

A CHINESE WEEKLY OF NEWS AND VIEWS

Beijing Review

北京周報

Vol. 33, No. 48 Nov. 26-Dec. 2, 1990

REFORM
PROMOTES
HIGHWAY
CONSTRUCTION

Why Socialism?



Between May and August of this year, a scientific investigation team organized by the state made the first comprehensive investigation of Hoh Xil, an uninhabited area on the Qinghai-Tibetan Plateau. The team's findings lift the veil of this area known as "a mysterious land."

Rising on an average 5,000 metres above sea level, Hoh Xil covers a total land area of 250,000 square kilometres. In addition to the varied icebergs, lakes, marsh and hot springs, there are many types of wild animals and hardy plants.



1. Top: The lofty Kunlun Mountains zig-zag through the Hoh Xil area.

2. Centre: A herd of wild yaks. Many rare animals including the wild yak, Tibetan antelope and wild donkey roam about this "natural paradise for wild animals."

3. Bottom Left: A massive glacier on the Kunlun Mountain.

Photos by Ma Qianli





President Yang on China's Reunification

□ In an interview with the Taiwan-based *China Times*, President Yang said he would like to see the two sides of the Taiwan Straits reunify as soon as possible under the concept of "one country, two systems." The first thing right now for both sides, the President said, is to initiate direct exchange of mail, trade and air and shipping services and establish channels to facilitate direct talks between the two sides. (p. 7).

The Strengths and Weaknesses of Socialism

□ This is the second part of Chinese scholar He Xin's talk with Japanese economist Yabuki Susumu. He believes China's current problems are part of an economic cycle which can be resolved by state regulation. He notes that China's effective resistance to crisis-oriented changes has ensured social and economic stability and that events in Eastern Europe do not herald the end of socialism (p. 14).

China's Economy: Out of the Slump

□ With the successful economic readjustment and deepening reform, China's economy has quickly picked up, evidenced by an increase in the gross national product. The national economy, now out of the slump, has taken a turn for the better. Still, some outstanding problems, like the sluggish market and reduced economic efficiency, need to be resolved in order to maintain steady economic growth (p. 4).

Road Building in China

□ The reform programme has given an impetus to the construction of highways, including expressways, in China, which, in turn, has greatly promoted the country's economic development and further opening up to the outside world (p. 20).

Tibetan Population Outgrows Average

□ According to this year's census, Tibet's population has increased at a rate above the national average, reaching 2,196,010. The population increase is due to relaxed family planning policies and improved conditions in public health and living standards. (p. 6).

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COVER: The Dayangfang Overpass on the Beijing—Tianjin—Tanggu expressway.

Photo by Song Lianfeng

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

Subscription rates (1 year):
Australia.....A.\$30.50
New Zealand.....NZ.\$40.50
UK.....£16.50
USA.....US\$30.50
Canada.....Can.\$30.50

China's Economy Out of Slump

by Li Yongxia

China has successfully improved the economic environment by rectifying the economic order and deepening the reform. As the factors restricting production and circulation have been gradually eliminated, the economy has speeded up its recovery. The gross national product (GNP) reached 1,197.7 billion yuan in September, a 2.7 percent increase over the same period last year, indicating that the economy has gotten over its slump and taken a turn for the better.

The speed of industrial production began to pick up in March, increasing from -0.9 percent to 1.4 percent in March and up to 12.7 percent in October, gradually reaching the level of a normal year. Between January and September, the output of coal, crude oil, pig iron, steel, rolled steel, coke, sulphuric acid, chemical fertilizer, farm chemicals and generated power output all increased slightly over the same period last year; the output of cement, plate glass, generating equipment, machine tools, automobiles, mini-tractors and rolling stocks, on the other hand, dropped somewhat. Between January and October, the nation's industrial enterprises at and above the township level registered a total output value of 1,571.6 billion yuan, up 4.1 percent from the same period last year. The mix of industrial products was readjusted and the production of products needed in the market remained stable.

There was an all-round rich agricultural harvest, putting an end to the fluctuation of a few years ago. The summer grain yield reached an all-time high of 99.35 million tons. A good autumn harvest is also expected. It is estimat-

ed that total grain output for the year will top 420 million tons; both total output and per-hectare yield reaching new records. Rich harvests were also reported for such major cash crops as cotton, oil- and sugar-bearing crops.

Construction of key projects has picked up and there has been a successful readjustment of the investment structure. Between January and September, an investment of 26.8 billion yuan, or 67.2 percent of that planned, has been made for construction of 200 key state projects, exceeding the 57 percent rate of national investment for capital construction.

The construction of energy and communications projects has been strengthened, although the proportion of investment in ordinary processing industries has dropped. Between January and September, among investments in units owned by the whole people, the value of investment made in energy industry went up 22.1 percent from the same period last year, its proportion to the total investment rising from 26.7 percent to 36.3 percent, the highest ever since the 1980s. The value of investment made in transportation and telecommunications climbed 16.3 percent, its proportion increasing from 13.5 percent to 14.6 percent.

The nation's balance of payments has notably improved and foreign exchange reserves have picked up. According to customs statistics, between January and September, the total value of exports was US\$41.4 billion, up 14.2 percent from the same period last year; the total import value was US\$36.5 billion, down 14.6 percent, eliminating a balance of payment deficit which has continued for several years running. The in-

crease in the nation's foreign exchange reserves was the largest since 1985.

With the upturn of domestic consumer demand, the total value of retail sales of commodities witnessed a growth of 3.6 percent in September compared with the same period last year.

The rate of retail price increases has gone down monthly. Between January and September, the total retail sales price level rose 2.3 percent from the same period last year, the lowest rate since 1985.

Although the economy is now out of a slump, there are still difficulties, the most notable of which are:

Market sales remain weak. Between January and August, the total retail sales value was down 1.19 percent from the same period last year; the sales value of the consumer goods market was down 1.3 percent; and that of the capital goods market by 5.9 percent.

Serious overstocking of finished products. The value of finished products of budgeted state-owned industries reached 109.7 billion yuan by the end of July, up 34.5 billion yuan from the same period last year, a 45.9 percent increase.

A slip in economic returns. Between January and September, profits and taxes registered a decrease of 21.5 percent, of which profits made up 57.9 percent. The number of loss-making enterprises and the value of losses both increased.

The state's financial difficulties increased. Between January and August, domestic financial income increased by 13 percent over the same period last year but expenditures increased by 18 percent.

The emphasis of current economic work is on getting the market in gear. Using structural readjustment and efficiency improvement as our focus, we should bring about a moderate increase in production.

The solution to the problem of a sluggish market lies in readjusting both the product mix and the industrial structure. As long as the products are geared to market needs, they may sell slowly but they will eventually sell. The shortage of capital construction funds is also a cause behind the depressed market. The government will allow more funds for capital construction in order to bring about a moderate increase in basic industrial projects, infrastructure facilities, the most urgently needed projects and projects which will yield good economic and social results.

In order to raise economic efficiency, efforts will be made to improve enterprise management and operation, quicken the pace of technical innovation and transformation, launch a persistent and extensive campaign to increase incomes and reduce expenditures, increase production and deepen enterprise reform. The goal is to gradually change from an economy of speed to an economy of efficiency, and from an extensive to an intensive economy.

It must be kept in mind that agriculture is the foundation of the national economy. Although the agricultural situation is good this year, the foundation is still weak. China will continue to increase its support for agriculture, particularly in farmland capital construction, so as to create conditions for long-term, steady agricultural development.

Through continuing economic readjustment and deepening of reform, the underlying problems of China's economy, such as an unreasonable industrial structure and poor economic efficiency, will gradually be resolved. ■

Busy Season for Chinese Diplomacy

November 11-17 was a busy week for Chinese diplomacy. On November 14 alone, China hosted four visiting dignitaries.

The dignitaries included Indonesian President Soeharto and Argentine President Carlos Saul Menem, who were on state visits; and Thailand's Prime Minister Chatichai Choonhavan and Slamin Amour, Tanzania's second vice-president and concurrently president of Zanzibar, who were on working visits. Arriving in Beijing on November 15 on his way home from Japan, Mongolian President Punsalnaagiin Ochirbat met with Chinese President Yang Shangkun.

The busy season for Chinese diplomacy can be attributed to China's independent and peaceful foreign policy and the policy of opening to the outside world. China has also made remarkable progress in maintaining and improving relations with neighbouring countries under the Five Principles of Peaceful Coexistence and in its work for unity and co-operation with other third world countries.

Soeharto's Visit. Soeharto was the first Indonesian leader to set foot in China in the past 26 years, in reciprocation to Chinese Premier Li Peng's visit to Jakarta in August, when the two nations ended a 23 year-break in bilateral relations.

Meeting with Soeharto on November 16, China's Party leader Jiang Zemin said that he appreciated his guest's decision to normalize Indonesia's relations with China. In return, Soeharto said that his country is willing to expand co-operative and friendly relations with China.

Jiang told Soeharto that China has always believed countries should handle their relations in accordance with the Five Principles of Peaceful Coexistence. It is up to the people of a country to decide what social system they should practise, he said. For example, Jiang added, China practises socialism, but "we have no intention of forcing other countries to do the same." The principle of non-interference in each other's internal affairs constitutes the core of the Chinese Communist Party's four principles for developing relations with foreign countries and political groups, Jiang said.

In another meeting with Soeharto, President Yang Shangkun said that the normalization and further expansion of Sino-Indonesian relations not only conforms with the interests of both nations, but also is conducive to the well-being of the Asia-Pacific region. "I hope our two countries will develop a friendly, co-operative relationship in a long-term and comprehensive manner based on the Five Principles of Peaceful Coexistence and the 10 Principles of the Bandung Conference," the Chinese president said.

Soeharto expressed his hope that relations between the two countries will enjoy a continued smooth development, despite their different social systems.

The Chinese premier and Indonesian president reached broad agreements concerning bilateral relations and common regional and international issues.

When exchanging views on the Cambodia issue, Li spoke highly of Indonesia's efforts in

seeking a political solution to the problem. Both believe the establishment of a Cambodian national supreme council, chaired by Prince Sihanouk, is a top priority at the moment and promised to continue efforts for a political solution to the Cambodia issue.

They also expressed concern over the increasingly grave situation in the Gulf, voicing opposition to Iraq's invasion of Kuwait and support for the UN Security Council's relevant resolutions. ■

Tibetan Population Outgrows Average

This year's census reveals an above-average increase in Tibet's population compared to the 1982 census but the Han Nationality population in Tibet has sharply dropped.

Relaxed family planning policies have led to a rapid growth of population in Tibet which, as the census proves, has reached 2,196,010, a 16.04 percent increase over the 1982 figures. Tibet's annual population growth rate is almost two percent, while the national rate is about 1.4 percent.

The population increase has much to do with improved conditions in public health during the past three decades. The abolition of serfdom in 1959 set the stage for steady improvements in the standard of living.

The census shows more than 95 percent of the people in the region are Tibetan and the remaining 3.7 percent are Hans, whose population has decreased by more than 11 percent since 1982.

Tens of thousands of ethnic Han people moved to Tibet in the 1960s and 1970s to assist local construction efforts. As more Tibetans mastered the



Science, Peace Week in Beijing

Beijing's Cultural Palace of the Working People was one of the venues for the Science and Peace Week which began November 11.

The activity, attracting more than 120 units from Beijing, Tianjin and Hebei, was sponsored by *China Science, Technology and Information* magazine to spread technological and scien-

tific knowledge. It was an opportune time for subscription campaigns launched by a dozen or so scientific and technological newspapers and magazines. Doctors from army hospitals and psychologists offered free services. Housekeeping electrical commodities and goods for personal care were also demonstrated and sold. **Li Bin**

skills, the Hans were able to go home. The State Council allowed Tibet to begin this year's census registration on June first, one month ahead of the rest of the country, making it possible for Tibet to process its preliminary figures in a timely manner.

Nearly 17,000 local people have assisted in collecting data. All the figures have been double-checked and verified during random sample inspections. The complete data are still being processed by computers, but the statistics for the total population were compiled by hand.

One disappointing fact is that 44 percent of Tibet's population

are illiterate or semi-literate. The literacy rate has increased two percentage points since 1982, but is still lower than the national average.

One possible reason for the increased illiteracy rate is that in the labour-deficient Tibet, many parents encourage their children to quit school early and help with the farm chores. ■

CORRECTION: In the first line, third paragraph of the middle column of P.5 in our last issue, "By the end of the 1989 third quarter" should read "By the end of the 1990 third quarter." We apologize for this mistake.—Ed.

