

A CHINESE WEEKLY OF NEWS AND VIEWS

# Beijing Review

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## CHINA'S FIGHT AGAINST NATURAL DISASTERS



Anti-corruption  
Campaign On Track





Raincoats of the past (selected from the Black-Diamond Photo Competition).

*Photo by Fu Yiqiang*

# HIGHLIGHTS OF THE WEEK

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**COVER:** Jiangning County, Zhejiang Province has been hit by severe floods rare in centuries. This stretch of farmland and houses were inundated by floodwaters. The People's Liberation Army rescue victims stranded by the highwater in Wuxi, Jiangsu Province.  
**Photos by Ding Jun and Yao Yong**

## China Fights the Floods

□ Since late May, fierce floods have struck 18 provinces and municipalities in China, causing heavy losses to life and property. The Chinese government has been mobilizing both military and civilian resources to fight the floods and has endeavoured to guarantee safety of those living in the stricken areas and reduce property losses to a minimum (p. 14).

## Anti-corruption Struggle Continues

□ The Chinese Communist Party has never let up in its fight against corruption. Because of the persistent influence of the ideology of the exploiting classes and imperfect mechanisms of the socialist commodity economy, however, a handful of persons within the Party will yield to temptation and become corrupted. The Party and government thus need to unswervingly promote the establishment of clean government, punish corrupt practices and protect the public's right to report corruption (p. 4).

## CPC Members Play an Exemplary Role

□ This article highlights the deeds of some pace-setting Communist Party members who play exemplary roles in China's reform, opening up and economic construction (p. 24).

## Conventional Disarmament in Europe

□ Much progress has been made towards conventional arms cuts in Europe, but the Treaty on Conventional Forces in Europe is yet to be ratified, follow-up talks to be completed and new problems are to be removed (p. 9).

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# Anti-corruption Struggle Continues

by An Zhiguo

A dedicated revolutionary group or political party working in the people's interests becomes corrupt, degenerating after coming to power. It is a familiar development in history, both Chinese and foreign. Whether a Communist Party, after assuming power, can avoid this pitfall is dependent on whether it has firm and effective measures to resist corruption.

Shortly before the founding of the People's Republic of China, Mao Zedong, leader of the Chinese Communist Party, warned the whole Party against attacks by "sugarcoated bullets," admonishing its members to maintain a modest, prudent and hard-working style. When the Party's headquarters was about to move from the countryside to Beijing, Mao said, "Li Zicheng became corrupted after entering Beijing. We must never be a Li Zicheng." Li Zicheng (1606-1645), leader of the peasant uprising in the late years of the Ming Dynasty, led his insurrectionist army and captured Beijing in 1644, overthrew the Ming Dynasty and founded the Dashun regime. The following year he withdrew from Beijing and was soon killed by the armed forces of the landlords.

In 1950, two senior Party cadres in Tianjin, Liu Qingshan and Zhang Zishan, were sentenced to death for their crime of graft. Huang Jing, then secretary of the Tianjin municipal Party committee, asked Chairman Mao to grant the two leniency and spare their lives on the ground that they had previously performed outstanding military services and had great influence among cadres. Chairman Mao flatly rejected the request, saying, "It is precisely because of their high standing and great contributions and influence that the determination was made to put them to death. Only through their execution is it possible to save 20, 200, 2,000 and even 20,000 cadres who have committed varying degrees of mistakes." This thesis proved to be correct by later developments.

After China began to implement the policies of reform and opening to the outside world in late 1978, Deng Xiaoping noticed that serious corruption affected quite a number of cadres. He noted, "The trend developed very rapidly and, if our Party fails to pay serious attention to it and check this trend resolutely, our Party and state will have to face the problem whether or not their character

will remain unchanged." To prevent this from happening, he put forward the policies of conducting reform and opening up while simultaneously cracking down on economic crimes and strengthening ideological and political work. During the implementation of these policies, however, the mistake of regarding the former as a hard task and the latter a soft task was committed; it thus became one of the major causes behind the "June 4" political disturbances in 1989.

Later, this mistake was corrected following the formation of China's third generation of collective leadership with Jiang Zemin as the core. At a recent rally marking the 70th anniversary of the founding of the Communist Party of China, General Secretary Jiang Zemin noted, "We must become attuned to the soul-stirring, bitter struggles that have been going on in recent years both at home and abroad, administer the Party strictly, establish a complete set of systems to resist corruption and degeneration and adopt effective measures to have stricter supervision within the Party and stricter supervision by the masses, so that a relentless struggle can be waged against all negative and decadent phenomena."

Generally speaking, since it assumed power, the Chinese Communist Party has adopted a firm attitude towards the punishment of corruption and its policy has been consistent. It has set up some very effective systems and regulations regarding, for example, the prohibition against Party and government officials doing business, feasting and drinking with public funds and illegal construction of private houses. The universal establishment of public reporting stations has been particularly important.

In March 1988, the Shenzhen Municipal Procuratorate in Guangdong Province was the first in the nation to set up an economic criminal reporting centre. Its fruitful work has won the praise and support of the Supreme People's Procuratorate. Since then, 3,168 procuratorates, 89 percent of the nation's total, have established corruption reporting centres. Over the past three years, these centres have handled around 1.13 million criminal cases, of which 416,000 have involved graft and bribery, 61,000 of which have been placed on file for investigation and prosecution, representing 70 percent of

## More Anti-Flood Installations Needed

Premier Li Peng said that China's efforts in the construction of anti-flood facilities in the past four decades had paid off in countering the latest severe floods.

Without those anti-flood facilities, he stressed, it would have been impossible to protect the lives of so many people, important facilities such as power plants and coal mines and main communications arteries (including the Tianjin-Pukou railway), and the tens of thousands of hectares of farmland.

Li made the remarks at a meeting in Shanghai on July 22 attended by the leaders of Anhui,



Premier Li Peng speaking at the meeting on relief work.

ZHANG WEIFEI

the total placed on file for investigation by procuratorates during the same period. These actions have retrieved 1.12 billion yuan in economic losses for the state. Of the 21 major cases of graft and bribery, each involving 1 million yuan or more, which were placed on file for investigation and prosecution by procuratorates last year, 17 cases were reported by the public.

Over the past three years, overawed by the public's involvement and the power of rule by law, 44,000 criminals, 28,000 of whom committed crimes of graft and bribery, have surrendered themselves to the country's procuratorial organs. At the same time, over 1,800 cases of retaliation against those who reported corruption were investigated and dealt with. Those involved in the cases have been sentenced by the courts or transferred to their original units where appropriate Party or administrative measures were taken against them.

In May of this year, the Supreme People's Procuratorate promulgated Regulations on Protecting the Citizen's Right to Report, which includes such stipulations as maintaining the confidentiality of "whistle blowers," investigating and affixing responsibility for those who take retaliatory measures and compensating those who report corruption for any losses they incur. In Guangdong Province,

procuratorial organs also laid down specific stipulations rewarding those who have reported corruption. These regulations have effectively protected the public's enthusiasm for reporting corruption. As a result, the number of people reporting corruption is on the increase.

Since the age-old ideology of the exploiting classes continues to exert its influence, and because the socialist commodity economic mechanism is yet to be perfected, a handful of the more susceptible people in the Communist Party will invariably be hit by "sugarcoated bullets" and become corrupt. Their actions, however, will not be tolerated by the Party and state and they are under the scrutiny of hundreds of millions of people. Given this, so long as the Party and government unswervingly promote the establishment of clean government, punish corrupt practices and protect the people's right to report, they are sure to spread a dragnet so wide that corrupt elements will have no opportunity to escape. In this way, the corrupt ideology and practice will be checked from spreading. Only by so doing will the Party be able to maintain and develop the fine traditions of serving the people wholeheartedly and maintaining close relations with the public, thereby guaranteeing that the Party will forever remain politically invincible. ■

Jiangsu and Zhejiang provinces and Shanghai municipality after an inspection tour of the flood-stricken areas in the three provinces.

However, the premier pointed out, the existing anti-flood facilities are still inadequate. "The recent floods brought to light our problems existing in water conservancy construction," Li said.

He urged departments concerned to carry out studies of the problems for a permanent solution to flood control.

The State Planning Commission and the Ministry of Water Resources should hold a conference to draw up concrete plans for harnessing the Huai River and Taihu Lake, Li said, and he added that the cost would be borne by both the central and local governments.

In his speech, the premier affirmed the achievements made in the fight against the floods and noted that the losses had been reduced to a minimum.

According to statistics, 145,000 people were killed by floods in 1931 and 142,000 in 1935. The current flooding, though the severest in recent decades, resulted in neither too many deaths nor a huge army of refugees. The situation remains stable and people are calm in the flood-ravaged regions.

Li told local authorities to work harder to provide flood victims with food, drinking water and housing and to prevent the outbreak of epidemics. Medicines should be delivered to the flood-hit regions in time. Meanwhile, Li added that preparations should be made to resume production after the floods recede.

It was crucial to seize the time to lower the water level of the Huai River and Taihu Lake. Barriers to flood drainage should be removed, he said.

Li Peng appealed to the people throughout the nation to dig deeper into their pocket in support

of the stricken areas. He urged the Ministry of Civil Affairs to manage the donations well and place all of it for the flood-stricken areas. ■

## Budget Situation Remains Serious

State Councillor and Finance Minister Wang Bingqian announced on July 24 that improved economy helped state revenue to grow faster than expenditure, leaving the country a surplus of 2.98 billion yuan (US\$562.8 million).

Speaking at a national conference on finance and tax in Beijing, Wang said that domestic revenue increased by about 6 percent in the January-June period from the same period last year to 131.73 billion yuan (US\$24.85 billion), fulfilling 40.2 percent of this year's economic plan, while domestic expenditure totalled 128.74 billion yuan (US\$24.29 billion), up 4.6 percent.

But he warned that the financial situation was serious in the first half and will remain so for the rest of the year.

The economic results of enterprises still leave much to be desired, he said. The budgetary value of industrial output increased 9.9 percent in the first half over the same period last year, profit dropped 17.5 percent, the part of profit turned over to the state decreased 94.3 percent, and the total volume of tax and profits that enterprises had defaulted amounted to 21.09 billion yuan.

Wang noted that the current floods would heighten pressure on revenue.

He told finance and tax units throughout the country to help enterprises to reduce their production costs and solve the problems existing in production and circulation in order to maintain a steady source of revenue.

While continuing to carry out all measures set by the State Council for revitalizing state-owned enterprises, he said, no region or department should abuse its power to approve new tax reductions. Wang also called on tax departments to strengthen tax collection from key sources, including rural enterprises and foreign-funded firms.

The minister warned that all central departments should put their budget allocations to good use since there would be no make-up funds from the state if they overspent.

He added that capital construction expenditure should not exceed the state plan.

But Wang emphasized that despite the present difficult financial situation, financial and tax departments throughout the country should support flood-hit areas in restoring production and rebuilding homes.

**Exports Increase Steadily** According to statistics from the Ministry of Foreign Economic Relations and Trade, China's exports amounted to US\$28.25 billion in the first half of the year — 17.5 percent higher than the same period last year.

The ministry spokesman Ye Rugen ascribed the growth to the new foreign trade system practised since the government stopped subsidizing foreign trade and implemented a responsibility system for profits and losses early this year.

Export commodities registering the largest increases included rice, maize, coal, cement, electrical and machinery products, textiles, garments, and ceramics.

Actual imports amounted to US\$14.32 billion — up 7.4 percent over the same period last year, Ye said at a press conference on July 24.

The spokesman stressed that China would maintain an appropriate growth of imports in the principle of maintaining a basic

balance between imports and exports while preserving necessary foreign exchange reserves for foreign debt service.

Ye noted priority would be given to the import of advanced and applicable technology.

China approved 5,028 new foreign-invested projects during the first half of the year with a total capital of US\$1.65 billion from overseas.

The total export value of the foreign-funded enterprises already in operation amounted to US\$3.33 billion. ■

## Top Leaders Address Foreign Policy Forum

General Secretary Jiang Zemin and Premier Li Peng addressed a five-day foreign affairs work conference, which ended in Beijing on July 26.

In an analysis of the current international situation, Jiang expounded on the importance for China to pursue its independent foreign policy of peace.

As the country is carrying out reform and opening to the outside world, Jiang said, it is important to build up a contingent of foreign affairs workers who are devoted to the country and socialism, and who are proficient in work.

The Party leader pointed out that the remarkable achievements China has made in carrying out the policy of reform and opening have demonstrated that the system of socialism has great vitality.

He said China has a population of 1.15 billion, a territory of 9.65 million square kilometres, a civilization of 5,000 years and more than 50 million Party members.

"So long as China runs its own affairs well, it will make important contributions to the cause of socialism in the world," Jiang



## A Helping Hand From British Company

Chen Nanlu (left), general manager of The Swire Group (China) and the leading representative of the British Group to China, presents a cheque of 5 million Hong Kong dollars to Cui Naifu, minister of civil affairs, on July 23. The group is one of the first international companies which have donated to China's flood-stricken areas.

by Min Zheng

said.

Premier Li Peng spoke highly of the new successes China has scored in expanding its foreign relations, saying such achievements have helped ensure a favourable international environment for the country's economic construction, reform and opening to the outside world.

In the past two years, Li said, under the leadership of the Party Central Committee with Jiang Zemin at the core, China has withstood external pressure and overcome difficulties of various kinds, achieving political and social stability as well as economic development.

Li put forward the major tasks for China's foreign affairs work.

