

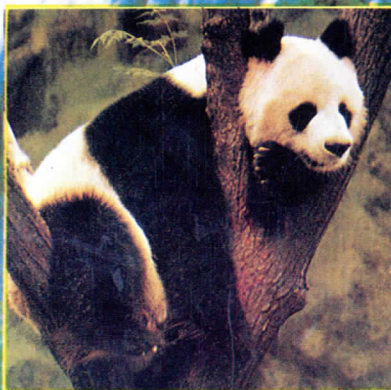
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CHINA'S EXPANDING NATURE PRESERVES



Administrative Lawsuits:
Vital for Democracy



A family of performing artists.

Photo by Shi Xinde

HIGHLIGHTS OF THE WEEK

VOL. 34, NO. 17 APR. 29-MAY 5, 1991

China's Nature Preserves Rapidly Expand

□ China realizes the importance of protecting its natural resources. Since 1979, the number of nature preserves has increased from 59 to 606 and the government plans to establish even more before the country's population reaches its peak period. Moreover, scientific research institutions have been set up in more than half of the conservation areas (p. 27).

Economic Growth Calls for High Quality

□ The Outline of China's Ten-Year Development Programme calls for greater attention to improving the overall quality of the national economy. The conditions are now favourable for answering this call. For example, people throughout the country have reached a common understanding of the importance of improving quality and economic efficiency and there are a series of policy measures in place to ensure its realization (p. 4).

Administrative Procedures Law

□ The Law of Administrative Procedures invests the common person with the power to evaluate government officials and bring action against them. The law represents an important step towards the building of democracy (p. 14).

Soviet Economic Difficulties and Reform

□ In face of an increasingly serious economic crisis, the Soviet Union is speeding *perestroika* as it moves towards a market economy. Whether the economic *perestroika* can succeed or not will have a most important bearing on the future of the Soviet Union (p. 10).

Aviation Industry Aims High

□ China's aviation industry has priority over other items on the nation's economic and defence agenda. The industry has soared since 1951 and now plans to develop further in the 1990s (p. 5).

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COVER: Some of the wild animals which live in China's nature preserves: Swan (top left), panda (bottom left), tiger (top right) and red-crowned cranes (bottom right).

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Quality Vital to Economic Growth

by Wang Dacheng

After a dozen years of economic reform and opening to the outside world, China has bid farewell to the days when consumers were plagued by the scarcity of commodities and had to queue up to buy daily necessities. The country now offers a booming market which allows a greater range of choices.

Ten years ago, food and cloth were rationed for urban people and customers rushed to buy three major commodities—bicycles, wristwatches and sewing machines. Today, people can choose from among a variety of famous-brand colour TV, refrigerators, beautiful fashions and nutritious foods in a calm and unhurried manner. The transformation in the market place from “buying what one lacks to purchasing what one likes” is a historic change and reflects the pursuit by a well-fed and well-clad people of a comfortable life.

In 1990, the State Statistical Bureau distributed a questionnaire to 8,000 workers and staff members in 12 cities. The people surveyed were asked, “What’s your first choice of purchase if you have disposable income?” The majority, 81 percent, said they would put money in the bank, 5.4 percent preferred to buy luxurious commodities, another 5.4 percent preferred to wait a while and then make a purchase, 3.7 percent would buy enterprise shares and the remainder preferred a variety of miscellaneous choices. The survey indicates that although the bank interest rate is already low, people with surplus money are still not anxious to buy. This is partly because they did not like poor quality, high priced and badly designed commodities.

When asked about their appraisal of locally supplied products, only 18.6 percent of them expressed satisfaction, 59 percent said that the commodities were mediocre and 22.4 percent said that they were not satisfied. This shows that poor quality was the reason behind the nation’s sluggish market last year.

The foreign trade situation is also a mirror on the quality problem. The total value of China’s exports in 1990 was quadruple that of 1978, reaching US\$62.1 billion, 74.5 percent of which was drawn from manufactured goods. The majority of these, however, were medium- and low-grade products, not intensively processed, and with low added value. Their prices, therefore, were low and competitiveness poor. For example, the total volume of China’s textile exports ranks first in the world, but their foreign-exchange earnings only placed fourth, largely reflecting the lag in quality and technology of Chi-

na’s textile industry.

China’s resources are prodigious, but per-capita share is not plentiful; the output of some products is among the greatest in the world, but their effective utilization rate is not high. For example, the output of China’s raw coal last year reached 1.08 billion tons, but energy consumption per-unit GNP was double that of India and triple that of Japan.

Such facts show that it is unnecessary and impossible for China to quadruple GNP in the 1990s simply by relying on increased output.

The Outline of China’s Ten-Year Programme adopted at the NPC session in April called for greater attention to product quality and an improvement in the overall quality of the national economy. This decision is timely and realistic as the following favourable conditions are in place for its implementation.

- The outline stipulates that the average annual rate of economic growth should be 6 percent over the next ten years, a moderate three percentage points lower than the actual annual growth rate of the previous decade. This stipulation was designed to prevent an overheated economy, maintain a balance between supply and demand and wider market choice, create a better environment for improving the quality and economic efficiency of the macro-economy and eliminating the sale of poor-quality and substandard commodities.

- The prices of most consumer goods have been decontrolled. In the future, China will gradually do away with the “double-tracked pricing system” through reform and bring the role of market regulation into full play. This measure will provide enterprises with an opportunity for equal competition and give them the impetus to produce good, inexpensive commodities and provide quality services.

- People nationwide realize the importance of improving quality and economic efficiency and the Outline of the Ten-Year Development Programme has also set forth a whole series of policy measures. As a first step, the state has designated 1991 as “Year of Quality, Variety and Efficiency.” It will quicken technical transformation of old enterprises, popularize the use of scientific research results, develop new products, improve enterprise management, enhance the competence of its staff and exercise all-round quality control. Efforts will be made to achieve breakthroughs in key areas so that some 40 percent of all major machinery and light industrial products will have reached or approached advanced world levels by the end of this century. ■

Greater Goals Set By Aviation Industry

Development of China's aviation industry will head the country's economic and defence agenda, said Lin Zongtang, minister of the Aeronautics and Astronautics Industry.

With an increase in defence appropriations in the state budget this year — as provided in the Eighth Five-Year Plan (1991-95) — China anticipates “three breakthroughs” in aircraft production, the official explained.

Lin made the remarks on April 17 at a meeting to mark the 40th anniversary of China's aviation industry, which is currently developing a variety of new civilian and military planes and missiles. Those attending were urged to catch up with the world's latest high-tech developments in aviation.

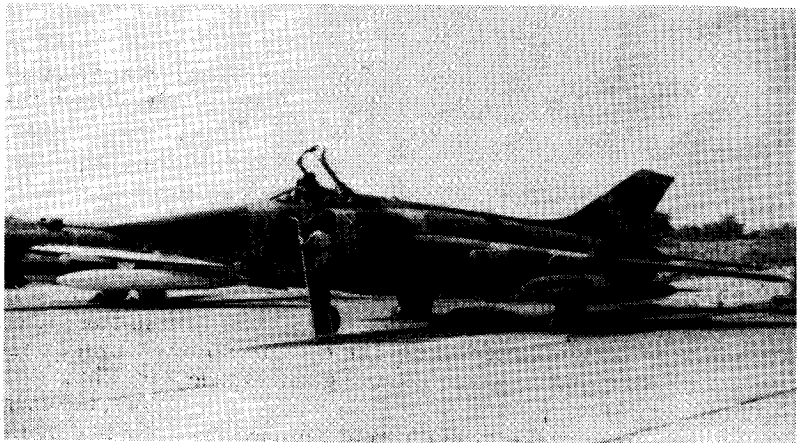
Although China lags behind in its aircraft industry, ministry sources said, it plans to develop new military aircraft while improving those already produced.

The aviation industry also plans to develop new air-borne weaponry, avionics and sophisticated fighting control systems, conference sources said.

Civil aviation authorities are seeking a foreign partner and choosing a domestic airplane manufacturer to research and produce long-range jets. They are currently designing an improved model of the Y-200A short-range passenger plane.

Four new types of aircraft will be ready for service this year, and several others will be modified and improved, ministry officials promised.

China's developing aviation industry has come a long way since 1901 when the government of the Qing Dynasty built the first airplane manufacturing plant in



The supersonic jet attack plane, made by Nanchang Aircraft Manufacturing Corporation, was exhibited at the 37th Paris International Aeronautics and Astronautics Fair in 1987.

WANG SHAOYE

Beijing. Although a small number of planes were made before 1949, production was limited to manufacturing airframes and assembling. When the People's Republic of China was founded in 1949, little remained of the industry because of wars.

Now China has a complete aviation industry system with solid foundation. Since 1951, China has produced a total of 13,000 military and civilian aircraft of 27 varieties and 60 different types, in addition to 50,000 engines and 14,000 tactical missiles.

Chinese army is now supplied with domestic-made planes, including J-7, J-8, Q-5 fighters and other bombers.

Currently, 65 Y-7 passenger planes made by the Xian Aircraft Manufacturing Corporation fly on more than 200 domestic routes, the Y-8 and Y-12 planes have been exported, and the 21 MD-82 jetliners, co-produced by China and the United States in Shanghai, have been delivered.

Lin said that the country has also achieved considerable successes in transferring some of its military aviation technology to civilian use. Last year, the output value of the aviation indus-

try's civilian products made up 70 percent of its total production.

So far the aviation industry has earned more than US\$2 billion through exports. ■

Encouraging News for Private Economy

China's continuing encouragement for private economy is good news to the nation's vast number of self-employed workers and entrepreneurs seeking to enlarge their operations but fearful of policy changes.

Addressing a recent meeting in Zhuhai, a special economic zone in South China's Guangdong Province, Gan Guoping, deputy director of the State Administration for Industry and Commerce, pointed out that at present 20.928 million self-employed workers and 1.703 million employers in 98,141 private enterprises make up 4 percent of the country's total labour force and their registered capital accounts for only 2.3 percent of the total of state and collectively owned enterprises.

With such proportion, Gan

said, private economy will not affect the dominant role of public owned enterprises.

In the past decade of a prosperous market the two sectors have played an active role in promoting production, increasing both employment and state revenue.

The development of individual business has also stimulated competition between state-owned and collective commerce.

Hanzheng Street, a small market street in central China's Wuhan City, registered more than 700 million yuan in the volume of business last year, of which 500 million came from state-owned and collective department stores while the rest 200 million yuan were earned by individual vendors. Prior to 1990, those state-owned and collective stores sold much less.

But problems do exist in the development of private economy, according to Gan, who pointed out that it was not uncommon to see individual businesses break laws in pursuit of money. For instance, some sold counterfeit goods and evaded taxes, which adversely affected the reputation of the private economy and caused public disappointment.

All this resulted in a national screening of individual and private sectors in 1989 and 1990. About 8,600 private businesses were suspended, 4,500 had licences revoked, and many others were penalized.

The crackdown, plus a sluggish market, shortage of funds and raw materials resulted in a declining private economy, which began to recover in April last year.

"We should promote the development of private economy and bring into play its positive role on one hand," Gan said, "and on the other hand, We should tighten up our control of negative

factors."

Priorities, according to him, will be given to food-processing, repair services, service trades and handicraft. Private enterprises are also encouraged to develop export-oriented commerce.

by Staff Reporter Chen Qiuping

Rural Electrification Efforts Pay off

Rural electrification has brought about great changes in the life of Chinese farmers who depended for generations on oil lamps for lighting.

Now 96 percent of the farmers in 109 remote counties in China have electric light and power. Of these counties, 36 are inhabited by minority nationalities. The annual per capita electricity consumption in these areas exceeds 200 kwh.

China started its rural electrification project in 100 remote and poor counties in 1985. Since then, the country has invested a total of 4.1 billion yuan, of which 500 million yuan came from the central government, to help these counties in the construction of small hydro-power stations.

Five years have passed and 109 counties have reached the national standards of initial rural electrification.

Electricity generated by these counties has doubled in the past five years. The construction of small hydro-power stations has boosted the local economy. Grain output has increased by 8 percent and the average annual income of farmers rose from 203 yuan to 620 yuan. Financial revenue of these areas has quadrupled.

Thanks to the drive, electric light has now reached these remote and poor counties, bringing

to a close forever the use of oil lamps. Household electrical appliances, such as washing machines, tape-recorders and electric fans, have now been widely used by farmers. A television network covers 80 percent of the total area of these counties. The education with electrical audio-visual aids has also been developed and spread.

Electrification projects in these rural areas have also greatly promoted the development of rural and township enterprises. More than 2 million rural labourers are now working in these enterprises.

According to statistics, China has more than 1,000 counties rich in waterpower resources. Most of them are in the remote, minority-nationality-inhabited, and poor areas of the country. At present, only 14 percent of these counties have developed small hydro-power stations by taking the advantage of their waterpower resources. So the development of rural electrification in China still has great potential.

China plans to bring electricity to an additional 200 remote counties with rich waterpower resources in the Eighth Five-Year Plan period (1991-95), thus boosting industrial and agricultural production in these areas. ■

A Stronger Bond Is National Plea

China again urges a strengthening of ties between the Party and the common people.