Yang Shangkun on China's Reunification

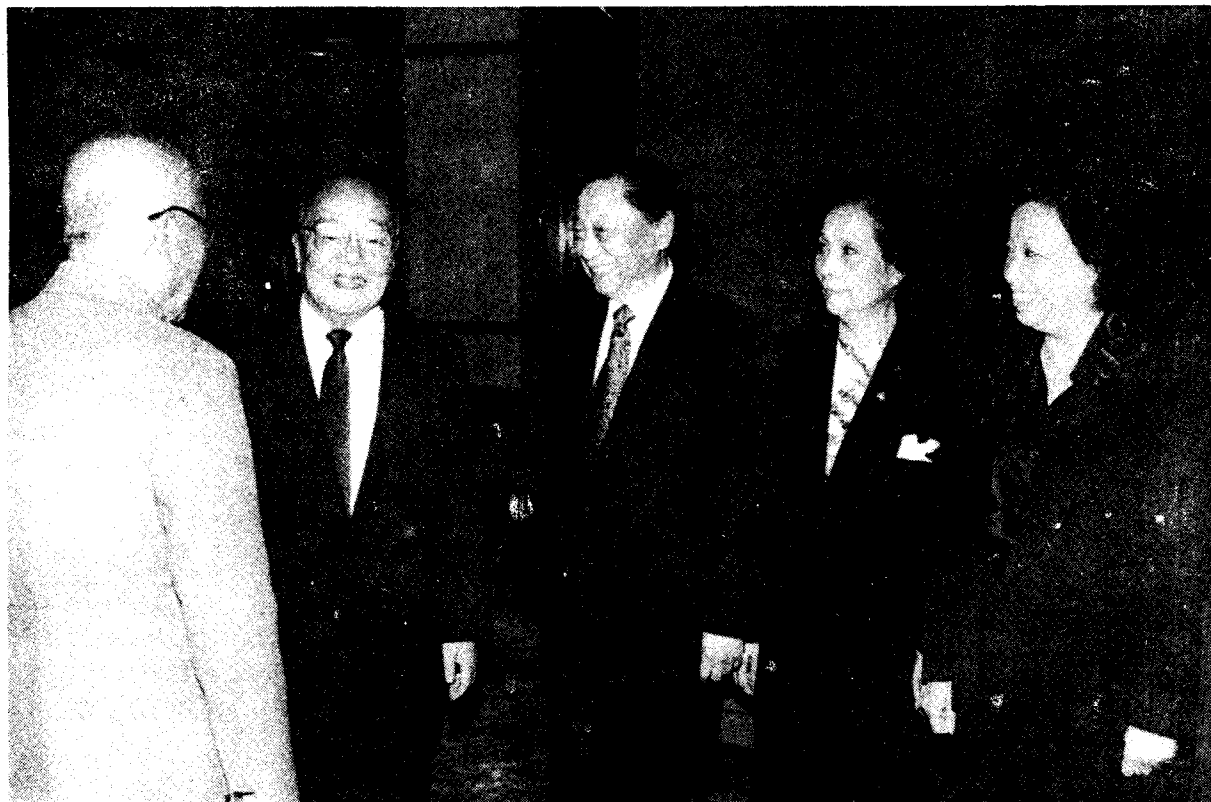
The following is the full text of President Yang Shangkun's speech to reporters of the Taiwan-based "China Times" on September 24. The president said that he would like to see the two sides reunified as soon as possible. "One country, two systems," President Yang said, means Taiwan will be a special administrative region under the jurisdiction of one China and that Taiwan will be able to practise a social system different from that of the mainland.

"You can carry out your 'Three People's Principles' and I can practise my socialism. We will not interfere with each other. Taiwan can retain its armed forces. The mainland will not send any person to Taiwan to take part in governmental administration. We welcome Taiwan sending some personnel to the mainland to participate in the central government. The question of how to realize the goal of 'one country, two systems' should be negotiated by the Kuomintang (KMT) and the Communist Party of China (CPC) on the basis of equality. 'The three exchanges' are aimed at gradually eliminating antagonism between the two sides and increasing mutual understanding. The most important thing at present is to have a link and establish a channel that will facilitate direct negotiations between the two sides."—Ed

I am very glad to meet with our friends from *China Times*. In recent years, your newspaper has given wide-ranging coverage of the exchanges between the two sides of the Taiwan Straits. Taiwan's news media sent many reporters to cover the Asian Games and televised live its opening ceremony. This is very good, and represents a link between the two sides.

The situation in the relationship between the two sides of the Straits is much better now than the situation of several years ago. First, visitors from the island have continued to increase. They have included not only those coming to visit their relatives or for sightseeing, but also many scholars in the intellectual circles and government functionaries as well as some high officials of the KMT. Before the death of Chiang Ching-kuo, this was not the case; at that time, there was a strict blockade. In addition, the press in Taiwan is now sending journalists here whenever there is an important event. This has greatly benefited the making of a link between the two sides of the Taiwan Straits.

We hold that the two sides should be reunified as soon as possible. Taiwan has originally been a part of China and a member of the big family of the Chinese nation. Through the ages, there have been occasions of separation of Taiwan from the mainland, all of which were



CUI BAOLIN

On September 26, Yang Shangkun receives Chang Hsueh-sen (3rd from left), brother of Chang Hsueh-liang, a former senior KMT official.

caused by outside forces. The current separation of the two sides which has lasted more than 40 years is a result of the struggle between two political parties, namely the KMT and CPC. It was man-made. Since the founding of New China, the KMT went to Taiwan, and we have always wanted to solve the Taiwan issue. Mao Zedong once proposed that it would be better for the two sides to negotiate reunification and make a concerted effort to reconstruct China.

After the death of Chiang Ching-kuo, Taiwan has become more open and exchanges between the two sides of the straits have increased. During his lifetime, Chiang Ching-kuo persisted in the position of "one China." He tuned down the slogan, "Counterattack the main-

land." At the same time, we were thinking about how to realize reunification and put forward the position of "one country, two systems," a position raised by Deng Xiaoping. It was then discussed by the Political Bureau of the CPC Central Committee and expounded on by Deng Xiaoping in his meeting with Yang Li-yu as a means to inform the Taiwan authorities.

"One country, two systems" means Taiwan will not be the same as the other provinces in the mainland, but a special administrative region under the jurisdiction of one China. It will enjoy a higher degree of autonomy than the autonomous regions in the mainland and will be able to carry out a different social system from that of the mainland. You can carry out your "Three People's Principles" and

I can practise my socialism. We will not interfere with each other. In addition, Taiwan can retain its armed forces. The mainland will not send any person to Taiwan to take part in governmental administration. However, we welcome Taiwan sending some personnel to the mainland to participate in the central government.

We advocate "three exchanges" (the exchange of mail, the exchange of trade and the exchange of air and shipping services). The problem now is that the exchange between the two sides of the straits has not become two-way; it is unfair. So far, the number of visitors from Taiwan to the mainland has surpassed 1.6 million while that from the mainland to Taiwan is only between 6,000 and 7,000. This is out of proportion. Tai-

wan has taken very strict precautions against and imposed many restrictions on those coming from the mainland. However, we have imposed no restrictions against those from Taiwan. Government functionaries and high officials of the KMT are all welcome to the mainland. Members of the Democratic Progressive Party have also been here. Even more ordinary people who reside in Taiwan or have settled abroad have been here.

"The three exchanges" are good methods for linking the two sides of the straits. For example, we have advocated direct trade, something which has not yet been realized. Taiwan needs coal produced in the mainland; we would like to supply it. Since there is no direct trade now, however, entrepot trade has to be done, thus increasing the costs. In the exchange of personnel, Taiwan has practised political discrimination against people from the mainland by demanding that CPC members give up

their Party memberships. There are 50 million CPC members on the mainland. They will, of course, not go if they are required to fill in a form to give up their CPC memberships. As a result, many relatives of people in Taiwan cannot go to Taiwan to visit their kith and kin because they are CPC members. On the contrary, we have never showed concern about the political status of those coming from Taiwan, never asked them whether they are members of the KMT, and never demanded they give up their KMT memberships. Therefore, "the three exchanges" at present are unfair. Among the population of 20 million in Taiwan, 1.6 million have been to the mainland while only several thousand out of the 1.1 billion people in the mainland have been to Taiwan. This is not equal.

In the past, some people on the island said that we on the mainland were afraid of people in Taiwan coming to the mainland

to see backwardness here and people from the mainland going to Taiwan to see the prosperity there. This is not true. It is the Taiwan authorities' policies that do not allow us to go. I've read many newspapers of Taiwan and found that some people who visited the mainland have spoken well of the mainland after they returned to Taiwan. It is the same with us; we would not consider everything in Taiwan good. We have never evaded the problems in the mainland and have also held that there are some things in Taiwan worth learning from. If more people come, they will observe with their own eyes and draw their own conclusions. One should appraise a society with a fair attitude; every society has its merits. If one looks for a bone in an egg, he will always find shortcomings in everything. Some Taiwan authorities have not understood this truth. First, they are afraid that we might develop our united front. Second, they are afraid that we

General Secretary Jiang Zemin receives a group from Taiwan's Hsin Chu Communication University led by Prof. Chen Yi-yang on September. 2.

MA JUNTIAN





On February 27, Premier Li Peng with chairmen and general managers of Taiwan-funded enterprises in Xiamen.

LI KAIYUAN

might ideologically reform those from Taiwan and turn them into our spies. In fact, we have prohibited such activities from the very beginning because this will harm reunification.

"The three exchanges" are aimed at gradually eliminating antagonism between the two sides and increasing mutual understanding. So long as this is done the relations between the two sides of the Straits can be more harmonious. In this field, we have done more than Taiwan.

How to realize the goal of "one country, two systems" should be negotiated by the KMT and the CPC on an equal basis. Though some messages have been conveyed in recent years, a link between the two parties has not been established. Of course, barriers may exist, but so long as the two sides are willing to talk, it is not necessary to start negotiations between senior officials; they may start with junior officials who can put forward any opinion they have.

Some people in Taiwan say that the living standard of the mainland is lower than that of Taiwan and so reunification should be postponed. I consider this unreasonable. Taiwan's population is small. By comparison, the mainland has many things that Taiwan has not, such as large iron and steel works, large machine-building plants and sophisticated electronics. Taiwan is better than us in management expertise, but we are learning. Thus, not everything in Taiwan is better than on the mainland.

In terms of overall strength, Taiwan is a lean and the mainland a fat person. Per-capita income cannot be taken as a precondition for reunification. Moreover, the reunification of the two sides of the Straits is not aimed at confiscating the wealth of the Taiwan people, nor at "overthrowing local tyrants." Our policy is to promote the development of the mainland as well as the development of Taiwan. The

two sides can develop trade, which means supplying each other's needs. For example, the mainland produces one billion tons of coal and over 100 million tons of oil a year. Taiwan lacks iron and steel, coal and oil, while the mainland has rich resources and can supply Taiwan. If the two sides hold an exchange on an equal basis all such questions can be solved. After several decades of construction, it is possible to make a fair comparison and consider each side's achievements. Since the mainland has 16 million new births

each year, it is necessary to make a great effort to solve the questions of food, clothing, education and employment for the growing population.

We have proposed, therefore, that the two parties sit down and have unconditional, peaceful negotiations based on the principle of "one country, two systems."

However, negotiations have not started yet. This is unfortunate. If negotiations had started five years ago it would have benefited and promoted the development of both sides. I know it is difficult for Taiwan to further develop its industry because, basically, the industrial base there is a processing industry. Though Taiwan has some electronics enterprises, they are small.

We advocate "one country, two systems"—you go your way and I go my way. Taiwan implements the "Three People's Principles." Also, we practise our socialism—you don't destroy me and I don't destroy you. Unfor-

tunately, some people in Taiwan still don't believe this.

The most important thing at present is to have a link and establish a channel that will facilitate direct negotiations between the two sides. In recent years, many people from Taiwan have claimed that they represent the Taiwan authorities; quite a few are political speculators. In order to have real negotiations, the most important thing is to establish links between leaders or institutions of the two sides. The negotiations may start from the lower levels and proceed step by step. Finally, official negotiations can be conducted.

The reason why we have suggested negotiations between the KMT and CPC is based on a consideration of the situation on the Taiwan side. If negotiations are not held between the two parties it will be difficult to resolve the issue of the local government of Taiwan. To avoid this problem, we advocate that the KMT and CPC have negotiations on an equal basis. Therefore, when Lee Teng-hui was elected chairman of the KMT we sent a message of congratulations in the name of the general secretary of the CPC Central Committee, expressing the hope of early reunification. But when he was elected "president" we could not congratulate him because there is only one China — the People's Republic of China. China has only one government, based in Beijing, and Taiwan has always been a province of China. This is unchangeable. In the beginning, this question can be put aside, and negotiations can focus on trade and cultural exchanges and other questions dealing with exchanges between the two sides. Of course, these measures will not solve the question of political reunification but we have no intention of bullying a smaller counterpart. This is an example

of our great tolerance and patience. At the same time, there is no room for retreat.

By no means can we recognize that Taiwan and the mainland are two governments on an equal footing. That would mean two Chinas. Now, some people in Taiwan have racked their brains and come up with the slogan "one country, two regions." To realize reunification, however,

have entrusted personnel to send a copy of the Basic Law of Hong Kong to Taiwan, asking the authorities there to read it and voice their opinions as to what changes should be adopted in the case of Taiwan. As of today, there has been no reply.

We are anxious about China's reunification because it has been postponed for 40 years.

There are great changes taking



WANG JINGYING
He Zhenliang (right), chairman of Chinese Olympic Committee, greets the Taipei Olympic Committee delegation headed by its chairman Chang Feng-hsu.

the central government must be located in Beijing and be of the People's Republic of China. This is the supreme, non-negotiable principle. In order to avoid a situation wherein Taiwan people feel that we are out to annex Taiwan, however, we put forward the principle of "one country, two systems." This principle was raised before the solution to the Hong Kong issue and it has been successful in resolving that and the Macao issues. Since Taiwan is different from Hong Kong and Macao, it can have a different relationship with the central authorities from that of Hong Kong and Macao. We

place in the world. Currently, Taiwan's position is untenable internationally as it has no status in international law. Since the Second World War, it has always been clear that Taiwan is a part of China. At that time, Chiang Kai-shek represented China to accept Taiwan's return to the motherland.

Today, Taiwan's position is not stable and there is a danger of its being taken over by others. Thus, we cannot promise to forego the use of military force in order to prevent Taiwan splitting off from China. This doesn't mean we intend to attack Taiwan. The Taiwan people are our

compatriots. How can we attack our compatriots? Our possible use of military force is mainly aimed at foreign countries, countries which want to take Taiwan away from China. Many friends in Taiwan and other places have suggested that we give up the military option. But we have repeatedly explained the reason why we cannot do so. The Taiwan authorities understand this clearly.

During negotiations between the two sides, the questions concerning central and local governments can be postponed. This does not mean that such a question does not exist. In fact, these are crucial. But it is necessary to promote continuous links between the two sides now. At present, Taiwan is ruled by the KMT. Of course, the present KMT is not the same as existed previously. The present regime on Taiwan can send people to carry out negotiations not necessarily focused on reunification. Various programmes can be discussed.

Although mass organizations and other parties can also participate in the negotiations, there must be a main negotiating body. We want to solicit opinions from other parties and organizations in Taiwan and welcome their visits. We can go there and pool the wisdom of all fields and let people decide which programme is practical. Some people, however, have suggested proceeding from economic to political links. This is not infeasible.

