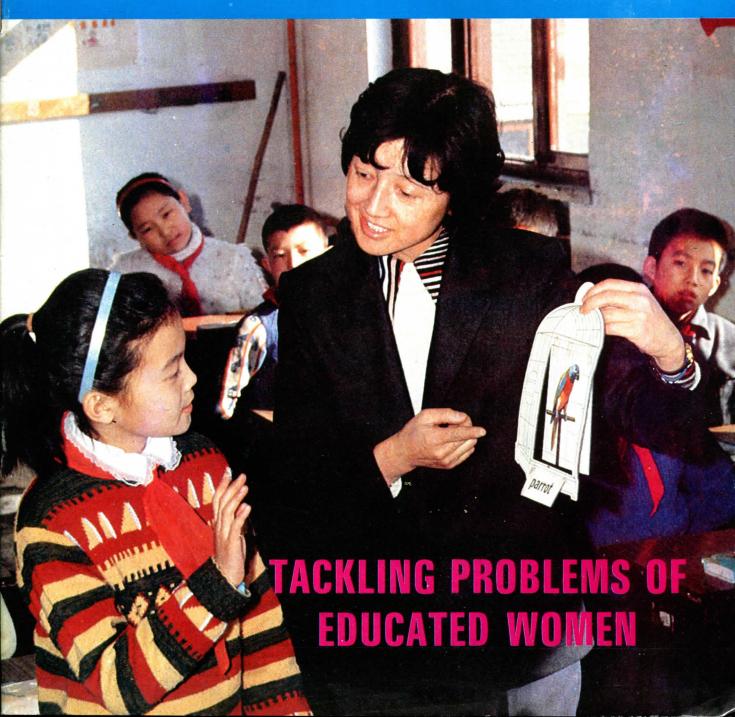
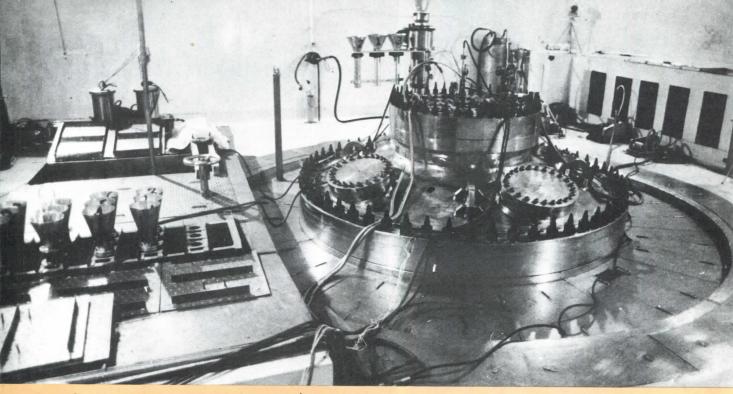
Beijing EVI EW

Vol.29, No.49

December 8,1986

An Understanding of Socialism





Since its completion in 1981, this nuclear reactor in southwestern China has been running safely and has helped in various scientific research programmes. Its technical specification is up to advanced world standards.

Practical Nuclear Science in China

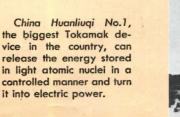


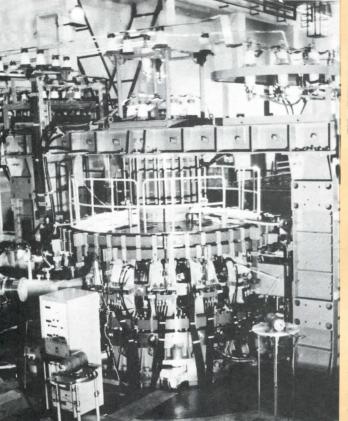
A chemist analyses crop samples collected within a radius of eight kilometres around a nuclear reactor. The result shows no atomic contamination.



China Huanliugi No.1, the biggest Tokamak de-vice in the country, can release the energy stored in light atomic nuclei in a controlled manner and turn

A gamma-ray greenhouse built recently at the Heilongjiang Provincial Academy of Agricultural Sciences designed for crop seed breeding, preventing insect pests, food storage and sterilization of clinical apparatus.





Beijing Review



VOL. 29, NO. 49

DEC 8, 1986

CONTENTS

NOTES FROM THE EDITORS 4 Food Grains Remain Important EVENTS/TRENDS 5-9

HK Basic Law Progresses
China Reaffirms Kampuchea
Policy
Challenger Having the Final S

Challenge: Having the Final Say Rights of Joint Venture Upheld Leasing — Answer to 'Big Pot' Losses

INTERNATIONAL

10-13

The Soviet Union: Ties With India Strengthened

USA: 'Star Wars' - Full Steam Ahead?

West Germany: Unexpected

Defeat for SPD
Japan: High-Technology
Development Plan

Socialist Features Reexamined 14
Major Changes in China's
Economy 15
Women's Work, Society's
Responsibility 18

Economic Growth in Different Areas

Evening newspapers in China

FROM THE CHINESE PRESS 26-27
BUSINESS/TRADE 28-29
CULTURE/SCIENCE 30-31
SPORTS 32
BOOKS 33
LETTERS 34

COVER: Speical-class teacher Fang Bihui of Beijing's Jingshan School at work.

Liu Chen

21

24

HIGHLIGHTS OF THE WEEK

Socialist Features Reexamined

■ A study of the features of socialism as China understands them in the light of present-day conditions. (p. 14).

Women's Work: Society's Responsibility

■ Educated women are important to China's modernization. But the bulk of them are handling a double duty without support. Experts believe future solutions lie with society as a whole, not work units or individuals (p. 18).

Major Changes in China's Economy

■ Written by Liu Guoguang, a high ranking official at the Chinese Academy of Social Sciences, this article deals with the dramatic changes in China's economy since 1978, focusing on the development strategy and the reform of the management system (p. 15).

China's Economic Growth in Different Areas

■ Facts and figures comparing the economic development in China's east, centre and west during 1981-85 (p. 21).

Food Grains Remain Important

• China's grain output this year will be 10 million tons more than last. The increased area given over to grain is due to government support for grain production. The government will continue to support grain in line with the growing need (p. 4).

Canada..... Can. \$21.00

NOTES FROM THE EDITORIES

Food Grains Remain Important

by Han Baocheng

Agricultural departments predict that China's grain output this year will reach 390 million tons, over 10 million tons more than last year. That figure, however, is still lower than the record 407.3 million tons in 1984.

The decrease in grain production in 1985 was primarily due to serious natural disasters in major grain-producing areas and freeing the prices of farm and sideline products leading to a drastic reduction in grain acreage. Statistics show that from 1978 to 1984, the nation's grain fields decreased by 7.3 million hectares, and in 1985 alone grain area was reduced by 4 million hectares.

The better harvest this year is because there are over 2 million hectares of grain fields this year more than last due to state policies supporting grain production. If the major grain producing areas had not been hit by severe natural disasters this year (flood in the northeast, drought in the central plains, low spring temperature and autumn water-logging in Yunnan and continuous typhoons in Guangdong and Guangxi in the south), the grain output would have been far greater.

Next year, the government will not expand grain fields except for local readjustment, but will devote its main effort to raising yields. During the Seventh Five-Year Plan period (1986-90), the government has decided to earmark 1 billion yuan a year to support commercial grain producing counties, as against the 600 million yuan these counties had during the Sixth Five-Year Plan period (1981-85). Five hundred such counties, a quarter of the total, will be promoted. The results should be a big boost to grain output.

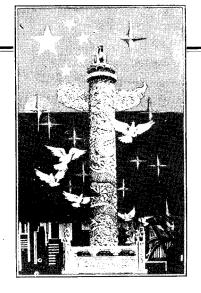
An unreasonably low price is restricting the growth of grain

output. At present, grains are traded at three prices: One for grain supplied to urban residents, to industries (breweries, food-processing, textiles), to commerce (hotels and restaurants) and for medicines; another for contracted grain purchased by the state from the farmers; and the third for above-quota grain which farmers sell on the free markets. Wheat, the main crop in the north, is sold to urban residents at 37 yuan per

Although China has achieved great things in grain production, more food is needed as demand mounts. China should feed itself with its own chopsticks and not be spoonfed by others.