He said the conference was held to help people involved in foreign affairs better understand the world situation and the country's foreign policy, and improve foreign affairs work.

He stressed that the new international order should be based on the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, mutual non-interference in internal affairs, equality and mutual benefit, and

peaceful coexistence.

"All countries, big or small, strong or weak, rich or poor, are equal members of the international community. Only on the basis of mutual respect, equality and mutual benefit can world peace and common development be promoted," Li said.

The conference was attended by senior Party, government and army leaders, along with participants from the provinces and central departments in charge of foreign affairs, and Chinese ambassadors to various countries. ■

## UN Funds Programme For Better Teachers

Forty years ago, more than 85 percent of the population in Laiwu, Shandong Province, could not write their names. Today, over 99.2 percent of its young and middle-aged people (between 15 and 45) are literate.

Statistics indicate that 99.87 percent of the school-age boys and girls in the city attend school, and 95 percent of them go on to middle schools.

According to the State Educa-



tion Commission, what has happened in Laiwu is typical of China's more than 2,000 counties and cities.

Statistics from the commission indicate that there are about 749,000 primary schools, 78,000 middle schools, 9,100 vocational schools, 210,000 adult schools for primary education and 4,100 secondary schools for adults in the country's rural areas. As a result, more than 140 million of China's 800 million rural residents are receiving education in various schools.

In the past decade, rural education conditions and teachers' salaries have greatly improved. Most of the counties have popularized middle school education, accommodating 75.58 percent of the rural primary school graduates.

Education for handicapped children has also developed in the rural areas.

In addition, about 30 million farmers, each year since 1988, have received various forms of training in agricultural techniques. Some places even issued farmer's credentials, commonly

called the "green license."

The popularization of rural education has not only improved the farmers' productive techniques but has also promoted the change of the general mood of the rural communities. More and more young rural couples willingly practise family planning.

However, there is still a problem in the development of rural education. A survey shows that 34 percent of the rural primary school teachers are under the official certificate standards. The problem is even more serious in the poor remote and minority areas.

The problem has been aggravated by the fact that a considerable number of unqualified teachers cannot put aside their teaching work to attend new training courses.

In order to overcome the problem, according to the State Education Commission, the government has decided to extend a current television educational programme to remote rural areas. The idea is to help more primary school teachers to improve their qualifications.

The programme, funded with a US\$1.4 million donation from the United Nations Children's Fund, aims to improve the quality of more than 25,000 rural primary school teachers in Northwest and Southwest China's 26 economically underdeveloped counties.

The programme is to be carried out step by step over the next four or five years.

The project is also expected to cover the training of pre-school teachers.

The government expects to establish a nationwide, multimedia training network which can help improve the teachers' training throughout the country.

Education officials are confident that the project, if successful, will also help promote the social progress in the rural areas.

## Keeping Hotel Guests Informed

Hotels and guest houses catering to foreigners in China will soon provide their foreign guests with the domestic services of Radio Beijing in their native languages.

According to an announcement issued jointly by the Publicity Department of the Central Committee of the Chinese Communist Party, the Information Office of the State Council, the Ministry of Broadcasting, Film and Television, and the State Travel and Tourism Administration, each guest will be able to tune to Radio Beijing's programmes in English, French, German, Japanese or Spanish to keep abreast with current affairs.

Lanzhou, capital of Gansu Province, relays all five foreign language broadcasts. But Shanghai, Tianjin, Guangdong Province and Nanjing relay only the English edition.

Madian Village student of Hebei Province attending class in a field.

ZHAO LIANSHENG





# European Disarmament Faces Complexities

by Hu Yumin

*Disarmament in Europe now focuses on conventional arms, particularly the ratification and implementation of the Treaty on Conventional Forces in Europe. The Gulf war, although having exerted an impact on the disarmament process, has not led to a fundamental reversal of the disarmament trend in major European countries.*

**T**he Treaty on Conventional Forces in Europe, signed by 22 countries from both the North Atlantic Treaty Organization (NATO) and the Warsaw Pact on November 19, 1990, states that the two military blocs renounce their mutual hostility and replace the old strategy with a new security relationship. Furthermore, the treaty sets the quotas for both sides' conventional armaments in Europe.

The treaty came at a time when Germany realized reunification and the Warsaw Pact ceased to exist in a substantial sense. It reflected a common desire on the part of major European forces to improve the security environment in Europe and promote the establishment of a new security mechanism.

The treaty is aimed at eliminating the capability of NATO and the Warsaw Pact (the Soviet Union) to launch a sudden conventional attack and large-scale assault in Europe, with Central Europe being the focus of disarmament. The end result of the treaty is to achieve a balance

between the two blocs and the regions. Under the treaty, NATO would cut by 5 percent five categories of its weapons, including tanks, numbering about 3,000, while the Soviet Union was obliged to reduce as many armaments as 10 times more than the NATO allies. Although the Soviet Union remains the greatest European power in conventional arms after such reductions, the Soviet superiority in conventional weaponry will no longer exist. NATO now believes that the Soviet threat has been reduced to its minimum level since World War II.

Also significant is that the treaty will promote a shift towards a defensive nature in the structure of European armaments and military strategies. This will serve as an important catalyst for creating a new security mechanism in Europe.

However, the treaty has not been ratified by the parties concerned because of problems arising from the transfer of weapons and, more importantly, changes in international and US-Soviet relations be-

fore and after the Gulf war. However, treaty signatories are reducing their arms arsenals in accordance with the treaty. The Soviet Union has indicated that it will further reduce its defence spending and cut another 100,000 troops after the current plan of demobilizing 500,000 soldiers is completed. Meanwhile, Soviet troops stationed in Eastern Europe will withdraw completely before 1995.

The United States plans to cut defence spending to US\$295.2 billion in fiscal year 1992 — US\$3.7 billion less than in the previous fiscal year — and cut one quarter of its troops in the next five years. Some overseas bases will be closed and troops stationed in Europe will be reduced. Germany has promised to slash its troop strength to 370,000 men, and Britain, France, the Netherlands and Belgium have also announced plans to reduce their military presence in Germany.

## A Contest in Quality

So far arms control talks between the East and the West

are mainly concerned about the quantity rather than the quality of weapons. The power demonstrated during the Gulf war by high-tech weapons prompted the great powers to develop high-quality weaponry. While reducing defence spending, the Bush administration has increased its funds by 15 percent for developing new weapons from US\$34.55 billion in the 1991 fiscal year to US\$39.92 billion in the current fiscal year. Within the defence budget this is the only area that received an increase in fund-allocations. The Pentagon has announced plans to develop a new generation of high-tech weapons, procure new Stealth fighter planes, buy more JS air-borne radar systems that can accomplish deep behind-the-enemy-line reconnaissance, and renew M1-A1 tanks, F-16 fighter planes, Apache fighter helicopters and Patriot anti-missile systems.

The Western European Union member states, feeling that their technological equipment was not up to date for modern warfare, decided to strengthen their co-operation in the manufacture of high technology, particularly air reconnaissance technology. To upgrade long-distance support capability of their troops, they are considering organizing a multi-national rapid-response brigade. Some countries are studying ways to transform Airbus passenger planes into military transport aircrafts. Britain and France, while continuing to build their nuclear forces, plan to invest more in conventional forces, with emphasis placed on small-sized, well-equipped and responsive mobile forces.

The less than satisfactory performance of Soviet-made weapons during the Gulf war

aroused serious anxiety in the Soviet Union over the gap between Soviet and Western arms. The Soviet parliament has asked the government and the military to map out new defence doctrines drawing on the Gulf war. Soviet Defence Minister Dmitry Yazov indicated that his country's air defence system would be re-examined. Soviet air force generals demanded that high-precision weapons be developed to strengthen the Soviet air force. According to Western reports, although the Soviet economy is faltering, Moscow has never halted its weapons modernization programme. At present the Soviets are developing five to six kinds of new long-range ballistic missiles, strategic bombers, air-based cruise missiles, long-range sea-based missiles, large aircraft carriers, new strategic missile submarines, laser weapons, electromagnetic and other high-tech weapons.

### New Problems

Since the end of last year, allegations from the United States and its West European allies have increased over Soviet violation of the "spirit" of the Treaty on Conventional Forces in Europe by reorganizing three motor infantry divisions, along with 3,000 pieces of weapons, into naval coastal defence forces to evade reduction. The US government has decided not to submit the treaty to the Senate for approval until the question is resolved. Earlier this year, the United States postponed a US-Soviet summit meeting scheduled for February. Follow-up talks of European conventional disarmament have come to a standstill.

The power of Western high-

tech weapons as shown during the Gulf war and the increased US military presence in the region worried the Soviets. The Soviet military hopes to retain as many armaments as possible to make up for the gap in weapons quality. Besides, the US-Soviet rift has widened over post-Gulf war security arrangements. Furthermore, the United States is suspicious of Moscow's current domestic and foreign policy and has linked the disarmament talks with the domestic situation in the Soviet Union. The US Senate has stated that in approving any agreements reached with the Soviets it would consider developments in the Soviet Baltic republics. The suspension of conventional disarmament talks has prevented the talks on short-range missiles in Europe from taking place.

However, there is a common desire to resolve these differences. The Treaty on Conventional Forces in Europe was a compromise reached between the East and the West out of respective strategic needs. Although the US government delayed submitting it to the Congress, it needs this treaty. The Gulf war did not fundamentally change the US or Soviet arms control policy, and both sides are reducing and readjusting their weapons in compliance with the treaty.

To break the deadlock, US President George Bush asked Soviet President Mikhail Gorbachev for renewed efforts to resume the talks. Moscow indicated that any difference in the current talks could be settled. After the meeting of foreign ministers from the two countries on June 1, both sides indicated that they had reached a compromise in principle on the disputed issues.

The Soviets reportedly agreed to include the weapons of its three motor infantry-turned coastal defence divisions into the agreement and the United States declared it would no longer probe into Soviet weaponry transferred to the east of the Urals and the Soviet evasion of verification. Delegates from the two sides are working on technical details and it seems the US-Soviet summit meeting at the end of July may pave the way for the final ratification of the treaty. This will promote talks on short-range missiles.

At present the follow-up

talks on the treaty are facing some new problems. On the one hand, NATO allies, worried about Soviet policy consistency, have toughened their stance in talks. Meanwhile, reduced Soviet pressure has made intra-NATO frictions surface and weakened the basis on which the United States co-ordinates relations with its allies. The disintegration of the Warsaw Pact as a military organization and the fact that East European countries are turning to the West for protection have further diluted the boundary between the two former blocs. Parties to the

talks are increasingly concerned about their own interest rather than collective interest. On the other hand, the Soviet Union is concerned over NATO's use of its Europe-based troops in the Gulf war and the increased US military presence in the region. Moscow contends that the increased mobility of NATO troops contravenes the goal to limit the attacking capacity of troops, a principle contained in the talks on European conventional disarmament. The follow-up talks promise to be more complex. ■

## ASEAN Ready for Closer Co-operation

by Gu Zhenqiu

Foreign ministers of the Association of Southeast Asian Nations (ASEAN) concluded their 24th meeting July 20 in the Malaysian capital of Kuala Lumpur, saying that they were approaching consensus on advancing economic co-operation and regional security in the 1990s.

"ASEAN, in response to the challenges of the 1990s, should be more dynamic and forward-looking, should strengthen itself and intensify intra-regional co-operation," the foreign ministers said in a communique issued at the end of the two-day annual meeting.

The communique backed Thailand's proposal for an ASEAN free trade area to be set

up by the turn of the century but stopped short of fully endorsing a controversial Malaysian proposal to set an East Asian Economic Group (EAEG).

Several proposals were drafted for further study by leaders of ASEAN, which includes Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand. Sources said much of the two days were spent planning for the next summit meeting in Singapore scheduled for January 27-28, 1992.

Thailand proposed an ASEAN free trade area. The Philippines suggested an economic treaty as a blueprint for increased co-operation, while Malaysia is seeking endorsement of the EAEG to serve as a consultative

forum on international issues rather than a trading bloc.

The EAEG, which would include the ASEAN countries along with such neighbouring nations and regions as China, Japan and South Korea, "would be ASEAN's contribution to the maintenance of an open global trading system," said Malaysian Prime Minister Mahathir Mohamad at the opening of the annual ministerial meeting.

"The economies of ASEAN and many developing nations which are so dependent upon the open trading system are threatened by the new waves of protectionism," the prime minister said, adding that the EAEG "constitutes a realistic approach to counter the adversary and pro-

tectionistic stance adopted by some countries which is jeopardizing the multilateral trading system."

The concept of EAEG, in response to a lack of progress in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT), reflects fears of a new bout of protectionism in the region's key export markets.

A highlight of the meeting was the first contact between the 24-year-old regional body, Beijing and Moscow. Foreign Minister Qian and Soviet Deputy Prime Minister Yuri Maslyukov attended the opening session of the meeting as guests of the Malaysian government and held separate private talks with their ASEAN counterparts.

During his talks with the Malaysian prime minister, Chinese Foreign Minister Qian Qichen said that China felt positively towards the proposal, launched by Mahathir last December, because Southeast Asia and East Asia should strengthen their economic co-operation to make the region more secure and prosperous.

Qian also told the ASEAN foreign ministers that China respects and supports ASEAN's proposal for establishing a zone of peace, freedom, neutrality, and free of nuclear weapons in Southeast Asia.

Before his departure from Kuala Lumpur Qian said that he is satisfied with the successful visit to Malaysia and his contacts for the first time with ASEAN marks the beginning of the dialogues between China and the regional group.

