

A CHINESE WEEKLY OF NEWS AND VIEWS

# Beijing Review

北京周報

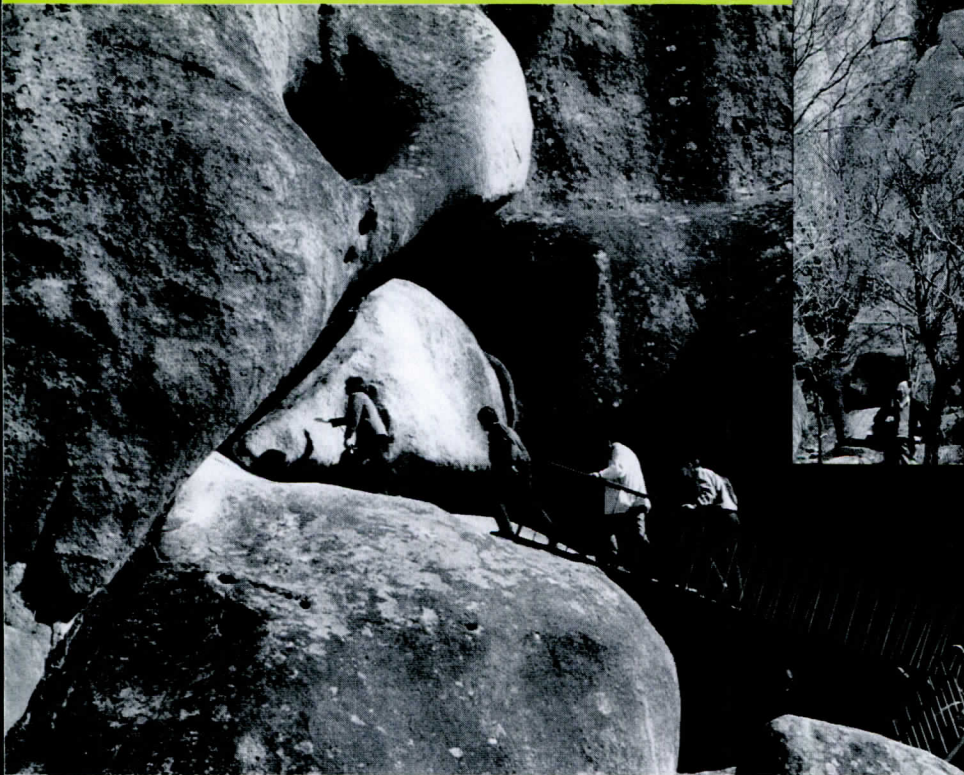
VOL 34, NO. 29 July 22-28, 1991

## BRIDGE BETWEEN DREAM AND REALITY

A Play That Harms All

A natural masterpiece north of Shanhaiguan Pass—the stones on the Beishan Hill at the eastern starting point of the Great Wall are shaped like humans, animals and spirits.

*Photos by Wang Jingui*



# HIGHLIGHTS OF THE WEEK

## MFN Status: To Be or Not to Be

□ The proposition dished up by some US Congressmen to cancel the MFN treatment to China has met with widespread opposition because it harms the interests of China and the United States (including those of its consumers and its enterprises set up in China), as well as the interests of Hong Kong (p. 4).

## An End to Instability in Middle East Urged

□ During his visit to six Middle East countries (July 2-14), Chinese Premier Li Peng exchanged views with leaders of these countries and joint communiques were signed. Middle East issues should be resolved in accordance with the UN resolutions and norms of the International Law, he said, and a new international order should be established on the basis of the Five Principles of Peaceful Coexistence (p. 6 and 9).

## Killer Floods Hit China

□ Eighteen of China's provinces and municipalities have been affected by severe floods, killing more than 1,000 people. Although all the people have been mobilized to combat the excessive water the situation shows little improvement due to continuous heavy rains. The state has appealed to the international communities for urgent relief assistance (p. 5).

## Multi-Party Co-operation and Consultation

□ The system of multi-party co-operation and political consultation under the leadership of the CPC is the basic political system of China fundamentally different from the multi-party or bipartisan system in other countries. Through their participation in and democratic supervision over the state and government affairs in a multifarious way, the democratic parties have a major role to play in China's political life (p. 11).

## Senior Official Talks of Drug Abuse in China

□ In an interview with *Beijing Review*, Vice-Minister of Public Security Yu Lei reveals the drug situation in China, China's efforts to combat drug abuse and willingness to co-operate with the international community to eliminate the problem (p. 16).

## A Bridge Between Dream and Reality

□ Herculean efforts over the past three years came to a triumphant end when the two sections of Shanghai's gigantic Nanpu Bridge were joined. For the city's residents, it was a century-old dream come true. The bridge will help greatly alleviate the city's cross-river traffic problem and make Pudong's investment climate even more attractive (p. 23).

## CONTENTS

### NOTES FROM THE EDITORS 4

A Folly That Hurts Both Ways

### EVENTS/TRENDS 5-8

Nation Pulls Together as Floods Continue

Li Peng Winds Up Middle East Tour

Soliciting Opinions on Macao Basic Law

South Report Emphasizes Solidarity

### INTERNATIONAL

Time to End Middle East Instability 9

### CHINA

Multi-Party Co-operation and Political Consultation System 11

Declaring War on Drug 16

Pudong Construction in Full Swing 19

A Bridge Between Dream and Reality 23

Jiuhua Mountain: A Holy Site of Buddhism 27

### BUSINESS/TRADE 29-31

### CULTURE/SCIENCE 32-34

**COVER:** The Nanpu Bridge of Shanghai—China's biggest fixed-cable bridge.

Photo by Zhang Ping

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# A Folly That Hurts Both Ways

by Our Guest Commentator Zhong Yan

On July 10, US House of Representatives passed by a slim majority a motion opposing President Bush's decision to unconditionally prolong the most-favoured nation treatment to China. Thereafter, the same House of Representatives passed another proposal demanding that the extension of the MFN status should be attached with certain political conditions. This is a dangerous signal given by the Capitol Hill.

Cancellation of the MFN status is a trump card up the sleeves of some US Congressmen out to change China according to their whims. Their action is not only opposed by those who really treasure the Sino-US friendly relationship, but also disapproved by those far-sighted people who have the interests of the United States at heart. President Bush has made a wise decision to extend China's MFN status, but a dwindling number of US Congressmen still obstinately cling to their proposition.

Is the cancellation of the MFN treatment to China a workable trump card? Some people count too much on it. The MFN status in economic relations and trade is, after all, the reflection of a relationship of buying and selling between two parties. It is not an alms. The cancellation of the MFN treatment will of course be a blow to China but does it mean only gain and no loss to the United States? In fact, this will be a blow to the United States itself as well. Let's see the following facts:

First, the United States will lose its markets in China. In the past few years, the United States has always been China's third major trade partner. US exports to China represent 11-13 percent of China's total import value. According to statistics from the United States, US bulk commodities exported to China include: wheat valued at US\$1.1 billion, or 20 percent of total US wheat exports; an expected annual transaction of US\$1 billion worth of aeronautical equipment; chemical fertilizers, US\$480 million; cotton, US\$250 million; timber and paper, US\$260 million, or 10-20 percent of US timber export value; computer and machinery, US\$340 million; acid chemicals, US\$160 million. These exports to China mean job opportunities for 100,000 Americans. China has sent two large purchasing groups to the United States since last year. The second group which recently returned home has bought US commodities valued at US\$1.2 billion

(see report on p. 31).

Moreover, China has mapped out its Eighth Five-Year Plan (1991-95) and Ten-Year Programme (1991-2000) for economic development. According to both ambitious programmes, China's future market will greatly expand and its imports and exports develop rapidly. If the MFN treatment between China and the United States is cancelled, it would be difficult for the United States to set foot on this market with a population of 1.1 billion. This won't be a matter of no concern to the United States which has huge trade deficits and faces serious economic challenges from Europe and Japan.

Second, the United States imports goods worth several billion US dollars from China each year. Statistics indicate that most of these are consumer goods. If the MFN treatment to China was cancelled, the US consumers' interests would be harmed. According to statistics from the United States, Chinese exports to the United States account for one-third of US toy consumption, 13 percent of ready-made garments and 9 percent of shoes. Non-MFN treatment tariff would boost the prices of these products 40 percent on an average. US consumers, especially consumers at the middle and lower strata, will have to increase expenses. According to Voice of America, if China loses its MFN treatment, the influence on imports alone would deprive more than 20,000 American workers of their jobs.

Third, US-funded enterprises in China would be affected directly. Between 1979 and 1990, the United States had 1,309 projects involving a negotiated investment value of US\$4.36 billion in China, making up 10.8 percent of the total negotiated investment value of foreign-funded enterprises in China. These US-funded enterprises use raw materials partly from and resell some of their products to the United States. Cancellation of China's MFN status would create difficulties for these enterprises to import raw materials from and resell their products to United States, thus inflicting heavy economic losses on them.

It can thus be seen that the ploy dished up by these American gentlemen will serve nothing but to harm others and themselves as well. In terms of foresight, they are dwarfed by those entrepreneurs doing business with China who maintain that those supporting cancellation of the MFN treatment to

## Nation Pulls Together As Floods Continue

Floods, by far the worst to hit China in this century, have attacked 18 of the mainland's 30 provincial administrative areas. At least 1,400 people have been killed. Direct losses have amounted to several dozen billion yuan. And the situation is expected to worsen.

On July 11, Vice-Minister of Civil Affairs Chen Hong appealed to the international community for urgent relief assistance for the worst stricken areas in Anhui and Jiangsu provinces in East China. More than US\$200 million is needed to carry out rescue and relief operations there, Chen said.

Torrential rains have been falling along the Huai and Changjiang (Yangtze) river val-



ZHANG SHUGUANG

Army men help evacuate flood-besieged people and their possessions.

leys since May, with the rainy season setting in a month earlier than usual.

The excessive water has killed 337 people in Anhui, 193 in Jiangsu, 323 in Sichuan, 177 in

Hubei, 260 in Guizhou and 101 in Heilongjiang. Tens of thousands have been badly injured.

Even in Beijing, a traditionally arid place, unprecedented downpours along with hailstorms and

China understand nothing about this country. Tuning down trade relations between China and the United States would damage the interests of US consumers; and revoking China's MFN status will be a downright "retrogressive act."

Moreover, as the saying goes, "A city gate on fire causes calamity to pond fish." So the immediate victim to sustain the most serious harm is Hong Kong. According to statistics from the Hong Kong government, China and the United States have goods valued at HK\$91.9 billion transited through Hong Kong, making up 22.2 percent of Hong Kong's total transit trade value. A reduction in or a stop to Sino-US transit trade would not only result in Hong Kong's loss of profits from the transit trade, but would consequently affect the region's own economic development. This, in turn, would adversely affect Hong Kong's trade with the United States. According to materials from the Hong Kong authorities, the United States has 272 companies in Hong Kong, 85 percent of which are related to Chinese trade. Clearly, if the above situation occurs, these companies would immediately sustain the direct impact. This explains why the proposition for cancelling US MFN treatment to China also encounters opposition from Hong Kong.

Some US Congressmen believe that cancellation of the MFN treatment to China would mean a blow which China would be unable to withstand, but they see only one facet of the matter. They do not notice that it would also be a head-on blow to themselves. As to what effect it would have on China, the Chinese government has made it clear that it hopes the matter would be resolved satisfactorily. China has done its best and at the same time has prepared against any bad results. How bad would the result be? Would it be so bad as the situation before the establishment of diplomatic relations or the situation prevailing before 1972? Hadn't the Chinese gone through those adverse circumstances?

Moreover, China's present situation is a world difference from what it was then. Of course, the Chinese do not wish to return to the past, neither do the majority of the Americans like to see some of their Congressmen have their ways. No matter what purpose is driving these people—be it partisan or otherwise—they can end up hurting both ways, the Chinese and the Americans, not to mention many third parties. Let's wait and see what would come out of it in the end. ■

mudflows have killed 22 people since June. Some 870 houses were reportedly washed away and 10,000 hectares of summer crops damaged.

A rough survey indicates that more than 120 million people in the country, more than 90 million of them in Anhui and Jiangsu, have been affected, and several dozen millions are reportedly homeless.

Epidemic diseases like dysentery, and malaria were spreading in the flooded areas due to the use of polluted flood water, Chen said, adding that in some places the incidence was as high as 25 percent.

Preliminary estimates indicate that 60 percent of the summer grain in Anhui and 20 percent in Jiangsu has been ruined. In addition, the floods have damaged, to varying degrees, thousands of factories, hospitals, schools, houses, bridges and irrigation facilities. Railway and highway transportation in east and southwest China has been interrupted. The direct losses are estimated at 30 billion yuan (US\$5 billion).

Despite efforts to divert the flood waters, the water levels are constantly rising in the Taihu Lake in Jiangsu and in the Huai River, hitting a record high. Casualties and damage are rising.

Millions of local residents have been helping combat the floods. More than 500,000 armymen have pitched in.

The Party and state leaders Jiang Zemin and Li Peng inspected the flood-hit areas separately in June and July and expressed sympathy and solicitude to the stranded people.

The central government has

allocated a special emergency relief fund of more than 200 million yuan (about US\$40 million) and 30 tons of relief goods to help disaster-stricken residents in Anhui and Jiangsu.

In an unusual move taken on July 10, the Ministry of Commerce permitted the Anhui government to use 250,000 tons of state special reserve grain as food relief.