100kg; the price the state pays the farmers is 44 yuan per 100 kg. The price of grain on the free markets is generally 30-50 percent higher than what the state pays. The government spends a large amount of money subsidizing lowpriced commercial grain for urban residents and industries. Meanwhile, farmers complain that fixed quota contracts are cutting into their income. The easiest solution is to free the price of grain. However, the impact of a resulting jump in grain prices would be unacceptable. The government, therefore, will adjust the price for grain only gradually.

Before the fundamental problem is solved, the government will adopt some remedial measures. For instance, the government will supply grain growers with an additional 5 million tons



of chemical fertilizer and 2 million tons of diesel oil at low prices in order to reduce grain production costs. At the same time it will appropriately raise the purchasing prices for some grain crops and cut down the contracted quotas for grain. This should narrow the income gap between grain growers and farmers growing cash crops. The departments concerned say that the government will continue to guarantee urban residents lowpriced grain next year; whereas for industries, commerce and medicines, grain will have to be procured through the market at higher prices. This should help bring the contracted quota down by a third.

Although China has achieved great things in grain production, the need for grain is increasing with the change in people's diet and the development of the food and fodder industries. China's population is large and farmland limited. Even by the year 2000 when the planned target of 490 million tons of grain a year is achieved, average per-capita grain is expected to be 400 kg, lower than the world's present average grain consumption level. China should feed itself by its own efforts, not through imports. To realize its goal of being a developed country by the middle of the 21st century, China will pursue a policy of guaranteeing a stable output of grain.

HK Basic Law Progresses

airly good progress has been made in drafting a basic law for the projected Hong Kong special administrative region (SAR), said Chinese State Councillor Ji

Pengfei in Beijing.

Ji. who is also director of the Hong Kong and Macao Affairs Office under the State Council, and chairman of the Hong Kong Basic Law Drafting Committee, made the statement at the third session of the drafting committee which opened on November 29. Consensus had been reached on many issues, he said.

At the November 29 session, the committee heard reports by its five special working groups on the relations between the central government and the Hong Kong special administrative region, the basic rights and obligations of the regions' residents, the region's political system, its economy, and its education, science, technology, culture, sports and religion.

However, the session focused on relations between the central government and the Hong Kong SAR, and the rights and duties of its residents, as the committee's work schedule requires it to pass final proposals on these two areas

at its next session.

According to articles worked out by the special group on relations between the central government and Hong Kong, Hong Kong will be a special administrative region of the People's Republic of China directly under the central government. However, neither central departments and ministries nor local governments will interfere in the region's affairs.

According to articles worked out by the special group on basic rights and duties, Hong Kong residents will enjoy freedom of movement in and out of the country and freedom of emigration to other countries and regions, as well as freedom of speech, information, the press, association, forming and participating in trade unions, together with the freedom to strike and hold meetings and demonstrations within the framework of the law. They will also be free to decide how many children they have, and their freedom of marriage will be protected by law.

Most of the articles discussed at the session won unanimous agreement from committee members while differences remained on

certain specific items.

The working group on the political system reported that its members agreed that the SAR's political system must accord with the Sino-British Joint Declaration and the idea of "one country, two systems." It suggested the political system should be based on the principle of separate legislative. judicial administrative and powers, and that local administrators should be responsible to both the central government and the special administrative region.

China Reaffirms Kampuchea Policy

China's leaders recently reiterated that Viet Nam must withdraw all its troops from Kampuchea, and also abandon its policy of opposition to China.

Chinese Communist Party General Secretary Hu Yaobang said on November 24 that to ensure long-term stability and goodneighbourliness in Southeast Asia, it is first necessary to defeat Vietnamese aggression against Kampuchea. The removal of Vietnamese forces from Kampuchea is non-negotiable, Hu said, adding that Kampuchea's inde-

pendence, sovereignty and territorial integrity must be restored completely.

Hu made these remarks in Shanghai when he met Thai Foreign Minister Siddhi Savetsila, who arrived in Beijing on November 20 for a six-day visit to China.

He stressed the two basic principles on which China handles its relations with other countries—the principle of peace and friendship in handling state-to-state relations and the principle of being honest and keeping its word in diplomatic relations. "We are firmly opposed to Viet Nam because it does not observe those principles," Hu said."

Meeting Siddhi in Shanghai,

Meeting Siddhi in Shanghai, Chinese President Li Xiannian urged Viet Nam to settle the Kampuchean issue according to the eight-point proposal put forward by the Coalition Government of Democratic Kampuchea headed by Prince Norodom Sihanouk. It is impossible for one nation to wipe out another nation, he said.

In reply, Siddhi said that Thailand would unswervingly support the Kampuchean people in their struggle against Vietnamese aggression.

Chinese Premier Zhao Ziyang strongly denounced Viet Nam's anti-China policy on November 22 while addressing Chinese frontier guards along the Sino-Vietnamese border in Guangxi Zhuang Autonomous Region.

Viet Nam's difficulties at home and aborad, its isolation in the world and its domestic economic plight are the inevitable consequences of its stubborn policy of aggression against Kampuchea and opposition to China, he said. "As long as Viet Nam continues its anti-China activities and its aggression against Kampuchea, China will not change its policy of exerting pressure on Viet Nam along the border. Our troops must be ready to take necessary actions at any time."

Zhao pointed out that the Vietnamese authorities recently uttered some high-sounding words about peace, but in fact they do not intend to abandon their basic policy of aggression against Kampuchea and opposition to China, which has led Viet Nam into an impasse. The only way for Viet Nam to extricate itself from its predicament is to withdraw all its forces from Kampuchea and to stop opposing China.

By doing so, he added, Kampuchea can have peace and become an independent, neutral and non-aligned nation, while Viet Nam itself can heal the wounds of war, develop its national economy and improve its image in the world. At the same time, Sino-Vietnamese relations will greatly improve, the flashpoint of war in Southeast Asia will have been removed, and then there will be peace and stability in this area.

Zhao pointed out that the Chinese people's counterattacks in self-defence, and its firm support for the Kampuchean people's resistance against foreign aggression, are aimed at making the Vietnamese authorities abandon their erroneous policy at an early date.

"Fundamentally speaking," he added, "what the Chinese people have done in this regard is also in the interests of the Vietnamese people, who are eager to get rid of the sufferings brought on by war."

Challenge: Having the Final Say

It is no longer so easy, as some people believe, to be a director or manager of a state-owned enterprise in China today. Many are faced with the challenge of having much freedom combined with great responsibility. But most are also having to struggle hard to fight their way through the traditional practices

and ideas that have predominated in the management of the country's industry for over 35 years. Though encircled, a new generation of directors and managers is nevertheless coming to the fore at this turning point in China's historic reform.

After more than two years experimenting with the factory director (manager) responsibility system—which has resulted in fast decision-making and effective management, and hence high efficiency—nationwide extension of the reform is officially urged in a recent document issued by the Chinese central authorities announcing regulations to underwrite the move away from the old system of leadership.

The responsibility system was first introduced experimentally into state-owned enterprises in 1984 in six cities: Beijing, Tianjin, Shanghai, Shenyang, Dalian and Changzhou. It has since been extended to hundreds of others throughout China, and the number of enterprises operating the system has increased from the original 191 to the present 27,700 and more, covering nearly all industrial departments.

The director (manager) responsibility system is rooted in a tradition that can be traced back to the 1930s. During the Second Revolutionary Civil War, the enterprises in the Communistcontrolled areas were run by a "three-man board," comprising the factory director, the Party secretary and a trade unionist the director having the power to make decisions. In the days of the Anti-Japanese War, Communist-run factories in the base areas operated a "factory council" system, with the director again as the decision-maker. And during China's First Five-Year Plan period, under the influence of Soviet practice, most enterprises adopted the "one boss" system initiated by Lenin, when the director (manager) was the only leader to have the final say.