The Chinese foreign minister said while ASEAN has adopted a positive attitude towards developing economic relations with China, China is willing to cooperate with the group in various fields.

Philippine Foreign Secretary Raul Manglapus invited both

China and the Soviet Union back next year to the ASEAN ministerial meeting to be held in Manila.

Last year China resumed its diplomatic relations with Indonesia and established such bilateral ties with Singapore. With the exception of Brunei, all the other ASEAN countries have diplomatic relations with China and the Soviet Union.

ASEAN was founded in 1967 to foster "economic growth, social progress and cultural development in the region." Since the Vietnamese invasion of Cambodia in late 1978, it has concentrated on the outstanding Cambodian issue over the past decade which has endangered the security of the region.

Its current priorities are shifting as peace and development become the dominant theme in today's world. Trade is now its principal concern.

ASEAN's average gross domestic product grew by 8 percent last year, among the highest growth rates in the world. But trade within the group, which has a combined population of 300 million, accounts for only 20 percent of all ASEAN commerce.

Except for the service and manufacturing centre of Singapore and the oil-based economy of Brunei, the other countries compete with mostly the same exports — palm oil, rubber, tin, coffee, tropical hardwoods and other commodities.

To reach the goal of boosting economic growth in Southeast Asia, the foreign ministers also issued a joint communique recommending regular constructive talks with Beijing and Moscow.

They established a standing committee to evaluate the proposals from China, the Soviet Union and other neighbouring nations for dialogue partnerships, equivalent to the positions

of the United States, Japan, Canada, Australia, New Zealand, South Korea and the European Community.

"Their systems are different from ours," said Malaysian Foreign Minister Abdullah Ahmad Badawi of China and the Soviet Union. "We need to understand each other better."

Other issues discussed at the meeting included regional security, particularly following the breakthrough in seeking a political and comprehensive settlement of the long-standing Cambodian issue and the July 17 agreement between Washington and Manila on US military bases in the Philippines.

ASEAN, which will celebrate its 25th anniversary next year, plays an important role in maintaining peace and stability in the region.

Also in the joint statement, the ASEAN ministers called for international support for the Cambodian Supreme National Council (SNC) set up under the framework document of the five permanent members of the United Nations Security Council to guide the war-torn nation to peace.

Separately, ASEAN announced that its member states would accredit representatives to the SNC.

The ministers said that they welcomed Samdech Norodom Sihanouk's election to head the 12-member SNC and the council's decision to set up headquarters in Phnom Penh.

During his talks with the ASEAN foreign ministers, Soviet Deputy Prime Minister Maslyukov pledged that the Soviet Union would cut back its military presence in the region, including Cam Ranh Bay in Viet Nam. However, the high-ranking Soviet official failed to put forward any specific proposal on how to advance security in the Southeast Asian region. ■



# Hope for Mideast Peace Increases

by Zhang Xiaodong

The historic turn came in mid-July when President Hafez al-Assad of Syria, in a letter of response to President George Bush's proposal for holding a regional peace conference, said that the US proposal was "positive and balanced and can constitute an acceptable base to reach a comprehensive solution and achieve peace in the region."

He added that he was satisfied with the proposal because it was based on the principle of international law and a United Nations' role in the peace conference.

A yes answer to the Bush proposal may soon be heard from Israel following US Secretary of State James Baker's fifth trip to the Middle East since the Gulf war.

Israel, faced with a US desire for an affirmative reply to the proposal offering the Jewish state the first direct talks with its Arab foes, hinted it might accept pending clarification from the United States.

Baker was sent to nail down Syria's acceptance of a US proposal for peace talks and convince Israel to go along with the plan.

Bush proposed that a regional peace conference be convened under the auspices of the United States and the Soviet Union and that the conference be followed, immediately after its opening, by direct Israel-Palestine and Israel-Arab talks.

The issue of Palestinian representation, long an obstacle in the Middle East peace process, is a major problem thwarting Bush's

previous peace initiative. However, it is expected to be resolved. Syria said it would support a joint Jordanian-Palestinian delegation of which the Palestinian members might be chosen from the occupied territories if they had relations with the Palestine Liberation Organization (PLO).

Syria's response, described as an improved change in the efforts to push forward the Middle East peace process, threw the ball back into Israel's court.

Israel called the change of Syria's position encouraging while insisting that the PLO be excluded from the peace efforts. Tel Aviv also stubbornly rejects the idea of land-for-peace.

Baker and the leaders of Syria, Egypt and Saudi Arabia have urged Israel to stop building Jewish settlements in the occupied Arab lands.

Egyptian President Hosni Mubarak said, "I think and believe if Israel could suspend building settlements in the occupied territories, the Arab states would take reciprocal steps by suspending the boycott. These steps could bring us much more progress in the peace process."

Baker echoed Mubarak, saying that if the steps were taken, "clearly a desire to improve the climate for negotiation between Israel and its Arab neighbours and the Palestinians would be evident."

Israel has built more than 130 Jewish settlements in the occupied West Bank and Gaza Strip, home to some 1.7 million Palestinians.

Following Egypt, Saudi Arabia became the second Arab country to offer an end to the boycott against Israel. Saudi Prince Bandar Bin Sultan issued a statement saying that if Israel suspended the building of settlements, it would be possible for the Arab countries to take appropriate steps in suspending the Arab boycott of Israel as a contribution to encourage the ongoing efforts aimed at achieving peace in the Middle East.

During the G-7 London summit, the seven industrialized countries called on Israel to stop construction of Jewish settlements on the occupied Arab land and, at the same time, appealed to the Arab countries to suspend their decades-old economic boycott against Israel. This was regarded as international pressure on Israel.

During Baker's recent trip to the Middle East, he won the support of major Arab states and expressed hope that the Jewish state would seize this historic opportunity for talks.

After the Gulf war, Iraq, the head of the anti-Israel front, was seriously weakened economically and militarily. The Palestinian uprising lost support from Gulf countries because it sided with Iraq. The Likud wing in Israel, in spite of pressure from the international community, took advantage of the situation to continue to expand Jewish settlements.

Now that Syria agreed to participate in a regional peace conference on the Middle East, a turning point has appeared in the peace process in the region. The conference, if convened, is expected to be held in Washington or Cairo. However, the "dual track negotiations" after the conference would be difficult and time-consuming. Its success would depend on Washington's determination to impose pressure on Israel. ■

# China Fights the Floods

by Our Staff Reporter Li Ning

The torrential rain and fierce flooding in China have damaged 19.33 million hectares of farm crops and made disaster victims of some 206 million people. The Chinese government is continuing to organize both military and civilian resources to fight the floods and help those caught in the disaster. The safety of those living in the stricken areas is now guaranteed and property losses will be re-

duced to the minimum.

Since late May, the fierce floods have struck 18 provinces and municipalities in east, north, central, northeast and southwest China, causing heavy losses to life and property.

## Anhui Province

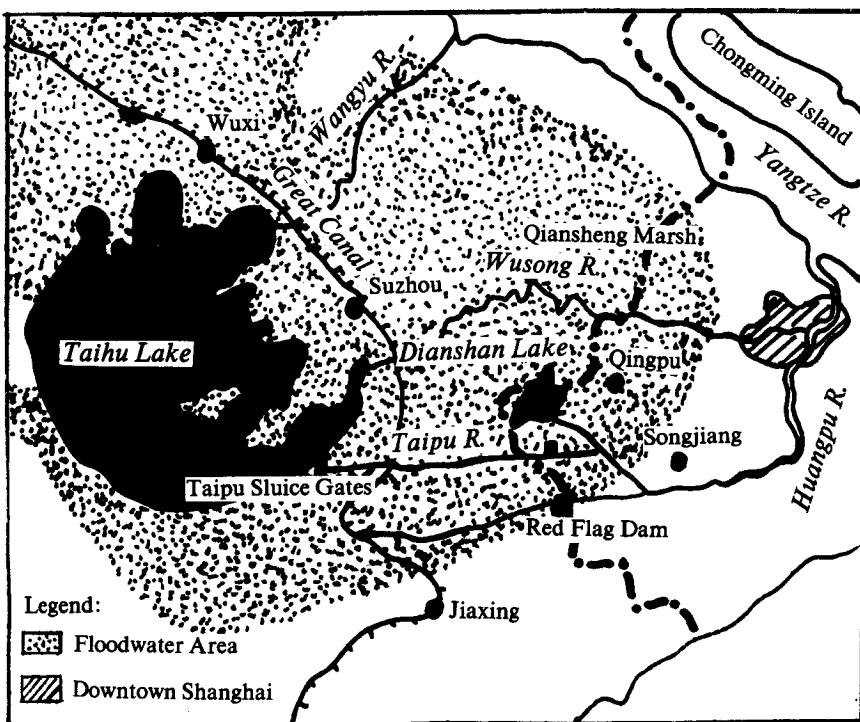
Between May 18 and June 16, Anhui Province, China's major grain production area, was hit by

rainstorms. The monthly precipitation was one-third to a half that of the normal annual amount of 1,000-1,200 mm. The rainfall in Shouxian County on the Huaihe River bank and Quanjiao County on the bank of Chuhe, a tributary of the Yangtze River, for example, topped 400 mm in two days. Although the province discharged 1 billion cubic metres of water to six flood diversion and storage areas, the floodwater still inundated 24,000 hectares of farmland.

After the torrential rains, from June 29 to July 14, the year's second worst flood crest entered Anhui, flooding 16 of the province's 22 flood diversion and storage areas and turning the remaining six into swamp land.

By July 12, 38 provincial counties and cities had been hit by floods, eight of them twice. The water in parts of the capital city of Hefei was 0.3-1.5 metres deep. Of the province's total 4.33 million hectares of farmland, 3.53 million were flooded, decreasing the output of

Sketch Map of the Flooded Taihu Lake Valley



summer grain and oil-bearing crops by 4.35 billion kg and 260 million kg respectively. The number of flood victims reached 48 million, or 80 percent of the province's total population. A total of 14 million were seriously affected. The floods killed 337 people and injured 3,948, caused the death of 10,776 head of draught animals, destroyed 967,000 houses and damaged another 1.296 million. The direct economic losses to the province amounted to 11.33 billion yuan, including 9.27 billion yuan in agricultural losses.

## Jiangsu Province

From May 21 to June 18, heavy downpours and the resulting floods slashed through Jiangsu Province, an area which had led the country for seven successive years in total industrial and agricultural output value. As the rainfall in the Taihu Lake valley averaged more than 220 mm, the water level of the 2,500-square km Taihu Lake rose 0.7 metre above the warning line, posing a grave threat to the cities in the Taihu Lake valley and to the lower reaches of the lake.

Since June 30, the Taihu Lake valley was again hit by continual rainfall for several days, the total amount exceeding 300 mm. The situation was made worse by the Yangtze river flood peak rushing towards the area. The water level of the Taihu Lake rose to 4.79 metres at 9 am on July 16, exceeding the warning line by 1.33 metres.

When the floods inundated the three cities of Suzhou, Wuxi and Changzhou, the total industrial output value of which made up 45 percent of the province's total, it forced 11,100 factories to fully or partially suspend production. The rainfall in the Lixiahe area, the grain output of which made up 40 percent of the province's total, topped 500 mm, damaging



In the inundated Lukou Township, Anhui Province, over 1,000 flood victims are moved to the temporary sheds on the banks of the Huaihe River.

the season's crop harvest before it was gathered in.

By July 13, of the province's 4.53 million hectares of cultivated land, 2.7 million hectares had been damaged and 660,000 hectares completely destroyed. The province's grain output was thus reduced by 2 billion kg. Water entered 25,000 factories, mines and warehouses in the province and the residences of more than 1.2 million households were flooded. Of these, 198,000 houses collapsed and another 326,000 were damaged. The number of victims in the province reached 42 million, 62 percent of the province's total population. Some 198 people were killed, and the economic losses to the province reached 10 billion yuan.

## Hubei Province

The rainstorms between June 29 and July 10 damaged 1.81 million hectares of farm crops in Hubei Province. Some 367,000 hectares of land were left without any harvest at all and, overall, 3 billion kg of grain were destroyed. The number of people directly affected by the floods totalled 26 million while 177 peo-

ple were killed and more than 8,000 wounded. The floods also damaged 107 highways, 1,800 bridges and 2,100 culverts, hitting as well 200 hospitals and 1,500 schools. The province's direct economic losses amounted to 3.6 billion yuan, including 2 billion yuan in agricultural damage.

## Sichuan Province

Since late May, most of the cities and much of the rural area in Sichuan, China's most populous province, was struck by five rainstorms as well as strong wind and hailstorms, causing economic losses of more than 2 billion yuan.

The disasters affected 22.5 million people, killing 323 people and 60,000 head of draught animals. About 1.4 million hectares of land planted to grain were inundated, and 160,000 hectares of cotton, tobacco, sugarcane, peanut, jute and other cash crops were damaged. The damage to the vegetable production centre seriously affected the supply of vegetables in both urban and rural areas.

According to the Ministry of



Farmers of Jianshou Township in Gaoyou City, Jiangsu Province, reinforce the river bank against rising water levels.

