneously, eight other officials under the Ministry of Railways who were involved in Luo's case were also expelled from the Party.

Luo became deputy minister of railways in 1986 and was put in charge of railway transportation.

According to an investigation conducted jointly by the Central Commission for Dis-

cipline Inspection and the Ministry of Supervision, on two separate occasions in 1988 Luo took bribes totalling 2,000 yuan as well as a gold ring worth 465 yuan. The case also involved a freezer worth more than 2,300 yuan. Between April 1988 and February 1989, Luo also embezzled 950 yuan from his department.

Due to inadequate load capacity, cargo transport by train was extremely difficult to obtain in China. From early 1986 to April last year, some railway officials of the ministry and the Zhengzhou Railway Bureau took advantage of their position and power by embezzling money and accepting bribes.

The investigation found that the bribery case involved 48 railway officials of the ministry and the Zhengzhou bureau, including 15 officials at the bureau level, and bribe money totalling more than 960,000 yuan.

The ministry's transportation department had in the past few years extorted money and accepted bribes totalling more than 760,000 yuan from railway clients and subordinate units by using various pretexts.

Luo was removed from his post in March of this year in accordance with a decision of the State Council. The judicial departments are now reviewing the other eight officials' activities in violation of the Criminal Law.

The notice posted by the Party Central Commission for Discipline Inspection calls on all Party members, particularly leading members at all levels, to learn from Luo's case. (For an earlier report on Luo's case, see issue No.13 of *Beijing Review*.) ■

Party Discipline Violators Punished

Despite the Party's repeated call for opposing corruption, cases of malfeasants abusing their power to seek private gain at public expense continued to hit the headline across the country.

Cao Shuhua, deputy chief of the Nanyue District of Hengyang, Hunan Province, embezzled 170,000 yuan of public funds by constructing two houses. He sold one and rented the other out, keeping the profits from both. He was sentenced to seven years' imprisonment and expelled from the Party.

Wang Qinghai, deputy chief of the Shenyang City Farm Machinery and Automobile Industrial Bureau, had his residence refurbished into a luxury home, which cost 56,000 yuan of public funds. The city's Party committee has expelled him from the Party and confiscated the house and its contents.

These were two of five typical cases cited in a June 12 Central Commission for Discipline Inspection circular urging the nation's Party functionaries at all levels to adopt resolute measures for the building of a clean government.

Seven Party officials were involved in these five cases, related to misappropriating public money to build or do up private residences, and all were brought to justice, given prison sentences or expelled from the Party.

The circular says that similar cases exist in many parts of the country and remain one of the most loathsome social phenomena. These cases infringed upon the interests of the

state, collective and people and blemished the reputation of the Party and the government, the circular notes.

It calls on Party officials to persist in such practices as safeguarding the public interests in an exemplary way and serving people wholeheartedly. ■

Rural Enterprises Increase Output

The export volume of China's rural industrial enterprises in the first three months was up 30 percent over the same period last year, according to the Ministry of Agriculture.

After a continuous decline in the last quarter of 1989, output turned around and steadily increased in the first four months of this year.

Ministry figures show that from January to April collectively-owned township industries reported an increase of 3.8 percent in output value over the same period last year.

In April, state-owned industrial enterprises reported an increase of 0.7 percent and collectively-owned urban industries a decrease of 3.8 percent in output value. Township industries reported an increase of 4.3 percent.

The number of export-oriented rural enterprises has risen to 45,000 from 15,000 a couple of years ago. Included are 15,000 enterprises processing with supplied raw materials, 23,000 specialized in the production of export goods and 5,000 in co-operation with overseas investors.

To meet the needs of the international market, many rural

enterprises have continuously improved the quality of their products and developed new varieties of goods. Their products are sold in more than 100 countries and regions.

Rural enterprises were able to recover more quickly from last year's decline because they did not depend on state subsidies, were market-oriented and able to quickly adapt their products to demand.

Last year, 371,000 industrial rural enterprises closed down. This was in line with the government's policy to close or merge rural enterprises that consumed too much energy, caused pollution or were inefficient. A total of 1,787,000 people had to return to farming.

Uncertainty on the part of rural entrepreneurs about just what government policy was also adversely affected production.

But from the beginning of this year state leaders had again stressed how vital rural enterprises were to the country. And the many advantages rural enterprises had over state-owned enterprises helped them soon recover from last year's difficulties.

In the future, rural enterprises will develop towards a combination of agriculture, industry and commerce, and aim at co-operating with state-owned enterprises.

However, rural enterprises still face a lot of difficulties, the first being the sluggish market.

Although rural enterprises are now selling faster than they produce, there are still stockpiles of goods left over from last year.

Despite this, the ability of rural enterprises to adapt to demand will see them develop

ing new varieties to fill market niches.

Some have also run into cash flow problems because debtors have been unable to pay their bills.

And they have had to pay higher prices for raw materials than their state-owned counterparts who can pay subsidized prices.

On top of this, rural enterprises face the pressures of unemployment. By the year 2000 the rural labour force is expected to reach 520 million. Rural enterprises would be able to absorb only about 150 million of them.

Rural enterprises also have to support agriculture, local road and bridge construction and help poor families. ■

News in Brief

Some in and Some out

The State Council made a number of personnel changes between May 18 and June 2.

Xu Wenbo and Chen Changben were appointed vice-ministers of culture, replacing Wang Jifu and Ying Ruocheng.

Wang Liheng replaced Sun Jiadong as vice-minister of the aero-space industry.

Doje Cering, former chairman of the Tibet Autonomous Region, became vice-minister of civil affairs.

Zheng Guoxiong was made deputy director of the Hong Kong Branch of Xinhua News Agency.

Guo Dongpo replaced Zhou Ding as director of the Macao Branch of Xinhua News Agency.

Lai Jinlie became general

manager of the Northern Industries Group.

Chen Haosu was removed from his post as vice-minister of radio, film and television.

Australian Stand Criticized

China has expressed its concern over a statement made by Australian officials that more than 20,000 Chinese students currently studying in Australia can remain there.

Li Jinhua, a spokeswoman with China's Foreign Ministry, told a weekly news briefing in Beijing on June 7 that the Australian government's reasons for allowing the students to extend their stay was "intolerable."

The Chinese government, she said, has long taken an attitude of solicitude towards students.

"We have adopted policies of leniency, education and unity on those people who had extremist opinions and outdid themselves abroad," Li said.

According to an agreement concerning educational exchanges between China and Australia, the Australian government is obligated to instruct students who are sent by the Chinese government to return for service in China after completing their studies.

CAAC to Improve Service

Foreign travellers, overseas Chinese and compatriots from Hong Kong, Macao and Taiwan will no longer have to show passports or other identification when they buy airline tickets, Hu Yizhou, director of CAAC, announced in Beijing on June 13.

Hu said domestic travellers will not need to show passports

or visa to buy tickets for international flights.

People who have booked tickets but miss their flights will find their tickets still valid and be able to take the next flight if seats are available.

From July 1, computers will be used at airports for international flights.

Multi-destination tickets will be sold in 16 cities, including Beijing, Tainjin, Shanghai, Guangzhou, Xian, Guilin and Nanjing.

Between September 1 and October 20, during the 11th Asian Games, Beijing's Capital Airport will be open to traffic round the clock. Banks, posts and telecommunications offices, restaurants and other service centres will remain open day and night.

Rewards for Child Work

Eight senior citizens were awarded on June 14 the fifth Camphor Tree Prize in Beijing by the China Welfare Institute for their life-long devotion to maternity and child care and education.

The biennial national prize, named after the tree favoured by the institute's late founder Soong Ching Ling (1893-1981), is the only one of its kind in China.

Every two years the ministries and social organizations concerned nominate candidates who are required to be "highly learned, selfless and unswervingly dedicated to the well-being of women and children."

The eight prize winners have engaged in paediatrics, gynaecology and obstetrics, children's primary education, children's literature and art or mass sports activities for decades. ■

Jiang Zemin Replies to American Students

On March 8, nine students of the Political Science School of Arts of the California State Polytechnic University at Pomona, Valerie O'Regan—Steven N. Samuelian, Victoria Engbarth, Laura Brown, Jeffrey D. Jacks, Reggie Akenzua, David Shui, Tim Payne and Shawn King, wrote a joint letter to General Secretary Jiang Zemin, conveying their thoughts and comments "with sincerity and respect and with the hope that it might engender goodwill and a mutually beneficial and educational dialogue." The following is the full text of Jiang's June 11 reply, on such questions as the "June 4th incident," China's political reform, the international communist movement, Sino-US relations, Hong Kong, Taiwan and environmental protection.

Dear Friends,

Thank you for your letter of March 8. I am sorry that I did not reply until now, but I got your letter very late. It is a good thing that American students take great interest in China and want to know more about its various aspects since this can help enhance the friendship between the two peoples.

Friendship should be based on mutual understanding. However, while the universe is boundless, an individual's knowledge is limited. Sometimes, lack of mutual understanding gives rise to estrangement and differences; this is regrettable and probably unavoidable. Countries vary in their national conditions, i.e., historical traditions, national characteristics, cultural background, values and social systems. Therefore, their people have divergent views on democracy, freedom and human rights. These differences should not constitute an obstacle to mutual understanding and enhancement of friendship among the peoples as long as they respect facts and have sincere desires in this re-

gard. It is only natural that some foreigners erred in their study of China, particularly after June 4 last year since they based their judgement merely on their own values. Some Western news media covered last year's turmoil and rebellion in China in a way which completely deviated from the facts, and they concocted a lot of false, sensational stories. After they reviewed their news coverage of that period, some of them concede that their reports did not square with the facts. This is a welcome gesture.

It is purely the Chinese people's own business and right to choose the kind of social system they want in China, just as it is the American people's own business and right to choose theirs. There are always some people in the world who want to see China change its course according to their will. This, of course, is something the Chinese people will never agree to or accept.

I am pleased to share my views with you on the questions you have raised. I hope that my answers will be of some help to you in understanding China. It is my

sincere desire that more and more Americans, especially American youth, will see and study China in an objective way.

1. The Disturbances in Beijing in Spring-Summer 1989

Last year's disturbances were by no means spontaneous. There were indeed a handful of people both inside and outside China who attempted to overthrow the constitutional people's government and the socialist system in China through unlawful means and by exploiting the student unrest and the errors and problems in our work.

As you all know, the Chinese people have put in tremendous efforts and paid an enormous price for the choice, establishment, consolidation and development of the socialist system. Over the past 40 years or more, in spite of the setbacks we suffered, it is precisely the socialist system that has ensured the independence and sovereignty of our country, fostered the tremendous growth in its economy and promoted for its people, who are living and working in peace and con-

tentment, extensive democratic rights and freedom unseen in our history. Protecting the socialist system was the fundamental reason why we resolutely quelled the disturbances and rebellion.

The young students' demand for remedying certain faults in our work and for opposing corruption and so on was in line with the stand of our Party and government. We have committed ourselves to solving these problems all along. However, by taking advantage of the young students' zeal and lack of experience, a handful of people whipped up the turmoil, resulting in rapid deterioration of the situation. During the long period of 50 days, the government displayed maximum patience in the hope that a solution could be found in a democratic and legal manner. However, the patience was seen as a sign of weakness. This plus the divergent views emerging at the top leadership of our Party led to a delay of action at a critical moment. At the time, Beijing was already in a state of anarchy, and some elements with criminal records surfaced again in society, posing the danger that such a phenomenon might spread across the country. Any further delay in taking the decisive measure of imposing martial law in part of Beijing would have put our country in a state of disintegration and ruined our nation-building endeavour overnight. It would have set back the cause of reform and opening to the outside world and plunged our people once again into the agony of prolonged turmoil. Neither the Chinese government nor its people want to see this happen. People in the world who hope to see stability and development in China and see its people living in peace and happiness do not want to see instability either.

The incident is now behind us, and we believe that its impact will recede before long. We have

gained experience from it. We do not blame the students and the young people. We've been making serious and earnest efforts to improve our work. We should learn from some Western countries, i.e., we must keep a certain amount of police force armed with necessary non-lethal weapons. Meanwhile, we should formulate and enforce corresponding laws to safeguard lawful demonstrations and prevent law-breaking disturbances. We have already been doing so. It is obvious that any government enjoying the support of its people should have a sufficient law enforcement force, without which it cannot possibly ensure a peaceful and happy life to its people and a normal social order.

2. The Social Forces for China's Modernization

To realize the modernization of China, it is essential for the Chinese people to work hard. China's social system guarantees the workers, peasants and intellectuals the full right to determine their own destiny by participating in the administration of state and social affairs as citizens of the country and society. They enjoy the right to democracy and freedom as provided for by the Constitution and law, enjoy the fundamental human rights as protected by the Constitution and law and have the opportunity and channels to express their

views fully, including differing opinions. To enliven and enrich science and culture, we have all along implemented the policy of "letting a hundred flowers bloom and a hundred schools of thought contend." We have encouraged constructive discussions and contention among different schools of thought and artistic views. Of course, we do not

tolerate activities carried out by a tiny number of people to subvert China's socialist system, or give them "freedom" to break the law.

Quite a few foreigners fail to understand our struggle against bourgeois liberalization. It should be explained that the term "bourgeois liberalization" has a specific political meaning, that is, the erroneous trends of thought and political tendencies to negate in China the socialist system and the leadership by the Chinese Communist Party. Opposing such ideo-

logical trends and tendencies represents the common will of the Chinese people to safeguard their fundamental interests. Far from rejecting advanced science and technology, modern managerial expertise and the fine cultural fruits created in the capitalist world, we have consistently indicated the need to learn from and absorb them.

Since last year's disturbances, many foreign friends have shown great concern about our attitude towards our young people, parti-

It is purely the Chinese people's own business and right to choose the kind of social system they want in China, just as it is the American people's own business and right to choose theirs. There are always some people in the world who want to see China change its course according to their will. This, of course, is something the Chinese people will never agree to or accept.

cularly young intellectuals. With regard to this point, I declared solemnly in my May 4th speech, on behalf of the Chinese Communist Party and our government, that the intellectuals as a whole are good and reliable. In our modernization drive, we will, as always, give full play to their role as a vital force. We will not hold responsible any of the Chinese students overseas who took part in demonstrations as they were not clear at the time about what had actually transpired. They are studying abroad as beneficiaries of our reform and opening-up policy. We sincerely hope that when they return to China upon completion of their studies, they will play their part in the reform and opening-up process and in the modernization drive of the motherland.

3. China's Political Structural Reform

Political structural reform should keep pace and co-ordinate with economic structural reform, and the two should promote each other. These reforms have been introduced as required for the self-improvement and development of the socialist system. Neither the disturbances in China last year nor the drastic changes in Eastern Europe can alter our policy of reform and opening to the outside world. On the contrary, they will only spur us on to greater efforts to make a success of this policy.

China's political restructuring is focused on improving socialist democracy and the socialist legal system, to ensure effectively that the people enjoy status and rights as citizens of the country. The past decade saw marked progress in this connection, e.g. improvement in the system of the people's congresses; formulation of a series of important laws and regulations; and intensified, more extensive supervision over the

implementation of the Constitution and laws. There has been improvement in the democratic election process, including direct elections held for people's deputies at the township, town and county levels, and competitive elections have been held for people's deputies at all levels and for some government leaders. Various channels have been opened for all forms of participation in political affairs and decision-making on the basis of improved multi-party co-operation and political consultation under the leadership of the Chinese Communist Party. More effective roles were defined for such non-governmental bodies as trade unions, the Communist Youth League and women's federations. Admittedly, painstaking efforts are required to bring about a complete improvement in our democratic systems and in the legal system.

We are committed to carrying forward the political structural reform and to strengthening democracy and the legal system so as to co-ordinate them with economic restructuring and economic development as a whole.

In order to prevent social shocks, the development of the economy, building up of democracy and the legal system as well as economic and political structural reform should all proceed in the light of China's realities and in a guided, systematic and orderly way. In China, stability is of paramount importance. Without it our modernization drive, reform and opening-

up efforts would be empty talk. In introducing political structural reform, we will not only draw experience from countries with similar social system, but also from capitalist countries when it serves our purposes. However, in no circumstances should we merely copy them. The basic conclusion derived from years of historical experience is that we

must base ourselves on China's realities, pursue our course independently and build socialism with Chinese characteristics.

4. Women and Family

In Chinese history, the political rule of the feudal state was based on the patriarchal clan system. Under this system, women were devoid of rights at

home and in the political, economic, cultural, educational and other sectors of society. The founding of New China turned women into citizens of the state and society. They have since enjoyed equal rights with men, which are guaranteed by law. Through mass media, ideological education, efforts to change unhealthy habits and customs and other measures, we have been trying hard to remove the influence of feudal ideas and prejudices against women. Women have played the role of propping up "half the sky" by energetically engaging themselves in economic development and other endeavours. Marriage and family relations have also undergone profound changes. Marriage by one's own choice based on love has gradually replaced the feudal practices of arranged or mercen-

We are committed to carrying forward the political structural reform and to strengthening democracy and the legal system so as to co-ordinate them with economic restructuring and economic development as a whole.

ary marriages. Family relations characterized by monogamy and equality between men and women have replaced those characterized by male superiority and authority of the husband. However, it is true that at present there are still some negative or even unlawful practices in some places in China. Drowning baby girls as you mentioned in your letter is *absolutely prohibited* by Chinese law. Any one whose violation of law is confirmed through investigation will be promptly punished according to law. Backward customs in family relations such as arranged marriage and regarding man as superior to woman run counter to socialist morality and are condemned by public opinion in China.

5. Sino-US Relations

I believe that after so many years of artificially imposed estrangement, the restoration and development of Sino-US relations are due to the major interests shared by the two sides and not identity of their values. First of all, the preservation of peace in the world and in the Asia-Pacific region in particular calls for development of our bilateral relations. Second, expansion of economic ties and trade between the United States, the biggest developed country, and China, the biggest developing country, benefits both countries. Improved Sino-US co-operation also contributes to better relations between developed and developing nations and greater international economic prosperity. Third, the Chinese and American peoples share a long history of mutual contacts and friendship and the desire to develop their friendly bonds further. In spite of the drastic changes that have taken place in the world, the common interests between China and the United States are still there. So people with foresight have wisely realized that

the interests we share are far more important than our differences.

The rapid development of Sino-US relations over the past decade is based on the principles set forth in the three Sino-US Joint Communiques, i.e. mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. Facts show that as long as these principles are observed by the two sides, their relations will develop on a sound basis. Otherwise, they will come to a standstill, suffer setbacks or even move backward. I think here are the insights for Sino-US relations, if that is what you ask me to share with you.