After 1956, China began to give stress to the Party's control over almost every aspect of life. The director (manager) responsibility system was subordinated to the leadership of the Party committee. Where this arrangement survives, the director or manager is supposed to be responsible to the collective leadership, but in fact it is the head of the Party committee who directs an enterprise. The director himself has practically no right to give "final orders."

The biggest drawback of this traditional system is believed by many to be that in the end nobody can be charged with responsibility for any failure in production or blunders of management. The manager himself is not in a position to carry out his supposed duties. He is only a kind of "puppet" ranked next to the Party secretary, implementing administrative instructions from higher authorities. While most Party secretaries, often appointed rather than elected, may be professional in politics, they are strikingly clumsy at managing an enterprise.

As an important part of the overall political reform being carried out in China, revising the old system of leadership focuses on the separation of the functions of the Party and enterprise management. This idea was first advanced by Deng Xiaoping in 1980. Over the last couple of years, the introduction of advanced methods of management from abroad and their associated ideas have really begun to shake the out-of-date traditions of China.

To help consolidate the reform and push it a stage further, the government issued a series of regulations in mid-October clearly defining the duties and responsibilities of directors and managers, of Party organizations and of workers congresses of state-owned enterprises. The principal thrust of these regulations is the return of decision-making powers to directors or managers, giving them complete control of the entire

production process, including the appointment and dismissal of personnel at the middle level. Party organs in enterprises must refrain from interfering with the work of a director, while lending them a helping hand. Their authority is limited to ideological education and supervision. Meanwhile, the workers congressis confirmed as the basic unit of democratic management, which can speak on behalf of its members on any matter concerning their direct interests.

Under the new system, factory directors, or the managers of other enterprises, not only have much more freedom to manage effectively and to give effect to their own ideas, but must take seriously the challenge posed by the responsibility they have to their enterprises as well as to the state. They therefore need to be not only competent, but creative, with the ability to think originally, versed in the art of leadership and with an attractive manner of work.

The old system allows directors to escape the consequenses of their incompetence. Some are even promoted to higher office or move to other places to start their next term of directorship. A new policy adopted recently by China's audit authorities will bring these practices to an end. A special postterm audit will be carried out before every director (manager) leaves office. If audit findings reveal a director's involvement in any illegal financial dealings or failures of management, he will be disciplined or punished accordingly. Equally, his successor will be able to take over with a clean

The new responsibility system is still at an immature stage of development. There are diverse interpretations and practices of it, and much room for further study of and improvements to it. But with the accumulation of more experience, a climate will be created favouring its advance.

by Dai Gang

Rights of Joint Venture Upheld

On October 30, the Higher People's Court of Tianjin has, after a year of investigation, rejected the appeal brought by Niutou Village, in the western suburbs of Tianjin, against China Outsuka Seiyaku Co. Ltd., a Sino-Japanese joint venture. In its claim the village demanded unjustifiable compensation for damage to its rented land. According to the court verdict, all the expenses of these proceedings shall be paid by the plaintiff.

By so deciding, the court has protected the legitimate rights and interests of a joint venture, and sounded the alarm over the practice of overcharging foreign capital ventures. "We have our rules and regulations to go by. No one must be allowed to think a joint venture is a chunk of fat meat to be stung at will," said a leading official of the Tianjin Foreign Economic Relations and Trade Commission.

The China Outsuka Seiyaku Co. Ltd. is a pharmaceutical company operated with Japanese capital. Early in 1981 the firm rented 16.36 mu of land (approximately 1.09 hectares) from Niutou Village. Both the village and the firm signed a contract in October of that year.

The contract clearly stipulated that Niutou Village would bear all the costs of restoring the land to its original condition. The village agreed to this provision and affixed its official seal to the contract.

The contract also called for the company to pay the village some 7,000 yuan in rent for the land between 1981 and 1984, when the construction project was completed. In fact, the firm paid out more than 72,000 yuan during the period in consideration of the inconvenience it caused villagers during the construction work.

News in Brief

China is to set up a new state commission of the machine-building industry to replace the two existing ministries of the machinebuilding and ordnance industries, and another ministry to supervise government government departments, employees and governmentemployed factory managers. The purpose of setting up the commission is to unify the management of China's machine-building and military enterprises, while that of the second is to ensure government departments and government employees strictly implement state policies. laws and regulations.

Chinese geologists have made a record find of ruby and sapphire deposits in China. These deposits are located in Wenchang County on Hainan Island off the south coast of China. The geologists have been studying the island for five years, and their largest find was an oriental sapphire deposit with a reserve of more than 820 kilogrammes.

Some deputies to the National People's Congress have called for a new teachers law to raise the social position of teachers, protect their legitimate rights and enhance their professional quality. In line with their suggestion, the State Education Commission has organized a special group to draft fresh legislation.





ZHU YUHU

Rare Birds Choose Kunming as Home

As winter approaches, Siberian red-beak gulls migrate to their winter habitat on the Panlong River in Kunming, known as the "spring city of China." Last year, when the birds first established their home in the city, the local government called on all its citizens to protect them and set up a special fund to pay for food for them.

At the time, neither party raised any objections. But in June 1985, the company unexpectedly received a court summons issued by the Intermediate People's Court in Tianjin. Niutou Village claimed compensation for damage to its land. After a year of investigation and a court hearing, the village's claim was rejected. Niutou Village did not accept the court's decision, however, and appealed to the Higher People's Court in Tianjin. Since the village was unable to offer any evidence that it had suffered losses, the higher court upheld the lower court's decision.

Ever since China began to implement the policy of opening up to the outside world, the Chinese government has made great efforts to improve the various rules and regulations

concerning ventures with foreign investments, the official of the municipal foreign economic relations and trade commission said. He called on every Chinese citizen to familiarize himself with them and to abide by the stipulations on joint ventures. "Every company is equal before the law, no matter whether it is state-owned, collectively owned, individual or joint venture." he added.

Leasing — Answer to 'Big Pot' Losses

More than 200 loss-making enterprises in Beijing have made up deficits and achieved surpluses since they were leased out in July this year.

At the end of October there were 1,300 such small rented businesses in the capital. This enterprise-leasing system is a new departure in the reform of the economic system. It effectively separates the rights of management from the ownership of enterprises, which can now act on their own and decide how to manage themselves and distribute their products.

Beijing's Chongwen District took the lead in implementing the system in commerce, catering and other service trades. It first tried out the system in 1983. Now more than 130 small businesses have signed leasing contracts. Of these, 26 former loss-makers have wiped out their deficits and are making profits.

Most of those enterprises are

leased to collectives or partners. A few individuals and families can also rent.

The Jingrong Barber Shop in the Chongwen District of Beijing was a money-loser for some time. In July, Wang Shuqin, 48, and her family took a lease on it. They have increased working hours and improved their service. "Now more and more people are willing to come to our shop because of our good, high-quality service," said Zhao Yajun, Wang's elder son, 23, who worked in a state-owned barber shop before. Old and disabled people can have their haircut free whenever they like. Some of them in the vicinity can have their hair cut at home.

Meanwhile the shop's profits have increased by 50 percent to 2,000 yuan a month. The average income of family members is over 200 yuan per month. September, I got 450 yuan, much more than the 80 yuan I got before," Zhao said, "We have greater enthusiasm too, because now we are working for ourselves."

The Xingfu Bicycle Repair Shop in the same district is another enterprise leased out to individual workers. It now makes a profit of about 4,000 yuan a month, an increase of 20 percent. The average monthly wage of workers is about 160 yuan. "I got 300 yuan last month," said Gao Lianhua, an old worker at the shop. "Through our initiative we have reversed the situation where we had work waiting for men. Now we are often waiting for work."

