

A CHINESE WEEKLY OF NEWS AND VIEWS

# Beijing Review

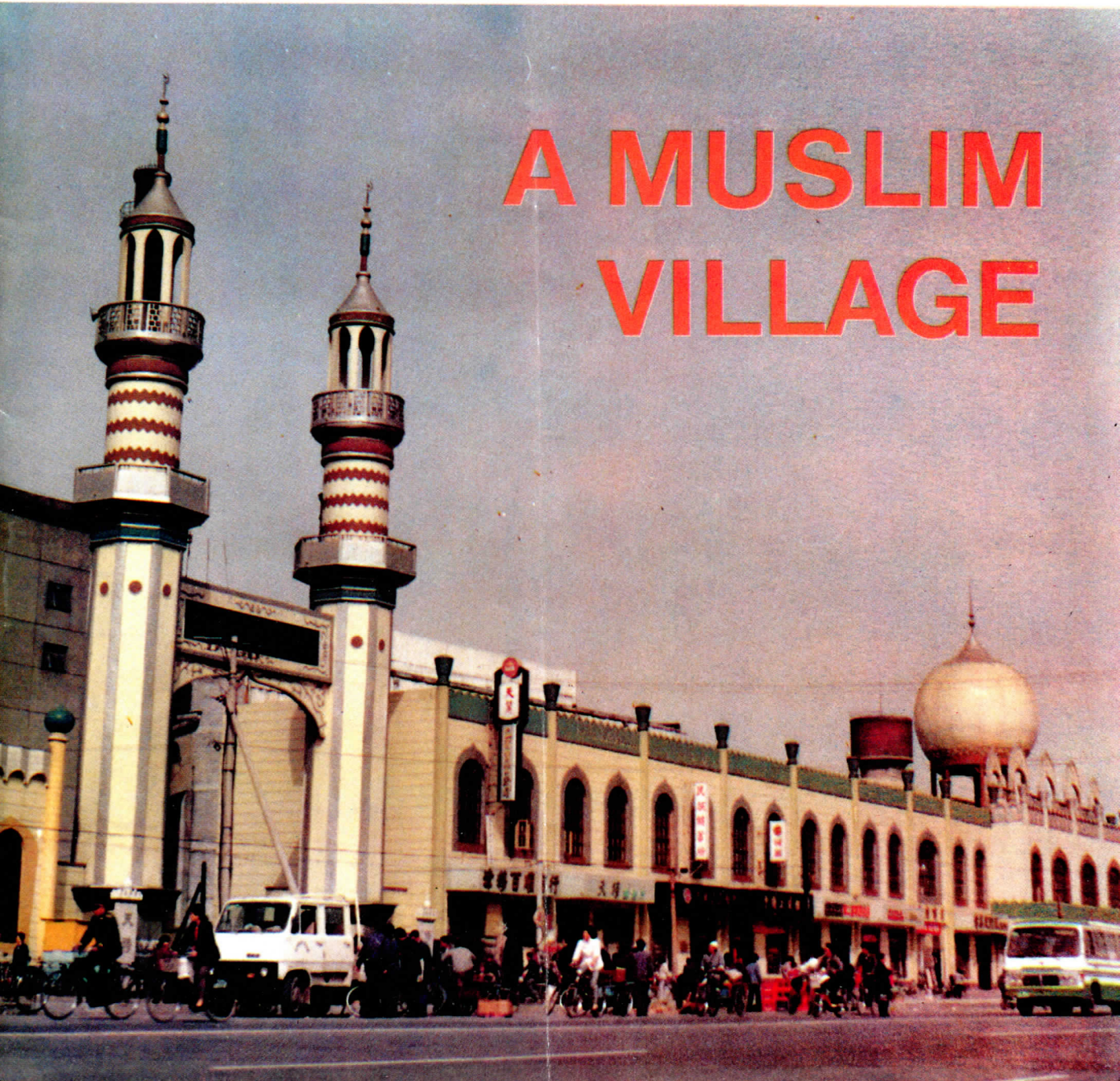
北京周报

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## Agriculture—An Economic Priority

### A MUSLIM VILLAGE





Teaching and learning.

*Photos by Han Binzhong*



## Agriculture Plays a Key Role

□ At a recent forum on rural work, General Secretary Jiang Zemin expounded the vital importance of developing agriculture as a basis for the national economy. He pointed out that stability of the entire nation cannot be secured if peasants in the vast rural areas cannot live and work in peace and contentment (p. 6).

## Yingkou 'Transplants' Investment

□ In developing production, Yingkou, a city in northeast China, has attracted foreign technology by making full use of its existing land, factory, equipment and labour resources. Known as the "transplant method," the practice has enabled the city to introduce more advanced technology and equipment from foreign countries (p. 16).

## NPC Session Passes New Law

□ The 14th Standing Committee of the Seventh NPC a meeting wound up on June 28 with the adoption of China's first National Flag Law and eight decisions and resolutions. Other draft laws discussed at the meeting will be revised according to suggestions of committee members, and be submitted for approval at a future meeting (p. 4).

## China to Open Bulk Grain Market

□ China is going to open its first wholesale grain market in Zhengzhou, capital of Henan Province, in September. The market aims at facilitating inter-provincial wheat trade at negotiated prices (p. 6).

## Tianmu—A Muslim Village

□ This article by our staff reporter describes the religious, economic and cultural life of Muslims in a Hui village in Tianjin. Muslims of the village are pleased that the policies of equality among nationalities and of religious freedom have led to a high standard of living. Progress has also been made in the village's educational and public health undertakings (p. 21).

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**COVER:** The new commercial street in a Muslim village in Tianjin.

Photo by Lu Yun

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## 69th Anniversary of the CPC Marked

The success or failure of building the Party of 49 million members has a direct bearing on the future of the country and the socialist modernization drive, said Song Ping, member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China (CPC), at a meeting held in Beijing on June 30 to mark the Party's 69th anniversary.

Lu Feng, head of the Organization Department of the Party Central Committee, told the participants—veterans and outstanding Party workers—that since the Fourth Plenary Session of the 13th CPC Central Committee held a year ago, the Central Committee headed by Jiang Zemin has implemented the Party's basic line and adopted a series of measures to strengthen Party building.

Lu said that the CPC Central Committee has clarified a number of theoretical questions from the confusion caused by bourgeois liberalization ideology, cracked down on corruption, resumed close ties between the Party and the people, and tightened up the discipline among Party officials.

**Jiang Makes Important Speech on Party Building.** Chinese leading newspapers on July 1 carried a speech, entitled *Strive to Build the Party Into a Staunch Vanguard of the Working Class*, made by General Secretary of the CPC Central Committee Jiang Zemin on December 29, 1989 at a seminar on Party building.

Jiang said that serving the people wholeheartedly and maintaining a close relationship with the people are what sets the CPC apart from other parties. The Party cannot do without the people and vice versa.

Since taking power in 1949, the Party has found itself in something of a paradox: on the one hand, the new position enables it to better serve the people, but on the other there has arisen the increasing danger of its becoming separated from the people.

He pointed out that in the past few years malpractice such as corruption and abuse of power in search of private interests has increased on the part of Party and government functionaries and ineffective disciplining measures have led to discontent and misgivings among the people. Such discontent and misgivings, especially when they were played into the hands of trouble-making reactionary forces at home and abroad and those with ulterior motives, have severely damaged the Party's relationship with the people.

Jiang said the whole Party should be determined to take effective measures to solve the problem. He said that all persons in leading positions should go to the grassroots to learn about the people's opinions and feelings, and solve the practical problems that concern the people most.

In his speech Jiang also said that democracy must be developed and expanded inside the Party but centralism should be carried out on the basis of democracy.

The system of democratic centralism is the cardinal organizational principle of the Party and the basic code for the conduct within the Party.

He said that to implement democratic centralism is to bring into full play all Party members' initiative and creative spirit, and that under the leadership of the Party Central Committee, all correct opinions and suggestions from inside the Party should be

solicited and pooled so that the Party will work in a concerted effort for the benefit of the people.

In his speech Jiang also dealt with other aspects of Party building, including the Party's nature, its role as the ruling party, the composition of the leadership at all levels and the study and research of Marxist theory on Party building. ■

## National Flag Law Adopted

The 14th meeting of the Seventh National People's Congress (NPC) Standing Committee closed on June 28 in Beijing after approving China's first National Flag Law, and eight decisions and resolutions.

The National Flag Law aims at encouraging Chinese citizens to vindicate the honour of the national flag, strengthen their sense of statehood and nurture a sense of patriotism.

According to the 20-article law, which is to come into effect as of October 1, the national flag must be raised every day on Tiananmen Square, at Xinhua-men, and at the sites of the NPC Standing Committee, the State Council, the National Committee of the Chinese People's Political Consultative Conference, the Supreme People's Court, the Supreme People's Procuratorate, the Ministry of Foreign Affairs, and at border ports, airports and railway stations.

On National Day, International Labour Day, Spring Festival and some other big occasions, the national flags should be flown by local governments and people's organizations.

The law forbids the use of the national flag in advertisements or as a trade mark. Those who deliberately insult, burn, and deface the national flag will face



Opening ceremony of the NPC Standing Committee meeting.

WANG XINQING

punishment.

One of the decisions approved at the meeting stipulates that the English version of the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China will be subordinate to the Chinese version if there is any discrepancy in interpretation between the two.

Other draft laws discussed at the NPC Standing Committee meeting were a draft law to protect the rights and interests of returned overseas Chinese and the relatives of Chinese nationals living abroad, a draft tobacco monopoly law, a draft law on authors' rights.

**Draft law to protect the rights and interests of returned overseas**

**Chinese and the relatives of Chinese nationals living abroad.**

The law will enable returned overseas Chinese and the relatives of Chinese nationals living abroad to fully participate in invigorating China and peacefully reunifying the country. The drafting of the law has been welcomed by overseas Chinese, returned or living abroad.

At the NPC session, Chinese legislators called for the early adoption and enforcement of the law. Some of them suggested the draft law provide more specific regulations on religious beliefs and on donations offered by returned Chinese or relatives of Chinese nationals living abroad.

**Draft tobacco monopoly law.** The law was drafted according to

Premier Li Peng's proposal to strengthen state control over tobacco, streamline the production and distribution of tobacco, restrict consumption, ensure state revenue, and safeguard the interests and health of tobacco consumers.

Previously, a tobacco monopoly system was instituted in 1983, which has played an active role in coordinating the production and marketing of tobacco, meeting the demands of consumers and increasing state revenue.

The state took in 24 billion yuan in taxes and profits from tobacco production and trade last year, 3.2 times the 1981 figure, and the taxes and profits from tobacco production and trade during the 1982-89 period totalled 124.1 billion yuan, 3.3 times the 1974-81 figure of 37.55 billion yuan.

Under the law, as it is drafted, the state will centralize the import and export of tobacco products and economic and technical co-operation with foreign countries in this field.

Despite tobacco's much-publicized harmful effects to people's health, it would be unrealistic to ban smoking in China.

However, the draft law bans the sale of cigarettes to teenagers and sets the standards for tobacco quality and the limits for the content of tar and other harmful ingredients in cigarettes.

The draft also demands that each packet of cigarettes should carry information on tar content and bear the warning "Smoking is harmful to human health." In addition, no tobacco advertising will be allowed without the approval of tobacco monopoly administrations.

When discussing the draft, Chinese legislators called for stricter measures to ban contraband cigarettes from abroad.

Statistics show that a great amount of the foreign cigarettes

on the Chinese market have been smuggled in. About 160,000 chests of smuggled cigarettes were discovered and seized in coastal Guangdong Province last year. ■

## China to Open Bulk Grain Market

China is making preparations to open its first wholesale grain market in Zhengzhou, capital of Henan Province, in September.

Minister of Commerce Hu Ping told a press conference in Beijing that the market, to be jointly managed by the Ministry of Commerce and the provincial government of Henan, is being created mainly to facilitate inter-provincial wheat trade at negotiated prices. The annual volume of trade will amount to 3 billion kilograms.

Although most transactions will involve cash, Hu said, forward contracts will be allowed, and efforts will be made to bring futures—bulk commodities bought for future acceptance or sold for future delivery—gradually into the market.

China has over 70 billion kilograms of grain traded at negotiated prices each year. This amount is expected to increase. However, transactions are basically concluded between buyers and sellers up to now. The market in Zhengzhou is aimed at fostering a standardized wholesale market throughout the country, bringing grain trading under control and opening up a new path for reform in the grain marketing sector, Hu noted.

The non-profit Zhengzhou grain market will charge only a small commission, 0.5 percent of the value of each transaction, in addition to requiring a 7 percent deposit.

It will be open three days a

week year round. Buyers and sellers will have to have government approval in line with common transaction rules.

To achieve effective macro-control over the wheat market, the state will set purchase quotas for provinces, and market traders will be able to make transactions within their allowed quotas.

The wholesale prices on the market are set through competition and public bidding. But the Ministry of Commerce and the State Pricing Administration Bureau will jointly set a ceiling price and a base price. If the opening price is above the ceiling price or below the base price, the market will close automatically. Then the government will regulate price to a rational degree by selling or buying on the market.

The wholesale market is expected to set a pattern for wheat prices nationally and the pace for the prices of other crops and farming materials as well.

Speaking of dealings in futures, Hu described it as an inevitable product of a developed commodity economy and a key factor in reducing risk in cash trading and stabilizing prices.

When conditions permit, he noted, China will not only turn the Zhengzhou facility into a futures market for wheat, but also introduce the practice to the trade of other crops, including corn, rice and soybeans. ■

## Food: First Need For 1.1 Billion

It is a task of overriding importance for China to feed its 1.1 billion people, and without a sound agriculture as an economic cornerstone, there would be no stable development for the entire nation.