6. The Future of Socialism

Every social system emerges out of its own historical necessity. It is impossible for a social system to avoid reverses or setbacks in the course of its development. This is true of the socialist system as well as the capitalist system. As a social system, socialism is much younger than capitalism, with no readily available experience to draw upon. In this context, one can only explore in practice, and it is hard to avoid errors and difficulties altogether. As long as the Party and people of a socialist country are good at learning from experience, they will become wiser and do a better job. As a Chinese saying goes, "A fall into the pit,

a gain in your wit." The changes in Eastern Europe only indicate a setback in the course of socialist development. One should not conclude from this that socialism has failed or collapsed. A new system with innate vitality, the socialist system is not a weak system; it is capable of withstanding the test of frustration.

China has chosen socialism not

because of external reasons, but because of its own national conditions and needs. What the Chinese people want to do now is not to choose another social system, but to find out how to consolidate further and improve, through reform, the developed socialist system that is already in place. They want to promote China's economic development and

all-round social progress further, and keep raising the people's material well-being and cultural life.

In the past, we suffered enough from foreign interference and bullying. While we have no intention whatsoever to impose our values and ideology on others, we do not wish to see someone act as a "school master" and make irresponsible comments on China's affairs. I believe that the people of all countries are intelligent and able to find a path of development suited to their own national conditions while learning from the other countries' experience that is useful to them. Whether a country should introduce a multi-party system or what kind of multi-party system it should practise, is a choice that should

In spite of the drastic changes that have taken place in the world, the common interests between China and the United States are still there. So people with foresight have wisely realized that the interests we share are far more important than our differences.

be made entirely by the people of the country concerned in the light of their national conditions. There are eight democratic parties in China. Since the founding of New China, multi-party cooperation has all along been carried out under the leadership of the Communist Party of China. This proves to be an effective exercise in China, an exercise that we shall continue.

7. Hong Kong

The socialist system will not be practised in Hong Kong after its return to the motherland in 1997, and its capitalist system and way of life will remain unchanged. The laws currently in force in Hong Kong will remain basically unchanged. Its status as an international financial center and free port will be retained, and the economic interests of the United Kingdom and other countries in Hong Kong will be given due regard. The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China examined and adopted by the Seventh National People's Congress at its Third Session institutionalized the above-mentioned points in legal form, thus providing a firm legal guarantee for the long-term prosperity and stability of Hong Kong. It is only natural that during the transitional period, there may be doubts and misgivings of this or that kind which, I am sure, will be dispelled by facts with the passage of time.

8. Taiwan

Taiwan has been an inalienable part of the Chinese territory since ancient times. It is the common understanding of all the Chinese people on both sides of the Taiwan Straits that there is but one China. All the Chinese people cherish the desire for the reunification of the mainland and Taiwan. In view of the present circumstances in Taiwan,

we have proposed to address the issue of reunification of Taiwan with the mainland after the same formula as used in the settlement of the Hong Kong issue, namely, "one country, two systems." After the reunification of China, Taiwan as a special administrative region of the country will enjoy a high degree of autonomy and keep its army. The central government will not intervene in the local affairs of Taiwan and will send neither troops nor administrative personnel to be stationed there.

We propose to start with exchanges of post, trade, and travel between the two sides so as to promote mutual understanding and create conditions for the reunification.

After national reunification, the abundant resources and the enormous market of the mainland will no doubt spur Taiwan's economy to faster growth. The capital and technology available in Taiwan will in turn help the development of the mainland. Reunification will do good while separation will do harm to both sides. We are all Chinese. Why should we brothers quarrel and bitterly fight with each other? As China emerges as a unified, strong and prosperous nation after putting an end to its present state of division, it will surely make still greater contributions to the progress of mankind. There are only a handful of people advocating independence for Taiwan. There will be no future for them, since they are opposed by the vast majority of the Chinese people, including our compatriots in Taiwan.

9. Environment

This is a very important question bearing on the survival and development of mankind for generations to come. The present environmental challenge which is of a global magnitude calls for concerted and sustained efforts

of people the world over. I am glad to note that a growing awareness and shared understanding concerning environmental problems are found among all peoples, the younger generation in particular. Here lies our hope for human protection of the global environment. The deterioration of the environment, which poses a threat to all mankind, is naturally a focus of concern of the developing countries whose population takes up four-fifths of the world's total. Due to historical and practical reasons, many developing countries are still in economic difficulties, and about a billion people in the world are without enough to eat and wear. Under such circumstances those countries do not have much capability to protect and improve the environment. Therefore, the developed countries possessing the funds and advanced science and technology should, in the common interests of preserving the environment for human subsistence, help the developing countries promote their economic growth and build up their ability to protect the environment. This is not only helping others but oneself as well. Being a developing country with a population of 1.1 billion, China attaches great importance to the environmental problem. We deem it a major contribution to the world for China to do well in its environmental protection. At the same time we are ready to take an active part in international cooperation in this field.

I shall be very much honoured if my letter of reply can help you get a better understanding of China. I wish you progress in your study.

Sincerely,

(Jiang Zemin)

General Secretary

The Communist Party of China

Green the Land: A Nation Mobilized

by Our Staff Reporter Han Guojian

China now ranks first in the world in the acreage of man-made forests as a result of long years of persistent tree-planting efforts. The ecological environment is gradually improving where shelter-forests have been cultivated—over the vast loess plateau and desert in north China, along the coasts in the middle and upper reaches of the Changjiang (Yangtze) River, and around farmland on the plains.—Ed.

In 1989 alone, China planted about 5.33 million hectares of trees. This far exceeds the total area afforested for decades before 1949. According to historical data, through neglect of afforestation and excessive tree-felling during the period of Kuomintang rule, by 1949 China's forest cover made up only 8.6 percent of its total territory. This led to a vast spread of barren hills and serious soil erosion.

After the establishment of the People's Republic, the government called on the people to "green the country." During the ensuing 40 years, large-scale tree-planting was organized each year. This has expanded the total area covered by forests to 31.01 million hectares (in addition to tens of millions of hectares of newly planted areas). This gigantic afforestation effort is unmatched anywhere in the world. The on-going large-scale construction of four enormous shelter belts—in the northern part of China, along the coasts, on the middle and

upper reaches of the Changjiang (Yangtze) River, and around farmland over the plains—has attracted the world's attention. At present, China's forests spread over an area of 124.65 million hectares and the forest coverage rate is 12.98 percent. Large afforested areas have appeared in dozens of counties which had few trees and no forests to speak of in the past. All this has helped remedy the imbalanced distribution of forest resources and markedly improved the ecological environment in the afforested regions.

According to plans of the Ministry of Forestry, by the end of this century, China will have added 30 million hectares of forest and 30 million hectares of middle and young growth, and will have planted 6.6 million hectares of fast-growing, high-yielding forests.

The Three-Norths

A tremendous afforestation project popularly referred to as the "three norths" is under way

in northwest China, the northern part of north China, and the western part of northeast China. The largest ecological endeavour in the world today, it is 7,000 km long and from 400 to 1,700 km wide. It extends from Binxian County, Heilongjiang Province, in the east, to the Uzbek Mountain Pass in the Xinjiang Uygur Autonomous Region in the west, and runs along the north side of a line marked by the Haihe in Tianjin, the Daqing River in Hebei Province, the Weihe River in Shaanxi Province, Burhan Budai Mountain in Qinghai Province and the northern foot of the Karakorum Mountain in the Xinjiang Uygur Autonomous Region, and in the north, the line runs along the Sino-Soviet and Sino-Mongolian borders. The total area covers more than 4 million square kilometres and represents 42 percent of the country's mainland territory.

The project basically covers China's deserts and loess plateau. Between the 1950s and the

CHINA

1970s about 700,000 hectares on an average turned into desert yearly and an additional 16,000 hectares of soil lapsed into potential desert land. Even more serious was that 6.6 million hectares of farmland and grassland suffered wind erosion and were gradually buried in sand. This resulted in low and unstable grain output and serious degeneration of forage grass. The loess plateau is at present one of the areas most seriously affected by soil erosion in the world. Each year the amount of soil lost through erosion is 1,000 to 10,000 tons per square kilometre—the equivalent of blowing away surface soil one centi-

metre deep and causing the erosion of 30 million tons of nitrogen, phosphorus and potassium. The silt flowing down the Huanghe (Yellow) River raised its riverbed five to ten centimetres a year. In some stretches of the lower reaches of the Huanghe (Yellow) River, the riverbed is more than ten metres higher than the land surface on either side. Drought and flooding have wreaked frequent havoc because of the absence of forests.

In 1978 China decided to build the "three-north" forest belt as a key project of economic construction. The whole project was divided into three

stages. The first phase of the first stage was from 1978 to 1985, during which 1.71 billion yuan and 700 million work-days were invested. A total of 6.05 million hectares of trees were planted. This protected 8 million hectares of farmland and increased the forest coverage rate from 4 percent in 1978 to 5.9 percent.

The second phase, which started in 1986, will take about ten years. According to the state plan, 6.3 million hectares of man-made forest will be planted and 160,000 hectares of tree seeds sown from the air by plane. This is calculated to bring the rate of coverage to 7.7

People in Xiji County of Ningxia planting shelter-forest.

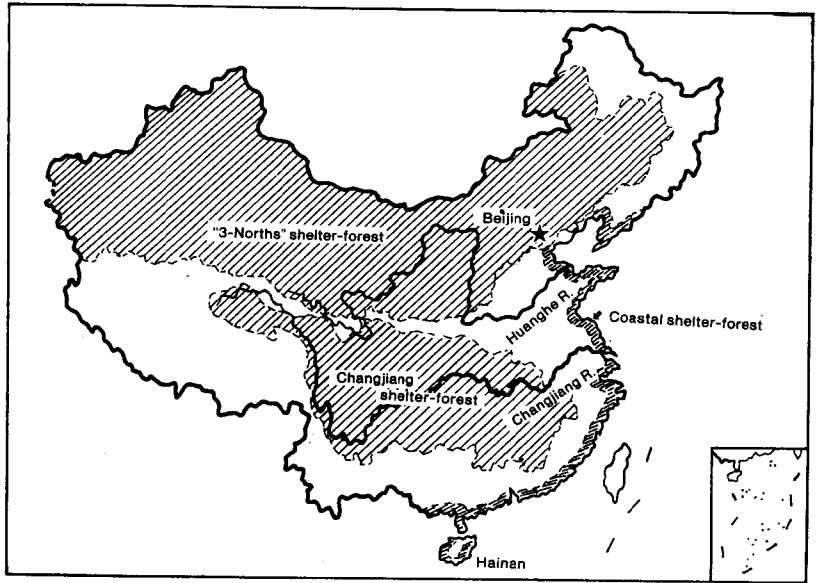
WU WENBIAO



CHINA

percent. Currently a total of 2 million hectares have already been planted to trees in the second phase, while 900 million yuan and 700 million work-days have been expended by the central and local governments.

The "three-north" shelter belt, after 12 years of construction, has begun to show conspicuous, beneficial results. The enormous tract of shelter-forest in Zhangjiakou Prefecture in north China has stopped deserts from encroaching upon Beijing. At present, the amount of dust settling in the Beijing area is much reduced; according to data from the Beijing Meteorological Observatory, since 1985, the capital has seen only about 12.2 dusty days a year on the average—18 days fewer than in the 1970s. The newly afforested areas on both banks of the Huanghe (Yellow) River where there had been virtually no forest cover at all total 700,000 hectares. A system of windbreaks now crisscrosses farmland in the middle and western parts of the North China Plain, the areas in the Inner Mongolian Autonomous Region and Gansu Province through which the Huanghe River flows, and stretches along the Hotan area in the Xinjiang Uygur Autonomous Region. Grain production has increased 10 to 30 percent. Half of the trees planted in the first phase are now full-grown, worth more than 10 billion yuan, as against the 1.7 billion yuan invested. In Yulin Prefecture on the southern fringe of the Mu Us Desert in northern Shaanxi Province, the rate of forest cover increased from 2 percent to 36.8 percent, and about 100,000 hectares of farmland are protected by a network of shelter belts. In addition, an oasis of more than 200 square kilometres has appeared



TONG DEYIN

Workers in the Saihanba Tree Farm of Hebei Province, the largest artificial forestry centre in north China, watering young pine saplings.

on the southern edge of the Jungar Basin in the Xinjiang Uygur Autonomous Region. The oasis penetrates 100 km into the desert areas and makes possible the reclamation of more than 1.3 million hectares of arable land. Xiji County in the Ningxia Hui Autonomous Re-

gion is located in the centre of the loess plateau and historically has suffered many serious natural disasters. During the decade since 1980 when it was first listed as a key county on the chain of a windbreak, 110,000 hectares of trees and grass have been planted and 60



LAN XUEYI

Young people of Xinjiang Uygur nationality work on their family tree farms.

percent of the areas devastated by soil erosion were brought under control. Moreover, land utilization arrangements were improved and the production of forage grass increased yearly. The area reverted to forests and pastureland also grew. With it, the farmers' mode of production made a transition from extensive to intensive cultivation and year after year they gained good grain harvest. In 1982 grain production for the whole county was only 26,000 tons. By contrast, in 1987 it reached 45,000 tons despite a reduction of 60,000 hectares of farmland.

As explained by officials from the Ministry of Forestry, the third phase of the windbelt project's first stage will be car-

ried out between 1996-2000. According to plan, an area of 5.81 million hectares will be afforested. With its completion, the forest coverage rate will reach 10.4 percent. The second stage of the project will be carried out between 2001 and 2020, to attain a rate of 13.5 percent forest coverage. The third stage, from the year 2021 to 2050, envisages a coverage rate of 14.95 percent. This will complete the proposed shelter forest project which organically combines the forest belt, forest networks and forest strips in the "three-north" area and which makes for the coordinated development of agriculture, forestry and animal husbandry.

Coastal Shelter-Forest

In March 1989, the first phase of another mammoth ecological project was begun. Its purpose is to set up a shelter-forest system which will line the entire coast of China's mainland. The area for planting trees will cover 3.35 million hectares. The first phase, lasting from 1989 to the year 2000, involves the planned afforestation of 2.49 million hectares, and the rate of forest coverage will increase from the present 24.9 percent to 34.8 percent. The second phase, from 2001 to 2010, will raise forests over 1.06 million hectares.

China's mainland coastline is 18,000 km long, extending from the Yalu River in Liaoning Province in the north to the Beilun River in the Guangxi Zhuang Autonomous Region in the south. The coastal areas indicated include 195 counties (or cities) of 11 provinces (autonomous regions or municipalities) covering a total area of 25.1 million hectares. This arc-shaped band of territory makes up only 2.6 percent of the entire land mass of the country, is inhabited by 10 percent of the nation's population, and yields an annual value of more than 100 billion yuan in industrial and agricultural production.

The aim of the coastal shelter-forest system is to build up a 1,000-metre-long, 100-metre-wide forest belt along the coast in accordance with local conditions, to withstand the incursions of strong winds, dust storms and disturbed seas.

Some provinces and cities along the coast began to build windbreaks in the early 1950s. By 1955 the afforested areas along the coast covered 346,000 hectares. In the mid-60s large sections of windbreaks were set

out in Guangdong and Fujian provinces and on what was then Hainan Island under Guangdong Province. According to figures of 1988, the forested belts along coastal areas added up to 5.33 million hectares, forming an 8,000 km-long shelter belt. These forest belts protected 1.4 million hectares of farmland and brought encouraging changes to some poor areas which were prone to natural disasters.

Leizhou Peninsula in Guangdong Province, with only some secondary natural forests and bush, had a coverage rate of about 8 percent. Each year during the typhoon season the barren coastal areas sent off clouds of dust which buried the nearby villages and farmlands in inches of shifting sand. In 1956 people in these areas carried out a successful experiment in planting *Casuarina equisetifolia* along the coast. By the mid-80s they had a 600-km-long windbreak and went on to tackle 26,000 hectares of the 30,000-hectares of sandy beach.

At present, Leizhou has groves of rubber trees, sugarcane plantations, and paddy fields. The wind, the dust, and the ubiquitous red soil have all disappeared and the forest coverage rate has reached 27 percent.

On the Dongshan Island of Fujian Province during the 100 years before liberation, 413 mountain tops had turned barren, several thousand hectares along the coast had become a sandy waste without a blade of grass, 13 villages had gradually been buried under windswept sand and 3,000 hectares of grain fields had been ruined. In 1958 afforestation was started on the island and the rate of forest coverage reached 40 percent. As wind and dust were brought un-

der control, grain production increased by 6.2 times the output of the 1950s.

As reported by the East China Research, Planning and Designing Institute attached to the Ministry of Forestry, in some areas with an initially formed windbreak system, the lodging rate of crops was 70 percent less than in the non-forested areas, rice production increased about 15 percent and the premature dropping rate of fruit in orchards was reduced 60 percent. According to calculations, the coastal shelter-forest system project will bring economic benefits amounting to 880 million yuan each year and local self-sufficiency in timber will be more than doubled.

On the Changjiang

The Changjiang (Yangtze), China's largest river, is 6,000 km long, and flows from west to east to the sea. Its middle and upper reaches run through 145 counties of the nine provinces of Qinghai, Gansu, Shaanxi, Yunnan, Guizhou, Sichuan, Hunan, Hubei and Jiangxi. In recent years the area affected by soil erosion has expanded from 360,000 square kilometres in the 1950s to 560,000 square kilometres, or 31 percent of the whole Changjiang River valley. Droughts, floods and mud-rock flows hit the area year after year. Massive silt deposits reduced lake areas and obstructed the development of water resources in reservoirs.

The Chinese government decided to bring the situation under control within 30 or 40 years starting from 1990 to arrest the deterioration of the ecological environment in the middle and upper reaches of the Changjiang River valley and bring about its improvement.



CHEN ZONGLIE

The Yangguang area in Dunhuang County, Gansu Province, originally a stretch of desert, has changed appearance after afforestation.

The first phase of the project will be carried out from 1990 to the year 2000. It includes afforesting 6.6 million hectares and restoring an eroded area of 74,000 square kilometres. The coverage rate of the area will be expanded from the present 19.9 percent to about 40 percent.

Farmland Shelter Belts

China's plains are located in the northeast, north China, the middle and lower reaches of the Changjiang (Yangtze) River, and the Zhujiang (Pearl) River Delta. Their total area of 100 million hectares has a population of 400 million and 43 million hectares of cultivated land. Historically, they have been China's major agricultural districts and important commodity production bases for grain, cotton, vegetable oil and livestock products. However, when the



ZHANG SHENGGUI

Australian experts, together with Chinese scientific and technological personnel, carry out research in the loess plateau.

People's Republic of China was founded, these areas had few stands of forest. The coverage rate in north China was only 1 percent. Over the years, this rendered the plains areas, particularly the northern plains, vulnerable to drought and dust storms, and floods, accompanied by drastic deterioration in the quality of the soil.

Since the mid-50s, particularly during the last decade, the people of the plains have kept building farmland windbreaks in an organized way. Now there are many areas with forest networks and tree belts of various sizes; the ecological environment has improved tremendously and agriculture, livestock raising and forestry have developed correspondingly.