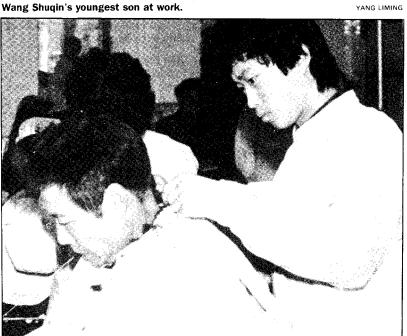
According to a survey of 62 leased enterprises in the district, they made profits of more than 86,000 yuan in September, an increase of 250 percent over the same period last year. They turned over 35,000 yuan in taxes to the state, 50 percent more than last year. The average monthly income of workers went up to 175 yuan, up 45 percent.

But there are also problems. Individuals and families have more difficulties renewing and maintaining equipment than stateowned enterprises. A few people deliberately put obstacles in their way. "I hope these problems can be resolved as quickly possible," said Zhang Yuhe, an official of Chongwen District.

He added that the district authorities plan to lease another 192 enterprises by the end of this vear. including some larger concerns.

by Wang Yanjuan

YANG LIMING



China & the World

China Plans to Join UN Arbitration Convention, A proposal to join the United Nations' Convention on the Recognition and Enforcement of Foreign Arbitral Awards is being examined by the Standing Committee of the National People's Congress currently in session in Beijing. In making the proposal, Premier Zhao Zivang said that joining the convention is a necessary part of China's policy of opening to the outside world and will benefit the country's economic and trade relations with other countries. Fifth Meeting of Sino-British Joint Liaison Group. Held in Beijing from November 25 to 28, the fifth meeting of the Sino-British Joint Liaison Group agreed on the means to ensure that Hong Kong will remain in the International Maritime Organization and the International Telecommunications Union as a special administrative region of China. At the meeting, a memorandum was also exchanged by the two governments for the continued use of the Certificates of Identity (COI) after the takeover.

China Hopes for Stable Situation in the Philip**pines.** China hopes that the situation in the Philippines will stabilize under the leadership of the government headed by President Corazon Aquino, stated a Foreign Ministry spokesman at a weekly news briefing on November 26. Asked to comment on the situation in the Philippines, the spokeman said, "We do not make comments on the affairs of internal Philippines.

THE SOVIET UNION

Ties With India Strengthened

Gorbachev's recent visit to India has raised Soviet-Indian relations to a new level.

Mikhail Gorbachev's official visit to India from November 25 to 28, his first to an Asian country since he assumed office in March 1985, and the first visit to India by a Soviet leader for six years, was of crucial importance for Moscow in its search for support from the third world for its initiatives on world issues.

Moscow is seen by India as a trustworthy and dependable ally, and Moscow in turn has good reason to develop close relations with India.

First, India is a country with a vast territory and a population of 700 million. This means that the industrial products of the Soviet Union, which are less competitive on international markets, can find an easier market in India, and in return the Soviet Union can get from India food, mineral products and daily necessities which are in short supply at home. Besides, India's cheap labour can be used to make semi-finished products for the Soviet Union, now India's second largest trading partner after the United States. Bilateral trade amounted to US\$3.7 billion last year and is expected to rise considerably over the next 5 years. Recently, the two countries reached a long-term agreement on industrial co-operation, under which they will establish 60 joint ventures in India and 30 such enterprises in the Soviet Union. They are also to build 25 joint ventures in third countries.

Second, as a leading member of the non-aligned movement, India can play a big part in supporting Moscow's positions, in particular its opposition to the US "Star Wars" programme, and its proposal that a complete nuclear test ban be agreed and all nuclear weapons eliminated by the year 2000. India can also set an example to other third world countries on developing good relations with Moscow, given India's status as a big power in South Asia.

Growing US influence in India another important factor in Moscow's thinking. Indian Prime Minister Rajiv Gandhi has stated on many occasions that his country will "maintain friendly relations with all countries." US Secretary of State George Shultz, Secretary of Commerce Malcolm Baldrige and Secretary of Defence Caspar Weinberger have each visited New Delhi this year. And the US government has agreed to provide India with advanced technology and up-to-date weapons.

However, Gorbachev will have noticed that, to quote the Asian Wall Street Journal, he is visiting "an India wary of the US." New Delhi is becoming increasingly worried about Washington's military backing for India's long-time rival, Pakistan, especially over the possible sale to Pakistan of US 'airborne warning and control system" aircraft, or AWACs. The Union, India's main Soviet weapons supplier, is therefore expected to supply India with weapons to match US arms sales to Pakistan. Advanced Soviet weapons including MIG-29s have reportedly been promised to India by the Soviet Union.

A communique issued at the end of the visit said the discussions

between the two leaders demonstrated "the coincidence or similarity in the position of India and the USSR on major world issues."

Gandhi and Gorbachev also issued a declaration on the principles of a world free of nuclear weapons and violence, calling for an immediate international convention banning the use or threat of use of nuclear weapons.

In his address to the Indian Parliament, Gorbachev urged the setting up of an international research centre to promote the peaceful use of outer space and to replace "Star Wars" with "star peace."

The Indian side "positively noted" the Soviet Union's readiness to sign a test ban treaty at any time and welcomed its unilateral moratorium on nuclear tests until 1987.

Reports say the question of Kampuchea was discussed, but the joint statement avoided naming Kampuchea, saying only that a solution to the problems of Southeast Asia should be found by the nations of the region themselves without interference from outside in their internal affairs—reflecting the contradiction between India's role as a leader of the non-aligned movement and its wish to keep on good terms with Moscow.

On the problem of Afghanistan, Gorbachev said in a 75-minute joint news conference with Gandhi that "the prospects for a settlement of the (Afghanistan) problem exist." But he did not specify what steps Moscow will be taking to solve the problem.

Referring to the question of an 'Asian-Pacific collective security system, an idea put forward by Gorbachev in July this year in Vladivostok, Gorbachev said that "what we are doing to improve our relations with China will not weaken our relations with India." This is obviously intended to comfort India, which fears any

improvement in Sino-Soviet relations will be made at India's expense. Gorbachev also repeated his appeal for the demilitarization of the Indian Ocean and the opening of multilateral talks among the nations concerned.

The Soviet Union also signed an economic co-operation agreement with India, under which Moscow will give New Delhi 1.5 billion roubles (US\$2.25 billion) in aid.

Gorbachev must be satisfied that his visit has consolidated the traditional ties between his country and India, and that the image of the Soviet Union remains good in Indian leaders' eyes. Rajiv Gandhi described Gorbachev in a speech to parliament as a "great and dynamic leader of a great and friendly country."

by She Duanzhi

they strongly supported SDI, nearly 11 percent were neutral, 25 percent were opposed to it and percent strongly almost 55 opposed SDI. Opponents believe SDI is actually dangerous to American national security because it won't result in any arms reduction but will force the Soviet Union to increase its offensive forces and develop a defensive system of its own. Others think the programme costs too much and doubt whether it can work.

The explosion of the US's three main launch vehicles, the space shuttle Challenger and the rockets Titan and Delta, within a threemonth period, has raised questions about America's ability to test SDI components and then to lift the enormous system into orbit. Some National Academy scientists say the prospects are poor that a survivable and costeffective SDI system can be built within the next 25 years. At the end of October, about 7,000 US scientific workers had signed a pledge refusing to accept government funds for "Star Wars" research.

On the eve of the adjournment of the 99th Congress, 48 of the 100 Senators signed a letter urging that the growth in spending on SDI be held to 3 percent. In the current fiscal year, Reagan had sought US\$5.3 billion for the project, but Congress reduced it to US\$3.5 billion for the year beginning October 1. And it is almost certain that the Democratdominated 100th Congress will make it more difficult for the President's proposal to increase the SDI budget to find its way through the legislative labyrinth.

But there is no sign that Reagan will give up his plan. In Reykjavik, Reagan said, "The Soviet Union insisted that we sign an agreement that would deny to me and future presidents for 10 years the right to develop, test and deploy a defense against nuclear missiles for the people of the free world. This we could not and will not do."

USA

'Star Wars' — Full Steam Ahead?