Civil Affairs, in addition to the above four provinces, the most seriously affected by the natural disaster, the losses caused by flooding to Henan, Zhejiang, Guizhou and Hunan provinces were also heavy. To varying degrees, Beijing, Hebei, Inner Mongolia, Heilongjiang, Jiangxi, Shandong, Guangxi, Yunnan, Shaanxi and Gansu were also hit by floods. A total of 19.33 million hectares of farm crops were damaged and 2.5 million hectares were reported to have no harvest at all. The number of flood victims totalled 206 million. By July 13, a total of 1,781 people had been killed, 32,227 injured, and 13.955 million still besieged by high water. Some 2.109 million houses were destroyed and another 4.418 million damaged. The direct economic losses to the country amounted to 39.8 billion yuan (US\$7 billion).

Chen Hong, vice-minister of civil affairs, said that this year's disaster had three main characteristics: (1) An earlier than usual flood season. Usually, the main flooding arrived in late July and early August. The first flood this year, however, oc-

curred on May 18. (2) A large impact area. The rainstorms attacked 18 provinces from northeast to southwest China, adversely affecting almost half of the nation. (3) A concentrated area of damage. Extremely large areas of Anhui and Jiangsu provinces were the most seriously affected.

### Discharging Floodwater

Since June 15, 3.1 billion cubic metres of floodwater have poured into Taihu Lake. Although the lake's normal storage capacity is about 5 billion cubic metres, by July 7, the amount of water in Taihu Lake reached 8.76 billion cubic metres, a record high. Suzhou, Wujiang, Changshu, Kunshan and Taicang on the lower reaches of the Taihu Lake faced imminent danger. The Shanghai-Nanjing Railway and the Shanghai-Hangzhou Railway which passed through the region, and Shanghai, China's biggest industrial city on the Yangtze River's lower reaches, were also in danger.

In order to alleviate the danger posed by the high water level of the Taihu Lake, the State Flood Control Headquarters issued orders on June 26 that the Taipu sluice gates be opened to discharge the floodwater. It was the first time that the sluice gates, built in 1959, were opened at the order of the State Flood Control Headquarters. As ten of the 29 sluice gates were lifted by one metre, the floodwater of Taihu Lake rushed down to the Jiaying area in Zhejiang Province at a rate of 100-200 cubic metres per second.

Since the amount of floodwater pouring into the Taihu Lake following torrential rains reached 1,000 cubic metres per second, the speed at which water was diverted through the Taipu sluice gates was not sufficient to alleviate the danger. On July 5,

the State Flood Control Headquarters ordered the Red Flag Dam in Qingpu County under the jurisdiction of Shanghai to be blown open. The dam had been sealed and blocked up for 33 years. After it was blown open, the passage from the Red Flag Dam to the Huangpu River was cleared and the amount of water being discharged from the Taihu Lake rose by 100 percent. As a result of the diversion, 6,700 hectares of farmland in Qingpu County were inundated.

On July 8, in accordance with orders from the State Flood Control Headquarters, Qingpu County again blew open eight dykes and dams in the Qiansheng Marsh, thus increasing the amount of water diverted from Taihu Lake. The Qiansheng Marsh in Qingpu County, an agricultural and sideline production base which had been developed over a period of 20 years, included 100 hectares of paddy rice, 27 hectares of fish pond and 2,000 farm households. Farmers who had been safely evacuated from the area have not complained about their losses. Farmer Pu Xiaola specialized in fish production. He and four other farm households contracted to operate a 10-hectare fish pond and expected to earn 100,000 yuan in the second half of this year. The blowing of the dams, however, wiped out any chance they had to earn such a sum. Pu simply said, "We farmers should take the interests of the whole into account."

Wu Bangguo, secretary of the Shanghai municipal Party committee, and Huang Ju, mayor of Shanghai, told Tian Jiyun, head of the State Flood Control Headquarters and vice-premier of the State Council, that since the people in Shanghai, Jiangsu and Zhejiang all drink water from the Taihu Lake, they should stand together through thick and thin.



The people in the Mengwa flood storage area of Funan County, Anhui Province, are a model for those who place the interests of the whole above their own consideration.

In order to alleviate the threat posed by the Huaihe River floodwater to the Huainan and Huabei coal mines, power plants, the Jingpu Railway and important cities on the lower reaches of the Huaihe River, the flood storage area has, since 1953, been used to divert floodwater on 12 occasions. The accumulated economic losses have totalled 571 million yuan and 418 million kg of grain. The amount of water discharged over the years has totalled 6 billion cubic metres.

On June 15, when the sluice gates were lifted, 12,000 hectares of wheat field became a vast expanse of water. The fastest flow rate of the floodwater was 1,680 cubic metres per second with the final amount of diverted floodwater totalling 720 million cubic metres.

One writer who once worked in the Mengwa flood storage area described the local people in the following way: "The flood storage area looks like a big wine cup. To give first place to the interests of the whole, the Mengwa people have learned to drink the bitter wine of flood disasters."

### Leaders in the Forefront

From July 7 to 9, Jiang Zemin, general secretary of the CPC Central Committee, and Tian Jiyun, head of the State Flood Control Headquarters, flew to inspect the flood-hit areas in Anhui, Jiangsu and Qingpu County of Shanghai. They told the local cadres and masses fighting the flood that the Chinese people could overcome any natural disaster if they relied on the leadership of the Party, on the socialist system and on the wisdom

and strength of the people, uniting and co-operating with one another.

On June 14 and July 20, Premier Li Peng of the State Council inspected the disaster conditions in Anhui. On July 21 and 22, he inspected the flooded areas in Jiangsu, Zhejiang and Shanghai. He expressed sympathy and solicitude for the people of the stricken areas and provided guidance to the relief work.

In Jiangsu Province, the public noted that the cadres were eager to meet the needs of the masses. Chen Yuying, secretary of the Changzhou city Party committee, kept watch over the disaster conditions and headed relief work for three days in succession despite his illness. He Zhengming, deputy mayor of Wuxi City, did not sleep for 37 hours at the flood-control headquarters. Gu Hao, secretary of the Nanjing municipal Party committee, and Wang Rongbing, mayor of Nanjing, braving the torrential rain, went to Jiangning, Lishui and Gaochun counties to implement measures to discharge the floodwater.

During successive rainstorms in Zhejiang Province, the Changshan Dam in Haiyan was opened and large quantities of floodwater were discharged into the Qiantang River. The move guaranteed the safety of major grain production areas in Hangzhou and Jiaying.

Serious mountain landslides occurred in Zhenjiang City following several days of successive rainstorms. By July 7, landslides had occurred in 52 sections on 14 mountains. Gao Dezheng, deputy governor of Jiangsu Province, immediately went to the scene. The public, seeing that the provincial and municipal leaders were helping to evacuate the area, felt comforted, their sense of security strengthened.

Three-fifths of the Yuntai Mountain covering an area of several km in Zhenjiang was breaking away. When some buildings of the workers' sanatorium on the mountain collapsed, the mayor of the city ordered that all residents in dangerous houses be evacuated within 24 hours. If even one household did not evacuate, local cadres would be punished for dereliction of duty. Despite the heavy rain, geological experts marked off the dangerous sections of the mountain, the local security department collated the information, and the district head sent 5,000 notices to the related departments, units and residents. The



head of the Communications Bureau, who had been in hospital, immediately went to the mountain and helped to relocate 40 households of his subordinates. A leader of the Zhenjiang Chemical Plant stayed at one home for four hours in order to persuade an elderly woman to leave. The resolute decisions and quick actions by the local leaders guaranteed the safety of 527 households despite the ever-present danger from mountain landslides in Zhenjiang proper.

### Help From All Quarters

The serious conditions and the large number of people affected by the disaster in Anhui Province required that the relief work first of all centre on rescuing farmers stranded by the floodwater and on providing them with shelter and food.

Relief materials such as inflatable boats, tents and grain were shipped to Anhui from around the country. As soon as the materials arrived, the provincial authorities lost no time in shipping them to disaster areas.

On July 7, the People's Liberation Army offered 1,000 tents to Anhui. Ten trucks provided by the provincial communications bureau were loaded with 300

tents and sent to temporary shelter locations for people in Shouxian County that very night.

On July 14, the PLA airlifted 70 inflatable boats from Hunan to Anhui. The boats were then used by Shucheng County government cadres and volunteers to rescue people stranded in flooded villages.

Victims who lived on the Huaihe River bank in the worst-hit Fentai, Funan, Yingshang and Linquan faced a shortage of food for several days until Huainan and Bengbu city governments responded quickly by shipping wheat flour to them.

The storms threatened some of the major coal-fueled large power plants, gas centres and iron and steels mills, in Jiangsu, Shanghai and Anhui with an immediate suspension of production. Between July 1 and 10, the Shanghai Railway Bureau managed to transport 630,000 tons of coal from northern Anhui to large enterprises in Shanghai, including the Shanghai Coking Mill and the Pudong Gas Factory. These two enterprises alone shared one-tenth of the emergency coal supply. Starting July 7, Zhengzhou, Jinan and other cities also managed to send coal to Shanghai, Jiangsu and Anhui, thus helping to ease the urgent

demand for coal.

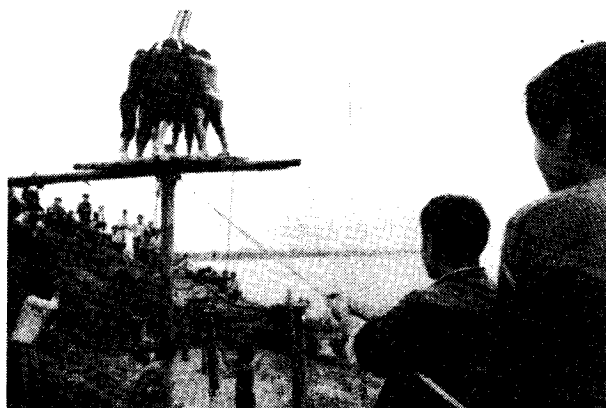
In order to transport the 9.26 million straw bags produced in various parts of the country to Jiangsu, Anhui and Shanghai, the national railway department arranged for the use of 1,000 railway carriages.

Some 10,000 tons of badly needed diesel oil were rushed to Shanghai on July 9 and 10 from Dalian Harbour and then re-shipped to flooded areas in Anhui and Jiangsu.

On July 13, the China National Committee for International Decade for Natural Disaster Reduction set up an office in Beijing to handle domestic and international relief donations. Government institutions, enterprises, the PLA Beijing Garrison and countless individuals have donated to the fund.

Two railway workers in Shandong made a special trip to Beijing to donate. They arrived at the Beijing Railway Station at 10:30 on the morning of July 15, and spent three hours searching for the office where they could offer their donation. By the time they arrived at the committee's office, they discovered that the 6,500 yuan in donations were thoroughly soaked. They returned to Shandong on the same afternoon.

**In the forefront of the fight against floods in Lishui County, Jiangsu Province, military personnel and civilian volunteers work around the clock to reinforce the dykes of the Qinhuai River; Even during the heavy rains, farmers of Yangjia village on the outskirts of Xinghua City, Jiangsu Province, are at work draining flooded cottonfields.**



Defying the heat, Wu Dakun, a 75-year-old economist, travelled a long distance and donated 500 yuan. Zhou Shilun, 7 years old, contributed 50 yuan. For several days running, many children, accompanied by their parents, came to donate their pocket money.

The State Council earmarked 400 million yuan and 250 million kg of grain in aid for the flooded areas. Later, it decided to allocate the area another 500 million kg of reserved grain.

Even though Sichuan Province was hit by rain and hail storms five times, it still sent 326,000 yuan worth of medicine and straw bags to Jiangsu.

The Yunnan provincial government donated 2 million yuan and provided 2,000 cubic metres of timber.

Beijing, despite flooding in some of its own mountainous areas, also donated 2 million yuan worth of straw bags, medicine, grain, baby food, plastic sheets and canvas.

By July 26, the China National Committee for International Decade for Natural Disaster Reduction had received 140 million yuan in donations from around the country, excluding donations and grants directly sent to the disaster areas.

Australia, Britain, the United States and Japan have also decided to donate a total of US\$640,000 in aid to Anhui, Jiangsu and Henan. The relief aid will be distributed under the supervision of the UN Development Programme.

Compatriots and foreign friends in Hong Kong and Macao donated. The Hong Kong government decided on July 12 to donate HK\$50 million in aid.

Li Ka Shing, a celebrity in Hong Kong, donated HK\$50 million on behalf of his four subsidiary stock companies. "As a Chinese residing in Hong Kong, I should be among the first to



**Wu Dakun, a professor at the People's University of China in Beijing, donates 500 yuan to aid flood victims.**

offer aid," he said.

The Hong Kong Shanghai Banking Corp. and the Hengsheng Bank donated HK\$5 million. By July 26, Hong Kong had raised HK\$ 470 million in donation and Macao, HK\$ 40 million.

Taiwan compatriots are also very much concerned about the flooding on the mainland. After July 12, when the Taiwan Red Cross called on the public to donate, it received US\$1 million and 10,000 tons of rice within four days. By July 24, it had received 155.4 million Taiwan yuan in donation. The first batch of donated medicine and tents were consigned on July 23.

The UN Development Programme and the UN Relief and Rehabilitation Administration were among the first to respond, granting US\$70,000 in emergency aid to Anhui, Jiangsu and Henan. The funds were used to purchase medicine, sterilize facilities for drinking water and provide tents and materials for shelters.

On July 16, the German government responded to the crises by providing 500,000 Deutsche marks, and it increased the aid three days later by an additional 2.3 million Deutsche marks for the purchase of 4,700 tons of rice. The German Ministry for Economic Co-operation planned

to earmark 10 million Deutsche marks of its development aid funds for China in the 1991 fiscal year for major construction projects.