The People's Insurance Company of China, the country's major underwriter, has already paid out 200 million yuan in compensation, and the sum is expected to be even bigger.

So far, according to relief department officials, more than 150 million yuan in donations have been received or pledged from at home and abroad.

Weathermen report that the flood season has just got underway and will last until August. More heavy rainfalls are expected in parts of Anhui,

Jiangsu, Sichuan, Hubei, Hunan, Guizhou and northeast Chinese provinces in the coming weeks, which means the going ahead will be even tougher.

by Staff Reporter Shuang Yu

## Li Peng Winds Up Middle East Tour

Chinese Premier Li Peng ended his 12-day official visit to the Middle East on July 14 after a one-day visit to Kuwait, the last leg of his six-nation tour which had also taken him to Egypt, Jordan, Iran, Saudi Arabia and Syria.

Li described his visit as "successful" and "fruitful." During his tour, the premier held talks with leaders of the host countries and exchanged views on the establishment of a new international political and economic order, the Gulf situation and other international issues of common concern.

On July 9 Saudi Crown Prince Abdullah Ibn Abdul Aziz, also the first prime minister, meets Chinese Premier Li Peng at Jiddah Airport. QI TIEYAN



Li believes that the new international order should be based on the Five Principles for Peaceful Coexistence and that every country has the right to choose its own social, political and economic systems and develop according to its own conditions.

He said the international economic relations should be characterized by justice, reason, equality and mutual benefit and the equal exchange of value.

"China opposes the concept of the so-called world order in which world affairs are manipulated by a big country or a small number of countries," the premier said in one of his speeches.

Li also stressed that the United Nations should play a more important and active role in the future new international order.

The Chinese premier said it is high time that the Middle East issue, including the Palestinian issue, was resolved, and the key to settling the issue lies in Israel's withdrawal from the occupied Arab territories and the restoration of the national rights of the Palestinian people.

As a permanent member of the UN Security Council, Li said, China is willing to play a bigger role in pushing ahead the peace process in the region.

When talking about the arms control in the Middle East, the Chinese premier said that it should be conducted in an equal, reasonable, comprehensive and balanced way and that in this regard double standards can get nowhere.

The region should be free from nuclear, biological and chemical weapons, he said,

and the arms control should be linked with the region's peace process. Only thus can peace be realized in the Middle East, he said. ■

## Soliciting Opinions On Macao Basic Law

A committee for the drafting of the basic law of the future Macao Special Administrative Region (SAR) has come up with a draft version for soliciting opinions, according to an announcement issued during a drafting committee meeting held in Beijing from July 9 to 13.

The draft includes a preamble and 145 articles in nine chapters. It stipulates that the future Macao SAR will exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power. It will make its own policies concerning tourism and entertainment (The full text of the Draft Basic Law of the Macao SAR for Soliciting Opinions will be carried in the next issue of *Beijing Review*).

The drafting committee is composed of experts, scholars and officials from the mainland and representatives from various circles of Macao. A group of committee members from the mainland will arrive in Macao in September to collect public opinions and suggestions. A 90-member consultative committee has also been formed in Macao to hear the local people out.

The secretariat of the drafting committee will sort out the opinions and suggestions and present them to the committee's subordinate bodies so

that a revised version of the basic law will be submitted to the next session of the committee for deliberation.

Two more committee meetings will be held in 1992 and 1993 in order to finalize the draft before submitting it to the National People's Congress for examination. ■

## South Report Emphasizes Solidarity

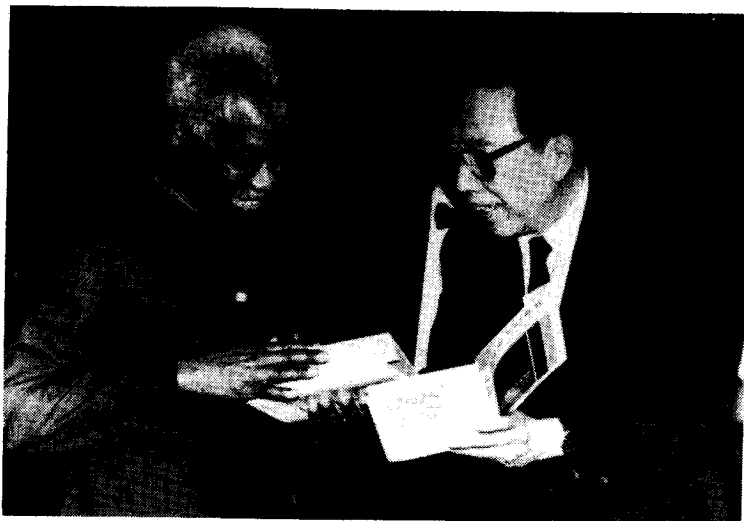
The Chinese edition of the South Commission's report *Challenge to the South* was launched at a special ceremony in Beijing's Great Hall of the People on July 8.

Commission chairman Julius K. Nyerere explained the main contents of the report to an audience of some 500 people, including members of the South Commission, representatives of United Nations organizations and foreign diplomatic envoys in Beijing.

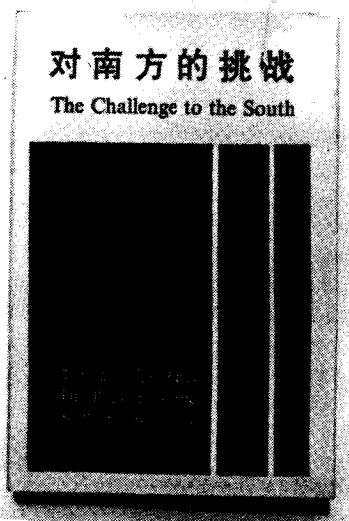
The report, published last August after three years' work by the South Commission, reviews the history of the development of the countries in the South (developing countries), analyzes their problems and puts forward a development strategy which emphasizes self-reliance and the pivotal role of the people.

It appeals to the developing countries to strengthen South-South co-operation and collective self-reliance, work together to push forward North-South negotiations and strive for a new international economic order.

The report puts forward a series of formulas to realize these goals.



Vice-Premier Wu Xueqian and South Commission Chairman Julius K. Nyerere exchanging copies of the Chinese edition of *Challenge to the South*.



The Chinese edition.

Ending his speech, the former President of Tanzania said that the commission regards China as a major pillar of the South.

"Without China, the South would be weaker than it needs to be," he said.

Chinese Vice-Premier Wu Xueqian described the report at the ceremony as an "outstanding document" outlining

这部著作为推动  
南南合作发挥了重要  
的作用。

李鹏  
1991.6.20

CHEN ZONGLIE  
Chinese Premier Li Peng's signature  
and inscription to the Chinese edition  
of *Challenge to the South*.

the efforts of the third world countries to explore their road to development, and reflecting the developing countries' strong desire for peace and development.

Wu expressed the conviction that the report will surely have a great and positive impact on the South countries' development and on the North-South dialogue.

He said that China, also a developing country, has always supported the other developing countries' just position on reforming the unequal and unfair international economic relations.

Wu stressed that the trend of neglecting the South's development problems must be corrected, and that developed countries and other parties concerned should give serious consideration to these proposals and programmes.

Stressing that China always attaches importance to South-South co-operation, Wu said fairly good results have been achieved in the multi-form economic and technical co-operation between China and the other developing countries over the past few years.

"We in China support all the ideas and proposals useful for promoting South-South co-operation, and are ready to join efforts with the other developing countries to explore ways and means to further such co-operation," Wu said.

He presented Nyerere with a copy of the Chinese edition of the report with Chinese Premier Li Peng's autograph and inscription praising the report for its important role in furthering South-South co-operation.

Nyerere gave Li a copy with his own autograph in appreciation of China's commitment to the South's solidarity and co-operation.

The South Commission was established in 1987. During its three years' of work, it gained financial and other support from developing countries as well as a few developed countries. China has donated US\$400,000 to the commission.

by Staff Reporter Li Bin



# Time to End Middle East Instability

by Zhang Xiaodong

At the invitation of leaders of Egypt, Jordan, Iran, Saudi Arabia, Syria and Kuwait, Chinese Premier Li Peng paid official visits to these countries from July 2 to July 14. During his six-nation Middle East tour, Premier Li exchanged views with these leaders on international and local situations, arms control and bilateral relations. They reached an extensive agreement on these issues and released joint communiques.

## The Middle East Problem

The Middle East question was one of the major topics between the Chinese Premier and the leaders of the six countries. They shared the opinion that it is imperative to realize peace and stability in the Middle East. The Middle East and the Palestine problems, as stated in the joint communiques, should be given a fair, comprehensive and permanent settlement in a peaceful way. Efforts for peace are bolstered by China and the six nations which appealed to all parties concerned to co-operate for the settlement of the problems. The ideal way to solve the problems is the convocation, at an appropriate time, of a fully prepared international peace conference on the Middle East under the auspices of the United Nations and with the participa-



On July 3 in Cairo, Chinese Premier Li Peng holds talks with Egyptian President Hosni Mubarak in the presidential palace. WU JIGUO

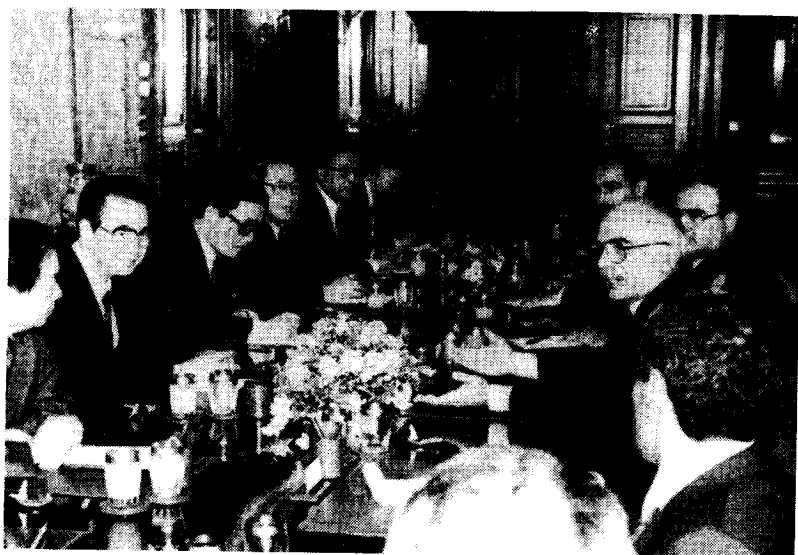
tion of the five permanent members of the Security Council and all the parties concerned, with a view to bringing about a permanent peace in the region on the basis of recovery of the occupied Arab territories and restoration of the legitimate national rights of the Palestinian people in accordance with UN Security Council Resolutions 242 and 338 and of guarantee of the security of all countries and peoples in the region, including Israel.

It is illegal for Israel to build settlements in the occupied Arab territories to accommodate the Jewish immigrants. The Israeli action constitutes a block on the

Middle East peace process and deepens the suffering of the Palestinians.

Leaders of China and Saudi Arabia stressed that the relevant UN resolutions must be abided by and implemented in a bid to realize peace and stability in the Gulf region. They also called for respect for the sovereignty and independence of all countries in this region.

China and Egypt discussed the development of the Gulf situation and they valued the important UN role in removing the negative influence of the Gulf crisis and in building peace and stability in this region.



On July 6, Chinese Premier Li Peng holds talks with Jordanian King Hussein in the royal palace.

WU JIGUO

## New World Order

The current world situation is unstable. Although the United States and the Soviet Union improved their relations and progress has been made in disarmament and settlement of some regional conflicts, obstacles that have negative effects on world stability still exist.

China and the six Middle East nations that Premier Li visited were deeply concerned with the economic deterioration of the developing countries and the expanding gap between the South and the North and the worsening debt problems. They believe that the unreasonable situation must be changed as soon as possible. For this purpose, the South-South co-operation must be first strengthened to realize effective dialogues between the South and the North on an equal footing.

They hold that a new international order should be established on the basis of the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefits and peaceful co-

existence.

They shared the opinion that each country has the right to choose, according to its own will, its own social system. The difference in social systems should not hinder the co-operation and normal relations between countries. All countries, irrespective of their territorial size and national strength, have the equal right to participate in the discussion and settlement of world affairs.

They believed that all international disputes should be unraveled in a peaceful way within the framework of the United Nations Charter and in accordance with the norms of international law.

## Arms Control

The arms control in the Middle East, as the joint communiques pointed out, should be based on a balanced, comprehensive and effective approach, which shall apply to all the countries in the region with no exception. China and the six countries support complete prohibition of all weapons of mass destruction, for example, nuclear weapons.

China supports Egypt's proposal to establish in Middle East a zone free from weapons of mass destruction.

## Bilateral Relations

China and the six Middle East nations have traditional friendly relations. The exchange of visits between leaders is conducive to the further development of political, economic, trade, scientific and cultural ties between China and these countries. It also contributes to world peace and development.

During Premier Li's Jordan visit, an agreement on co-operation in science and technology between the two governments was signed. According to the agreement, both sides will, on the basis of equality and mutual benefit, carry out scientific and technological co-operation to promote the development of science, technology and the economy.

China and Saudi Arabia hoped to sign an agreement at an early time concerning co-operation in economy, trade, investment and technology.

China has paid attention to its relations with Syria and highly praised the achievements gained by the Syrian government and people in maintaining state sovereignty and national independence, in developing its national economy and improving the people's living standard under the leadership of President Hafiz al-Assad.