A stumbling block at the US-Soviet summit in Iceland, the "Star Wars" programme has come in for more criticism and opposition at home and abroad, but there is no sign that Reagan will abandon it.

The failure of US President Reagan and Soviet leader Mikhail Gorbachev to come to any agreement at the Reykjavik summit has once again put the spotlight on the US's Strategic Defense Initiative (SDI). Though taking a briefcase full of proposals with him, Gorbachev would agree to nothing unless the US agreed to confine SDI to laboratory research for at least the next 10 years. While Reagan, criticized by the Soviets for coming to Reykjavik emptyhanded, would not budge an inch over SDI.

When Reagan announced his plan in 1983 for "rendering nuclear weapons impotent and obsolete" through a space-based shield of missile-killing satellites with laser beams, the programme was heavily criticized by many scientists and officials in the US. Apart from being of no use at all against cruise missiles and bombers, whose capabilities are sure to assume a much greater strategic importance in the decade ahead, the SDI project was said to both militarize space and undermine

the last major surviving arms control agreement, the 1972 Anti-Ballistic Missile (ABM) Treaty which allowed only one ABM site to each superpower. But the supporters of SDI argued that space had already been militarized. Both superpowers relied on space satellites for a wide range of military purposes. They pointed out that the Soviet Union had deployed an ABM system far exceeding the treaty limits, and was building a nationwide ABM radar and battle-management system at Krasnoyarsk. As the Soviets had never complied with the ABM treaty, they argued, the SDI programme could hardly undermine it.

More recently, SDI has met with growing resistance from scientists. The Cornell Institute for Social and Economic Research conducted a survey among 663 members of the National Academy of Science who work in the fields of physics, chemistry, mathematics and engineering. Of the 451 scientists who responded to the survey, only 2.5 percent said

To bring his ambitious programme to fruition, Reagan has already spent a huge sum of money on it. According to current estimates, SDI will have devoured US\$26 billion by 1990. As the next president would be unlikely to make any big changes to US foreign policy in his first term, there is little possibility of the project, which would then be nearing maturity, being abandoned.

Apart from its military significance, SDI is a package involving SO many hightechnologies—aerospace, laser, new materials, computer technologies and electronics—that it has attracted and will continue to attract more and more companies and research institutes to take part in it, breathing new life into their own research and development while earning them a lot of money. from their biggest client.

America's allies are also interested in the new and advanced technologies involved in SDI. Following Britain, Israel and West Germany, Italy signed a government-to-government memorandum on September 19 on Italy's participation in the "Star Wars" research programme. On October 26, a Japanese government delegatin left for Washington to discuss the possibility of joining in. Given the go-ahead by their respective governments, many companies and research institutes are vying with one another for contracts in order to obtain a share of the new technologies free of charge.

To these reasons why the US cannot give up SDI must be added what it perceives as the Soviet threat. It says the Soviet Union has its own "SDI," and it has gone much further down this road than commonly believed. According to some Western specialists, Soviet space-weapon technology and recent advances in nuclear weaponry and anti-nuclear defences can rival those of the United States. Since the early 1970s, the Soviet

Union has had the world's only anti-satellite system which can destroy a satellite using a conventional warhead. Moreover, the Soviet Union's "SDI" embraces an extensive early-warning network supported by nuclear-armed, ground-based missiles capable of intercepting warheads

in space before re-entry. A particle-beam research programme comparable to that of the US has also been under way for the last 10 years. The expenditure on this has already reached US\$150 billion, ten times what the US has spent on SDI.

by Jiang Wandi

WEST GERMANY

Unexpected Defeat for SPD

The Social Democrats are in a state of shock following their disastrous defeat in the last two local elections, just before the January 1987 general election.

Only 77 days before the general election due to be held in West Germany on January 25, 1987, the last two local elections, in Bavaria and Hamburg, ended in defeat for the Social Democratic Party (SPD).

In Bavaria, the ruling Christian Social Union (CSU) has retained its absolute leadership by winning 55.8 percent of the vote; whereas the out-of-office SPD gained only 27.5 percent, 4.4 percent lower than in the last election, and a record low for the past 30 years.

In Hamburg, which has been ruled by the SPD for nearly 30 years and is regarded as its home base, the SPD lost its position as the largest party by registering only 41.8 percent of the vote, compared with the 51.3 percent it gained four years ago. Accompanying the SPD's decreased share of the vote is a gain of 3.3 percent, and a total of 41.9 percent of the vote polled by the Christian Democratic Union (CDU).

The results of the two elections came as a surprise to the West Germans, and a shock to the SPD, which hoped to gain more than 50 percent of the vote in Hamburg. The SPD conceded that its defeat in Bavaria was much heavier than had been expected. Willy Brandt,

SPD Chairman, said the party's present task was to prevent the CDU-CSU coalition from winning an absolute majority.

The prospects for the SPD at the coming general election are not very bright. Since it depends more on floating voters than the CDU-CSU, the low poll in the Bavaria and Hamburg elections will be to the disadvantage of the SPD if repeated at the general election. The Social Democrats' crisis is further compounded by the recurrent scandal of the so-called "new homes," built and run by trade unions to provide low-cost housing for people on low incomes. However, the "new homes" building company was recently sold off, together with 190,000 flats, to a private concern, and this has caused dissatisfaction among SPD's supporters, who feel their party has ignored the interests of those on low incomes. This resentment accounts, at least in part, for the party's decreased vote. Other factors are the change in the leadership of the party since it stepped down from office in 1982 and the fact that party members are far from united on such crucial issues as nuclear energy, security and alliance with the Green Party.

In contrast to the declining fortunes of the SPD is the growing popularity enjoyed by the ruling CDU-CSU coalition. According to West Germany's five leading economic research institutes, the country's rate of economic growth is expected to reach 3 percent this year, the highest for 12 years, while the problem of unemployment, which has been the country's biggest headache, is abating, with the number of the unemployed down on last year the first fall in the unemployment rate since 1979.

On security and the safeguarding of European interests, the ruling CDU-CSU coalition government stresses the importance of co-operation with its Western allies. During his post-Iceland summit trip to the United States, Chancellor Helmut Kohl impro-

ved on his image as the US's "obedient partner" by reminding Washington of European interests, winning acclaim among voters. Moreover, the coalition government projects a public image of unity and harmony on all major questions.

However, the results of the two local elections are not entirely reliable guides to the outcome of next year's general election. The CDU won in Bavaria because the Bavarian Minister-President enjoyed high local prestige, while the ruling party in Hamburg was defeated partly because of the state's huge debts and high unemployment rate. Nevertheless, the local election results are certain to have an impact on the coming general election.

by Fang Xiangsheng

research in these areas, a number of problems in high-technology can be solved.

The "man and geoscience" programme has the following aims: (1) to understand man's genotype; (2) to begin international research into the mechanisms of life; (3) to make observations of abnormal weather conditions throughout the world; and (4) to develop research on preventing the expansion of the deserts.

In order to implement its programme, Japan is going to form a "man and geoscience" financial group and is prepared to contribute 1,000 billion yen to the research work. The group will set up a "man and geoscience" research centre in Japan with branches in other countries.

To promote the exchange of research findings, Japan is also considering establishing an international college of science and engineering, developing research work in areas useful to the developing countries, and creating a "bank" to store information about the genetic materials of man, animals and plants.

The Japanese plan is comparable to the US "Star Wars" and the European Eureka programmes. But European and US research work is mainly for practical goals, while the Japanese programme emphasizes basic research, the results of which may be useful in the future but at present are of only academic interest.

by Li Wen



High-Technology Development Plan

Japan is now drawing up a wide-ranging plan to develop high-technology, which can be compared with the "Star Wars" and Eureka programmes.

Both developed countries headed by the United States and developing countries have been calling on Japan to transfer its technology in the fields of micro-electronics, biology and modern materials. Many Japanese also consider that Japan should use its economic base to further scientific and technological research, and that it is time for Japan to establish an international research system in which Japan will play the leading role.