Renmin Ribao (People's Daily) April 15 carried on front page an investigative report on how the Communist Party Committee of the China National Coal Corporation has organized officials to go to the front line of mining

production to solve problems, thus arousing the enthusiasm of the workers and promoting coal production. The investigation was made by the Investigation Department under the General Office of the Chinese Communist Party Central Committee.

In the light of the Party Central Committee's decision calling for close ties between the Party and the people, leading members of the Party committee of the coal corporation made it a point to strengthen contacts with workers, technicians and their family members, helped them solve problems and solicited opinions from workers.

The Party officials of the corporation have made efforts to popularize the experience of the Shigejie Coal Mine, where Party officials have always carried forward the Party's tradition of maintaining close ties with the masses, working hard and running the mine industriously and efficiently.

The corporation's leading members have also instructed the coal mine officials to pay more attention to workers' safety.

As a result of these efforts, the corporation set all-time records last year in coal production, work efficiency and safety. It produced 372 million tons of coal, 8.8 percent more than the state quota, and the average per man-day coal output reached 1.233 tons, a 6.57 percent increase over the previous year. ■

"It was an act of gross interference in China's internal affairs," said Liu Huaqiu, Chinese vice-foreign minister, to US Ambassador James Lilley in Beijing April 18.

Liu said the US action encourages support of the Dalai Lama's "independence of Tibet" advocacy and undermines China's unity of nationalities.

He pointed out that Tibet is an inalienable part of China's territory and the question of Tibet is purely an internal affair of China which brooks no interference by any foreign government.

Liu said: "We are opposed to the connivance or support in any form given by any foreign governments, organizations or individuals to political activities of the Dalai Lama."

Liu further stated: "The US government clearly knows the Chinese government's position on the question of Tibet. The US action is perceived as an unwelcome and dangerous contradiction to US oft-declared position of recognizing Tibet as part of China's territory. Such action does harm to Sino-US relations."

"We urge the US government to take a serious approach to the Chinese government's position on the question of Tibet and prevent recurrence of such incidents which hurt the feelings of the Chinese people and harm our

bilateral relations," Liu said. ■

Aid-the-Poor Efforts Bring Reward

The number of people in China with an annual per capita income of 200 yuan or less decreased by 60 million, or 62 percent of the total population living under the poverty line during the 1985-89 period.

The goal set by the State Council in 1986 — to realize self-sufficiency among the poor in China's largest poverty-stricken areas — has been achieved. Statistics show that farmers' average annual per capita income in 328 poor counties has gone up from 206 yuan in 1985 to 321 yuan in 1989. Of these counties, 103 or 31.4 percent have succeeded in raising annual per capita income to 350 yuan.

China's efforts to help the poor have attracted widespread attention of the international community. A 1990 report delivered by the World Bank stated that China has achieved speedy results in doing away with poverty, making its poverty rate the lowest among Asian countries at present. The report estimated that by the end of the century, those living under the poverty line in

He Kuixian, an agronomist of Guiyang, Guizhou Province, teaches wheat growing techniques to farmers of a poverty-stricken village inhabited by minority nationalities.

ZHOU HAORONG



Bush-Dalai Lama Meeting Protested

Strong protest was lodged by the Chinese government against United States President George Bush's meeting with the Dalai Lama on April 17.

China will account for about 2 percent of the population, still lower than in most Asian countries.

Although China has pursued an austerity policy, the government nevertheless increased relief funds and material input in poor regions. Since 1986, the country has appropriated 4 billion yuan yearly for loans to poor areas, including the money for them to start up enterprises.

The central government also provided these areas with 4 billion yuan worth of grain, cotton, cloth and low grade industrial products. Paid in kind with grain and other goods, labourers who needed relief were organized to build highways and water conservancy projects during slack seasons.

In the next five years, China will continue its aid-the-poor programme and add 500 million yuan of loans each year to help the poor. In addition, 1 billion kg of grain and industrial products will be allocated to help those who still live under the poverty line construct rural capital and improve production conditions.

Despite progress in the aid-the-poor drive, rural living standards are still low, and regional imbalances exist. Therefore, the central government decided to provide assistance to the 70 million rural residents whose incomes have risen above the 200 yuan poverty line yet remain well below the nation's average per capita rural income of 600 yuan.

Measures will be taken to provide more diversified sources of revenue for these farmers. This target has been set for China's nationwide anti-poverty drive during the Eighth Five-Year Plan (1991-95).

The goal will be realized through strengthening agricultural investment and building crucial regional industries in the poverty-stricken areas in which

more than 10 percent of China's total population live. The present preferential policies adopted in the underdeveloped areas will remain unchanged and the anti-poverty efforts will focus on long-term development in these areas. Moreover, from now on top priority will be given to the poorest areas. ■

Environmental Protection Stressed

During the 1990s China will considerably increase its investment in environmental protection so that scientific and technological advances will be brought into full play in this regard.

At a symposium on science and technology in association with environmental protection which opened in Beijing on March 26, Qu Geping, director of the National Environmental Protection Agency (NEPA), said that research into environmental science and technology began in earnest in 1973 with a government grant, and that in the past several years scientific research system for environmental protection has been established.

So far, more than 200 institutes engaged in studies on environmental protection have been set up, employing 17,000 scientists and technicians. Furthermore, 4,000 pollution-treatment techniques have been developed and reported for prospective use to the Information Institute of the NEPA, Qu said.

However, according to Qu, anti-pollution techniques currently practised in China remain underdeveloped despite progress achieved over the years.

"By and large, our know-how in the field lags far behind," Qu said, "making it impossible to

place our environment under significant protection."

To improve the situation, Qu said, the appraisal, selection, popularization and application of scientific and technical achievements must be done in a more effective fashion.

In recent years, the State Council has drafted a series of policies on environmental protection, including the development of a catalogue of environment-protection technology used as a basis for the appraisal, selection, and popularization of the scientific and technical achievements.

"We should take effective measures to popularize new anti-pollution technologies and equipment that are within the country's economic means," Qu said.

Qu urged local environmental protection agencies to attach enough importance to anti-pollution techniques developed by Chinese scientists.

China's total investment in environmental protection climbed up to 10.2 billion yuan (about US\$2 billion) in 1989 from approximately 2 billion yuan (US\$385 million) annually in the early 1980s.

But environmentalists say that the figure is far from sufficient.

The situation has prompted Premier Li Peng to reiterate in his government report to the annual session of the National People's Congress, held March 25-April 9, that protection of the environment is "a basic policy of the State."

Li told Chinese legislators that in the next five to 10 years efforts must be made to control environmental pollution.

"We must step up publicity and education concerning environmental protection and the popularization of environmental know-how, and boost public awareness of the environment," Li said. ■

Gorbachev's Visit Enhances Moscow-Tokyo Ties

by Zhu Ronggen

The much publicized and highly expected four-day visit to Japan by Soviet President Mikhail Gorbachev ended on April 19, producing predictably positive but limited results on Soviet-Japanese relations.

The visit, the first ever by a top Soviet leader to Japan, has widely been considered as a step towards improved ties between the two countries, but not as a breakthrough yet.

The Soviet president, speaking after his talks with Japanese Prime Minister Toshiki Kaifu — six rounds in total — said his visit had marked a “turning point” in bilateral relations. The two leaders signed a joint communique, in which the names of the four Soviet-held islands off northern Japan — Shikotan, Etorofu, Kunashiri and the Habomai — were mentioned for the first time as an issue requiring “territorial delimitation” between the two countries.

Tokyo and Moscow also signed 15 accords concerning bilateral co-operation in economy, trade, culture and aviation.

Kaifu and Gorbachev pledged to solve the territorial problem while improving bilateral ties. They also promised to speed up the process of concluding a Japan-Soviet peace treaty, saying it is a matter of “primary importance” between the two nations.

The territorial dispute, which

has hampered the signing of a bilateral peace treaty, has been seen by the Japanese as a thorn in the bilateral relationship.

Prior to the visit, optimistic sentiments seemed to be prevalent in Japan. Japan believes that now is a very opportune time to reclaim the four islands because the Soviet Union is in dire need of Japanese economic aid to assist its ailing economy and, therefore, it may make major concessions on the territorial issue. The Soviets have long denied the existence of any territorial problem with Japan.

Although the reference in the joint communique to the four northern islands was seen by many Japanese as a “step forward” by the Soviets, the document stopped short of stating any Soviet commitment to return the disputed islands. The Soviets even refused to reaffirm a 1956 pledge to return first the two smaller islands, Shikotan and the Habomai group of islets, following the conclusion of a peace treaty.

But Moscow did promise this time that it will allow Japanese



Historic meeting: Mikhail and Raisa Gorbachev received by Japanese Emperor and Empress.

citizens to travel to the northern islands visa free and reduce the Soviet military forces deployed on these islands.

“I’m satisfied with the work I have done in Tokyo. We signed a joint communique and other documents. They were major achievements,” Gorbachev said at a news conference following the signing ceremony.

The Soviet leader was quoted by Japan’s Kyodo News Service as saying that he recognized the existence of a territorial dispute and will continue to negotiate

on the matter.

While Kaifu told a separate press conference that the joint communique will give a new direction to the two nations' efforts to establish a new relationship, Tokyo continues to insist that the Soviet Union recognize Japan's sovereignty over all four islands before full-fledged relations could be developed.

The Japanese prime minister said his country will continue its policy of linking economic co-operation to progress in political relations.

Immediate response from Japan's political and press circles is mixed. Some Japanese political leaders have made positive comments on the joint communique, saying that it was the best results possible under the present circumstances. Keizo Obuchi, secretary-general of Japan's ruling Liberal Democratic Party, said the fact that top leaders of Japan and the Soviet Union have sat together for six rounds of summit talks alone is of historic significance. But others called the summit talks unsatisfactory. Endo, director of Komeito's International Bureau, said, "It is regrettable to see that no major progress has been made in returning the four islands."

Some Japanese commentators pointed out that the major obstacle in the talks was that domestic pressures prevented the Soviet president from making major concessions. The Japanese-Soviet territorial dispute is a matter concerning the status quo of Soviet borders with its neighbouring countries, which were established after World War II. Any redrawing of the map will very likely fuel the already acute ethnic clashes in the Soviet Union, the analysts believe. ■

Soviet Economic Crisis and System Perestroika

by Can Sun

Five years of reforms have brought major changes to Soviet society. The old political system has given way to a new presidential system and multi-party system in the Supreme Soviet. And the union system is amidst turbulence. Under such circumstances, the Soviet economy presents two notable features: an increase of crisis phenomenon and acceleration of system reform.

Recession and Crisis

The increase of crisis phenomenon can be seen in the following facts:

1. The level of economic development declines. At the initial stage of *perestroika* (restructuring) the Soviet economy slowly picked up but later began to decrease. Last year the social production dropped to its lowest point in history since World War II. According to the statistics of 1990 issued by the Soviet State Statistical Commission, the gross national product decreased by 2 percent, national income 4 percent, and social labour productivity 3 percent. The total volume of foreign trade registered a decrease of 6.9 percent and adverse balance of trade amounted to 10 billion roubles. The output of major industrial and agricultural products diminished. Among them steel was 154 million tons, decreasing 6 million tons compared with that of 1989;

petroleum 570 million tons, declining 36 million tons; coal 703 million tons, reducing 37 million tons; meat 19.9 million tons, dropping 220,000 tons; and eggs 82 billion, decreasing 2.9 billion.

2. Financial and monetary situation deteriorates. The communique issued by the Soviet State Statistical Commission shows that although the financial deficit of last year decreased 22.6 billion roubles compared with that of 1989, it was still 58.1 billion roubles. The Soviet internal debt grew by 150 billion roubles to 550 billion roubles. The issue of currency increased by 50 percent, bringing it to 132.7 billion roubles at the beginning of this year from 104.7 billion early last year. The inflation rate was 19 percent throughout the past year.

3. Lack of consumer goods affects citizens. Last year citizens' nominal income increased 94.5 billion roubles, reaching 652.5 billion roubles, but the average increase of the retail price of commodities was 5.3 percent. (Service expenses rose by 3 percent.) The price increase of last December was up to 14 percent. The consumer expenditures increased 15.2 percent over the previous year. The consumer price index rose by 7 percentage points (the price factor of black market included). Egg, potato and vegetable consumption throughout the country greatly declined.

4. Lax labour discipline leads to disarray in production. Last year, social and political instability and ethnic conflicts greatly affected the overall economy and the control capability of national economy declined. Strikes and various conflicts took place one after another, causing enormous losses. Because the contract disciplines were destroyed, industrial departments did not offer products of 17.7 billion roubles and 25 percent of industrial enterprises did not implement contract duties. Lax labour discipline caused losses of 50 million workdays in industry and construction, equal to about 200,000 workers out of work for each day. The economic losses were more than 5 billion roubles. The social and political conflicts directly caused product losses of 1 billion roubles.

Transition and Stability

Last year Soviet leaders examined the five-year economic *perestroika* practice. Having summed up experiences and lessons and using foreign economic reform practice for reference, they made clear the policy of economic development for the people and society. As economic *perestroika* strategy was readjusted, practical steps were adopted to reform the relations of ownership, moving towards a market economy.