The Japanese government has granted China 23.4 million Japanese yen worth of materials, including medicine, medical apparatus, carpets and chemicals for treating drinking water.

On July 24, the Italian government pledged a donation of US\$ 500,000.

### After the Floods

Today, rain in the Jiangsu and Anhui flood-hit areas, people are busy preventing the spread of contagious diseases, restoring production and communications and starting to rebuild their homes. Efforts are also being made to repair water conservancy projects.

More than 2,000 medical teams composed of some 30,000 medical personnel have been dispatched to flooded areas to treat the ill and carry out sterilization work. In Jiangsu Province, 125 tons of disinfectants and pesticides, and 1 million pills have been distributed to stricken areas. In order to prevent an outbreak of contagious disasters, the medical workers are closely following the floods, entering the flooded areas as soon as the high waters recede.

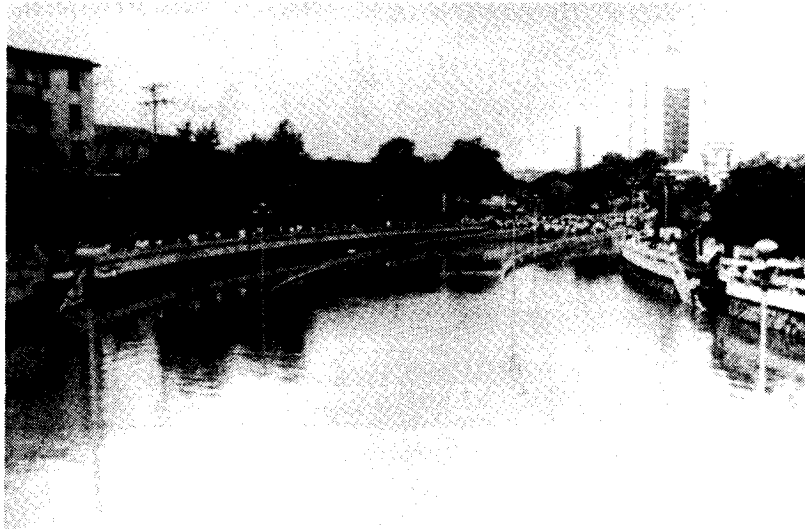
The economic losses caused by the floods vary from place to place. Anhui, Hubei and Henan which suffered serious agricultural losses, are confronted with the daunting task of feeding and housing thousands of victims, providing medical care, draining the high water and replanting crops. In the Taihu Lake area, township enterprises suffered greatly during the flood and, as the problems of food and housing are solved, they will need to drain off water and restore production. ■



Flood-besieged Xinghua in Jiangsu Province. Rainfall of more than 1,300 mm in a week inundated over 1,000 towns and villages, threatening the lives of about 1 million people.



Soldiers and civilians strive to reinforce a dyke damaged by floodwaters.



Floodwaters surge into downtown Wuxi, Jiangsu Province.





PLA men stationed in Suzhou City, Jiangsu Province, reinforce a river dyke.

WANG XINMIN



A PLA "shock brigade" ships earth-filled straw bags to areas hard-hit by floods.

More than 20,000 soldiers and civilians rush to repair the embankment of the Grand Canal near Yangzhou City, Jiangsu Province after the canal's sluice was breached by floodwaters.



Anhui garrison soldiers rescue children stranded by floodwaters.

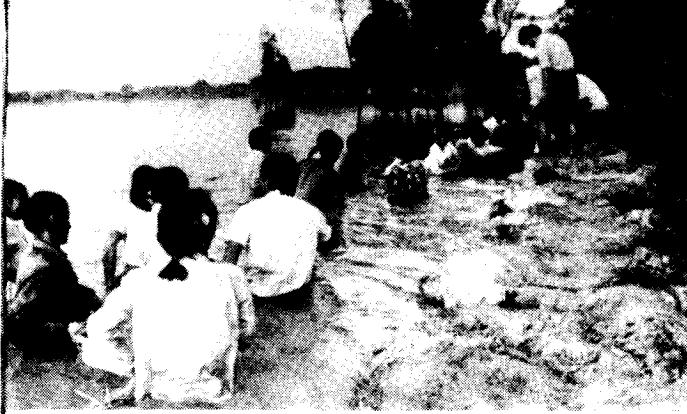


Armed police rescue flood victims in Sanhe Town, a historical site in Anhui Province.

WANG XINMIN

An elderly man is brought to safety.





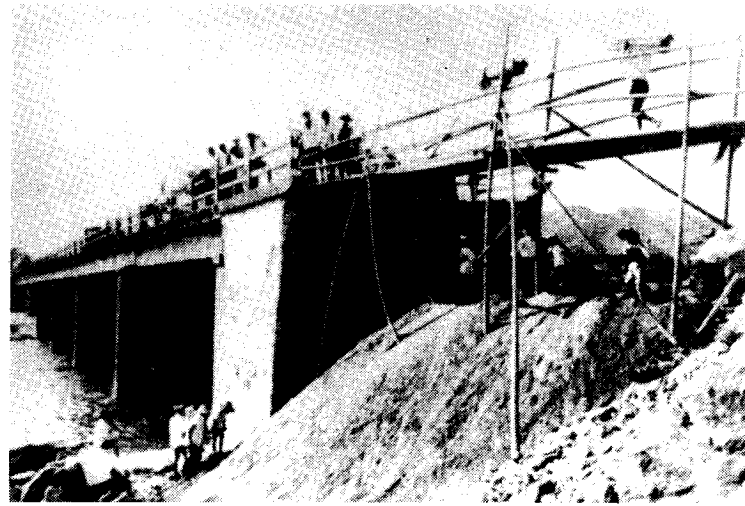
Farmers in Zhoushan township, Gaoyou City of Jiangsu Province, rush to repair an embankment.



Jiang Zemin (middle), general secretary of the Chinese Communist Party Central Committee, and Tian Jiyun (third from right), vice-premier of the State Council, inspect the flood control work in Anhui Province.



Premier Li Peng of the State Council inspects the disaster conditions in Hongyang Township of Zhejiang Province. The premier encourages farmers to be self-reliant in production and rebuilding their houses.



The flooding causes severe damage to Anhui's transportation system, including this collapsed bridge in the province.



Farmers in the suburbs of Jiaxing, Zhejiang Province, try to save flooded paddies by repairing a dyke.

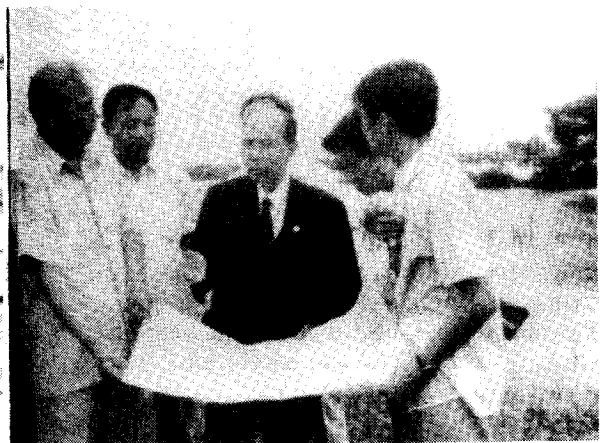
Railway workers of Guiyang, Guizhou Province, repair the railway despite heavy rains.



In the killing heat, Shanghai railway workers ship grain to Anhui's flood-ravaged regions.



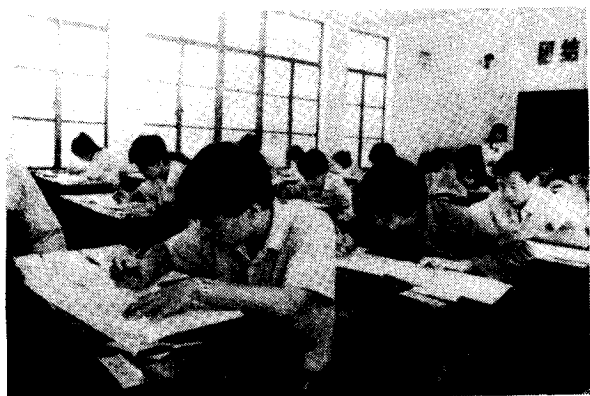
Beijing artist Yuan Xikun (first left) donates US\$ 10,000 to aid flood victims.



Ma Wanqi (middle), chairman of the Macao China Chamber of Commerce donates 50,000 yuan to Liansheng township in Shanghai suburbs while on an inspection tour there. He had previously donated 300,000 HK dollars and 50,000 yuan to flood victims.



Some of the aid supplied by the Thai government, including medicines, foods and tents, arrive at the Beijing Airport.



Despite the severe floods, 1,048 senior middle school graduates in Jiangning County of Jiangsu Province take the state college entrance examination on July 7.



Farmers in Jiangsu rush to plant late rice seedlings in order to ensure an autumn harvest. Members of Li Shiyang's family transplant rice shoots after the floodwater receded. (All pictures, except otherwise noted, by Xinhua News Agency.)

# CPC Members Play an Exemplary Role

by Our Staff Reporter Hui Ji

When the Chinese Communist Party was founded in 1921, it had only 57 members. Now its membership comes to 50.32 million. Of all the pace-setters commended nationwide in recent years, Party members account for more than 70 percent, an indicator of the exemplary role Party members have been playing in reforms, opening up and economic construction. The following are a few examples of them.

## Guide to Common Prosperity

Xinxing in Lixian County, north China has never been as prosperous as it is today. The village, with 6,700 persons, has 57 factories and, employing mechanized farming, produces 12,000 kg of grain per hectare annually. In 1990, the village's total industrial and agricultural output value came to 200 million yuan and per-capita income reached 2,700 yuan, far above the average for a Chinese hamlet.

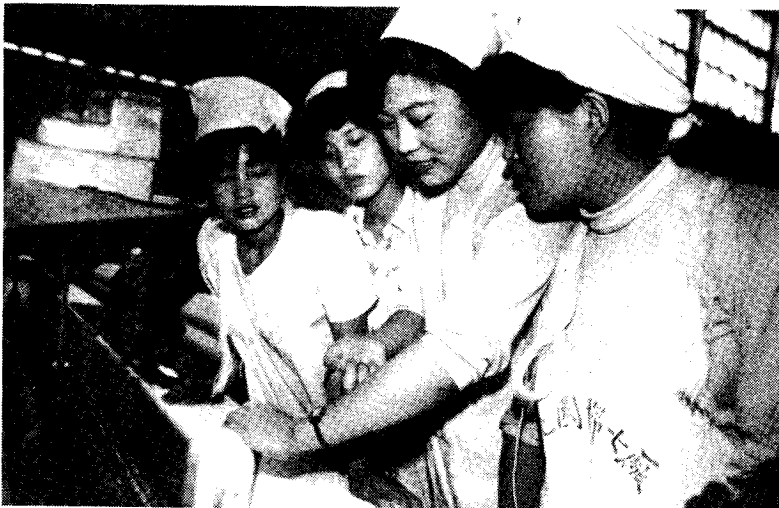
The village's synthetic knitting yarn market, about 4.7 hectares in size, sees an average daily transaction value of more than 3 million yuan spread among nearly 20,000 sellers and buyers hailing from all directions. The modern cultural centre and the satellite TV ground station provide the villagers with entertainment. It is really astonishing to come across such a thriving village in this once poverty-stricken inland

area in north China.

Behind the village's success stands Yan Jianzhang, the highly praised secretary of the local Party branch.

Yan remained at his post from 1943 when the War of Resistance Against Japanese Aggression got into a white heat to the beginning of the "cultural revolution" in 1966. In 1977, one year after the "cultural revolution" ended, Yan was re-elected Party secretary by all the village's 120 Party members. After the chaotic decade of the "cultural revolution," the village's per-hectare grain output had dropped to 100 kg and an able farmer made only 0.12 yuan in one workday. The village's granaries stood empty and its bank borrowings piled up to 420,000 yuan. To Yan sitting at the top post, nothing was more of a headache than such a wretched plight. At a meeting of Party members, Yan exclaimed, "The Communist Party has grown out of the poor. But Party members should not be nicknamed 'poverty.' Poverty is not an attribute of socialism. If we are not able to lead the people to affluence, what is a Party member worth? And what is the value of the Communist Party?"

Yan added that with only one-fifteenth of a hectare per person, it was barely manageable to ensure enough food and clothing



AN KEREN

Chinese Communist Party member Ma Songling (second right), a worker of the Northwest State No. 7 Cotton Mill of Xianyang, Shaanxi Province, invented a quick reliable way to mend broken ends and has trained 130 skilled workers. She holds the state titles of "Model Worker" and "March 8th Red-Banner Holder."



for personal needs no matter how intensive the farming is. Unless villagers were given a free hand to develop sideline production to give full play to their pent up enthusiasm, they could not become affluent. His ideas fell in line with those of the top Chinese leader Deng Xiaoping's in regard to China's agricultural production.

Yan bought back from the Beijing Synthetic Fibre Factory 5 kg of polyvinyl chloride fibre and asked a few women to spin it into knitting yarn. Then, he and several other Party members sold their belongings and pooled together 1,200 yuan. Within 18 months, they turned out 100 tons of knitting yarn using hand-driven spinning wheels. To promote sales, Yan travelled to Shandong, Jiangsu, Anhui and Shanxi provinces, and organized a team of nearly 1,000 salesmen to hawk their wares nationwide. Sales picked up and many families made big sums to redeem their bank borrowings.