Jiang Zemin, general secretary of the Communist Party of China (CPC) Central Commit-

tee, said this at a forum on rural work sponsored by the Policy Research Office of the CPC Central Committee in Beijing between June 16 and 22.

Jiang said that the issue of the peasants remains, as always, a fundamental one concerning China's revolution and construction. He spoke highly of Chinese peasants and rural officials for their great contributions to the nation's liberation, independence and prosperity.

"The alliance of the workers and peasants is the foundation of the state power. To consolidate and develop that alliance is one of the most important principles of our Party; the alliance is also a major factor representing our Party's political superiority," he said.

Of the 1.1 billion people, Jiang noted, 800 million live in rural areas. If the rural situation is stable and peasants live and work in peace and contentment, the stability of the entire society and country will be essentially ensured.

He said that during the 1980s, China scored enormous achievements in economic reforms and construction, especially in agricultural reforms, which brought about major progress in farm production.

He said the household contract responsibility system in farm production, which suits the level of development of China's rural productive force, has proved itself a great success and plays a great role in boosting the rural economy. To continue to carry out and improve this system in rural areas is a long-term state policy as China deepens its rural reform, the Party secretary stressed.

Both the superiority of the socialist collective economy and the initiative of the households in production must be brought into full play at the same time, Jiang added.

Jiang also stressed that the rural reform, the development of farm production and the progress of rural work cannot be separated from the Party's leadership.

Jiang also reaffirmed the importance of ideological and political work in rural areas, saying that more attention should be paid to the education of peasants while deepening rural reform. If socialist ideology does not come to play its role in the rural areas, backward and erroneous ideology will take its place at once, he added.

The Party secretary called local Party committees to place rural work on the top of their agendas, and urged all departments to support agriculture and serve the needs of the peasants.

Representatives from 14 provinces and municipalities, and officials from the CPC Central Committee and the State Council attended the forum. ■

## Sino-Vietnamese Talks Fruitless

A recent round of informal Sino-Vietnamese talks has failed to narrow the differences between the two sides over the question of Kampuchea, a leading official of the Asian Department of the Chinese Foreign Ministry said in Beijing on June 28.

The unidentified official told the press that early this month, Chinese Assistant Foreign Minister Xu Dunxin went to Hanoi as a guest of the Chinese ambassador to Viet Nam and had an informal exchange of views with Viet Nam's Vice-Foreign Minister Tran Guang Co over the question of Kampuchea.

When Viet Nam's First Vice-Foreign Minister Diah Nho Liem was in Beijing in early May for an exchange of views, the two

sides reached some common understandings.

However, he said, differences still remained over the question of transitional authority and the disposition of the troops of the four factions in Kampuchea.

He said the Vietnamese side had expressed its willingness to study the views of the Chinese side upon returning to Viet Nam and keep the latter informed of the result. Xu went to Hanoi mainly for Viet Nam's views over the two questions.

Unfortunately, the official said, no progress was made during these exchanges and the differences between the two sides were not narrowed.

When asked about the differences in principle between the two sides over these two questions, the official said that as regards the Supreme National Council (SNC) of Kampuchea, the Chinese side offered two options:

— The SNC shall be the sole legal interim organ of the highest authority in Kampuchea with temporary legislative power and administrative authority in the transitional period. It shall be composed of representatives from all conflicting factions in keeping with the principle of non-exclusion and non-domination of any faction, and Prince Sihanouk shall be the chairman.

— The SNC authorizes the United Nations to exercise administration over Kampuchea during the transitional period.

Viet Nam's position is that it opposes the UN administration of Kampuchea on the one hand and objects to the transfer of the temporary legislative and important administrative power to the SNC on the other. In addition, it insisted that the power of the Phnom Penh regime should remain intact and the functions of the SNC be confined to the scope of "playing a co-ordinating role between the two existing govern-

ments."

As for the disposition of the troops of the four factions, the Chinese side advocates that, for the maintenance of peace and prevention of a civil war, the armed forces of all factions in Kampuchea should first of all assemble at locations designated by a UN international control body and then be completely disarmed or drastically reduced.

However, Viet Nam has objected to a complete disarming or drastic reduction. It is opposed to cantonment at the locations designated by the UN international control body and even more to the UN sending an international peace-keeping force into Kampuchea.

It is obvious that Viet Nam wants to keep the Phnom Penh regime and its armed forces intact so as to maintain the fait accompli created by its invasion of Kampuchea and continue its control over Kampuchea, said the official.

That is the very reason why the recent informal exchange of views between China and Viet Nam failed to make any progress, he added.

He alleged that, playing the trick of a thief crying "stop thief," Viet Nam accuses others of interfering in the internal affairs of Kampuchea, simply to keep the vested interest it has gained from its aggression of Kampuchea.

On the question of normalization of relations between the two countries, the official said has that the Vietnamese side has expressed its desire to normalize Sino-Vietnamese relations as soon as possible, and China has the same desire.

However, the deterioration of relations between the two countries is a result of the Vietnamese aggression of Kampuchea. It is impossible to end the past and open up the future before the Kampuchea question is settled, he concluded. ■

# New Israeli Government Beset With Crises

by Chen Lin

**O**n June 11, Israeli Prime Minister Yitzhak Shamir won parliamentary approval for his right-wing cabinet, gaining 62 votes in the 120-seat Knesset. The vote came after a six-hour debate, with liberal lawmakers charging that Shamir's Likud bloc used bribery to forge the coalition of nine small far-right and religious parties, and the rival Labour Party saying the new government will block the peace process in the Middle East.

The Labour parliamentarian Yitzhak Rabin described Shamir's proposed coalition government as "a war cabinet." He said in an interview on June 11 that Shamir's new government would "bring trouble to Israel."

The new government, excluding the Labour Party, is the first right-wing cabinet since 1984. Ariel Sharon, a soldier-turned

politician who directed the 1982 Israeli invasion of Lebanon, has been chosen as Housing Minister and head of a special committee in charge of settling Soviet Jewish immigrants; Moshe Arens, Shamir's hardline partner, became the new Defence Minister. Arens said he has prepared to "uproot" Palestinian uprising with troops. The cabinet also includes other members who oppose peace talks and even the Camp David accords.

Obviously, Shamir's new government will continue its stubborn and rigid stand on the Middle East peace problem. Shamir has announced his new government's guidelines, which retain Israel's stance of opposing the establishment of an independent Palestinian state and refusing to talk with the Palestine Liberation Organization (PLO), the

sole legitimate representative of the Palestinians. The guidelines also promise to "uproot" the Palestinian uprising in the West Bank and Gaza Strip under Israeli occupation and vow to "strengthen, expand and develop" settlements for Jewish immigrants mainly from the Soviet Union.

The last Likud-Labour coalition government fell apart on March 15 in a dispute over whether to accept US Secretary of State James Baker's plan for peace talks between Israel and the Palestinians. The US government had exerted its influence in an attempt to help Shimon Peres, head of Israeli Labour Party, take power. But, on the other hand, Washington vetoed a UN Security Council resolution to send an inquiry mission to the Israeli-occupied lands. This, in fact, encouraged Shamir's stubborn attitude.

As the most direct influence, the formation of the new Israeli right-wing government will drive the Middle East peace process into a more difficult condition. This created a new obstacle in the path for a peaceful resolution of the Middle East problem. And this also gave a difficult question to the US Bush administration to answer, because this new government and its policies are not only unpopular but even opposed to the intentions of the United States, which usually shows partiality to Israel.

Although Shamir did not clearly refuse Baker's proposal, people can see from his guidelines that the prospect of the pro-

Young Palestinians in East Jerusalem protest last year's killing of a 19-year-old Palestinian by the Israeli police.





posal is not too encouraging. President Bush indicated on June 8, after Shamir's announcement of his new cabinet, that the United States could co-operate with any Israeli government, but he added that the United States would insist on Baker's plan. This shows that differences will exist between the United States and Israel on Palestinian-Israeli talks, and the US-Israeli relations may become weak and unstable.

European countries have clearly expressed their opposition to Israel's actions. According to reports, some European countries are considering sanction measures against Israel if it continues to settle Jewish immigrants in the occupied Arab territories.

The Arab world has showed a strong anxiety to Shamir continuing in power. Arabs feel

disheartened at the prospect of peace negotiations. At the emergency Arab summit not long ago, the heads and representatives of Arab countries showed their unanimous tough stand on questions of the influx of Jewish immigration to Israel, development of advanced weapons and the ownership of Jerusalem.

The PLO issued a statement on June 11, pledging to uphold its peace initiatives and oppose any military action against civilians. The statement condemned Shamir's new government block to the peace process in the Middle East. It also denounced the new Israeli government headed by Shamir as a "war cabinet" that would escalate repression of Palestinians in the occupied territories.

In addition to suppressing Palestinian uprisings in the occu-

pied lands, the new Israeli government insists on settling Soviet Jewish immigrants in the occupied territories and wants to expel Palestinians to Jordan. This will further deteriorate the situation in the Middle East. The Arab opinion has pointed out that the question of Jewish immigration, as a potential time bomb, will touch off a new crisis sooner or later.

Therefore, the formation of an Israeli hardline, right-wing government undoubtedly leaves a shadow upon the Middle East situation. Because of opposition from various parties, including parties in Israel, the new Israeli government is beset with crises. "Shamir will find himself in direct conflict with the United States, the Soviet Union, Europe, the Palestinians and the Arab world," a commentator said in an Israeli newspaper. ■

## Franco-African Co-operation Falls Short of Needs

by Wang Yi

*Co-operation with African countries has become a major part of the continuity of France's diplomatic policy. However, this co-operation, especially in the economic sector, is essentially a struggle between France attempting to dominate African economies and the African countries struggling to maintain their independence.*

This year marks the 30th anniversary of independence for many African countries. Three decades ago Charles de Gaulle, president of the Fifth French Republic, decolonized French colonies. As a result, former French colonies gained their independence and entered treaties of "co-operation" with France. The nature of this "co-operation," however, can best be illuminated by the remarks of a

French official in the late 1970s: "Africa is the only continent still under control of France."

### Wooing Africa

The policy of co-operation with African countries was advanced by de Gaulle and carried forward by Georges Pompidou and Valery Giscard d'Estaing. Africa is important to France politically, economically, strateg-

ically and culturally. This makes it necessary for French governments to attach much importance to Franco-African co-operation.

In 1981, the Socialists won the election and Francois Mitterrand became the president, forming the first leftist government since the founding of the Fifth Republic.

The Socialists bore a strong leftist mark in making policies

during and soon after their election. They divided African countries into progressive and reactionary, democratic and dictatorial forces, criticized some African countries' crackdown on domestic opposition and indicated that they were willing to change the "African police" image of France. This invited domestic complaints and criticism and aroused worries among African countries.

Soon after he took office, Mitterrand realized that African democracy is not, and cannot be, the same model as that on the old European continent. Based on this knowledge, he decided to change tactics to ensure a continuity of France's foreign policy towards Africa. In 1982 he made his first visit to Africa — Côte d'Ivoire, Senegal and Niger — to show that Paris did not forget its "old pals" and to re-establish mutual trust between France and Africa. The Socialist government also promised that it would respect African countries' independence and their governments' legitimacy, saying human rights were their internal affairs and France would not interfere.

Politically, Mitterrand inherited his predecessor's policy of "opposing any external interference in African affairs" and "Africans' Africa." He emphasized that African questions must be resolved within the Organization of African Unity in a bid to exclude the Soviet Union and the United States and safeguard France's position in Africa.

Mitterrand also approached "radical" African nations under the banner of socialism in an effort to win a struggle with the Soviets aimed at winning "radical" nations. France took advantage of the shock caused to these countries by the changes in the Soviet Union and East European countries with an active view to promoting an evolution towards capitalism there.

The Socialist government was also critical of US intervention in African affairs. In 1983, France sent troops to Chad and stopped Soviet-backed Libya from advancing southward. Paris also made it clear that it would not join Washington's anti-Libyan choir. In April 1986, when the United States made an air raid on Libya, France banned the passage of US bombers over French territorial skies. This showed that Paris and Washington have an acute conflict over Africa.

Giscard d'Estaing stressed France's leading role in the third world, and Mitterrand further developed this theory into a "third world doctrine." The essence of it is to put relations with third world nations as the focus of French foreign policy and assume a role of third world leader and "lawyer." Under this policy, Mitterrand advocated North-South dialogue, the establishment of a new international economic order and increased aid to developing countries in an attempt to win points for the Socialist Party in the international arena.

All this has won appreciation from African countries. French-speaking and other African countries are actively seeking to develop co-operation with France. Through such instruments as the French franc zone, the assistance and co-operation fund and the central bank for economic co-operation, France has steadily expanded its influence. In 1988, 38 nations attended the 15th Franco-African summit meeting, two-thirds of the total number of African countries.

Economically, Mitterrand maintains that the economic underdevelopment in the South and unemployment and economic stagnation in the North are the two sides of the same coin and, therefore, assisting developing

countries will help resolve the problems in the developed countries.

French assistance to developing countries was only 0.36 percent of the gross national product in 1981, but the figure rose to 0.7 percent in 1988. In late 1988, France announced that it was willing to offer 950 million francs to Algeria to compensate for the latter's loss in natural gas deals with France. France made further concessions later to raise the gas price and provide 7 billion francs as aid to Algeria, thus ending the three-year-old dispute which seriously hampered the development of bilateral relations.

In May 1989, at the third summit meeting of French-speaking countries, Mitterrand declared the Dakar Plan that cancelled a total of more than US\$2 billion debt for 35 least developed African countries. France also played an active role in the signing of the fourth Lomé Agreement, which provides a very useful instrument for North-South co-operation.