The Chinese Premier, during his talks with Kuwaiti Emir, congratulated the restoration of Kuwaiti sovereignty and the return of the Emir to the country.

Premier Li Peng said that China is willing to join in the rebuilding of Kuwait to show its support for the Kuwaiti people in the reconstruction of their country. ■

# Multi-Party Co-operation and Political Consultation System

by Ding Guangen

*The system of multi-Party co-operation and political consultation under the leadership of the Communist Party of China (CPC) is the basic political system of China. The leading position of the CPC is determined by China's historical and actual conditions. Through their participation in and democratic supervision over the state and government affairs in a multifarious way, democratic parties are the close friends of the Communist Party, working in full co-operation for the cause of socialism.*

The system of multi-Party co-operation and political consultation under the leadership of the CPC is the basic political system of China and has taken shape and developed during the long years of revolutionary struggle and socialist construction. Before the founding of the People's Republic of China in 1949, the CPC had forged co-operative relations with the China Revolutionary Committee of the Kuomintang, the China Democratic League, the China Democratic National Construction Association, the China Association for Promoting Democracy, the Chinese Peasants' and Workers' Democratic Party, the China Zhi Gong Dang, the Jiu San Society, and the Taiwan Democratic Self-Government League.

The various democratic parties and people without party affiliations are the CPC's close comrades-in-arms and have stood together with the CPC through thick and thin and constitute a significant force in China's patriotic united front. They made great contributions to vic-

\* The author is head of the United Front Work Department of the Central Committee of the Chinese Communist Party.



Ding Guangen. XINHUA

tory in the new-democratic revolution and the founding of the People's Republic. After the birth of New China, leading members of the democratic parties and representative people without party affiliations have assumed important posts in the organs of state power and the Chinese People's Political Consultative Conference (CPPCC). After China's socialist transformation was in the main completed and the socialist system was basically established in 1956, the CPC, in accordance with the theory of Marxism-Leninism on the united front and China's actual conditions, put forward the principle of "long-term co-existence and mutual supervision."

Since the Third Plenary Ses-

sion of the 11th Party Central Committee held in 1978, multi-Party co-operation and political consultation under the leadership of the Communist Party have entered a new historical stage. In accordance with China's class situation, the change of the main contradictions in society and the shift in the focus of the Party's work, Deng Xiaoping put forward the nature, principle and task of the united front in the new period. He pointed out that under the leadership of the CPC, the implementation of the multi-party co-operation is a characteristic and advantage of China's political system. The democratic parties are political alliances of socialist workers and pro-socialism patriots with whom these parties maintain their respective ties. They are political forces working for the cause of socialism under the leadership of the CPC. The 12th National Party Congress held in 1982 defined the principle of "long-term coexistence, mutual supervision, treating each other with all sincerity, and sharing each other's weal or woe" and determined to strengthen the Party's co-operation with various democratic parties and people without party affiliations. The 13th Na-

tional Party Congress in 1987 clearly put forward the principle that the system of multi-Party co-operation and political consultation under the leadership of the Communist Party is a basic political system of China and that to persist in and improve the system is a major part of China's political structural reform.

Since the Fourth Plenary Session of the 13th Party Central Committee held in June 1989, the CPC Central Committee headed by Jiang Zemin has attached great importance to adhering to and developing multi-Party co-operation, and drafted the Guidelines for Upholding and Improving the System of Multi-Party Co-operation and Political Consultation Under the Leadership of the Communist Party. The guidelines summed up the historical experience of the long-term co-operation between the CPC and the democratic parties, further expounded the basic theory and political principle of multi-party co-operation, put forward important measures for persisting in and improving multi-party co-operation, and gave expression to the common will of the CPC, the various democratic parties and people without party affiliations. These guidelines are the theoretical basis and criterion for persisting in and improving the system of multi-party co-operation and political consultation under the leadership of the Communist Party in the new historical period.

China's political party system of multi-party co-operation under the leadership of the Communist Party is the integration of Marxism-Leninism with China's practical experience of revolution and construction. It suits China's conditions and has Chinese characteristics. It has great vitality for strengthening and improving the leadership of the CPC, maintaining the stabil-



XINHUA

On July 12, 1990, on behalf of the CPC Central Committee; Jiang Zemin and Li Peng discussed state affairs with the leading members of various democratic parties, the All-China Association for Industry and Commerce and people without party affiliations.

ity of the country and society, and pushing forward the reforms and the opening to the outside world, the economic development and social progress, socialist democracy and legal construction, and the great cause of reunification of the motherland. This political party system has confirmed the leading position of the CPC in the political life of the state. It does not mean that various parties will take turns to be in power. The democratic parties which participate in state and government affairs and exercise democratic supervision through various channels are close friends of the Communist Party, working in full co-operation with it for the cause of socialism. The democratic parties are not parties "out of office" or opposition parties.

Such a political party system under the leadership of the CPC, as practised in China, is fundamentally different from the multi-party or bi-partisan system in some other countries. We have always advocated that the social, political and the party systems implemented in a country should be selected by the people of the country, and other countries are not allowed to interfere in the process. We have never imposed

China's political party system on others, nor are others allowed to do so on us. Some people have advertised pluralistic politics and the multi-party system of the West and preached the establishment of an opposition party in China. Its essence is to negate the leading position of the CPC in China's state and social life and replace the socialist people's republic with a bourgeois republic. This proposition does not accord with China's specific conditions. It goes against the fundamental interests of the people of all nationalities, including democratic parties, and will go nowhere in socialist China.

### Political Basis

In the new historical period, the unity and co-operation between the CPC and various democratic parties are based on the four cardinal principles (adherence to the leadership of the Communist Party, to the socialist road, to the people's democratic dictatorship and to Marxism, Leninism and Mao Zedong Thought). Adherence to the leadership of the Communist Party is the prerequisite for multi-party co-operation. Deng Xiaoping said, "There are many

parties in China. The other parties in China, however, serve the cause of socialism based on the premise of recognizing the Communist Party's leadership." The democratic parties can develop in their organization and work and give full play to their roles of participating in the state and government affairs and exercising democratic supervision only when they act within the overall framework of multi-party co-operation under the leadership of the Communist Party. There will be no New China without the leadership of the CPC. This is the most fundamental summation of China's revolution and construction, as well as the most profound experience gained by the various democratic parties in their long-term co-operation with the Communist Party.

The leading position of the CPC is determined by China's specific historical and actual conditions. Historically, in semi-colonial and semi-feudal old China, the CPC, integrating the basic principles of Marxism-Leninism with China's specific conditions, defined the revolutionary road and programme, put forward correct targets and propositions based on changes in the revolutionary situation at different historical stages, united with the people of all nationalities to overthrow the "three big mountains" (imperialism, feudalism and bureaucratic-capitalism, which weighed like mountains on the backs of the Chinese people before liberation), and achieved great victory in the new-democratic revolution. In its prolonged revolutionary struggle, the CPC has been supported by the people throughout the country and established its leading position. Handicapped by their own conditions and the social and historical conditions of that time, the democratic parties could not become a powerful political force and

needed to see additional support. The national democratic revolution led by the CPC also needed to unite with all possible forces and establish a broad united front. In their long-term political practice, particularly in the decisive battle over which road China should take, the democratic parties chose the leadership of the Communist Party and became allies of the Communist Party.

China is a socialist country under the people's democratic dictatorship led by the working class and based on the worker-peasant alliance. A staunch political party regarded as the core of leadership of the people of all nationalities is needed for the socialist modernization drive in China, a multi-national country with a huge population, vast territory and uneven economic development. Only the CPC could become the core of leadership for the whole Chinese people. As Deng Xiaoping noted, "China is led by the Communist Party and China's socialist modernization programme is also led by the Communist Party. There can be no vacillation on this principle. If this were to happen, China would fall back to the state of split and turmoil and it would be impossible for China to realize modernization." China's multi-party co-operation under the leadership of the Communist Party has long been accepted by the Chinese public, including the various democratic parties.

### Participation

Democratic parties which accept the leadership of the Communist Party and participate fully in the state and government affairs and exercise supervision are a major part of a Chinese-type political party system, one markedly different from the multi-party, bipartisan or one-party system practised in other

countries.

The basic points of the democratic parties' participation in state and government affairs are: joining the organs of state power; participating in consultations on major state principles and policies and on the candidates of state leaders; participating in the administration of state affairs; and participating in the formulation and implementation of state principles, policies, laws and decrees.

The participation in state and government affairs by democratic parties is rich in content, multifarious in form, and remarkable in the success it has achieved. Among the deputies to the National People's Congress (NPC), the NPC Standing Committee, members of the NPC special committees, as well as deputies to the people's congresses at the provincial, regional, municipal and county levels, members of the democratic parties and people without party affiliations make up a proper proportion. Among the members of the Standing Committee of the CPPCC and the leading members of the CPPCC, members of the democratic parties and people without party affiliations also constitute a certain proportion. Members of the democratic parties and people without party affiliations have been elected to leading positions of the State Council, various ministries and commissions, the people's governments at and above the county level, and related departments, and have been invited to advise or participate in consultation work. The related members of the democratic parties and people without party affiliations have been invited to attend plenary and related meetings of the State Council and the local people's governments at all levels as non-voting delegates to discuss important matters.

Democratic parties actively participate in various activities

in the construction of the material civilization as well as in cultural and ideological construction, conduct economic, scientific and technological, educational, legal, medical and cultural consultations and social service work, promote contacts with compatriots from Taiwan, Hong Kong and Macao, overseas Chinese and foreign nationals of Chinese origin for the development of economic, scientific and technological and cultural exchanges, thus contributing to the modernization drive and to the great cause of reunifying the motherland and opening wide vistas for their participation in state and government affairs.

The participation in state and government affairs by democratic parties means that in the course of perfecting the democratic decision-making and supervision system by the CPC and the government, democratic parties and people without party affiliations will play their due role. It does not mean a distribution of seats among parties. Like other deputies, deputies of democratic parties to the NPC conduct their activities in the NPC in accordance with the Constitution and other related laws. When members of the democratic parties are elected to the leading posts of the organs of the

state, they, of course, continue to maintain their relationship with their parties organizationally and ideologically. However, it does not mean that they work in state organs on behalf of the democratic parties.

The CPPCC is an important forum for various parties, mass organizations and representatives from various circles to work together in unity and discuss state and government affairs. At CPPCC meetings, democratic parties may speak and put forward motions in the name of their respective parties. Through the patriotic united front of the CPPCC, the democratic parties carry out political discussion and democratic supervision with regard to major state policies, important local affairs, the implementation of policies, laws and decrees, and major issues concerning the people's livelihood and the united front work.

To bring the supervisory role of the democratic parties and people without party affiliations into play is an important link in persisting and perfecting the system of multi-Party co-operation and political consultation under the leadership of the Communist Party. The CPC is a party in power and needs the supervision of the public, including various democratic parties and people

without party affiliations, in order to develop democracy, make possible a free airing of views, and encourage and support the democratic parties and people without party affiliations to put forward their opinions, criticisms and suggestions on the principles and policies of the CPC and the state and on their work in various fields. In order to better implement democratic supervision, a series of important measures have been taken. The NPC has organized deputies from the democratic parties and people without party affiliations to participate in the investigation of important issues; the CPPCC has organized members from the democratic parties and people without party affiliations to participate in investigations and study special topics; qualified members of the democratic parties and people without party affiliations have been recommended for leading posts in the procuratorial and judicial organs, and a number of qualified people of these two categories who have specialized knowledge have been invited to serve as special supervisors, procurators, auditors or educational inspectors. They have also been asked to participate in the investigation of major cases and examine tax collections organized by government depart-

**On May 30, 1991, the People's University of China invites Wan Guoquan, a member of the CPPCC Standing Committee and vice-chairman of the China Democratic National Construction Association, to make a speech on multi-party co-operation.**

YANG LIMING



ments in charge of supervision, auditing or industrial and commercial administration. The inspections, motions and reports made by CPPCC members have been earnestly studied, handled and answered in good time by the related departments. These important measures have played and are continuing to play an important role in promoting the supervisory role of the democratic parties and people without party affiliations and in perfecting the supervisory mechanism.

The supervision of the democratic parties and people without party affiliations helps to improve the CPC leadership and build closer ties between the Party and the masses, develop socialist democracy and make decisions in a democratic and scientific way. "Mutual supervision" is practised in a two-way manner and includes supervision over the Communist Party by the democratic parties and supervision over the democratic parties by the Communist Party. Since the Communist Party is the party which assumes the leading position, it is more important for it to accept the supervision from the democratic parties.

### Democratic Consultation

To build a high-level developed democracy is a long-term target and one of the fundamental tasks for China's socialist modernization drive. The system of multi-Party co-operation and political consultation under the leadership of the CPC is a strong factor in China's socialist democratic political system. Democratic consultation is an important aspect of the system, as well as the main form of the multi-Party system led by the CPC. Through democratic consultations, high-level heart-to-heart talks and discussions on special issues, the principal lead-

ers of the CPC Central Committee discuss major principles, policies and political issues of the state with leading members of the democratic parties and representative people without party affiliations in an unrestrained way. Both speak without any inhibitions and freely air their own views and, by heeding the useful public opinions through consultations, decisions are made in a democratic and scientific way.