1. The idea of multiple ownership came forth. The Law on Ownership, passed by the Supreme Soviet in March of last year, first stipulates that citizens have property rights to some means of production, laying down the foundation for ownership reform.

By the end of last year the number of people engaged in co-operative and individual businesses respectively increased to 18.4 million and 4.5 million, while fixed production funds oc-

cupied 10 percent and 1.2 percent of the total. New management techniques led to the rapid development of the lease system. More than 2,000 commercial companies and trusts and 33,000 shops and catering enterprises were leased. Industrial leases amounted to 2,400 and their output value was more than 48 billion roubles, accounting for 5.2 percent of the gross industrial product. In production and service trades, co-operative members increased to 260,000 and the output value and service income amounted to 70 billion roubles; and in the agricultural sector household farms have numbered 40,600.

2. Economic reform is market-oriented. Facing deep economic crisis in early 1990, the Soviet government decided to speed up economic *perestroika* and move towards a controlled market economy. At the same time it has worked out various laws and decisions. Last October the Supreme Soviet passed the Basic Policy of Stabilizing the National Economy and Moving Towards a Market Economy, which was signed by Soviet President Mikhail Gorbachev. To meet the actual needs of a market economy, the Soviet Union started building market infrastructure by setting up 1,400 commercial banks and co-operative banks. A stock exchange was set up in Moscow and other stock exchanges opened everywhere. The Soviet Union also broadly promoted cross-currents of economic co-operation, set up 120 concerns, 50 national interdepartmental companies and 102 financial groups. At the end of last year it approved 3,000 joint ventures and foreign enterprises with a total legal capital of 6 billion roubles, one third of which was foreign capital.

3. The economic structure has been changed to strengthen the sectors that meet the need of the

people and society. Last year the budget expenditure on social and cultural facilities slightly increased, accounting for 31 percent of the total budget expenditure. The proportion of military expenditure decreased to 13.9 percent from 15.6 percent of 1989. Industrial structure greatly readjusted. Products of means of production lowered 3.2 percent compared with the previous year, and consumer goods rose by 4.4 percent. The transition of military into civil industry succeeded as planned. A bumper harvest of grain crops was reaped and a few side-products slightly increased. Profits of agricultural enterprises increased to 58 billion roubles because of a rise of average selling price.

4. Measures were taken to stabilize the economic situation and create a favourable economic environment. Since the end of last year, the Soviet Union has started to rectify its economy. President Gorbachev issued orders on the establishment of a fund to stabilize the economy beyond the budget in 1991, on collecting sales tax, stopping circulation of paper money of big surface value issued in 1961 and putting limit on repayment of cash to citizens' savings deposits. These moves were aimed to stabilize the situation, guarantee normal development of the national economy, narrow differences between regions, protect the interests of citizens (especially teachers, doctors, the military and cultural and artistic workers who rely on fixed income) and fight against non-labouring income.

Analysts believe that the present economic crisis poses a serious challenge to the Soviet market-oriented economic reform. Whether the political situation can be stabilized and whether the economy can weather a crisis will influence more than *perestroika*; it will influence the destiny of the Soviet Union. ■



At a press conference on March 2, a Kuwaiti cabinet minister briefs reporters on his country's reconstruction plan.

ZHANG XUN

Kuwait's Reconstruction Proceeds Smoothly

by Li Yichang

After seven months of occupation by Iraqi troops and seven weeks of the Gulf war, Kuwait is liberated but now faces an arduous task of reconstruction. Statistics show that Kuwait lost US\$200 billion during the Gulf crisis and war.

With the end of the Gulf war, Kuwaiti Crown Prince and Prime Minister Sheikh Saad and cabinet ministers returned to lead reconstruction efforts. A plan had been prepared by the Kuwaiti government-in-exile prior to the outbreak of the war. With the approval of Amir of Kuwait, the government-in-exile set up a committee in charge of the reconstruction task.

The Ministry for Municipal Affairs announced an emergency reconstruction plan before the ground war. He said two to seven years and US\$40-50 billion is needed to realize the plan. Reports said that reconstruction needs five to ten years and US\$100 billion, a much larger sum than the US\$ 70 billion in Marshall Plan for reconstructing

Western Europe after World War II. Kuwaiti leaders, however, have planned to raise reconstruction funds themselves.

In the past, Kuwait's building projects were contracted through worldwide bidding. This time, however, Kuwait has announced that the projects would be contracted to the countries which contributed to its liberation. Contractors in the West have vied with each other to take advantage of the large and unprecedented reconstruction project. It is estimated that the United States, Britain and France will win 90 percent of the contracts.

According to Kuwaiti officials, of the initial 171 contracts, 70 percent have been signed with large US companies. Kuwait has contracted out to the US Army Corps of Engineers a clean-up project at a cost of US\$45 million and the project to restore electricity and water at a cost of US\$70 million. The largest contract will probably be signed with a US construction company, experienced in building oil

refineries in desert areas. At present, a US company is helping Kuwait restore its oil production and refining. Apart from these contracts, the United States has signed an economic mutual assistance contract worth of US\$1.9 billion with Kuwait.

British Prime Minister John Major visited Kuwait on March 11 seeking business for British companies before the Amir returned. The Kuwaiti government has indicated it will treat old friends fairly, and Washington also expressed hope of sharing benefits with allied partners. But, up to now, Britain has only signed a contract to build a military base for Kuwait and a military camp in Saudi Arabia.

Towards France, Kuwait shows a reserve because Paris took a clear-cut stand too late on the Gulf war.

Arab and other countries also take a keen interest in Kuwait's reconstruction. Egypt's 25 state-run and 200 private companies have set up a unified organization to strive for civil-engineering contracts of US\$3-5 billion. Egypt is also trying to increase its labourers in Kuwait from postwar 150,000 to 500,000. Pakistan also asks Kuwait to absorb 150,000 workers. The Philippines wants to send to Kuwait an additional 200,000 personnel to make up its losses during the Gulf crisis. Meanwhile, Japan, South Korea, Germany and Italy want to enter Kuwait's service market. Despite their strong economic strength, these countries are lacking a competitive edge compared to the United States, Britain and France.

Although bearing heavy losses during the Gulf crisis and war, Kuwait, with solid economic strength, rich oil resources and huge foreign investment, will, predictably, carry out its reconstruction plan smoothly. But it will probably severely limit foreign workers entering the country. ■

Namibia Makes Progress On All Fronts

by Li Jingwei

Remarkable achievements have been made by Namibia in political, economic, cultural and diplomatic fields since it won independence in March last year.

In only one year, Namibia, the youngest republic in Africa, has made notable achievements in consolidating independence, maintaining internal peace and stability, developing domestic economy and winning international support under the leadership of President Sam Nujoma.

A multiracial country with many parties and factions, Namibia, in face of numerous contradictions between different races and parties as a result of long years of colonialist rule, has since independence pursued a policy of national reconciliation. Namibian Prime Minister Hage Geingob once announced that all past complaints between races and parties before independence no longer exist and that the government would deal with unconstitutional actions after independence only. In the past year, the government consulted and cooperated with all parties on the country's major issues, creating a peaceful, stable environment favourable to the furthering of governmental system and to economic development. The past year proved

the policy of national reconciliation has been correct and successful.

The long colonialist rule brought a lopsided structure and unbalanced development to Namibia's economy. In spite of partial development of mining industry, animal husbandry and fishery, other economic sectors, such as agricultural production, are almost in a primitive form. Grain, vegetable and daily necessities are imported from South Africa. Annual payment for grain import alone reaches 150 million rands (US\$55 million).

The unreasonable economic structure causes many problems including retarded development of the entire economy and heavy unemployment. To change the situation, the new government decided to increase agricultural investment to develop agricultural production and realize self-sufficiency of grain. Upon becoming independent, Namibia announced intentions of practising a mixed economy consisting of state-run and joint ventures as well as private business. In the past year the

Namibian government absorbed foreign capital of US\$300 million, and hundreds of foreign companies have registered prior to setting up enterprises and factories. In order to develop fishing production and protect fishery resources, the government has stipulated that a 200-nautical-mile area is to be the fishery conservation zone, where unlawful fish-catching is forbidden. These policies and measures have promoted economic development and also eased the employment pressure.

Education is also an extremely serious question faced by the country. In the past, racist rule deprived most blacks of the right to education. After independence, the government established education as a priority and has begun to reform the educational system. President Nujoma pointed out that children of all peoples, whites, blacks or coloured peoples, now can equally enjoy the right to being educated, and the fact is in itself a great achievement.

Namibia also made active diplomatic efforts after independence. It has established diplomatic relations with more than 100 countries and joined the United Nations, the Organization of African Unity, the Non-Aligned Movement and the British Commonwealth of Nations. All this has heightened its international position.

Despite such achievements, Namibia also faces some problems such as shortage of funds and qualified personnel. But it is believed that through joint efforts and hard work, the Namibian people will surmount the difficulties and advance towards prosperity. ■

A Long Step Towards Democratization

by Our Staff Reporter Wu Naitao

The Law of the People's Republic of China Governing Administrative Procedures, coming into effect as of October 1, 1990, invests Chinese citizens with the legal right to bring lawsuits against government officials and brings administrative organizations under legal scrutiny. This law thus represents an important step taken by China in the building of political democracy.

On March 23, 1989, when Governor Li Changchun of Liaoning Province opened a letter in his office, a summons from the court met his eyes. "This must be a mistake!" he thought to himself, but his name was clearly written on the summons, thus informing him that he should go to the Shenyang City Intermediate People's Court at 8:30 a.m. March 27 to respond to the accusation.

The plaintiff of the administrative lawsuit was the Liyang County Machinery Plant in Jiangsu Province, which had a financial dispute with a government-run building material factory in the province. Because the building material factory had been dissolved by the provincial government, the Liyang County Machinery Plant had no adversary with whom to take up the matter and so it brought a suit against the leader of the provincial government.

Since he had important matters to handle, Li asked

the deputy governor, Li Suzhi, to appear in court and respond to the summons. In the court, the plaintiff's lawyer, sure of his evidence, argued the case aggressively as the deputy governor and her lawyer tried to find a legal basis for their defense. In the end, the court ruled in favour of the Liyang Machinery Plant.

Although the plaintiff of the case was an enterprise, not a citizen, the ruling still represented a victory for average citizens who want to sue officials.

There are many examples of the changing situation. Li Yong, a worker of the Liaoyuan Flour Mill in Jilin Province, and his wife, for example, sold vegetables in a rural fair. One day, Tian, head of the local administrative office for industry and commerce, took away Li's scale before collecting administrative fees. After the collection of fees, Li expressed his dissatisfaction, and the two men quarrelled. In the scuffle, Tian broke Li's scale and, as both sides exchanged blows, Li was seriously hurt and later hospitalized. His injuries cost him more than 500 yuan of medical fees. Tian, on the other hand, was only slightly injured and his medical fees cost him some 40 yuan. The public security organ, in line with the Public Security Regulations on Punishment, ruled that Li be detained for 15 days for interfering with the execution

of official business and for assault and must pay all the medical fees for Tian. Li Yong refused to accept the decision and lodged repeated appeals to a higher court. The municipal intermediate people's court held that the public security organ's ruling was based on misjudgement of the facts, inadequate evidence, indistinct liability and improper punishment. It annulled the ruling of the first court and rescinded the public security's decision to detain Li Yong. It also decided that Li should be responsible for 50 percent of Tian's medical fees while Tian should pay 70 percent of Li's medical fees and wages.

When a farmer from a south China county, Fang Xuanliang, sued the county people's court, the main points of the case were as follows: The new highway built by the county ran through his 20-*mu* contracted orchard, taking up more than five *mu* of land and destroying several hundred mature trees. There were still two years to go before Fang's five-year contract for the orchard was over and, since the county authorities had not compensated Fang for the economic losses he suffered because of the highway construction, he directly sued the magistrate for 3,000 yuan in compensation. According to the court's investigation, Fang Xuanliang invested some 10,000 yuan in his contracted orchard, an average of 500

yuan per *mu*. The five *mu* of orchard used for highway construction could have net him some 3,000 yuan in the autumn. On the day the court session opened, thousands of people waited outside the court to hear the result. The court ruled that the county government should compensate Fang Xuanliang 4,500 yuan for economic losses and that the highway which ran through the orchard should not be changed and damaged. Although Fang, at first worried that the court would not make a reasonable judgment, purposefully made a claim for compensation higher than his actual losses, he was satisfied with the ruling of 4,500 yuan in damages. County Head Liu Zhifu, the major defendant in the case, responded to the results by saying, "Although construction of the highway was carried out in accordance with the county government decision, I should shoulder major responsibility for the action. I did not look directly into the matter concerning use of land. I was negligent in my work. I've learned a lesson. I'll issue the text of this court decision to all county government officials so that everyone will understand that even when they act in the public interest, they need to consider the best possible way to avoid public harm."

Although administrative procedures have only recently been established in China and there are not many cases of citizens bringing lawsuits against government officials, defendants have included village heads, magistrates, governors and even ministers.

From Appeal to Higher Authorities to Administrative Procedures. Over several thousand years of China's history, the common people have al-

ways been seen as little value and government officials as supreme authorities. In the eyes of ordinary people, officials represented the law which, in turn, meant the will of officials. This shaped a psychology in which the public believed that "people could not sue officials."