Recently, to alleviate Africa's apprehension towards the establishment of a unified European market in 1992 and the shift of West European attention from developing countries to Eastern Europe, France repeatedly stressed that it would not relinquish Africa and that assisting Africa would always remain a top priority on French foreign policy agenda.

The military co-operation with African countries is a main pillar of policy of the French Socialist Party towards Africa. During the presidential election campaign Mitterrand stated that France should not sell arms to the third world but should sell it bread. Actually, since Socialists came into power, weapons made in France have been sold to Africa. The military programme adopted in 1983 stipulated that

France's rapid deployment force should be strengthened to deal with sudden events in Africa. France has signed defence treaties with Cote d'Ivoire, Senegal, Gabon, Central Africa, Djibouti and the Comoros and stationed its troops there. Meanwhile it has signed treaties of military co-operation with more than 20 African countries including the above six. Mitterrand considered that France should safeguard its interests in Africa and should take every action to safeguard peace and security. For nearly a decade with the Socialist Party in power, France has thrice militarily intervened in Africa: In 1982 it was militarily involved in Chad; in September 1986 it sent troops to help Togo to quell the rebellion, and in December 1989 it was involved in military intervention in the Comoros and drove away the chief of the coup d'etat.

### Controlling Africa

Politics, the economy and the military are three major components of co-operation between France and Africa. Since the 1970s when France readjusted its policy of co-operation and especially in the 1980s with the Socialist Party in power, France has paid attention to winning support from Africa by political co-operation, so its policy was in favour with the African people. In military co-operation it is more prudent and afraid of offending Africa and availing other countries. However, its economic co-operation with Africa, like that in the 1960s and 1970s, has a great deal of colonialist factors and is predatory by nature.

The essence of Franco-African co-operation reveals the following aspects:

**Economic aid and debt.** Nearly 50 percent of French foreign aid goes to overseas departments and

overseas territories. For a great number of African countries, there remains very little aid from France. However, 60 percent of the aid gained by African countries is spent on remuneration of French aid. These countries use funds from aid to pay direct expenses of French technological transfers and for commodities and labour services imported from France. Although French investments and aid come into Africa in large amounts, their returns in profits are even larger. Presently, French aid to Africa has greatly decreased, and official bilateral aid has declined to ninth place in aid offered by developed countries to developing nations. On the other hand, France has attached additional restrictive conditions to its economic aid and shown greater interest in profits from the aid projects and whether loans would be repaid than in the benefits of the recipient countries.

Grants in economic aid were greatly reduced, from 77.8 percent of bilateral aid in 1977 to 65 percent in 1985. Furthermore, the French aid to Africa is mainly concentrated on the French-speaking countries, especially those countries which are of major political, economic and strategic significance to France.

France has sent tens of thousands of experts and co-operators to Africa to work. These experts and co-operators in Africa have helped to resolve the unemployment question in France and, by remitting their wages, increased France's foreign exchange revenue. All these supporters have engaged in work of economic and political importance, so that many major decisions of the African states such as national economic plans are often made by the French.

Among the French-speaking countries in which the total amount of foreign debt accounts for over 50 percent of the gross

national product, or the repayment of the principal and interest makes up over 30 percent of the export income, are Morocco, Algeria, Mauritania, Zaire, Congo, Guinea, Cote d'Ivoire, Senegal, Togo and Madagascar. Some of the least developed countries such as Mali, Niger and Burkina Faso are virtually completely dependent on foreign aid for their national economic development and are unable to repay their foreign debts at all. The French Socialist Party often cancelled the debt of some countries, but in fact it was not out of its willingness to do so; it had to do so only under a circumstance that these countries were unable to repay the debt.

**Finance.** The franc zone is a major regional organization which maintains the financial and monetary relations between France and its former dependencies. Today France continues to control the development orientation of the franc zone. Paris is in charge of supervising the monetary policy of the member states so as to avoid inflation and an imbalance in foreign trade. The states in the franc zone can only adjust the interest rates and adopt credit measures with the approval of French representatives. According to the rule, the reserves of foreign exchange of the members of the franc zone are concentrated under the control of France, thus France can gain income of US\$500-600 million. The exchange between African francs and French francs is free and without any restrictions, and this has provided a favourable condition for France to export its capital into the franc zone, expand trade, and have French businessmen to remit the profits to their country.

**Trade and Investment.** African countries have traditionally been the main regions for providing France with cheaper energy, raw materials, and markets. France

exports its industrial and agricultural products, capital, technology and weapons to these countries. France always has a surplus in trade with African countries. The African countries have become an indispensable region for it to remedy its adverse balance of trade.

French investments in the franc zone account for nearly 80 percent of all its foreign investments in the region. In north Africa, French investment mainly goes into developing petroleum products and mines, such as phosphate, iron, lead and zinc. For example, ELF, a transnational enterprise of France, has monopolized northern African oil production.

Through economic co-operation, France has controlled the economies of many African countries.

In Coté d'Ivoire, 53 percent of commodity capital and 30 percent of industrial capital belong to the French; one third or two-thirds of its imported materials come from France. There are about 60,000 French businessmen working in the country. This has increased three times compared with that before independence. The French employees have congregated in the governmental institutions, state-owned and private enterprises of the country. In private enterprises, positions ranging from managers, engineers, technical persons to lower managers are nearly all taken by the French. The annual pension of a French specialist can reach as high as US\$50,000, which is 200 times higher than the average salary of the labourers of the country. Just as a famous French specialist on African affairs has pointed out, Cote d'Ivoire has not decolonized itself, on the contrary, it has been recolonized.

In Senegal, the number of French businessmen reached 20,000. The industrial sector of

the country has actually become a "for France only" area. Its edible oil, beer, tobacco, printing, textile, plastic and engineering industries are subsidized completely by French capital. Among the total of its foreign aid, 30 percent comes from France.

In Gabon, the number of French businessmen has increased to 25,000 from 3,000 some years ago. They are in every department of the government and institution that make policies. The ELF and its branch in Gabon control three-fourths of the country's annual 8 million tons of oil production. Cabon has become an oil province of France. The uranium industry, one of the pillars in the economic development of the country, is dominated by foreign capital, of which 80 percent is French.

The French businessmen had been driven away from Guinea in 1958. However, they did not resign themselves to losing such a rich land. After Guinean military government took power in 1984, the French businessmen came back and have infiltrated in every agency in the country.

To the French government, its co-operation with African countries must be favourable for France. Whether this co-operation is suitable to the conditions in African countries is not important in the French view. The results of surveys have shown that since many African countries have failed to have a rational use of foreign investment, they become more dependent on foreign assistances and have an increasing demand for them. A Cameroon newspaper pointed out that the French government was intending to put Cameroon in a position of a recipient country. When French people celebrated the 200th anniversary of the French Revolution last year, an inharmonious voice had come from Africa. *Young*

*Africa* magazine published an article on July 19, 1989 saying that the Declaration on the Rights of Man is still only suitable to the whites instead of the whole of mankind today as it was issued 200 years ago. Such harsh reality can be seen everywhere ranging from the single price of raw materials imposed on poor countries to some political events affecting the lives of African people.

Now, in the face of the joint struggle of African countries for safeguarding political and economic rights, the French government has slightly relaxed its control. The French-African co-operation has also brought some benefits to the African countries. However, under the present situation with the French economy growing slowly and faced with the challenges from other Western economic powers, it is impossible for the French government to give equal treatment to the African countries in its co-operation, especially economic co-operation.

The African countries need the economic assistance and political and moral support from the French government for the sake of their own economic development. They hope their co-operation will be established on the basis of equality. However, the African countries' position of being controlled by others in the co-operation has not changed. In addition, the French government wants to strengthen its control of the African countries quickly before the tendency of these countries to get rid of the control is strong. The contradiction between the two sides cannot be dispelled. African countries cannot gain a favourable position in their co-operation with the French government unless they launch a joint struggle for their rights and benefits. Generally speaking, Franco-African co-operation will develop in controlling and anti-controlling struggles between the two sides. ■

# Asia-Pacific Region: Much to Be Done In Agriculture

by Our Staff Reporter Han Baocheng

*During the last decade most developing countries in this region have made impressive achievements in agriculture, especially in cereal production. However, such problems as malnutrition and environmental pollution still need to be solved by governments in the area with international co-operation.—Ed.*

The 20th Food and Agriculture Organization of the United Nations Regional Conference for Asia and the Pacific was held at Kunlun Hotel in Beijing from April 23 to 27. The more than 400 people who attended the conference came from 28 Asia-Pacific countries, international organizations as well as countries in other regions. Yang Shangkun, president of the People's Republic China, gave the opening speech.

"Mankind has now entered the last decade of this century," Yang said. "It is a time in which opportunity and challenge, hope and danger co-exist. Whether we will succeed in this challenge depends, to a considerable degree, on whether we can achieve comprehensive agricultural development throughout the world."

In the last decade, many countries in this most densely populated region have succeeded in achieving grain self-sufficiency. Having basically met its domestic needs, China has become one of the world's top ten agricultural produce exporters. Other countries have also made impressive achievements. The table below provides a useful illustration.

Table 1: The Production of Cereal (unit: million tons)

	1980	1989
India	140	190
Indonesia	29.8	50
Bangladesh	22	28
Pakistan	17.76	21.6

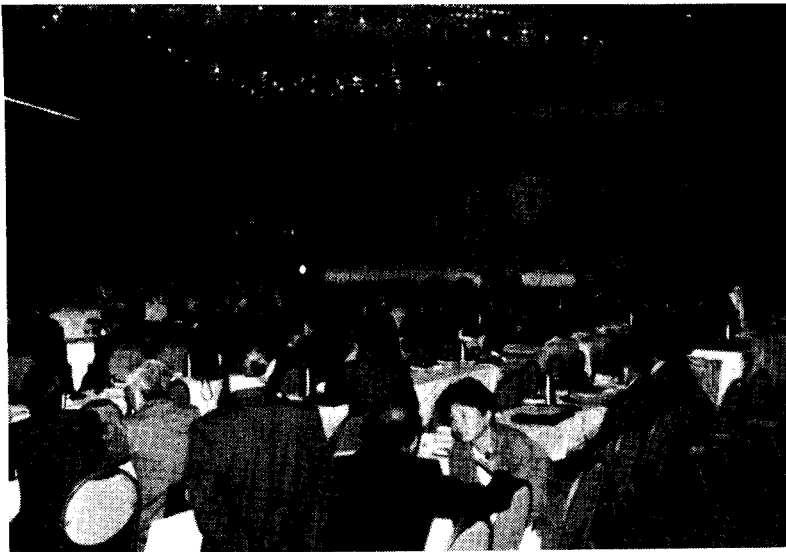
FAO Director-General Edouard Saouma said that overall food production is improving in the Asia-Pacific region. Total cereal production rose slightly in 1989. Harvests are expected to be good in 1990, so long as the weather remains clement and the monsoon is normal. Since last year, the marked expansion of rice production in China and India has been accompanied by appreciable progress in Bangladesh, Indonesia, Myanmar, Pakistan, the Philippines and, particularly, Viet Nam.

## Problems

However, achievements gained in cereal production do not mean that the future of agriculture in the region will be without problems. Such hurdles as the comprehensive development in rural areas, enhancing farmers' living standard, elimination of malnutrition and environmental protection are still daunting challenges to the developing countries of the region. Fortunately,

FAO has helped and will continue to help solve these problems. Many delegates aired their opinions on these problems, especially those of malnutrition and environmental degeneration.

Mr. Saouma said that the Asia-Pacific region still has the largest number of malnourished people in the world. Calorie intake is improving, but an unbalanced diet, low in protein and trace nutrients, is helping to perpetuate malnutrition and diseases related to nutrition deficiency. He noted that malnutrition is above all a problem of poverty and that the efforts which several governments are making to improve access to food for low-income groups in their population must be increased. Since the implementation of these policies and programmes require financial resources, international aid in this field is therefore indispensable. To assess the situation, to review existing technologies and to assist countries in formulating policies and measures for eliminating malnutrition, FAO will organize, in collaboration with the World Health Organization, an international conference on nutrition in Rome in December 1992. It will be the first major world meeting devoted exclusively to this serious problem.



The FAO Asia-Pacific conference.

A solution to the problem of nutrition, he said, presupposes a sustained rural and agricultural development in the Asia-Pacific region populated with half of the world's population.

Recent FAO studies show that the region generally has reached or surpassed the boundaries of security as regards expansion of agricultural production. To ensure that food production expands as fast as the population, man is excessively exploiting natural resources. Consequently, the base of renewable resources in the Asia-Pacific region is subject to heavier pressure than elsewhere.

Vital watersheds, for example in the Himalayas, have been deprived of their forest cover; the bare earth has been exposed to erosion, riverbeds are rising and the risk of flooding has increased. Soil degeneration is destroying vast stretches of arable land. Salinization and waterlogging affect more than half of irrigated areas. Deforestation and vegetation degeneration are leading to the loss of valuable genetic resources and a reduced biological diversity. Fish and other water resources, like farmland and forests, are under heavy pres-

sure.

Various socio-economic factors are combining to accelerate the damage to the natural environment in this region, Saouma said. Small land holders without title deed, tenant farmers and share-croppers have little reason to invest in improving land not their own. Moreover, the absence of good policies covering prices and credit to agricultural production tends to discourage them still further.

What is needed to eliminate hunger, improve nutrition standards and alleviate rural poverty, Saouma said, is a sustained ecologically sound development. This means promoting agricultural, forestry and fishery production that respects the conservation requirements. Such an approach implies equity in human affairs, stable production, the preservation of ecological processes and balances, and, lastly, the harmonious integration of ecological, social, institutional and technical considerations.