The CPC Central Committee headed by Jiang Zemin held 28 democratic consultation and discussion meetings from June 1989 to the end of 1990. At these meetings, Jiang Zemin and other Standing Committee members of the Political Bureau sincerely discussed with the leading members of the democratic parties and representative people without party affiliations the domestic and international situation, the upholding of state stability, further economic rectification and the deepening of the reform, the strengthening of relations between the Communist Party and the masses, as well as personnel arrangement and the overall political affairs of the Party and the state. Since the second half of 1989, the CPC Central Committee has held four plenary sessions and made timely briefings to leading members of the democratic parties and representative people without party affiliations on the spirit of each session. Opinions from the leading members of various democratic parties and representative people without party affiliations were solicited in advance for the speech made by Jiang Zemin at the meeting celebrating



Fei Xiaotong (first right), chairman of the China Democratic League, studying the distribution of natural resources and the socio-economic development on the upper reaches of the Yellow River during his inspection tour of northwest China in 1988. YANG WUMIN

the 40th anniversary of the founding of the People's Republic of China and for the report on the work of the government made by Li Peng at the Third Session of the Seventh National People's Congress. While drafting the ten-year programme and the Eighth Five-Year Plan for China's economic and social development, the leading members of the CPC Central Committee solicited opinions from the principal members of the democratic parties and representative people without party affiliations on four occasions. During the Seventh Plenary Session of the 13th Party Central Committee, Jiang Zemin and other leading members held discussions and once again solicited their opinions. During the Fourth Session of the Seventh NPC and the Fourth Session of the Seventh National Committee of the CPPCC, the CPC Central Committee invited the leading members of various democratic parties and representative people without party affiliations to discuss issues concerning personnel assignments.

The principal leaders of the CPC Central Committee have often had private talks with the main leaders of the democratic parties and representative people without party affiliations, to exchange ideas and discuss prob-

lems with them, or respond with letters to questions they raised. General Secretary Jiang Zemin has had cordial talks with vice-chairman of the NPC Standing Committee Ngapoi Ngawang Jigme, Fei Xiaotong (president of the Central Committee of the China Democratic League) and Rong Yiren (president of the All-China Association for Industry and Commerce). After receiving a letter on religious affairs written by Zhao Puchu, vice-chairman of the Central Committee of the China Association for Promoting Democracy, Jiang answered with a letter in his own handwriting. When Zhu Xuefan, chairman of the Central Committee of the China Revolutionary Committee of the Kuomintang, and Zhou Gucheng, honorary chairman of the Chinese Peasants' and Workers' Democratic Party, failed to attend the democratic consultation meeting sponsored by the CPC Central Committee because of illness, Jiang sent someone to make a special trip to Shanghai to visit them, convey his regards and inform them of the current situation. Li Peng exchanged views and held discussions on many occasions with leaders of the democratic parties and representative people without party affiliations on issues concerning economic work. On January 30 this year, Jiang Zemin invited Zhao Puchu, Ding Guangxun, Zong Huaide, Shen Xiayi and Li Yuhang, leading members of China's five major religious organizations, to Zhongnanhai to discuss religious matters. These activities reflect a strengthening of the system of political consultation and the development of unity and co-operation between the CPC and various democratic parties and people without party affiliations.

*(This is a slightly abridged translation of an article published in "Renmin Ribao" on June 16, 1991.)*

## Declaring War on Drug

—An interview with Yu Lei, vice-minister of public security and secretary-general of the National Narcotics Control Commission

**Question: What is the status quo of drug-related crimes in China?**

**Answer:** At present, illegal drug trafficking is constituting an increasingly grave danger to the international community and drug cartels have become all the more daring in worldwide illegal drug dealings. Opium production in the "golden triangle" of Asia has reached 2,000-2,500 tons. China is situated on the northern border of that triangle. In recent years drugs produced in this area tend to be mainly heroin. Influenced by international drug trafficking, drug abuse and trafficking, which was virtually eliminated after the founding of the People's Republic in 1949, has made a comeback to China.

In 1989 Chinese public security departments and customs seized 289 kg of opium and 561 kg of heroin, a remarkable increase over the previous year. In 1990, more than 700 kg of opium and 1,600 kg of heroin were seized, an increase of 100 percent and nearly 200 percent respectively over 1989. In a single case in early 1990 alone, 221 kg of heroin, 1.6 million Renminbi yuan, seven rifles, 500 bullets, trafficking vehicles and communication instruments were seized.

The new features of drug crimes in China are: First, transit drug trafficking is at the core of the question. The uncovered

cases reveal that the main entry of transit trafficking is in the Yunnan Province, which borders the "golden triangle." The bulk of drugs seen in China comes from this entry. Most of the transited drug flows into the international drug market via China's Guangdong Province, Hong Kong and Macao.

Second, heroin is becoming the major drug being trafficked, and third, the number of drug victims in China is increasing. This can be seen not only in the border areas but also in the inland areas where transit drug trafficking occurs. According to statistics drug-takers numbered 70,000 in 1989.

**Q: How does China treat those drug-takers?**

**A:** Over the last century imperialists launched two Opium Wars against China, reducing China to a semi-colonial and semi-feudal society. The Chinese people suffered profoundly from opium addiction. Shortly after New China was founded, there were 20 million people who regularly took or injected drugs. In February 1950, the Central People's Government issued a notice banning the opium trade and launched a nationwide massive campaign to eliminate drugs. Under the leadership of the Chinese Communist Party and the government, it took only three years to eradicate opium in



China, thus throwing away the old image of China as the "sick man of East Asia." This endeavour received a warm welcome from the Chinese people and was also internationally recognized.

Although drug-taking has made a comeback to China, it is by no means comparable with the situation in the early 1950s. However, the trend is worrisome. The Chinese government has paid great attention to the problem and relevant government bodies have formulated programmes to eliminate the problem. The first thing is to publicize and instill an anti-drug sense among the populace, using prevention as the main therapy. Second, a Research Centre for Drug-Addiction has been established in Beijing and drug-abuse centres have also been set up in Yunnan, Shannxi, Gansu and Guizhou provinces to treat drug addicts and conduct research on developing anti-drug medicines and treatments. Third, it is stressed that law-enforcement departments must strictly abide by the law in combating drug abusing. An anti-drug decision passed by the Standing Committee of the National People's Congress, China's parliament, clearly states that persons who lure, induce, or cheat others into taking or injecting drugs will be given a sentence up to seven years, detained or taken into custody, and imposed a punitive fine. Persons who force others to take or inject drugs face a sentence between three and ten years and a punitive fine. Persons who lure, induce, cheat or force adolescents into taking or injecting drugs face severe punishment. Persons who take or inject drugs are given punishment by the public security departments, and their drugs and injecting tools will be confiscated. Drug addicts will be forced to quit their habit and be subjected to treatment and edu-

cation. Persons who resume drug-taking and injecting after being forced to quit may be taken for re-education through labour and forced to quit during that period.

**Q: What laws has the Chinese government enacted to deal with the drug crimes?**

**A:** In recent years, with the reappearance of the drug problem, legislative organizations in China have attached great importance to legislations concerning drug crimes. The Criminal Code of the People's Republic of China, published in 1979, stipulates that persons who make, sell, or traffic opium, heroin, morphine and other drugs face a sentence up to five years or detention, along with a punitive fine. Persons who consistently or in large quantities make, sell and traffic the above-mentioned drugs face a sentence of more than five years along with confiscation of property.

In 1983, the Standing Committee of the National People's Congress, in light of the resumption of the death sentence for drug traffickers, made amendments to Article 171 of the criminal code. The amendments stated that persons who commit extraordinarily serious crimes face a sentence of more than 10 years or a death sentence and their property will be confiscated.

In 1986 China issued new regulations concerning drug-takers. Under these regulations, persons who, in violation of the law, take opium and inject morphine will be detained for up to 15 days, or pay 200-yuan punitive fine or receive a warning. The regulations also banned the growing of poppy and other narcotic plants and violators could face detention of up to 15 days and/or a punitive fine of up to 3,000 yuan. Persons whose act constitutes a crime would face criminal charges.

The Customs Law of 1987 also

provided special stipulations on drug smuggling. In 1990 the 17th Session of the Seventh National People's Congress adopted an anti-drug decision, which in effect was a law on drugs with Chinese characteristics.

The proliferation of drugs makes it imperative to perfect the laws. The existing laws provide a legal weapon for cracking down on drug crimes. They also demonstrate the Chinese government's determination and the people's desire to eliminate drugs. The laws also provide specific and clear stipulations concerning the punishment of drug criminals.

**Q: What is the role of the newly formed National Narcotics Control Commission and what steps will China adopt to crack down on drug crimes?**

**A:** On November 23, 1990, at the 72nd session of the Standing Committee of the State Council chaired by Premier Li Peng, it was decided that the National Narcotics Control Commission would be established to strengthen the state's leadership in fighting drug crimes. The task for the commission is to formulate major anti-drug policies and steps, co-ordinate major issues and supervise national anti-drug work.

Since its establishment, the commission has conducted a national survey on drugs in preparation for a national anti-drug working conference. It analyzed the drug situation both in and out of China and formulated strategies for national anti-drug work. The commission also helped promote anti-drug campaigns in some key areas, including Yunnan Province and Guangxi Zhuang Autonomous Region, and supervised anti-drug work in the Sino-Myanmar, Sino-Vietnamese and Sino-Laotian border areas to cut the flow of drugs into China. It asked local authorities to work



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A three-star tourist hotel, the Phoenix Hotel of Liaoning Province is located in the beautiful Beiling area of Shenyang, Liaoning Province. Equipped with advanced facilities, the hotel has 260 elegantly decorated guest rooms. The seven dining halls serve Cantonese, Liaoning and Shandong delicacies as well as the Western-style food. Service facilities include a tourist company, taxicab team attached to the hotel, booking ticket agent, foreign currencies exchange, credit card services, IDD telephone, business centre, satellite TV, conference facilities, market, laundry, medical massage, sauna, billiards and tennis court, dancing hall. They provide convenience and comfort for tourists and businessmen. The well-trained hotel personnel offer courteous, high-quality services.

The phoenix is a symbol of luck and beauty, and, likewise, Phoenix Hotel Liaoning is certain to please you.

out effective measures in light of local conditions to tackle the drug problem in collaboration with the public security, customs, health and civil affairs departments. The commission also did a lot of anti-drug publicity. By means of TV, broadcasting and newspapers, it publicized the state's anti-drug laws and the government's determination to wipe out drugs and mobilized the people from all walks of life to take part in the anti-drug campaign. It paid special attention to adolescents, who are most vulnerable to drugs. In addition, the commission has also actively solicited international co-operation.

**Q: What international anti-drug organizations has China esta-**

**blished relations with? What is the plan for strengthening future international co-operation?**

**A:** In co-operation with the Ministry of Foreign Affairs, the National Narcotics Control Commission co-ordinates co-operation with the United Nations International Narcotics Control Board and governments around the world. At present the commission positively supports the United Nations efforts to eradicate drugs in the "golden triangle" in Asia. In mid-May, at the invitation of the Chinese government, the UN Narcotics Control Board sent a delegation to China. Myanmar also sent a delegation to China to discuss co-operation between China, Myanmar and the United Nations in

fighting drugs. The three parties reached an agreement on strengthening co-operation, cracking down on drug trafficking and chemicals used in processing heroin across the Sino-Myanmar border, implementing socio-economic development programmes to eliminate poppy growing on the borders, and reducing demand for drugs along the border areas.

Apart from this, close co-operative relations also exist between the Ministry of Public Security of China and Interpol; between the Customs General Administration of China and the Customs Co-operation Council; and between the Ministry of Public Health and the World Health Organization. ■

# Pudong Construction in Full Swing

by Our Staff Reporter Dai Gang

*Construction of the second bridge across the Huangpu River, the Lujiazui Financial and Trade District, the Jinqiao Export Processing District and the Waigaoqiao Bonded District is scheduled to begin this year.*

A year has elapsed since China announced the development of Shanghai's Pudong New Area in April 1990. In a recent visit, this reporter discovered that construction progress was proceeding at a steady pace.

Based on the ten preferential policies granted by the central authorities to Pudong (see our issue No. 29, 1990), the State Council and the Shanghai municipal government enacted nine regulations (see our issue No. 43, 1990) in less than half a year. This year, the municipal government is stepping up formulation of 12 rules regarding implementation of these regulations. They include the Stipulations of the Shanghai Municipality on Encouraging Other Provinces and Municipalities to Invest in the Pudong New Area, Measures for the Registration of Foreign-Funded Enterprises in the Pudong New Area, Rules on Foreign-Funded Retail Commerce in the Pudong New Area, and rules related to real estate management, employee treatment, and management of the Waigaoqiao Bonded District.