With the institution of the socialist system after the founding of New China in 1949, the people's position as masters of the country was established and the government and its staff became public servants exercising political power on behalf of the people. This was a fundamental change from the old political system. The abolition of the old system, however, did not eliminate the old concept that "officials are the elite and the people the lowly." Additionally, for a period of time, the state administrative organizations were actually operating without legal supervision and, as a result, bureaucracy became a serious problem in some units. The abuse of power for private interest and infringements on the legal rights of citizens occurred frequently. When their rights were illegally encroached upon by state administrative organizations, the average Chinese citizens and other social organizations would usually appeal to governments at all levels, Party disciplinary departments, the mass media and the state leaders through letters or visits. As a result, thousands of people and tens of thousands of letters poured into Beijing, adding a heavy burden to departments in charge of dealing with both visitors and correspondence. Given the situation, many problems could not be resolved in time.

Since China implemented

the policies of reform and opening to the outside world in 1979, there has been a lot of improvement in how the public views the legal system's role in strengthening democracy. Some of the more valiant individuals have begun to bring lawsuits to the court against government organizations, governors and ministers. A few years ago, when Zheng Zhao, a farmer of Cangnan County, Zhejiang Province, sued the county government in court, he said, "So long as there is legal equality, I'm willing to press my claim even if I lose the lawsuit." The small number of suits against officials have drawn a lot of attention from the public and legislative bodies.

In 1982, when the Law of the People's Republic of China Governing the Civil Procedures (trial implementation) was promulgated, people were pleased to discover that Article 3 of the law clearly states, "This law is applicable to administrative cases legally stipulated for trial by the people's court." A highly principled stipulation, it stated for the first time the possibility of bringing lawsuits against administrative organizations. Later, similar stipulations were laid down in the more than 130 sets of laws and regulations enacted and promulgated by the National People's Congress and its Standing Committee and the State Council.

With the option to sue officials, there was so large an increase in the number of administrative procedural cases that the initial stipulations could not meet the demand and so, in 1986, the NPC Standing Committee began to draft the Administrative Procedure Law. This law, which went through a three-year pro-

cess of drafting, examination and discussion, was adopted at the Second Session of the Standing Committee of the Seventh National People's Congress held in April 1989 with 2,662 voting in favour, three against and 23 abstaining. It went into effect on October 1, 1990.

Wang Hanbin, vice-chairman of the NPC Standing Committee, said that the Law Governing Administrative Procedures safeguards and promotes government administrative work done according to law, and protects the legal rights and interests of citizens, legal persons and other organizations from encroachment by illegal administrative actions. The Administrative Procedure Law concretely specifies that when the legal rights and interests of citizens, legal persons and other organizations are encroached upon by government administrative actions, they can demand that higher-levels of government reconsider the decisions or bring a suit with the people's court. It specifies the concrete procedures of bringing a lawsuit. With these explicit stipulations, problems can be promptly resolved, thus avoiding the accumulation of contradictions and certain extremist actions.

Administrative Trial. In order to keep abreast of the increasing number of administrative lawsuits, the people's court established an administrative judicial court to handle administrative cases. By now, China has 3,421 courts, more than 2,600 of which have set up administrative benches with nearly 3,000 administrative judges. The nation's first group of administrative judicial courts were established in the autumn of 1986 by the Miluo County People's

Court in Hunan Province. The Wuhan City Intermediate People's Court in Hubei Province, (the Supreme People's Court?) set up an administrative judicial court on September 5, 1988.

Like other judges of the people's courts, administrative judges must uphold the principle of "taking facts as the basis and law as the criterion" to ensure that facts are clear, the law applicable and regulations correct and that proper concrete administrative actions of organizations are firmly maintained or, if improper, should be cancelled or changed.

According to statistics from the Supreme People's Court, between January 1983 and June 1990, a total of 31,626 administrative cases of first instance were handled, involving more than 20 administrative management departments in public security, land, customs, industry and commerce, taxation, measurement, forestry, mineral, environmental protection, city planning, food hygiene and health management. Both officials and the public won and lost. Some examples are the following:

—Between July 1989 and July 1990, Henan Province handled 211 administrative cases of the first instance; completed 172 cases in which the ruling of the administrative organization was maintained in 61 cases, annulled in 42, changed in six. The plaintiffs withdrew suits in 48 cases.

—Between January and June 1990, Guangdong Province handled 285 administrative cases and wound up 209 cases. It maintained the administrative organization's decision in 110 cases, annulled it in 18 cases and changed it in 29 cases. Some 39 lawsuits

were withdrawn.

—Between November 1989 and June 1990, Sichuan Province handled 93 administrative cases, wound up 74 cases, maintained decisions in 37 cases, annulled three and changed three. Some 31 suits were withdrawn.

—In the 1987-90 period, Tianjin handled a total of 241 administrative cases, maintained 209, annulled five while the administrative organization itself annulled or changed 27 cases during the procedures.

Huang Jie, director of the administrative judicial court of the Supreme People's Court, said that 40 percent of the ruling of administrative organizations were maintained and about 30 percent of the lawsuits were withdrawn while 20 percent were annulled or changed. In his opinion, this situation indicates that most of the administrative decisions were correct.

The court director also pointed out that in real life there were many administrative cases which had not been referred to court. This is mainly because one needs to have familiarity with the Administrative Procedure Law and that quite a number of citizens do not know how to protect their rights according to law or who, fettered by the long-standing concept of "people not suing officials," are unwilling to engage in a lawsuit against an official. Huang Jie believed that with the implementation of the Administrative Procedure Law and the improvement in the public's concept of the law, the number of administrative cases referred to court would increase daily and some highly specialized, technical and policy administrative cases would continue to appear. China's ad-

ministrative judicial work would thus enter a new stage of development.

Renewal of Concepts. If the fact that people can sue officials means there is a renewal of the concept of power for ordinary Chinese people, then there will be a test to administrative organizations and their personnel.

The appearance of suits against officials has produced a sensational social effect which the broad masses of people maintain it is inevitable in the process of China's democratization. But some government officials still worry, saying that government organizations will lose face and prestige. In 1987, one city conducted a survey regarding the possibility of formulating and implementing the Administrative Procedure Law. Of the city's 68 government organizations and 12 district and county government organizations surveyed, 95 percent of the people held that the practice was premature and should therefore be postponed. One official specifically said in response to the questionnaire, "Whether from the people's legal concept or from the administrative position, it is now inappropriate to formulate and implement the Administrative Procedure Law." The opinion of these people reflect the psyche of most personnel in administrative organizations.

In fact, judges who began handling administrative lawsuit cases in 1983 have met instances wherein administrative organizations refuse to appear in court and respond to prosecution for fear of losing faces. There was a lot of discussion about the refusal by one minister to respond to prosecution after the case was exposed by the press. In han-

dling an administrative lawsuit case regarding violation of public security management, a district court in Nanning City of the Guangxi Zhuang Autonomous Region notified the defendant, a public security organization, that it should provide various kinds of evidence and relevant documents. The organization, however, delayed doing this and, furthermore, asked the plaintiff to withdraw the lawsuit. The security organization did not respond to the prosecution until it was repeatedly informed of relevant stipulations concerning administrative procedures.

One judge told this reporter, "The situation has notably improved since the Law Governing Administrative Procedures was promulgated in 1989. In this sense, the law was not drawn up and implemented prematurely. It does, however, call for a change in the concepts and habits of administrative organizations."

According to incomplete statistics, more than 30,000 local government leaders and responsible members of administrative organs at all levels throughout the country have received training in the law since its promulgation. This reporter has learnt from her visits to administrative organs that most administrative workers realize the significance of the law and have indicated their intention to take it seriously.

Perfecting the Administrative Law and Regulations. Along with the development of reform and the open policy over the past decade, the socialist legal system has begun to take shape. Administrative laws and regulations, however, are evidently inadequate, the most outstanding problem of which is that some adminis-

trative actions lack a clear legal basis. Some laws, rules and regulations are not specific and clear and some legal standardizations are in conflict with each other, thus causing many difficulties for its implementation.

Sun Xianzhong, director of the Legal Bureau under the State Council, said that the National People's Congress and its Standing Committee and the State Council were stepping up their efforts to improve the supportive legislative work of the Law Governing Administrative Procedures. This will focus on two aspects: One is to fill up legislative blanks, thereby providing a clear legal basis for administrative and management activities. For example, decisions on severely punishing prostitutes, measures for accepting and repatriating vagrants and beggars and regulations concerning the collection of fees for administrative work—all these are being quickly formulated. The second is to draw up administrative regulations relevant to the Law Governing Administrative Procedures. In this regard, the State Council is drafting regulations which reconsider administrative decisions, regulations on enforcing implementation of administrative decisions, regulations on punishment of administrative misdeeds, regulations on compensation for losses caused by administrative misdeeds, regulations on implementing administrative supervision and examination and regulations on the formulation of administrative rules and regulations. The above-mentioned laws and regulations will play an important role in guaranteeing the implementation of the Law Governing Administrative Procedures. ■

Tibet in Stride With Current Reform

by Our Staff Reporter Li Rongxia

As Tibet opens its door to the outside world during the nation's current economic reform and opening up, the development of foreign economic and trade co-operation and the expansion of exports and tourism facilitate local economic growth.

On my return from Tibet, one of my friends asked me, "What did you eat in Tibet, butter and roasted barley?"

As a matter of fact, restaurants in Tibet provide the same kind of food as in the inland. Tibetan food is served on special occasions as a sign of respect for visitors.

For foreign guests, the cafeteria at the Holiday Inn Hotel offers a variety of high-quality Western and Chinese foods.

In Lhasa, the region's capital, or in Shannan, Xigaze and Gyangze, most of the luxury hotels provide water for showers the whole day.

Although Tibet is a remote area with a poor investment environment, it has opened its door to the outside world as part of the national effort to implement economic reform and open policies, working hard to strengthen exchanges and co-operation with other countries. It has improved communication and telecom-

munication facilities and built restaurants and hotels for the convenience of foreign tourists and businessmen.

During the Seventh Five-Year Plan period (1986-90), the region's total volume of imports and exports reached US\$120 million. Tibet received US\$25 million in international aid during this period. It also saw a rapid development in tourism and economic and technical co-operation as well as cultural exchanges with foreign countries.

Foreign Trade

Tibet is an autonomous region rich in agricultural and livestock resources. Its industry has gradually developed since its peaceful liberation in 1951 and the gross industrial output value now accounts for a little more than one-fifth of the gross agricultural and industrial output value. The region's underdeveloped industrial production has hindered it from developing its foreign economic relations and trade with foreign

countries.

Jigmin Doje, an official of the regional economic relations and trade bureau, said, "Although Tibet established its economic relations and trade bureau in 1987, work in the field just began. At present, the main task of the bureau is to attract international aid."

"The bureau now has international support for 12 construction projects, four of which are quite large," Jigmin Doje said.

The Lhasa Leather Factory is one of the four. It has carried out a technical transformation project with 5 million marks (about US\$2.7 million) in aid provided by Germany.

The factory is located on the outskirts of Lhasa. When we visited the factory, Qoinbe, the factory director, was in a management training class, part of the German project.

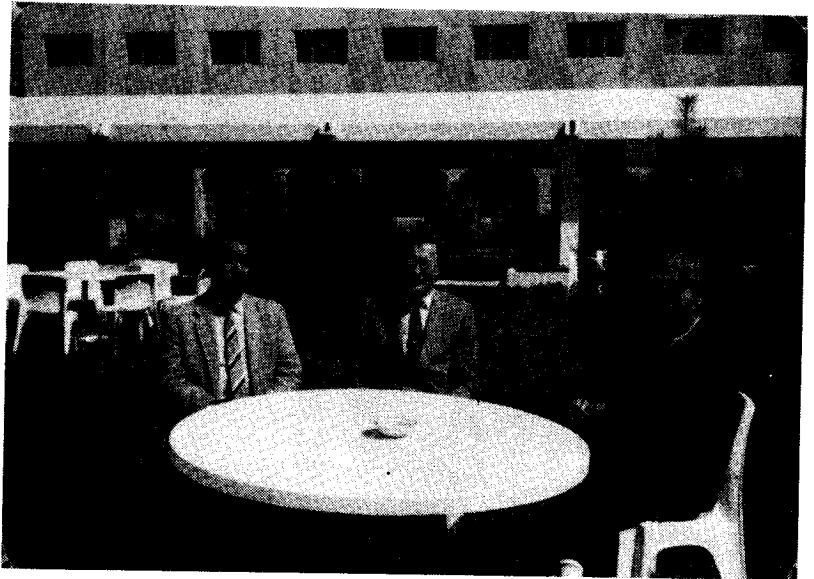
"The German equipment will be shipped in three batches," Qoinbe said. "The first batch of leather shoes machines arrived in August 1990. When the whole project is completed, the annual output value will increase from the current 4 million to 8.95 million yuan, the tanning capacity from 30,000 to 80,000 pieces and the shoe-making capacity from 50,000 to 100,000 pairs. The production costs will be cut down by 3 percent and the quality improve too."

The second project, coded No.3357, will improve the irrigation systems and develop the forestry potential in four Lhasa counties with US\$6 million in aid granted by the World Food

Programme in the form of wheat and butter for the development of farmland and water conservancy works. The project was started in 1989.