In this connection, it is clear that biotechnology will be playing a major role in plant and animal production. Biotechnology could improve the productivity of cultivated plants and their

resistance to parasites, diseases and non-biological constraints such as salinity. Remarkable progress could also be made in improving food quality, for example, in increasing protein content. In animal breeding, equally startling results could be obtained from the application of biotechnology. He said, several countries and regions, particularly China, India and South Korea, have been pushing ahead very important programmes in this field. In many respects biotechnology seems especially suited to the conditions of the Asia-Pacific region. For instance, in vitro culture requires a large labour force and relatively little financial outlay.

During the conference, the delegates also exchanged views on agriculture policy, crop protection, aquaculture, weather monitoring, women in development and overall development of rural areas.

After citing the achievements of agricultural reform in China, He Kang, then China's agriculture minister, noted the following conclusions:

—As a populous country with limited agricultural resources, China cannot possibly become a food exporter. Nor can it rely on imports. In view of these conditions, the government has consistently given priority to food production and ensured adequate land for cereal crops. At the same time, it has taken effective measures to develop animal husbandry and aquaculture. China has established several hundred production bases for grain and cash crops, thus effectively ensuring the production and supply of major farm products.

—The upsurge of rural industry has injected vitality into the rural economy. At present, there are 18.8 million rural enterprises throughout the country, 1.5 million of which are township or

village enterprises. The remainder are managed by individual households or groups of households. These enterprises employ a total of 92 million workers or 23.5 of the rural labour force. The development of rural enterprises provides an effective outlet for the re-employment of under-employed rural labourers and substantial benefits for farmers. It also lends an effective assistance to agricultural development in terms of finance, technology and services.

—Agrotechnology and input are the key to agricultural development. In the past decade, the governments from the top all the way down to the bottom have increased investment in agriculture and publicized technological knowledge. In order to improve investment cost-effectiveness and accelerate the application of agricultural research results, China has implemented the Bumper Harvest Programme to

increase production of cereal, cotton and other major farm products; the Vegetable Basket Programme to increase the production of livestock, vegetable, fruits and other nonstaple food; the Anti-Poverty Programme help poor areas to develop production; and the Spark Programme to upgrade the technical standards of rural enterprises, etc. The implementation of these programmes has significantly improved the supply of basic farm produce in urban and rural areas.

He Kang said that despite these impressive achievements in China's agriculture, there is still a shortage of farm produce. Agricultural development is still hampered by a weak physical and technical infrastructure. The per capita availability of major farm products is below the world average. Some 40 million people still do not have enough food and

clothing, an arduous task China has to deal with in its agricultural development.

Opening to the outside world is an important part of China's rural reform policy. In the past decade, China has been actively conducting international agricultural co-operation on the basis of mutual help and benefit. China's agricultural development has also benefited a great deal from the friendly offerings of other countries and international organizations. At the same time, China has also provided assistance to a number of developing countries and to various international organizations which work in the food and agricultural field. China will continue to implement this policy in the future. It will try to create a better environment for international agricultural co-operation and cooperate with other countries to develop agriculture. ■

FAO agrotechnical workshop delegates in south China paddyfields.



## Yingkou Attracts Investment With "Transplanting" Method

by Our Staff Reporter Zhang Zeyu

**Y**ingkou, a coastal city in Liaoning Province, has attracted foreign technology in order to develop production while continuing to make full use of its existing land, factory buildings, equipment and labour resources. From all indications, the policy, called the "transplanting method," has been successful and allowed Liaoning Province, one of China's oldest industrial

**Director Gao Wanbao.**

bases, to step up its effort to introduce advanced technology and equipment.

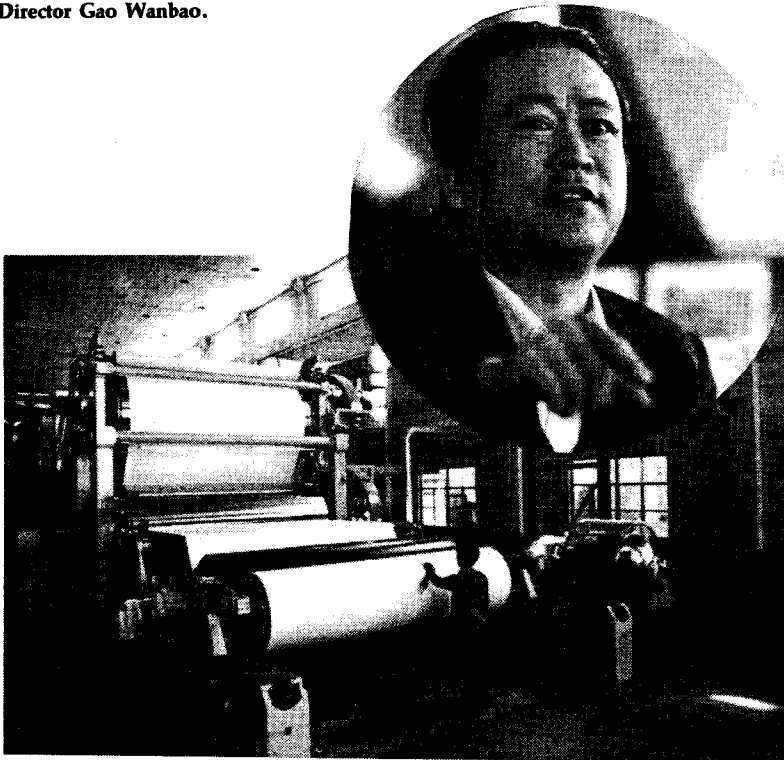
### Paper Mill Experiment

The "transplanting method" was created by the Yingkou Paper mill. Established in 1936, the factory now has more than 8,000 employees. Its major products are quality coated white board-

paper, relief printing paper, capacitor paper, pulp and toilet paper. For the quantity and value of its products, the Yingkou Paper Mill ranks third among counterparts nationwide. In recent years, the factory has been able to produce some world-standard products by importing advanced foreign production lines.

Gao Wanbao, director of the factory, recently reviewed the use of the "transplanting method" at the factory. He said that every country now has both its advantages and shortcomings in its paper board production equipment. By making use of its advantages and avoiding shortcomings, however, one can gain profitable economic results. Instead of blindly seeking advanced technology of the 1980s and 1990s, Gao's factory considers two factors when determining whether or not to introduce foreign technology and equipment. The first is the cost of the product. As a developing country, China has a comparatively backward economy and shortage of foreign exchange. To import technology and equipment which China cannot afford is unrealistic. The second factor is whether or not the imported technology and equipment can aid in the manufacture of products for the international market.

Gao said they imported tech-



The Yingkou Paper Mill produces white coating boardpaper with some imported technology.



nology and equipment from different countries based on the mill's practical conditions, such as its available workshops, equipment and technological force. For example, in 1986, the factory imported a used paper board machine from the APM Co. of Australia. Though a 1960s' British product, the machine has been overhauled and is made of quality material. It also has high processing accuracy and a comparatively long service life. However, it can only manufacture common white boardpaper which has a narrow market. Gao and his colleagues found that by adding an advanced cloth coating machine, would enable the factory to produce a top coating white boardpaper for the international market. Later, they learnt that a Japanese cloth coating machine, new to the market in 1986, could complement the equipment and made the purchase.

The Yingkou Paper Mill originally used local reed as raw material. Due to its short fibre, however, the final product was easily deformed and broken. The factory then turned its eyes overseas and began to purchase waste paper with high pulp content

from Hong Kong. Now, the factory purchases 30,000 to 40,000 tons of waste paper annually to satisfy its production needs.

In order to manufacture top-quality coated white boardpaper, the factory decided to purchase two sets of mixed waste paper and waste newspaper processors from the Blak Clawson International Co. Ltd. of Britain after first looking into the available domestic and foreign waste paper processing technology and equipment. The two pieces of high-technology equipment were relatively inexpensive at US\$7.8 million. In comparison, the complete equipment set costs more than US\$20 million. The "transplanting" was successful with smooth, well-pressed and stretch-resistant coated boardpaper produced for the overseas market.

By means of the "transplanting method," the factory also brought in equipment and computers from New Zealand, Japan, Britain and the United States to produce a paper machine with an annual capacity of 40,000 tons of top-quality white boardpaper. The factory then joined the Bunzl Marketing (Far East) Co. Ltd., the Tricell (Hong

Kong) Co. Ltd., and the Land Origin Co. Ltd. of Hong Kong to form the Yingkou Paper Co. Ltd. which can currently produce 30,000 tons of boardpaper for craft cases and 10,000 tons of coated white boardpaper annually. The venture's annual output value has already reached 120 million yuan.

### Yingkou Benefited

The "transplanting method," invented by the Yingkou Paper Mill, was later endorsed by the Yingkou city government, a step which has greatly promoted the city's economic and technological exchange with foreign countries.

When Yingkou City first began to set up foreign-funded enterprises in 1987, taking the steps to usher in foreign investment, it did so later than its neighbouring city, Dalian. By 1989, however, 42 businesses from ten foreign countries and regions, including Japan, Britain, Federal Germany, Canada, Malaysia, Singapore and Hong Kong, arrived to establish enterprises. In 1989, there were still 19 foreign-funded enterprises established despite the negative impact of social turmoil and difficulties from the economic retrenchment policy, 4.8 times more than the five established in 1988. Investment totalled US\$64.5 million, 4.3 times more than the previous year.

This year marked another development milestone when, by the end of May, 17 agreements, worth US\$23.45 million, were signed.

At present, Yingkou has 40 foreign-funded enterprises. Of these, 34 are Chinese and foreign joint ventures, one is a Chinese-foreign co-operative enterprise and five are exclusively foreign-funded businesses. The total investment volume is US\$98 million, with US\$35 million in di-

The grain dock at Yingkou Port.

ZHOU CAN



rect foreign investment. The annual output value of these enterprises has reached 700 million yuan. In addition, they yield 200 million yuan in profits and taxes and more than US\$100 million in foreign exchange annually.

These foreign-funded enterprises include 34 production projects and many large, well equipped foreign-exchange earners. Three enterprises have more than US\$10 million in investment and 12 enterprises invest more than US\$1 million. Some projects, such as those involved in jellyfish processing and the breeding of an improved strain of marten, have approached or reached the international level of the 1980s and filled China's technological gaps in these fields. Thirty enterprises are exporting their products; 12 export all their products and 13 enterprises export 70 percent.

Yingkou City introduces advanced foreign technology and equipment with credits given by foreign governments and international financial organizations, or through the lease of foreign equipment. By the end of 1989, 2,643 sets of advanced equipment and 48 production lines had been introduced which helped upgrade more than 200 old enterprises.

With increasing numbers of foreign-funded enterprises established, management personnel are encouraged to take part in international economic activities. The fierce competition of the world market and the frequent exchanges with foreign countries have added to their knowledge of the outside world and improved their ability to effectively deal with their foreign colleagues. Many enterprises now make production and management decisions solely on the demand and changes in the international market, and problems are considered from the wide scope of the world market place.



General Manager Liu Hongfa.

A worker adjusts a weaving machine at the Zhongji Textile Co. Ltd.

At present, established foreign-funded ventures have business relations with more than 60 countries and regions and their products are sold to over 30 countries and regions. Gao Wanbao, manager of the above-mentioned paper mill, is a good example of a former worker who is now learning the ropes of the international market.

Liu Hongfa, general manager of the Yingkou Zhongji Textile Co. Ltd., is another example. He was originally a staff member of an institutional unit until the needs of foreign business required that he masters new skills. In every enterprise where he worked as director or manager, his sound regulations and rules brought about high economic efficiency. So, when the Hong Kong Gissing Co. Ltd. decided to merge with Yingkou's Xishi District Industrial Co. Ltd. and cooperate in the production of yarn-dyed fabrics and garments. Liu Hongfa was asked to serve as the general manager.

As the Hong Kong businessmen expected, the enterprise has been profitable ever since Liu's appointment. In 1989, total output value amounted to 29.02 million yuan, 140.3 percent of the 1988 figure and there was 10.07 million yuan in profit, 1.99 million yuan in state taxes and 2.41 million yuan of equipment depreciation charges. Though a small enterprise with only 200 staff and workers, the Zhongji Co. earned US\$4.81 million in foreign exchange in 1989, US\$21,000 per capita, a high figure when compared with similar industries in both Yingkou and Liaoning Province.

### Mayor's Expectation

In regard to the prospects for Yingkou, mayor Zhao Xinliang was confident that the city would attract foreign businessmen through the creation of a favourable investment environment.

According to the mayor, Ying-

kou enjoys convenient transportation services and is only some 180 km from Shenyang, the capital of Liaoning Province, and 210 km from Dalian, the biggest port in northeast China. The Shenyang-Dalian Expressway and the Harbin-Dalian Railway run through the city, and passengers can reach the two international airports, Taoxian of Shenyang and Zhousuizi of Dalian,



Mayor Zhao Xinliang.

present, the port can handle 7 million tons in cargo. When it surpasses the expected 10 million tons this year it will enter the ranks of the ten biggest ports in China. By the year 2,000, it will have the capacity to handle 25 million tons.

Yingkou has a good post and telecommunication system. A 14,000-channel digital-controlled telephone exchange is in operation to facilitate full domestic and international exchanges. When a 41,000-channel programme telephone exchange is put into place by 1991, a complete rural and urban telephone network will be available. In addition, the Yingkou Post Office offers telegraph and telex services to customers night and day.