Unfortunately, some people in Taiwan recently have put forward the idea of "cooling the mainland rush." This is not good for building links between the two sides. We believe that links should be expanded. What we fear is not a rush, but a cooling down.

Many Taiwan entrepreneurs

have come to invest in the mainland. We welcome them. Our side has many senior members of the KMT, such as Zheng Dongguo and Hou Jingru, who have many contacts and relatives in Taiwan. They should be allowed to visit Taiwan. When Mr Chien Mu passed away, for example, the Taiwan authorities did not allow his relatives from the mainland to attend the funeral service. It was the same case when Zhang Daqian passed away earlier. This is unreasonable. Attending a funeral service is a part of traditional Chinese ethics rather than "communist propaganda."

In a word, at present there is a lack of mutual trust between the people of the two sides across the Taiwan Straits. There is consensus, but to differing degrees. The press, fortunately, can stand quite aloof and criticize what is wrong and so I hope you in the mass media to do something to increase mutual trust and consensus between the two sides of the Straits. The method lies in more contacts, more links, an affirmation of consensus, enhancing mutual trust and exchange. At present, the KMT in Taiwan has not enough links nor trust in us but has, instead, too many doubts.

Some people in Taiwan said that we deliberately smuggled firearms to Taiwan in an attempt to carry out subversive activities there. I can say responsibly that we have made consistent efforts to crack down on the smuggling of firearms, rather than deliberately taking part in such acts as some people claim. However, the coastline of Fujian Province is too long to prevent such acts completely. But who would be so stupid as to raise an insurrection using only hundreds of smuggled firearms?

Some other people have demanded that we draw back the

military forces 300 km from the coast of Fujian Province. This is ridiculous. We have cut down the size of the Chinese People's Liberation Army by 1 million and abolished the Fuzhou Military Area Command which was formerly stationed opposite Taiwan and there is now only a very limited number of troops there. If our troops should be drawn back by 100 km and if we called for a reciprocal withdrawal, a drawing back by 100 km from Taipei, where would Taiwan troops withdraw to? In the modern warfare, a distance of dozens of or 100 km costs only a few minutes by air. Therefore, such a demand shows the opinion only of a layman. If the mainland were hostile to Taiwan and had planned to use force, there would be, rather than the current very limited troops, a deployment two to three, or even ten times larger in Fujian.

We pin hopes on two factors in Taiwan—one is on the Taiwan authorities and the other on the Taiwan people. It is necessary to have more exchange and links between the two sides. Now, there are not enough exchanges for the Taiwan authorities and the Taiwan people. Contacts with the Taiwan authorities should not be conducted in a casual way but should be held between authoritative or representative personnel. As for links with the Taiwan people, we welcome talks with the Taiwan people and mass organizations who can come on tour or on a visit to relatives. Some 80 percent of the Taiwan people have relatives in the mainland. Even the Democratic Progressive Party is welcome as well as dozens of other parties. We can talk and pool opinions on various aspects of current problems in order to reach a consensus. The link is very important. Don't limit it. Don't fear it.

I can also put forward another point. If Mr Lee Teng-hui invited me, I would visit Taiwan so long as my safety was guaranteed. When Chiang Ching-kuo was alive, I sent the same message, because he and I were school mates. Only by more contacts can we realize consensus and mutual trust; in just such a meeting like we are having today. During the second round of co-operation between the KMT and CPC, Mr Zhou Enlai maintained contacts for several years before the official negotiation started. It was finally made public in Lushan. Now, however, there is no effective channel for contacts.

I say we are anxious for the reunification because when Mr Chiang Ching-kuo was alive, he sent some messages which indicated his intent to solve the issue of reunification of the two sides. So we were optimistic. Now, it seems improper to be too hasty. At the same time, it will not do to be too slow. Mr Deng Xiaoping has proposed that it is better for both the mainland and Taiwan to establish contacts and realize the goal of the country's reunification when the senior leaders of the CPC and KMT in Taiwan are still alive. The problems concerning the Taiwan issue can be resolved easier when people who know the history of both CPC and KMT are alive. If the issue is further postponed, there are many questions the younger generation of the two parties do not understand. This is the reason behind the anxiety.

Still, Mr Lee Teng-hui has his advantages because he was not involved in the disputes between the KMT and CPC and thus has no burdens left over by history. General Secretary Jiang mentioned in his speech that he hopes Mr Lee Teng-hui can promote the process of the reunification of the two sides. It will



WU ZUZHENG

The Tianfu Sichuan Opera Troupe from Taipei and the Sichuan Opera Troupe of Sichuan Province give a joint performance in July last year.



CHENG ZHISHAN

Taipei handball players at the Tiananmen Rostrum August last year.

not do, though, if the process of reunification proceeds too slow.

It is possible that people of my age may not live to see the day when China is reunified. But it will not be good if the people here today fail to see China reunified. A popular saying in China goes: "A long night is fraught with dreams." Unfortunately, some people in Taiwan

do not want reunification and intend to advocate the independence of Taiwan.

Another Chinese saying goes: "When the water comes, a channel is formed." We should help the water move more quickly; it is better to add a pump and make the slope steeper so as to facilitate a faster and smoother flow of water. ■

The Advantages and Disadvantages of Socialism

—Chinese scholar He Xin's talk with Japanese Professor Yabuki Susumu (II)

This is the second part of Chinese scholar He Xin's talk on August 15, 1990 with Yabuki Susumu, professor of economics at Japan's Yokohama City University. Mr He believes that events in Eastern Europe do not herald the end of socialism. The first part of the talk, entitled "The Current World Economic Situations" appeared in our issue No. 47.—Ed.

6. Which of the Two Systems Is Superior?

S: It seems that you do not trust the capitalist free market system.

He: No, I don't. Ten years ago, however, I believed in the myth that the free market economy was better, an idea I got mainly through the writings of P.A. Samuelson of the United States.

In the last ten years, through an observation and comparison of the economic reforms in China, Eastern Europe and the Soviet Union and through a more in-depth theoretical study, I've become convinced that, on the whole, the socialist economy is essentially stronger than the capitalist economy.

S: Oh? Why is that?

He: Well, I think Japanese economists should have some experience in this regard. One book, *Modern Japanese Economy* compiled by a Japanese economist, says that in the late 19th century, in order to quickly extricate itself from a backward economy, Japan introduced the "state socialist economic system" in which the state controlled the principal economic departments and made them directly serve state objectives. Following World War II, after "being forgiven by various countries in Western Europe and America," Japan introduced a policy of government planning and regulation which was different from the free market system of Western countries.

Japan practises capitalism, which is different in principle from the Chinese system. If the state ownership system and the planned economic system have nothing superior, why did Japan imitate such a system when its economy was not so strong?

S: That's right. I'm familiar with the book.

He: Well, let's consider China's current economic problem. As an economist you may understand the current problem is a result of an economic cycle. If China's sluggish market of 1989 had taken place in capitalist countries, it would have led to the close of numerous enterprises, banks and shops, unemployment, bankruptcy, the collapse of the stock market and even social disturbances. China, however, by relying on the regulatory lever of the state macro-economic policy, has effectively resisted crisis-oriented changes, thus ensuring the operation of the national economy and the maintenance of social stability.

If we had not relied on socialism but, as some people suggested, followed a policy of total privatization, liberalization and a thorough shareholding system in our economic system between 1987 and 1989, the results of such economic cycles would have been quite different.

7. Why Does Socialism Also Have an Economic Cycle?

S: Why is there also an economic cycle in the socialist system?

He: This question cannot be explained thoroughly without going into great detail. Socialism also practises the commodity economy. Moreover, both the scope and extent of commercial enterprises in China have been expanded since the beginning of reforms.

Mao Zedong said all commodity production should follow certain common economic laws. What he referred to at that time were chiefly laws governing prices and exchange. In my view, the cycle of expansion and shrinkage of supply and demand is also a universal law governing the commodity economy.

S: Then, what is there any superiority of the socialist economy?

He: Because of its strong macro-control mechanism, socialism is able to control, to a certain extent, the cycle of the commodity economy and thus can at least reduce its destructive impact.

Fundamentally, which of the two systems is superior? Let's make a comparison. Let's imagine an equal contest between socialism and capitalism under the same conditions.

S: What sort of comparison do you mean?

He: Let's suppose that the United States or another capitalist country had shut its economic doors or been economically and technically under a blockade for ten or 20 years. Would its free market economic system have been able to survive in the ten to 20 years? Would it still have been able to maintain a high standard of living? Which of the two systems would develop faster under a blockade? Which system would more effectively resolve the various complicated social problems?

I don't think any Western country would stand a chance in such a competition.

S: Of course, ours has always been an open economy.

8. Why Does the West Blockade Socialism?

He: Yes, that's just the point.

The fact is that your economy has always relied on the world market and, in this market, the development opportunity for advanced and backward nations is lopsided. The industrially and technically advanced nations have occupied a commanding position.

In the past decades, moreover, the West has always enforced a blockade against socialism and has used political, economic and

military means to cut the socialist countries off from the world market under their control.

The West's blockade has forced the Chinese to live frugally. Between the 1950s and 1970s, it was very difficult for China to acquire the "comparative economic interests" described by David Ricardo through foreign trade and the international division of labour. In the past 30 years, China had to rely on its domestic market to generate the finances required to develop its industry, science and technology, modernize itself and catch up with the advanced nations.

The West, however, always ridicules China's economy as "an economy of shortage," saying that our country's economic difficulties are the result of our system. This is extremely unfair.

In fact, the West has set a difficult question for China and all the countries which have taken the socialist road to answer.

Only when they give up socialism will the West allow them to enter the world market system under its control and grant them such rights as membership in the General Agreement on Tariffs and Trade and other world economic organizations and the most-favoured-nation status. But, if they forsake the socialist system, underdeveloped nations will lose their capacity for economic and political self-defence and will easily be dominated by developed nations through economic means (we've witnessed this already in some East European countries). In the end, they would, like most developing countries, become peripheral economic zones depending on a few developed countries and even slaves to the debt of the modern world economy.

On the other hand, if they refuse to give up socialism, the

West will carry out various economic, political, cultural and ideological strategies to enforce a blockade or instigate domestic turmoil to subvert them.

Just a decade or two ago, for example, the Soviet Union and East European countries were rising industrial nations. Today, however, some of these countries' economies are declining or bogged down in difficulties.

As a matter of fact, they have been cleverly put to rout on the ideological, economic and political fronts in the acute international competition in the economic, industrial, scientific and technological fields.

One of the ways the West will try to defeat socialism is to isolate and separate the socialist economy from the world market dominated by Western forces. This is the true implication of the cold war.

In short, the developed nations will try every means to maintain and consolidate their own wealth and advanced position. They don't want to see the underdeveloped countries march towards prosperity and development. This is the grim reality of today's competitive world.

9. Advantages of Socialism

S: Then, even in the sense of a pure economic system, you don't believe the socialist system has defects?

He: Of course it has shortcomings. Why would we carry out reforms if there were no defects? Everything has its advantages and disadvantages. In regard to socialism, however, one should first look at its advantages before talking about its drawbacks.

S: Advantages?

He: Deng Xiaoping said that the advantage of socialism is that it can concentrate society's re-

sources in order to attain great accomplishments. His remark is very profound.

The resources he referred to were, first, manpower and, second, material strength. Public ownership allows the state authorities to concentrate the nation's resources so that society's most urgent needs can be tackled. This is the reason why China's achievements over the past 41 years have been more impressive than some developing nations that practise a free market economy.

S: Oh?

He: Socialism's other advantage lies in its strength in foreign affairs. This social system is able to combine the nation's human and physical resources into a closely knit "group." Politically it can resist external bullying and safeguard state interests. Economically, it can concentrate the national power to defend the national economy. Thus, the country will have sufficient strength to resist the monopoly forces of international capitalism in the world economy.

There is a trend in developed countries to instigate people living in socialist countries to destroy this socialist "group." I'm afraid this is the real motive behind their actions; it is not because they love us or really care about political and democratic development of our society. Don't you agree?

S: I'm afraid there is also the question of values.

He: The pure concept of value? If they were not concerned about real gains, I don't think the developed Western countries who haggle over every penny would invest generously in the "democracy movements" in socialist countries.

Socialism first appeared in economically underdeveloped European and Asian countries

in the 20th century. Now, some people say that socialism was introduced too early in these countries and that they replaced reality with a utopian ideal. These people don't realize that this kind of economic system is the most suitable social system for developing countries as they are transformed from a pre-capitalist society to one undergoing rapid industrialization. (In a way, hasn't Japan's economic development proved this?)

In the early 1950s, during its industrialization campaign, China lacked both capital and technology. Moreover, it was confronted with complicated social problems. Under these circumstances, the country, by relying on the strength of the state and public ownership, was able to concentrate its limited social resources and achieve considerable development. History has proven this is a shortcut. This fact is accepted worldwide and is a source of pride to the Chinese people. However, it seems to have been forgotten by people in recent years.

Some people are now criticizing China. It has practiced socialism for 40 years, they say, but, despite its supposed superiority, the country's economic achievements and living standards are not on a par with those of the United States and other developed capitalist countries.

The response to this ridiculous statement is to point out China's economic, political and social situation 40 years ago. At that time, China was one of the most underdeveloped nations in the world. Today, what is the gap between China and the developed nations? Has it widened or narrowed? Furthermore, under what internal and external conditions has China succeeded in narrowing the gap? What other developing country with an economic level equal to China

40 years ago has surpassed China economically or in international status?

S: What about the four small dragons of Asia?

He: With regard to the so-called four small dragons, let me point out three facts:

First, the high-speed development of their economies in the 1970s and 1980s was the result of special conditions. If these special conditions were to disappear, it is unlikely that they would be able to maintain such an impressive rate of growth. If you don't believe this, take note of their development in the next ten years.

S: What do you mean by "special conditions"?

He: These special conditions are related to the birth of New China in the East and the United States' economic blockade and strategic encirclement of China in the 1950s. Each of the four small dragons in Asia grew by relying on the capital, aid and technology of the United States. Without the existence of New China, the United States would not then have given them such assistance. (This is perhaps one reason why the four small dragons arose in Asia but not in other regions of the world.) Their brilliance lies in the fact that they lost no time in capturing and making full use of this historical opportunity.