The third project will improve maternity and child care facilities. The project involves the establishment of three model counties in Lhasa, Xigaze and Shannan with US\$2.2 million in support from the UN Children's Fund. The project will provide equipment for the maternity and child care hospitals in these counties and train personnel in the field.

The fourth project is for development of geothermal resources. Tibet's rich geothermal resources have attracted interest from around the world. The UN Development Programme and the Italian government have supported development of these resources. The completed first phase of the



YU XIANGJUN
 Hubert Liner (middle), general manager, and Jigmei (left), deputy general manager of the Holiday Inn Hotel in Lhasa, meet the author in the garden of the hotel.

A workshop of the Lhasa Leather Factory.

CHEN ZONGLIE



project cost US\$4 million, including US\$700,000 worth of hardware. The second phase is being carried out with US\$8 million in aid from the UN Development Programme and the Italian government.

Foreign investors hesitate to directly invest in Tibet because of its underdeveloped communication, energy and economic production facilities. As of now, just one Nepalese businessman has invested in a carpet factory run by a specialized household. Another Nepalese businessman is discussing the operation of a woollen washing factory which will involve about US\$1 million in investment. Although small, it is a good beginning to at-

tract foreign capital. "After Tibet improves its communication facilities and energy production, it will attract more and more foreign investment," said Jigmin Doje.

Given its limited ability to absorb foreign investment, Tibet has tried to invest in overseas projects. The region has run some small factories in Nepal and used the local investment environment to develop its products for the international market. "Tibet has the autonomy to invest in projects in neighbouring countries," Jigmin Doje said. "Such investment in foreign countries will take place in two steps. The first is in the neighbouring countries and the second is worldwide. The feasibility of opening Tibetan restaurants in the United States, for example, and establishing handicrafts processing factories in Hong Kong and Singapore has aroused a lot of interest."

The development of foreign economic relations and trade was adversely affected by the Lhasa riots. After the lifting of martial law, however, Lhasa has become



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Deqin Qoizhen (left), director, and Cering Qongda, her sister and deputy director of the Nedong Carpet Factory.

more stable and increasing numbers of foreign businessmen have come to Tibet to trade and co-operate in business. Since May 1990, some 2,000 businessmen from a dozen countries including Germany, Italy, Canada, Belgium, Japan, Sweden, Nepal and the United States and officials from the United Nations organizations have come to Tibet.

Joint Ventures

The Holiday Inn Hotel in Lhasa is the only Sino-foreign co-operative enterprise in Tibet. "The co-operation has been a success," said Hubert Liner, general manager of the hotel.

The hotel is located in the western part of the city. Both the building and equipment are considered the best in the region. Accompanied by its general and deputy general managers, I visited a well-decorated bar, apartments and luxurious suites, oxygen-supply facilities and a beautifully landscaped garden. The hotel is as nice as any in Beijing.

According to Liner, the US Holiday Inn Group signed a ten-year co-operative agreement with Lhasa in 1986. He said their joint efforts have brought the hotel up to international standards.

"Tibet faces more difficulties than inland areas in co-operating with foreign countries and introducing Western-style management," said Jigmei, deputy general manager of the hotel. "Since it is impossible to manage the hotel according to the Western standards, there needs to be an adaptation to local people's customs and habits. It requires mutual understanding and trust."

In 1986, the first year of business, a total of 50 employees of the Holiday Inn Lido Hotel in Beijing were asked to help with its operation. In the second year, the number was reduced to 20 and, in the third year, all returned to Beijing. Except for five foreign managerial personnel, the hotel is operated by local people who have mastered the techniques of managing an inter-

national class institution.

"From 1986 to 1988, the hotel was in good operation," said Liner. "It officially opened as the Holiday Inn in August 1988."

"When I was appointed general manager of the Lhasa hotel, I was told to raise the hotel to the international standards within a short period of time," said Liner. "The hotel was then in poor condition with its equipment seriously damaged. The work over the last few years has shown that without Chinese co-ordination it would be impossible for it to retain the quality and high standards for which the Holiday Inn is famous."

Jigmei worked with a foreign affairs department before coming here and is thus quite familiar with foreign affairs. Raised abroad, he speaks fluent English and discusses work with his American counterparts entirely in English. The positive relationship between the two sides has brought success to their co-operative effort.

The education of the Tibetan employees is generally lower than that of their Han counterparts. With an average age of 22 years, they are only required to have a junior middle school education as compared with the senior middle school education of their Han counterparts. Most, however, only have a primary school education. To raise personnel quality, the hotel has a personnel training programme charged with training attendants, chefs and middle-level managerial personnel. The training programme also asks various localities to help in training personnel for the hotel or to send its employees for training in the inland areas. For example, the hotel asked the Jinling Hotel in Nanjing to train chefs, the Lido Hotel in Beijing to train managerial personnel and attendants, and the Beijing No. 2 Foreign Language Institute to train inter-

preters or translators.

Regarding the hotel's future, Liner said that the occupancy rate has increased. The rate dropped to 14 percent during 1989 riots but started to raise after the lifting of martial law in May 1990. The occupancy rate is expected to continue to increase this year.

Carpet Exports

I also visited the Nedong Carpet Factory in the Shannan Prefecture.

The small Nedong Carpet Factory with its 73 employees, located in a small courtyard, produces mainly small carpets, a Tibetan national handicraft.

Deqin Qoizhen, the factory director, is 36 years old and Cering Qongda, her 33-year-old sister, is deputy director.

Deqin Qoizhen said, "Our father is an expert in carpet-

weaving and we learnt the skill in our childhood. In 1974, we invested 500 yuan in running a household factory but it did not become large until the government put aside 600,000 yuan for it in 1987. My sister and I were contracted to the work and were exempt from taxes in the first three years.

"It has been going quite well and we now earn more than 200,000 yuan a year. We have more than 700,000 yuan in the bank in accumulated funds," the director continued.

She also said, "Although we have made quite a profit, we have not frittered away the money. The maximum yearly income of the workers is 2,900 yuan while that of the directors is 3,500 yuan or 290 yuan a month. The funds accumulated are mainly used to expand production.

"The factory began to export carpets in 1988 and exported 4,000 square feet in 1989 which were valued at 164,000 yuan. These figures increased to 5,000 square feet and 205,000 yuan in 1990. The factory exports 3 X 6 feet carpets to the United States, Germany and Japan," Deqin Qoizhen said.

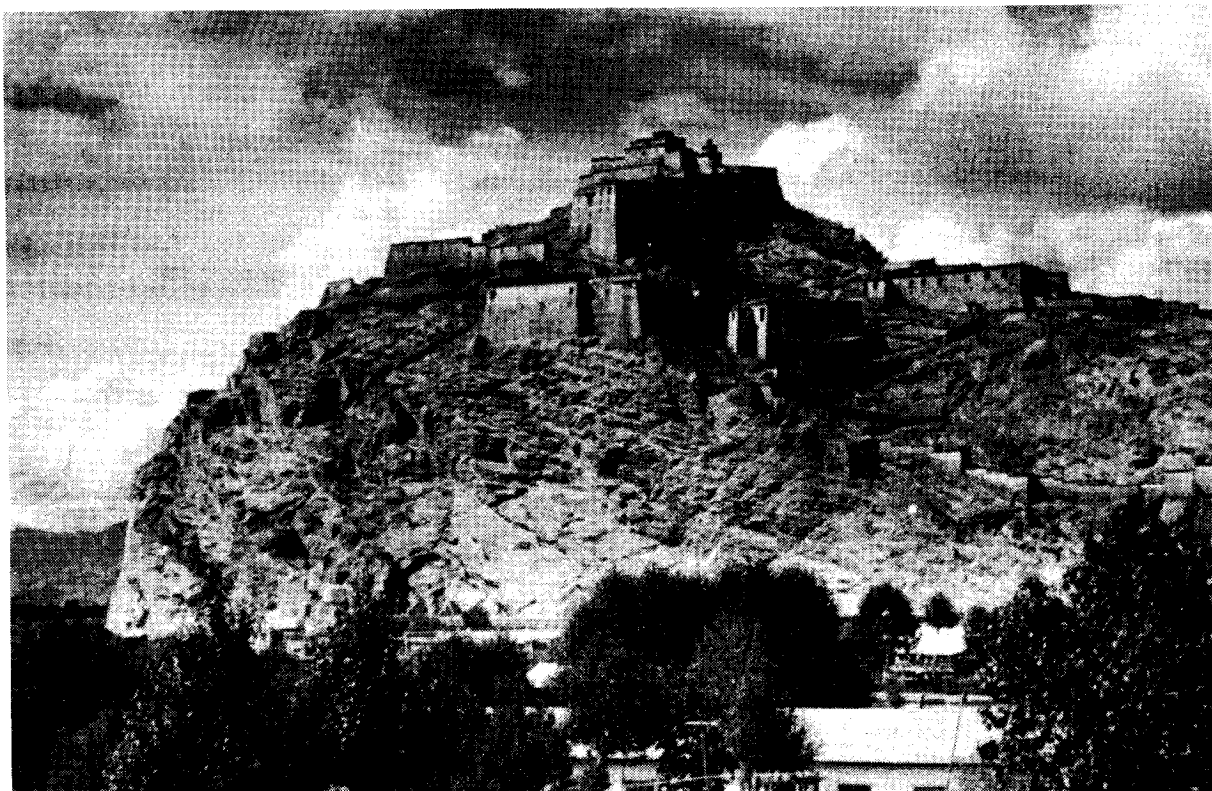
Carpets are Tibet's main export product and nearly all carpet factories in the region export their products.

I also visited the Gyangze Carpet Factory.

Gyangze is wellknown as a carpet production centre in Tibet. The Gyangze Carpet Factory, established in 1973, had 140,000 yuan in income in the first year. The total output value totalled 1.45 million yuan last year, 300,000 yuan of which was from exports.

A fort built during the resistance against British invaders in Gyangze.

LI RONGXIA



Flourishing Tourism

The mystery of Tibet has attracted tourists from many countries and regions perhaps because it was long closed to the outside world and visited by few foreigners.

Tibet's tourism has flourished since it opened to the outside world in 1980 and, especially since 1985, has experienced a rapid increase in tourism. Before 1984 Tibet received an average of 1,500 tourists a year. The figure increased to 15,000 in 1985 and 43,000 both in 1986 and 1987. The number of tourists decreased to 3,603 in 1989 due to the Lhasa riots but, in 1990, the figure climbed up to 10,000.

At present, the region has 34 tourist enterprises—ten travel agencies and 24 hotels. The ability to receive tourists has thus improved greatly. At the same time, Tibet has established hotels to accommodate foreign tourists in Beijing, Chengdu and Xian. It has also opened the China Tibet Qomolangma Travel Co. Ltd. in Hong Kong to provide consulting services to tourists.

In the last decade, Tibet received a total of 120,000 tourists from more than 20 countries and



Traditional handicrafts on the Barkor Street market are a big tourist attraction.

regions and earned 160 million yuan and US\$30 million in foreign exchange.

Known as "the Roof of the World" and "the Third Polar of the Earth," Tibet has a long history and a colourful culture. It boasts many snow-covered mountains and lakes as well as historical sites and scenic spots. Local conditions and customs are unique and scenic sights abundant. Tour itineraries based in Lhasa can take in more than 40

locations. Moreover, many sites have yet to be developed.

Tibet's unique tourist resources have attracted a lot of attention in the UN Development Programme which has invested US\$240,000 for their development. The projects are expected to be implemented in three stages beginning in June 1990 and lasting through the year 2000. The first phase calls for the development of Lhasa in the first two years and, in the second phase, implementation of the Eighth Five-Year Plan and completion of the third phase by 2000.

The plan will principally open new tourist spots and develop special tourist programmes such as mountain climbing, hiking, exploration and scientific inspection. In 1995, Tibet is expected to receive 93,000 foreign tourists.

Since the highways, Tibet's major transportation link, are in poor condition, the local government plans to improve overall communication facilities and simultaneously develop both airlines and highways in order to reduce travel time throughout the area. ■

Tibetan donkeys are being taken to Nepal.

CALONG



China's Nature Preserves Rapidly Expand

by Zhao Yuqing

Since 1979, as China realized the importance of protecting its natural resources, the number of nature preserves has increased from 59 to 606. Scientific research organizations have been set up in more than half of the nature preserves and the government plans to establish another group of conservation areas before China's population reaches its peak period.

Although China's conservation work began relatively late, big steps, however, have been taken. Song Jian, minister of the State Environmental Protection Commission, said that China is a country with a long history and that the country's vast area must be protected. "Since China is also a country with a very large population, every effort must be made to quickly establish another group of conservation areas before the population reaches its peak," said Song Jian.

Protecting Wildlife

At present, China has only around 1,000 giant pandas, an animal so important to China that it was chosen as the mascot of the 11th Asian Games. In order to protect this rare animal, China has set up 13 preserves on the high mountain ranges and in the dense forests of Sichuan, Gansu and Shaanxi provinces. In 1983, as vast areas of arrow bamboo, the staple food of the giant panda, began to die out and thus endanger the panda's existence, the World Wildlife Fund and many other countries came to help and China went all out for the rescue. A total of 118 giant pandas have since been rescued from illness and starvation and

82 giant pandas brought back to life. The giant panda is now considered a major research object for biological science, thus making it an international objective for all mankind to protect it. The emblem of a beautiful panda used by the International Wildlife Foundation embodies a desire for protection, not only of the panda, but of all wildlife.