China's reform and open door policy introduced in 1978 gave Yan the chance to act. He started a textile mill to spin yarn with machines and set up a well-equipped knitting yarn market in his village. After several years of hard work, the market has been turned into a knitting yarn concentration and distribution centre of national proportions. The market has not only provided the village with significant earnings and market information but also expanded economic exchange with the outside. Today, the technically updated textile mill is turning out more than 100 varieties of products, and a group of technical and managerial personnel has been nurtured.

Affluence, a goal Yan has sought after for half a century, has come to the village of Xinxiang with the help of the policy of reform and opening up to the outside world.

## An Outstanding Scientist

China shook the world with the successful explosion of its first hydrogen bomb 24 years ago. Outstanding among the producers of China's nuclear shield is an eminent scientist, a Communist Party member called Yu Min.

Steadfastly devoted to China's defence, Yu was at one stage confronted with two choices in his career. At age 24, Yu began his graduate studies of quantum field theory at Beijing University under the advisorship of Professor Zhang Zongsui and Professor Hu Ning, and showed his talent. In 1949, soon after the founding of New China, Qian Sanqiang, a famous nuclear physicist, came to ask Yu to join his research on nuclear physics, a key state programme. Yu agreed, and thus changed his career.

Yu's dedication to nuclear physics research in the ensuing ten years was crowned with eye-

catching achievements. In the field of nuclear structure and reaction, in particular, Yu made "pioneering advances" acclaimed by Qian Sanqiang. Niels Bohr, a Nobel Prize winner in physics, called Yu an outstanding talent.

Just as Yu was going to win top laurels, Qian Sanqiang again approached him to ask him to join basic research on hydrogen bomb theory. Work of such top secrecy would entail not only changing his career again but also missing out on the chance to gain fame. However, spurred on by memories of China's national humiliation in the past, Yu decided to discard his promising research and start on the development of China's nuclear shield. Yu and his colleagues immersed themselves in hydrogen bomb research until the autumn of 1965 when they made a breakthrough in their studies.



ZHOU ZHONGYAO  
CPC member Zhu Fafu, an agronomist of the Agrotechnique Popularization Institute of Lancang County, Yunnan Province, came from the interior 30 years ago. He has quietly dedicated his entire energy to popularizing advanced agricultural techniques for the local minority nationality.

## Blessing for Hepatitis Patients

Zhang Guangshu, 67, is nationally famous as vice-president of the Jinan Military Area's No. 88 Hospital and an expert in infectious diseases. He has been awarded 18 prizes by the state and the army for outstanding scientific research results, and has published more than 200 treatises (the figure includes translations) and three monographs. He now leads the world's medical circles in treatment of chronic hepatitis B.

However, what makes everyone admire this model Party member of many years is his strong faith in the Communist Party of China and his boundless love for his country and its people.

Zhang graduated from the Medical College of the Central University before liberation. The founding of New China by the Communist Party in 1949 marked the end of the humiliating slur of the "sickmen of East



ZHANG XIAOLONG  
Professor He Ruilin (left), an outstanding CPC member and research fellow of the Traditional Chinese Medicine Research Institute in Liaoning Province, operates on a cholelithiasis patient. He has created a cure for liver and gallbladder stones by combining traditional Chinese and Western medicine.

Asia" that foreigners imposed on the Chinese people. Zhang was determined to work wholeheartedly under the leadership of the Party. He remained steadfastly loyal to the Party even when he was imprisoned under the charge of having joined the Anti-Communist Youth League for National Salvation and when he was wrongly accused of being a counter-revolutionary during the ten chaotic years of the "cultural revolution." During the four years when he was put under reform through labour, he did manual labour by day and studied at night. Altogether, he read six volumes of Marxist-Leninist classics and the first four volumes of the *Selected Works of Mao Zedong* twice. The more he read, the more sure he became of the Party. When he was rehabilitated and returned to his hospital, the first thing he did was apply to the hospital Party committee for Party membership. He said, "The Party has always remained uppermost in my heart. Though I was wronged for years, my faith in the Party remains unchanged."

Zhang's father-in-law, who lives in the United States, is very wealthy. Seven years ago he asked Zhang to move to the United States, but Zhang turned him down. The old man had no choice but to persuade Zhang's wife and three daughters to move to the United States. A lonely single life, however, never changed Zhang's devotion to his work.

His wife came back and lived with him for a year. Before she left, she persuaded him to reunite with the family in the United States. Zhang, however, refused, saying: "I very much want to live with you all. But, you know, China has more than 100 million hepatitis virus carriers.

In my office more than 3,000 letters asking for remedies are waiting for an answer. I'm a Communist doctor, so how can I leave these patients to only enjoy myself with my family?"

Zhang's success in treating hepatitis has drawn the attention of the world's medical circles. In June 1989, he was invited to the United States for academic exchange. While there, Zhang was requested to stay longer for joint research and promised pay of at least US\$9,000 a year. His wife and three daughters also asked Zhang to remain with them. Zhang declined, saying, "Thank you all for your kindness. Here, in the United States, the conditions are excellent and salaries are high. But I cannot leave my country." He departed for China at the originally scheduled time.

After 20 years of research, Zhang finally succeeded in producing a new medicine for chronic hepatitis B. With a success rate of 83 percent, it is considered "the top of its kind in terms of effectiveness" by world medical circles.

"I'm both a doctor and a Communist. I should serve patients wholeheartedly and let the masses know the Party's care for them." Zhang has practised what he preaches. With his medical knowledge and highly accomplished techniques, Zhang has saved hundreds "sentenced to death" by other hospitals.

Last September, Zhang Yanhe, a 16-year-old middle school student in the city of Taian, contracted hepatitis. His 56 days of hospitalization cost 2,600 yuan but his disease failed to show any sign of improvement. The doctor told his parents, "The boy is too seriously ill to be cured." On being given this verdict, the parents felt helpless. In a final desperate bid, they carried their son to the No. 88 Hospital. After a thorough check-up, Zhang Guangshu diagnosed him as suf-

fering from chronic hepatitis with acute necrosis of liver and forecast he had little chance of survival. To accept such a patient who was likely to die would be a risk to Zhang's reputation. Taking the motto time is of the essence, a rescue team was organized immediately. To everyone's surprise, the boy fully recovered and was discharged from the hospital after four months of treatment with Zhang's medication. The day the young man left, his father, with tears in his eyes, shook Zhang's hand and said, "Dr. Zhang, you have saved my son and my whole family."

Zhang is always ready to respond to patients' requests. Since his cure for hepatitis B was pub-

licised by the press, letters asking for help have kept pouring in from every corner of the country. Each appeal is like an SOS signal kindling his sense of responsibility. He has read them all carefully, written replies and sent packets of his medicine. In the last six months Zhang responded to 3,850 letters from 28 provinces, municipalities and autonomous regions. When asked why he devoted so many hours writing back to these people when he didn't even like to spend much time on a meal and whether he thought it was worthwhile, Zhang replied without hesitation, "Evidently so, because each letter is linked with a patient's life and health." ■

rubbing him for more than two hours until he left the world.

In February 1989, a factory director named Zou Zhenguo developed acute hepatitis and became unconscious for 20 days after he was sent to the hospital. As one of the team members in charge of the serious case, Xu Ling looked after him with meticulous care from beginning to end. When Zou came to himself, he saw Xu Ling giving him a hair cut. He was so overwhelmed with gratitude that tears filled his eyes. Hearing the news of his son's serious illness, Zou's father rushed from Taiwan to the mainland to see his son and help take him home. The next day, Xu Ling caught a bus in the early morning to Zou's home 10 km away to serve as a nurse there. Zou's father stayed at his son's home for half a month and was very grateful for Xu Ling's good care for his son every day. One day, the old man took out a red pack and put it into Xu's hand. He said with feeling, "You gave my son a second life. Please ac-

## "Angel" Workers in White

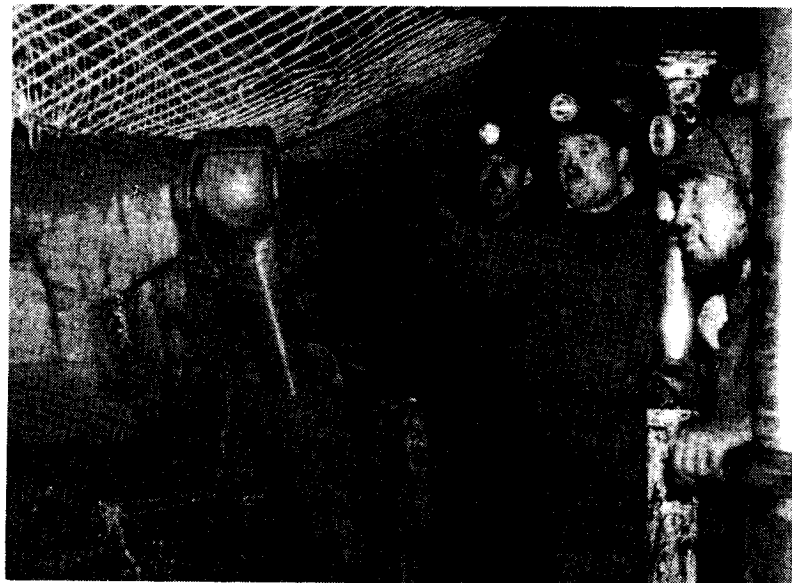
Eight years ago, a hospital in Jiangxi Province welcomed 20 new nursing school graduates. When some girls who had been assigned to the infectious diseases department asked to change sections, one young woman sincerely entreated the hospital head, "Let me work in that wing. Nurses are badly needed there." So, she began her life in the hospital's contagious illness department.

She was the inspiring Communist Party member and model nurse Xu Ling.

As soon as she entered a ward on her first day at work, she came across a hepatitis patient who wanted to spit. She immediately passed a spittoon to him, but he failed to reach it, spraying her all over instead. The awful strong smell made her feel sick. However, she didn't lose her resolve.

When many patients were suffering and difficult to deal with, she always served them with devotion. One patient called Wang Xiaoli had highly infectious chronic hepatitis. His father and

elder brother could only observe him by looking through the window. Before he passed away, Xu Ling came to his deathbed. Consoling him with tender words, she gave him a massage which helped soothe his pains. She kept



ZHANG SHENGGUI  
CPC member Zhang Jixiang (second right), a national model worker of the Yaojie Coal Mine, Gansu Province, has continued working with coal miners since he became a team leader. His team produced 310,000 tons of coal last year and was listed as a first-grade unit by the Ministry of Coal Industry.

cept this commission." Xu, however, declined. The old man said with emotion, "In Taiwan patients are said to be god but that is for the sake of money. Here it is an expression of real feeling."

Countless patients have been comforted by Xu when they were alive, and cleaned and dressed by her after their death. She volunteered to serve as a barber for them as it is difficult for infectious patients to have their hair cut outside the hospital. She has also helped them shave and cut nails. She often plays guitar and sings by the patients' beds to relieve their loneliness. Over the past eight years, she has spent every Spring Festival with the

patients in the hospital.

Xu is acknowledged by society and respected by the public. She has been awarded the title of an excellent Party member for three years running and selected as a model of learning from Lei Feng. More than 300 recovered patients from Beijing, Shanghai, Guangdong, Yunnan and other places have written to praise her after their discharge from hospital. One patient, who once wanted to commit suicide because of his illness, said what Xu Ling gives to patients is a loving heart. Xu said, "I have only done my duty as a Communist Party member. I hope every one can give love to the people."

## An Indefatigable Person

Whenever the name of Li Yuhua is mentioned, people who are familiar with her naturally think of adversity. This misfortune-plagued woman has been sent to the operating room nine times and had seven major operations. Natural and man-made calamities attacked her frequently. However, she did not give in to them, but instead challenged these disasters with a strong spirit.

Early in 1944, when she just finished two years of university life, the 24-year-old Li Yuhua caught typhoid fever which caused arthritis so serious that all her joints in her lower limbs lost their functions.

In 1951, Li was invited to teach at the Tangshan Nursing School. When she first walked on to the lecture platform on her crutches, she was so excited that she shed tears of joy. In old China, her disease had crippled her, while the founding of New China had turned her into a useful person. The Party organization of the school showed great concern and twice sent her to the Tianjin Orthopaedics Hospi-

tal for treatment. Finally, she could walk unaided.

However, further bad luck came to her in 1961. After only two years of married life, her husband died of liver cancer.

She suffered an even more serious misfortune in 1976 when she lost ten family members in the destructive Tangshan earthquake which took place on July 28 that year.

Some people say that misfortune in life has always been a burden for the weak and a bounty for the strong. Li Yuhua is one of the strong. For many years, with the help and friendly concern of the school Party organization, she defied the threat of death and fought back against her illness. She dedicated all her energy to the cause of education, working selflessly and contributing forthrightly. After she joined the Communist Party in 1983, she became more enthusiastic about her work.

In 1984, she suddenly received a letter from her younger brother and sister in the United States whom she had not seen for 38



ZHENG YONGJI

Party Secretary Guo Shuyuan (centre) of the Jinzhou Saltworks, Liaoning Province, is highly praised by the workers for his selfless and honest style of work.

years, asking her to visit them there. She left in July 1984. When her siblings suggested she settle in the United States, she refused and told them, "My cause is in the motherland." During her stay in the United States, she asked her brother and sister to buy many medical books and video tapes. In May 1985, she returned to China and donated all the materials she brought back to the school.

She gained greatly from her struggle with misfortunes. She has taken part in the editing and filming work for 20 video tapes on biochemistry experiments, which are shown in 30 other medical schools. Together with her colleagues, she has accomplished three research projects, the results of two of which have appeared in provincial publications.