In Anhui Province's Dangshan and Xiaoxian counties near the Huanghe River, 73 km of windbreaks were built along both riverbanks. As a result, sand storms of 6 degrees or more on the Beaufort scale have been reduced from an average

of 11.6 times a year to two. The dust-laden villages of the past have been transformed into rich centres for the development of grain, cotton, forestry and fruit. In 1988 fruit output in the area reached 90,000 tons or double that of 1980.

In the 1970s, the method of paulownia intercropping with crops of Henan Province was promoted nationwide, enlarging the intercropping area of the whole country to 3 million hectares, increasing the income from each hectare of farmland by 700 to 1,000 yuan and raising wheat production by 30 percent.

According to long-term surveys in Henan and Jiangsu provinces, wind-speed over the land surface diminished 30-40 percent, relative humidity rose 10 to 12 percent and crop production on each hectare of farmland increased by 15 tons in the effective windbreak areas. Sandstorms were completely controlled, with a conspicuous reduction in the harm caused by

dry, hot winds each year.

Statistics of 1989 show that among the 908 counties located on plains or semi-plain terrain in the whole country, there are 250 whose forest coverage rate reached 10 percent. The forest areas in 600 other counties were also enlarged. At present, there are six forests with areas varying from 400,000 to 1 million hectares which have been cultivated on the plains of Henan, Shandong, Anhui, Jiangsu, Heilongjiang and Hunan. The north China central plain, the largest in the country, has a forest coverage rate of 10.7 percent, compared with 2 percent in the 1950s. The country's farmland areas which are now protected by shelter forests have reached 10 million hectares, or one-fourth of the entire area of plains farmland. According to the state plan, all 908 counties in the plains areas will have reached a greening standard of forest coverage up to 10 percent by the end of this century. ■

Guangdong—A Province of Green Hills

by Our Staff Reporter Han Guojian

In less than five years, Guangdong has worked wonders by transforming 3.3 million hectares of barren hillsides into forest land. This has not only improved the province's ecological environment, but promoted its economy.—Ed.

In November 1985, the Guangdong provincial Party committee and government issued a call to the people of the province: "Make green all barren hills within five years and the remaining lowlands of the province within ten years."

Their call was the start of a provincial campaign to deal with the problem of 3.3 million hectares of barren hills. In the spring of 1990, the last of the specified five years, Guangdong became the first province in China to successfully cover all its barren hills with trees. The survival rate is 95 percent in most of the afforested areas. Some 530,000 hectares of hillsides with a lower survival rate were planted with new trees.

Compared with other provinces, Guangdong is a small area, accounting for only 2 percent of the country's land area. It contained, however, some 4 percent of the nation's barren land and was burdened with the highest percentage of unproductive land in all of south China provinces. Most of the land is of red soil and grit or weathered limestone. Consequently, although Guangdong is a coastal province with a warm climate and plenty of rainfall, afforestation was a difficult undertaking.

Guangdong, which borders both Hong Kong and Macao, is the fastest developing area in China, stimulated in part by the special treatment it received from the central government since China carried out reforms and opened its doors to the outside world in 1979. Economic development, however, is limited to the Zhujiang (Pearl) River Delta, a small part of the province, while 70 percent of the province—mountainous areas—is still backward. There is a sharp contrast, therefore, between the relatively developed Zhujiang River Delta and the vast and underdeveloped highland area.

After a thorough investigation, Lin Ruo, who assumed the position of provincial Party secretary in 1985, pointed out, "Seventy percent of Guangdong is mountainous area, 10 percent water area, and 20 percent cultivated land. If the mountainous areas remain underdeveloped the entire province will be adversely affected. Without the use of rich mountain resources, Guangdong will not be able to make full use of its potential for future economic development." Lin took an oath to cover all of Guangdong with trees during his lifetime.

His determination won the

support of other leading members of the provincial Party committee and government and, between October 1985 and 1989, he and other leading members frequently visited the mountainous areas to provide on-the-spot leadership to the afforestation campaign. Their determination inspired cadres at various levels and the people of the province. Hence a vigorous mass afforestation campaign.

A Model County

In the spring of 1989, news from Zijing County in the eastern mountainous area of Guangdong caused a sensation. The county, with a labour force of 250,000 out of a total population of 610,000, claimed that in 1988 it planted trees on 70,000 hectares of wasteland. They transformed almost all the barren hillsides in a year. Many people regarded Zijing County's feat as an amazing achievement, while others questioned about its claim. After an investigation by the provincial forestry department, however, the feat was verified. Of all the 300,000 hectares of mountainous area suitable for afforestation, 99.3 percent has been planted. The remaining

areas are areas thinned for reckless lumbering and forest openings.

Statistics show that Zijing's afforested area per capita in 1988 reached 0.12 hectare, or 1,500 trees for each person. The county not only planted trees with amazing speed but also paid close attention to the quality of afforestation. Plantings were done in strict accordance with afforestation standards. For example, all tree saplings were first cultivated in fertilized cups, planted in holes of fixed measure laid out in straight lines, covered with top soil and topped with an addition of manure. This explains why the survival rate of the quickly maturing trees was so high.

According to Ye Jiucheng, a member of the standing county Party committee responsible for the afforestation project, the motivating force behind Zijing's achievement was the public outcry for improvement of the hill-

sides in 1987. "That year," he said, "our county Party secretary was criticized publicly by provincial leaders. This shook us up a lot. County leaders therefore resolved to make an all-out effort to plant trees. The county government organized a work team of 1,000 people and publicized the advantages of afforestation throughout the county. In order to ease farmers' concerns about policy stability, they made it clear that the trees would belong to those who did the planting, and that the policy would not change for 50 years. Those who failed to plant trees on hills under their responsibility were fined 450 yuan for every hectare. The result was that most farmers planted trees on schedule. Only six households in the county were fined and another household's land-use certificate was revoked."

During the mobilization campaign, the county collected 4.52

million yuan through various channels within two months to help the effort. This allowed them to buy 47,000 km of high-quality tree seeds from other provinces and to hold short-term training classes for 800 breeders. Within several months, they cultivated more than 200 million tree saplings, which were provided to local farmers free of charge. Before and after the holes were dug and trees planted, the county organized more than 4,000 people to check, six times in all, the sites and the quality of the planting.

In this way, the county developed an energetic mass movement for the afforestation project, a movement which reached its apex when 170,000 people travelled to the mountainous areas and dug holes over an area of 4,400 hectares in one day. Among those who worked that day were the county magistrate, county Party secretary and other

Saplings from a Guangzhou nursery are transported to hills for planting.

LIU YUESHENG



BEIJING REVIEW

Subject Index

(Nos. 1-26, 1990)

	Issue Page No. No.		Issue Page No. No.
I. DOMESTIC			
1. Political			
1) General			
The Course for China's Reform and Opening	1: 14	Lei Feng Back in Limelight	12: 5
Continued Government Support for Stone	1: 22	Beijing Mayors Meet the Press	12: 6
Experts Look at the 1990s	3: 15	100 Rural Women Honoured for Merits	12: 6
The System of Multi-Party Co-Operation	3: 20	Stability and Development	13: 4
Answers to Some Current Questions	4: 7	Meeting the Press: NPC Spokesman, Minister of Agriculture Talk About Current Issues	14: 14
An Important Sign of China's Stability	4: 13	The Neighbourhood Committee—Residents' Own Organization	15: 26
Experts Look at the 1990s	4: 14	Premier Li Meets the Press	16: 8
Upholding Socialist Public Ownership	5-6: 15	Media's Role in Party-Populace Ties	17: 5
Spring Festival: Leaders' Busy Day	7: 4	Opposition to Bourgeois Liberalization	17: 13
Why Does China Oppose Bourgeois Liberalization?	7: 14	Tianjin Public Cite Cadres	17: 28
Decision on Further Improving the Economic Environment, Straightening Out the Economic Order, and Deepening the Reform (Excerpts)	7: Centrefold	Cadres Called on to Do Manual Labour	18: 23
A Major Step Towards Socialist Democracy	8: 4	Upholding the Unity of Theory and Practice	19: 15
Socialism Will Save China	9: 24	Martial Law Lifted in Lhasa	20: 7
Has Socialism Failed in China?	10: 19	Jiang Zemin Assures Returned Students	21: 29
Only CPC Can Lead China's Socialist Construction	11: 13	Revelations of the Opium War	23: 4
		150th Anniversary of Opium War Marked	24: 5
		Beijing: Life as Usual on June 4	24: 6
		Strolling in Beijing Streets in May	24: 22
		Party Chief Stands for One China and Two-Party Negotiation	25: 4
		Party Chief's Message to Students	26: 4

INDEX

	Issue No.	Page No.		Issue No.	Page No.
Students		26: 8	4) People's Liberation Army		
2) Chinese Communist Party			Martial Law Lifted in Beijing	3: 4	
China: No Shutting the Open Door	1: 7		Beijing Applauds End of Martial Law	4: 5	
Returned of the 'Red Caps'	1: 28		China After the Turmoil	23: 15	
Jiang Stresses Stability as New Year Begins	2: 5		5) Democracy and Legal System		
Economic Problems Thrashed Out	5-6: 4		Multi-Party Co-Operation Stressed	8: 6	
Disciplining Party Members	5-6: 6		Leaders of Democratic Parties on Multi-Party Co-Operation	9: 14	
Putting Leadership in Reliable Hands	10: 7		Guidelines Proposed by the Central Committee of the Communist Party of China for Upholding and Improving the System of Multi-Party Co-Operation and Political Consultation Under the Leadership of the Communist Party	10: 14	
Party Calls for Closer Ties With the People	12: 4		Zhuang Yanlin—President of ACFROC	10: 28	
Jiang Zemin's View on Women	19: 29		Formation and Development of System of Multi-Party Co-Operation	12: 16	
Relying on the Working Class	19: 29		China's Democratic Parties	12: 18	
Jiang Praises Intellectuals	20: 5		Characteristics and Advantages of the Multi-Party Co-Operation System	13: 16	
Mass Line: Giving Villagers a Helping Hand	23: 24		Participating in State Affairs—Sidelights on the Beijing CPPCC Session	13: 22	
Cadres Work at Grassroots Level	23: 30		General's 90th Birthday Celebrated	25: 7	
A Secretary's Notes on Helping the Poor	25: 26		6) Hong Kong, Macao and Taiwan		
Standards Set for Party Officials	26: 4		'Taiwan Independence': Nothing Doing	1: 6	
Officials Expelled From Party	26: 5		Residence Offer: A UK Volte-Face	3: 5	
3) National People's Congress and the Chinese People's Political Consultative Conference			HK: Stability Hinges on China	8: 6	
Chinese Premier Reviews 1989	2: 7		Hong Kong Basic Law Finalized	9: 5	
Counties, Townships to Elect Congress	7: 6		On Taiwan's 'Elastic Diplomacy'	9: 27	
NPC to Meet in March	9: 6		Draft Hong Kong Basic Law Hailed	10: 6	
NPC Standing Committee Meets	10: 5		Taiwan Situation Concerns Mainland	12: 5	
NPC Session Examines China in Retrospect and Prospect	13: 5		Jiang Reiterates Policy on Reunification	13: 7	
NPC: The Voice of the People	14: 16		Hong Kong Basic Law Guarantees 'One Country, Two System'	15: 4	
Main Goals of Economic Rectification Programme	14: 20		NPC Passes Three Decisions on HK	16: 4	
Third Session of the Seventh NPC Ends	15: 6		Hong Kong's Future Political Structure	16: 13	
Foreign Minister Qian Meets the Press	15: 10		HK Basic Law: A Creative Masterpiece	17: 24	
NPC: Running China With Collective Wisdom	15: 14		Britain's Abode Plan Protested	18: 6	
Interview With Academic Members of the CPPCC	15: 22		Lee: 'One Country, Two Government?'	23: 7	
NPC Passes Three Decisions on HK	16: 4		Diplomat to Head HK Bureau		
Continue to Work for Stable Political, Economic and Social Development in China	16: Centrofold				

INDEX

	Issue Page No. No.		Issue Page No. No.
Diplomat to Head HK Bureau of Xinhua	23: 30	Marriage Law Helps Social Development	18: 4
Lee's Policy: Old Wine in a New Bottle	24: 6	Hong Kong Basic Law Bonds Two Leading Bodies	18: 7
Party Chief Stands for One China and Two-Party Negotiation	25: 4	The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China	18:Centrefold
General's 90th Birthday Celebrated	25: 7	Decree of the President of the People's Republic of China	18:Centrefold
7) National Minority		The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China	18: Centrefold
What Is It Behind the Dalai Lama's 'Plan'	8: 21	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	18:Centrefold
China's Minority Nationalities	8: 29	Decision of the National People's Congress on the Establishment of the Hong Kong Special Administrative Region	18:Centrefold
Minister Stresses Inter-Ethnic Unity	9: 6	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	18:Centrefold
Dalai's Threat Seen as Senseless	9: 7	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	18:Centrefold
Tibetan Farmers Modernize	9: 36	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	
Strengthening Nationality Unity	10: 4		
Tibet Rings in 'Year of Iron Horse'	11: 5		
Tibet to Establish World's No.1 Preserve	15: 7		
Tibet: Stability Is Order of the Day	16: 5		
Exploring the Mysteries of Keke Xili—the No Man's Land	18: 24		
Martial Law Lifted in Lhasa	20: 7		
Tibet Promotes Agrotechniques	20: 27		
Prepare Herdsman for Disaster	23: 8		
8) The Legal System			
Offence Reporting: An Important Channel of Mass Supervision	3: 25		
Resolutely Punishing Corruption	4: 22		
Focus of Procuratorial Work in 1990	4: 23		
An Open System: Ensuring Honest Government	4: 24		
573 Offenders Set Free	5-6: 5		
Disciplining Party Members	5-6: 6		
China's First Law on Rallies and Demonstrations	5-6: 25		
Women Judges: Getting Jobs Done As Well	10: 25		
Shaoguan Jail's Female Inmates	11: 26		
Socialist Democracy—A Process of Development	12: 14		
Vice-Minister Sacked in Scandal	13: 9		
Officials Blamed for Deaths of Gold Miners	13: 10		
Chinese Judges Set Juvenile Courts	17: 6		
Beijing Marks World Law Day	18: 4		

INDEX

	Issue Page No. No.		Issue Page No. No.
Region Under the Standing Committee of the National People's Congress	18: Centrefold	Socio-Economic Development in 1989	9: Centrefold
Amended Joint Venture Law: A Major Step to Improve Investment Climate	19: 24	Major Changes in Lankao County	10: 28
Beijing Conference on Law of the World: The Role of Law in World Peace and Development	20: 22	How Is China's Economy?	11: 4
211 Involved in Turmoil Released	21: 5	Young Women's Heroism Captures Nation's Heart	11: 6
Pirate Radio Ship: a Dream in Thin Air	23: 9	Economic Plan for 1990 Outlined	14: 4
Trade-Mark Faker Brought in the Dock	23: 28	Water Crisis in North China and Counter-Measures	14: 27
Beijing Releases More Offenders	25: 6	Satellite Leasing Business Thriving	14: 30
Li's Message to Students Overseas	25: 6	Report on Implementation of the 1989 Plan for National Economic and Social Development and the Draft 1990 Plan	17: Centrefold
Official Expelled From Party	26: 5	Report on the Implementation of the State Budget for 1989 and on the Draft State Budget for 1990	17: Centrefold
Party Discipline Violators Punished	26: 6	The Role of Towns in Modernization	18: 16
9) Others		More Foreign Funds for Telecommunications	19: 30
Beijing Censures Fugitives in Exile	3: 8	On the Socialist and Capitalist Commodity Economy	24: 14
Beijing Applauds End of Martial Law	4: 5	China's Economic Targets for 2,000	25: 26
Chen Yizi's True Physiognomy	24: 25	2) Industry, Communications and City Construction	
Responsibility of a Party Leader	24: 28	Yangtze Soil Conservation Project Successful	1: 8
Wan Runnan—'Entrepreneur' Bent on Subverting the Government	25: 23	Shoudu Iron & Steel Co. (5): Self-Development and Self-Restriction	1: 24
Liu Binyan's 'Second Loyalty'	26: 29	Steel Output Tops 60 Million Tons	2: 8
10) Others		Shoudu Iron and Steel Co. (6): Enterprise Merger and Grouping	2: 25
China's Wage System Changes	20: 26	3 Energy Bases in Huanghe Basin	2: 30
Egalitarianism Is Not Sun-Light	20: 26	Shipbuilders in for a Productive Year	5-6: 7
2. Economic		Gas-Powered Bus in China	5-6: 28
1) General		China's Leading Energy Centre	7: 29
China's Second Strategic Goal	1: 4	Capital Construction Comes Under Control	11: 5
The Course for China's Reform and Opening	1: 14	China's Steel Industry: Promising, But Problematic	11: 18
1989 in Retrospects	1: 17	Leading Ethylene Plant Opens in Nanjing	13: 10
Continued Government Support for Stone	1: 22	Largest Coalfield Under Construction	14: 7
Chinese Premier Reviews 1989	2: 7	Shanghai Builds Its First Subway	14: 8
Measures to Improve Economy	3: 5		
Five Tenets for the Open Policy	4: 6		
Key Projects to Be Continued	4: 8		
Industrial Chain in Jiangsu	8: 29		
Statistics for China's National			