Another animal, the rare red-crested crane, has always symbolized auspiciousness, peace and longevity, and is respectfully called a "fairy crane" in China. However, by the end of the 1970s, only 200 of these beautiful, rare birds were extant in China. Since 1979, three red-crested crane reserve areas have been set up respectively in Zhalong, Heilongjiang Province, Xianghai and Momoge in Jilin Province, while areas for wintering over have been established along coastal Yancheng in Jiangsu Province and Poyang Lake in Jiangxi Province. The effort has resulted in an increase in the number of red-crested crane to more than 600.

When the chairman of the International Crane Foundation came to Zhalong and viewed 100 or so species of birds, including the red-crested crane and swan, black-neck crane, white spoon-bill, white-head crane, black

crane and other species of birds on the ground and in flight, he was pleased to say, "I see hope for the world in China. If China, with its large population, can open up such a vast reserve area, why can't other countries?" The chairman later presided over an international symposium on cranes in Zhalong.

There are Chinese river dolphin, Chinese sturgeon and Yangtze crocodile in the Yangtze River, China's largest river. Of particular interest is the white dolphin, similar to both fish and animal, which is the only whale living in the Yangtze River. Over two metres in length, black and white in colour, it has been described as a "giant panda in water." In order to protect them, the provinces along the Yangtze River have jointly established a dozen of conservation areas, breeding stations and propagation grounds.

From the northeast frigid zone to the forests of temperate zone and Hainan Island's tropical zone, from Xinjiang's Bogda Peak to the Wuyi Mountains in the southeast coastal areas, from Inner Mongolia's Xilin Gol grassland to the forests, rivers, lakes, ocean shores, beaches, islands, ice peaks, snow mountains, wilderness and hills in Xishuangbanna of Yunnan Prov-

ince... China has set up 606 nature preserves totalling 400,000 square km, equal to a medium-sized province in China and exceeding the area of Britain or Japan. These preserves are intended to protect many rare animals and plants, including the northeast China tigers, south China tigers, wild elephant, snow leopard, white-lip deer, sika, saiga, golden monkey, sable, panda and green turtle and a variety of vegetation such as the Korean pine, dragon spruce, dawn red wood, *Cathaya argyrophylla*, ginkgo, dove tree, and many others.

Professor Dong Zhiyong, chairman of the China Society of Forestry and vice-chairman of the China Wildlife Conservation Association, says that China is one of the richest flora and fauna habitats in the world. It has 1,186 species of birds; more than 1,000 species of animals, amphi-

bians and reptiles; and over 2,000 species of fish and more than 32,000 plants. Not only are these rare animals and plants priceless treasures, but they are, as well, mankind's most important ally. The natural environment, on which all living creatures depend, is also the source of man's life and the extinction of even one species means that mankind's environment has further deteriorated.

Crows, for example, eat only rotten meat even though such meat may contain poisonous bacteria deadly to man. If man can reproduce the antibiotic and epidemic prevention gene present in the crow's body, such an achievement would greatly aid immunization efforts. Man cannot afford to belittle even such seemingly common things as wild grasses and bushes. Breeders and horticulturists need to study how best to extract the genes from

these wild plants, thereby raising the quality, output and disease-resistance capacity of grain and fruit. For this reason, we need to protect every living species. The various nature preserves are laboratories for the reproduction and development of various animals and plants and sites for biological, animal and plant research. China has taken great pains to set up conservation areas, an effort which is of inestimable significance not only for China but for the future of all mankind.

More Needs to Be Done

Yellow Stone Park in the United States, the world's first conservation area, was set up in 1872. China's Dinghu Mountain in Guangdong Province, the first nature preserve of its kind in China, was established in 1956 in order to provide the Chinese

A flock of birds at Meixi Lake in Wucheng City, Jiangxi Province.

WUJING



Academy of Sciences with a living natural laboratory. China's first large-scale natural conservation area, the Changbai Mountain Area, was founded in 1960. At the time, China had plans to build more than 100 conservation areas but only 59 such areas had been established by 1979 because of the disturbances created by the "cultural revolution" (1966-76). Most of the present 600 conservation areas were set up in the past ten years.

China has sped up the establishment of nature preserves in recent years because everyone, ecologists and the general public and state leaders and local government officials, realize the importance of protecting the natural environment.

For example, reports from China's environmental protection departments and ecologists point out that unless sufficient attention is paid to the protection of the northern forests and grassland, there will be an unacceptable increase in sandy wind blowing across Beijing.

The continuous and excessive cutting of forests in northeastern Greater and Lesser Hinggan Mountains and Changbai Mountains will turn the fertile farmland and soil of the Northeast Plain into as barren a land as northwestern China. The dramatic decrease in tropical rain forests of Hainan Island and Xishuangbanna has destroyed the habitat of the golden monkeys and gibbons and the reduction of forest area along the middle and upper reaches of the Yangtze River has caused extensive soil erosion and led to flooding in Sichuan Province. If the situation continues, the Yangtze River may become as muddy as the Yellow River.

Excessive draining of water resources and wresting land from lakes has reduced the surface area of some important lakes such as the Poyang Lake and the Dongting Lake. All of these trends are sure to reduce the number of living creatures and deteriorate man's living environment.

The issue of environmental protection has been put on the agenda of the National People's Congress many times and the NPC has passed the Law of Environmental Protection, the Forest Law, the Grassland Law, the Land Law, the Aquatic Law, the Fishery Law and the Wildlife Protection Law. The Environmental Protection Committee has also been established by the State Council.

The Ministry of Forestry drew up a programme for the protection of each major forest and wildlife habitat, setting up 383 natural conservation areas covering 170,000 square km. The forest ecosystem, protecting a variety of animal species, is thus a main part of China's land nature preserves. In addition, conservation areas have been set up to protect agriculture, animal husbandry, mineral and ocean resources. Some 56 of 600 or so conservation areas are state-level nature preserves while the remainder are managed by local governments.

The unique grey-spotted tragopan in Shennongjia. LIYIFANG



A small white bear in the Shennongjia area, western Hubei Province. XINHUA



Scientific research organizations have been established in more than half of the nature preserves. In most preserves, thousands of scientific research departments and colleges and universities conduct research and experimentation. Fixed scientific research centres have also been set up in some of the major preservation areas by the Chinese Academy of Sciences.

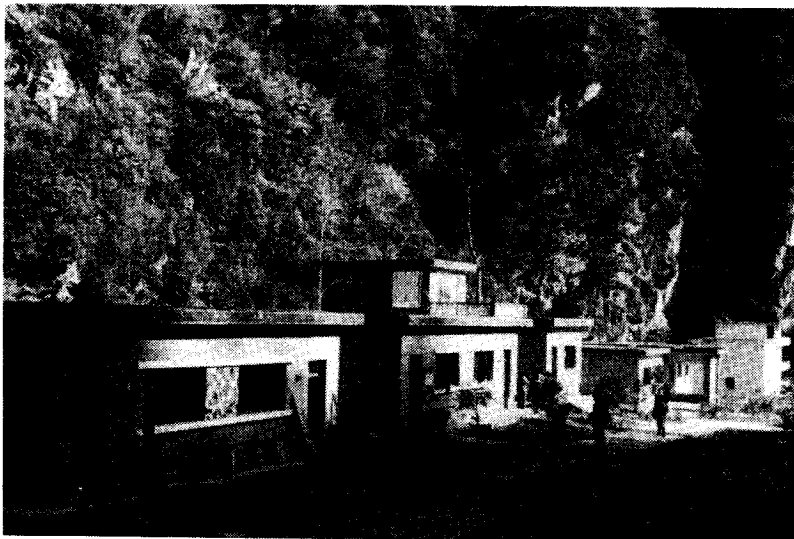
Nature's Protector

Many people have woken up to the fact that environmental conditions have worsened. Although man, animal and plant life coexist on the planet, man has become the dominant force. Man, however, should not blindly exploit nature's resources but should instead be nature's leading protector.

Laotie Mountain lies to the south of China's Liaodong peninsula. Between autumn and early winter, birds migrating to the south for the winter rest there before flying on across the sea. A dozen years ago, these birds were often attacked and caught in nets by local people. The area's 50,000 residents found pleasure in catching the birds for food or to keep as pets. In 1980, however, when the Laotie Mountain natural conservation area was founded, residents of the area learnt to protect the birds. Those who used to hunt them now take great pride in making sure their migratory journey is uninterrupted. Primary and middle school students put up more than 10,000 signs pointing out the need to protect the birds and placed more than 3,000 nests in the forest. Hunters from other areas are prevented from killing the birds by both local people and conservation officials.

At present, several million birds pass through the area every year.

In the past, farmers of Zha-



The buildings which house the pandas at the Fengtongzhai nature preserve in Sichuan Province. CHENJIE

long marshland used to take away bird eggs and it was common for one household to gather several full baskets every year. After the founding of the conservation area, the practice has ended and most people actively participate in conservation work. Under the guidance of scientific research personnel, some farmers learnt how to artificially breed red-crested cranes and have thus become special crane-breeding households. One crane-breeder, a young girl named Xu Xiujuan, went to Yancheng to pass on breeding techniques and to help the local people there set up a feed lot. As she was working one day, a swan began to fly away and, when she tried to catch it, she fell into a stream and drowned. Her selfless spirit inspired many people to devote themselves to the crane breeding and bird conservation. She was an example for conservation areas in the north and south, a distance of 2,000 km.

In the Beijing area, the conservation areas of Songshan mountain, Baihua mountain, Yunwu mountain and Wuling mountain have been founded. In the past

ten years, about 65.06 million trees have been planted in Beijing as the planting rate for the city proper has increased from 20.08 to 28 percent. The planting of trees in the mountain areas around Beijing has risen from 27.7 to 40 percent. Such planting has helped to reduce wind and sand in the city and brought about a doubling of the number of birds in the city.

There are a total of 23 natural conservation areas in Gansu Province. During the past ten years, the number of wild camels increased from 70 to 2,000, white-lip deers increased from 300 to 2,000 and argalis from 2,000 to 4,000. Flying birds, hardly seen in the past in the Lanzhou section of the Yellow River, are now a common sight over the Lanzhou sky.

There was also good news from southern preserves about increase in the number of monkeys. In Guizhou Province, the number of golden monkeys went up from 400 counted ten years ago to 700 and the number of rhesus monkeys in southern Hainan Island rose from 30 in 1976 to 1,200. ■

Wuyi Mountain—A Haven for Rare Animals and Plants

by Our Staff Reporter Feng Jing

The Wuyi Mountain Nature Preserve, a forest under state protection, is a storehouse of many valuable animal and plant species because it was unaffected by glaciers of the Quaternary Period. In co-operation with the United Nations Educational, Scientific and Cultural Organization and the International Institute for Aerospace Survey and Earth Sciences in the Netherlands, the preserve will gradually implement scientific management and will be turned into a geographical information system technical training centre for the Southeast Asian region.

In 1873, David, a French priest, by chance arrived in Guadun in the Wuyi Mountain in Southeast China's Fujian Province where he collected many bird and mammal species. Since then, the mountain has attracted more and more people and, Chinese and foreign scholars have discovered over 600 new plant and animal species there. The mountain is thus world famous and has been called the "paradise of birds," the "kingdom of snakes" and the "world of insects."

In July 1979, the wooded Wuyi Mountain covering an area of 56,527 hectares was designated by the state as a nature preserve. In September 1987, it was accepted by the International Co-ordination Council of the Man and Biosphere of the United Nations as a world biosphere project.

Natural Situation

Located on the highest section

of the northern range of the Wuyi Mountain, the nature preserve is 1,200 metres above sea level on an average. The Huanggang peak, the highest of the mountain range, is 2,158 metres above sea level. The Huanggang and other peaks protect the preserve from the cold air attack in winter. The summer air caught between the peaks brings heavy monsoon rains. Thus the nature preserve has a tropical temperature and the humid climate common to Central Asia. The average annual temperature here is 8.5-17 degrees C and the annual precipitation is 2,000-3,376 mm with a relative humidity of 80-84 percent. The area also has favourable water, light and thermal conditions for the propagation and growth of animals and plants.

Unaffected by the glaciers of the Quaternary Period, the nature preserve is a haven for many valuable and rare species of animal and plant as favourable conditions were created for the im-

migration of different species in the late glacier period.

The preserve has 54,532 hectares of forests and 17.46 million bamboos. It also has 21,070 hectares of primary forest flora and, overall, retains the primary natural landscape. The average vegetative cover in the area reaches 92 percent.

There are many types of plants in the nature preserve, including evergreen broadleaf trees, conifer and broadleaf mixed trees, mixed evergreen and larch trees, brushwoods and subtropical mountainous pine meadow. Among the flora are 2,466 varieties of higher plants, including 50 valuable and rare plants particular to China such as the ginkgo biloba, south sago cycas, *liriodendron chinense*, *glyptostrobus pensilis* and *magnolia sieboldii*.