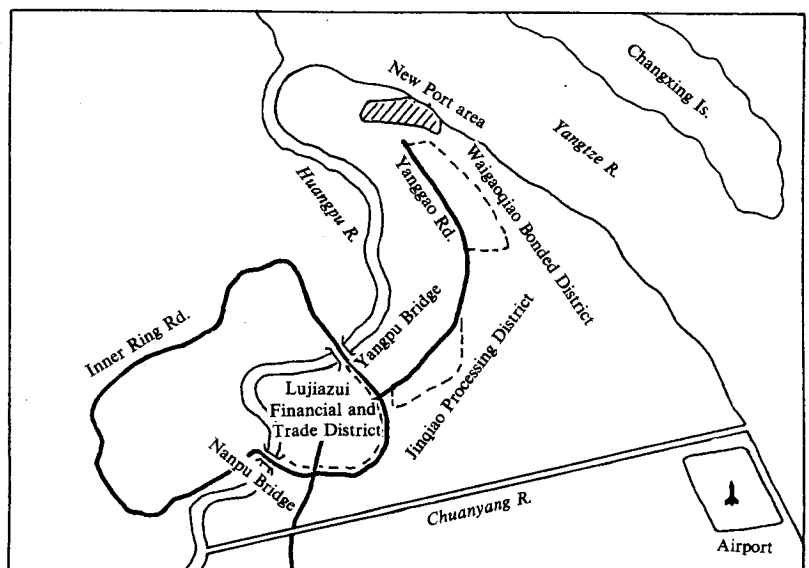
The preparatory work for the development project is proceeding in parallel with the effort to formulate appropriate regulations and policies.

## Infrastructure

Currently, the construction of ten major infrastructure projects

in Pudong is under way. After the completion of the Nanpu Bridge, construction of the Yangpu Bridge—the second bridge across the Huangpu River—will soon begin and is expected to be completed and open to traffic by the end of 1993. The second stage of the Pudong Gas Works will yield economic returns in the second half of this year and is expected to produce 1 million cubic metres of gas daily when it is completed by 1995. Construction of the 8-km long, 34-metre wide Pudong section of the Inner Ring Road in Shanghai is scheduled to begin in the second half of this year and will connect the two bridges across the Huangpu River and the city's high-speed motorways when it is

completed by 1993. After the expansion of the 27-km Yangpu-Gaoqiao Road, it will serve as Pudong's north-south arterial road when it is completed by 1993. The first stage of the Waigaoqiao new port area which includes the construction of four 20,000-ton docks is scheduled to begin in July of this year. It is expected to raise the port's annual handling capacity by 2.4 million tons when it is completed by 1993. The first stage of the Waigaoqiao Power Plant, involving the installation of four imported 300,000-kw coal-fueled generators, is expected to be completed by 1996 (one generator is planned to go into operation by 1994). The Pudong section of the sewage treatment pro-





SHANG HAI

Leaders of the Shanghai Pudong Development Area Office discuss the blueprints for the development of Pudong.

ject is to be completed by 1993 after the pipes are linked with those in Puxi to the west of the Huangpu River. The telecommunications project currently under way is expected to install 50,000-100,000 channels of telephones by 1995.

In addition to the above ten major projects, about 10 million square metres of housing and other public facilities, such as the Yanggao Road Parking Lot, are expected to be completed by 1993. Meanwhile, the preparatory work for the second international airport, the second underground line (a cross-river line), the third cross-river tunnel, the Pudong section of the Outer Ring Road, and the west-east axle road in the Pudong New Area is under way.

### Financial Institutions

Many Chinese and foreign financial institutions have been established in Shanghai in accordance with development policies for Pudong. Ten Chinese financial institutions, for example, have set up branches in Pudong. They include the Bank of China, the Industrial and Commercial Bank of China, the Construction Bank of China, the Agricultural Bank of China, the Communications Bank of China, the Merchants Bank of Shenzhen, the Shanghai Trust and Investment Corp., the People's Insurance Company of China, and the

Communications Bank's Pacific Insurance Co. In addition, China's first stock exchange has been established in Pudong.

As of now, two Sino-foreign financial companies have received approval to open for business in Pudong. They are the International Financial Co., a joint venture between the Shanghai branch of the Bank of China and the Shanghai branch of the Construction Bank of China, and the Sanwa Bank of Japan and Hong Kong's East Asia Bank; and the Associated Financial Co., a joint venture between the Shanghai branch of the Communications Bank of China and the Shanghai Trust and Investment Corp., and the Societe Generale of France. In addition, the Agricultural and Commercial International Bank is to be founded jointly by the Agricultural Bank of China, the Yasuda Trust and Banking of Japan and the Development Bank of Singapore.

The City Bank, the Bank of America, the Industrial Bank and Sanwa Bank of Japan, and the Credit Lyonnais and Banque de l'Indochine of France have received approval to set up branches in China. More than 20 other foreign banks are also applying for permission to establish branches.

The mushrooming of such a large number of Chinese and foreign financial institutions on

both banks of the Huangpu River in a little over one year has helped expedite the development of Pudong and improve the environment for accommodating foreign capital in Shanghai. This is an important feature in the early stage of Pudong's development. While encouraging financial enterprises, Shanghai has also sought to develop the city's trade and commerce and turn them into effective levers for Pudong's economic growth.

### Three Key Districts

Construction of the three key development districts in Pudong is going to break ground in August of this year. Three development companies in charge of co-ordinating and managing the three districts were founded last September (see our issue No. 43, 1990). This reporter recently revisited the three companies.

**Lujiazui Financial and Trade District.** According to Qian Jiahong, a senior staff member of the district's development company, the district, covering 5.47 square km, is within the circumference formed by the two bridges crossing the Huangpu River and the Pudong section of Shanghai's Inner Ring Road. The district will be divided into three parts with development proceeding section by section—the 1.7 square km of land along the Huangpu River bank will give priority to the development of finance and trade; a 0.6 square km of land will be marked off for domestic and foreign trade; and 1.4 square km of land along the Yangpu-Gaoqiao Road is slated for material circulation and the comprehensive development of commerce. Currently, the company is formulating specific development plans, the first stage of which will cover 1.51 square km of land. This year, Qian said, construction on about 200,000 square metres of land in

the centre of the financial area and in the domestic and foreign trade area will begin to meet the needs of domestic and foreign real estate businesses, commerce and trade. The company is also organizing Chinese and foreign financial, commercial and trade investment in the district. A letter of intent has been signed to build the International Financial Mansion by the side of the Shanghai Television Station. This 50-storey, 190-metre-high structure will be built jointly by the Bank of China, the Industrial Bank of Japan, the East Asia Bank of Hong Kong and the Credit Lyonnais of France with a total investment of US\$100 million. Currently, this project is being examined for approval by the relevant authorities. Some Chinese banks also intend to build high-rise office buildings in the centre of Lujiazui's financial area. The nine adjacent provinces in east China and some of the ministries and commissions under the State Council have expressed an interest in establishing large commercial and trade businesses in the district. Qian is confident that the development of the Lujiazui District would blossom within a couple of

years. **Jinqiao Export Processing District.** Situated in the central part of the Pudong New Area, the entire district will cover 8.9 square km, beginning with 4 square km in its first stage. According to Xu Peiliang, a senior staff member of the processing district's development company, the company has already completed planning for the district and in May began requisition of land after receiving its planning licence. The farmers living in the three townships within the district will begin to relocate at the end of this year and the work is expected to be completed by the end of next year. When the company was founded last year, Xu said, its registered capital only totalled 100 million yuan, falling short of the 1.5 billion-1.6 billion yuan in investment required, thus slowing construction progress. To make up for the shortage of funds, the company, together with the local trust and investment companies of the Industrial and Commercial Bank of China, the Construction Bank of China, the Agricultural Bank of China and the Communications Bank of China and the Shanghai Trust and Investment

Corp., formed a joint investment and development company with a registered capital of 470 million yuan last April using its land as a share valued at 240 million yuan. The company will soon merge with a foreign corporation to form a jointly funded Sino-foreign development company.

According to Xu, since the district will focus on the processing industry, the company will try to attract hi-tech, highly efficient and export-oriented domestic and foreign-funded enterprise investment. As of now, several hundred groups of business representatives have come to discuss investment possibilities. More than 50 projects have been included in the district's plan, 17 of which are expected to be developed in the near future (ten have either signed letters of intent or have been confirmed). The projects involve astronautics, aeronautics, computer hardware and software, meters, electronics, machine processing, household electrical appliances, and clothing for export. It is believed that the import of these items will help improve Shanghai's overall industrial base.

The "silicon valley" in the district, an area geared towards the development of computer software technology, the district's most important project, will be funded jointly by the Shanghai Yangtze Computer (Group) Inc., the Pudong branch of the Industrial and Commercial Bank of China, and the Jinqiao Processing District Development Co. The letter of intent for the project was signed in April of this year. With a total investment of about 500 million yuan, the "silicon valley" will build a number of standard factory buildings and fairly complete production facilities and public utilities for about 30 software development and produc-

The newly widened South Pudong Road.

DAI GANG



tion enterprises, thus transforming the area into a software export base in Shanghai. The British Paint Co. and a dozen other foreign businesses have signed contracts and placed deposits to use land—a symbol of the substantial interest in the start-up of the district's development project. A 2,000-square metre factory building for the Alice Blouse Factory of Japan (a solely foreign-owned export-oriented business) will soon be under construction.

**Waigaoqiao Bonded District.** Situated in the northeast end of Pudong, the district will have deep-water docks, a new port area, bonded warehouses, an entrepot trade area and an export processing area, gradually becoming the nation's most widely used free port. According to Chen Xiaodong, a senior staff member of the bonded district's development company, the district has gone through formalities for lining up 4 square km of land needed for the first stage of the project, with nearly 1 square km of land already approved. The company plans to expedite development of the bonded area with foreign capital through the establishment of a jointly funded Sino-foreign development company. The project is expected to

attract US\$200 million in investment.

Currently, preparatory work for the infrastructure projects is under way and construction of roads, bridges, water and electricity supply systems and telecommunications facilities is expected to begin this year. Over the past year, more than 1,000 business representatives have come to the district for business discussions and some of the more important projects have made substantial progress. The Shanghai Broadcasting and Television Group Co. plans to build an enterprise for the production and assembling of electronics and electrical appliances for export, a project which has already been approved by relevant authorities. Letters of intent have been signed for storage, transport and processing businesses funded jointly with Singapore, Hong Kong and Japan. Talks are being conducted on many other projects. The company has also reached agreement with the customs house regarding installation of partitions in the restricted area of the bonded district and, to put into practice preferential policies designed to attract overseas investors, plans to turn a dock on the Huangpu

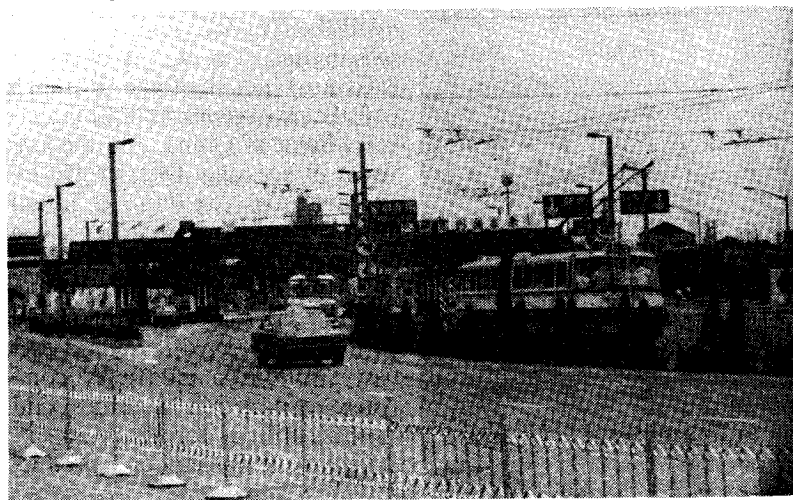
River into a specialized bonded dock area.

### Industrial Readjustment

Industrial development is an important component of the Pudong project. Currently, the area has more than 2,000 industrial enterprises with 380,000 employees and an annual output value exceeding 11 billion yuan. The advantages of the textile, clothing, embroidery, arts and crafts, oil processing and ship-building industries are all being given free play in order to boost their export business. Given the fact that the Pudong New Area has already set up some industries, Shanghai officials have stressed the need for the area to actively attract foreign capital, re-equip old enterprises, co-operate with domestic enterprises, and strive to host key state projects and projects funded by other provinces and municipalities while expanding, at the same time, existing efficient enterprises. At present, preparatory work is being conducted for construction of a large number of domestic projects involving the petrochemical, machine-building, ship-building and electronic industries. An export-oriented industrial setup based on a number of key industries either associated with domestic enterprises or funded by overseas capital is thus expected to take shape in Pudong.

The Pudong entrance of Shanghai's second cross-river tunnel.

DAI GANG



### Foreign-Funded Firms

According to an official of the Shanghai municipal government's Pudong Development Office, Pudong has hosted 3,000 groups of overseas business delegations with a total membership of 15,000 since May of last year. Those from Taiwan made up 37.6 percent, Japan 16.3 percent,

Hong Kong and Macao 14.2 percent, the United States 13.5 percent, EC countries 10 percent, and Southeast Asian countries 5 percent. To date, 168 projects are under negotiation. They involve US\$3 billion in investment, including US\$1.5 billion of direct foreign investment. Of these, 73 have been confirmed or have resulted in completed feasibility studies and involve US\$200 million in investment, including US\$100 million of direct foreign investment. Approval has been given to 36 projects involving US\$100 million in investment, including US\$60 million in foreign investment. When added to the number of existing enterprises, Pudong now has 105 foreign-funded enterprises.

Statistics show that the more than 50 foreign-funded enterprises now in operation in Pudong are running normally and that their production volume is rapidly increasing. Last year, they yielded 763 million yuan in total industrial output value, up 25.5 percent over the year before. Some 11 enterprises have had good sales, earning more than 40,000 yuan each in output value annually. Last year, their sales income totalled 768 million yuan, and they yielded 82 million yuan in profits and taxes, up 49.4 percent over the year before. Foreign investment income amounted to US\$2.76 million, an increase of 3.4 times. The 3M China Co. Ltd. had a total investment of US\$3 million, yielding 20.04 million yuan in profits and taxes last year.