INDEX

	Issue No.	Page No.		Issue No.	Page No.
Nation to Build High-Speed Railway	14:	9	4) Forestry		
Railway to Link Datong, Qinhuangdao	16:	4	Less Dust in Beijing	9:	37
Returning Peasants Enter New Fields	17:	32	Beijing Targets for Environment	10:	29
Beijing Improves Traffic for Asian Games	18:	25	Green the Land: A Nation Mobilized	26:	13
Turning Losses Into Profits	19:	6	Guangdong—a Province of Green Hills	26:	19
China: The World's Largest Coal Producer	20:	13	5) Finance and Trade		
Construction 'Craze' Cools Down at Last	20:	17	Democratic Party Leader on Multi-Party Co-Operation	2:	20
Investment in Fixed Assets Reduced in 1989	20:	20	Statistical Information Services Available	3:	29
China's Space Industry Takes Off	21:	13	Keeping Private Business on the Right Track	4:	4
Meat Production Looks to Further Increase	22:	22	Finances Continue to Improve	4:	20
Introduction to 20 key Projects Under Construction	25:	14	Finance: Tight Control to Continue	5-6:	5
China's Key Construction Projects From 1982 to 1989	25:	20	Balance of Finances: a Major Goal	5-6:	24
Rural Enterprises Increase Output	26:	6	Year of the Horse Souvenir Coins Issued	5-6:	31
Introduction to 20 Key Projects Under Construction	26:	23	China's Inflation—Its Causes and Plans for Control	8:	24
Forty Years of Capital Construction	26:	24	China's Foreign Debt OK	9:	38
3) Agriculture, Animal Husbandry and Sideline Production			More Public Baths Needed	10:	29
China's Current Agricultural Situation and Policy	2:	15	Economic Reform Via Price Reform	12:	29
'Basket' Project Bears Fruit	3:	9	Finance: Improved, But Still Grim	14:	5
Seizing the Opportunity for Rich Harvests	3:	21	Favourable Market Turn in the Offing	15:	8
Rural Firms to Face Period of Austerity	4:	28	Enterprises Raise Fund by Bond Issuance	19:	6
Villagers on Quest for Knowledge	5-6:	28	China's Debt Repayment Ability	20:	27
Science Helps Change Farmers' Lot	7:	29	Consumerism Loses Its Appeal	21:	27
What's in Store for China's Grain Harvest?	8:	14	1989 Foreign Debt Figure Published	21:	30
Conditions Improve in Poverty Belt	15:	9	Inflation Hits the Bottom in 5 Years	25:	7
More Money for Agriculture in 1990	18:	22	Rules Set Up for Land Management	25:	28
Tibet Promotes Agrotechniques	20:	27	6) Tourism		
Prepare Herdsmen for Disaster	23:	8	Jiangsu's Five New Tourist Packages	5-6:	34
Key Elements for Agriculture	23:	30	Tourism in Southeast Yunnan Province	9:	30
Continue Backing Specialized Household	25:	27	Zhengyangmen Archery Tower Opens	9:	41
Rural Enterprises Increase Output	26:	6	Tourist Industry Recovering	9:	42
			Beijing Hotels' Spring Festival Boom	9:	42
			Wunster Group Visits Beijing	11:	34
			Astor Hotel Wins Prize	11:	34
			A Hotel Next to Tiananmen	11:	34
			The Asian Games and Beijing's Tourism	15:	34
			Busy Schedule for Silk Road's 2,100th		

INDEX

	Issue No.	Page No.		Issue No.	Page No.
Birthday		19: 32	Export Centres in Shandong		5-6: 29
Keep-Fit Tourism Booms in Zhuhai		20: 31	Methods for Customs Exemption		5-6: 30
Beijing Explores Convention on Tourism		20: 31	Year of the Horse Souvenir Coins Issued		5-6: 31
238,000 Citizens Go Abroad in 1989		22: 8	Foreign Experts Help Shanghai Out		7: 8
Hong Kong-Beijing Coach Tour		25: 31	Shantou: 100 New Projects		7: 30
1990 London-Beijing Motor Challenge		25: 31	China Purchases New Planes		7: 30
New Taiwan Hotel		25: 31	Sino-US Venture in Container Industry		7: 30
7) Opening to the world			Foreign Trade Increase in 1989		7: 31
China: No Shutting the Open Door	1: 7		Zhejiang Exports More Fairy Lights		8: 30
Chinese Trade Marks Have International Registration		1: 30	More Funds for Iron and Steel Industry		8: 31
World Bank Grants Loans to Tianjin on Schedule		1: 30	Scope of Imports Remains the Same		8: 31
Chai Tai Group to Invest US\$1 Billion in China		1: 30	Santana Logs Record Profit		8: 31
Co-Operation in Sichuan Province		1: 31	Economic Zones Vital to China		9: 6
Import Goods to Be licensed		2: 27	BFTCC—A Friend of Foreign Businessmen		9: 34
US Square D Co. in China		2: 27	China's Foreign Debt OK		9: 38
Bright Prospects for Building Materials Exports		2: 28	Enterprises Fined for Trade Mark Abuse		9: 38
Foreign Experts in China		2: 28	Shanghai Exports Stay Strong		9: 38
Export of Iron Pans		2: 28	Trade Talks With USSR, Europe		9: 39
A Joint Venture in US		2: 29	Shenzhen to Set Up Bonded District		9: 39
Kinescope Firm Highlights China's Investment Climate		3: 23	China Profits From Imported Expertise		10: 9
Statistical Information Services Available		3: 29	Foreign Arbitration Makes Headway		10: 30
Labour Service With USSR		3: 29	Yantai Calls for Co-Operation		10: 30
Beijing Jeep Walks Out Predicament		3: 29	US\$8.3 Billion From Exports of Machinery & Electrical Products		10: 31
Transmission of Economic Information		3: 30	More Foreign Technology Needed		11: 28
Participation in Hannover Fair		3: 30	Foreign Insurance Business Expanded		11: 28
China, USSR Co-Produce Soybean		3: 30	Tapping Markets for Non-Metals		11: 29
China's International Health Technology Co-Operation		3: 31	Lawsuit Network for Foreign Investors		11: 29
China's Foreign Trade Steadily Developing		4: 18	Zones Earmarked for Taiwan Investors		11: 30
Zhejiang Taps Export Potential		4: 27	Best Fuelling Device to Enter Market		11: 30
China to Launch US-Made Satellites		4: 30	Hainan's Four Development Zones		12: 30
Nonferrous Metals Trade Talks		4: 30	Second Largest Tea Exporter		12: 30
Tanzania-Zambia Railway Continues to Make a Profit		4: 31	Commerce-Run Industries Expands		12: 30
Land: Up for Lease in China		5-6: 7	Export Credit Supervision Centre		12: 31
1989: Tightened Goods Inspection		5-6: 29	Thailand Invests More in Beijing		12: 31
			Beijing Develops a New Medicine		12: 31
			More Cities to Be Opened		13: 30
			Attracting Foreign Funds		13: 30
			Power Switches Win UL Recognition		13: 30

INDEX

	Issue Page No. No.		Issue Page No. No.
Hotel Equipment Exhibition	13:31	Co-Operation	19:30
Longxiang Beer—the Pride of China's Beer	13:31	Otis Co. Profits Up in China	19:31
Satellite Leasing Business Thriving	14:30	Joint Venture Uses Chinese Technology	19:31
Time Group Turns Out New Products	14:30	Pudong Beckons to Investors	20:6
Xishuangbanna: A New Open Port	14:31	Foreign Countries Aided by China	20:26
Foreign Trade Boom in Hebei Province	14:31	China's Debt Repayment Ability	20:27
WB Issues Loans for Agro-Development	14:31	Sino-Franco Trade Improves	20:28
ETCCTSTS' Major Tasks in 1990	15:30	Sino-British Oil Contracts Signed	20:28
New Services for Foreign Investors	15:30	First Silk Joint Venture Founded	20:28
Foreign Credit for Shanghai Subway	15:30	Detergent Factory Seeks Partners	20:29
Broad prospects for Sino-Italy Ties	15:31	Export of Bulldozes Up	20:29
World Bank-Financed Project Completed	15:31	Hainan to Lease Land-Use Rights	20:29
China: Debut on World Sat Market	16:7	1989 Foreign Debt Figure Published	21:30
China Expands Economic and Trade Co-Operation With Otehr Countries	17:26	Space Services for Foreign Clients	21:30
China Seeks Partner for Passenger Plane	17:29	A Showcase of Open Policy	22:Centrefold
Hainan to Lease Land-Use Rights	17:29	Ideal Place for Foreign Investment	22:Centrefold
Large-Scale Development Planned for Shanghai	17:30	Burgeoning Foreign Trade	22:Centrefold
OSPDS Cuts the Ribbon	17:31	For an Export-Oriented Economy	22:Centrefold
High-Tech Exhibition Held	17:31	Zhejiang to Establish an Export District	23:28
AsiaSat I: Good market Prospects	18:6	Trade-Mark Faker Brought in the Dock	23:28
CNPC's Foreign Business Brisk	18:19	Foreign Loans Used in Urban Construction	23:28
Sino-US Aviation Ties Continue	18:19	China Invites 4,500 Foreign Experts	23:29
Principles for Foreign Investment	18:19	China Boosts Economic Ties	24:29
Jaycee, the Hangzhou Style	18:20	Shipbuilding Gains Momentum	24:29
Establish Luxury Restaurants Abroad	18:20	Overall Plan for a Development Zone	24:30
Sales Agents Sought for Detector Units	18:21	Xiamen Improves Infrastructure	24:30
China Runs Brewery With Czechoslovakia	18:21	Haikou Builds Its Own Oil Refinery	24:30
Amended Joint Venture Law: A Major Step to Improve Investment Climate	19:24	UN Helps Develop the Tarim Oilfield	24:31
The Law of the People's Republic of China on Joint Ventures Using Chinese and Foreign Investment	19:27	Guangdong Holds Hi-Tech Symposium	24:31
Foreigners Apply for Chinese Patents	19:30	Beijing Radios Enter Foreign Market	24:31
Petrochemical Firm Seeks		Rules Set Up for Land Management	25:28
		International Payments Improved	25:29
		China Trains African Technicians	25:29
		'China Town' to Be Built in Landon	25:30
		1991 Fishing Tackle Show	25:30
		Joint Ventures Do Well in China	26:32
		Hazardous Export Goods Made Safe	26:32
		Foreign-Owned Enterprises Increase	26:32

INDEX

	Issue No.	Page No.		Issue No.	Page No.
Sino-British Petrochemical Project	26	33	'Thunderstorm' Recaptures Beijing Audience	1	33
New Digital Exchange System From Sweden	26	33	The National Exhibition of Industrial and Applied Arts	2	32
Huizhou Foreign Investment	26	34	Wang Zhongnian's Landscape Painting	2	32
New Energy-Saving Technology	26	34	Fossilized Dinosaur Skin Discovered	3	33
8) Economic Reform			The Charm of Realistic Paintings	4	32
Improving the Enterprise Contract System	2	4	China's Arts and Crafts	5-6	18
Faster Coastal Growth Urged	2	6	Cutting Pictures on Photo Paper	7	32
Steadily Developing the Economy	3	17	The Film Industry on a Roll	8	34
Keeping Private Business on the Right Track	4	4	National Culture Important for Literature to Flourish	9	19
5 Principles for Enterprises	9	36	Artists Across the Straits Collaborate	9	40
How is China's Economy?	11	4	Movies Should Entertain, Educate	10	8
Company Screening in Fall Swing	11	8	Confucius on Stage in Beijing	10	32
Children Become 'Little Assists'	12	28	First National Piano Competition	10	33
Why China Needs Economic Readjustment	13	26	Institute Preserves Literary Heritage	11	31
Listening to the People	14	24	Rock Concert at a Stadium	11	32
New Measures for Current Reform	17	32	Engravings Display Vigorous Style	12	32
Two 'Extremes' to Be Avoided	17	32	Tujue Culture Discovered	12	33
Integrating Planned Economy With Market Regulation	22	16	Shanghai Boom in Cultural Studies	12	34
Able Persons Run Factories	24	28	International Award for Chinese Film	15	32
Theories Guiding China's Reform	25	26	Beijing to Hold Week of Religious Music	15	33
Development of Private Enterprises	26	35	Zhou Enlai on Film Screen	16	24
9) Environmental Protection			Cinema Finds a Superwoman	18	26
Tibet to Establish World's No.1 Preserve	15	7	TV Films Laud Everyday Heroes	19	34
Saving Wildlife: A Nation Mobilized	16	18	Opera School Stages World Classic	21	33
3. Culture			Nuoxi Operas Lure Scholars and Guests	21	34
1) General			Cradle of Artists	22	33
Chinese Culture: A Political Issue	4	6	Publication of Mao's Talks Marked	23	6
Evidence of Yi-Shu Link Discovered	8	32	Secret of Ancient Dances Discovered	23	33
National Culture Important for Literature to Flourish	9	19	Ancient Music Revived at Concert	24	34
China Declares War on Pornography	12	22	Spectacular New Artwork Displayed	25	33
Shanghai: Culture Still Flourishing	12	26	'Northeast Wind' Sweeps Beijing Theatre	26	37
2) Art and Literature			3) Education		
Well-Known Painter Li Keran Mourned	1	9	Yuan Mu Meets College Students	3	7
The 2nd International Wuqiao Acrobatics Festival	1	32	Gearing Education to Nation's Needs	5-6	5
			Villagers on Quest for Knowledge	5-6	28
			Anti-Illiteracy Gains Momentum	7	5
			Serving Mankind With Knowledge	7	25

INDEX

	Issue No.	Page No.		Issue No.	Page No.
Progress, Problems in School Work		9: 36	China		7: 33
Rural Students Want Education		11: 25	194 AIDS Cases Discovered in China		9: 8
Foundation Solicits Attention to Education		15: 9	Mental Counselling: Budding in China		10: 7
Jiang Zemin Assures Returned Students		21: 29	Physical Fitness: Theories and Practice		11: 22
Chian to Send More Students Abroad		25: 5	Medical, Health Goal for 2,000		11: 27
.... More Students Come China's Way		25: 5	Non-Scalpel Vasectomy Re- cognized		11: 33
4) Science and Technology			China Drafts Plan to Combat AIDS		14: 9
Prosperity Hinges on Science, Technology		1: 7	Success in Treating Male Sterility		20: 33
Scientific and Technological Development Requires a Stable Policy		3: 18	New Method of Treating Vasculitis		21: 32
The Key to Modernization—Science and Technology		4: 16	6) Sports		
College Students Challenge Scientific and Technical Difficulties		5-6: 32	Confidence Builds for 11th Asiad		12: 7
China Launches Fifth Telecom-Sat		7: 8	Asian Games Projects Progressing Smoothly		13: 32
'Prairie Fire Programme' Trains New Farmers		7: 18	Logo and Mascot of the 11th Asian Games		13: 33
Science Helps Change Farmers' Lot		7: 29	China Excels at Sport Parachuting		14: 32
Farmers Pin Hopes on Scientific Farming		9: 8	Asian Games: Millions of Chinese Pitch In		14: 33
China Fights Against Computer Virus		11: 32	Shaolin Temple's First Foreign Disciple		15: 29
China: Debut on World Sat Market		16: 6	China's 10 Best Athletes of 1989		17: 34
First Chinese Crosses Antarctica		17: 8	ASIAD: Steroid Testing Lab Certified		17: 35
China Enters World of High Technology		18: 9	Asiad TV Network Takes Shape		20: 32
Exploring the Mysteries of Keke Xili—the No Man's Land		18: 24	Three-Nation Expedition Conquers M. Everest		22: 7
New Virus Makes Inroads on Computers		19: 6	China's Asian Games Village		22: 32
Beijing Greets Antarctic Adventurers		21: 7	Beijing International Kite Festival		22: 34
A Magnificent Scientific Exploit		21: 22	Donations to Asian Games		23: 31
New Discoveries in Giant Panda Research		24: 32	1990 Chinese Cup Gymnastics Competition		23: 32
5) Medicine and Health			Asian Discus Record Broken		23: 33
China's International Health Technology Co-Operation		3: 31	Arts Festival to Enliven 11th Asian Games		25: 32
Removing Aorta Tumours		4: 33	China Forms Its 11th Asiad Squard		26: 4
China's Hand Surgery Leads the World		5-6: 21	The Asian Games Songs		26: 36
Yan Hongchen and Syringomyelia		5-6: 23	7) Archaeology and Culture Relics		
Retina Pigment Degeneration Treated in			Australopithecus Skull Discovered		1: 32
			Important Cultural Relics Discovered in Shandong		3: 32
			Shanghai Symphony Orchestra		3: 32
			A Splendid Historical Record: Modern China		3: 34
			The First Romans in China		4: 34

INDEX

	Issue Page No. No.	Issue Page No. No.
Living Buried With Dead 5,200 Years Ago	5-6: 32	Farmers Cut Expenses 12: 28
Pyramid-Style Structure Discovered	5-6: 33	Cultivating a New Generation for the Future 24: 19
Shang Artifacts Found	7: 34	6) Population and Life
Ancient Bell: A Witness of Beijing Histories	11: 33	Beijingers' Average Life-Span Increased 1: 28
Ancient Ruins in Inner Mongolia	12: 33	Urban Residents Spending More Rationally 1: 29
Tujue Culture Discovered	12: 33	Resettlement Plan Makes Headway 7: 7
Bronze Age Village Ruins Discovered in Liaoning	18: 24	The Population Boom and Family Planning 7: 22
8) Books		Huge Population: A Political Edge 11: 25
Biography 'Li Dazhao' Published	2: 34	China's Family Planning Policy 15: 29
'Qigong Series' Off the Press	2: 34	A Population Statement Queried 17: 33
Transmission of Economic Information	3: 30	Migration and Urbanization 18: 14
China Rich in Heritage of Economic Theories	10: 34	Population Problems and Countermeasures 19: 16
A Dunhuang Document to Be Off Press	16: 25	Family Planning: Everyone's Concern 19: 21
A Guide to Investment	16: 26	7) Religion
Music Encyclopedia Off the Press	16: 26	8) Others
Eight Years of Panda Books	22: 30	Changes in Chinese-Made Garments 4: 29
9) Others		'Earth Day' Message: Treasure Our Planet 19: 7
Building Beijing for Seven Generations	8: 33	Tourism Picks Up in China 22: 7
New Changes in Book Market	17: 33	TV Programme Helps in Finding a Spouse 25: 27
Mass Cultural Activities Flourish in Guangzhou	22: 18	
4. Social		II. International
1) General		1) General
Conditions Improve in Poverty Belt	15: 9	Looking Towards the 1990s 1: 10
Jiang Zemin's Family	18: 22	Qian Qichen on the World Situation 3: 10
2) Youth		Regional Conflicts Ease But Snags Still Exist 3: 13
Village of Longevity in Inner Mongolia	118: 23	Third World's Role in International Affairs 4: 10
3) Senior Citizens		Third World Struggles to Develop Its Economy 7: 11
Aged Find Joy in Streets	10: 28	The World Debt Situation in the 1990s 8: 10
New Help for Rural Elderly	11: 20	Environmental Diplomacy Gains Importance 8: 12
4) Women		Upholding the Five Principles Of Peaceful Coexistence 9: 9
Homebound: Shanghai Women Workers	2: 31	
100 Rural Women Honoured for Merits	12: 6	
5) Children		
A Boy Sets the Example	3: 6	