Second, even today, the scale, strength and overall technical level of their economy do not surpass China. They can only be proud of their per-capita GNP. This figure is significant, but it is not so large that people should be frightened by it. Unfortunately, many underdeveloped countries are heavily in debt and on the brink of an economic collapse even though their per-capita GNP exceeds that of China.

Third, this round of economic

competition is still far from over. Ten years from now, if China does not have any more social disturbances and if its major economic and political development principles are correct, it is hard to say what an economic picture Asia will present.

10. Reform Aims to Promote the Good And Abolish the Bad

S: (Laughing) You are really sharp. But, tell me, what are the disadvantages of the socialist system.

He: (Laughing) Disadvantages, as Lenin might say, are sometimes the improper extension of advantages.

Socialism's merits lie in its high degree of centralization, which Mao Zedong called the unity of will, steps and actions. Its disadvantages lie, first, in the blind swelling of state power, characterized by extremely rigid control over everything. I experienced this during the "cultural revolution."

Meanwhile, the abuse of state-bestowed power by officials can easily engender a bloated bureaucracy, excessive privileges, corruption and other problems. But this is not unique to the socialist system. It occurs in the political life of Japan and the United States too. Cases in point include any number of political scandals.

Second, if there is an overemphasis on centralism and unity, any serious mistakes made at the highest decision-making level will exert an impact on all of society. This happened in 1958 (the "great leap forward"—Tr.) and 1966 (the "cultural revolution"—Tr.).

Third, if the public will is improperly stressed, there will be a sacrifice or suppression of individuals (particularly intellectuals) and of the creative devel-

opment of individual character. As a matter of fact, Mao Zedong took notice to this theoretically and often stressed the need for both democracy and centralism. He also noted there should be both a unity of will and a situation in which people have ease of mind. Regretfully, however, the acute struggle during his lifetime and the various historical restrictions made it impossible for his dialectical theory to be embodied in policy and carried out in practice in its truest sense.

The merits of socialism also find expression in earmarking money and materials from rich to poor areas and allocating grain from areas of a bumper harvest to places suffering from a crop failure. All this calls for state macro-regulation and control. In terms of the distribution of social products and in terms of the difference between the rich and the poor, socialism is more reasonable and fair than capitalism.

But this gives birth to the defects. When it is too reasonable and fair, there occurs equalitarianism. Equalitarianism is not conducive to mobilizing people's initiative through the means of individual interests. In addition to this, there are other problems but, on the whole, the socialist system brings more advantages than disadvantages to economically backward countries. When viewed from the angle of the world history, China's socialism, which embodies the special creation and wisdom of the Chinese people over the last 40 years, has been an especially successful example.

I understand that the socialist reform initiated by Mr Deng Xiaoping is aimed at promoting the advantages and abolishing the disadvantages of the socialist system.

11. More Gains Than Losses in the Ten-Year Reform

S: What is your view of foreign comments labeling you a neo-conservative?

He: I am not conservative. I support Deng Xiaoping's policy of socialist reform without the slightest reservation. In regard to the orientation of the reform, I am simply a world apart from those who have fled to the West. That's all.

S: It seems to me that some of these people were your friends. Liu Zaifu for example.

He: (Laughing) He was my leader and an academic colleague. But personal friendship could not gloss over political differences. Since 1985, Liu (and others) and I have had differences over some important questions (including the so-called "modernist school" of the Chinese literature). Many people in academia are familiar with this.

S: So, how do you evaluate China's reform of the last ten years?

He: I think the most important achievement of the decade-long reform since 1979 is the introduction of enormous energy and vitality into the socialist system. Anyone involved in an objective study must observe and analyse such changes with a rational mind. Personally, I think that in the last ten years of reform, more has been gained than lost.

I remember that Mao Zedong once criticized socialism in the Soviet Union. By refusing to accept the fact that there existed contradictions and drawbacks in a socialist society, the Soviets, Mao said, did not dare to face various social problems theoretically and so were unable to improve and progress. Mao's criticism was very incisive.

On the other hand, China's reform over the ten years between 1979 and 1989 fully revealed the contradictions, drawbacks and

defects in the Chinese social system. It can safely be said that the ten years of reform have revealed contradictions in the nation's economic, political, ideological, cultural and social life. But, concurrently, there arose a trend of thought that negated not only the achievements China has made in construction over the last 40 years but also the national spirit and cultural tradition of the Chinese nation over the past 5,000 years. Obviously, this is a negative aspect of the reform.

12. Prospects for Socialism Around the World

S: What's the situation in the world today? Isn't it true that socialist countries are decreasing in number worldwide?

He: As an economist, I think you realize that the debate over which is superior, the state economy or the free market economy, has actually been going on for a long time. I remember, particularly, that Friedrich List, a famous German economist in the 19th century and father of the theory on Germany's industrialization, criticized Adam Smith's theory on free market.

List said that, in the world market, economic powers always had special demands for free trade and a system of free market in order to smash the defensive capability of the industrially backward countries, to sacrifice those countries' interests. The backward countries would have to rely on state intervention to defend their young industry and national market. Otherwise, they would be economically plundered by the stronger economic powers.

The socialist system is a social system which, first and foremost, can protect the national economic interests of the industrially underdeveloped coun-

tries. It is because of this, we see that socialism in the 20th century is not an event but a great historical trend during which numerous developing countries have tried to follow the system economically and politically after winning independence.

This trend has not come to a halt because of events in Eastern Europe. And the historical progress has not come to an end in Eastern Europe either.

Recently, I read an essay entitled *The End of History* by an American. The author said that events in Eastern Europe indicate that the progress of the human society will eventually come to a halt at capitalist society, and, from that point on, there would be only politics, but no history, in the world. I have rarely read a more arrogant, superficial theory than this one.

Some people in the West believe that socialism has suffered an irretrievable historical loss worldwide. I think this conclusion is premature.

S: Why?

13. A Road to Justice

He: Recently I have always been pondering the question: From a global point of view, as we know, the problems confronting the development of human society are now more acute and more thorny than ever before. At the same time, moreover, the trend towards world economic and political integration is gaining momentum at an unprecedented scale.

So, in regard to those grim global problems such as the exhaustion of natural resources, the contamination of environment, and the crisis in food and population, the question is whether they can be solved by a further privatization of the world resources and a laissez-faire global economy. Or, can

they be solved under a new imperialist system under which the world is dominated by one, two or three economic and military superpowers (a solution which would benefit only a small number of the most developed countries)? Or, rather, can they be resolved fundamentally when the resources, labour and wealth of this planet are owned and shared by all of mankind, through the overall regulation and co-operation of a unified plan for the world economy?

I think the answer is evident without further explanation. Otherwise, I believe, the world will never have peace and stability and there will be repeated crises, wars and turmoil.

If we can agree that the increasing global problems which plague mankind call for an integrated solution benefiting all mankind, then I would argue that socialism is inevitable no matter how tortuous the road will be, and it is a road leading to the just history.

Even though socialism has failed temporarily in some countries, its ideal and practicality will eventually be reunderstood by the people. I also believe that future socialist movement will certainly draw lessons from past failures and become more sophisticated and mature; this is also true regarding the development of democracy.

14. The Necessity of The Open Policy

S: It is contradictory for China to oppose bourgeois liberalization while shaking hands with foreign capitalists and encouraging them to invest in China. Mr He, what is your view on this?

He: Deng Xiaoping has said that opposing liberalization is of profound and direct political significance in China, the core of which is the adherence to the

four cardinal principles. Without this idea, which is actually an invention of Mr Deng Xiaoping, I think China would either dissolve or suffer other troubles.

As a matter of fact, any state system must have a legal, political and ideological basis that could justify its existence. For China, the four cardinal principles constitute the nation's moral and ideological basis. It is on this basis that the current Chinese system survives.

This basis did meet with a serious challenge in the last few years, which I am sure you are well aware of. Last year, China narrowly escaped being pushed onto the brink of nationwide turmoil and separation.

Shaking hands with capitalists is a practical continuation of the open policy initiated by Mr Deng. The open policy has proved necessary because world industrialization of the past 200 years demonstrates that the development of industry and science and technology requires a huge amount of capital and that, if funds are simply raised from the domestic market, the accumulation of capital will proceed at a limited speed.

S: After the Meiji Reformation, Japan accomplished the reform of its political system. The solution of the problems of separatist local regimes which existed prior to the reform was followed by the political unification of the country. China, however, has practiced one-party rule over the last 40 years. It is a system which blocks modernization.

He: Although Japan follows the multi-party system, it actually has been under the rule of the Liberal Democratic Party since 1954. It is a period also of some 40 years, isn't it?

S: But the Liberal Democratic Party has many factions and an inner-party democracy. For ex-

ample, when the Kakuei Tanaka faction made mistakes, another faction opposed and toppled it. This conforms with the principle of political democracy.

He: Mao Zedong once said, "Outside any party there are other parties; inside, there are groupings." This is also Chinese politics.

You seem to indicate from your question that the current Chinese political system is not as good as the system practised during the Meiji period. I am afraid that the two systems are worlds apart. For scores of years after the Meiji, Japan fell under the rule of militarists. Even by the Western standards, that was not a genuine political democratic system. This is evident. Japan completed its primitive stage of industrial accumulation under the para-dictatorship political system and through a war of economic plunder of Asia.

Why didn't the Japanese revolt? Because the Japanese have a strong national consciousness and the concept of state integration between the monarchy and its subjects.

With regard to the modern Chinese political system, although we recognize its various problems which need to be resolved, I am afraid it cannot be placed on par with Japan's political system during the Meiji period. I wonder whether you have been influenced by Hong Kong magazines which always accuse modern China of engaging in "feudal politics." I assume they don't have a real understanding of the term "feudalism" in history. Such a cliché is not worthy of rebuttal.

If we were to discuss feudalism in a more serious manner, I would argue that the vestiges in Japan of imperial politics from the Meiji period bear stronger traits of feudalism. ■

Reform Brings Vigour to Road Construction

Thanks to the policy of reform and opening up to the outside world, China has achieved considerable progress in road construction during the 1980s. In the 1990s, more construction projects for roads, including expressways, are planned.

The Way Out for Road Building

by Our Staff Reporter Li Ping

Recently good, news in China's road construction kept pouring in:

On September 1, China's longest expressway — the Shenyang-Dalian Expressway in the Liaodong Peninsula was opened to traffic;

On September 12, the main portion of the Beijing-Yangchun section of the Beijing-Tianjin-Tangu Expressway was completed and put into service;

On September 28, the Datong-Yuncheng Highway, running across Shanxi Province, the coal base, was completed;

On October 2, a Grade 2 highway linking Nannin, capital of the Guangxi Zhuang Autonomous Region, and Beihai, a port city, also opened.

Changes

In the past few years, tourists visiting China often complained about poor road conditions. They will now find things are improving.

Over the past decade, China has built or renovated more than 4,000 kilometres of roads. Now highways extend to every tourist spot except on islands. Many of these roads are category Grade 1 or 2 near hot tourist spots, falling in the first two ranks of China's four-grade road classification

system.

The construction of expressways is a major advance. Since the beginning of the Shenyang-Dalian Expressway project in 1984, altogether there are eight expressways on the mainland which have been completed or are still under construction. These expressways, totalling 900 km long, are between Shenyang-Dalian, Beijing-Tianjin-Tangu, Shanghai-Jiadin, Guangzhou-Foshan, Xian-Lintong, Xinzhuang (Shanghai)-Songjiang, Guangzhou-Shenzhen-Zhuhai, and a ring road in Guangzhou.

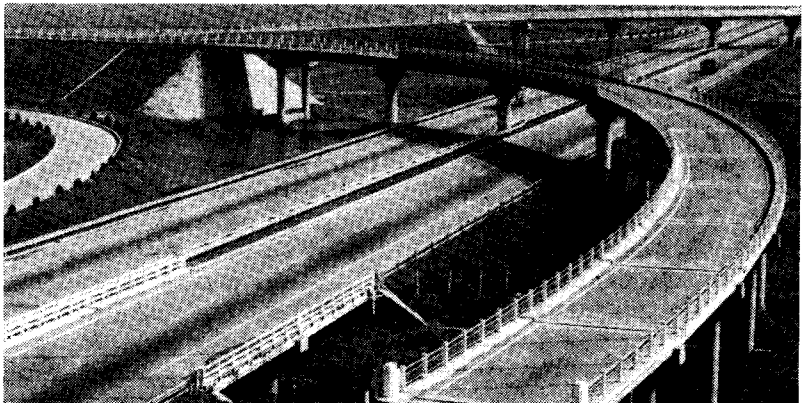
Recent years have also witnessed the development of motors-only highways. The cost of this type of highway is only half of a Grade 1 highway and occupies 40 percent less land

than a Grade 1 highway. In addition, it is more suitable for transportation than a first grade road, to which every type of vehicle has access. Therefore, it gains a rapid expansion in China. Presently, several such highways have been completed, including one from Changzhou in Hebei Province to Dezhou in Shandong Province, one from Shenyang to Taoxian Airport in Liaoning Province, and one from Zhangjiagang to Shazhou in Jiangsu Province.

In the past, China's highways were frequently interrupted by rivers due to a lack of bridges. Now, the situation has improved significantly. There are over 160,000 highway bridges. Over the past decade, in particular, China has made breakthroughs in the structures, forms and techniques of bridge-building. China has every type of bridges found in foreign countries, such as arch

An intersection on the Shenyang-Dalian Expressway.

LIU HANDENG



bridges, prestressed concrete bridges, cantilever bridges and T-shaped steel-structured bridges. Moreover, China has its unique double-arch bridges. China has also given priority to bridge-building over large rivers. There are 24 bridges over the Yangtze River and 56 over the Yellow River, the two longest rivers in China.

In 1949, China's total highway length was only 80,000 km. In 1989, that figure rose to 1 million km. Except for Motuo County in Tibet Autonomous Region, where geological conditions are poor and population is small, all cities and county towns have access to highways. These road networks have promoted the development of local economies and provided conveniences in people's life.