The Pudong Development Office is sparing no effort to put into place important Chinese and foreign-funded projects which will have a positive impact on the Pudong New Area in order to open the area wider to the outside world and attract more overseas investment. ■

## A Bridge Between Dream And Reality

by Our Staff Reporter Dai Gang

**T**hree years of construction came to a conclusion when the two ends of the gigantic Nanpu Bridge in Shanghai were joined in June. The legendary bridge, a century-old dream of several generations, is a bright prelude to the ambitious Pudong Project.

Each morning as the sun shines over the silky current of the Huangpu River, countless Shanghai residents have found the Nanpu Bridge closer to completion. Today, the bridge lies like a dragon over the river. When the bridge is complete, Shanghai, China's largest metropolis, once called the "Paris of the East," will step into a new future.

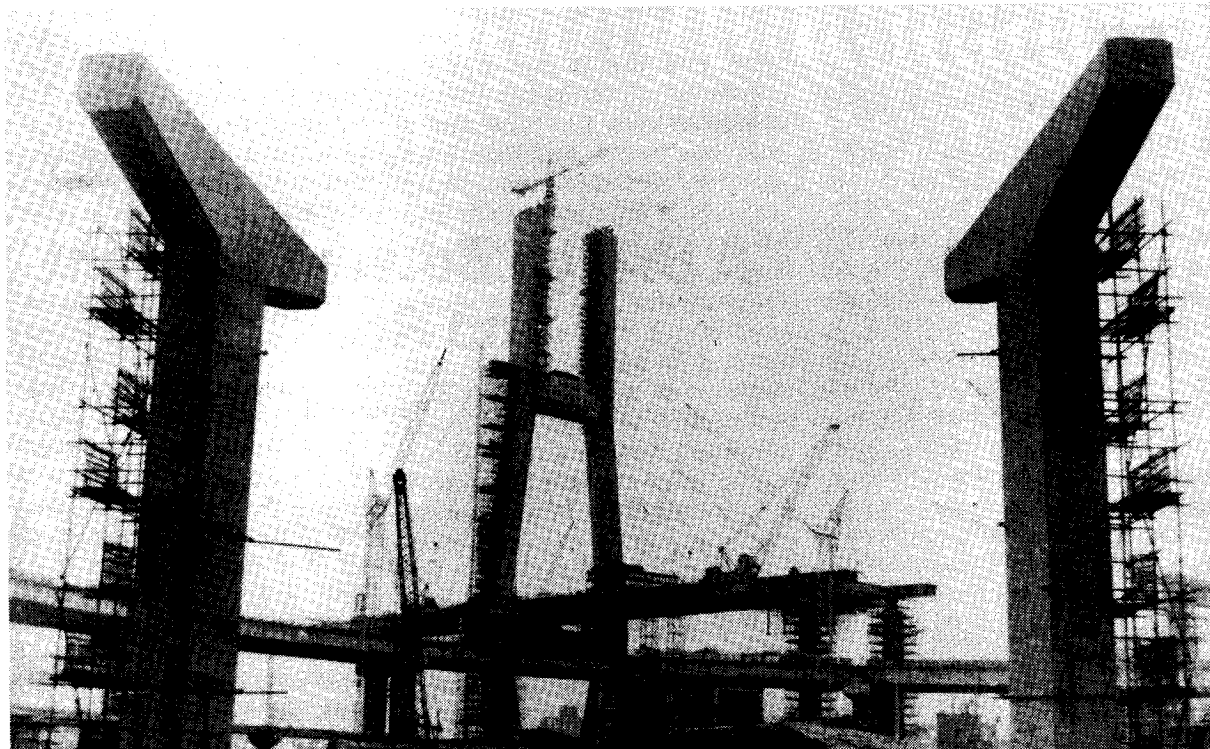
### Century-Old Dream

Since it was declared one of China's "five trading ports" in the mid-19th century, Shanghai has gradually been transformed into a modern city on the west bank of the Huangpu. Since no bridge spanned the river, however, Pudong, the east bank, remained a deserted and undeveloped area, a striking contrast against the city proper on the opposite side. It has long been

known that only a bridge could secure a common prosperity for both sides, and that only a bridge could again make the Huangpu to Shanghai what the Seine is to Paris. Today, the bridge is again the focus of a century-old dream.

As early as the turn of the century people with vision in Shanghai put forth the idea of building a bridge over the Huangpu to the deep coastline of the east bank and to the vast hinterland further beyond to the East China Sea. In 1931, the local business people began to try and make the idea a reality, organizing an entity for building a bridge, initialing an agreement with a German firm to build a one-million-dollar steel pontoon bridge. However, they did not get support from the municipal authorities of the time.

In 1945, after the victory of the War of Resistance Against Japan, Shanghai set up a commission in charge of city planning. Under the commission, a sub-commission was formed for river-crossing projects. Headed by China's most famous bridge experts Mao Yisheng and Zhao Zukang, the sub-commission worked out designs for three different projects across the river in



A construction scene before the joining of the Nanpu Bridge.

SHEN HAIBIN

three years. Again, the designs became a mere scrap of paper because the nation was in the midst of a civil war.

Since the founding of the People's Republic of China in 1949, Shanghai has seen rapid development of its industries, continued growth of the city itself and an explosion in the population. Thus, the problem of cross-river traffic became increasingly pressing and people were even more anxious to see a bridge over the Huangpu. According to statistics, the city had only some 7,000 motor vehicles in 1953 but in 1988 the number reached 200,000 vehicles plus nearly 7 million bicycles. Today, after 40 years of economic construction, there are along the urban section of the Huangpu River more than a dozen passenger ferries, three motor ferries and two two-way under-water tunnels. Yet, these are still not enough to resolve cross-river transport problems.

According to statistics, about 20,000 automobiles and over 1 million people have to cross the Huangpu each day. Half of the people are regular passengers (usually cyclists) who use the dozen or so ferries. If there is foggy weather, however, all the ferries are forced to close and the thousands upon thousands of passengers flocking to the limited ferry docks face disorder, an increasingly crowded situation and the threat of accidental injury and death. Almost all the heavy vehicles cross the river through three motor ferry lines and by way of the old tunnel finished in the 1970s. In rush hours, waiting vehicles line up in queues one or two kilometres long at the entrances on either bank. The trip usually takes more than two hours.

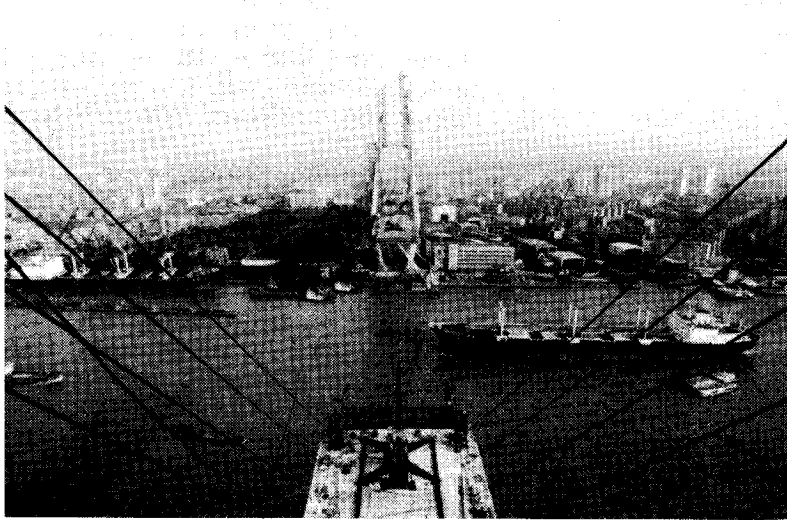
That is not the whole story. With the opening and development of the Pudong area, the pressing traffic problem could

get even worse. Authorities estimate that the current population of 540,000 in Pudong will increase to 1 million or 1.5 million by 2000. By then, the daily traffic across the river will be up to 1.5 to 2 million, 1.5 or 2 times that of today. During the 1990s, it is expected that the average number of vehicles driving across the river each day will be 33,000 to 50,000, an increase of 30-100 percent.

Against this background, the idea of constructing a bridge over the Huangpu was once again proposed in the late 1970s. In May 1979, the municipal government invited experts from various professions to begin a series of studies and surveys on an overall plan for the bridge. Due to the lack of funds, however, the project was once again put aside.

In 1986, the State Council informed the local government in a reply to the latter's report on





SHANG HAIGONG

The Pudong New Area is on the opposite side of the Huangpu River.

Shanghai's urban construction plan: "At present, special attention should be paid to the planned construction and renovation of the Pudong area; for this purpose, it is recommended that a Huangpu River bridge and a new tunnel be built as soon as possible." This remark ignited once again the light of hope for a new bridge.

In one and a half years following this, the local authorities again arranged a thorough feasibility study of the bridge plan, finally deciding that a bridge be built at the narrowest spot (360 metres) located within the city proper of the river. In March 1988, with the approval of the municipal government, the project entered the first phase of preparations. In August the same year, the local government issued its approval on the project blueprint, a blueprint jointly worked out by two local designing institutes. From that moment on, the city embarked upon a century-old dream leading to certain realization.

### The Bridge

The Nanpu Bridge is a cable-braced bridge of steel/RC com-

posite girder structure with twin pylons and a double plane of cables. It is the largest existing single-centre-span bridge in China, as well as the third largest of its kind in the world behind the Anacis Bridge in Canada and the Second Hooghly Bridge in Calcutta, India.

The Nanpu Bridge, located at the Nanmatou ferry dock in the Nanshi District in Shanghai, is 8,346 metres in length and offers a maximum of 46-metre in net clearance for navigation by 55,000-ton class ships.

The bridge is composed of a main section and two approaches at both ends. The main body's span is 423 metres. The twin pylons, 150-metre-high, stand at both ends of the body in H-like inclino-shape. A total of 90 pairs of high-strength diagonal cables are installed in fan-shaped pattern and are anchored to rigid girders. With a total width of 30.35 metres, the main roadway of the bridge has six standard motor lanes allowing passage of six concertina-connection commuter buses driving abreast as well as 300-ton special large wheelers with loading platform.

There are also 2-metre-wide footpaths on both sides for sightseers.

The approaches to the bridge are a total of 7.5 kilometres long. The west approach, 3,754 metres long, is built in a compound-curve-lined and spiraled form; the east approach is 3,746 metres long. The approaches are divided into 6, 4, and 2 lanes respectively on the basis of traffic flow. As the Pudong area is developed, the main roadway of the east approach will be directly connected to the planned second international airport in Shanghai through the Yanggao Road.

The bridge will be equipped with traffic control system and toll-houses. The 50-metre high elevator towers will be erected on the banks to provide sightseeing services for city residents and tourists.

The Nanpu Bridge with its brilliant design and unique style is sure to be a new scenic spot and a major symbol of Shanghai's development.

### A Magic Speed

The bridge is one of the nation's major urban construction projects in Shanghai built with some foreign loans. Loans for the project total 820 million yuan RMB (US\$160 million) and will be repaid with interest in 25 years. The project, therefore, needs to be completed in the shortest possible time since even a delay of a single day means an extra payment of 164,000 yuan in interest. For this reason, the municipal government leaders have attached special importance to the utilization of funds and project progress and quality, demanding that work on the bridge be of high quality and completed and open to traffic by the end of 1991.

The first steel pile for the pylons driven on December 15, 1988 marked the start of the project. In order to ensure the pace

of the project, the bridge command broke with conventional practice by planning, designing, relocating residents and preparing the site, accepting bids and undertaking construction at one and the same time. In just six months, the builders of the pylon pier finished their work, then proceeded to remove clay from inside the driven piles with their self-designed "clayremover" and then pour in the concrete, laying a solid foundation for the bridge.

Afterwards, the construction of the piers, pylons, main body and approaches began one after the other. First to be built were the twin pylons, key parts of the bridge.

Towards the end of 1989, the construction of the twin H-shaped (narrower at the upper and lower ends and wider in the middle) pylons was begun. Since the project's first day, nearly 1,000 builders have donated their holidays and kept the construction going three-shifts through the evening. Whether it was windy, rainy or snowy, hot or biting cold, they continued to work. In the scorching month of August, when they finally installed the transverse girders, the builders were still working inside the airtight reinforcing bar web where the temperature was 52 degrees centigrade. After eight months of hard work, the pylons were finally completed on August 24, 1990.

In July 1990, when the pylons reached a height of 125 metres, Zhu Zhihao, chief of the bridge command, ordered the assembly of the main body to begin. Altogether more than 7,300 tons of steel are required for the bridge. Of this, some special-sized steel materials were imported from the former Federal Republic of Germany and, since these steel plates are usually quite thick, up to 80cm, the technical welding requirements are extremely high.

The Hudong Shipyard is the

manufacturer for the bridge's steel structure and the Municipal Engineering Designing Institute is in charge of engineering design. By May 28, 1991, the close co-operation between the two allowed the shipyard to finish manufacturing all of the parts for the steel structure used in the main body of the bridge. Tests of over 10,000 welding seams by means of magnetic, supersonic and X-ray flaw detectors demonstrated a qualification rate of 96 percent, a quality which easily meets international standards for bridge welding.