INDEX

	Issue No.	Page No.		Issue No.	Page No.
North-South Gap Continues to Widen	10	11	World	12	10
Open Skies Treaty to Be Signed in May	10	13	Tokyo Seeks More Political Clout	25	13
New Wave of Jewish Immigration Arouses Concern	12	12	Korea		
AALCC Calls for New International Order	13	9	Jiang, Kim Renew Sino-Korean Ties	13	8
Beijing Marks World Law Day	18	4	Syria		
Beijing Greets Antarctic Adventurers	21	7	Syria Deals With the Trend Towards Detente	13	14
The World Sees Trade Blocs Increasing	21	8	Pakistan		
Three-Nation Expedition Conquers M. Everest	22	7	Bhutto Leads Pakistan On Road to Prosperity	13	15
Complexities of Human Rights	22	10	Philippines		
Warsaw Pact Faces Uncertain Prospects	22	13	Tough Challenges for Aquino	14	10
East-West Relations at the Crossroads	23	10	India		
For an Equitable Solution to the Third World Debt Problem	24	9	Urbanization in China and India	18	18
			Mongolia		
			Monglian Hural Leader in Beijing	20	6
			Sino-Mongolian Communique	21	4
			Viet Nam		
			China, Viet Nam on Kampuchean Issue	21	5
			United Arab Emirates		
			Sino-UAE Ties Solid and Friendly	21	5
			Thailand		
			Economic Surge Seen in Thailand	21	10
			Israel		
			Middle East Killings Strongly Condemned	23	6
			2. Africa		
			South Africa at the Crossroads	2	11
			A Significant Step Towards Arab Unity	3	12
			Mandela's Release: A Wise Step Forward	9	13
			Africa's Struggle Against Colonialism Continues	13	11
			Africa Burdened by Foreign Debt	19	10
			Egypt		
			Egypt Call Unveils Yang's Arab Tour	1	5
			Chinese Leaders Meets Mubarak	22	6
			Namibia		
			China Recognizes Republic of Namibia	14	6
2) China and the United Nations					
Anti-Illiteracy Gains Momentum	7	5			
Resolution on China Vetoed at US Session	12	8			
3) China's Foreign Relation, Countries and Regions					
1. Asia					
Yang Visits Gulf Nations	2	5			
Asian Games Projects Progressing Smoothly	13	32			
Logo and Mascot of the 11th Asian Games	13	33			
Beijing Improves Traffic for Asian Games	18	25			
Asiad TV Network Takes Shape	20	32			
Dealing With Threats to Arab Nations	25	10			
Tanzania					
Tanzania-Zambia Railway Continues to Make a Profit	4	31			
Indonesia					
Indonesia: Improving Relations With China	8	8			
Japan					
Japanese-US Relations in a Changed					

INDEX

	Issue No.	Page No.		Issue No.	Page No.
Mauritius			Dr. Hammer: Confidence in China Unchanged	11:	8
Mauritius in Rapid Economic Development		14:12	New Demonstration of Hegemonism	11:	9
Lesotho			CATIC Objects to Mamco Decision	11:	28
China Breaks Ties With Lesotho		17: 6	US Tactics Employed in Arms Control Talks	20:	8
Guinea			Li Peng Meets US Study Group	21:	4
Beijing Welcomes Kolingba, Obiang		18: 5	MFN: a Boon to Both China, US	22:	5
China Cuts Ties With Guinea Bissau		24: 5	US-Soviet 'Partnership' in the Making	25:	9
Kenya					
Kenya Benefits From Co-operative Movement		20:11			
 3. Latin America			 5. Europe		
Latin America Enters the 1990s		5-6:14	China Respects E. Europe's Choices	1:	8
China Sets Principles for L. American Ties		22: 4	World Attention Focuses on German Unification	11:	11
Yang Ends Latin American Mission		24: 4	Britain		
Yang Shangkun Meets the Press in Latin America		24: 7	UK's Decision a Violation of Its Commitment	7:	9
Panama			UK Abode Decision Protested	17:	7
US Invasion of Panama a Glaring Act of Hegemonism		2:10	Britain's Abode Plan Protested	18:	6
Uruguay			Federal Republic Germany		
Yang's Visit Furthers Sino-Uruguayan Ties		23: 5	Berlin Disagrees With Bonn's Plan	4:	9
			A Look at Helmut Kohl's Foreign Policy	19:	11
 4. North America			Soviet Union		
United States			US-Soviet Relations More Co-operative	5-6:	9
US Invasion of Panama a Glaring Act of Hegemonism		2:10	Soviet-US Relations Face New Test	7:	13
US-Soviet Relations More Co-operative		5-6: 9	China Welcomes More Sino-Soviet Exchanges	12:	8
Amendment on Sanctions Condemned		7: 6	Another Milestone in Sino-Soviet Relations	17:	4
Soviet-US Relations Face New Test		7:13	China, USSR Strengthen Economic Co-operation	17:	9
Top Leaders Meet US Ex-Congressmen		8: 6	Li Peng's Trip Helps Beijing-Moscow Ties	19:	4
Who's Hurting Who With Sanctions?		9: 4	Li Peng Meets the Press in Moscow	19:	8
US' Human Rights' Charges Protested		10: 5	US-Soviet 'Partnership' in the Making	25:	9
Human Rights Concern or Power Politics?		10:10	Albania		
Li Predicts End to Sino-US Difficulties		11: 5	Albania Embraces Changes	25:	11

officials of the county Party and government agencies, as well as cadres, workers and staff of enterprises.

The efforts to make Guangdong green did not stop in Zijing County. Following Zijing's example, another 21 counties, each having 70,000 hectares of barren hills, also conducted a vigorous four-year campaign to cover all their barren hills with trees.

During the campaign, cadres at various levels of the province set up a total of 12,459 model afforestation sites, covering 660,000 hectares, almost 20 percent of the total area afforested in the past four years. The province also collected 1 billion yuan for afforestation through bank borrowing, public support and other donations. (Each year the Chinese government earmarks 2 billion yuan for afforestation.) Altogether, some 2.64 billion quality tree saplings were cultivated in fertilized bags.

During the five years, the afforested area increased from 4.64 million hectares to 7.6 million hectares, and the percentage of wooded areas rose from 26.7 to 45.1. The annual growth of forest resources increased from 10.64 million cubic metres to 15.85 million cubic metres, while annual forest consumption dropped from 14.47 million cubic metres to 8 million cubic metres. In 1987, Guangdong was the first province in China to realize the goal of having the growth rate of forest resources surpass the rate of consumption. The province has managed to maintain this positive trend.

Today, farmers, the main force behind the afforestation project, are extremely happy to see that the trees they planted have grown so well. One elderly farmer said, "After liberation, the Communist Party did three good things for us. One was land reform, the second was the establishment of the responsibility

system linking reward with output, and the third is the current afforestation."

Benefits From Afforestation

It is still premature to present a full picture of the ecological, economic and social benefits brought to the province because the trees have not yet reached maturity. However, some benefits now are visible in many fields, especially in those locations where the trees were planted in the early years of the campaign.

In 1985, Shixing County in northern Guangdong had 22,000 hectares of barren hills. Inspired by the province's call to afforest the hills, the local people covered all their barren hills with trees in 1988. The county now has a total forested area of 150,000 hectares. Wherever you travel in the county, you see green and luxuriant trees and shrubs covering mountains. The county now ranks first in lumber resources, the annual economic return per cubic metre of timber and the rate of wooded areas. The county began to plant trees on hills in 1979. Now, with soil and water resources being conserved through afforestation, there is a better ecological balance than before. In the dry season of 1984, for example, the Mojiang River which crosses the county had a flow of 5.5 cubic metres per second, compared with the 3 cubic metres per second in 1978. In addition, the content of sand in the river during flood season in the same period was reduced by 20 percent. Some 360 hectares of dry farmland on hills have been transformed into paddy fields. Double cropping paddy rice, instead of single cropping, is now quite common and successful. In 1976, a one-month dry spell adversely affected 5,400 hectares of paddy fields, 43 percent of the county's total. However, in 1989, though

the county suffered the most severe drought disaster since 1971, only 9.6 percent of the county's paddy fields were affected. The county's rice output that year topped its former record.

Situated in the Chaoshan Plain, Puning County, known as "the home of fruit trees," has only 27,000 hectares of cultivated land, including 20,000 hectares of paddy fields. Some 100,000 hectares are hilly land. In 1986, the second year of the provincial afforestation campaign, there were 20,000 hectares of barren hills in the county. Some land had been damaged by the unchecked planting of pineapples. During the campaign the county adopted a policy that gave priority to both afforestation and planting of fruit trees and stressed both long- and short-term economic results. On the hill slopes in Meitang Town of the county, for example, there is a vast stretch of mixed green belt, containing olive, carambola and tea trees. According to Liu Bangxin, director of the county forestry bureau, these three kinds of trees each have particular features which are beneficial to the ecological balance.

The trunk of the olive tree is tall and the tea tree low, with the carambola coming between. The three different plants also have different root systems—going deep, medium and shallow into the soil. Moreover, they have different living habits. Therefore, mixed plantings of the three types of trees can make full use of sunlight and natural fertility. The plants produce a profit of 15,000 yuan per hectare annually. Out of the county's total industrial and agricultural output value of 1.02 billion yuan in 1989, more than half was from timber, fruit and their processed products.

The economic results obtained from timbering and fruits are obvious not only in mountainous

areas but also along the coastal areas. In Hubian Village of Haimen Town in Chaoyang County, a vast stretch of citrus trees are growing well in the sandy beach area immediately behind the windbreaking forest belts which line the seashore. The citrus is named "Sandy Beach Citrus" for it is the first time that citrus has been successfully grown on a sandy beach. With the protection of the belt, the citrus trees there grow quicker than elsewhere and produce a tasty fruit which sells well on the market. Half of the citrus trees planted four years ago on 30 hectares of sandy beach now bear fruit, providing annually 30 tons of citrus per hectare.

Guangdong's experience gained during the afforestation project is that first consideration should be given to economic results. They come to realize that this can be achieved by a mixed planting of fruit and other trees. Fang Danian, director of the Shantou Forestry Bureau, said, "At present, the state still has difficulty allocating a lot of money for afforestation. If we don't proceed from an economic basis, it is likely that our achievements will not be maintained." Fang said that in 1973 when he organized farmers to build a seashore shelter belt, he did not take short-term economic returns into

consideration. As a result, the trees were cut by farmers for firewood. Now, however, things have changed. At the same time as they plant ordinary trees, they also plant citrus and plum trees. Farmers can benefit from fruit orchards and, knowing that the benefits they get are a result of the forest belt protection, no one wants to cut trees.

"If we want to avoid damage to forested hills, we should find a solution to the problem of farmers' firewood," said Ouyang Yi, director of the Heyuan City Forestry Bureau. "Only then can we achieve long-term benefits from our work."

Provincial Party Secretary Lin Ruo obtained first-hand experience in his experimental afforestation site. He not only organized farmers to plant trees for lumbering, but also encouraged them to plant fruit trees on suitable land, and to develop livestock breeding and sideline products. His goal was to let them get a return on their investment as soon as possible. According to statistics, some 20 percent of newly afforested areas are fruit trees, medicinal herbs and other plants with a market value. Six percent are firewood trees. Such an approach in the afforestation project has paved the way for Guangdong to protect its forest resources.

Many county officials in Guangdong believe that the campaign to wipe out barren hills in Guangdong will not only bring about ecological and economic benefits, but also exert a tremendous social impact. At the beginning of the campaign, many people said that the project was doomed to fail. Under the leadership of the Communist Party and government, however, the goal was realized. The success of the project thus greatly enhances the prestige of the Party and the government. During the campaign, many leaders changed their previous work style of standing aloof from the masses, thus drawing the government and the people closer together. The campaign also presented the people an opportunity to better understand the advantages of the socialist system.

A forestry expert in Beijing said that the greening of all of Guangdong's barren hills shows to people at home and abroad that the prospects for afforestation in China are bright. It is quite possible, he noted, for China not to follow the beaten track of Western countries of realizing industrialization at the expense of their forest resources and afforesting their land with industrial profits. ■

Yantai to Hold Chinese and Foreign Book Exhibition

A large-scale exhibition of famous books from home and abroad will be held from July 16 to 22 in Yantai, a beautiful seaside resort.

It is jointly sponsored by the China International Book Trading Corp. and the Yantai Foreign Books Exchange Centre.

It is reported that about 5,000 different kinds of Chinese and foreign books published in China and about 3,000 published in Hong Kong, Taiwan and foreign countries will be on display. Books which are representative, of high-quality, popular and newly published make up a major part of the fair.

During the exhibition, not only major domestic publishing houses, but also those in the same trade from other countries and regions including Hong Kong, Taiwan, Singapore and South Korea, will gather in Yantai to vie for business.

Introduction to 20 Key Projects Under Construction

by Our Staff Reporter Han Baocheng

This is the second and last part of the article with the same title. The first part appeared in our last issue.—Ed.

9. Third Phase of the Qinhuangdao Harbour Coal Wharf

The project is China's first modern coal wharf to unload coal directly from freight trains to cargo ships. It is China's largest coal export wharf.

Two 35,000-ton berths and one 50,000-ton berth, with a combined loading capacity of 30 million tons, were completed and put into service in 1989. Construction of the whole project, with a total investment of 650 million yuan, will wind up this year. During construction, the foreign contractor claimed bankruptcy and unilaterally terminated the contract with the Chinese

partner, adding great difficulties to the construction of the project. Displaying the spirit of self-reliance and hard struggle, the Chinese contractors in charge of construction, design and equipment manufacturing did their best to overcome the difficulties, fulfilling the task on schedule. The quality of engineering work was more than satisfactory with a 14 percent savings in costs and additional savings in steel material.

10. The Beijing-Tianjin-Tanggu Expressway

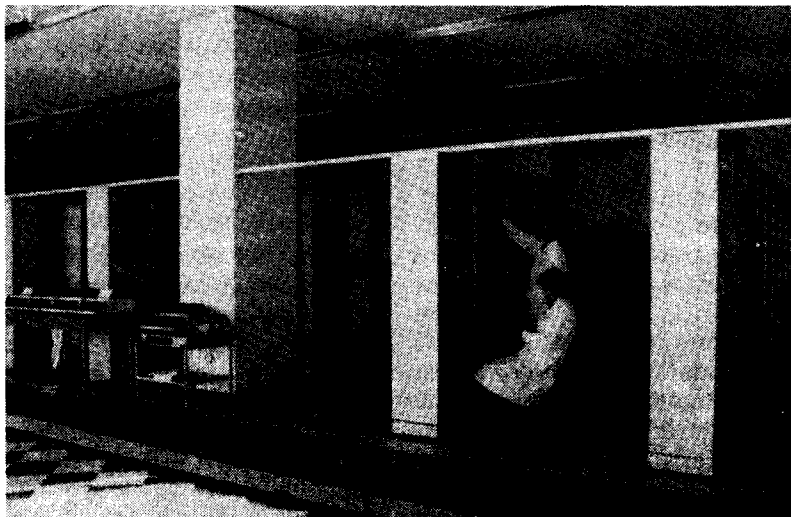
The project, a trunk highway linking Beijing with Tianjin and Tanggu New Harbour, extends

142 km. The expressway will be monitored by a close circuit TV system and supported by automatic telephone and other service facilities. It is designed for a maximum passing speed of 120 km per hour. International bidding was invited for the construction of the project, and it is the first project in the history of China's highway construction that adopted the World Bank's construction management system. The Bank held responsibility for engineering supervision of the project.

The project involves a total investment of 1 billion yuan, including a US\$150 million loan from the World Bank. The project, started in 1987, is expected to be completed and open to traffic in 1992. By then, it will improve the communication and transportation link of the Beijing-Tianjin-Tanggu area, shortening bus transport time between Beijing and Tianjin. It will also help speed up the shipment of goods at Tianjin Harbour and make it possible for the port to undertake door-to-door transportation, thus alleviating the pressure on railways.

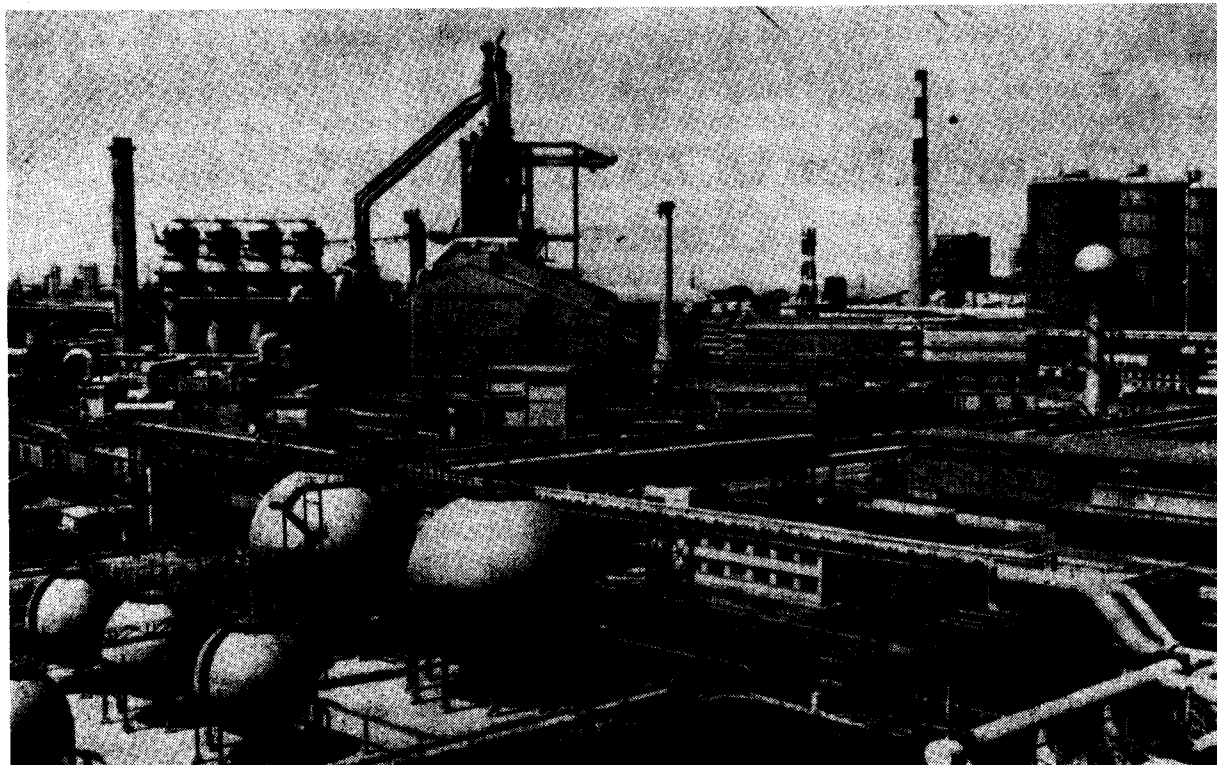
11. Expansion of the Beijing Telephone Networks

With a sharp increase in China's international exchanges following its reform and opening to



CHEN ZONGLIE

Transmission room of the China International Telecommunications Building.



The Shanghai Baoshan Iron and Steel Complex.

CHEN ZONGLIE

Forty Years of Capital Construction

In the 40 years since the founding of the People's Republic, major projects were built during various development stages to promote the construction of the national economy. This has enabled China to gradually build up an independent and fairly complete industrial system and constantly expand its economic might.