With this in mind, at the Tokyo summit of the seven Western industrial nations last May, Prime Minister Yasuhiro Nakasone proposed that an international institute be set up to develop the

new technology to meet the needs of the 21st century. It is estimated that between 500 and 1,000 billion yen will be needed to implement this proposal.

Both the "man and new fields of research" programme worked out by the Japanese Ministry of International Trade and Industry, and the "man and geoscience" programme drawn up by the Japanese Science and Technology Agency are the blueprints of Nakasone's proposal.

The "man and new fields of research" plan emphasizes research on the metabolism, thinking and life process of organisms. It is expected that through



Socialist Features Reexamined

by Zhao Yao

What is a socialist society like? Karl Marx and Frederick Engels suggested some of the characteristics of socialism before it came into existence. Later when Soviet Russia embarked on the socialist road, Lenin added his predictions. However, as socialism was still very young then, he recognized his limitations. Thus he said in 1918: "We cannot give a description of socialism; what socialism will be like when its completed forms are arrived at this we do not know, we cannot tell." (Seventh Congress of the RCPCB, Collected Works of Lenin, Vol. 27.).

After World War II, a number of countries in Europe and Asia took the socialist road and provided some real life material for theoretical research.

The Communist Party of China (CPC) drew on those examples and China's own experience in its study of the characteristics of socialism. In September 1982, in his speech to the 12th National Congress of the CPC, General Secretary Hu Yaobang categorized these characteristics into seven points, to wit, 1) abolishing systems of exploitation; 2) public ownership of the means of production; 3) remuneration according to work; 4) planned economy (modified, to read. "planned commodity economy" in the Resolution of the 12th CPC Central Committee at its Third Plenary Session held in October 1984); 5) political power in the hands of the working class and other labouring people; 6) highly developed productive forces and labour productivity which will eventually be higher than in capitalist countries: 7) socialist ethics cultivated under the guidance of Marxism. These

categories were not formulated at one stroke, but are the result of a long process of analysis.

■ Public Ownership of the Means of Production. Public ownership of the means of production is undoubtedly the most fundamental hallmark of a socialist country. Unfortunately many people in China had only a very superficial understanding of it in the past, holding that none but public ownership must be allowed. After the Third Plenary Session of the 11th Party Central Committee held in December 1978, people began to understand that in economically backward socialist countries like China. while public ownership dominates, other economic sectors should be allowed, to help develop the economy over a comparatively long period. The individual economy, Sino-foreign joint ventures and solely foreign-owned enterprises may be regarded as necessary supplements to the socialist economy.

Traditionally, it was thought that the collective economy would be of low productivity, and a progression was envisaged whereby small collectives would grow and then be taken over by the state. That has not been the case and productivity of many large collective enterprises is much greater than some state-owned enterprises.

In the past, ownership by the whole people was equated with management by state departments. In October 1984 the Third Plenary Session of the 12th Party Central Committee decided that ownership be separated from management power: let the state remain the owner but take management away from the state and leave it to enterprises themselves.

■ To Each According to His Work. This principle of distri-

bution must be followed in socialist China. However, the late Chairman Mao Zedong failed correctly to understand what Karl Marx meant by "bourgeois right" in his Critique of the Gotha Programme. This refers to reward equivalent to work being still, in principle, bourgeois right. Mao unleashed criticism of "bourgeois right" many times and advocated efforts to minimize differences in distribution. His efforts fostered absolute egalitarianism, known as the "big-pot," which threw a wet blanket over people's enthusiasm for production.

Now people understand that in implementing the principle "to each according to his work," it is necessary to oppose absolute egalitarianism and advocate more pay for more work. This will serve to fire people's enthusiasm for work. The Third Plenary Session of the 12th Party Central Committee decided in its Resolution that measures should be taken gradually to link wages and incentives to economic performance. Even within an enterprise, wage differentials should be widened with a view to rewarding diligence and penalizing laziness and shoddy work, as well as to reflect differences in posts held.

Planned Commodity Economy. Marx and Engles once predicted that with the socialization of the means of production, commodities and currencies would vanish from society. In his work entitled Economic Problems of Socialism in the USSR. Joseph Stalin said that under socialism commodity production would exist but in an entirely different form from the capitalist. A theoretical breakthrough, doubt. But a limited one as he still believed that under socialism there would exist commodity production but no commodity economy; and that commodity production

The author is deputy director of the Theory Department of the CPC Central Committee's Party School.

would be confined only to certain consumer goods. The means of production would be subject to state allocation, and not commodities available for sale on the market.

The Resolution of the Third Plenary Session of the 12th Party Central Committee advocated a socialist economy which is a planned commodity economy on the basis of public ownership.

■ Political Power of the Working Class and Other Labouring People. This power, won through revolution, is a political feature of socialism. By giving full play to socialist democracy, it allows working people to have a real say in state management.

However, democracy was once considered a means instead of a goal, with the result that efforts to build up democracy and a legal system were neglected. This was one of the major factors which allowed the "cultural revolution" (1966-76) to take place in China. Chinese Communists and the Chinese people have come to understand that "there can be no socialism without democracy." It was then proposed that building a high level of socialist democracy be a major part of socialist modernization.

■ Highly Developed Productive Forces and Labour Productivity Higher Than in Capitalist Countries. In the final analysis the development of human society hinges on the development of social production. This and an ever higher level of labour productivity are what a socialist country calls for. They are the prerequisites for the social development which leads to communism.

The original theory suggested that the more developed countries would move into the socialist stage first. Since it was the more backward countries that took on socialism first, their productivity is inevitably lower than those of the developed capitalist countries today. But since it is believed that with more effort and time, the socialist countries will be able to catch up with and overtake the capitalist countries, this feature of higher productivity is important.

The late Chairman Mao Zedong did China a disservice when he overlooked the development of production. Taking advantage of his mistake, Lin Biao and Jiang Qing criticised the so-called "theory of the unique importance of productive forces" during the "cultural revolution." Drawing lessons from this, after

the Third Plenary Session of the 11th Party Central Committee, the CPC and the Chinese government shifted their focus of work onto socialist modernization with economic construction as its centre.

■ Socialist Culture and Ethics. The progress of human society always finds expression in the development of the material and the cultural. Socialism calls for the twin tasks of inheriting healthy cultural traditions and advancing socialist ethics and culture.

Marx, Engels and Lenin had all expounded on the importance of the progress of socialist ideology and culture for building socialism. But it was the CPC which looked carefully at the experiences of socialism in China and elsewhere and listed fostering socialist ideology and culture as one of the features of socialism. A socialist country will avoid going astray or degenerating only if it can effectively promote material and cultural development at the same time.

The cause of socialism continues to advance. Our understanding of its characteristics is far from complete. It is still to be tested and perfected according to future experience.

Major Changes in China's Economy

China's new strategies for economic growth: open, steady, balanced and efficient development, are reviewed here and placed in their historical context.

by Liu Guoguang

China's economy has been drastically reformed since the Third Plenary Session of the 11th Central Committee of the Chinese Communist Party held at the end of 1978. The changes concern the

strategy of economic development and the reform of the system of economic management.

Development Strategy

During the three decades from the founding of New China in 1949 to 1978, China's economy experienced a tortuous course of development. There were smooth-sailing periods, such as the First Five-Year Plan period (1953-57), and the economic readjustment period of the early 1960s; and there were also setbacks, such as the "great leap forward" of the late 1950s and the "cultural

The author is Vice-President of the Chinese Academy of Social Sciences.

revolution" of the 60s and 70s. Despite the ups and downs, the guideline for China's economic development remained one of undue emphasis on the fastest possible rate of growth. Such a strategy of rapid growth has its historical reasons. Old China left behind an extremely backward economy, and New China had to enhance the economic power of the state and its national defences in the shortest possible time to cope with the existing international and domestic situation. Even when there were difficulties in the economic development, the idea of high-speed growth was never abandoned. When the difficulties were overcome, every effort was made to speed up growth. The strategy of rapid growth had three main features:

1. The main stress in economic planning was on the quantity and value of output, with little regard for the balance of the economy, its efficiency, or improvement in the living standards of ordinary people. Sometimes high rates of growth were achieved at the expense of these other considerations.