Since 1978, she has been successively nominated as an advanced worker and excellent Communist Party member in Tangshan City. In 1989, she was cited as a model worker in the national educational system. ■

## China Resumes the Issuing of Bonds Abroad

On June 28, the Bank of China signed a contract in Tokyo with Japanese bond companies and banks for the issuing of 20 billion Japanese yen in bonds on the Tokyo market.

This marked the first occasion for China to offer bonds abroad since the political disturbance in 1989. Sales are going well of the bonds that have an annual interest rate of 7.7 percent and a five-year term.

According to an official of the China International Trust and Investment Corp. (CITIC), his corporation will also issue 20 billion Japanese yen of long-term bonds in Tokyo. At present, the corporation is negotiating the matter with some Japanese securities companies concerning the purchasing and marketing of the bonds.

In addition, an official of the State Administration of Exchange Control said that issuing of bonds abroad is an important channel for China to raise foreign funds. From China's first release of bonds in Tokyo in 1982 to June 1989, Chinese financial institutions issued more than 40 batches of bonds worth US\$4 billion abroad including Tokyo, Singapore and Frankfurt.

At present, ten Chinese financial companies have the right to issue bonds abroad. They are the Bank of China, the Investment Bank of China, the Bank of Communications, China International Trust and Investment Corp., Shanghai International Trust and Investment Corp., Guangdong International Trust and Investment Corp., Tianjin International Trust and Investment Corp., Hainan International Trust and Investment Corp., Fu-

jian Investment Enterprises Corp. and Dalian International Trust and Investment Corp. With the exceptions of the Bank of Communications and Dalian and Hainan corporations, the remainder have already issued bonds overseas.

Last January during his visit to China, the Japanese Finance Minister Hashimoto expressed his willingness to continue the issuing of bonds in Japan. This is one reason why Tokyo was the first place chosen to resume bond issues.

The second element is the positive attitude of Japanese financial circles towards China's issuing of bonds in Japan. According to an official of the Bank of China, during preparations for the release of bonds, many stock firms in Japan asked for authority to bid as major companies for the purchasing and marketing of these bonds. Many banks also requested the role of honouring bonds in the capacity of commission agents.

The official of the State Administration of Exchange Control said that China's reserves of foreign exchange have reached US\$35 billion, enough to ensure the repayment of debts. However, China maintains a prudent attitude over every bond to be issued abroad by China.

by Han Guojian

## Imports and Exports Increase

According to statistics from the General Administration of Customs, China's total imports and exports in the first half of this year valued US\$57.19 billion, an increase of 17.3 percent over the same period of last year.

Of this, exports made up US\$30.41 billion, a rise of 18.5 percent and imports made up US\$26.78 billion, an increase of 15.9 percent. After deducting such items as free aid, donations, processing imported materials and the imports of equipment by foreign-funded enterprises as investment without payment of foreign exchange, the net income earned from exports was US\$24.93 billion and the cost of imports was US\$19.38 billion, an increase of 17.6 percent and 16.4 percent respectively.

With a further optimization in China's export commodity composition in the first half of this year, the proportion of finished industrial products has improved slightly and there was a great increase in the export value of machinery and electronic goods. In addition to the growth in the export of garments and textile products, the export volume of cement, rolled steel, cotton, coal, medicines, household ceramics, shoes and toys went up by more than 20 percent. As for imports, major raw industrial materials have picked up by a big margin. Other imports, such as cigarettes, household refrigerators, TV sets, videocorders, tape recorders, motorcycles and cameras have all dropped to varying degrees.

by Li Rongxia

## Foreign Technology For the Steel Industry

Based on the Eighth Five-Year Plan (1991-95) and Ten-Year Programme, China's Ministry of Metallurgical Industry will continue to tap a variety of channels and adopt various methods to absorb advanced foreign technology and equipment, while persev-



ering in self-reliance. Following this line, a large number of steel industrial enterprises will update their technology to the standards of developed countries in the 1980s and improve the quality of a large quantity of products to the advanced level of similar foreign commodities.

Over the past ten years, China developed the steel industry, targeting advanced international technology and introduced over 650 items of advanced foreign technology and equipment. After the renovation and expansion of the existing steel enterprises, the output has been raised for a number of years running. China's steel manufacture in 1978 stood at 31.78 million tons and went up to 66.04 million tons in 1990.

Tracing back to 1978, China's steel production was low with limited variety and the industry was badly structured. There was a serious shortage of some steel products such as steel sheets, pipes and belts badly needed in production and construction.

In order to improve the position, China's steel enterprises emphasized the introduction of advanced rolling techniques and machinery including high-speed wire rod mills, cold rolling mills, heat rolling mills, small continuous rolling mills, seamless-steel-pipe rolling mills, wide plate rolling mills and high-speed wire drawing machines. As a result, great progress has been made in technological and equipment standards in enterprise types and formerly insufficient types of domestic steel have been manufactured.

China has also paid close attention to the import of soft technology and combined development with the absorption of new technology. It is reported that during the period of the Seventh

Five-Year Plan (1986-90), steel enterprises absorbed and made use of over 600 technological items imported from abroad and developed more than 86 new varieties of steel products.

by Li Rongxia

## **A Successful Fair In Dalian**

The Fifth Northeast Inner Mongolia Export Commodities Fair successfully ended in Dalian on July 10. At the show, the volume of business reached US\$659.99 million, an increase of 45.3 percent over the preceding fair. This was the highest volume for any fair so far. At the same time, contracts were signed for 24 Sino-foreign economic and technological joint projects involving US\$42.68 million.

Some 2,958 foreign businessmen from more than 40 countries and regions including Japan, South Korea, Europe, America and Southeast Asia, Hong Kong and Macao participated. Attendance reached a new record, with an increase of 15 percent over the previous show. Not only trading companies from northeast China's Heilongjiang, Jilin and Liaoning and Inner Mongolia took part but also more than 60 foreign trade companies and export enterprises from over 20 other provinces and cities. On display were more than 3,000 kinds of commodities in over 20 categories involving industry, agriculture and husbandry.

In addition to the China Guangzhou Export Commodities Fair held twice a year in spring and autumn, the Chinese government has approved the annual holding of regional export com-

modities fairs in Dalian, Tianjin and Shanghai. The Sixth Northeast Inner Mongolia Export Commodities Fair will be held in Dalian from July 1 to 10, 1992.

by Yang Xiaobing

## **Yunnan to Announce Investment Projects**

According to Chen Yaoqiang, deputy director of the import office of the Yunnan provincial government, the Fifth Investment Trade Symposium co-sponsored by Yunnan, Fujian and Guizhou provinces will be held in Xiamen City, Fujian Province from September 8-12. At the discussions, Yunnan Province will announce over 300 investment projects involving fields such as machinery, electronics, chemicals, metallurgy, building materials, medicine, light industry, textiles, agriculture and forestry.

Yunnan is China's doorway in the southwest. It connects Myanmar in the west and southwest, borders Viet Nam and Laos in the south, and is China's important passageway to Southeast and South Asia. In the 90s, Yunnan Province will further accelerate its pace of opening up, absorb more investment, and import advanced technology and equipment. It will focus on the development of cigarettes, sugar and tea production as well as development of industries of phosphorus chemicals, rubber processing, iron and steel, nonferrous metal and paper making. This will speed up the changeover from the current precedence given to resources to economic priority for building up industries that use these resources.

Over the past decade, Yunnan

Province absorbed foreign loans and direct foreign investment to the tune of more than US\$600 million, and set up over 50 foreign-funded enterprises. Among the 30 overseas-financed businesses which have started up, most are operating normally and are making profits through exports.

To meet the needs of further opening up, Chen said Yunnan Province is improving its investment environment. In the field of transport, it will build three railways to link Kunming and Nanning, Guangtong and Dali, and Kunming and Yuxi, and electrify the Kunming-Chengdu Railway. The province will technically upgrade the Kunming-Hekou Railway and increase railway transport capability to other provinces and to the sea. In addition, it will renovate four main highways to make them more traversable and form a high-class highway network centred on Kunming. Moreover, it will open new international airlines from Kunming to Singapore and Kunming to Vientiane built on the basis of the current 18 flights to other provinces, the four internal routes and the three international airlines operating in the province. It will construct the Kunming international airport and expand the number of airports in districts and prefectures.

In the field of posts and telecommunications, Yunnan Province will build the west, south and northeast Yunnan modern telecommunications project. It will use foreign investment to set up optical cable projects from Kunming to Yuxi and to Dali and to establish the Kunming long-distance telephone project to provide automatic telephones for 17 districts, prefectures and cities throughout the province

during the Eighth Five-Year Plan (1991-95).

Before this symposium, Yunnan Province had held similar economic and trade seminars in Singapore, Thailand and Hong Kong, and signed a number of contracts or letters of intent for foreign investment.

by Yao Jianguo

## News in Brief

### Developing Bonded Factories

About 131 export-oriented foreign-funded enterprises in the Tianjin Development Area have been put into operation and on the books of the Tianjin customs branch. All have become bonded factories enjoying preferential customs bonded treatment. They constitute the first case of its kind in China.

The customs office in Tianjin has been supporting overseas-financed companies in the Tianjin Development Area and has promoted bonded business. In order to enable more foreign-funded enterprises to enjoy the preferential treatment granted to bonded factories, customs has further expanded the bonded scope in the area this year. All export-oriented undertakings which meet the necessary conditions can be approved as bonded factories.

Recently, the Tianjin customs has approved 20 more foreign-funded bonded factories in the urban area.

Up to date, customs has approved a total of 182 bonded factories and 58 bonded warehouses.

### Shidao Port Opens to Taiwan

Shidao Port in Shandong Province has been designated as a berth for Taiwan fishing boats and permission has been granted to the Rongcheng Foreign Trade Co. to conduct direct small-volume trade with Taiwan fishermen there.

One of the largest fishing harbours in north China, Shidao Port won approval from the state in December 1988 as a first-class open port. With an annual handling capacity of 500,000 tons, it has a 1,200-metre-long dock, plus 5,000-ton and 3,000-ton berths. The piers can accommodate 100 fishing ships of over 200 horsepower at the same time. The harbour connecting with the port can berth 1,500 fishing ships.

Since Shidao was opened to Taiwan trade, Taiwan fishermen and businessmen whose ships are under 100-tons can conduct direct trade activities there with mainland fishermen.

### US Sets up Industrial Village in Hainan

The US Industrial Village, the largest of its kind in Hainan Province, has been put into operation in the Jinpan Development District in Haikou City.

The village is a joint venture between the Hainan Industrial Development and Construction Corp. and a Sino-US industrial construction company. The first stage of the project covered a land area of seven hectares with a planned investment of US\$6.85 million. It set up 50,000 square metres of workshops up to the United States' MBMA standard. Many large enterprises and financial groups on the US side have shown great interest in the industrial village. ■

## A Gigantic Cultural Project

A four-year cultural survey by art and literary workers has uncovered the existence of white-mask Tibetan opera in Tibet's Shannan Prefecture. This newly-found opera, in which all the cast wear white masks, is older than the previously discovered blue-mask version, which had been regarded as the oldest extant form of Tibetan opera. Historical materials show that the white-mask opera began in the eighth century while the blue-mask one appeared in the 16th century.

All the information about the opera, including its contents, songs, masks and music, have been collated in the 600,000-word *History of Chinese Operas*, which will be published this year, according to Danzin Cering, director of the Tibetan Arts Institute.

Since 1979, similar cultural investigations have been conducted nationwide. The ambitious project was initiated by the Ministry of Culture, the State Nationalities Affairs Commission, Chinese Musicians Association, Chinese Dancers Association, Chinese Dramatists Association, Chinese Folk Literature Association and Chinese Ballad Singers Association. The plan includes the compilation of *Anthology of Chinese Folk Songs*, *Anthology of Chinese National Instrumental Music*, *Anthology of Quyi Folk Art Music*, *Anthology of Chinese National Dances*, *History of Chinese Operas*, *Anthology of Chinese Folk Tales*, *Anthology of Chinese Ballads*, *Anthology of Chinese Proverbs* and *History of Chinese Quyi Folk Art Forms*. China's 31 provinces (including Taiwan Province), municipalities directly under the central government and autonomous re-

gions will compile their own local volumes. The ten collections are estimated to be in 310 volumes, totalling 450 million words, that will constitute an encyclopedia of China's national folk art.

Talking about the significance of the ten anthologies, Zhong Jingwen, 90, chairman of the Chinese Folk Literature Association, said, "For thousands of years, the Chinese nation has assimilated the learning and culture of other nationalities and has thus become a great cultural community. Age-old tradition still has a role to play although the society and the lives of the people are changing dramatically. It is important to stress national literature and art as well as the cultural tradition of the Chinese nation."

According to Liu Gao, deputy director of the State Press and Publication Administration, the ten major works have been listed in the state's publication plan.

Over the past ten years, 69 volumes have been appraised and ten have been published. They are: *Anthology of Chinese Folk Songs* (Hubei and Shanxi), *Anthology of Chinese National Dances* (Jiangsu, Hebei, Zhejiang and Tianjin), *History of Chinese Operas* (Hunan, Tianjin and Shanxi), and *Anthology of Chinese Proverbs* (Ningxia). Another group of volumes are to be published this year.

The project has proved timely in the saving of the national legacy. A large part of Chinese literature and art has been passed down orally by folk artists. Some of them have died, and the others are old. The art forms they master may be lost if no measures are taken to save them. In one instance, when An-

hui investigators visited an old dance artist Wan Fangqi they took along oxygen. A few days after they recorded a video, the old man died. Another six flower-drum opera artists have also died since they were videotaped.