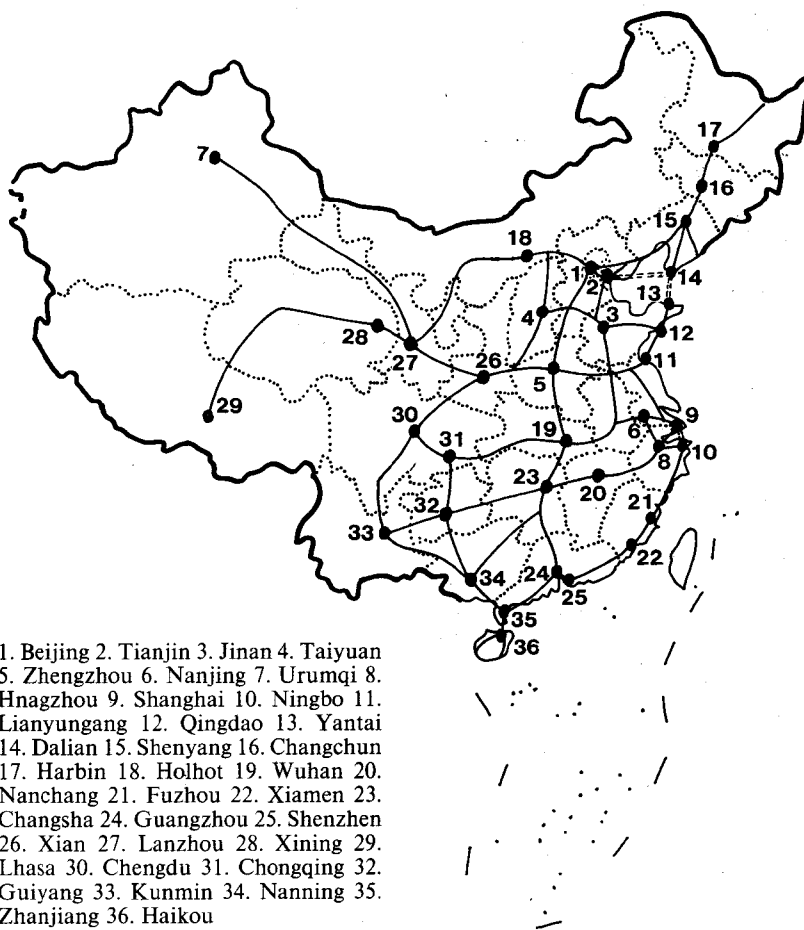
Reform

A major cause for the rapid development of highways has been the government's emphasis on transportation as a part of infrastructure and its subsequent investment. But more importantly, it is due to a series of reform measures introduced into the construction and management of highways.

Raising funds. Before 1979, highways and bridges were regarded as public facilities and the state invested in their construction. Each year the state collected a limited amount of maintenance toll from users. Therefore, China's highways were virtually free of charge. Since so many highways and bridges needed to be built but the state's financial resources were limited, many programmes were suspended simply because of a shortage of funds. It became increasingly evident that this situation hampered the growing national economy.

In 1983, Guangdong Province, which opened to the outside

Sketch Map of China's Main State-Line Highway System



1. Beijing 2. Tianjin 3. Jinan 4. Taiyuan
5. Zhengzhou 6. Nanjing 7. Urumqi 8. Hnagzhou 9. Shanghai 10. Ningbo 11. Lianyungang 12. Qingdao 13. Yantai 14. Dalian 15. Shenyang 16. Changchun 17. Harbin 18. Holhot 19. Wuhan 20. Nanchang 21. Fuzhou 22. Xiamen 23. Changsha 24. Guangzhou 25. Shenzhen 26. Xian 27. Lanzhou 28. Xining 29. Lhasa 30. Chengdu 31. Chongqing 32. Guiyang 33. Kunmin 34. Nanning 35. Zhanjiang 36. Haikou

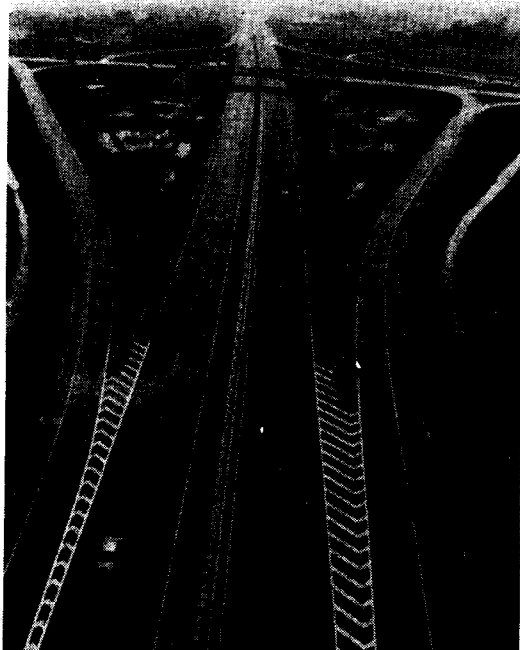
world towards a commodity economy earlier than other provinces, took the lead in raising funds for building roads and bridges and collecting tolls.

On November 25, 1984, the first bridge ever on the Guangzhou-Zhuhai highway was opened to traffic and a total of 40,000 yuan was collected on the first day. In 1984, all six docks on the Guangzhou-Zhuhai and Guangzhou-Shenzhen highways were turned into bridges with an investment of 100 million yuan, none of which came from the state. These bridges were of huge social and economic significance. Take Guangdong-Zhuhai Highway as an example. Before the completion of the bridges, a drive from Guangzhou to Zhu-

hai had to cross four rivers by ferries each requiring one to two hours. Now the time has been significantly shortened.

In December 1984, the State Council decided that expressways, bridges and tunnels that are built with raised funds other than state investment are allowed to charge tolls, thus formally sanctioning the reform measures carried out in Guangdong. This practice has since spread across the nation, achieving remarkable economic results.

Helping poorer areas. In the interior and frontier regions there are many poor areas. The state allocates a considerable amount of financial and material resources to help these areas, which, in most cases, are beyond



The 74-km Beijing-Yangchun section of the Beijing-Tianjin-Tanggu Expressway has opened to traffic.

SONG LIANFENG

the reach of highways or railways. To help people there rise above poverty and become rich, in late 1984, the State Council formulated a plan under which farmers in poor areas contribute their labour to building roads, water irrigation projects and water passages in exchange for state assistance in the form of grain and cotton cloth. This was different from the old practice of the state providing relief to the areas. This plan worked. Between 1985 and 1987, the state used 3.7 billion kilograms of grain, 62,500 tons of cotton and 330 million metres of cotton cloth, a total value of 1.7 billion yuan, in building 120,000 km of roads, 78,700 km of which are highways that reach state standards.

At the end of 1987, the State Council decided to provide middle-and-low-grade industrial products as a substitute for relief when organizing the people to build highways. This innovative experiment was applied to 18 counties of extreme poverty in Sichuan and Jiangxi provinces and Ningxia Hui Autonomous Region, involving industrial goods valued at 19.45 million yuan and 15.273 million yuan of local budget and road

toll. During the following year, 200 kilometres of new highways were built and 237 kilometres were upgraded, including 31 bridges and two tunnels.

The completion of these projects has played an important role in raising the living standard of the people in these poor regions, stimulating exchange of goods between urban and rural regions, promoting the development of rural enterprises and developing the culture and education in the countryside.

Using foreign funds. Since 1979 China has begun using foreign funds to build highways and ports. The loan provided by the World Bank has been primarily used for highway construction.

To date, China has utilized US\$538.6 million of World Bank loans to construct six projects — highways connecting the state lines and country roads, the Beijing-Tianjin-Tanggu Expressway, the high-grade Chengdu-Chongqing Highway, the high-grade Jinan-Qindao Highway,

the high-grade Sanyuan-Tongchuan Highway and the motor-only Nanchang-Jiujiang Highway.

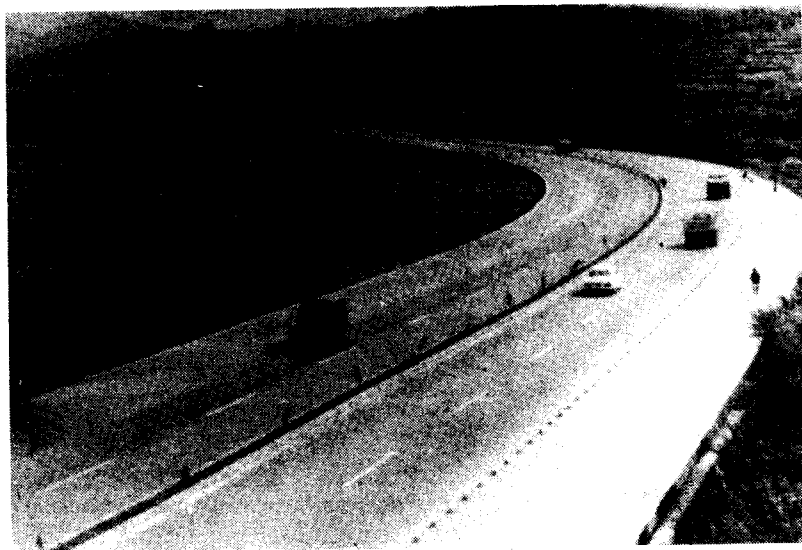
"Trunk Road" Project

No doubt, New China has attained great achievements in road building. However, the situation that the transport industry lags behind the economic development has not basically changed because in previous years the government failed to pay sufficient attention to basic industries, such as transportation. Highways fell short in total length and were poor in quality.

Reports show that 800,540 kilometres of the total 1,01 million kilometres of roads are fourth-grade and substandard highways. Of the 106,000 total kilometres of state lines, the fourth-grade and substandard highways make up 43,800 kilometres. The average speed limit for motor vehicles is only 30 kilometres because these highways are in poor condition and they share the road with tractors and non-motor vehicles. In recent years, motor vehicles of different types have

The first Grade-1 highway in Yunnan, the Kunmin-Wandian Highway, has partly been completed, alleviating the transport burden of Kunmin.

LI YULONG





The road to Sichuan is no longer steep: a truck on the Sichuan-Shaanxi Highway. SUN ZHONGJIN

land trading centers. These highways primarily serve the medium- and short-distance passenger and freight transport between large cities and provinces and some long-distance transport. The 12 main state lines designed in accordance with the needs of the development of the national economy will reach all major parts of the country when they are completed.

The planned primary state lines will include express highways, Grade 1 and Grade 2 motor-only highways, providing secure, fast and efficient transport. In terms of technological standards, express highways will be built in regions east of the Beijing-Guangzhou line where local economies are developed

and under heavy traffic burdens. On the western side, Grade 1 and Grade 2 highways should be dominant because of lower traffic volume. Preliminary estimates verify 10,000 km express highways among the 25,000 km main state lines with the balance being Grade 1 and Grade 2 motor-only highways.

These state arteries will be built in stages. Where passenger and freight transport is busy and economic conditions permit, express highways should prevail. In areas lacking such conditions, roads may be designed according to the standards of the express highways and the first-stage engineering should prepare for the second-stage construction in order to avoid repetition. In considering this, during the Eighth Five-Year Plan (1991-1995), China will build seven express highways with a total length of 1,000 kilometres, six express lines of 1,200 kilometres and 1,300 kilometres of Grade 1 and Grade 2 motor-only highways. When these lines are completed, the strained transportation will be partially eased. ■

greatly increased and those for civil use increased 2.4 times compared with last decade. The passenger and freight transport volumes have multiplied. Thus, many highways have been overloaded, surpassing four or five times their designed capacity. The highways need to be upgraded so speed limits can be increased, thus advancing transportation.

Therefore, China's transportation department has mapped out the "backbone road" plan. According to it, China will, within the period of several five-year plans, build a highway network of 25,000 kilometres composed of 12 arteries of state lines, connecting all provinces, autonomous regions, provincial capitals, important cities, hubs of communication, major ports and in-

Express Highways in China

The Shenyang-Dalian Expressway, the first express highway in China, was put into service in June 1989. Recently I was fortunate enough to drive its 375 kilometre length, which is 47 kilometres shorter than the old Shenyang-Dalian road. It is 26 metres wide, with four lanes separated by a three-metre-wide green belt. Since both sides of the highway are completely protected by a silver-grey fence, speed limits can reach 100-120 kilometres per hour. It takes only four hours now to drive from Dalian to Shenyang as compared with 10 hours pre-

viously. The designed capacity of the highway is to carry 50,000 cars per day, 80 million tons of goods and 100 million passengers per year.

A Debate

Although there are some express highways in China, the question of whether China should build express highways is still the focal point of debate during a discussion launched by *People's Daily* last year.

Opinions of opponents to the building of express highways are: 1. The cost of building ex-

press highways is too high, requiring nearly 8 million to 10 million yuan to construct each kilometre of road. As China is an under-developed country, it doesn't have enough strength to develop such highways. 2. Construction of expressways will occupy too much cultivated land and the per capita cultivated area in China is small. 3. As oil is the primary power source for the transportation on express highways, it will consume more oil to transport via express highways than that via railways. However, China's per capita petroleum reserves are very low. This group of people have come to the conclusion: It is currently unsuitable to develop express highways in China. As a substitute, some of these people advocate the development of railways while others propose to build other types of high-standard highways.

Proponents think differently. Before the 1970s, the Chinese transportation trade had followed a policy of relying on railways. The situation improved lately with the development of road, air and pipe-line transportation. Each means of transportation has its own advantages and has played a role in the system of transportation. The importance of road transportation has become obvious with the development of the commodity economy and the extension of the open-door policy in China. Since 1982, the transportation department of China has transformed and widened some vital roads and built a number of high-standard highways. By the end of 1989, China had built 2094 kilometres of Grade 1 of roads and 38,000 kilometres of Grade 2 roads. Great economic and social benefits have been obtained since these roads were put into operation. However, as they are not completely sealed and open to all kinds of transport ve-

hicles, traffic confusions often occur. As a result, it is difficult to fully tap the potential of these roads. Such an objective situation requires China to build express highways in areas where the traffic is congested or expected to be heavy.