2. In order to ensure rapid growth, it was necessary to increase the scale of investment in industry, particularly heavy industry, while inadequate attention was paid to agriculture, light industry, the infrastructure and tertiary industries. This produced serious imbalance in the structure of the economy.

3. Great attention was paid to "extensive enlarged reproduction," that is, building new projects to expand production capacity, seeking quantitative increases rather than "intensive enlarged reproduction" which calls for the retooling of existing enterprises to raise quality and efficiency. Consumption had to make way for accumulation; as a result, consumer demand time and again outstripped supply. This was the root cause of our economic inefficiency and why the improvements in people's living standards did not match the effort they had expended for them.

A new strategy of economic development was put forward in Premier Zhao Ziyang's report on the work of the government delivered at the Fourth Session of the Fifth National People's Congress in 1981. He summed up the new strategy as follows: to "blaze a new trail characterized by a steady tempo with better economic results, yielding more substantial benefits for the people." In my view this new strategy has the following three features:

1. The goal of economic development has been shifted from one-sidedly seeking highspeed growth to the pursuit of sufficient growth to ensure better economic results while raising people's living standards.

2. The previous unbalanced development has been replaced by relatively balanced development, with the correct emphasis given to agriculture, energy, transport and communications, and the new technologies.

3. Instead of concentrating on building new projects, greater attention is being paid to the technical transformation of existing enterprises aimed at better quality and increased efficiency.

In short, the purpose of China's new economic strategy is to seek a better combination of speed, performance and proportion to ensure steady, co-ordinated and efficient growth.

Management System

China's original system of economic management was established during the latter part of the First Five-Year Plan period, when the socialist transformation of the ownership of the means of production had been largely completed. It was a highly concentrated planned system characterized by co-ordination through administrative channels. This system took shape under the influence of the traditional Soviet model and on the basis of the military (communist) supply system practised in China during the war of liberation. But China's economy and technology were very backward, and the influence of the natural peasant economy was deep-rooted. For a long time the guidelines for economic work deviated to the "Left" and the military (communist) supply system predominated. As a result, China's original economic system went far beyond that of those countries which had a traditional planned economy in centralization of power, appropriation of materials, division of management among departments and regions, and absolute egalitarianism in distribution.

A textile mill in Anhui Province training contract workers. Jing Yingtang (right), a contract worker, is a newly appointed workship leader.





LIU ZHIWE

Jixian County Radiator Factory in Hebel Province invites a scientist from Qinghua University to give lectures to technicians so that the factory can turn out new products.

China's centralized planned economy, distinguished by its military (communist) supply system, had the following characteristics:

- 1. Economic decision-making was highly concentrated in the hands of state organs, and enterprises had to take their instructions from leading organs in their day-to-day business activities.
- 2. Regulation of economic activities was mainly by direct administrative means. Administrative organs gave mandatory targets to different enterprises and co-ordinated them. Targets were given in terms of the quantities of goods to be produced rather than their value.
- 3. Incentives to work consisted mainly in ideological mobilization. Absolute egalitarianism was practised in distribution: All enterprises, whether run well or poorly, "ate from the big pot," and every worker also "ate from the big pot," whether he or she performed well or badly.
- 4. The functions of government and enterprises were not separated: Relations between leading and lower organizations were vertical ones subordinating one to the other. Each department, locality and enterprise aimed to be self-sufficient, resulting in a fragmented structure.

All this not only limited the initiative of both enterprises and workers, but adversely affected the profits of enterprises, and led to loss of control of the investment needs of the economy as a whole. This fossilized economic system was the main reason for the unsatisfactory development of China's economy for three decades.

The essence of the urban economic reform which followed the rural reform, and which has been going on for several years, to move away planning centralized and military style supply system to a commodity economy in which plan and market are wellintegrated. A socialist economy is a planned commodity economy based on public ownership of the means of production—this idea was first expressed in a resolution of the Third Plenary Session of the 12th Party Central Committee in 1984. However, Chinese economists have different understandings of what is meant by a planned commodity economy. Some lay the stress on market regulation while others lay the stress on the planned economy and administrative co-ordination. They therefore also have different views of the goal of the economic reform. But they agree that the general aim, in light of the actual conditions in China is to establish an economic system guided by a plan with overall control of the macro-economy, but with more co-ordination through market mechanisms. This new economic system must be able to ensure the growth of socialist relations of production, with public ownership as their foundation, and should aim at the common prosperity of all.

The principal features of the new economic system are as follows:

- 1. Economic decision-making power has been shifted away from over-centralized, unified state control to a multi-layered decision structure in which the state mainly runs the macro-economy, while control of micro-economic activities has been handed over to enterprises, families and individuals.
- 2. Direct economic regulation, with the emphasis on administrative orders, has been replaced by indirect regulation by economic means, that is market regulation under planned guidance.
- 3. The former egalitarianism in distribution has been changed to a system of distribution combining material incentives with social justice.
- 4. In economic organization, a clear distinction is now made between the functions of the government and those of enterprises, and relations between leading and lower organizations are no longer vertical ones of subordination in which departments and localities are cut off from one another. A proper network of links between enterprises has now been formed with the big cities at the centre.

In short, the main purpose of the new economic system is to give life to enterprises and to introduce greater competition. This will ensure the healthy development of China's economy.

Excerpts of an article originally published in Issue No. 3 of the "Journal of the Postgraduate School of the Chinese Academy of Social Sciences"

Women's Work, Society's Responsibility

by Yuan Liangsan and Jin Nan

The emancipation Chinese women means allowing society to make use of their telligence, freeing them from old-fashioned customs and returning to them their share of happines. Most women are still suffering and their talents, seems. are being squandered.

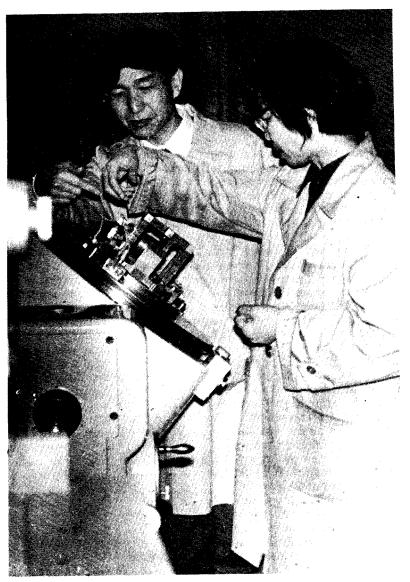
As the world approaches the end of the 20th century, reproduction is seen as more than mere childbirth. It also includes bringing up both physically and mentally healthy children, providing them with technical training and increasing their cultural appreciation. To provide society with decent and skilled people is the ultimate purpose of human reproduction. Regardless of who

ZHANG GUIYL

Wang Dexiu, senior agrotechnician with the Ministry of Agriculture, Animal Husbandry and Fishery, has helped Liaocheng in Shandong Province fight cotton aphid and contributed to high cotton yields. is involved, it is society as a whole which benefits or loses, and women play a double role in the process. According to a report at the Nairobi conference to mark the end of the UN Decade of Women in 1985, women do two-

thirds of the world's work and receive one-tenth of the pay. Meanwhile their contribution has never been recognized, and childbirth is still regarded as a solely domestic affair.

In socialist China public



XUE CHAO

Zhang Chengzhu (right), senior engineer with the No. 303 Beijing Aviation Research Institute, testing a renovated machine.

ownership of the major means of production prevails, but there has been no change in human reproduction. Husbands and wives often both work. After a child is born, brought up and educated, it should become a useful and independent labourer in society. The family invests more in a child's development than society. Yet this investment is often ignored and underestimated by society.