For example, during the 1950s, the country undertook construction of 156 key projects with the aid of the Soviet Union and some East European socialist countries, laying the foundation for New China's industrial construction. During the 1960s, China successfully developed the Daqing Oilfield and completed the construction of three trunk railways, in the southwest (namely, the Chengdu-Kunming,

Chongqing-Guiyang and Xiangfan-Chongqing railways), the Panzhihua Iron and Steel Works in Sichuan Province, and the Changjiang River Bridge in Nanjing. In the 1970s, China completed such key projects as the expansion of sea harbours, and large chemical fertilizer, polyethylene and chemical fibre plants with imported technology and equipment. In the 1980s, China's construction of key projects centred around the power industry, including coal production bases in Shanxi, Shaanxi and Inner Mongolia, the Datong-Qinhuangdao coal transportation line, the Qinhuangdao coal dock, as well as the first phase of the Baoshan Iron and Steel Complex in Shanghai. These projects have expedited China's national economy and laid a solid foundation

for its future development.

The Third Plenary Session of the 11th Party Central Committee held at the end of 1978 decided to shift the focus of Party and state work on to socialist modernization construction. Later, agriculture, energy, transport and communications, education and science were defined as projects of strategic importance to the national economy. Beginning in 1982, the government picked out a number of key projects from among those under construction and organized their construction according to a reasonable schedule. These chosen projects enjoyed state priority in supplies of capital, materials, equipment manufacturing, transport facilities, design and construction. In the eight years up to December 1989, altogether

the outside world, telephone communication has emerged as a key problem plaguing the capital city of Beijing. As a solution, the state decided to use a French government loan of 600 million French francs as part of the total investment of 600 million yuan for the expansion of the city's telephone networks. The project is the largest of its kind in China in terms of the capacity of inner-city telephone exchange imported. There are also plans to introduce from abroad a 169,000-channel programme-controlled telephone exchange and a 4,700-channel long-distance telephone exchange. The completion of the project in 1991 will bring the city's telecommunications technology up to the advanced level of the 1980s and increase the telephone exchange capacity of Beijing to 500,000 channels, including 280,000 channels of programme-

controlled exchanges, or more than 70 percent of the total, and 6,700 channels of long-distance automatic telephone exchanges. This will help alleviate the strain on Beijing's telecommunications service and create conditions for future development of new digital telecommunications networks.

12. Second Phase of Shanghai Baoshan Iron and Steel Complex

The Baoshan Iron and Steel Complex is a large, highly automated, highly efficient project with high quality and a low level of consumption. The first phase of the project, completed and put into operation in September 1985, has an annual production capacity of 3.12 million tons of crude steel and involves a total investment of 12.877 billion yuan, including US\$2.78 billion in foreign exchange. The equipment is primarily from abroad (only 12 percent is China

made). The second phase of the project is still under construction but the plant's cold continual rolling, hot continual rolling and continuous casting workshops have already been completed. The installation of the furnace, sintering and coking equipment is well under way. The total investment involved is 17.24 billion yuan, including US\$2 billion in foreign exchange to import equipment.

Upon completion, the second-phase project will have an annual capacity of 6.5 million tons of pig iron, 6.71 million tons of steel, 4-million tons of hot rolled steel plate, 2.1 million tons of cold rolled steel plate and 500,000 tons of seamless steel pipes. Some of these products are currently in short supply and have to be imported. The project will therefore help save foreign exchange otherwise used to import high-grade steel products and up-

319 such projects were built using a total investment of 311.7 billion yuan. They included 251 energy, communications, raw materials projects, absorbing an investment of 283.8 billion yuan. In the meantime, the state adopted a series of policies and measures to guide the localities and enterprises to channel their capital into the construction of key state projects.

The ten years of reform and opening up witnessed the fastest progress in the construction of key state projects. Energy construction, centred around power plants, progressed at a rate faster than any previous period. Altogether, 61 million kw of power generating capacity was added, equal to the aggregate sum of the previous 30 years since the founding of the People's Republic. This has made China one of the few countries with an installed capacity exceeding 100

million kw. Also in the ten years, China added 192 million tons to coal mining capacity, equal to one third of the coal mining capacity added in the 40 years. The newly added oil drilling capacity surpassed 100 million tons, equal to the increased capacity in the previous 30 years. By 1988, China's energy production ranked third in the world. Transport construction progressed too. Close to 60 percent of the last 40 years' increased handling capacity of the coastal harbours was built up in the last decade, and electrified railways built in the ten years, totalling 5,000 km, was five times more than the aggregate length built in the previous 30 years. In the last decade, China also built a considerable number of iron and steel works, electrolytic aluminum, ethylene, synthetic ammonia, cement and other important raw and processed materials projects.

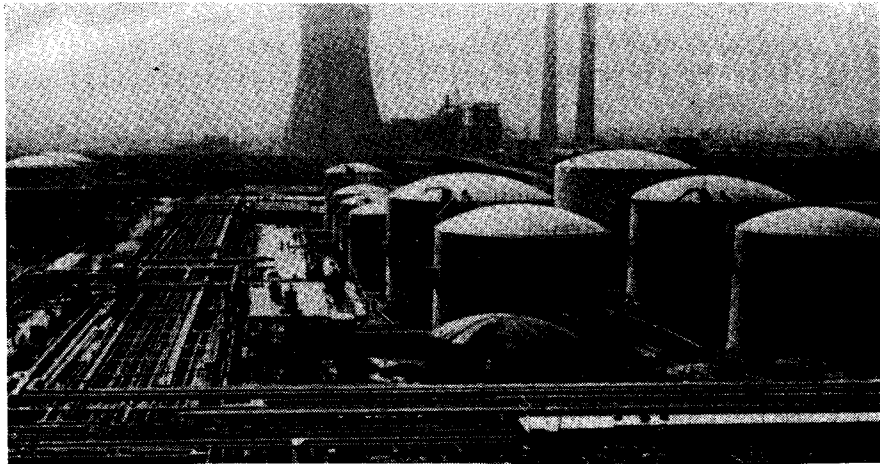
China is a developing socialist country. Construction of these projects naturally met with many difficulties, especially in respect to inadequate funds and materials, poor technology and low managerial level. Nevertheless, China achieved progress because it was able to appropriately concentrate the use of finance, materials and personnel to complete key projects. Even in 1989, a year of economic retrenchment, China was still able to concentrate on the construction of key projects. According to initial statistics, in 1989 China added close to 25 million tons to coal mining capacity, more than 17 million tons to crude oil exploitation capacity, 9 million kw to generating capacity, 3.18 million km to railway double tracks, and 48.85 million tons to freight handling capacity for the various harbours.

date China's production of steel in terms of output, variety and quality.

13. Expansion Project of the Jinchuan Non-Ferrous Co.

The Jinchuan Non-Ferrous Co. in Gansu Province is China's only large nickel production base complete with mining, dressing and smelting plants. The proven deposits of nickel and cobalt in Jinchuan rank first in the country, the copper deposits second. Jinchuan also abounds in many rare and precious metals which have the potential to be exploited on a large scale.

The first-phase expansion project, completed in 1985, has an annual production capacity of 20,000 tons of nickel. Construction of the second phase, involving a total investment of 1.35 billion yuan, began in 1986. There are plans to dress 37,000 tons of nickel and copper, smelt 30,000 tons of these metals, and produce 220,000 tons of sulfuric acid and a small amount of pla-



The Yangzi ethylene project.

CHEN ZONGLIE

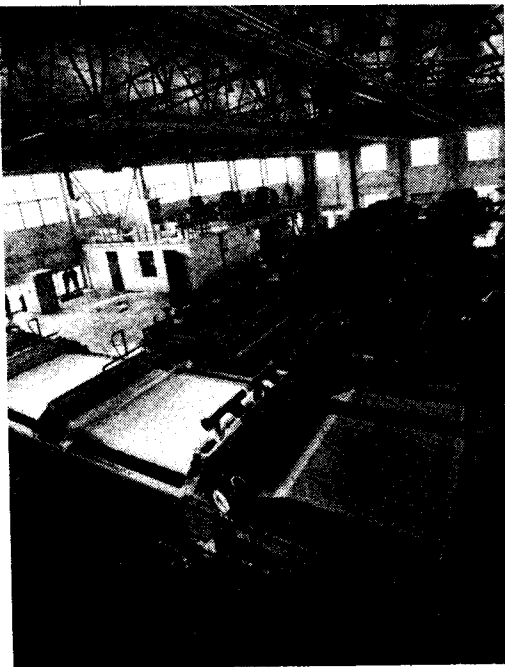
tinum, palladium and gold. The completion of this project will greatly raise China's self-sufficiency rate for nickel and will bring its mining, dressing and smelting technology up to the advanced international level of the 1980s.

14. First Phase of the Qinghai Potash Fertilizer Plant.

China's grain production has

been seriously handicapped by a short supply of potash fertilizer.

The Qinghai Potash Fertilizer Plant in Golmud is the only large potash fertilizer factory in the country. Construction of this project, using an investment of 466 million yuan, began in 1986. Major equipment for the plant is being installed and some are in trial operation. The first phase of



XU XIANGJUN

The potassium oxide workshop of the No. 2 Ore Dressing Mill of the Qinghai Potash Fertilizer Plant.



Jinchuan Nonferrous Metals Co.

CHEN ZONGLIE

the project is expected to be finished in 1991. By then the plant will supply the state 200,000 tons of potassium chloride each year, saving the state US\$20 million in foreign exchange otherwise used to import the fertilizer.

15. The 300,000-Ton Yangtze Ethylene Plant in Nanjing

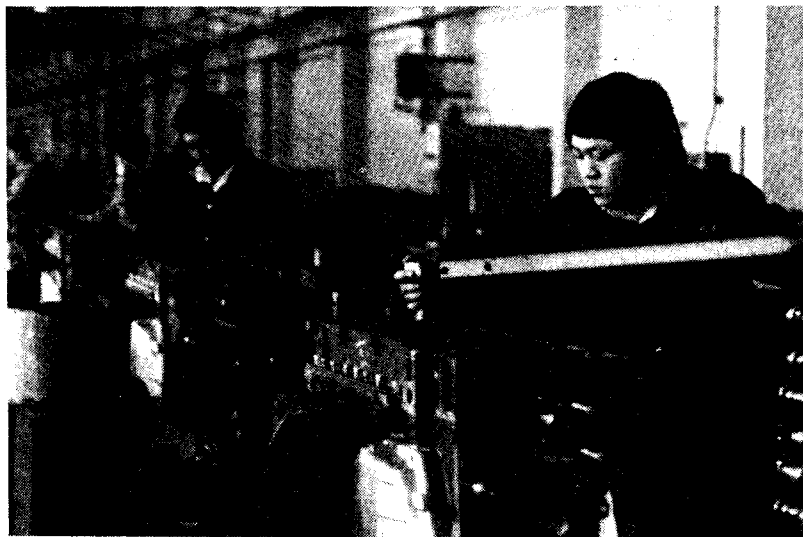
This project produces mainly raw materials for plastics and synthetic fibre. The project involves a total investment of 6.684 billion yuan, including 4.5 billion yuan in foreign loans, to pay for new equipment and modern technology. It is designed to have an annual processing capacity of 3 million tons of crude oil, and produce 300,000 tons of ethylene, 280,000 tons of plastics, 450,000 tons of benzoic acid, 180,000 tons of glycol and 600,000 tons of organic chemical raw materials annually. The large petrochemical works will boast a complete array of processing methods and support projects and yield substantial economic returns.

Construction of the plant began in June 1984. The first-phase project which produces mainly ethylene has been put into production and the second phase, designed to produce mainly aromatic hydrocarbon, is now in trial-operation.

When the project is completed and put into operation, it will be able to provide the Yizheng Chemical Fibre Plant with some 600,000 tons of raw material for the production of monomers and other light industrial enterprises with 280,000 tons of raw material for the production of synthetic resin. The project will help to increase the supply of petrochemical products and dressing materials.

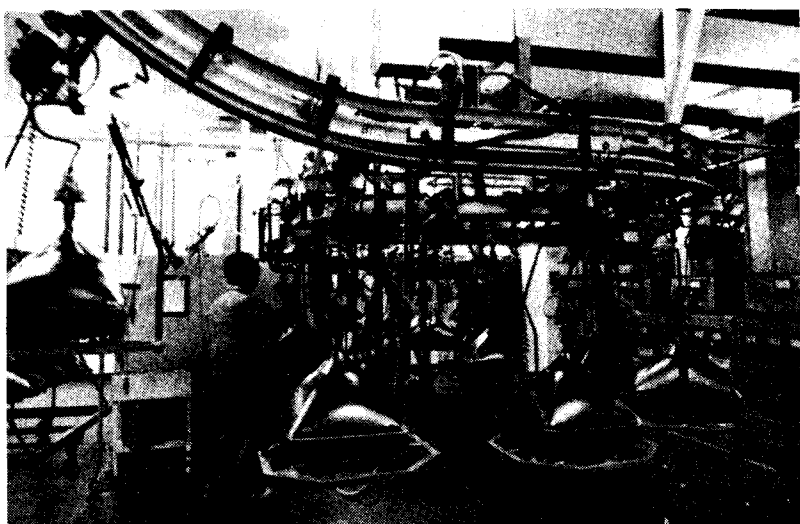
16. Steyr Heavy-Duty Automobiles

China's heavy-duty automobile industry has remained technologically inferior, failing to meet the needs of the national



The Steyr motor assembling workshop.

SHI PANQI



A workshop of the Beijing Colour Kinescope Factory.

XUE CHAO

economy, especially the needs of coal and power industries. Since the state had to spend a lot of foreign exchange for imports, it decided to introduce the Steyr 91-series heavy-duty automobile manufacturing technology from Austria, technology which is at the advanced level of the early 1980s. Construction of the project, involving a total investment of 700 million yuan, began in 1986 and is expected to be completed and put into operation in 1991. It will have an annual ca-

capacity of 10,000 heavy-duty motor vehicles and 15,000 engines. The project is also aimed at bringing together the scattered heavy-duty automobile enterprises to form the China Heavy-Duty Automobile Industrial Enterprise Joint Co. By breaking a production pattern characterized by compartmentalization, the joint company will boast an ability to design and produce high-grade heavy-duty automobiles in large batches, thus putting an end to the situation wherein Chi-



FU ZHENXING

Bao Zhongmou (right), general manager of the Synchronous Irradiation Laboratory Project, discusses technical matters with American and Japanese experts.

na's heavy-duty automobiles are poor in quality and monotonous in design. The project will help improve the supply of heavy-duty automobiles, now in short supply.

17. Beijing Colour Kinescope Project

The colour picture tube is the most important component of colour TV receivers. China has for a long time relied on importation of foreign tubes to meet the domestic need for expanded

production of colour TVs. The situation has resulted in high production cost of the product, seriously affecting the development of the domestic colour TV industry.

To change the situation, the state decided to introduce advanced foreign technology in order to establish its own colour TV picture tube production bases. One of these projects is in Beijing and has the investment of the Japanese National Co. It is

the largest Sino-Japanese joint venture in the electronics industry. Using a total investment of 500 million yuan, the project will have an annual production capacity of 1.81 million colour picture tubes. Construction of the project started in September 1987, and in July 1989 it began batch-production. It was completed in May this year, four months ahead of schedule.

18. Second Phase of the Yizheng Chemical Fibre Project

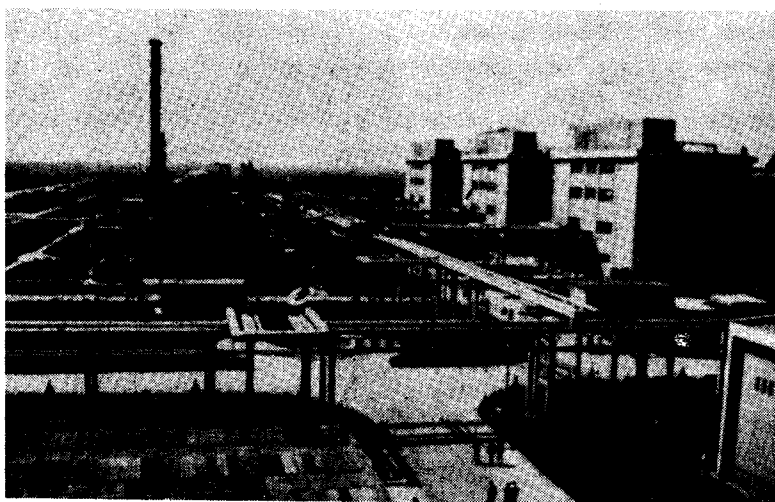
The Yizheng Chemical Fibre Industrial Joint Co. in Jiangsu is a large enterprise to be built with domestic and foreign funds. The first phase of the project, designed to have an annual capacity of 120,000 tons of polyester fibre and 63,000 tons of polyester chips, has a total investment of 1 billion yuan. It was completed between January 1982 and March 1987. The second phase is designed to have a production capacity of 120,000 tons of polyester fibre and 186,000 tons of polyester chips, using a total investment of 1.5 billion yuan. Construction of the project began in 1985 and is expected to be completed by the end of 1990; production is expected in 1991.

The construction of the Yizheng project marks China's entry into a new stage of the chemical fibre industry. It will supply the country with 489,000 tons of chemical fibre and related raw materials, some 25 percent of China's chemical fibre production capacity.

19. Fushun Detergent Chemical Works in Liaoning

Since 1980, the demand for synthetic detergent has been growing along with improvements in the standard of living. However, China has had to import the surface-active agent, the most important ingredient of the synthetic detergent.

The state has decided to build the Fushun Detergent Chemical Works in Liaoning using a total



The Yizheng Chemical Fibre General Plant.

CHEN ZONGLIE

investment of over 1 billion yuan, including a Spanish government loan of US\$150 million. Its designed production capacity includes 50,000 tons of fatty alcohol and 72,000 tons of straight-chain benzol alkyls. Construction of the project began in November 1989 and is expected to be completed by the end of 1992. By then, Fushun will become China's largest detergent raw material production base with an annual capacity of 1 million tons, putting an end to the situation wherein the state chiefly depends on foreign raw materials for synthetic detergent.

20. Hefei State Synchronous Irradiation Laboratory in Anhui

The synchronous irradiation device was first developed at the turn of the 1980s. Construction of the Hefei Synchronous Irradiation Laboratory, a high-tech project in keeping pace with world advanced level, was planned in 1977 as a state key project and begun in 1984. The project uses a total investment of close to 60 million yuan to construct one 800-million-electron-volt special electron synchronous irradiation accelerator with a radiant intensity of 100-300 milliamperes. The accelerator will be entirely designed, manufactured, installed and trial-operated by China. Thus far, the installation of the major equipment has been completed and the trial-operation, drawing to an end by December 1990, is expected to bear fruit. The project will fill in China's technological blanks and support the effort of those already working with the electron-positron collider in China. It will be widely used in physics, chemistry, biology and other basic sciences, as well as in applied and marginal science such as the science of materials, surface science and life research. Its presence will certainly promote the development of China's science and technology. ■

Liu Binyan's 'Second Loyalty'

Liu Binyan has made a name for himself in China and has been proclaimed a "star" or the "conscience of Chinese society" in some overseas newspapers. There are also some people in his homeland who lavish such titles on him as, noted reporter, noted writer and thinker... In 1985, Liu published an article entitled *The Second Loyalty*, advocating a so-called "critical spirit," i.e. one imbued with the courage to "criticize" the Party organization and even the Party Central Committee. This, Liu dubbed as "the highest loyalty" or "the second loyalty" to the Communist Party.