In a bid to improve efficiency, Yingkou set up an office to check and approve foreign investment projects in 1988. Suggestions, feasibility study, contract and questions concerning investment projects can be replied to within a week. In addition, the Foreign Investment Service Centre of Yingkou was established to answer inquiries regarding the preliminary work of investment projects, such as negotiations and agreement signing, post-operation services and laws and

policies.

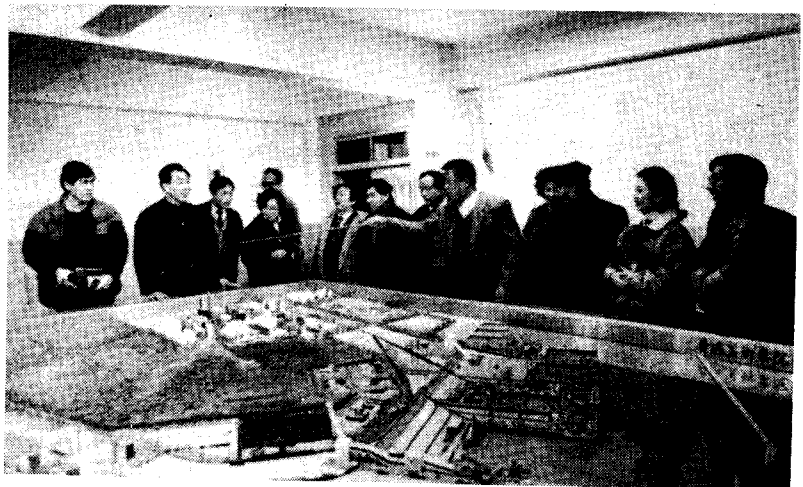
Yingkou abounds in resources. There are wild silkworms in the east mountainous area, orchards on the central hills (an important fruit-producing area with a long history), and quality rice in the western plains. The coastal area teems with fintail fish, prawns, jellyfish and shellfish. Local prawns, big, fleshy and delicious, are exported to Japan, France and Federal Germany while the production volume of jellyfish ranks first in China.

The area is also abundant in mineral resources, 31 types of which have been verified. Of these, the deposits of magnesite, talcum and boron are important to China's industry and their 15 major products are sold both to domestic and foreign markets. In the offshore area, considerable deposits of petroleum and gas resources are located, the development and utilization prospects of which are vast.

Yingkou's major industries include textiles, petrochemicals, machine building, electronics, metallurgy and light and building industries. Of these, the processing and production capacity of the light and textile industries are the strongest. The Yingkou Textile Mill and the Yingkou

**A planner for Bayuquan Port explains the port's construction to visitors.**

*Photos by OUR STAFF REPORTER XU XIANGJUN*



by driving only two hours.

Yingkou also has well-developed water transportation with its one river and one sea port. As a river port, old Yingkou opened a route in 1864 and acted as a shipping centre for northeast China. In its heyday, there were eight foreign consulates there, but the port later went into decline. In September 1984, the State Council formally permitted the port to reopen to foreign shipping and the old Yingkou Port now has ten berths and a cargo handling capacity of 2 million tons.

Yingkou's new sea port at Bayuquan, much larger than the old port, can accommodate larger ships and can operate without interruption year round. It is 53 km from the city centre. The Shenyang-Dalian Expressway passes through the port area and the port railway is connected to Harbin-Dalian Railway. At

No. 1 and No. 2 knitwear factories are large enterprises in China. The newly built Yingkou Chemical Fibre Factory is the biggest polyamide fibre producer in China, the Yingkou Paper Mill ranks among China's ten biggest paper-making enterprises and the Yingkou Piano Factory is one of the industry's four biggest producers. Each year, these enterprises export a sizable volume of their products to foreign countries.

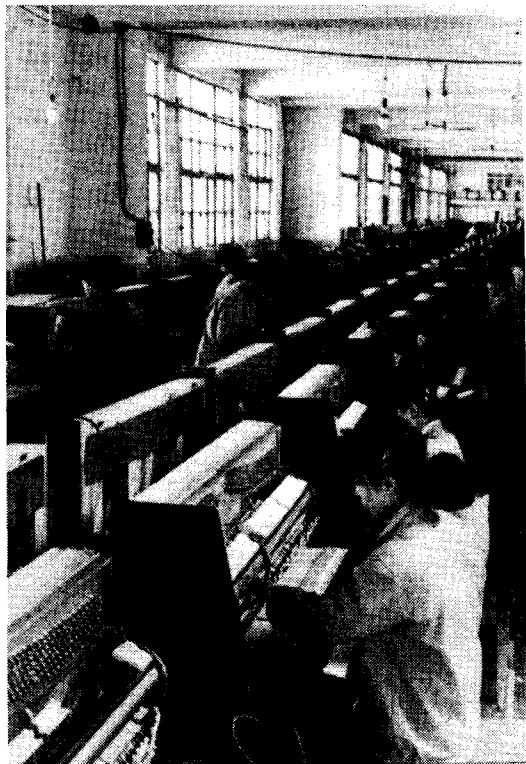
### Response

Many foreign managers in Yingkou appreciate the investment environment there, regarding the city's future investment prospects as bright.

The view of the manager of an exclusively foreign enterprise in Yingkou's export-oriented processing zone is one example. He said that after the "June 4" event happened in Beijing in 1989 and some developed countries imposed economic sanctions against China, he and his colleagues considered the matter an internal affair. Making money is their purpose. When such events occur in other countries, he said, there is no fuss whatsoever. The foreign businessman believed, moreover,

that the Chinese government would correctly deal with such a situation, and that the government would continue its policy of opening to the outside world. Assured that China very much wanted foreign investment and that the government would grant them the greatest possible conveniences, many foreign investors made up their mind to come to Yingkou.

None of the businessmen who had arrived in Yingkou before the "June 4" incident left for good. Some did leave on scheduled holidays but returned on time. For example, James W Gouche, a technical adviser sent by K.I.C. of the United States to the Yingkou Trailer Manufacturing Plant, left for the United States on holiday in May. Aware of the turmoil from newspaper reports, he phoned Yingkou, asking about the situation there and whether or not it was safe for him to



A workshop of the Yingkou Piano Factory.

return. The plant sent a telegram to him, saying that the situation in Yingkou was normal and requesting him to return as soon as possible. He did return to Yingkou on schedule.

Mr. Gouche, in a recent interview, expressed his pleasure at being back in China. He said that at the time of the turmoil he believed the report of the event given to him by his Chinese colleagues with whom he had worked together for two years. They had always been honest, he said, and would not lie to him. He found the Chinese government was making every effort to return production to normal and the country's situation was getting better day by day. He said that all countries (including his own, the United States) has its internal problems and it is a waste of time to be overly alarmed or surprised by such occurrences. ■

The quality inspection line for automatic washing machines at the Yingkou Washing Machine Plant.



## Tianmu—A Muslim Village

by Our Staff Reporter Lu Yun

*This article highlights the religious, economic and cultural life of the Muslims in a Hui village in Tianjin.—Ed.*

On the western side of the Beijing-Tianjin Highway in the northern suburb of Tianjin, a port city in north China, is a food and commercial street with the distinctive architectural features of Islam. The 260-metre-long wall is covered with milky-yellow glazed tiles and its top is inlaid with green glazed tiles. The wall links up a spherical pinnacle, two castle-like Islamic towers and many well-laid-out semicircular pillars, arched doors and windows. The street, built only in recent years, has added lustre to Tianmu Village, home to the Hui communities.

The Huis make up 14,500 out of the total 20,400 Tianmu villagers. It is said that in 1404 when Emperor Zhu Di of the Ming

dynasty sent armed troops to wipe out bandits in Tianmu, Mu Chonghe, a bodyguard of the emperor, remained in the village. His descendants carried on his line and built a hamlet, named Mujiashuang, which became the first Muslim area of Tianjin. In 1951, Mujiashuang merged with nearby Tianqimiao Village, and was named Tianmu Village. According to village elders, after people of the Mus settled here, they quickly merged with the Hans through intermarriage. The fine tradition of unity between the Hui and Han nationalities spread far and wide among the people so that Hans in the village can not only understand and respect the customs of the Huis, but they have also become accustomed to not eating pork. They

are affectionately called "accustomed Huis."

### Freedom of Religious Belief

There are two mosques in Tianmu Village for the Muslims. The northern mosque, built in the Ming Dynasty during the reign of Emperor Yongle early in the 15th century, is the oldest mosque in Tianjin. The southern mosque was constructed in 1854 during the reign of Emperor Xianfeng of the Qing dynasty.

The democratic political power established in Tianmu Village in the 1940s supported the War of Resistance Against Japan and the People's Liberation War. In 1948, when the village was burnt by the Kuomintang troops, the mosques were also destroyed. After the founding of New China in 1949, the two mosques were repaired with funds raised by the Huis and allocated by the government. After repair, the northern mosque still retained the ancient architectural features. Its main hall can accommodate more than 1,000 people for religious service. It is the largest mosque in Tianjin. The southern mosque was rebuilt last year. Covering a total floor space of 420 square metres, the audience hall is fitted with aluminum alloy doors and windows. The path leading to the hall is paved with white marble slabs. Above the door of the hall is a horizontal board with inscriptions by form-

At prayer services.

Photos by LU YUN



er Tianjin mayor Li Ruihuan. When the inauguration ceremony was held early in October last year, Muslims dressed in their holiday best to mark the occasion. Ilyas Shen Xiayi, president of the China Islamic Association, and Li Yuan, vice-chairman of the Standing Committee of the Tianjin Municipal People's Congress, came especially to cut the ribbon and extend their greetings.

Mu Chengxiang, 67, who helped transport medicines and other military supplies for the people's army in his youthhood, has been elected by the Muslims a member of the democratic management committee of the southern mosque and takes care of the funds for the construction and the daily expenses of the southern mosque. He described to this reporter how the Muslims and some Hans volunteered to drum up funds and exert themselves in order to rebuild the southern mosque. He estimated that the villagers contributed a total of 6,000 workdays to the work.

The mosques at Tianmu Village, carrying forward the fine tradition of Islam, have trained many religious leaders. Wu Yuzhen, now an imam at the northern mosque, became an imam after he studied at the southern mosque between 1949 and 1954. He is now training a dozen or so Muslims from Hebei and Heilongjiang provinces. These young Muslims will become religious clerics. An imam at the southern mosque is training seven young people from Hebei and Jilin provinces. Wu said, "I'm satisfied with the government's policy of religious freedom. We are allowed to act in accordance with the Islamic practice. It is real freedom."

Currently, seven people of Tianmu Village have become imams at the mosques in Hebei Province and the Inner Mongo-



**A shop of the Islamic Perfumed Soap Factory.**

lia Autonomous Region and two young people, graduates of the China Institute of Islamic Theology and the Tianjin Foreign Languages Institute, have been sent abroad for further training.

Yu Changyou, a young imam of the Dachang Hui Autonomous County, Hebei Province, recently returned to Tianmu, his home village, on holiday. In Yu's eyes, Tianmu Village is a home base for Muslims. After his graduation from a junior middle school, Yu studied at the southern mosque in 1982 and graduated from the mosque five years later. He is now 29 years old and has served as the imam successively for four mosques. He noted that although life in Dachang was harder than in Tianmu Village, "In order to carry out missionary work, I'm willing to continue to take care of the religious activities in that mosque and try my best to train the three religious students at my side."

### **Rapid Economic Growth**

As in other villages in old China, farmers in Tianmu Village were without visible means of support and had a hard life. There wasn't one asphalt road in the village and most houses were

built mainly with sun-dried mud bricks. Because the village was located in low-lying land, it was always flooded during rainy season.

Since 1949, when New China was founded and the people's government implemented the policy of nationality equality, the farmers' lives have been improving year by year. At first, they increased incomes mainly by developing vegetable production but, in 1958, they established a cardboard box factory. Since all of the factory work was done by hand, the mill's annual profits amounted to only several thousand yuan. Great changes, however, have taken place in the village during the years of reforms that began in 1978. The farmers have carried out the contract responsibility system and set up more than ten collectively owned enterprises, which have offered jobs to a large number of surplus labour. Some farmers have even switched to commercial, sideline and transport trades.

The Tianmu Village Agricultural, Industrial and Commercial Co. now has more than 30 enterprises including the Mutton and Beef Processing Plant, the Muslims' Bakery and Confectionery and the Islamic Per-



An older worker of the Han nationality passes on his technical skill to a young woman of the Hui nationality.

fumed Soap Factory. All of the workers are Muslims who make their products strictly according to Islamic traditions and customs.

Established in 1984, the Tianmu Mutton and Beef Processing Plant slaughters over 20 beef cattle a day and generates an annual output value of 5 million yuan. Mu Xiangqing, 63, the director of the plant who started in the meat business when he was 16 years old together with his father, manages the plant methodically to ensure that the products enjoy a high reputation among customers. With the continuous improvement in living standards over the past few years, changes have taken place in the market. Customers have changed their inclination from fat to lean meat. To suit market demand and expand its business, the plant has changed its cattle-supply sources and established marketing relations with more than 20 mutton and beef shops and some restaurants. Cattle are slaughtered by special butchers according to

traditional procedures and then arranged and washed by Hui workers. About three hours later, clean, fresh and tender beef is on the market.

The Muslims' Bakery and Confectionery mainly produces bread with a Hong Kong flavour, ice cream and soft-package beverages. Food makers, raw materials, operations, containers and means of transport all meet the requirements of Muslim tradition. Its products are marketed mainly in Tianjin City. Its various kinds of bread are sold on commission by a famous Muslims' cakes shop in Tianjin.

The products of the Islamic Perfumed Soap Factory have found a good sale in Islamic areas in Xinjiang, northeastern and northern China.