Altogether 196 diagonal cables brace the bridge at both ends. The task of installing the cables went to the Shanghai Pujiang Cable Plant, a joint venture between two Chinese institutes and two corporations. The plant overcame various difficulties, finishing the task on time and saving the state more than seven million yuan in interest. Their successful work marked the first time China was able to manufacture large-sized bridge cables.

The west approach to the bridge at Nanmatou had to use a spiraled double-loop-ramp arrangement. The project was a complex, difficult construction and done on a tight schedule. It was completed last March after a year of hard work. The last part of the bridge project—spreading asphalt-concrete on the bridge floor—was started on May 23, beginning at the end of the east approach. The work is proceeding to the west end of the bridge at a daily rate of 100 metres and is scheduled to be concluded by the end of October.

The Anacis Bridge in Vancouver, Canada, which also has a single centre span (465 metres) but no approaches, took three years to complete and was finished in 1987. The second bridge of this type which spans the Hooghly in Calcutta, India,

a single-spanned cable-braced bridge whose centre span is 457 metres wide, has not yet been finished even though construction was begun eight years ago in 1982.

Of the 820 million yuan in capital investment, 398 million yuan (about 48 percent) has been used to remove and resettle the residents of the area along with factories, firms, offices and shops located in the approach areas. The removal transformed the Nanshi District. The corner at Nanmatou ferry dock, for example, the very seat of the west approach of the bridge, is the oldest section of urban Shanghai and has a history of over 700 years. The area used to be a dense collection of low, run-down houses with an ancient network of underground tubes and wires. The bridge command was responsible for relocating 180 institutions and 5,100 households, resettling them in new apartment houses in Pudong, some 360,000 square kilometres in area. Thanks to the public's understanding and support, the job proceeded smoothly.

After its completion and opening to traffic at the end of the year, the bridge will be able to carry a daily traffic load of 45,000-50,000 motor vehicles, nearly double the existing capacity of ferries and tunnels. The designed capacity of the bridge is reported to be strong enough to meet traffic needs 20 years from now. On the basis of the designed safety speed of 40 kilometres per hour, each vehicle will be able to cross the bridge in just seven minutes. The Nanpu Bridge, linking major roads both in the city proper and the Pudong New Area, is a rainbow arch linking a former dream to today's reality. It will resolve the city's cross-river traffic problem and make Pudong an attractive and sound place for investment.

# Jiuhua Mountain: A Holy Site of Buddhism

by Our Staff Reporter Jing Wei

**L**ocated in the south of Anhui Province, the Jiuhua Mountain is one of the four famous Buddhist mountains in China and also a well-known scenic spot. It takes about three hours riding southward from Wuhu City, situated on the south bank of the Yangtze River, to reach the area.

## Country of Buddhism

The mountain is studded with Buddhist temples. "There are one thousand temples on the Jiuhua Mountain shrouded in clouds and mist," says a famous poem. Although "one thousand temples" is an exaggeration, there really are many temples which look like the richly decorated jade palaces of fairy tales in the cloudy mist.

According to historical records, it is 1,500 years since Buddhism was introduced to the area. In 401, an Indian Buddhist monk brought Buddhism to the Jiuhua. Three hundred years later, a Buddhist bonze named Kim Kyo-gak came from Korean Peninsula to settle on the mountain. He practised the precepts of Buddhism piously for 75 years and passed away at the age of 99. Legend goes that three years after his death, his remains were still intact and his appearance re-

sembled that of Ksitigarbha as described in the Buddhist scriptures. The followers of Buddhism believed he must be the reincarnation of Ksitigarbha, and therefore built a special hall to house his body. Following this, the Jiuhua Mountain became a place where Buddhist rites were performed in memory of Ksitigarbha and attracted increasingly large numbers of pilgrims. Up to the Ming Dynasty (1368-1644) the mountain was as famous for its Buddhist activities as Wutai Mountain in Shanxi Province, Ermei Mountain in Si-

chuan Province and Putuo Mountain in Zhejiang Province.

Our bus climbed up along the zig-zag mountain road. We passed through the First Heaven Gate, the Second Heaven Gate and the Third Heaven Gate and arrived at the Jiuhua street which is known as a Buddhist lotus flower kingdom. It is in the centre of the Jiuhua Mountain and over 600 metres above sea level. Most of the temples are concentrated here, and the famous ones include:

**Huacheng Temple:** The first temple built on the Jiuhua Mountain in the early fifth century where Kim Kyo-gak practised Buddhism. It has many Buddhist relics. The most precious one is the 6,777-volume Tripitaka (complete collection of Buddhist texts) donated by an emperor of the Ming Dynasty.

**Rou Shen Bao (Flesh Treasure) Hall:** It was built at the end of the eighth century and houses the mummy of Kim Kyo-gak for veneration. The hall is an important visiting place for Buddhist pilgrims.

**Qiyuan Monastery.** Constructed in the Ming Dynasty, it is the largest monastery on the Jiuhua

The Flesh Treasure Hall.





Chanting monks and visitors.

and many important Buddhist activities are held here.

Wannian (eternity) Temple, or Baisui (hundred year) Palace, was built atop Dongya precipice. According to legend, a monk named Wuxia in the Ming Dynasty meditated in a cave on the precipice for 100 years. After he died at the age of 126, Buddhist believers covered his corpse with gold and enshrined the remains in the Flesh Treasure Hall in the temple. The 400-year-old mummy is still well preserved.

According to Zhang Yiliang, manager of the Jiuhua Mountain Branch of the China International Travel Service, at the height of Buddhism's prosperity, there were more than 300 temples and nunneries on the mountain with over 4,000 monks and nuns. During the War of Resistance Against Japan (1937-45), a lot of temples were destroyed as Japanese soldiers attacked the mountain many times. Now there are 78 temples with 450 or so monks and nuns. Every year, thousands of Buddhist activities are held for Buddhist believers. Incense burns all year round. Bells and the chanting of scriptures can be heard everywhere.

### Splendid View

Another feature of the Jiuhua is its delightful natural scenery. Nine major mountain peaks protrude out of the sea of clouds like nine hibiscuses in a pond. The strange-shaped rocks and peaks bear close resemblance to human and other forms. The old pines and green bamboos, streams and waterfalls create a sensation of tranquillity and coolness. For thousands of years, the Jiuhua Mountain has been highly favoured by scholars.

According to local records, the Jiuhua Mountain was called Mt. Jiuzi until it was given its present name, taken from a poem written by the Tang Dynasty poet Li Bai in 754, "Nature's wonderful craft creates an immortal mountain bearing nine (jiu) blossoms (hua)." Afterward, a continuous stream of poets and scholars from later dynasties came to visit the mountain and wrote numerous poems praising the scenery of Jiuhua.

An anthology of verses on Mt. Jiuhua is on sale in the Jiuhua street. It consists of 190 poems written by 131 poets. Five are by

Li Bai. Others are by the famous Tang Dynasty poets Liu Yuxi, Du Mu and Li Shangyin, the Song Dynasty's Wang Anshi and Su Zhe, and the Yuan Dynasty's emperor Tutiemu'er, as well as the Ming Dynasty's general Chang Yuchun, the scholar Wang Shouren and dramatist Tang Xianzu, and others. They all composed poems to the Jiuhua Mountain.

### Traditional Fair

Zhang Yiliang explained that an annual temple fair with an over one-thousand-year tradition is held on the mountain around the 30th day of the seventh lunar month (or in later August and early September). During the festival, large-scale Buddhist activities are conducted. The street is festooned with lanterns and decorations. Streams of monks, nuns and believers come to worship. Travellers and business people gather here, professional and folk art groups vie with each other in showing performances.

This year's temple fair will be held from August 24 to September 8. Grand activities will include: recitations of Buddhist scriptures; pilgrimages to intercede for the help of Ksitigarbha Bodhisattva; inauguration rites for clay Buddhist statues in the Shiwang (Ten Kings) Hall; a seminar on the life of Ksitigarbha Kim; displays of lanterns inscribed with poems about Jiuhua; an inauguration ceremony for Taibai Study Hall, and performances of Buddhist music. Zhang said over 650,000 Chinese and foreign Buddhist believers and travellers visited the mountain last year, double that in 1989. It is estimated that the number of people coming to the Jiuhua Mountain to worship and travel will exceed at least 700,000 this year. ■

## Encouragement of Foreign Investment

At the first joint meeting of the Sino-Japanese investment promotion organization, Sheng Shuren, deputy minister of the State Planning Commission, recently noted that during the Eighth Five-Year Plan (1991-95) and Ten-Year Programme, China will encourage foreign investment in many fields. They will include agricultural technology, energy, communication, major raw materials, import of advanced technology, improvement of product functions and reduction of consumption and pollution. They will also embrace the projects of opening new markets, widening foreign sales, production of new equipment and materials which can fill in domestic blanks and meeting the domestic demands, and new technology and new equipment for a comprehensive utilization of China's resources and renewable resources.

Speaking of the opening up in the coming ten years, Sheng stressed that China's reforms have reached a point of no return. In future foreign economic and technical co-operation, the nation will pay much attention to the improvement of quality and the increase of profits. For this reason, there will be major reforms in the system of foreign trade. At the same time, he emphasized that while continuing to promote the initiative of the central and local governments as well as enterprises, efforts will be made to go into the orbit of unified policy. Competitiveness will be encouraged on the basis of equality, making enterprises independent and responsible for their own profits and losses. Industry will combine with trade.

Major factors for the export trade are an improvement in

both the mix and quality of export commodities. At the same time, efforts will be made to maintain an appropriate scope of imports, readjust the structure of import goods and increase the import of advanced technology and key equipment.

Sheng stressed that the Chinese government will limit foreign investment in the projects which produce and import things that China is already capable of supplying. The foreign investment is also discouraged to import bulk parts for assembling only for the domestic market, to manufacture traditional Chinese products for export and to build hotels and restaurants and other tertiary facilities.

Sheng said that the production capacity of these fields is relatively adequate, foreign investment in these projects do not facilitate their operation and management.

In accordance with international practice, Sheng added the country will forbid the establishment of those projects that endanger state safety, are harmful to the national economy, social development or public interests,

and cause pollution of the environment or climatic deterioration. ■

## Sino-German Co-operation a Success

The contract for the establishment of China's Boiler and Pressure Vessel Inspection Centre was signed between the Chinese and German governments in January 1986. The German executive organization involved is Techischer Uberwachungs Verein (TUV) and the organization on the Chinese side is the Boiler and Pressure Inspection Research Centre of the Ministry of Labour. In June 1991, all cooperative items were completed according to the schedule.

Ma Delin, in charge of the project, said that over the past five years, the German side granted around 4.6 million marks for the following cooperative efforts:

- Seventeen German experts came to China for lecturing on seven training classes and holding a seminar, attended by about 477 Chinese engineers;

A German biologist discusses scientific and research results with his Shanghai colleagues. WANG ZIJIN



- Eleven Chinese engineers went to Germany for one year of study and received great help in their study there;

- The German side provided the centre with around 1.5 million marks worth of advanced testing instruments and training and teaching equipment.

Through the efforts of both parties, the venture has achieved complete success. The centre's technical level and the safety problems have been greatly increased. For example, it can supervise the manufacture of heavy-duty hydrogenation reactors and also test large electricity generation boilers. At the same time, it has gradually established its international standing in the industry. The centre has been authorized as the national boiler pressure inspection unit by the Ministry of Labour, and as the national testing laboratory of imported and exported pressure vessels by the State Administration for the Inspection of Import and Export Commodities.

At present, both sides have agreed on new areas of co-operation. Starting in 1992, China and Germany will jointly establish a monitoring laboratory of high-temperature and high-pressure pipelines. The new pro-

ject will be completed in three years and cost 1.5 million marks.

by Li Ping

## Beijing Opens Sino-US Beauty Parlour

Susan's World Fashion, Beijing's second largest high-class beauty business after the Liren Beauty Parlour, started operation late last March.

Located inside Beijing Worker's Stadium, the beauty salon was a joint venture between the Taiwan-born American-Chinese Susan Liu, who invested US\$300,000, and the service centre of the stadium. Covering an area of over 200 square metres, it is furnished with equipment and materials imported from the United States, including painless computerized skin analysis which has no side-effects and the Sunal brand of instruments which use artificial solar rays to revitalize skin. Susan Liu's freckle-removing skill is particularly effective and she has a patent application pending in the United States. "Results, hygiene and safety are our service aims," said Zhou Ying, a member of Susan's World Fashion.

Liu already has 23 years of experience in cosmetology. She entered the business after she graduated from a high school in Taipei and had studied in a Japanese cosmetology school and a similar institute in Los Angeles in the United States. In 1979 she studied from Connie Moya, a famous beautician and educator in the United States.

Up to date, Liu has

set up eight Susan's World Fashions in Taiwan, the United States, France and on the Chinese mainland. She plans to open another two branches on the mainland and currently negotiations with the relevant department are under way.

by Kou Zhengling

## Trade Talks End in Qingdao

The China Qingdao Foreign Economic and Trade Symposium concluded at the end of June. During the symposium, contracts for exports valued at US\$380 million and 499 agreements on foreign economic and technological co-operation were signed.

The volume of export business exceeding US\$10 million covered grain, tobacco, textiles, native products, garments, livestock products, silk, five metals and minerals, art crafts and food. Export of machinery and electronic products such as Qingdao TVs, motorcycles from Shaanxi Province and air conditioners reported increases.