In the wide-range investigation of literary and art legacy, a number of new operas, songs, dances and valuable art relics have come to light.

In Jiangsu Province, rare operas such as the Fan Opera were discovered. The Fan Opera uses a fan as the stage and all the roles are played by paper figures whose singing and actions are all handled by one person.

In Sichuan Province, investigators discovered an Armour Dance in the Tibetan and Qiang national autonomous prefectures.

In Shanxi Province, more than 100 opera librettos of the 17th century were found and in Heilongjiang Province, the *Shaman Dance* of the Hezhen nationality, together with music and dance relics of the Bohai Kingdom, an ancient state that existed from 653 to 925 in the province, were discovered.

A musical instrument shaped like an ox head was found among the Hui people in the Ningxia Hui Autonomous Region. Reshaped by musicians, the instrument is named the *niu-tou xun* or the ox-headed holed wind instrument. It has won a science and technology award of the Ministry of Culture and has been introduced into Ningxia and Gansu art performances as a solo instrument.

In Chinese history, there were many who devoted their entire lives to the compilation of an encyclopedia or honest account of history. This spirit is also demonstrated among the thousands of professional cultural cadres. In 1983, Ma Shaomou,

director of the Shaanxi Editorial Department for the Anthology of Folk Instrumental Music, was drowned while protecting the music materials he had just collected when Shaanxi Province was attacked by a flood. Wang Xiaoyi, director of the Editorial Department of Chinese Opera History, died of overwork in July 1990. One week before Wang's death, the Hunan volume was published. Holding the book in his hands, Wang said with tears welling up in his eyes, "At last I see the opera book that is the fruit of my labour. It doesn't matter now I live or die." In the 1987 forest fire in Heilongjiang Province, Su Qinghe and Man Shixin, saved the collected materials before their own houses and other property. These people were recently cited for their distinguished deeds by the Ministry of Culture.

by Wei Liming

## Water Conservation Highlighted

**C**hina's *Water Conservation*, edited by Qian Zhengying, shows the systematic achievements and experiences of the last four decades guided by modern science and technology. It also discusses the decision-making process involved in developing China's future water conservation course.

Qian is a former head of the Ministry of Water Conservation. Along with 19 other experts and scholars who are veterans in water conservation work, she completed the 1 million-word colossal work in one and a half years from April 1989 to November 1990.

An expert in the area, Qian began her four-decade career in 1944 when she led the technical work in repairing the dikes of China's third largest river, the

Huaihe. After the founding of the People's Republic in 1949, she became deputy head of the Engineering Section of the Huaihe River Control Commission. From 1952 to 1988, she was China's leading official in the water conservation department.

About the main purpose of producing the book, Qian said, "Experts and officials in this field need to understand the laws governing China's water conservation. They must reconsider the past level-headedly, analyse the current situation comprehensively and make serious probes for the future. In this way, the development strategy of the next ten years and the coming century can be made."

by Li Rongxia

## Beijing International Triathlon

**T**he Beijing International Triathlon Tournament was held in Beijing on June 30. Brad Beven of Australia clocked 1:48'4" to win the first place, defeating Scott Molina of the United States, who was one of the four founders of the sport.

Guo Weidong of China finished seventh, becoming the first Chinese athlete to finish in the top ten at a major international triathlon. It was a personal best for him to cover the distance within two hours. As the Beijing International Triathlon was concurrently China's first National Triathlon Championship, Guo Weidong was the first national champion in the men's triathlon. The first national woman champion was Wang Li, who finished fourth in the international tournament with a time of 2:11'37".

Joy Hansen of the United States won the women's title, beating last year's world champion Erin Baker of New Zealand. The defeated former world

champion said that she was pleased with the route. "I hope to come next year and show the Chinese a more powerful Erin," she said.

The tournament started at the Summer Palace, a beautiful park with a lake that used to be a summer resort of the royal family of the Qing Dynasty.

49 athletes from 20 foreign countries and regions and 100 athletes from China took part in the Beijing International Triathlon, the first to be held in China since the Chinese Triathlon Sports Association became a member of the International Triathlon Union in November 1990.

The triathlon event as a world sport has a history of only 15 years. China started the sport in 1987 when some social organizations sponsored triathlon competitions in Hainan Province, Beijing, Shanghai, Shenyang and Ningbo. In January 1989, the State Physical Culture and Sports Commission formally listed the triathlon as an event for national competition.

Les MacDonald, chairman of the International Triathlon Union, attended the event and said, "The triathlon is well-suited to the Chinese." He explained that the sport required great skill but little expense, and the number of bicycles in China surpassed all the bicycles in the world put together. Just before the competition he assured a Swiss athlete who showed doubt about China's ability in the triathlon, "About ten years ago, China began to pay attention to sports like diving and swimming, and now they have attained good results. I am confident that five years from now on you will be surprised at the progress China will have made in the triathlon."

by Lou Linwei

## 30 Foreign Staff Commended 129 Hotels Given "Star" Symbol

**O**n the afternoon of July 8, the Beijing Tourism Administration issued certificates to 18 distinguished and 12 advanced foreign staff members of Beijing's foreign-oriented tourist enterprises for their work and awarded 129 foreign-oriented tourist hotels the star symbol at the Sino-Japanese Youth Exchange Centre Century Theatre.

Those who won awards included hotel general managers, department managers and chief chefs from Japan, Switzerland, Canada, the United States, Britain, Tunisia, France, Singapore, the Philippines and Hong Kong.

Bo Xicheng, director of the Beijing Tourism Administration, said, "The foreign staff in Beijing's tourist enterprises come far from their home towns and families to bring to us here in Beijing their wisdom, experience and latest in-

formation about international tourism development, and thus contribute to Beijing tourism. Those commended are outstanding representatives of 857 foreign staff members in Beijing's travel industry. We hope that more foreign staff will come on stage to receive awards in future."

Bo added, "Since the Jianguo Hotel, the first Sino-foreign

joint venture of international level, opened in Beijing in 1982, 52 joint venture hotels and 20 joint venture restaurants have been established. These foreign-oriented tourist hotels and restaurants have improved and raised their management and service."

Bo revealed that from January to June this year, 553,000 tourists visited Beijing, an increase of 15.2 percent over the same period last year.

The Palace Hotel, Grand Hotel, China World Hotel, Chang Fu Gong Hotel, Great Wall Sheraton Hotel, Shangri-la Hotel, Kunlun Hotel and Jingguang Centre Co. Ltd., were classified as five-star hotels.

The Jianguo Hotel, Holiday Inn Lido, International Hotel, Hotel Beijing-Toronto, Xin Dadu Hotel, Beijing Capital Hotel, Peace Hotel, Continental Hotel, Fragrant Hill Hotel and the Beijing Friendship Hotel Guibin Lou (originally the Main Building) were designated as four-star hotels.

Besides the above, 23 three-star, 60 two-star and 26 one-star hotels were classified. Up to the present, the 129 star hotels constitute 70 percent of those in Beijing.

Bo Xicheng said, "The hotels were appraised according to international standards and considering the situation in China, by strictly carrying out star stipulations and standards and upholding the principle of quality first."

by Kou Zhengling

## Beijing Bike Tours

**A**t 9:40 am on the morning of July 8, Beijing's air was particularly clear after a rainstorm. Following the sound of firecrackers, a column of yellow bicycles rode into downtown Beijing from the Chang Fu Gong Hotel outside Jianguomen.

This was the first "Beijing Bike Tour" sponsored by the Beijing Tourism Administration.

The team, composed of over

200 foreign staff members from 30 Beijing tourist enterprises, attracted passers-by. They wore yellow sunshade caps bearing the Chinese characters "Beijing Tour" and rode along Beijing streets and lanes on yellow bicycles.

Beijing now has 74 main streets and numerous lanes. So it is more convenient and interesting to tour Beijing on bicycle than by bus or car. At present, there are over 8 million bicycles in Beijing. The daily stream of pedal-pushers in the morning and evening

rush hour is a unique Beijing sight.

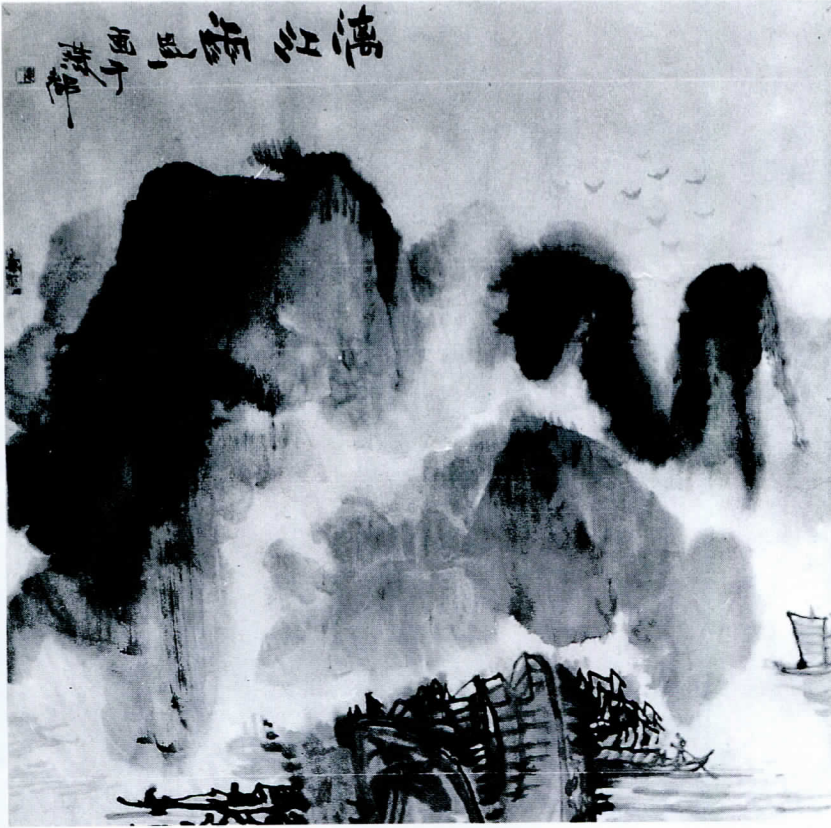
If you want to understand the living conditions and customs of the capital's people, or to see the tranquil life of Beijing's locals, you should tour by bike. To meet the needs of tourists, 21 hotels including the Beijing Hotel, Chang Fu Gong Hotel, Hotel Beijing-Toronto, Beijing Jianguo Hotel, Minzu Hotel and Qianmen Hotel, will all gradually introduce a service counter for "Beijing Bike Tours."

by Kou Zhengling



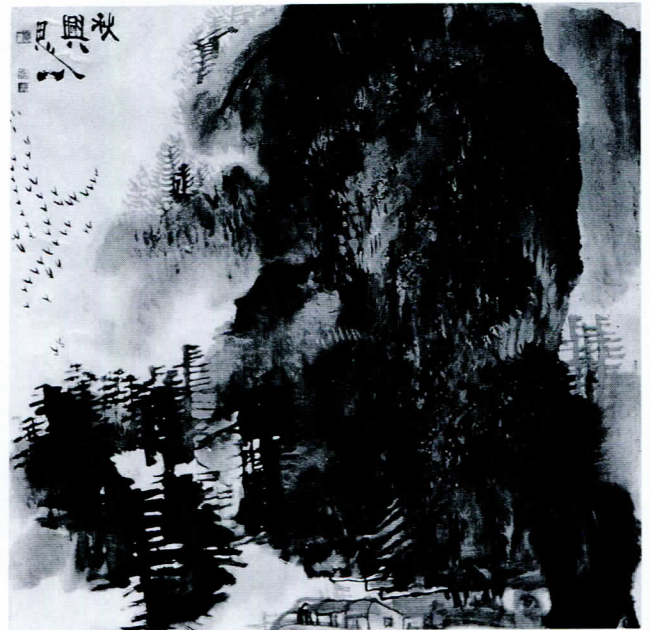
## Chinese Paintings by Xia Yulin

Xia Yulin, born in Beijing in 1945, is now an art teacher of the Beijing No. 177 Middle School. He specializes in washed-ink and colour landscape paintings.



Rain Over the Lijiang River.

### ART PAGE

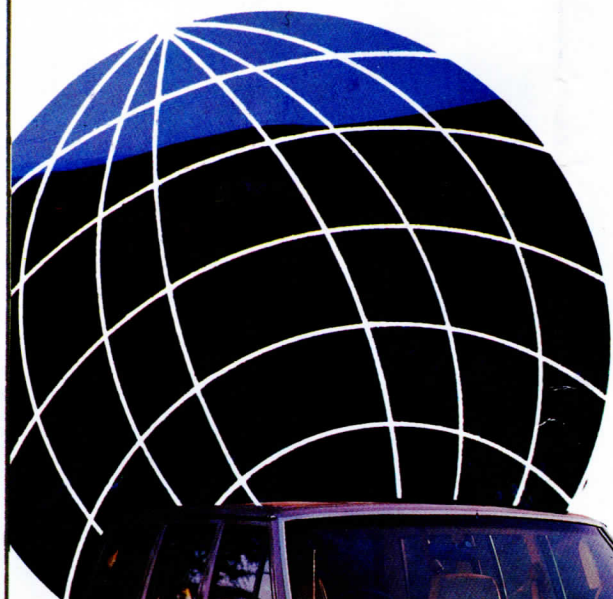


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