Other key enterprises of the Tianmu Village Agricultural, Industrial and Commercial Co. include a steel products plant, an electrical appliances plant, a wood box plant, a paper box mill, a tableware plant, a knitting mill and an art handicrafts workshop.

In addition, Tianmu Village has more than 40 hectares of land sown to vegetables, supplying around 6 million kilogrammes of vegetables for urban areas a year and 130 households raise more than 260 cows, each year selling to the state some 270,000 kilogrammes of fresh milk.

Mu Xiangyou, chairman of the board of directors of the Tianmu Village Agricultural, Industrial and Commercial Co., is a deputy to the National People's Congress. He said that his village had received support from all levels of the local government and enterprises when it had undertaken the construction of a mosque, a food street, a commercial street and a natatorium in recent years. Mu said his corporation has 18 million yuan in fixed assets and had a solid foundation for future development. In 1989, the corporation's income totalled 40 million yuan (26 million yuan from industry, 800,000 yuan from agriculture and the remainder from transportation and service trades), the annual per-capita net income reached 1,179 yuan, surpassing the average level of 980 yuan in Beijiao District, and a 11-fold increase over the income before liberation.

The former adobe houses have been replaced by rows of red brick and tile houses. About 30,000 metres of road has been asphalted and running water pipes, electricity lines and gas pipes are laid into each home. Most households in the village have purchased black-and-white or colour television sets and some families have bought refrigerators, motorcycles and trucks.

### Learning Arabic

Muslims in Tianmu Village have used Chinese for a long time, but they still speak old Arabic in the mosque. Since the implementation of reform and open policy in 1978, the residents

of Tianmu have met Muslims from Arab countries and found a great difference between modern and old Arabic. Gao Yaokuan suggested that the villagers learn modern Arabic and his idea received support. In November 1986, some teachers of Tianjin Foreign Languages Institute were invited to teach an Arabic class in the village. After three years of effort, many people can now read *The Koran* and more than ten people can converse in Arabic. Four young people are now studying Arabic at the Oriental Languages and Literatures Department of Beijing University.

Mu Ruiming, a 54-year-old deputy head of a transportation team, still studies Arabic on his own. He said the aim of his study is to carry forward and revitalize national culture, enhance his understanding of Islam, and form a good foundation for later foreign exchanges. He waits for the four

Beijing University students to resume Arabic class after they graduate from the university. Together with other people, Gao Yaokuan and Mu Xiangmei have started a small bookstore to lighten the financial burden on the village for Arabic study activities. As of now, they have given 5,000 yuan to the four students in Beijing University.

Great changes have also taken place in culture, education, sports and public health. Five years ago, the Tianjin Hospital of Traditional Chinese Medicine set up a clinic in Tianmu Village. Armed with advanced equipment such as electrocardiograph, a B supersonic diagnostic set and an X-ray machine, the clinic serves more than 10,000 patients a year. The present head of the clinic is Li Xin, a retired deputy president of the Tianjin Hospital of Traditional Chinese Medicine. She said that although the experts and doctors

of her hospital are all of the Han nationality, they warmheartedly serve minority nationalities with the best of their skills. She said they were well received by the broad masses of Muslims.

Old widowers, widows and retired people all receive monthly alimony from the village. In order to enliven the cultural and recreational life, the village has established special entertainment rooms for the elderly. In addition, the village has built a new kindergarten for preschoolers. Now, all school-age children can go to the Muslim primary school.

The history of

swimming in Tianmu Village is one for the record. During the mid-1930s, Mu Chengkuan carried off the first prize at an international swimming meet. At present, four of his children are engaged in swimming undertakings: his eldest son, Mu Xiangying, is the vice-chairman of the Swimming Association of China; his second son, Mu Xiangxiong, a swimming coach at the state level, has broken the world record three times; Mu Xiulan, his daughter, a swimming referee at the state level, is an associate professor and a vice-chairperson of the Swimming Association of Beijing; and another daughter, Mu Xiuzhen, is a swimming referee at the state level and a vice-chairperson of the Swimming Association of Tianjin.

Luo Jinlong, who became well known both at home and abroad during the mid-1930s, is now the chief swimming coach of the village. Together with three other coaches, he selects promising children and trains them. Over the past few years, they have provided provincial and city-level swimming teams with 27 swimmers and the state swimming team with seven swimmers, four of whom have won the title of master sportsmen or sportswomen. At the 1988 National Games, for example, 14-year-old Wang Shuhua captured first prize in the women's 200-metre breaststroke contest, and Jiang Lidong won the gold medal in the men's 100-metre breaststroke contest at the People's Liberation Army Games the same year.

With the support of all levels of government and the State Physical Culture and Sports Commission, the newly built natatorium is now being outfitted. People believe that the new natatorium will create more favourable conditions for the training of swimmers in Tianmu Village.

**The Mutton and Beef Processing Plant.**





## China's Islam

**I**slam, Buddhism, Taoism, Catholicism and the Protestant Church are the five major religions in China.

The spread of Islam from Arab countries into China dates back as long ago as 1,300 years. The religion is widespread in a dozen minority nationalities, including the Hui, Uygur, Kazakh, Uzbek, Tajik, Tartar, Khalkhas, Dongxiang, Salar and Baoan, and believers total 14 million.

After New China was founded in 1949, Muslims in the country were freed from political oppression, discrimination and exclusion in governmental affairs. They can now participate in the management of state affairs on a par with other nationalities. Two nationality autonomous regions at provincial level—the Xinjiang Uygur Autonomous Region and the Ningxia Hui Autonomous Region, four nationality autonomous prefectures and 13 autonomous counties for the Muslim population have been established.

In 1953, the Islamic Association of China, a nationwide religious organization for Chinese Muslims, was set up. Following the Islamic creed which regards "patriotism as a part of the religious belief," they carry forward the fine traditions of loving their country and religion and of diligence, bravery, unity and mutual assistance. They also maintain the unity of various nationalities, abide by laws and regulations set by the state, study and use new science and technologies and take an active part in socialist construction. Therefore, they act as masters of the country in political, economic, cultural and social activities.

The Islamic Association of China also helps the government carry out the policy of freedom of religious belief, a policy exemplified by the fact that, since 1979, more than 20,000 mosques have opened to Muslims and 800,000 copies of the *Koran* as well as nine other Islamic classics printed and distributed to meet the needs of Muslims to conduct their normal religious activities. Mosques can now be found in all parts of the country. The

most famous are Guangzhou's Huaisheng (or Guangta) Mosque, Quanzhou's Shengyou (or Qingjing) Mosque, Hangzhou's Zhenjiao (or Fenghuang) Mosque, Xinjiang's Aitika Mosque, Xian's Hua-juexiang Mosque, Beijing's Niujie Mosque and Dongsi Mosque, and Ningxia's Tongxin Mosque.

*Muslim in China*, the association's magazine in Han and Uygur languages, is distributed at home and abroad. In addition to the Institute of Islamic Theology, eight local institutes of Islamic theology have been established with the help of the association. In recent years, the association organized people to collect and compile Islamic classics, research Islamic history and creed, and helped Muslims make the pilgrimage to Mecca. The number of Chinese Muslims going to Mecca annually has reached 2,000.

The Islamic Association of China has established relations with many Islamic organizations and Muslims of more than 40 countries. The association conducts friendly exchanges and academic activities with Asian and African Islamic countries, as well as with international Islamic organizations, such as the Islamic World Union, the World Islamic Congress and the Islamic Association of Libya. China also sent its delegations to attend international Islamic academic symposiums, commemorative meetings and celebration activities. Chinese Muslims support the just struggles of various Islamic countries and the maintenance of world peace. In recent years, the association strengthened its ties and exchanges with Muslims of Hong Kong, Macao and Taiwan, and Muslims among overseas Chinese. Since 1982, the association has sent 40 Islamic students for further study in Egypt, Libya and Pakistan. From 1985, the Islamic Development Bank, organized by more than 40 Islamic countries, has given the association US\$4 million in economic aid to build three institutes of Islamic theology in Beijing and northwest China and an Arabic language school. Some projects have been completed while others are still under construction. ■

## Hebei Province to Publicize Projects

Hebei Province will publicize a group of projects designed to attract foreign investment and technology for joint production or technical upgrading during the "Eighth Five-Year Plan" period (1991-1995) at the Hebei foreign economic and technological seminar and the Taiwan compatriots investment seminar to be held in Beidaihe between July 23 and August 1.

Ye Liansong, deputy governor of the province, said the total number of projects is 258, 50 of which involve spot exchange with a total investment of US\$86.65 million, 208 of which will involve a total investment of US\$3.64 billion (of which US\$1.77 billion will be foreign investment). The projects include textile, metallurgy, building materials, light industry, chemical industry, medicine, machinery and electronics, most of which have good economic returns, a short construction period, strong redemption ability, a guaranteed market, and an adequate supply of energy and raw materials.

In addition, the province will announce 100 technology export projects, 30 projects involving foreign experts, eight projects of labour export and contract engineering, and 24 projects of land development. Import of materials, design, replacement parts and compensation trade will also be discussed at the two seminars.

Ye said that Hebei Province will publicize its regulations on encouraging Taiwan compatriots to invest by offering preferential treatment.

Hebei Province, located on the Bohai Sea, has a coastline of 487 kilometres and surrounds

the cities of Beijing and Tianjin. It has a population of more than 58 million in an area of 187,700 square kilometres. It now has 18 small- and medium-sized cities, 16 of which are located along railways. By the end of 1989, it had approved 267 projects using foreign investment with a total investment of US\$880 million. Of this, US\$356 million was invested by foreign businessmen. Furthermore, it imported 990 technological items valued at US\$740 million.

The province will establish a cement export base in the open area of Qinhuangdao-Tangshan-Cangzhou-Bohai Bay, a building ceramics export base and a high quality porcelain export base around the Tangshan area and a glass export base in the Qinhuangdao area. In addition, 1,040 enterprises will require foreign involvement.

by Kou Zhengling

## Hainan Exports Technology

On June 16, the Haikou Canned Food Factory of Hainan Province signed a contract with a Malaysian firm to set up the Delicacy Industry Co. Ltd. in Malacca City. The joint venture is expected to export production technology for beverages, the first of its kind in China.

The project has a total investment of US\$1.5 million. Under the contract, Malaysia will be responsible for raising money for construction; China will contribute technology and send experts and technicians to guide the installation of equipment. The food company plans to start operations in February 1991. At that time, it will be able to prod-

uce coconut milk, coconut sauces and coconut slices. In the first two years, the annual output will be 5,000 tons and then expand to more than 10,000 tons.

The Haikou company's products have won various prizes both at home and abroad. Its natural coconut milk, for example, is well known internationally and has been patented in six countries, including China, Britain and Malaysia, after having been verified by the China Scientific and Technological Information Institute. The company's products were first exported a decade ago.

In addition, companies from Thailand, the Philippines and Indonesia which have plentiful coconut resources, have also agreed with the Haikou factory to jointly build natural coconut milk factories in their countries. ■

## Foreign Stock Auctioned

The operation of the Tianjin-Remy-Martin Wine Co. Ltd. is normal despite the recent shift of its stock to an American company, the director of the Chinese side revealed on June 19.

The company is the second joint brewery in Tianjin. The company has a total investment of 10 million yuan, 45 percent of which is owned by the Tianjin Wine Plant, 40 percent by Remy-Martin of France and the remaining 15 percent by Tianjin Cereals, Oil and Foodstuff Import & Export Corporation.

The company uses advanced wine-brewing equipment from France and some crude brandy liquids to produce medium-dry white grape wine and high qual-

ity brandy. In 1989, the company's two wines each won a medal at the First China Food Fair and then two bronze medals at a Yugoslavian fair. The Xiagong brand medium-dry white grape wine produced by the company was chosen as the wine to serve at state banquets.

The company planned to produce 96,000 bottles of wine and 60,000 bottles of brandy this year, an increase of 20 per cent annually. ■

## China and France In Power Industry

The Chinese Ministry of Energy Resources and the Electricite de France (EDF) signed an economic and technological agreement to co-operate in the development of power generation in Beijing on June 19.

The agreement will continue the on-going work between China and the EDF. Currently, the two sides are discussing several new projects in addition to their joint construction of the Daya Bay Nuclear Power Station in Guangdong Province.

At present the EDF is the project consultant for the Daya Bay Nuclear Power Station. It is responsible for construction in Daya Bay of two 900 MW nuclear power reactors. The EDF is also in charge of planning for electric power generation and transmission in Sichuan Province, power load forecast study for east China, and tariff study for the east China power grid.

Since 1984, the EDF has participated in China's power plant projecting, electric generation, transmission installation, distribution network, maintenance, operation, rehabilitation, laboratory, planning and staff training and management of hydroelec-

tronic and nuclear power plants.

Pierre Delaporte, chairman of the board of the EDF, said that China is already the third largest producer of electricity in the world. The country has plentiful coal reserves and an enormous potential for hydroelectric power. By the end of this century, China's installed power capacity will reach 300,000 MW to quadruple the current power output of 500 billion kwh.

He said that the EDF is committed to assisting China in meeting its energy requirements during the next decade and beyond. ■

## Snowflake Group's New Products

A 251-litre double-door energy-saving refrigerator, produced with Italy's IRE technology, will be on the market in September this year. The product has the largest freezer of 98 litres among China-made refrigerators.

In addition, samples of a 300-litre four-door luxury multi-purpose refrigerator, produced on Matsushita technology and equipment, are the most advanced products in the world. The project is expected to be put into operation early next year.

The two new refrigerators, developed and produced by the Snowflake Group Corp., will be sold not only domestically but also on the European and Southeast Asian markets.