One obvious accomplishment of the symposium was the great breakthrough in foreign economic and technological co-operation. Overseas investment reached US\$729 million. Contracts using foreign funds, signed between China and other countries, were all for export-oriented productive projects which the state encourages. They make up 90 percent of the total.

The symposium was attended by 2,500 businesspeople from over 40 countries and regions. Half were from Taiwan, Hong Kong and Macao. About 20 percent came from Japan and there were many more businesspeople from South Korea than before.



SHU YUANCHEW  
Susan Liu creates a new hair style for a customer.

## Chinese Purchasers End US Shopping Tour

A purchasing delegation headed by Gan Ziyu, vice-minister of the State Planning Commission, has ended a visit to the United States. It was the second largest comprehensive import trade group organized by the related department of the Chinese government since last October.

The mission visited Washington, New York, Oklahoma, Dallas, Seattle and San Francisco from May 18 to June 6 and attained its goals.

The purchasing delegation, composed of members from Shanghai, Tianjin and Guangdong and from the electronics, petrochemicals, aviation equipment, local and animal by-products, hardware, chemical and technological circles, as well as trade groups from cereal, oil and packaging materials fields, signed contracts valued at US\$1.2 billion with the United States. In addition, many import contracts for projects are now under active negotiation.

In addition to Chinese traditional commodities such as cereals, cotton, chemical fertilizers, industrial chemicals, pulp and timber, the delegation also bought plant machinery, electronics and aviation equipment.

According to the deputy head of the delegation Sun Zhenning, director of the Department of American Affairs under the Ministry of Foreign Economic Relations and Trade, during the visit the mission met with representatives of the US federal and state governments and some members of the US Congress as well as other institutes and organizations who are keen on promoting Sino-US economic and trade relations. It also had wide-ranging contact with US industrial circles. For example,

both sides discussed the chances for expansion of imports from the United States and began talks on transactions. More importantly, they delved into the issue of how to further develop long-term Sino-US economic and trade relations. In particular, they talked about bilateral co-operation between China and the United States during the implementation of the Eighth Five-Year Plan and the Ten-Year Programme.

Sun said that the arrangement of such a purchase delegation demonstrated the good will and determination of the Chinese government to bring an end to a decline in imports from the United States. At the same time, it heightened confidence between enterprises of the two countries, helping promote long-term development of Sino-US economic and trade relations. ■

## Another Joint Venture In Anhui Province

Anbao Down Products Co. Ltd. has gone into operation in Anhui Province. It is co-financed by the Tianhe Down Products Co. in Wuhu City, Anhui Province, the Wuhu Foreign Trade Co. and the Frank's Trading Co. Ltd. of the United States.

The joint venture, located inside the Tianhe Down Products Co., began operation last March and has turned out 25,000 high-grade down quilts for export. It plans to manufacture 70,000 quilts this year.

Tianhe Down Products Co. won a national prize for quality export products from the Ministry of Foreign Economic Relations and Trade. Its products, including Swan-brand down quilts, garments and pillows, have an international reputation. ■

## Giving the Lie to Counterfeit Trademark

China's industrial and commercial administrative organizations last year investigated and disposed of 13,294 cases of counterfeit trademarks, confiscated and destroyed 52,000 fake trademark signs, and fined violators 18.93 million yuan. Some of the more serious cases were sent to judicial investigators to determine responsibility for infringements.

During China's current crackdown on counterfeit trademarks which is in full swing, other trademark violation cases were uncovered and prosecuted. Cases involving the Goldlion trademark alone numbered several hundreds.

Goldlion is the special trademark of Goldlion (Far East) Ltd. of Hong Kong and is regarded as a famous brand name by the Trademark Bureau of the State Administration for Industry and Commerce. Zeng Xianxing, director of the company board, expressed heartfelt thanks to the China's industrial and commercial administrative organizations for upholding the integrity of their famous brand.

Bian Yaowu, deputy director of State Administration for Industry and Commerce, said that under the Trademark Law, China's industrial and commercial administrative organizations provide protection to those who apply for special registration rights whatever their nationality or the nature of their enterprises. They will increase this protection for famous names.

by Yang Xiaobing

## Children's Films Go Globewide

**J**une 1 this year is the tenth birthday of the China Children's Film Studio.

It is the only film studio in China that writes screen plays, adapts books and plays for children's films and shoots feature films and teleplays. It has been nurtured under the care and attention of the government and people from all walks of life and its work is warmly loved by young people and children.

The studio director Chen Jinchu said it has produced 43 children's feature films during the past ten years, five of which won nine awards at international film festivals. *Four Little Buddies*, which describes four pupils striving to be outstanding youths, won the best honorary award and the President's silver medal at the 12th Giffoni International Children and Youth's

Film Festival in Italy in 1982, the Youth Audience Award at the French Lyon Youth Audience Film Festival in 1983, and an honorary award at the Iranian 16th International Educational Film Festival in 1986. *Five Tiger-Generals* tells of five young table tennis players who changed from hating and doubting to trusting

A scene from *Yue Yun*—a young war hero in the Song Dynasty (1127-1279).



and loving their woman coach. It won a gold statue prize at Iran's 17th Teheran International Scientific and Educational Film Festival in 1987. The *Adventure of a Pigeon Fan*, which relates the trials and tribulations of a young worker who adopts an abandoned infant girl, won the top gold medal and CIFEJ film award at the 5th International Children's Film Festival of India in 1987. *Young Peng Dehuai*, the story of the famous Chinese com-



A scene from *The Meridian of War*.

by courtesy of YING ZHICHANG



A scene from *Four Little Buddies*.

mander Marshal Peng Dehuai during his youth, won a children's film award at Portugal's 15th Figueira da Foz International Film Festival. *Oh, Fragrant Snow*, which depicts several village girls looking forward to new city life, won an International Children and Youth Centre Art Award at the 11th Children's Film Festival which took place at the Fourth Berlin International Film Festival in 1991. Chen added, "Among these 43 films, 23 won Chinese Government and Popular Film awards. In addition, the studio has also shot over 20 teleplays, four of which have won awards in China."

Ten years ago, children's films had failed to attract attention



from the public throughout the country. It can be said that this area was a weak link in China's film industry. If in the past the children portrayed in the films appeared as adults, people can now see the artistic maturing of the films of the Children's Film Studio during the ten years. Directors and script writers have gradually learnt to observe and ponder problems from the angle, perspective and ideology of children. *My September*, filmed in 1990, was highly praised by children theatre goers and the media. The film tells the story of a timid child with an inferior complex who is always being bullied by others. He becomes self-confident and brave after being encouraged by his teacher. Yin Li, the film's director, said, "Children will always provide material for script writers of children's films. Understand and remember this and then the film will naturally and truly be a kids' film."

Looking back over the past years, Yu Lan, the first-generation director of the studio, was very excited. From an actress to director, she certainly understood the difficulties more than most. She said, "The studio has developed from a poor street when it was first established to a beautiful studio area with all the necessary equipment. Now we have a contingent of 192 producers, a fact which makes me feel even more proud. All this ensures the shooting of six children's films annually (not including other films), half the total of children's films produced in China."

All the 310 million Chinese children are hungry for good films. People of the Children's Film Studio know this. Because of this, apart from filming, the studio also often holds film festivals for the young. Yu Lan said, "Our greatest wish is to make a contribution to the healthy growth of children"

by Hong Lanxing

## New Drug for Heart Diseases

**S**hanhaidan, a new successful drug for the treatment of heart diseases was recently discovered by Zhao Guoxin, director of the Xian Multi-Discipline Research Institute of Traditional Chinese Medicine in Shaanxi Province. It is one of the most important achievements in heart disease treatment with Chinese medicine. At a recent news release in Beijing, over 100 experts from governmental health organizations, hospitals and research institutes approved the use of the new drug.

Using traditional Chinese medical theory, Zhao Guoxin spent more than eight years preparing the new drug and finally won a success after over 100 experiments. The drug is a pure herbal product and has no side-effect. It surpasses other heart disease drugs in terms of length of time of treatment and medical effectiveness. The drug can eliminate or reduce the symptoms of heart diseases by nourishing the body and improving blood circulation to remove blood stasis.

After using the drug on more than 12,000 patients, it was shown that the effectiveness rate was 96 percent and the success rate was 80 percent. Many patients who suffered from serious myocardial infarction have totally recovered after two courses of treatment.

This new medicine has six different applications used to treat coronary heart disease, angina pectoris, arrhythmia, and combined diabetes, high blood pressure and myocarditis.

The new drug has been approved by the Ministry of Health. Production throughout the country supplies one billion

tablets a year. Advanced technology and equipment have been introduced from abroad to manufacture the product, and businessmen from more than ten countries including the United States and Japan are now negotiating with the Chinese for co-operation in production and importation of the new medicine.

by Liu Jianjun

## New Theory Helps Ore Deposit Finds

**I**n the past ten years, the concept of strata-bound ore deposits, a new theory on ore formation, has helped the finding and verification of more than 30 mineral deposits in southwest China's Guizhou Province. Wide acceptance in the world of the theory has overcome to a comparatively high degree the limits of the older ore deposit theories, and thus promoted the development of ore deposit geochemistry.

Traditional theories classify ore deposits into magmatic, sedimentary and metamorphic categories, failing to include some transitional types. Transitional ore deposits are the objects of the research into the strata-bound ore deposits. Tu Guangzhi, a famous ore deposit geochemist in China, calls them reworked ore deposits.

Beginning in the 1960s, China undertook the study first into the uranium deposits. Later, the significance of strata-bound deposits was further recognized during the investigations of iron and many metal ore deposits. In 1979, at the instigation of Tu, the Institute of Geochemistry of the Chinese Academy of Sciences adopted the strata-bound ore deposit concept as a special research topic. It was listed in 1982 as a key item for

the academy's scientific research. In 1986, the strata-bound ore deposit research team completed the 1.3-million-word three-volume *Geochemistry of Strata-Bound Deposits in China*, which won the researchers the State Award for Natural Sciences.

They systematically and thoroughly studied the geochemical characteristics of 250 strata-bound deposits, including not only gold, silver, lead and zinc, but also some non-metal deposits such as barite, fluorite, arsenic and crystal, which have been poorly investigated even abroad. The study has added new context to ore formation theories and enlarged the variety of known deposits. In addition, in summarizing the characteristics and distribution laws of China's strata-bound deposits, the research group put forward seven principles and signs for detecting deposits.

The strata-bound deposits theory has resulted in conspicuous achievements in China's deposits finding ventures. New fluorite veins have been found in Inner Mongolia and the lodes of lead and zinc in Gansu and copper in Tongling, Anhui Province, have been expanded.

As a continuation of their research, the team has turned to the geochemistry of low-temperature ore deposits and studies of extremely large deposits. The former examines mineralization under 200 degrees centigrade—a blank space in geochemistry.

by Lou Linwei

## Eminent Monk Leaves Numerous Sariras

**M**onk Jingru of the Wutai Mountain, an eminent priest, died at Baotou, Inner Mongolia, on March 3.

More than 5,000 colourful sariras were found in the monk's ashes. This phenomenon is regarded as a miracle by Chinese Buddhist circles both in terms of the quantity and shape of the remains.

The word "sarira" is a Sanskrit term referring to bones in the ashes of the dead. Legends say that after the cremation of Sakyamuni, the founder of Buddhism, the kings of eight countries shared his relics and built stupas to revere them. The keeping of such relics gradually became a vogue.

Most of Monk Jingru's sariras are black and tadpole shaped. Some are as big as peas and some as small as needle points. There are also white, grey, red and bluish green sariras. A big sarira glitters like a crystal and reveals many colours in the sunshine. In addition, there are many white, yellow and grey sarira flowers. The most unique is a sarira flower from the skull. It is five centimetres in diameter and shaped like a honeycomb. As white as snow, it has many tiny sariras on it.

So far, about 4,480 sariras have been sent to the Wutai Mountain for veneration and the remainder will be kept in a new 5-metre-high stupa, to be built at Huayanjingshe, a temple in Baotou. ■

## Enterprises Tune Up PR Skills

**T**he First China Youth Public Relations Skills Competition Among One Hundred Star Enterprises is to be held from August 25 to September 1 in Dalian, northeast China's Liaoning Province.

This activity is sponsored by China Central Television, the Economic Daily, the Ministry of

Commerce, the China International Travel Service Head Office, the China Public Relations Association, the Foreign Languages Publishing and Distribution Administration and the Dalian municipal government.

Up to early June, 61 noted enterprises had registered to participate. Public relations personnel from these firms are being trained to compete in such aspects as manner, knowledge and skill at introducing their own enterprises.

The art of public relations has become valued by the Chinese people over the last ten years as a result of China's open policy.

by Lou Linwei

## Hefei Science and Technology Festival

**T**he First Hefei Science and Technology Festival is scheduled to open during August 17 and 26 this year in east China's Anhui Province.

Hefei is one of China's major bases for science and education. With more than 200 scientific research institutions, the Hefei Science and Technology Garden is a high technology development zone of state status.

The festival will involve cultural, educational, trade and tourist activities. Dr. Chen-ning Yang, a winner of the Nobel Prize, individuals in the fields of science and technology, enterprise and finance from Hefei's sister cities—Albory of Denmark, Columbus of the United States and Kurume of Japan—and representatives of Japan's Fukuoka-ken Children's Science Palace will be invited to the festival.

The 11th International Conference on Production Research is also to be held during the festival. ■



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