The nature preserve is also rich in animal life, including 444 vertebrates. It has 47 valuable and rare wild animals which are protected by the state. They

include white-crowned long-tailed pheasants, *macaca mulatta*, *neofelis nebulosa*, *viverra zibetha* and pangolin.

Legal Protection

After the establishment of the preserve, the Wuyi Mountain Nature Preserve Administration of Fujian Province became its manager.

Xu Cheng from the public security bureau of the nature preserve rides his motorcycle on patrol along the rugged and rough mountain path. His patrol usually takes place once every several days but, if necessary, he is out every day. In this way, he can check up on any violators who hunt and collect species or fell trees. Riding on his motorcycle, Xu and I spotted two farmers were digging the ground with spades on a mountain slope. Xu Cheng came to a halt and checked them out, they stopped digging and went away.

When I said to Xu that the protection administration seemed to enjoy a high reputation among the masses, Xu replied, "What the administration has done is simply to implement the government's regulations and laws."

These regulations and laws are the guardian angel of this mountain. In addition to the decree of the state, the Fujian provincial government promulgated some specific policies, regulations and laws concerning the nature preserve. The administration of the nature preserve is responsible for their implementation.

In accordance with the Measures for Administration of Forest and Wildlife Conservation Areas of the State Council, the

preserve's 35,000-hectare wooded mountain has been divided into a centre and an experimental zone, each having its own managerial methods. Strict protective measures for natural resources have been adopted in the centre area. All local residents have moved out and productive activities stopped. Only key scientific observations can be conducted. In the 20,000-hectare experimental zone outside the centre area, a combination of scientific research with production, scientific experiment, teaching and domestication and cultivation of valuable and rare animals and plants is conducted. At the same time, under the prerequisite that there be no destruction of natural resources, the local people have been organized to develop crops, breed animals and undertake processing industries in order to improve their living standards.

For instance, the climate and soil conditions in the zone are suitable for the growth of green plum, persimmon, Chinese tor-

reya, *actinidia chinensis*, the bark of official magnolia, interior eardamom, Chinese pines, palm, and fibre plants. On the basis of scientifically testing the bearing capacity of the ecosystem, the nature preserve administration has gradually been able to use wild fauna and flora within controlled limits to bring about favourable economic returns and ecological benefits.

The regulations of the Fujian Wuyi Mountain Nature Preserve stipulate that the felling, production, processing and marketing of timber and bamboo in the area are managed by the nature preserve administration in accordance with the annual felling quota assigned by the provincial government. On the basis of scientific determination, trees and bamboos to be cut are marked in order to prevent wanton felling.

The strict management of the nature reserve has prevented major violations of the regulations on hunting, gathering species and harvesting of trees.

Terraced fields on Wuyi Mountain.



WAN XIN

Scientific Research

In June 1976, over 100 scientists and technicians from Fujian, Beijing, Shanghai, Tianjin, Guangzhou and Nanjing came to the Wuyi Mountain to begin a ten-year-long scientific survey organized by the Fujian Science and Technology Commission and the Association for Science and Technology of the province. A total of 1,000 experts and survey workers from 43 units conducted research on animals, plants, insects, ecology, vegetation, bryophyte lichen and fungus. They collected 1.1 million specimens and discovered



A sea of clouds over Wuyi Mountain.

WAN XIN

two new families, 16 new genera and 321 new species of animals. The ten years of scientific survey became a main source of the publications *Fujian Annals of Insects*, *Fujian Annals of Plants*, *Fujian Annals of Medicinal Plants* and *Fujian Rare Animals and Plants* and other reference books.

In November 1988, the forest department of the Fujian provincial people's government invited more than 20 experts and professors from all parts of the country to study and discuss the protection, scientific research, development and utilization of natural resources in the Wuyi Mountain nature preserve. They called for active scientific research and the application of scientific results, under the prerequisite that natural resources are effectively protected, scientific research is institutionalized and the natural resources are rationally used.

To realize this goal, the preserve has conducted a comprehensive scientific survey and a step-by-step investigation of the variety and number of animals and plants. Since April 1990, all the scientific and technological

workers under the preserve's administrative bureau have made use of satellite pictures to investigate in detail forest types, the reserves of timber and the ecological environment in different areas of the preserve. They have set up a forest resource record and provided a library of vegetative pictures and 120 blots of field samples. A supervisory and monitoring system has also been set up. Most of the work was completed last year.

In the preserve's experiment area, there is a large tract of verdant bamboo—the result of an experiment conducted by experts from the Nanjing Forestry University and the nature preserve to raise the output of the plant. "The experiment will soon bring about economic benefits," said Xie Zhixing, director of the nature preserve's administrative bureau. "At present," he said, "there are 4,667 hectares of bamboo in the experiment area with a density of 2,100 bamboos per hectare. In the next five or ten years, new production technology will be popularized in the preserve and the density of bamboo will be increased to 3,000 to

3,750 per hectare. Overall bamboo trees in the experiment area will reach 14—17.5 million, with an annual output of 2.8—3.5 million."

On Xie's desk there is a list of the major research projects to be completed before 1990. Speaking about the future development of the preserve, the director, excited and confident, said, "There is much to be done," he said.

International Co-operation

In May 1989, Professor Van Den Broek, on behalf of the Holland-based International Institute for Aerospace Survey and Earth Sciences and Han Qunli, on behalf of UNESCO, made a special trip to the preserve to choose an investment project for the geographical information system. After a careful investigation of the natural conditions and the quality of the working staff, they found the condition satisfactory for co-operation.

In July 1990, the two sides began a five-year programme of co-operation. The above-mentioned two international organizations, the forestry department of the Fujian provincial government and the Wuyi Mountain Nature Preserve, jointly held a one-week training course in October 1990 on the use of geographical information system in the preserve. About 40 technical and managerial personnel attended the training course.

In November this year, the preserve will send two technicians to Holland to study geographical information technology. Beginning in 1992, international organizations will invest a large sum of money to equip the preserve's management system with advanced computers. The Chinese side will provide qualified personnel to collect geological, hydrologic and animal and plant data. They will

set up a comprehensive data base for the gradual implementation of scientific management in the preserve and integrate the preserve into a geographical information system training centre for Southeast Asia.

Farmers in the Preserve

There are 40 villages in the preserve, with a total population of 2,000 people.

The establishment of the preserve naturally will have an impact on the local farmers' life. The local people, fearing that they could not cut wood or hunt on the mountain as freely as before and that their life would be affected, rushed to fell trees extensively in late 1979.

Aware of the serious consequences of such actions, the administration publicized the importance of the protection of forests. They sent film projection teams to popularize forestry knowledge and held more than 100 meetings of grass-root cadres to explain the policy to the farmers.

In order to compensate farmers for their decrease in income resulting from restrictions on

large-scale wood-cutting, the administration, from 1980 to 1985, encouraged farmers to collect the dead wood and unused wood on the mountain. As a result, more than 10,000 cubic metres were collected, giving the farmers an income of more than 2 million yuan. The farmers gradually changed their attitude. For example, villagers in the Changjian Village, Huangkeng Township of Jianyang county, were strongly opposed to the inclusion of the village-owned forest into the nature preserve. However, one year later, seeing that the establishment of the nature preserve not only protected resources but also increased their income, they voluntarily requested that more of their forest be included into the preserve.

Compared with other plants, bamboo grows quicker and has a higher economic effect. So the preserve's administration helps the farmers improve management of the bamboo forest and expands the high-yielding area. At the same time, they also helped farmers set up various processing factories to produce bamboo chopsticks and other ar-

ticles. They helped the local people upgrade their tea production technology and equipment and opened channels for the sale of tea on the world market. In addition, they also showed the farmers how to make use of the waste land to plant trees, flowers and medicinal herbs and for animal and fish breeding. Starting in 1985, the state allocated 125 tons of grain to the farmers in the preserve annually.

Before the establishment of the nature preserve, the annual per capital income in the area was only 200 yuan. Today, the figure has jumped to 1,000 yuan. Many families are now equipped with TV sets, refrigerators, washing machines and other electrical appliances; some have even bought cars and motorcycles.

In Nanmu, a small village in the preserve, the main street is flanked with shops. Popular songs wafted by the breeze from recorders of local residents' homes remind visitors of the village's closeness to the outside world. There are 278 households in the village, a total of 1,400 people. After the establishment of the nature preserve, the village has set up a bamboo article factory, a tea processing factory and a supply and marketing department.

"Trees would have been heedlessly cut down and today's prosperity would be out of the question if the preserve had not been established," said Yang Haigen, head of the village. "The villagers now understand the importance of the preserve and enjoy the benefits it provides them."

In the separation workshop of the village's tea processing factory, young girls, in their white working suits, were busy with their work. The factory was founded in 1988 and its high-quality products are exported to Britain and enjoy a good market.

A forest ranger of the Wuyi Mountain area.

FENG JING



China Protects Intellectual Property

China is improving its protection of intellectual property in order to provide legal guarantees for intellectual property from the United States and other countries. Zhao Chengbi, director of the Treaty and Law Department of the Ministry of Foreign Economic Relations and Trade, noted that China is now deliberating regulations for implementing Article 53 of the Copyright Law concerning the protection of computer software. The regulation, he said, will soon be promulgated and implemented. In addition, the Patent Law promulgated in 1984 will be updated.

Although some foreigners still have different opinions on the question of the length of time for protection of computer software, he said, China is very quick to offer such protection. The protection for medicinal and chemical products is a very complicated problem. Though some countries provide protection and others do not, China is now considering how to protect these products. But, establishing a protection system requires time.

Since it opened to the outside world in 1979, China has conscientiously provided cover for the intellectual property while strengthening economic and technical co-operation with other countries. For example, China formulated the Trade Mark Law in 1982, the Patent Law in 1984 and the Copyright Law in 1990. The legal system for the protection of intellectual property has been established step by step.

Statistics indicate that by the end of last February China had received 170,000 patent applications, more than 60,000 of which have been patented. Of more than 30,000 foreign patent applications already received, some

9,300 are from the United States, 1,456 of which have been put under patent protection. More than 30,000 foreign trade marks have been registered in China and some 12,000 approved. In addition, China has also strengthened its judicial work, set up courts to handle disputes over intellectual property so as to protect the legal interests and rights of intellectual property owners.

In order to expand the protection of intellectual property and advance towards international standards, China has joined the World Intellectual Property Organization, the Paris Convention for Protection of Industrial Property and the Madrid Agreement Concerning the International Registration of Marks. Currently, China is preparing to join the Bern Convention for Protection of Literary Artistic Works and to meet with some countries to discuss how to better protect intellectual property.

by Yao Jianguo

Shanghai Silk Exports Promising

Despite the slump on the international silk market, the Shanghai Silk Import and Export Corp's (SSIEC) exports reached US\$421 million in 1990, an increase of US\$6 million over 1989. Once again, SSIEC's exports made it Shanghai's top foreign trade company.

According to Liang Dongyao, the corporation's general manager, the main reason for the steady growth of the corporation's exports in recent years was its switch from exporting chiefly raw materials and semi-finished products to increasing exports of processed products. The export volume of finished products leaped from 19 percent in 1979 to the present 70 percent of the total, ranking first among similar trades nationwide.

The corporation has also

strengthened its co-operation with world-famous fashion designers such as France's Pierre Cardin, America's Liz Claiborne and Lloyd Williams, Japan's Hanae Mori, Kimijima and Hiroko Koshino. It combines internationally popular fashions with Shanghai's traditional workmanship, using famous brand trademarks and processing with supplied material. It has continued to upgrade the quality of its products to face the fierce competition on international markets.

At the same time, Liang added, the corporation organizes fashion shows abroad and has sent a bevy of models to give on-the-spot fashion shows. It airlifts its newest designs in special containers so that they can be displayed in overseas shops within five to seven days after leaving the factory. This rapid transportation and display system has broadened sale channels and helped to place a number of products in the American, Japanese, West European and Hong Kong markets.

The corporation has established trade relations with over 1,500 businesses worldwide and has extensive business contacts with ten large Japanese firms. In 1990, at the first China Silk Garments Osaka Exhibition held in Japan, the corporation's mid- and high-class silk garments were warmly received by Japanese clients. Some US\$4.95 million worth of products were sold, half the total amount garnered by China's participating companies. The corporation's volume of business with Japan's largest department store, Mitsukoshi Co., brought in one million US dollars.

Established in 1949, the Shanghai Silk Import and Export Corp. is the oldest silk importer and exporter in the country. Over the past 40 years, its exports have amounted to US\$8 billion, 11 percent of Shanghai's total.

by Lou Linwei

Good Morning, Beijing

Apart from bicycles, public the bus is the second important means of transportation for millions of Beijingers. *Good Morning, Beijing*, a film produced by the Youth Film Studio, tells the story of a bus driver and two conductors.

Each day, early in the morning, Wang Lang, the male conductor, waits for his female colleague Ai Hong near the latter's home to go to work together. One day, they meet a new bus driver, Zou Rongqiang. Ai Hong instantly shows her fondness for the good-looking young man.