According to Liu, "the second loyalty" is different from "the first loyalty." From his point of view, "the first loyalty" is stupid and people who have this loyalty are not more than tools to absolutely obey the Party organization's lines. This kind of "loyalty" is not desirable. Only the "loyalty" he has in daring to "criticize" the Party organization is real "loyalty."

For expounding his "second loyalty," Liu specially searched out a model to serve as the hero of his piece of reportage *The Second Loyalty*.

In this article, which brought fame to the author both at home and abroad, Liu used fabricated materials to portray a typical character who has the "highest loyalty" as one "most resolutely supporting the guidelines of the Third Plenary Session of the 11th Party Central Committee, and devoting himself to the reform and four modernizations." This person is Ni Yuxian of the Shanghai Shipping Institute, who was actually a follower of the "gang of four" during the

"cultural revolution." In early 1986, Ni went off to the United States where he made lots of remarks against the Chinese Communist Party and the socialist motherland. Later, he became a member of the "China Democratic League." In 1989, he founded a reactionary organization with Wang Bingzhang called "the Chinese Democratic Party." On February 8, 1989, in the United States, he founded the "Liaison Organization for Promoting Democracy in China." From Ni's reactionary words and deeds, one can see what kind of a person Liu introduced as having "the second loyalty."

In early 1987, after seriously violating the Party's Constitution, disciplines and resolutions, attacking the four cardinal principles (that is, keeping to the socialist road and upholding the people's democratic dictatorship, the Communist Party Leadership, and Marxism-Leninism and Mao Zedong Thought), Liu was expelled from the Party. In face of criticism and education by the Party organization, Liu adopted the air of one who has been subjected to injustice and created a false impression on people. However, his activities during the turmoil enabled people, including those who had been deluded by him in the past, to see clearly what his "second loyalty" consists of.

Stirring Up Trouble

In March 1988, on receiving the Niemen scholarship offered by the United States, Liu, with his wife, flew to the other side of the Pacific Ocean for a year's advanced study and lecture programme at Harvard University.

In the capacity of a Chinese writer, a veteran reporter and a "scholar" studying in the United States, Liu shuttled between east and west in the United States and made the rounds of Bonn, Paris and London. Every now and then, he delivered speeches, published articles and held conversations and interviews with reporters. Eventually he emerged as one of the few "news figures" and "news sources" on Chinese problems available to the propaganda media of the West and overseas.

In late September 1988 when he delivered a speech at Harvard University, Liu, dismissing China's great achievements during the ten-year reform, asserted that there was no possibility for China's economic reform to succeed. Attacking the Chinese Communist Party, the core of leadership in China, he claimed that the "bureaucratic group within the Chinese Communist Party" was the basic reason for the Chinese mainland's inability to advance.

In early December 1988, Liu made a speech at the University of Maryland to overseas students from both sides of the Taiwan Straits, discussing the so-called "rise and fall of the Chinese Communist Party and China's future." Once again he said the reform "was destined to fail from the start" because China's "political system is irrational." He even publicly proclaimed that he was not against using "violent measures" in order to realize capitalism in China.

Then, on February 19, the day when the American President George Bush visited China, Liu, in an interview with the *New York Times*, voicing grievances on behalf of convicted criminals, criticized the US government for not protesting against the Chinese government on the issue of "political prisoners" as it had against the Soviet Union.

In March 1989, Liu gave a ser-

ies of lectures at Harvard University. On the rostrum he kept attacking the Chinese Communist Party and socialist China, claiming that the Party has proved a total failure, the ten-year reform has exhausted the Chinese economy, and so on.

In June 1989, he gave a talk at an informal discussion "On the Problems of Chinese Intellectuals." This was later published in full in the Hong Kong fortnightly *Commoner*, and turned out to be no more than a repetition of cliches that the Chinese socialist "democratic model and system have failed" and should be replaced by the Western capitalist political system.

Any Chinese with a conscience will admit the achievements of the 40 years since the founding of New China, especially of the ten-year reform. Even hostile foreign forces find them hard to deny. However, in the eyes of Liu, who kept mouthing "loyalty" to the Party, there is nothing but total darkness. The undertaking of hundreds of millions of people gains little approval, and much slander from Liu. Isn't it all too clear what sort of person he is?

Joining the Hue and Cry

In April last year when the students were demonstrating and turmoil was about to break out, Liu, blinded by lust for advancement, could scarcely conceal his eagerness to overthrow the present legitimate Chinese government during a TV interview with the American Broadcasting Company (ABC) when he predicted, "Li Peng's government will fall from power within two or three days." But three days later, when he found he had "made an erroneous estimation" of the situation, he dashed to a rally to make an inflammatory speech: "The Chinese mainland has never been in such dire straits as

today. The Chinese nation is confronting a grave crisis!" According to Liu's own account, he had decided to return to the Chinese mainland three times in order to directly intervene in the turmoil. But he changed his mind three times. In the end, Liu did not come back; instead, he stayed abroad, acting as the throat and tongue of international reactionary forces, fanning the flames, beating the drums and shouting for turmoil and rebellion.

After martial law was enforced in some districts of Beijing on May 20, 1989, the turmoil's organizers and plotters were thrown into a panic. Not resigning themselves to defeat, they intensified their preparation for a counter-revolutionary rebellion. They planned to organize a reactionary force to wage a desperate struggle. Liu, through VOA and newspapers of Hong Kong and Taiwan, spread lots of rumours, such as "More than 100 high-ranking military officers jointly oppose martial law" and "Deng Xiaoping will sooner or later urge Li Peng to resign."

After Beijing quelled the counter-revolutionary rebellion, Liu was frustrated and exasperated. He constantly issued all sorts of statements to add fuel to the anti-China flames set off by the Western world.

Liu accepted many interviews with the US media and, coordinating with offensives based on rumours and public-opinion build-ups trumpeted up by propaganda machines such as VOA, he played up fabrications of a "Tiananmen blood-bath" to incite Westerners and overseas Chinese to condemn and oppose the Chinese government. Most conspicuous were his words and deeds during a visit to Hong Kong between June 18 and 26. As soon as he arrived in Hong Kong on June 18, he publicly declared his "self-exile" to the United States. At a news confer-

ence attended by both Chinese and foreign reporters, as well as on other public occasions, he reviled the Chinese Communist Party, the Chinese government and state leaders. He used his every ounce of strength to instigate overthrow of the leadership of the Chinese Communist Party and subversion of the legal Chinese government. He repeatedly encouraged the "democratic faction" in the Communist Party to publicly declare its "independence," contend with the Communist Party and eventually replace it. What is the "democratic faction?" Liu said, "I myself was an element in it before I was expelled from the Party."

As a common characteristic, Liu and his cohorts boast about being a "democratic faction" and "reformers" in the Communist Party. But they ignore this basic fact: It is the Chinese Communist Party which led the Chinese people to undertake revolution and achieve liberation and which made the broad masses masters of the country and society. It is also the Chinese Communist Party which leads China onto the road of reform and opening to the outside world. The new line which has come into effect since the Third Plenary Session of the 11th Party Central Committee manifests the Party's new gains from its fresh conception of socialism. That is, first, China must stick to socialism; second, China must promote socialist reform. Of course, divergent propositions and plans exist in viewing shortcomings and mishaps, experiences and lessons in the process of reform, as well as in ways and methods to promote the reform. Still, this divergence or controversy arises between people upholding socialism. But the divergence and controversy between "reformers" of Liu's type and the Party are of a totally different nature, because they represent a confrontation be-

tween upholding or opposing socialism. As a matter of fact, they attempted to change the socialist system fundamentally and take the capitalist road in the name of being a "democratic faction" or "reformers."

'Division of Power'?

Liu brazenly agitated for partition of the motherland. He clamoured in the United States, "Overseas Chinese should support independence and the division of power on the Mainland so as to cripple the ruling clique of the Chinese Communist Party." "If three provinces declare their independence, China's democratic fighters will have a place to stay, a place of refuge," he added.

He also has ulterior motives for sowing dissension between Hong Kong and China's interior. On June 25, Liu publicly said in Hong Kong, "Several days ago, the Beijing officials said nobody was permitted to use Hong Kong or Macao as a base for overthrowing the People's government. This indicates that the Hong Kong people have done well and constitute a threat to them."

On June 20 through foreign reporters, Liu called for Western countries to impose severe economic sanctions on China and to stop loans and trade contacts with China. He also called for the United Nations to take punitive political measures against the Chinese government. In December 1989, at a rally in the United States, Liu criticized President George Bush, accusing him of not adopting a hardline towards Chinese leaders. This completely exposed Liu as a traitor to his country.

During his Hong Kong visit, Liu worked hand in glove with Yan Jiaqi and Wuer Kaixi, criminals wanted by the Chinese public security bureau, who fled to Hong Kong. On July 13, Liu

flew from the United States to Paris and colluded with Yan Jiaqi, Wuer Kaixi, Wan Runnan, and others. Scheming together, they jointly published a proposal on July 20 in Paris, sponsoring the establishment of a reactionary organization "The Front for Democracy in China," which advocates toppling the Chinese government and subverting the socialist People's Republic of China. On the same day, Liu, in an interview with reporters, clamoured, "Defeat this time does not mean the same measures will not be adopted in future; also all sorts of other different forms can be used too."

On September 23, "The Front for Democracy in China" was founded in Paris, presumptuously purporting to overthrow the Chinese government and openly asking the Taiwan Kuomintang (KMT) to help financially and even to lead its activities. Liu, in Britain at the time, gave a specially recorded speech to the front, stating that although he couldn't take part in the leading work of "The Front for Democracy in China," he would still help it to accomplish its mission in his own way. On September 30 when he met with readers in the Phoenix bookstore in Paris, he said, it did not make much difference whether he joined the front or not, for it was only a matter of "filling in a form," and he was spiritually at one with the front. That, once again, reflects that Liu and people of the front are birds of the same feather.

In December 1989 when Liu visited Taiwan, he proclaimed, "It is possible in China that people will rise to overthrow the Communist Party regime." During the visit, he flattered the Taiwan authorities and viciously attacked the Chinese Communist Party and the Chinese government. Again through his actual activities, he has given the best illustration of his "second loyalty."

Joint Ventures Do Well in China

The momentum to invest in China by foreign businessmen continued to grow this year. In the first four months of this year, 1,610 foreign-funded enterprises valued at US\$1.235 billion were approved to be established in China, announced an official of the Foreign Capital Department of the Ministry of Foreign Economic Relations and Trade at a symposium on foreign-funded enterprises held in early June.

The official noted that five new features have appeared in foreign-funded enterprises which have become an important force for China's economic development:

Quick Development. From 1979 to 1989, China approved the establishment of 21,781 Sino-foreign joint ventures, co-operative enterprises and wholly foreign-owned enterprises with a total contracted foreign investment of US\$33.76 billion, of which US\$15.4 billion has been processed into China. Last year, a total of 5,779 foreign-funded enterprises were approved, with negotiated investment and actual investment respectively up 5.7 percent and 6.2 percent from 1988.

More Reasonable Mix of Investment. Of all the foreign-funded enterprises approved since 1989, more than 90 percent are productive enterprises. Their products, most either export-oriented or technically advanced, are well suited to the demands of China's economic development.

Wide Sources of Investment. Investors in China come from 47 countries and regions. There was an increased number of investors not only from Hong Kong, Macao and Japan but also from Southeast Asian countries, the United States, France and the Federal Republic of Germany.

Big Projects. Of the foreign-funded enterprises approved since 1989, the number of projects with an investment of US\$100 million and more has increased. They involve offshore oil development in Hainan Province, the Panda automobile production in Guangdong Province and land development in Tianjin's Development Zone.

Successful Operation. At present, nearly 10,000 foreign-funded enterprises have been completed and put into operation in China. Despite a sluggish market and short supply of raw materials and funds, many foreign-funded enterprises operate quite well because the Chinese government had paid close attention to ensuring their normal operation and local governments have adopted measures and done their best to help them overcome difficulties. ■

Hazardous Export Goods Made Safe

As of January 1, 1991, the packaging of all hazardous export goods to be shipped by boat will be inspected and those goods not properly packaged, stamped and serialized will not be permitted to be exported, announced the State Administration of Commodity Inspection of China (SACI).

According to Lu Baoying, deputy director of the administration, the measure is in line with relevant regulations adopted by the International Maritime Organization of the United Nations and is aimed at strengthening the examination and administration of the packaging of hazardous export goods so as to guarantee the safety of export goods and ships.

Since opening up to the outside world, the rapid growth of China's foreign trade has resulted in a big increase in variety and quantity of hazardous goods. Some accidents caused by impro-

per packaging have taken place.

Lu said that China had tightened inspection of the packaging of hazardous export goods since July 1, 1985. As a result, the quality of packaging has markedly improved and accidents have been greatly reduced. Over the past five years, China has formulated "Procedures for Inspection and Administration of Packaging of Hazardous Export Goods" and "Rules for Inspection and Administration of Packaging of Hazardous Export Goods." In addition, it has also established inspection facilities in more than two-thirds of its provinces and cities.

A well-equipped inspection institute has been established in Changzhou City of eastern China's Jiangsu Province. ■

Foreign-Owned Enterprises Increase

The momentum to set up wholly foreign-owned enterprises in China has kept unabated this year. By the end of April, 353 new foreign-owned enterprises were approved for establishment in China. So far the total number of foreign-owned enterprises has reached 1,879, with a total contracted investment of US\$5.06 billion, of which US\$837 million has been processed into China.

Last year saw the most rapid growth of foreign investment in China. Altogether 931 foreign-owned enterprises were approved, a figure higher than the combined total of the previous nine years. Of the negotiated value of US\$1.65 billion, some US\$370 million has been processed into China.

Investors came from more than 40 countries and regions, notably from Hong Kong and Japan. Since last year, there has been a sharp increase in the number of investors from the United States, France, the Federal Republic of Germany and oth-

er European and American countries.

At present, nearly 60 percent of the wholly foreign-owned enterprises in China have been put into operation. Although China's economy has encountered difficulties, the government has adopted measures to keep foreign-owned enterprises in good conditons. ■

Sino-British Petrochemical Project

Feasibility studies are now in full swing after China signed a letter of intent with a British firm last year to set up the Nanhai United Petrochemical Enterprise to refine heavy crude oil, announced the China National Offshore Oil Corp.(CNOOC) in Beijing in mid-June.

The planned joint venture to be built in Huizhou City, Guangdong Province will include a 5 million-ton oil refinery and a 450,000-ton ethylene factory. They are expected to use special processing technology to be supplied by the British firm. Total investment will be more than US\$2 billion, to be shared 50-50 by both sides.

In addition to CNOOC, the Chinese partners include the China National Petochemical Corp., the China National Nature Gas Corp., the China Merchants' Steam Navigation Co. Ltd. and Guangdong Province.

After more than a decade of development, a group of offshore oil and gas fields, including two large heavy oil fields, have been put into operation. ■

New Digital Exchange System From Sweden

In a bid to increase its share of the China market, the Ericsson Co. of Sweden recently offered China new, specially designed AXE digital switchboards. The



On June 12, the Beijing Advertisement Association held a meeting of officials and adsmen from more than 600 advertising units. The title of "advanced units of creditability and quality service" in the Beijing advertising industry was granted to advertising departments from 40 units including the China National

Advertisement Joint Corp., Workers Daily, Economic Daily, Beijing Review and others. In 1989, Beijing's total advertising revenue was 350 million yuan, an increase of 15 percent over 1988. Here, Beijing review advertising department manager (centre) receives award.

by Ma Yongzuo,
Yang Liming

equipment uses a newly developed central processor, the handling ability of which is three times as much as the original capacity.

Ericsson has co-operated with China for more than 100 years. Over the past decade, the co-operation between the two sides has been strenghtened and expanded. For example, the first digital telephone exchange system Sweden provided for China began operation in Beijing in November 1984. The company then offered AEX switchboards to Guangdong, Hebei, Liaoning, Zhejiang, Sichuan and Jiangsu provinces as well as Shanghai City. The total capacity has

reached 1.2 million lines and makes up a quarter of China's modernized clients' lines.

In addition, Sweden's AEX switchboards which can be used in mobile telephone networks have been put into operation in Guangdong and Hebei provinces, and Shanghai and Tianjin cities. Beijing's mobile telephone networks will go into operation this year.

by Yao Jianguo

Huizhou Attracts Foreign Investment

Last year, Li Changhe, a Hong Kong businessman, invest-

ed 600,000 yuan in foreign exchange to plant *albezzia falcata* in the 260-hectare mountain area of Huizhou City, Guangdong Province. The *albezzia falcata* have now grown to over two metres in height and Li is preparing to enlarge the planting area to 667 hectares. He also plans to plant another 66 hectares with *pinus elliottii* this year.

Albezzia falcata and *pinus elliottii* are rapid growers and high producers, two reasons why Li signed a 38-year contract with Huizhou to plant these two kinds of trees.

Foreign businessmen came here in 1988 to invest in forestry. A Hong Kong stock broker who first spent 400,000 yuan in foreign exchange for 20 hectares of litchi and longan trees has seen 37 percent of his planting bear fruit.

According to an official of the local bureau of forestry, Huizhou City had signed land-lease contracts with eight foreign businessmen by March of this year; the afforested areas had amounted to 906 hectares; and foreign businessmen had injected a total investment of over 2 million yuan in foreign exchange.

The official added that most of the foreign businessmen who invested in Huizhou forestry came from Hong Kong, Macao and Taiwan. However, several West European businessmen are now showing interest. At present, Huizhou City is negotiating with a dozen of foreign businessmen. Those who have already invested are planning to expand their investment to bring the total afforested areas to 2,000 hectares by the end of 1990.

The climate of Guangdong Province is warm and humid with plenty of sunlight and rainfall, good conditions for the growth of trees. At the same time, its neighbours, Hong Kong and Macao, provide a market for

forest products.

Huizhou City offers many favourable conditions to attract foreign investment to its forestry development. In regards to the location and soil condition, the land-lease fee per hectare ranges only from 225 to 300 yuan in foreign exchange, the payment of which can be postponed until the time when forest products are ready for market while the land-lease period, comparatively long, is generally above 30 years. In Huizhou City, people have a rather strong forest protection sensibility. They have set up forest protection regulations and rigorous oversight organizations in towns and villages to protect foreign-funded forests.

by Han Guojian

New Energy-Saving Technology

A new *Xiaokang* air-conditioner suitable for family has been turned out and put on the market.

The window-attached air-conditioner with a power consumption of 300 watt and refrigeration volume of 1,000 watt can reduce the indoor temperature of a 12 to 15 square metres room to around 23 centigrade degree when the outdoor temperature stands at 35 centigrade degree.