The first batch of refrigerators exported by China was produced by the group in 1969. It was China's earliest refrigerator producer and its BCD double-door refrigerators won gold medal at the First Interna-

tional Fair held in Beijing in 1989. By the end last year, it had sold more than 1.3 million Snowflake refrigerators.

by Kou Zhengling

## Farm Established In Australia

A ceremony to mark the joint management of the Noella Farm in Queens Land and Sino-Aust Pty. Ltd. by the China State Farms Corp., the Iktnk Pty. Ltd. and the Hong Kong International Investment Corp., was held recently in Beijing.

China's largest joint-venture farm with foreign countries covers an area of about 30,000 hectares. The project has a total investment of US\$6.25 million, 40 percent of which is contributed by the Chinese side. The first co-operative term is 25 years; this may be extended in the future.

The corporation's General Manager Chen Dong noted that the purchase of Australian merino sheep farm was aimed at raising and improving the fine-wool sheep in Xinjiang Uygur Autonomous Region and northeast China. The high quality sheep's wool can be used for domestic woolen industry. Over the past few years, there has been a great shortage of qualified wool in domestic woolen industries.

The project will help China upgrade its technology in the breeding, raising and managing of fine Australian cows and sheep, Chen said.

by Lei Yuxin

## News in Brief

● Statistics released by the

State Administrations for Industry and Commerce indicate that 861 permanent representative offices of companies and enterprises from Hong Kong, Macao and Taiwan as well as foreign countries, registered in China in 1989, an increase of 30 percent over 1988. This is the largest figure ever. They include 86 from the United States, 101 from Japan, 24 from Singapore, 16 from France, 12 from the Federal Republic of Germany, 496 from Hong Kong, 21 from Macao and 19 from Taiwan.

By the end of 1989, China had more than 3,700 such agencies.

● An Economic and Trade Investment Symposium of the Two Sides of the Taiwan Straits, co-sponsored by the Economic and Trade Co-ordinating Committee for the

Two Sides of the Taiwan Straits of the mainland and the Commercial Co-ordinating Committee for the Two Sides of the Taiwan Straits of Taiwan, was held in Beijing July 2-4. More than 1,000 representatives from industrial and commercial circles on the two sides of the Taiwan Straits gathered in Beijing to negotiate economic and trade exchanges and co-operation between the two sides.

The participants mainly talked about trade policies and investment projects. At the meeting, mainland representatives briefed those attending on the mainland's economic and trade policies and encouraged Taiwan compatriots to invest in the mainland. They also discussed the stipulations on foreign capital, taxes, land management, administration, wages,

credit and import or export management. At the same time, both sides briefed representatives on their respective situation about foodstuffs, building materials, electronic products and home appliances, light industry, machinery, medical care, chemicals, transport and communications, textiles and finance.

Representatives from mainland 23 provinces held talks about investment projects with Taiwan participants. In addition, the legal consulting group established for the meeting will brief Taiwan representatives on law and regulations concerning investment, trademark, patent and arbitration and answer related questions.

After the symposium, Taiwan representatives went to visit northeast, north, east and south China. ■

## Phoenix Hotel, Liaoning

The Phoenix Hotel, a magnificently decorated hotel with modern facilities and 260 rooms, is a three star tourist hotel situated in the beautiful Beiling scenic

area of Shenyang. The hotel's several restaurants serve a wide variety of delicious food. There is a tourist company, taxi service, ticket-booking, foreign currency

exchange and credit card service. Facilities include a place for holding various conferences and a business centre, IDD telephone service, market, laundry service, medical massage, sauna and recreation amenities such as billiard room and tennis court.

Our well-trained staff provide all our guests with the kind of first-class service you need for a pleasant and cosy stay.

Your stay at Phoenix Hotel, a symbol of luck and beauty, will give you many happy memories.

Address: 109 South Huanghe Street, Shenyang, China  
China Tourism Information Telex Database: 210042 TMTDC  
CN, Hotel No. C6000  
Tel: 466500, 466509  
Telex: 80045 FHFD CN  
Cable: 6324  
Fax: (024) 665207  
Postcode: 110031



## Beijing's Most Luxurious Hotel

On June 24 this year, two French and three Chinese opera singers invited by Han Brouwers, a newly appointed general manager of the Palace Hotel, gave a performance of works by Offenbach in the ballroom of the Palace Hotel. The performance, co-sponsored by the hotel and the Interasia Communications Ltd., included the French first prize winner, Jean-Philippe Corre, at the International Offenbach Opera Singing Contest held this April and three Chinese special prize winners.

Since the Palace Hotel started business in March last year, some well-known Hong Kong and Western artists have been invited to perform here. In addition, the hotel provides such entertainment as nightclub, fashion shows and various food saloons that help to enliven Beijing's somewhat slow night life. Foreign tourists living in nearby hotels and permanent foreign residents from around the city keep the hotel in mind for evening entertainment.

The hotel is located between two of the busiest commercial streets in Beijing and has, within a two-kilometre radius, more than 100 important government or non-government offices and permanent foreign representative offices.

A joint venture hotel with an investment totalling US\$80 million, it is now under the management of the Hong Kong Peninsula Group. The former general manager, Gerhard Schmidt, did much to make the hotel a success despite the difficulties last year. During its one year of business operation, the hotel has been accepted as a member of the two most well-known international hotel organizations, "The Lead-

ing Hotels of the World" and "Preferred Hotels Worldwide." It is the only one to receive such recognition from among the more than 1,000 tourist hotels in China.

A stay in the hotel, allows one to not only enjoy ancient oriental culture but also the amenities of a Western lifestyle. The hotel has 570 guest rooms which include luxury suites, special and standard rooms equipped with colour TVs receiving international satellite relay programmes, the rooms are also equipped with direct-dial international long-distance telephones.

The exterior of the hotel is of classical Chinese architectural style, but the interior has a distinct Western feeling. As soon as you enter the lobby, you can enjoy luxury, elegance and comfort. There are both Chinese-style and Western cuisine restaurants and in the two-underground floor basements and first and second floors there are coffee bars, mini supermarkets, a handicraft shop, clothing

store, bookstore, florist, beauty parlour, bank, business centre and tourist agency as well as a gym and various places for entertainment.

To top it all, the service is also first rate. Julie Wilson, manager of the public relations department, says that the hotel maintains its high standard of service through its training centre for workers and staff.

After the drastic drop in the tourist trade last year, Beijing's tourist industry has now begun to gradually recover from the depression. Competition and the soliciting of more guests is now apparent as an increasing number of hotels appear like bamboo shoots after a rainfall. Han Brouwers says, however, that hotels develop through competition and he believes that the 11th Asian Games held in Beijing this September will promote Beijing's tourist trade. At present, the number of tourists is rising monthly, and foreign investors are returning. If expectations are fulfilled, Beijing will have to cope with a peak tourist period. Brouwers is full of confidence that his hotel business will thrive.

by Han Baocheng



## Western Areas Try To Catch Up

HUASHENG BAO  
(Voice of Overseas Chinese)

With the advent of the 1990s, China's policy of opening up to the outside world has been developing from a superficial level to a deep one, extending from the coast to the inland and enlarging from regional to a national scale.

Sources from the State Council's Research Centre for Development of Economy, Technology and Society stated that opening up and economic development of China's vast western areas would constitute a major part of China's further opening up in the future.

In the past decade of reform and opening up to the outside world, not only the coastal regions achieved a rapid economic development, but also central China and the western regions have changed their character.

The western regions, ranging from Sichuan, Guizhou, Yunnan, Guangxi to Tibet, Shaanxi, Gansu, Qinghai, Inner Mongolia, Ningxia and Xinjiang, make up two-thirds of China's total area, which, along with a comparatively favourable economic infrastructure, indicates vast territories for development.

Western areas abound with high-quality coal. The Tarim Basin in Xinjiang is a potential petroleum centre. The Jinsha River and Wujiang River valleys, the Hongshui River valley and the upper reaches of the Huanghe (Yellow) River maintain China's richest water resources.

Western regions are also rich in ferrous metals, nonferrous metals, precious metals and non-metal deposits, animal and plant

resources as well as agricultural products, forestry, animal husbandry and sideline occupation. So, these regions will be China's energy and raw materials bases.

In addition, their location shows advantages in opening up to the outside world. Adjacent to 11 countries, these regions can carry trade with Eastern Europe, West Asia, the Mediterranean areas, the Persian Gulf and Arab countries.

Currently, Yunnan and Guangxi opened foreign trade areas. Through the border ports and trading spots, Xinjiang, Inner Mongolia, Gansu, Ningxia and Tibet are actively carrying border trade and bilateral economic and cultural exchanges in various forms.

The North Xinjiang Railway, a key project to connect the European Continent and the Asian Continent, is planned to join with the Soviet part this September at the Alataw Gates. This continental bridge will certainly play an important role in developing the western regions.

At the same time, western regions will continue the economic and trading exchanges with Hong Kong, Macao, and countries in Asia, Europe, America and Africa through the eastern coastal ports.

(May 22)

## Changes in Chinese Marriage, Family

ZHONGGUO SHEHUI BAO  
(Chinese Society)

Marriage and family life have undertaken dramatic changes over the past 40 years. The following are the main features of change:

**Free marriage dominates.** Before 1949, the arranged and forced were the main features of Chinese marriage. Expectations to have a free and perfect mar-

riage were nipped in the bud. After the founding of New China in 1949, particularly after the Marriage Law was put into effect in 1950, free marriage and monogamy have been advocated and practiced, and arranged and forced marriages greatly reduced.

**Equality between husband and wife is a feature of marital relationship.** The old family was husband-dominated. The new one reflects an equality in sex, which is guaranteed by the Chinese Constitution and other relevant laws and regulations. The Marriage Law stipulates men and women enjoy equal rights in marriage, divorce, personal and property relations and the same freedom to engage in production, work and study.

**Unity, harmony, to raise the young and to support the aged mark Chinese family life.** The old feudalist family was noted for the authority of the husband. Women, children and the elderly were ill-treated. The Marriage Law of New China explicitly defines rights and obligations between man and woman, children and parents, and forbids any encroachment on the rights of women, drowning or killing children and maltreating the aged.

**The family planning policy has been gradually understood and accepted.** The revised Marriage Law (1980) added provisions on family planning, which aims to make the policy of family planning one that is carried out by each individual family. With efforts made in popularizing the knowledge in the field, family planning has been being generally implemented.

**Marital ideas and customs have been changed.** Breaking away with conventions and bad customs, betrothal gifts are being given up in marriages, men are getting accustomed to

marrying women for love, close relatives are not to get married, and more and more widows or aged are getting remarried.

(April 27)

## Tibetan Storyteller Honoured

RENMIN RIBAO  
(People's Daily, Overseas Edition)

**L**ittle educated as she is, Yumei, a 31-year-old Tibetan woman, enjoys treatment as a mid-level intellectual.

Yumei began her storytelling at the age of 16 and she now can recite about 70 stories among all the 100-plus in *King Gesar*, a Tibetan folk epic. She is the only woman among the present 39 available Tibetan storytellers as well as the one who recites most stories in the epic.

Yumei was born into a herdsman's family in Sog County, northern Tibet's Nagqu area. Her father was a well known story-teller in the place, who used to telling stories in *King Gesar* on festival days.

In 1981, the Tibet People's Publishing House stumbled upon Yumei's storytelling gift. Yumei left her hometown for Lhasa and started a new life, totally different from that of her father.

In old Tibet, storytellers were looked down upon as tramps. In Tibet today, however, Yumei entered the state cultural institution and was honoured as "an oral artist in literature."

Later on, Yumei was transferred to the Tibetan Academy of Social Sciences, where she was provided with recording equipment and assistant staff members in a bid to sort out what she can recite in *King Gesar*. Presently, she has published more than 700 recorded tapes.

(May 8, 1990)

## Henan Develops New Toilet

ZHONGGUO HUANJING BAO  
(China Environmental News)

**T**wo bricks planking and a low-cut hole had typically featured a toilet in the countryside in China for thousands of years. This traditional kind of toilet is located in a corner of the courtyard of a family's house and is usually trampled by pigs or raked by chickens. It breeds flies and mosquitoes in summer and the excrement and urine are often washed away by rains causing pollution in the surrounding area.

Early in 1981, an epidemiologist, Song Lexin, at the Sanitation and Anti-epidemic Station in Yucheng County, Henan Province, had developed a funnel-shaped toilet with two jars, which has won an award as a significant achievement in scientific and technological circles and was praised by the United Nations' World Health Organization (WHO). His invention has been called a "revolution in toilet development."

The funnel-like two jars are the major part of the new toilet. They are made of cement and sand. Excrement and urine ferment in the sealed body. With 99.99 percent of the colon bacillus and 99.1 percent of parasites in the excrement and urine killed, the number of flies in the toilet is reduced by 96 percent.

(Issue No. 756)

## Thrift Does Not Mean Poverty

QIU SHI  
(Seeking Truth)

**C**hina's total investment in fixed assets reached 449.6 billion yuan in 1988, 3.5 times more compared to the

183.2 billion yuan in 1984. The total payments for employment in state enterprises accounted for 231.6 billion yuan in the same year, 2 times more compared to 113.3 billion yuan in 1984. The general social demands had been larger than the general supply for years, which led to an overissuance of banknotes and a conspicuous price rise.

To lower the rising social demands, there are two fundamental ways out. One is to cut down investments in fixed assets to reduce the scope of capital construction. The other is to curtail the high consumption, which has overridden supplies from state and enterprises.