Results of the debate were that China should adopt the policy of properly developing express highways in regions where the economy is comparatively developed and the traffic is heavy.

The money needed to build express highways comes from the loans provided by state or foreigners or is collected by the local governments. For example, the express highway from Shenyang to Dalian cost a total of 2.2 billion yuan, 80 percent of which was collected by the local governments. The World Bank provided US\$150 million for the construction of the Beijing-Tianjin-Tanggu Expressway.

The general public is becoming more aware of the superiority of express highways. Eight express highways were built during the 1980s, and more will be constructed during the 1990s, such as those from Shanghai to Changzhou in Jiangsu Province, from Hangzhou to Ningbo in Zhejiang province, from Jinan to Weifang in Shandong Province, from Kaifeng to Luoyang in Henan Province, from Zhengzhou to Xuchang also in Henan Province, from Shenyang to Changchun in northeast China, from Shandou to Shenzhen in Guangdong Province and the eastern sector of the road around Hainan island.

Great Benefits

The first eight express highways built in China during the 1980s have brought great economic and social benefits to China.

The Beijing-Tianjin-Tanggu Expressway has taken on the task of transporting most of the cargo

unloaded in the harbor at Tianjin and shares the burden of passenger transportation between Tianjin and Beijing. It provides a new outlet to the sea for Beijing. The cargo unloaded at the harbor of Tianjin can be transported to Beijing, via the express highway, within one or two hours.

The completion of the Shanghai-Jiadin Expressway has greatly improved the investment climate in the Jiadin area. By 1989, there were 300 enterprises in Jiadin managed by Shanghai conglomerates, twice the figure of 1988. The Shenyang-Dalian Expressway, according to its designed capacity, can save 400 million yuan annually by reducing transportation cost. Its construction has undoubtedly been a major improvement of the investment environment in Liaodong Peninsula, attracting more foreign investments in the Peninsula and all of Liaoning Province. The freeway links Liaoning's five cities -- Shenyang, Liaoyang, Anshan, Yingkou and Dalian, the Dalian Economic and Technological Development Zone, the Yingkou Spanish Mackerel Processing Zone and the Shenyang Tiexi Industrial Zone. Furthermore, the Anshan Steel and Iron Company, Liaohe Oil Field and the Liaoyang Chemical Fibre Company are also connected by the road. The industrial cities along the road will form a new economic rim boasting abundant resources and a solid industrial base. The development of the Liaodong Peninsula will enter a new era with the construction of the Shenyang-Dalian Expressway.

Experiences

The Shenyang-Dalian Expressway is the first such road built on the mainland. It is also the longest freeway in China, including Taiwan. Despite the difficulties in the process of construction,

China, after learning from advanced experiences in foreign countries, solely designed and built it. The materials used are also homemade. This improves China's capability to build first-class expressways.

A basic principle guiding the designers and technicians is to integrate advanced foreign practices with the specific national conditions of China. Japan, for example, sets the standard for expressway roadbed width at 21-26 metres because the country's land is too precious,

while in the United States, where the land resources are more abundant, the standard is 30-50 metres. Proceeding from China's realities, the designers and technicians of the Shenyang-Dalian Expressway set the bed width at 26 metres. This standard was later adopted formally by the state for road construction.

Another practical question confronting the road builders is how to make optimum use of homemade materials and local resources so as to reduce engineering costs. Chinese bitumen was once regarded as unsuitable for expressways. To tackle this problem, scientists and technicians in Liaoning Province produced another kind of bitumen, the Double-Happiness Ridge Brand Bitumen, which could match the universally acknowledged best-quality Albanian Bitumen. It was not only used in the building of Shenyang-Dalian Expressway and the Beijing-Tianjin-Tanggu Expressway but also exported to Singapore, Thailand and the Philippines. Furthermore, after studies and testings, lots of industrial residues



The Shenyang-Dalian Expressway has promoted local agriculture.

LIU HANDENG

were used to build the roadbed. This not only saved money, disposed of pollution but also secured the quality of the roadbed.

Several years of practice have increased China's initially successful experiences in building and managing expressways. The Beijing-Tianjin-Tanggu Expressway was a project using World Bank loans and inviting tenders, according to international practices. For the first time in China, the project adopted standards formulated by the Federation International Des Ingenieurs-Conseils (FIDIC). This system is a collection of project management experiences of major countries throughout the world, featuring details of the responsibilities, obligations and rights of the contractor, the owner and the supervising engineers. Its core is the engineer-responsibility system. In the course of the construction, a three-ladder supervising system was established, composed of an on-the-spot engineer, a senior engineer and a deputy from the supervisor-general of the Ministry of Transporta-

tion. The engineers strictly examined the entire process of the project to ensure everything was proceeding in strict accordance with the economic contract and the technical specifications. This effectively brought the quality, overall investment and construction time of the project under control. The implementation of the FIDIC standards in the building of the Beijing-Tianjin-Tanggu Expressway, which some experts conclude will not need major repair within the next 20 years, has provided precious experience for China to introduce reform measures in road building.

The Beijing-Tianjin-Tanggu Expressway, according to Qian Yongchang, minister of transportation, is the best freeway in China yet — in terms of its design, management system and engineering quality. It symbolizes that China has reached an internationally advanced level in building and managing highways, the minister added. ■

Albania: New Changes in Diplomacy

by Yu Yi

Since the beginning of this year, Albania, in an attempt to break out of isolation, has greatly readjusted its diplomatic policy.

During the 10th Plenary Session of the Ninth Central Committee of the Party of Labour of Albania held in spring this year, Ramiz Alia, first-secretary of the Party and president of Albania's Presidium of the People's Assembly, stressed that because of the major changes which have taken place in Europe and around the world, Albania cannot continue its old diplomatic tactics and close itself but should widely contact and communicate with the outside world. He said Albania is not hostile to any state and is willing to develop friendly relations with all other countries. This was regarded as a signal that the country would change its foreign policy.

Diverting from its former position of seeing the United States and the Soviet Union as the most dangerous enemies and never contacting with them, Albania this past April proposed to restore diplomatic relations with the two countries. The move received a positive response. Through negotiations, Albania and the Soviet Union signed, in Tirana on July 30, a protocol normalizing their bilateral relations which had been suspended for 29 years. Talks between Albania and the United States have been accomplished smoothly and the two sides decided to formally announce the restoration of diplomatic relations before the end of this year after a 51-year suspension.

Albania had always ignored the role of the United Nations,

regarding the world body as a tool of the superpowers. But now it praises the organization as playing an important role in international affairs. In May, UN Secretary-General Javier Perez de Guellar visited Albania at its invitation and was received with high diplomatic protocol. Tirana indicated to the secretary-general that Albania would positively support UN's work and cooperate with it.

In the past, Albania had always boycotted the Conference on Security and Co-operation in Europe, and now wants to join the conference. In June, it was allowed to attend meetings as an observer.

Albania also has changed its attitude towards the European Community. It saw the Community as the third superpower and refused to communicate with it. Now it has reversed its policy and hopes to establish diplomatic relations with the EC.

In June, Adil Carcani, chairman of Albania's Council of Ministers, during his visit to Turkey, stressed that Albania would develop positive relations with its neighbouring countries. Last September, while attending the 45th Session of UN General Assembly and the World Summit for Children, Alia met presidents from the United States, Federal Germany, Turkey, Romania and Tanzania, prime ministers of Italy and Finland and foreign ministers of China and the Soviet Union. He expounded Albania's current foreign and internal policies, indicating to actively develop foreign relations. Albania, which had been critical of the drastic changes in East European countries, now says

the changes are these countries' internal affairs and that it wishes to establish friendly ties with them.

Albania's past foreign economic and trade policy prohibited receiving foreign loans. Now Tirana has taken measures, such as receiving grants, payment by installments and compensation trade, to promote its foreign trade. Albania is negotiating the establishment of joint ventures with some countries, and has issued a series of laws and regulations protecting foreign investment.

Chinese Vice-Foreign Minister Tian Zengpei visited Albania in August and was accorded a warm welcome. Albania now considers that the common points between itself and China are increasing with the development of the situation, and that there are no obstacles on the Albanian side to the development of bilateral relations. During the UN General Assembly, Alia met Chinese Foreign Minister Qian Qichen and again expressed the desire to develop relations with China. Moreover, on China's National Day, Albania's newspapers praised China's achievements in construction and introduced to the public the development of Sino-Albanian relations for the first time in ten years.

Albania's diplomatic adjustments have been well received at home and abroad. The international opinion believes that these changes conform to Albania's desire to build the country and the trend of strengthening international co-operation and exchanges. ■

Mexican Economy Comes to Life

by Xiao Chen

On November 1, Mexican President Carlos Salinas confidently announced in his second governmental report to the Congress that Mexico had achieved its two year goal of consolidating economic stability and promoting the restoration of production. This year, Mexico's gross domestic product will continue to grow for the second year, at a steady rate higher than the population growth rate. Inflation continued to be kept under control. Last year financial deficits were reduced by 50 percent, and this year they dropped to the lowest level of the past 25 years. These signs show that the die-hard Mexican economy has pulled through a crisis and begun to recover.

Presently, major Latin American countries are still experiencing difficulties due to their high inflation rates. Economic recovery in Mexico is a direct result of the internal as well as international efforts the country made to face the challenges in an ever changing world situation.

Domestically, since he took office, Salinas stressed financial and economic rules, reduced public expenditures and financial deficits, expanded sources of income, put non-strategic state-owned enterprises under a lower administrative level, and partly reprivatized those banks that were nationalized by the government in the past. What was more important was his insistence on trilateral consultations among the government, the enterprises and the labour circle. He also insisted upon controlling inflation, stabilizing currency value and reducing by large margins internal savings deposit rate through economic stability and development agreements, which were actually social contracts. From March to the end

of October 1990, deposit rate was reduced by 20 percent. As a result, the country's money market became stable and capital began to flow back into the country.

Internationally, President Salinas devoted himself to creating an international environment that would favour Mexico's development. Beginning this year, after a series of arduous negotiations, Mexico finally reached debt rescheduling agreements with about 500 international commercial banks, reducing its total debt from 60 percent of gross domestic product at the end of 1988 to 40 percent in the first half of this year.

The Salinas government has also decided to expand openness. By making use of its return to the General Agreement on Tariffs and Trade, Mexico actively took part in the Uruguay Round aiming to reduce or cancel the country's tariff as well as non-tariff barriers, enhance the competitiveness of its products in the international market, and finally lay a foundation for future free-trade negotiations with the United States.

President Salinas decided that Mexico will not join the North American Common Market, but will have free-trade negotiations with the United States and Canada. At the same time, Mexico also actively seeks to co-operate with West European, Asian-Pacific and other Latin American countries in order to obtain markets for its exports and realize a diversification of foreign investments. In particular, Mexico has demonstrated a strong will to expand co-operation with the Asian-Pacific region.

On September 10, the 15 countries of the Pacific Economic Co-

operation Conference agreed at their meeting in Jakarta to recommend Mexico as an official member of the organization so that Mexico can participate the 8th conference of the organization scheduled for May 1991 in Singapore. Mexico felt inspired and saw that this was a decisive step for the country to strengthen co-operation with round-Pacific countries and become an important and active member of the Pacific region.

Mexico has attended the activities of the Pacific Economic Cooperation Conference as an observer since 1983.

Mexico's efforts in seeking to join the round-Pacific economic co-operation while simultaneously promoting free trade with the United States, indicate that Salinas government's adjustments of its foreign economic strategy have become mature. Mexico will base itself upon North America and expand to the Pacific region, diversify its foreign economic exchanges and obtain opportunities for its long-term development.

Not long ago, while touring some South American countries, President Salinas stressed that Mexico is a bridge between North America and Latin America. This means that the forthcoming free-trade negotiations between Mexico and the two north American countries are part of the North-South dialogues.

In the last two years, Mexico has made significant achievements by following a flexible and practical policy. Without a doubt, Mexico's economy is becoming vigorous, and the country has created favourable conditions both at home and internationally for further recoveries and advances. ■

A Success Story of China's Nuclear Industry

In October 1951, when the celebrated French scientist Joliet Curie (1900-58), a Nobel Prize winner, learned that his Chinese student of radioactive chemistry, Yang Chengzong, was about to return to China, he told him, "After you are in China, please tell Chairman Mao Zedong that if he is opposed to the use of the atom bomb, China must have it. The atom bomb is not so terrific. The underlying principle is not an American invention." His wife, Irene Curie (1897-1956), also a recipient of the Nobel Prize, presented Yang with 10 grams of radium chloride as an expression of her support to the Chinese people's research of nuclear science.

This is just one of the many historical details to be found in the recently published book *China Today: Nuclear Industry*.

China's nuclear industry has long been a secret to the outside world. Apart from a news release announcing its successful nuclear experiment, there was no coverage provided in the press on scientific and technological developments. This book, however, published under the policy of reform and opening to the outside world, provides experts and the general reader a comprehensive and systematic guide to China's past and present nuclear industry. The book has a wealth of important facts previously inaccessible to outsiders.

China's nuclear industry started from scratch. Before the founding of the People's Republic in 1949, there were only 10 nuclear energy experts working independently throughout the country. New China not only brought all these people together but also convinced a number of Chinese scientists studying or working abroad to return. Such

distinguished scientists as Zhao Zhongyao and Deng Jiaxian all joined the effort.

Nothing succeeds like success. In 1949, when the Chinese nuclear expert Qian Shanqiang was participating in an international conference on world peace, he managed to raise sufficient funds for Chinese scientists Yang Chengzong and Yang Dengzhong, then studying in France and Britain respectively, and the Joliet-Curies to ship scientific equipment and books back to China. With the new resources, Chinese scientists and engineers made their scientific breakthroughs in nuclear physics.

In 1954, Chinese geologists detected the first signs of uranium in the Guangxi Zhuang Autonomous Region. From 1955 on, China undertook a national survey and within a year, more than 200 sites of abnormal radiation were discovered in the northwest, southwest and north China. Of these sites, 11 were slated to be developed. The mines laid a solid foundation for further prospecting and exploitation.