The bus leaves the station to make the daily route. Zou is skillful and confident at the wheel. But Ai Hong is a little absent-minded: sometimes she polishes her fingernails and leans out the window, looking longingly at the fashionable dresses in the street stalls. Wang Lang, active and humorous as usual, jokes with his passengers while giving them tickets. In his words, he feels excited as soon as he gets on the bus.

Then a young girl named Zi Yun gets on the bus. She was Ai Hong's classmate. Ai Hong is envious of her classmate's fashionable clothes. When Zi Yun tells Ai Hong she was working for a foreign-funded venture and earning a high salary, Ai Hong feels ashamed of her job.

The next morning, Wang Lang, as usual, comes to meet Ai Hong. But Ai Hong does not appear. When Wang Lang arrives at the company, he finds Ai Hong talking happily with Zou Rongqiang. Wang Lang, unhappy with what he saw, fails to laugh and joke that day.

One morning, Ai Hong happens to come across Zou Rongqiang in a department store. The two, with

a tacit understanding, go shopping together. Ai Hong is fascinated by the fashionable clothes but has no money to buy any. Seeing people spending money so freely, Ai Hong dreams that one day she might also make a fortune. She asks Zi Yun to help her. She hopes that Zou can understand her desire but Zou disappoints her.

Wang Lang, after two days' absence, returns to work. Zou, now being treated coldly by Ai Hong, cannot concentrate at the wheel which leads to an accident.

One day, Ai Hong comes across



LU YUZHOU

A scene from "Good Morning, Beijing."

a good-looking young man named Chen Mingke who claims to be a foreign student from Singapore. Chen says he loves Ai Hong and gives her a gold necklace, a tape recorder and many other gifts. The two often go to dinner together. Ai Hong totally loses herself in happiness and puts her old friends aside.

When she is pregnant and asks Chen to marry her, she discovers that her foreign boyfriend is actually a private pedlar. Zou Rongqiang and Wang Lang, hearing the news, give Chen a good beating. Ai Hong has to quit her job.

One year later, on an early winter morning, Ai Hong, who has become a private pedlar herself, happens to get on Zou and Wang's

bus. She is carrying a large bag of clothes. When Zou and Wang help her get off the bus, they see Chen Mingke, who has come to meet Ai Hong, his wife, at the bus stop.

The story is simple and ordinary. It has no dramatic confrontations except for some of life's minor conflicts among three young men and a young woman. However, it makes a statement about today's Chinese society. Zhang Nuanxin, director of the film, said, in today's China, the original state-planned economy is being transformed into a multi-form economy, made up of collective, private and state enterprises. During the transformation, some

people have made great fortunes while many others are facing new challenges and opportunities. What the film depicts is people's behaviour and state of mind within such a social context. It focuses on the different fates of several young people during the reform and gives an insight into Chinese society in an age of reform. In such a period, people have to face the reality of finding the best job to make money for a better living. Although

such a reform is mostly economic, it nevertheless has great impact on people's lives both materially and spiritually. This is one of the main social realities of China in the late 1980s and is one of the key problems affecting the lives of ordinary people, Zhang added.

Zhang said, in such an age, there are some people who try every possible means to seek after a new life, and there were people who stick to their own ethical codes and social responsibilities. You cannot say who is right or who is wrong. Therefore, the film takes a lenient attitude towards the life styles of different people.

Zhang Nuanxin is a well-known Chinese film director. Her work includes *Sha Ou*, a film about the life story of a Chinese women vol-

leyball player, and *The Sacrifice of Youth*, depicting a girl student who went to the countryside to be re-educated by the peasants. Both films have won wide acclaim. This time, Zhang has again shown her unique style and creativity in *Good Morning, Beijing*. Xie Fei, a well-known Chinese director, said, "It is an excellent film. The director shows a high level of craftsmanship by producing a film which has a humorous and simple style and a realistic charm." Other critics praise the film's cinematography and sound effects.

Zhang Nuanxin, who graduated from the prestigious Beijing Film Academy in the 1960s, said, "In the film, I tried to create a romantic and natural style combined with an effect of light comedy. I paid less attention to the dramatic effect and emotional quality. I wanted everything to go smoothly like ordinary life."

Based on such principles, Zhang used real life scenes and natural light in the film, trying to achieve a documentary effect. Like her two previous films, *Good Morning, Beijing*, has become one of the best loved films in China. Some bus drivers and conductors said, "The film is real and natural. The story happens among us everyday. The people in the film are no other than ourselves."

The actors and actresses of the film demonstrated their artistic talents in the film. Ma Xiaoqing, who played Ai Hong in the film, is only 22 years old, but this is her tenth film. She said, "My task is to give a real and consistent portrayal of the character of Ai Hong. I lent my eyes, my mouth and my body to her; We shared laughter and tears."

Jin Qianfeng, who played Wang Lang, is a student at the performing department of the Beijing Film Academy. Although it is his first film he has done a good job.

Wang Quanan who played Zou Yongqiang and Jai Hongsheng

who played Chen Mingke are promising young actors.

"The young actors and actress all added colour to their characters," added Zhang Nuanxin.

by Hong Lanxing

Chinese Women Excel in Speed Skating

Zhang Yanmei won the gold in the women's 500-metre event at the Short-Track World Speed Skating Championship in Sydney, Australia, on March 22. Zhang was timed at 47.08 seconds to beat the previous world mark of 47.77 seconds—the only renewed world record at this championship. One month ago, Wang Xiulan, one of Zhang's team-mates, achieved a good result in 46.93 seconds at the National Winter Sports Meet in Harbin, north China.

In just nine years, Chinese short-track speed skating has made eye-popping progress. Of all the skating and skiing events in which China has participated, the short-track speed skating has become the strongest, developing its own technical style. Especially the women's team has reached the world level. In 1987, Li Jinyan beat the previous women's 3,000-metre speed skating world record at the Sixth National Winter Sports Meet; in 1988, Li Yan captured the crown of the women's 1,500-metre performance and broke world records for 1,000 metres and 1,500 metres at the Calgary Winter Olympics in Canada; in 1989, Guo Hongru won the gold at the World Championship women's 3,000-metre event. From these achievements the progress of the Chinese women's short-track speed skating can be seen.

Short-track speed skating will be formally listed as a competitive event at the next winter Olympics. Zhang's participation at the Sydney championship was actually a qualifying meet for the 1992 Al-

bertville Winter Olympics in France at which the women's short-track speed skating is regarded as a critical event to win golds.

Early in 1985, short-track speed skating was listed as one of China's 18 key training events. Experts say that the Chinese are strong in the starts, straight skating, curve skating, passing and sprinting that not only require strength, but also agility and tactical awareness. At present, except for passing, the Chinese athletes have now gained enough experience to fully demonstrate their abilities. ■

News in Brief

A high-quality computer programme called the "highly compressed Chinese font library," instrumental for wider application of computers, was recently developed and patented in China. This achievement marks a new era for China's computer font industry.

The Chinese font library is a product of collaboration of Professor Xie Kezhong of the Department of Computer Science of the Central South China Engineering Institute in Hunan Province and the Beijing Xianfeng (Pioneer) Corp. By compiling the Chinese font step by step, the programme has compressed 6,700 Chinese characters, four typefaces and 16 fonts into a set of character codes that is stored on three integrated chips, each the size of a stick of chewing gum. The computer programme is capable of creating 100 characters per second. The font library is compatible with all kinds of computers, and can do the whole process from operation to display to output in Chinese. Compared with similar programmes, the capacity of the font library is three to four times greater while the cost is two-thirds less.

by Zhou Tao

Pace-Setting Tourism Employees

Wang Ping, the 27-year-old restaurant attendant of the Xian Hotel, is one of 292 model workers who won awards by the National Tourism Administration and the Chinese Finance and Commerce Trade Union.

Since Wang Ping joined the hotel work in 1982, she has hosted many foreign tourists and won praise of all of the guests. As a hotel attendant, she feels it is not enough to be courteous and follow all the rules; she also relates to tourists on a one-to-one basis and treats them with a cordial warmth not usually found in tourism workers.

Not long after she began her job, she met an Australian couple who were having dinner with their three children. To let the couple have a good time, Wang Ping played with their children and helped them with their food. The couple was deeply appreciative and, on their return home, wrote a letter expressing their gratitude to her.

In January this year, a Spanish tourist group came to her restaurant. Their long journey had tired them and they had no appetite. To liven up the atmosphere, Wang Ping went to their table, teaching each guest how to use Chinese chopsticks. At the same time she persuaded them to take some mineral water or beer before their meal. She then served a fruit desert earlier than was scheduled. She taught them a few words of simple Chinese during the dinner. The group had an enjoyable time and, by the time they left the

restaurant, were in high spirits.

Wang Ping has studied the customs and habits of the people of different countries and regions and the psychological features of people of different age groups in order to cater to each person's particular needs. In one minute, she can walk 114 metres while holding a tray. She can also fold a napkin into more than 110 shapes, more than anyone else in the hotel.

But her life has not been without difficulties. In 1988 her husband fell ill, suffering from a rare disease, and it was difficult for him to care for himself at a time when their child was just two months old. She has to take care of her ill husband, do all the house chores and look after her child. Matters took a turn for the worse last autumn. She could not go home at her usual time because the restaurant had a banquet and so she asked her father to pick up her child from the kindergarten. Her father was struck by a motorcycle on his way to the kindergarten and has not yet recovered from a bone fracture.

A person of strong willpower, however, Wang Ping did not let all the unfortunate events affect her enthusiasm for her work, continuing on as though nothing has happened to her.

Although she has won several awards, she receives the same pay as her co-workers in the hotel.

Excellent Service

The Sixth Floor Group of the western building of the Dong-

fang (Orient) Hotel in Guangzhou is one of the country's 64 most advanced collectives engaged in the tourist business. The 24-member group takes care of 82 suites. They are never satisfied with simply fulfilling their routine tasks, however, but consider a satisfied guest as their goal. This is reflected in the 1,132 letters of commendation they received in 1989 and 1990.

An UN official lost his marriage ring and called the group for help in Beijing. Attendants searched the room in which he had stayed several times and eventually found the ring in the pipe below the wash basin. The official was quite happy to learn his ring had been found.

These pace-setters who demonstrate their devotion to tourism represent the main stream of the 1.6 million tourism personnel, said Liu Yi, director of the National Tourism Administration.

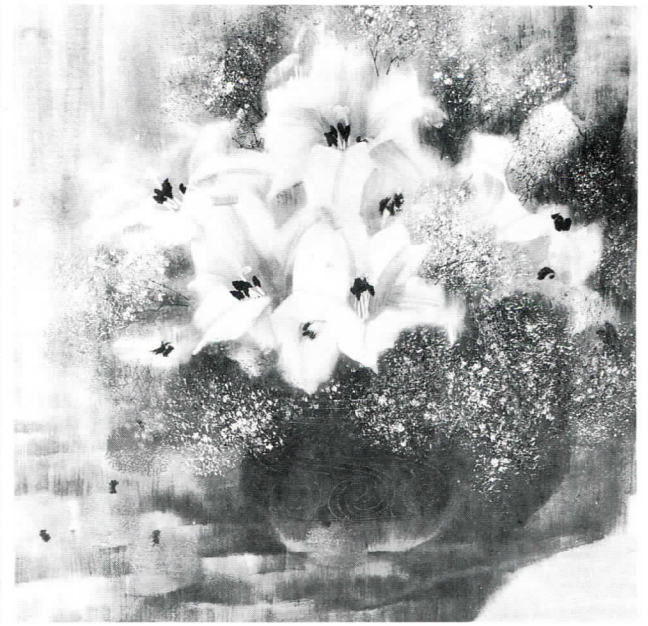
Director Liu also said that such excellence is in part due to two years of training and reorganization which has remarkably improved services. Although a few people still ask for tips, retain commissions and exchange foreign currencies illegally, such actions are not allowed, Liu emphasized.

Moreover, Liu pointed out, all tourist enterprises in China, both the state or foreign-funded, are prohibited from engaging in any activity involving prostitution, gambling and drugs. ■



Herds girl Playing the Flute.

by Chen Yadan



Lilies.

by Pang Yuan



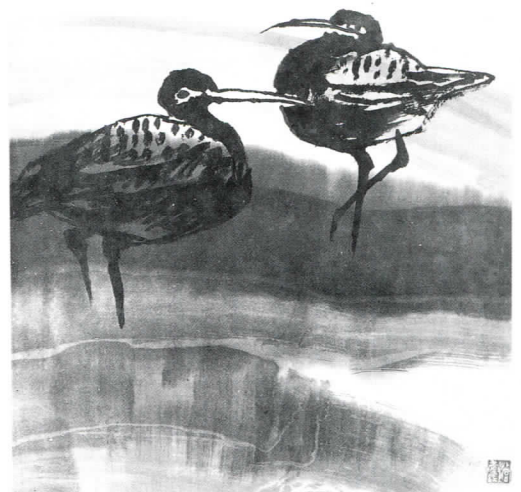
Mother and Son.

by Wu Manyi

ART PAGE

Women's Paintings

These works were chosen from a recent women's Chinese Painting Exhibition at the art gallery of the Chinese Painting Research Institute. These established painters, all of them college art teachers, work in a variety of styles which highlight a feminine perspective.



Water Birds.

by Zhuang Shouhong

いつも暮らしの中に
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