As a country with a population of 1.1 billion, China is hard put to meet demands. It is extremely difficult to increase its per-capita supply, when demands are in enormous figures. This is the reality of China's national condition. On this condition, the austerity programme, in the short term, is helpful to overcome shortages in capital, foreign currency and material and stabilize the national economy, and in the long term, will enable the economy to develop in a sustained and harmonious way.

The austerity programme requires measuring expenditure by income instead of making income fall short of the expenditure. A man who has a diligent and thrifty management of his household is always able to live an active life. To live an austere life doesn't necessarily mean to live a poor life. An appropriate and healthy consumption is both beneficial to people's life and production. A prosperity of the market depends not only on production but also on consumption. The latter is inherently related to the former.

(Issue No. 6)

## Kara-oke Popular in Beijing

In the late 1989, a new form of entertainment, kara-oke, was added to Beijing night life. Now about 50 such Kara-oke clubs operate in downtown Beijing.

Kara-oke, a combination of the two Japanese words "kara" which means nothing in English and "okesutora" (orchestra), originated in Japan. In other words, "kara-oke" means a band without players. Before hitting Beijing, kara-oke was popular in Hong Kong, South Korea, Singapore and several of China's coastal cities.

At dusk when the city noises give way to the comparative quiet and leisure of night, large and small kara-oke clubs attract customers with flashy neon lights. Most of the clubs are open in the evening from eight to midnight, or one to two hours longer on weekends. Visitors can sing their favorite songs with the accompaniment of taped music and so enjoy a sense of true participation. On occasion, the song-singing is spiced with such other recreational activities as dances and fashion shows.

Four Seasons Kara-oke Club was the one this reporter visited. Located on the third floor of the Huaiyangchun Hotel in Beijing's Xicheng District, it opened in September 1989 and has been one of the most successful. Open nightly, an average of 80 percent of the seats are occupied. Lighting is by candles on rectangular tables around which the visitors sit either sipping drinks or just listening to others perform.

Customers choose their songs by filling in a form with their name, the title of the song, their

seat number and sex and handing it to a service person. Most of the service people are elegant-looking and have good voices. They will call the volunteer singer to the stage to perform, during which the words of the song and accompanying pictures appear on a colour TV screen. The volunteers usually receive hearty applause no matter how good they sing.

Three young men sitting opposite were the first targets of my questions. They were workers from the Beijing Automobile Decoration Factory and lived near the club. They said they used to spend their spare time watching TV, playing cards or billiards and they found the club a diversion. "This is the second time I've been to a kara-oke club," said one of them who gave his name as Li Baokun. "I love music but can't sing well, so I come here to listen to others." Li continued, looking at one of his friends, "He is a good singer. He took voice lessons and comes here fairly often." That friend, sure enough, was eagerly waiting for his turn which came half an hour later. He sang a very sentimental song which won the audience's applause.

Kang Jie, manager of the club, was formerly with Maxim's, a Sino-French joint venture. Last year he left that job and contracted to manage the Four Seasons. "The popularity of kara-oke shows that people want variety in entertainment with the pace of life stepped up," said Kang. "Seeing my customers having good time here makes me also feel happy. This is the people's recognition of my work."

However, kara-oke is still a luxury pastime in Beijing. A ticket usually costs 20-30 yuan, about one fifth of an ordinary worker's monthly salary. The soft drinks and cocktails offered at kara-oke clubs are not cheap. Take the Four Seasons for example: one serving of imported beer costs ten yuan, Coke is three yuan, apple juice eight yuan, and a single cocktail costs as much as 70 yuan.

A recent survey of 200 kara-oke club goers made by relevant departments of the Xicheng District shows that company clerks, hotel employees and private business owners make up 70 percent. As for age, those 21-30 account for 70 percent, 31-40, 27 percent, while customers over 40 account for only 3 percent. About 16 percent have been to college, 60 percent have received senior high school or secondary education, while 24 percent have not reached high school level. The investigation showed 90 percent to be local people. The other 10 percent were from other places in China, with a few foreigners and people from Hong Kong, Macao and Taiwan sprinkled in.

Generally speaking, most of the kara-oke clubs in Beijing are orderly and offer polite service. But fights have occurred. In response, departments concerned have issued Provisional Measures Regulating the Management of Music Clubs in Beijing, and some of the rougher clubs have been closed in order to maintain high standards in Beijing's night life.

by Feng Jing





## Finger Painter Liu Zhongdong

Finger painting: Reading While Tending Buffalo.

LIU ZHONGDONG.

It is said that nearly three centuries ago, a painter named Gao Qipei (1672-1734) was depressed by his failure to achieve success by the age of 20. Once, however, he dreamed he was viewing a room full of splendid paintings and was so inspired that he copied them using one finger as brush and water as ink. On his waking, he went on painting with his finger dipped in ink and was able to portray all the splendour of the paintings in his

dream. Gao became well-known for this novel method, and his finger painting art form soon spread to Japan and Korea.

Many artists have since attempted this art form, but few with success. Recently, however, *An Album of Liu Zhongdong's Paintings* has been published by China Pictorial Publishing Co. in Beijing, showing Liu to be "a late bloomer" in finger painting at age 51.

Liu was born into a poor peas-

ant family in south China's Guangdong Province and usually did his childhood reading and painting while sitting on the back of a water buffalo. The nearby seaside also provided a vast blank space for him to practise his art, for the shore was washed clean each day, erasing what he had done. Liu's hard work and inventiveness gained him admittance into the Guangzhou Academy of Fine Arts, where such masters as Guan Shanyue and Li

Xiongcai became his tutors. After his graduation, he was augmented by the noted painters Li Keran and Pan Tianshou. Liu absorbed what he considered the best in each master's style and formed his own painting art representation. Artists pronounce his paintings as featuring both the southern and northern painting schools of China, for they are not only graceful and bright, they are bold and unrestrained.

Finger painting is a branch of the traditional Chinese art. Liu's achievements in this art area are largely based on his solid foundation of Chinese painting skills. Finger painting, as imagined, is done with fingers instead of brushes. Fingernails produce sharp lines while fingertips execute soft and round lines. The use of both integrates strength and grace, while using several fingers at once, finger joints or palm, results in surprisingly rich effects. Liu now uses all these techniques after mastering the traditional Chinese painting methods. He also uses Western techniques in handling light and colour, the result being a fertile form of expression incorporating certain modern Western art forms.

Liu's finger painting *Qu Yuan Chanting in His Promenade* portrays a patriotic poet of the Warring States period (475-221 BC). The free thick and thin lines of ink produce a portrait that is quite life-like. *Reading While Tending Buffalos* presents a charming picture of a child and his mount.

Liu is versatile. Besides finger painting, he does Chinese traditional brush painting, industrial artworks and calligraphy—all fresh and unique in style. His work *Erhai Lake and Cangshan Mountain* is claimed by contemporary master painters as a museum piece. *A Hundred Steeds*, a mural in lacquer created for the Guangzhou Garden Hotel, is re-

garded as an art treasure. Liu's finger painting *Secluded Orchid* has made its way into the Netherlands State Museum.

Such well-known contemporary Chinese artists as Liu Haisu, Wu Zuoren, Li Keran and Li Kuchan regard Liu highly. He has been invited to Australia in 1987 and the Netherlands in 1989 on lecture tours and to ex-

hibit his works. Liu will travel to Canada and the United States this summer for a one-man art exhibition.

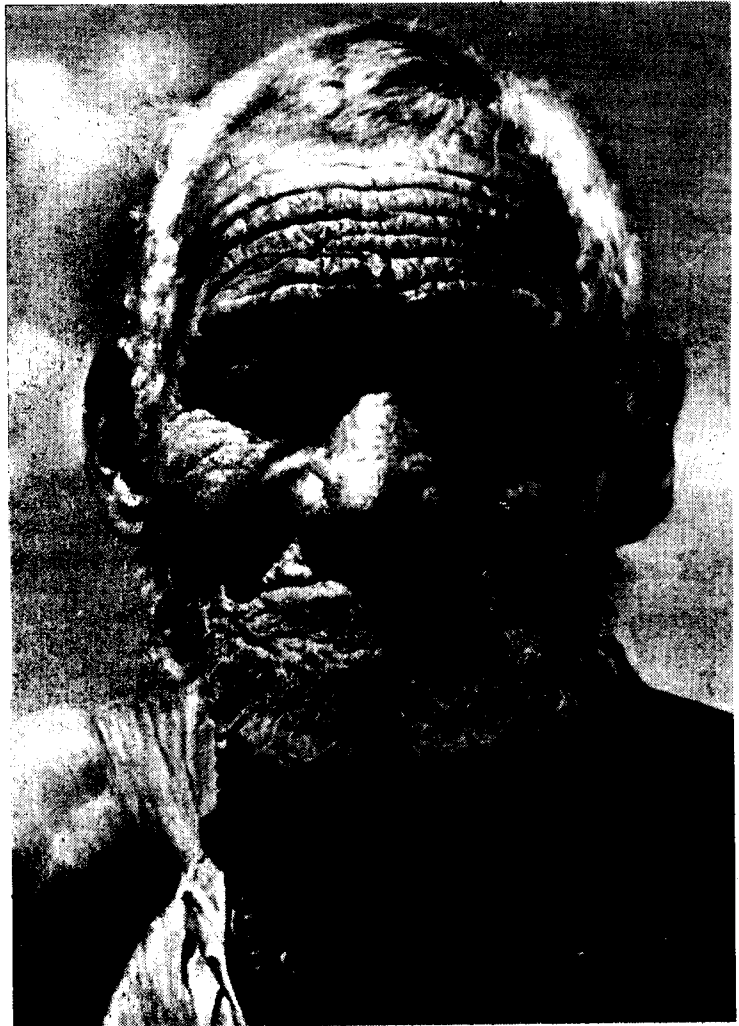
At the ceremony marking the publication of Liu's album, he denoted 200 copies of the *de luxe* edition, worth 7,600 yuan, for the Asian Games Organizing Committee.

by Hong Lanxing.

## A Portrait Painter of China's Nationalities

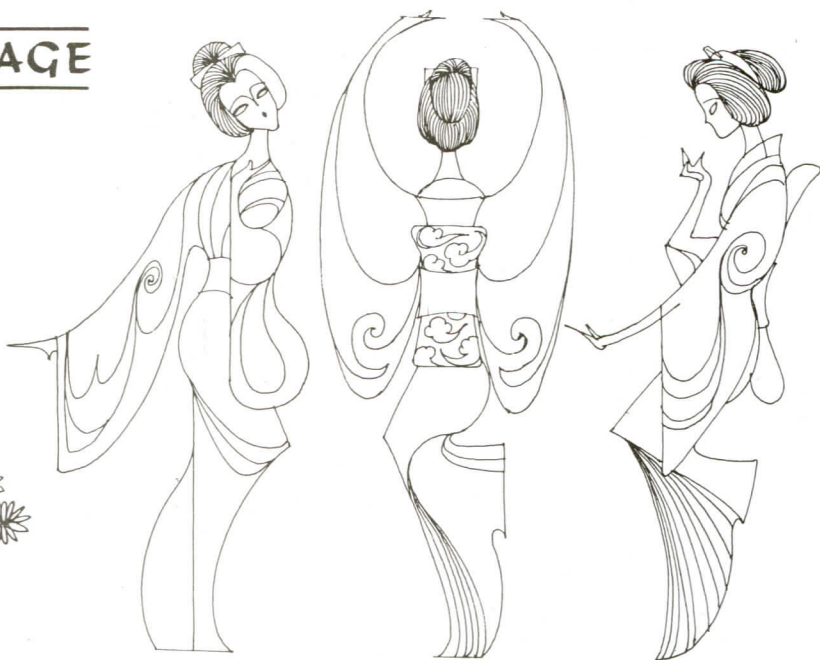
**L**iu Yaming, of southwestern China's Sichuan Province and graduate of Beijing Film Academy at age 28, is a professional portrait painter focusing on China's nationalities. Titled *A Tibetan With 89 Progenies*, this portrait has been on display at an art exhibition in Beijing.

by Lou Linwei



## ART PAGE

A Courting Couple.



Japanese Ladies.

### Decorative Paintings by Huang Jingjia

Huang Jingjia, born in 1952, is an art editor of the Legislative News of the Guangxi Zhuang Autonomous Region. He specializes in black and white decorative paintings expressing modern, national styles.



Galloping Horses.

# 1990 "Summer at Beidaihe" In Hebei Province



- "Business Talks on Foreign Economic and Technological Co-operation"
- Symposium on Taiwan Compatriots' Investment

The two meetings will be held in Qinhuangdao, a popular summer resort.

The organizing committees of the two meetings welcome compatriots from Taiwan, Hong Kong and Macao, overseas Chinese and people from around the world to attend.

Discussions will be held on a wide range of subjects concerning projects of economic and technological co-operation in such trades as textiles, light industry, medicine, building materials, machinery, electronics, metallurgy, chemicals, communications and agriculture, and covering the establishment of joint ventures, co-operative enterprises and enterprises with their own exclusive investments, processing with supplied material and samples, assembling supplied component parts, compensatory trade, export of technology and labour service, contract projects, land use leasing, land exploitation and tourism.

#### Symposium:

Date: July 23-27

Address: Jinshan Guesthouse, Beidaihe, Qinhuangdao City, Hebei

Postcode: 066100

Tel: (0335) 441338

Telex: 271053 GSH CN

Fax: (0335) 442478

Contact: Lu Yimin

#### Business Talks:

Date: July 25-August 1

Address: Xinyi Hotel, Yingbin Lu, Qinhuangdao City, Hebei

Postcode: 066001

Tel: (0335) 332243

Telex: 271042 QHCHL CN

Fax: (0335) 332253

Contact: Guo Xiuyan