At the initial stage, China's nuclear industry received friendly aid from the Soviet Union. Due to an abrupt change in Sino-Soviet relations in the late 1950s, however, 233 Soviet experts working in China's nuclear programme were ordered to withdraw with their blueprints and materials, and their departure left behind many half-finished projects.

China suffered a lot from this development. However, the Chinese people stood up to the pressure and withstood the test. After many frustrations and much uncertainty, Chinese scientists and engineers finally succeeded in exploding China's first

atom bomb at 15:00 hours on October 16, 1964.

On June 17, 1967, China exploded its first hydrogen bomb.

From the first atom bomb to the first hydrogen bomb, it took the United States seven years, four months; the Soviet Union four years, Britain four years, seven months and France eight years, six months. China, however, spent only two years, eight months, the most rapid progress of all the world's great powers.

In September 1971, China launched its first nuclear-powered submarine into international waters....

Since the Third Plenary Session of the CPC's 11th Central Committee in 1978, China has shifted the emphasis of its nuclear industry for civilian use. In the process, China has focused on nuclear powers to generate electricity. It has begun to build nuclear power stations in the Daya Bay of Guangdong Province and Qinshan in Zhejiang Province.

During its more than 30 years of development, China's nuclear industry had no casualties from an overdose of radiation. It has had no incident of radioactive pollution nor any cases of acute radiation diseases.

China Today: Nuclear Industry, as one of the *China Today* series, which are being published by China Social Sciences Publishing House, is a detailed and accurate account of an important subject.

The three-part, 460,000-character book is illustrated with 110 colour pictures. Informative and well-written, it is the most authoritative account of China's nuclear energy programme and reflects China's achievements in one aspect of its socialist construction.

by Luo Zhengjing

New Japanese Loans to China

Agreement for the first installment of Japanese loans to China in 1990 was signed in Beijing in early November.

In accordance with the Japanese government's promise two years ago, Japan plans to provide 810 billion yen in loans for 42 Chinese construction projects between 1990 and 1995. This is the third batch of Japanese loans to China. Loans for 1990 will be divided into three installments. The first installment of 36.5 billion yen will be funded by the Overseas Economic Corp. Fund of Japan at an annual interest rate of 2.5 percent and with a maturity of 30 years (including a grace period of ten years). This loan will be used for the construction of seven projects including the Hunan Wuqiangxi Hydroelectric Power Station; the Liaoning Guanying Reservoir; water supply systems for Tianjin, Hefei (Anhui Province) and Anshan (Liaoning Province); the Shaanxi Weihe Chemical Fertilizer Plant; the Inner Mongolia Chemical Fertilizer Plant; the Yunnan Chemical Fertilizer Plant; and the Wuhan and Huangshi highway bridges in Hubei Province. ■

Foreign Investment Helps Expansion

The Maanshan Iron & Steel Co. is making a huge plan of foreign fund utilization and will invest some 2.683 billion yuan to technically upgrade its facilities during the Eighth Five-Year Plan period (1991-95). Wang Xiuzhi, general manager of the company, revealed that the current fixed foreign co-operative projects include more than 10 items to expand production lines involving train wheels, reduction

of iron dust emissions, galvanized wire, wire rope, installation of high speed wire uncoilers and a welding wire plant. In all, the projects will use more than US\$100 million in foreign investment.

Of these foreign co-operative projects, the most important is the setting up of a multipurpose iron and steel plant with a total investment of US\$230 million, one of the company's largest foreign co-operative projects. The company will import or co-operate with foreign counterparts to produce alloyed, semi-finished metal continuous caster and other equipment, manufacture different sorts of H-type steel with a designed annual output of 650,000-700,000 tons. Wang said that currently the co-operative plan for the project has been completed and that the Chinese side is conducting trade talks with businessmen from the United States, Japan and other countries.

Wang said that foreign businessmen could adopt wholly-funded, co-operative or compensation trade methods, and provide international financing. In recent years, the company used such methods either to increase steel-smelting capability and expand the variety of products or to achieve good economic returns.

The company, located in Maanshan City, Anhui Province, is one of China's nine very large iron and steel enterprises. Currently, its annual production is 2 million tons of iron, 2 million tons of steel, and 1.5 million tons of steel products. Products such as high speed wire, train wheels, and H-type steel are in high demand in the international markets and their export volume will reach US\$10 million this year. The export volume is expected to reach US\$60 million by 1995. During this time, China will be capable of debt repayment.

by Yao Jianguo

China's Aircraft Test Centre

After a visit to the Shanghai Aircraft Instrument Examination and Certification Centre, an American aviation expert said that he never expected China to have the capacity to examine and certify aircraft. However, the centre, founded one year ago, has examined and certified 8 kinds of aircraft and 4 types of engines, the first time China undertook a national certification programme for imported and exported aircraft.

The Shanghai centre, the first of its kind in China, emphasizes the examination and certification of large aircraft and helicopters. Since late 1989, the centre has examined and appraised the technology for the Yun-8 large freighter produced by the Xian Aircraft Manufacturing Company. Meanwhile, the centre pre-examined the technology for Zhi-9 helicopter made by the Harbin Aircraft Manufacturing Company. This resulted in laying a solid foundation for sales of China-made aircraft in the international market. In addition, the centre also undertook technical examination and appraisal of the A300-600R, wide-body jet airliners imported by the China Tongfang Air Co., and the Boeing 747-200F wide-body jet cargo aircraft, the Boeing 737-300 jet passenger and three kinds of piston air engines imported by Air China. ■

China Readjusts Exhibition Plan

Cui Yushan, vice-chairman of the China's Council for the Promotion of International Trade (CCPIT), announced in Beijing on November 10 that

three post and telecommunications exhibitions scheduled to be held separately will be merged into one starting in 1994. It will be called the International Post, Telecommunications and Office Automation Exhibition (P.T. & O.A.).

Cui said that the International Post and Communications Equipment and Technology Exhibition (P & T) scheduled to be held in 1994 will no longer be held. However, the 1991 International Telecommunications and Office Automation Exhibition (Telecomp China 91) and the 1992 International Telecommunications, Computer and Electronics Exhibition (Expo Comm 92) will continue to be held.

The merged exhibition will be sponsored by the Ministry of Posts and Telecommunications and CCPIT. It will be organized by the China National Posts and Telecommunications Equipment Corp. and the China International Exhibition Centre. The exhibition will be held once every two years and become a regular part of the country's exhibition schedule.

In some past exhibitions, Cui noted, there was a repetition of similar exhibitions for foreign businessmen. The merged exhibition, however, will be one of a kind and allow both Chinese and foreign businessmen to display products and hold pre-arranged trade talks. The exhibition is expected to foster economic and technological co-operation.

Over the past few years, China's post and communications have developed rapidly. Compared with some developed countries, however, there is still a long way to go. China needs to import advanced foreign technology and equipment to modernize its post and communications. Therefore, during the Eighth Five-Year Plan period (1991 -95), China's post and communications infrastructure

will be the focus of development projects.

by Kou Zhengling

Down Venture Established

A contract to set up a co-operative down feather plant by China's Wuhu Tianhe Down Feather Plant of Anhui Province and a co-op in the Kazakh Republic of the Soviet Union will be signed before the end of 1990 in Wuhu City, according to Shen Yongning, director of the Chinese plant.

Under the contract, the co-operative enterprise will be set up in Alma-Ata, USSR, with a total investment of 1 million Swiss Franc. Of this, the Chinese side will contribute 40 percent and the Soviet side 60 percent. The plant will produce eiderdown (a high quality down feather) costumes and plume.

Shen said that his plant had signed an agreement with Frank's Trading Group on October 25 to set up the Anbao Eiderdown Products Co. Ltd. The company, with a total investment of US\$570,000, will be located in Wuhu and will manufacture eiderdown quilts for export.

The Wuhu Tianhe Down Feather Plant, set up in 1956, is one of China's largest eiderdown production facilities. The Swan brand eiderdown quilts, cushions, sleeping bags and other eiderdown costumes which it produces are popular in the international markets. In 1989, it exported US\$10 million worth of its products to more than 20 countries and regions including the United States, Japan, Federal Germany and Hong Kong.

In addition to these two projects, the plant plans to establish two co-operative enterprises in the Shenzhen Special Economic Zone and the Pudong Develop-

ment Zone in Shanghai and has held trade talks with clients from Hong Kong and Taiwan.

by Yao Jianguo

Tianjin Sees Brisk Investment

Foreign investment in Tianjin, one of China's open coastal cities, has been brisk. Not only has the amount of investment increased but the investment structure has been much improved.

The Tianjin Commission of Foreign Economic Relations and Trade notes that from January to October this year the city approved the establishment of 101 foreign-funded enterprises involving a total investment of US\$165 million, an increase of 25 percent over last year. So far, the city has 522 foreign-funded enterprises with a total investment of US\$1.58 billion. Of this figure, US\$535 million was contributed by foreign investors.

Foreign investments in Tianjin have seen the following developments:

Some transnational corporations began to make investment in Tianjin. In August, for example, an American firm agreed to invest US\$300 million in the city, followed by investments from Japan's NEC and IBM of the United States for production of programme-controlled telephone exchanges and computers.

The proportion of productive and export-oriented enterprises increased dramatically as the direction of foreign investment became more reasonable. Statistics indicate that among the joint ventures, co-operative and solely foreign-owned enterprises approved this year, 98 percent are productive and 92 percent export at least half of their products.

The number of solely foreign-owned enterprises increased rapidly. The investment forms used by foreign businesses are varied.

In the first ten months of this year Tianjin approved the establishment of 44 solely foreign-owned enterprises with a total investment of US\$85 million.

Foreign businessmen have quickened their pace of investment in the Tianjin Development Zone. The number of projects worth at least US\$10 million increased. In the first nine months of this year, for instance, 41 new enterprises were founded with a total investment of US\$83.94 million, a three-fold increase on last year. ■

Air Conditioners In Japan

Located in Shijiazhuang, Hebei Province, the Shijiazhuang Air Conditioners Factory of the China Huanyu Electronics Group Co. is China's largest air conditioners producer. And it is a Sino-Japanese co-operative project which required two years to begin operation. At present, the factory is able to turn out 50,000 air conditioners annually.

Using imported Japanese equipment, the factory trial-produced in May a number of

household air conditioners, which enjoyed brisk sales. In September, the first batch of Japanese air conditioners components and spare parts arrived in China, followed by a Japanese delegation of technicians. After ten days of evaluation, the Japanese side expressed their satisfaction with the work and said that the factory has the capacity for large-scale production.

At present, the first batch of 500 air conditioners, based on strict Japanese standards, have been assembled and will be exported to Japan soon.

by Meng Deshan

News in Brief

● The agreement for an Australian firm to purchase 30,000 pairs of work shoes from the Anqing Leather General Factory, Anhui Province, was signed in late October. Under the agreement, the Chinese factory will provide 10,000 pairs monthly from November 1990 to January 1991. Prior to this, the factory has already exported 10,000 pairs to Australia.

The Anqing Leather General

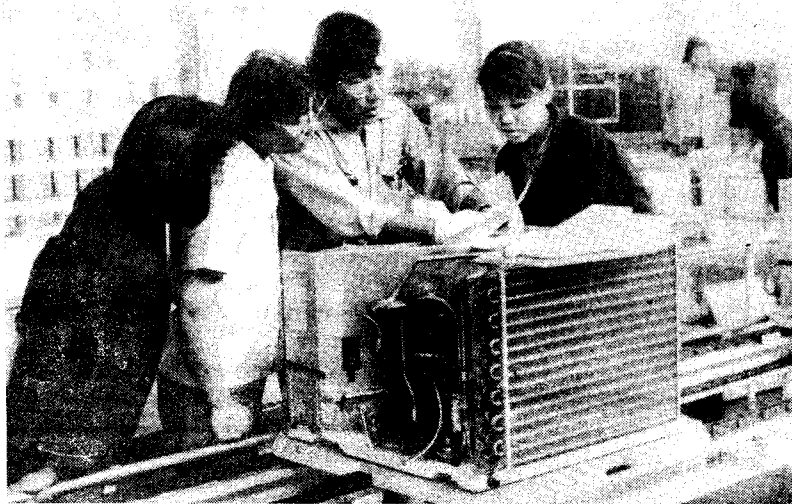
Factory, built in 1955, is a medium-sized producer specializing in leather, leather shoes and a variety of leather products. Its products have aroused the wide interest of foreign businessmen. For example, a contract to export 30,000 pieces of leather to Hong Kong is now under way and another contract for the export of 300,000 square feet of leather to Taiwan will be signed soon. It is reported that in the first nine months of this year, the factory has exported 10.5 million yuan worth of its products to Japan, the United States, France, Canada and some Southeast Asian countries.

● Jointly managed by the Hong Kong National Aim Limited and the Beijing Sanlian Electrical Appliance Factory, the Beijing-National Aim Diaper Co. Ltd. was established recently in Beijing. The company's products are under a patent developed by its manager Shen Jianping. When a baby wets the bed, a stored liquid layer immediately attracts the urine. In this way, the urine in the upper layer quickly dries while that below the layer will not soil other areas. The product is useful for both children and bedridden patients.

● The Beijing Civil Administration Industrial Technology Development Co. recently succeeded in developing a medicinal tobacco product with the Harbin Great Wall Medicinal Tobacco Research Institute. The medicine, now being batch produced, can cure naevus.

The medicine is prepared from traditional Chinese herbal medicine and ordinary cut tobacco. Chang Shuting combined a popular folk recipe with modern science and technology. ■

CORRECTION: Telephone number for the advertisement on the back cover of issue No. 44 should read 3096879 and the postcode should read 100032.



MONG DESHAN

A Japanese technician (second right) shows how to assemble air-conditioners.

AIDS Challenge for China

Officials of the Ministry of Health and experts in medical circles feel they are faced with a new, grim challenge when a report on AIDS in mainland China was made public in late October. Between January and September this year 252 AIDS virus carriers were reported, as against the accumulated 194 cases during the past five years.