The Beijing China-Sun Energy Engineering Corp., owner of the new technology, is a high-tech company specializing in developing and manufacturing new refrigeration technology and products. This technology and super-multi-mixture refrigerant, invented by Gu Chujun, the company's founder and a senior engineer, can not only save energy but also reduce the risks of possible harmful effects on the earth's ozone layer.

At present, the Gu-type technology has obtained three

Chinese patents and 15 international patents from the United States, Japan, Canada, Australia and the member countries of European Economic Community.

Since the end of last year, the company has used its technology to transform some big air-conditioners imported into China by enterprises and hotels in Guangdong Province, thus helping them save some 20 to 30 percent in energy costs. At present, the company has established agency business links with the Dandera Ltd. of Britain and the Pams Fisions Co. of the United States and signed an agreement with the Anglo-Chinese Dev. Co. to jointly invest in the establishment of a Gu-type recycling refrigerant factory in Europe with an annual capacity of 1,000 tons. The product will be geared for the European market.

by Han Baocheng

News in Brief

- The American Telephone and Telegraph signed an agreement with the Beijing Telecommunications Administration in Beijing on June 7 to provide China with 36 sets of digital loop transmission systems.

Beijing has imported 58 sets of SLC-120 equipment able to accommodate 6,456 subscribers.

In addition, Dalian, Tianjin, Shanghai, Lianyungang and Xiamen have also imported SLC-120 equipment from the US company.

- Taiwan's largest advertising and trade service company, the Taiwan Lianyu International Co. Ltd., began advertising business on the mainland as of June 5.

The company mainly handles video manufacturing and sales of advertisements, acts as an agency for magazine advertisements, sponsors exhibitions and publishes various sales promotion publications. ■

Development of Private Enterprises

RENMIN RIBAO
(People's Daily, Overseas Edition)

Although private businesses have become more difficult to run than in the earlier years, the number of private businesses in 1989 registered a net increase of 18,000 more than the previous year. And the number of employees increased 16.4 percent to reach 196,605. Their capital rose 55 percent to 410 million yuan, and their volume of business went up 65.3 percent to 1.67 billion yuan. In 1989, they paid 150 million yuan in taxes to the state, compared with 104 million yuan in 1988.

"I worry nothing about the change of the state policy," Wei Tiewu, an employee at Feicuiyuan Wireshop, said. "Since the state lists the policy of developing and protecting private businesses in the Constitution, I believe that we have a bright future."

For the steady development of Beijing's private industrial and commercial enterprises, the government publicize the state policy among these individual businessmen.

After the political turmoil in the spring and summer of last year, unfounded gossip concerning private business households appeared. However, after many investigations, the Municipal Private Business Association affirmed that most private enterprises had done much beneficial work helping to halt the turmoil and to quell the counter-revolutionary rebellion of last year.

Some believe that about 80-90 percent of private enterprises are tax evaders. But the Municipal Association for Private Businesses announced that most private

business households pay taxes according to law. The association also clarified that the low volume of tax paying by some private households was due to the drawbacks of the tax administration instead of private enterprises' lack of responsibility.

Meanwhile, the Municipal Association for Private Businesses helped private enterprises solve their business problems, such as the shortage of raw materials, capital, and goods resources.

(April 16, 1990)

Give Priority in Jobs to Locals

ZHONGGUO RIBAO
China Daily

There is no denying the fact that remarkable achievements have been made in Beijing since the economic reform started in late 1979 and es-

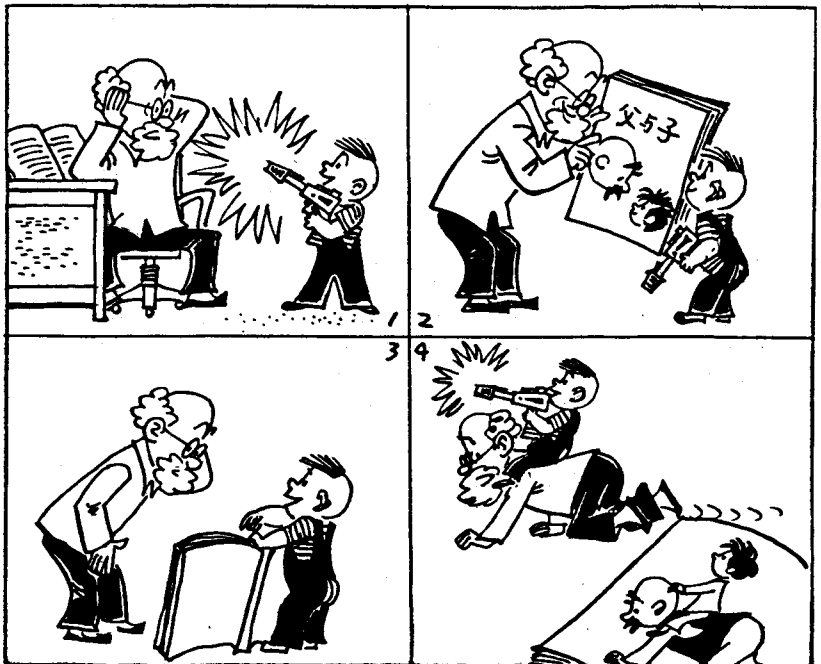
pecially in recent years. But there are still problems facing us.

For instance unemployment in the city is far from solved. A considerable number of young people, particularly high middle-school leavers who were not admitted into colleges and graduates from privately-run higher institutions, have not been able to find a steady job.

Yet at the same time, surprisingly, many young men and women without special skills from places outside the capital have been offered jobs.

This act is an open violation of the employment laws and regulations of the labour and personnel department of the Beijing Municipal Government which forbid the employing of people without a legal residence permit for the city.

Every province and every city must first be able to solve the unemployment problem in its own locality. ■



Things don't always work out the way we want.

MIAO DI

Festival of Children's Films

A festival of children's films produced by the China Children's Film Studio was held at three Beijing cinemas May 29-June 4 to mark International Children's Day.

The "Week of New Children's Films for the June 1 International Children's Day" was sponsored jointly by the Women and Youth Committee of the Chinese People's Political Consultative Conference (CPPCC), the China Children's Film Studio and the Beijing Municipal Film Release and Projection Corp. and was intended as a gift to children from workers in the Chinese film industry.

The films selected for the festival were all made during the past two years and featured a variety of themes and styles in order to meet the interests of children of different ages.

A Season of Dreams, which won the 1988 Golden Rooster Award, tells the story of Luo Fei, a naive but thoughtful middle-school student. She lives in a harmonious, happy home and loves her dentist father and architect mother.

The appearance of Hua Guang, a renowned overseas Chinese cellist and old friend of Luo Fei's mother, disturbs the family's tranquility and creates tension between the parents. In her own way, Luo Fei brings them together again but the girl is left with a sense of loss.

Years of Subtlety is a moving film. In a senior middle school, the idealistic young teacher Xia Yu tries to expand his students' narrow outlook, which consists entirely of trying to enter a college. Despite early setbacks, he eventually makes the students ponder the real meaning of life and question the false gods of money, position and prestige.

Oh! Fragrant Snow, based on a novel of the same title by the young female writer Tie Yi, examines the changes brought to a remote mountain village by the coming of the railway. Out of curiosity, Fragrant Snow (Xiangxue) and two friends go to see the train. They question the attendant and trade their homemade household utensils with the passengers.

The train reveals a brand-new world to the girls. Xiangxue admires a new school bag and pencil-box and asks whether Beijing colleges admit students from the mountains; Duoer enthusiastically barter for cheap jewelry; Fengjiao, in constant contact with the attendant, fantasizes about marrying him and leaving the mountains.

At last, Xiangxue realizes her dream by trading for the pencil-box but is still on the train when it leaves the station. Initially alarmed, she calms herself, gets off at the next stop and walks home in the dark. The film shows how a village girl gradually matures through contact with the outside world.

Young War Prisoners and *Adventures of A Young Cavalryman* have war themes. The first describes the fate of young soldiers captured in 1937 after part of the Red Army was surrounded by Kuomintang troops and more than 10,000 sacrificed their lives. They are indomitable in the bloody battle but terrified when they run out of ammunition and food and discover that reinforcements are not coming. Capture makes them desperate, although they show bravery in coping with the enemy and trying to escape. This film has been praised highly by Red Army veterans who took part in the incident.

Adventures of A Young Caval-

ryman tells the story of Lianfu, son of a blacksmith, and his beloved red horse. Lianfu is sent by his father to a cavalry unit of the People's Liberation Army (PLA). The horse is injured during a battle and left behind when the unit moves on. Lianfu, however, goes back on his own to search for the wounded animal. Through his adventures, he comes to realize the cruelty of war and becomes a real revolutionary soldier.

Xiazi's Adventure, winner of the Chinese Calf Award for children's films, tells the story of Xiazi, son of a fisherman. Taking 1,000 yuan, Xiazi goes to town to buy an electronic piano but ends up helping police capture a theft ring. Through Xiazi's adventure, the film shows that modern children not only need food, clothing and the support of their parents, but also a risky world to test their courage and intelligence.

Entering Among Elephants, a favourite of primary and secondary school students, presents the life of minority nationality children. The story is set in a virgin forest on China's southwest frontier. Shabei's grandfather discovers a cave in the forest full of valuable cultural relics left from remote antiquity. While he is planning to turn them over to the state, he falls a prey to a plot and is killed. As he is dying, however, the old man recites a folk song to Shabei and asks her to look for the person who can understand the words. Curio smuggler, Boss Jin, uses all his ingenuity trying to cheat the secret code out of Shabei, resulting in a series of thrilling episodes shot through with local colour.

Atmospheric Layer Disappears, a film with a scientific

theme, is the latest product of the Children's Film Studio and was presented during the festival's opening ceremonies. A train robbery results in the leakage of poison gas that burns a hole in the atmosphere over part of China. Life on Earth is endangered and the country urgently gathers experts to handle the situation. They fail, however, to find the source of the pollution.

But there is one little boy who can understand animal language and sets out to find the pollution source with his pet cat. Overcoming many difficulties, he ignites the poison gas with the help of a dog. Following an explosion, the danger is removed and life returns to normal. The film carries a warning: While mankind is polluting nature, what pollutes mankind itself?

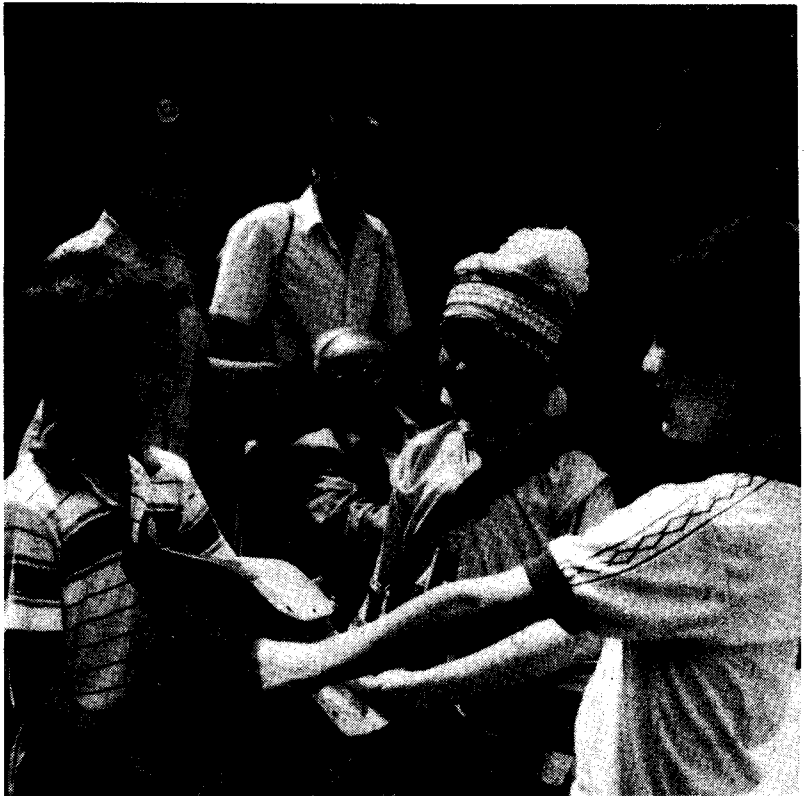
A flourishing national culture begins with children. Chen Jinchu, chief of the Children's Film Studio, and her colleagues understand this point and want to see more support for the production and distribution of children's films.

China has more than 300 million children but only one children's film studio. Although the Film Bureau, the Film Release and Projection Corp. and cinemas give preferential treatment to children's films, many children, especially those in the countryside, get to see only a few of them. There are many reasons for this, including low box-office returns.

He Feng, a primary student in Hunan Province, wrote to Yu Lan, chairwoman of the Children's Film and TV Centre of China and former head of the Children's Film Studio, "I feel it is much better to go to the cinema with my classmates than to stay at home watching TV programmes alone. But when I go to the cinema every month to see what's on, I seldom find a children's film."



A scene from *Oh! Fragrant Snow*.



A scene from *Entering Among Elephants*.

This problem has come to the attention of the departments concerned. The Film Bureau, while ensuring a certain number of children's films are made every year, is planning to subsidize

production of children's films and show them on television. Society is putting more effort into providing children with films of their liking.

by Hong Lanxing

Australian Pianist Visits China

Roger Woodward, an outstanding Australian pianist, conductor and composer, gave a series of performances in Beijing and Shanghai during a May tour of China.

"I have always cherished a deep affection for Chinese culture," he said. "When I was a child, one of my friends came from a Chinese family. I often visited their house and came to love traditional Chinese customs and artistic forms."

Woodward's tour was part of a Sino-Australian cultural exchange programme. Displaying his talent as both conductor and pianist, his concerts included works for orchestra and solo piano. His Chopin was especially notable. He also gave special performances for children.

During his tour, Woodward appeared with Chinese musicians, collaborating with the Central Philharmonic Society in a concert devoted exclusively to the works of Tchaikovsky to mark the great composer's 150th birthday.

He also introduced works by Australian composers that were written in traditional Chinese and southeast Asian musical forms.

Woodward's musical career blossomed after performing with the Royal Philharmonic Orchestra at Royal Festival Hall in London. He has appeared in nine of the BBC's music seasons and at many music festivals, given radio and television concerts

and performed with several of the world's leading orchestras.

Internationally recognized as one of the world's leading pianists and Chopin interpreters, he has played the inaugural performances of works by such well-known modern composers as Xenakis, Boulez, Barraque, Beric, Stockhausen, Bussotti, Takemitsu, Feldman and Cage. Among the conductors he has appeared with are Pierre Boulez, Lorne Maa-

zel, Charles Mackerras and Zuben Mehta.

Recently Woodward was invited to be artistic director of the Alpha Centauri Ensemble, whose first recording, *Kraanerg* by Xenakis, sold well and was praised by critics in the United States, Europe and Australia.

In 1989, he played at music festivals in Amsterdam, Patras and Geneva. He has appeared at the Autumn Festival in Paris for three consecutive years and was invited to participate in the 200th anniversary celebrations of the French Revolution.

by Feng Jing

China Retains Thomas Cup, Uber Cup

Defending champion China reaffirmed its supremacy in world badminton by taking its third consecutive Thomas Cup title with a 4-1 victory over Malaysia in the final in Tokyo on June 3.

China had won the Thomas Cup, symbol of men's team supremacy in world badminton, in 1982, 1986 and 1988.

On June 2 China overwhelmed South Korea 3-2 in the final to win the Uber Cup. This is China's fourth consecutive title, symbolic of world supremacy in women's team badminton, since China's debut at the tournament in Kuala Lumpur six years ago.

Chinese head coach Chen Fushou said after the match, "Though I thought my girls

would win the Uber Cup before the match, it is beyond my expectation that our first three singles players dashed South Korea's hope for the title. Anyhow, the two teams are on the same level."

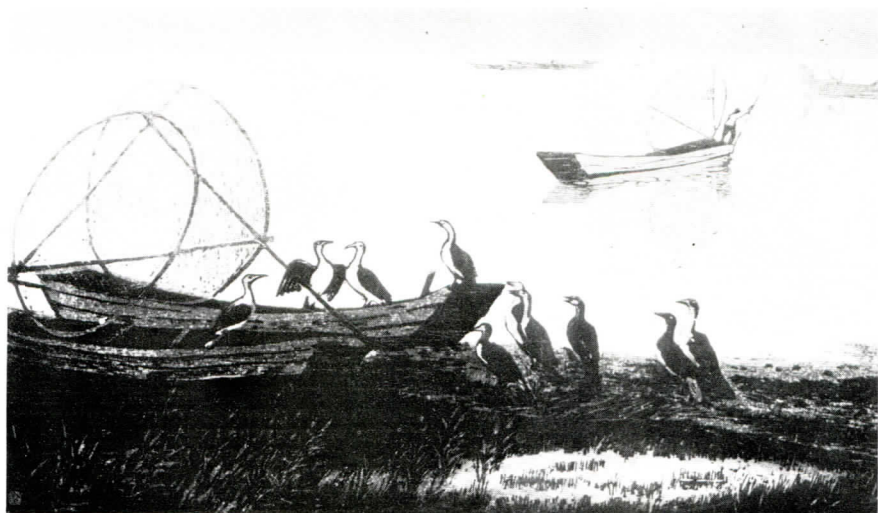
Chen added that the Chinese girls played better than the Koreans.

Asked why the Chinese team lost to the South Koreans in the group match, Chen explained the Chinese players lacked experiences and were too nervous.

"We expected Hwang to win the first singles but she failed and her loss caused the following two singles play worse," said South Korea's coach Lee Ock Hyun.

He said that China remained a strong team and South Korea would do their best to win the cup in the next tournament. ■

Liang Dong, born in Donggou County, Liaoning Province in 1926, is now a professor at the Central Academy of Fine Arts. Although specializing in engraving and watercolours, he mainly centres on works produced by watercolour block printing. His special characteristics include the use of a simple knife, bright colours, and blending water and colour. His paintings express one of China's national styles.



Cormorants (watercolour print).



Beijing (oil painting).



On the Ancient Silk Road (watercolour print).

ART PAGE

Engravings by Liang Dong



A Fishing Village (watercolour print).

Exceptional Foods!

Oysters were the earliest marine animals bred by mankind. They eat essential sea elements during their lives and are more nutritious than any other animal on earth.

Golden Oyster series foods, processed with fresh live oysters from the South China Sea and by up-to-date scientific and technological methods, retain the nutritious elements of live oysters and are free of pollutants. They are an essential health food and are much sought after by discerning consumers in Japan, Europe and America.



NEPTUNUS

Shenzhen Sino-Australian Marine
Health and Nourishing Food Co., Ltd.
Address: C, D, No. 4 Building, 7
Gongye Lu, Baiyuncun, Shekou,
Shenzhen, China



Tel: (0755) 696894
Cable: 7090 SHENZHEN
Fax: (0755) 696185
Postcode: 518067