In June 1985, when Beijing Union Hospital accepted its first AIDS patient, 13 provinces, autonomous regions and municipalities throughout the country carried out tests for AIDS. The Ministry of Health established three state laboratories for identifying the virus antibody. The 446 AIDS virus antibody-positive cases (including five that were diagnosed as definitely having developed AIDS) were discovered after taking serum tests among 300,000 suspects.

An official of the Epidemic Prevention Department of the Ministry of Health told this reporter that most of those who had been infected by AIDS virus lived in China's remote border areas, such as the 368 cases discovered in the boundary areas of Yunnan Province, where education and medical conditions are lacking and the danger of transmission is greater.

Intervenus drug taking, infection from serum, the causes of transmission in AIDS cases abroad, have been verified in Chinese cases as well. Apart from 68 foreigners (including three AIDS sufferers), among the 378 mainland AIDS virus carriers who were tested positive, 368 were drug users, four patients were infected by using imported blood infected with the AIDS virus, five were returned Chinese personnel who had been working abroad and one was a venereal disease sufferer. One of the two mainland AIDS sufferers died in February in Yunnan Province. He was a drug user and syphilis sufferer.

With a lack of both effective medicine and a vaccine for AIDS, propaganda and education are being popularly adopted as preventative measures. Specialists in medical circles have proved that although AIDS is an incurable disease at present, the spread of the AIDS virus outside the human body can be checked. If people would live and make social contacts in a scientific and hygienic way, AIDS could be easily prevented.

During the past few years, health, media and publishing departments have edited large quantities of scientific material on the prevention and occurrence of AIDS; photos, films and TV programmes on this have been shown. In big cities such as Beijing, Tianjin, Shanghai and Guangzhou, exhibitions have been held where several millions of people have received information on this subject. At the end of September this year the State Committee of Specialists for the Prevention and Control of AIDS was set up by the Ministry of Health, the Health Education and Social Services Research Branch, one of the four branches under the 36-member committee, is an authoritative organization made up of famous specialists and scholars whose purpose is to promote AIDS education.

To improve the education of medical personnel is also very important. An official of the Ministry of Health stressed that China has a great number of grass-roots medical workers in the countryside, some of whom lack skills and medical and health knowledge. While making knowledge and education on AIDS available to them, we should also teach the importance of using disposable needles so as to stop the possibility of AIDS infection from medical treatment.

China has started to do research on AIDS diagnosis using traditional Chinese medical subst-

ances. In the past few years, the first group of these diagnostic agents have been produced in China and successfully used in diagnostic serum tests, for example.

The traditional Chinese medical way of probing into and treating AIDS has now become the subject of scientific research by both Chinese and foreign specialists. Professor Wu Boping of the Beijing Chinese Traditional Medicine Research Institute went with a medical team to Africa two years ago to carry out a clinical AIDS treatment with Chinese medicinal herbs. In many cases, he discovered that Chinese medicinal herbs could provide AIDS sufferers with a certain degree of immunity and help prolong their lives. Fever, festering and coughing among some sufferers was eased, and their T4 lymphocyte growth rate increased in some cases (the AIDS virus kills human beings by destroying the T4 lymphocyte immune cells in the human body).

At present, specialists are observing the results of using Chinese medicinal herbs on monkeys with AIDS and studying the cause and theoretical basis of its development.

In March of this year China and the World Health Organization discussed and drew up a three-year, mid-stage plan on the Prevention and Control of AIDS in China. This plan makes detailed arrangements for the supervision, control and prevention of the spreading of AIDS by sex, serum and to infants. It especially mentioned the systematic research of and treatment with Chinese medicine in clinical AIDS practice with the hope that it will contribute to the control of AIDS for mankind.

This month, the Ministry of Health sent specialists to accompany World Health Organization specialists to Yunnan Province to probe and study the AIDS virus antibody.

by Cui Lili



TV Series on Life of Confucius

In April 1990, the Shandong TV Station and the Jinan TV Station began to produce *Confucius*, a 16-episode TV play series. The series will give a comprehensive reflection of the life of this great Chinese thinker, educator and statesman. To shoot the

series, millions of yuan have been spent in building an ancient city imitating the architectural style of Confucius' lifetime in Zibo city, Shandong Province. The picture above is a scene from the TV series.

by Yang Xuefeng

The Debut of an Ancient Musical

At the 1990 International Confucian Cultural Festival jointly sponsored by China's Shandong Province and the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Qufu City Drama Troupe made its debut when it performed *Xiaoshao*, an ancient music-dance which had been lost for 2,000-odd years and was highly praised by the great Chinese thinker, Confucius. It was a unique artistic treat for the Chinese and foreign guests who participated in the festival.

Blending music, song and dance, the music-dance *Xiaoshao* is a comprehensive art. A set of chimes, a *guzhen* (a seven-stringed plucked instrument), a *xiao* (a vertical bamboo flute), a flute and various drums were played at the performance. The music-dance started by the beating of a *chu*, a wooden instrument that looks like a small square box, but sounds like a drum, with an even and steady rhythm, and rendering a simple sound. After that, all the instruments played in unison. The sound was harmonious and graceful, and

the rhythm gentle and slow. The music ended by striking the *teqing*, an instrument made of stone or jade shaped like a half moon or crescent.

The song in the music-dance had only nine sentences and 37 characters, but it expressed deep philosophical ideas. The main idea of the song is: the emperor should be wise and officials sagacious; only if the emperor and officials support each other and observe the law, can they succeed in ruling the country. The song was bold, unconstrained and full of power and grandeur. It was received enthusiastically by audiences.

The dance had a unique style and changed nine times. Some dancers wore ancient dresses, some carried kites, and some disguised themselves as birds and beasts. Accompanied by the music, the dance was lively and colourful. In the "fengxiao dance," actors bowed with hands clasped and bent and stretched their bodies gracefully, re-enacting the simplicity of ancient times. With various poses, the "bird dance" showed the beauty of females. In contrast, the "beast dance" portrayed the rough and powerful mettle of males. When the music ended, a "phoenix" flew in and danced lightly with soft, exquisite movements—the climax of the music-dance. An auspicious scene of unity and harmony appeared.

According to Wang Mingxing, chief composer and choreographer of the music-dance, the history of the music-dance, *Xiaoshao*, traces back to 4,000 years ago. During the Western Zhou Dynasty (c.11th century to 771 BC), the music-dance was spread far and wide and became a model music dance for offering sacrifices to gods. It was also recommended and worshipped by China's great thinker, Confucius. Unfortunately, the tradition was later lost. After three years of hard work researching documents and data, and incorporating modern artists' interpretations of the ancient art, Qufu's Cultural Bureau at last wrote and created this music-dance in the style of the ancients. The music-dance *Xiaoshao* was highly praised by critics in the performing arts.

by Huang Wei

At the opening ceremony of the 1990 International Confucian Cultural Festival, in Shandong Province, artists performing the music-dance *Xiaoshao*.

YANG XIAOZHOU



'Silk Road—2,100 Year' Celebration in Xian

2,100 years ago Chinese forerunners of diplomacy, represented by Zhang Qian of the Western Han Dynasty (206 BC-24 AD), travelled through the vast desert, over the Pamir Plateau, and reached Central Asia, the Mediterranean areas and Rome, opening a trade route known to the world as the Silk Road. Through the Silk Road, Chinese products, mainly silks, flowed to Central Asia and European countries, and large-scale commercial and cultural exchanges between China and Western countries took place.

"Chinese Silk Road—2,100 Year" celebrations marking the 2,100th anniversary of the opening of the Silk Road are under way in China's five northwestern provinces and autonomous regions including Shaanxi, Ningxia, Gansu, Qinghai and Xinjiang.

Shaanxi Province presented a series of folk art shows in Xian. Xian had been the capital of more than ten Chinese dynasties from the Western Zhou Dynasty of the 11th century BC to the Tang Dynasty of the 8th century AD. Countless historical and cultural relics have been unearthed here, including the life-sized Qin Dynasty Terracotta Warriors and Horses, the underground palace and numerous treasures under the Famen Buddhist Temple and the finger bones of Sakyamuni. It is not exaggerating to say that cultural relics are buried in every inch of earth in Xian.

One of the major celebrations in Xian was the Fireworks Festival held on October 12. It was a grand demonstration of folk arts and customs in Shaanxi Province. The first performance at the festival was "Soul of Qin Dynasty Terracotta Warriors and Horses," a group dance presented by 80 young men in Qin Dynasty-style war costumes. The whole performance was authentic and vigorous.

Unlike present-day fireworks which usually are shot high into

the air to explode, two ancient forms of ground and low-flight fireworks shows, *Ganhuo* (pole fireworks) and *Panhuo* (round fireworks) were presented. These two forms of fireworks appeared about 1,000 years ago and were popular until modern times. The origin of Chinese fireworks dates back to over 3,000 years ago and the invention of gunpowder in the Han Dynasty (206 BC-220 AD) accelerated the development of fireworks. The Tang Dynasty (618-907 AD) displayed large-scale palace fireworks.

According to historical records, the last pole fireworks show was held in 1881-109 years ago. The so-called pole firework display is actually an arrangement of various types of fireworks on a central pole. When ignited, the fireworks begin to explode systematically according to a designed order with a "Domino effect." The fireworks gradually explode into different images and patterns including human figures and natural objects.

One of the pole fireworks named *Monkey Climbing the Pole* was made by 45-year-old farmer Li Anming and his friends. It took them over ten days to complete the 15-metre-high firework structure.

The *Panhuo* is another group of fireworks which explode in mid-air. The streaks of fire swing and turn making various shapes and images.

The *Shehuo* (local illuminations) activities performed before the fireworks were also very attractive. *Shehuo* is a variety show including the lion-dance, dragon-lantern dance, walking on stilts and the land-boat dance. Local performers made various difficult and hair-raising moves on over one-metre high stilts. The brightly coloured costumes and the peculiar make-up highlighted the local flavour.

The "Xian Silk Road Folk Arts Show" was held in the renowned

Small Goose Pagoda, a Tang Dynasty's structure. On display was large quantity of local artifacts such as embroideries, printed and dyed cloth, clay sculptures, wooden sculptures, jade sculptures, shadow play, puppet show, papercuts, New-Year pictures, ceramics and local knitware. These artifacts showed the vivid characteristics of Qin and Han dynasties arts.

Women of Shaanxi Province are skilled and talented at embroidery which was evidenced in the huge embroidered cloth called *One-Hundred-Flower Cloth*. This huge artistic piece was made of one hundred small embroidered cloths by one hundred women.

Young folk artist Wang Zhan won high acclaim for his papercuts—*The Nine-Dragon Screen*, *Nine Phoenixes Flying to the Sun*, *Portrait of Sakyamuni* and *Figures From Peking Opera*. Wang is a 20 year-old farmer who loved papercutting when he was small.

Apart from the folk arts show, a dance drama called *Rainbow on the Silk Road* was also presented. The dance drama, performed by the Shaanxi Song and Dance Troupe, vividly presented the music, dances and folk customs in Xian and other places along the Silk Road during the Tang Dynasty. The drama deepened people's understanding that the Silk Road was a bridge for economic and cultural exchanges between China and other foreign countries in ancient times.

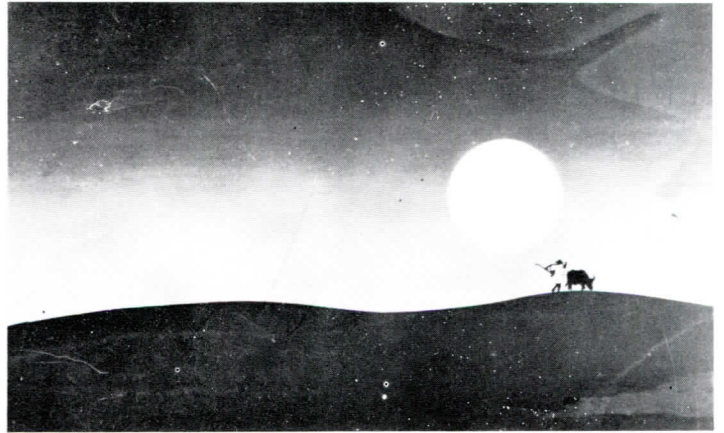
The Silk Road Relics of the Han and Tang Dynasties were also on display in the Xian Steles Forest. More than 500 valuable cultural relics, one third of which were shown for the first time, were displayed to the public.

Activities in Xian also included Silk Road stamp exhibitions, a photography exhibition and a symposium on Silk Road studies.

by Lou Linwei



A Farmer's Cottage (woodcut).



The Farmer Returns Home After a Day's Work (silk screen engraving).

ART PAGE



Ancient Architecture (woodcut).

Engravings by Huang Yongyong

Huang Yongyong, born in Jiangxi Province in 1940, now works in the Shangrao Local Public Art Studio in Jiangxi Province. He is a skilled calligrapher, painter and engraver. These are some of his engraving works.



Mother and Her Son (coloured woodblock print).

BEIJING REVIEW

A Window on China



Beijing Review, China's only weekly foreign language current affairs magazine, was first launched in English in March 1958. It is now available in English, French, Spanish, German and Japanese. As well as the regular English edition, a North American edition is printed and distributed in the USA.

In January 1988, *Chinafrique*, a monthly in French, was published by Beijing Review for distribution in African countries.

The six editions are essentially similar in content but vary to cater for the readership in different regions of the world. The magazine aims to

- provide information on political, economic, cultural and social developments and trends in China;
- offer insight into the theories, lines, principles and policies of the Chinese Communist Party;
- acquaint readers with Chinese views on major international issues.

Beijing Review is an important source of information for overseas government officials, experts, scholars and business people interested in recent developments in China. It is often quoted by foreign media and is used by professors as a source of reference for students of overseas universities.

The back cover of Beijing Review carries colour advertisements.

Beijing Review is airmailed to over 150 countries and regions. It is distributed by the China International Book Trading Corporation (Guoji Shudian), P.O. Box 399, Beijing, China.

北京周报英文版 1990 年第 48 期 邮政代号 2-922 北京市期刊登记证第七三三号 国内统一刊号: CN11-1576

许可证号 092 号

ISSN

1000-9140