Since New China was founded in 1949, it has adopted a number of reform measures saying, for example, that a man and a woman who do the same work are to be paid equally. Although all these stipulate that women should receive equal treatment, they are never equal in fact, because childbirth is not equally distributed and not enough allowances and provisions are made for women. That is why men are more successful than women in their careers.

Future Solutions

Since human reproduction is a matter for the whole of society, problems attaching to it should also be solved by society, rather

Li Guangnan (left) with the Traditional Chinese Herbal Medicine Research Institute of the Yunnan Provincial Pharmaceutical Co. has developed a pseudo-ginseng medicine which has curative effects on some gynaecological diseases.

than by the work unit or the individual.

In order to alleviate the burden already placed on the work unit. several measures can be taken: In allotting production quotas to work units, the authorities should take into account the number of hours and amount of energy women need to spend on children. They should see that time as legitimately spent, and cut the production quotas accordingly; decrease the tax on enterprises where women make up over onethird of the workforce; establish a special women's childbirth fund providing subsidy to one-child families and insurance against time lost from work; a mother who has a child under three should get more holiday entitlement, oneweek extra a year, for example. These measures would help overcome the obstacles to employing women and live up somewhat to society's responsibility to children's development.

In order to reduce new mothers' economic difficulties, the government has begun to subsidize them to ensure the health of both generations. Their care of a child is now recognized as one of their contributions to society.

Chinese intellectuals and scient-

ific workers are generally paid much less than other workers. A survey last year showed that they not only want to improve their economic and housing conditions, but also want an opportunity for advanced study, regular health checkups and special leave for child care.

In China, if an increasing number of women held the leading posts at different levels, the contradiction between material production and human reproduction might be solved and women might be completely emancipated. These posts are particularly important in hospitals, institutions and universities where intellectuals and scientific workers are concentrated.

In today's reform and open policy, the emancipation of Chinese women means allowing society to make full use of women's intelligence. It means freeing them from old-fashioned customs and returning to them their share of happiness. Women scientists, for example, have played a significant role in the modernization drive. The government spends 10,000 yuan on training a university student. If the educated women cannot realize their potential, it is a huge waste.

Gao Ruzeng (pointing), noted geophysical engineer with the Sichuan Petroleum Geological Survey Department, working with colleagues.



Educated Women Groan Under Housework

Of the 42 million urban women workers in China in 1983, several million had college or university educations and were working in scientific and technical fields. Dedicated and highly productive, these women were at the forefront of the emancipation of women.

The Talent Resources Research Institute of the State Science and Technology Commission surveyed 1,500 of these women in 1985 and 1986, and asserted that an urgent solution to the problem of their overwork was imperative.

About 40.7 percent of the women surveyed married while between 27 and 30 years old, and 13.4 percent before they were 23. All the married women have young children. All their husbands are working and 86.7 percent are also employed in the scientific and research fields. The women all have heavy workload at home. While 84.8 percent share the house work with their husbands, they often have to do more and 15.2 percent take on all the housework themselves. Moreover, close to 50 percent of the women have to look after their ageing parents-in-law as well.

About 18 percent of the women surveyed either have their retired parents or parents-in-law to stay with them to do housework and look after the children, or they leave their children with neighbours. They do so in order to have more time to work and study. This, however, is frowned upon by their parents and often by their husbands, and their children lack some maternal love and tutoring at home.

Over 75 percent of the women surveyed are obliged to handle a double day without real support. Except for some who and extraordinarily energetic capable, the majority of them find that their careers suffer. This is why there are fewer women researchers in China today. A case in point is the Chinese Academy of Sciences, where the present general assembly is composed of 280 men and 20 women.

Driven by their dedication to work, women scientists and researchers are often found reading and working very late into the night. After work, which is often very demanding, women spend an average of 3.5 hours on housework and 7.2 hours a day relaxing or sleeping. This is obviously not enough rest. It has impaired their health. Only 18 percent of the women considered themselves physically healthy.

Their hardships have destroyed some of the women's confidence in the future. Only 16 percent of them are optimistic that the situation will improve. Some 44 percent say they are merely hopeful and 30 percent "don't know." Six percent profess to being pessimistic and wish they were not.

Beijing Review Subscribe Now!



Please enter	my subcription to Beijing
Review for	year(s).
I enclose	in payment thereof.
Name	
Job title	
Address	,
Audress	
0	
Country	·

				_			
Subscription Rates							
Country		1 year	2 years	3 years			
USA	(US\$)	22	37	52			
England England	(f)	12	22	30			
Rest of Europe	(US\$)	16	27	37			
Australia	(A\$)	22	37	52			
New Zealand	(NZ\$)	30	52	72			
Canada	(C\$)	21	36	50			
Switzerland	(SF)	45	77	108			
W. Germany	(DM)	50	90	125			
Austria	(Sch)	330	560	780			
Italy	(Lire)	29,000	49,000	68,000			

Please mail this form, together with your payment, to your local dealer or either of the following addresses:
China International Book Trading Corporation (Cuoji Shadias) P.P. Box 399, Beijing, China;
Management Department, Beijing Review, 24 Baiwanzhuang Road, Beijing, China. Readers in China may subscribe to Beijing Review at local postal offices

Economic Growth in Different Areas

China's economy has developed rapidly but not geographically evenly. The coastal region, with its well-established industry and easy access to the world, has moved far ahead of the central and western regions.

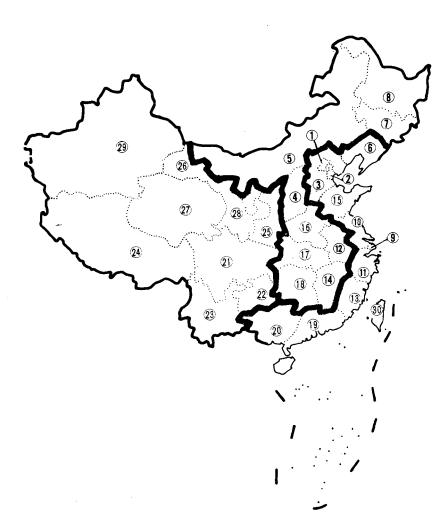
During the Sixth Five-Year Plan period (1981-85), the economy of the eastern, central and western areas of China's mainland developed at different paces. The well-based eastern area further increased its economic strength, the central area rapidly developed its economic potential and the

western area substantially changed its poverty and backwardness.

Total Output Value

The eastern area has developed production at a faster rate than the

central and western areas, as a result of its being at the forefront of opening to the outside world: the introduction of foreign technologies and investment and its extensive links with the hinterland, as well as the rapid development of its rural enterprises. The figures are as follows:



Economic Development in China's Mainland

Eastern area: (1) Beijing (2) Tianjin (3) Hebei (6) Liaoning (9) Shanghai (10) Jiangsu

(11) Zhejiang (13) Fujian (15) Shandong (19) Guangdong (20) Guangxi

Central area: (4) Shanxi (5) Inner Mongolia (7) Jilin (8) Heilongjiang (12) Anhui

(14) Jiangx! (16) Henan (17) Hubei (18) Hunan

Western area: (21) Sichuan (22) Guizhou (23) Yunnan (24) Tibet (25) Shaanxi (26) Gansu (27) Qinghai (28) Ningxia (29) Xinjiang

Total Production Value

	1985	increase	Percentage of total productio	
	(10 bil. yuan)	over 1980 %	1980	1985
Total production	121.70	70.1	100	100
value	121.68	69.1	100	100
Eastern area	69.27	73.7	55.4	56.9
Central area	35.2	64.3	29.8	28.9
Western area	17.21	61.4	14.8	14.2
Total industrial				
output value	92.55	76.2	100	100
East	56.64	79.5	60.0	61.2
Centre	24.57	71.6	27.3	26.5
West	11.34	70.5	12.7	12.3
Total agricultural		· · · · · · · · · · · · · · · · · · ·		
output value	29.12	49.8	100	100
East	12.62	51.8	42.8	43.3
Centre	10.63	49.5	36.6	36.5
West	5.87	46.3	20.6	20.2

Notes: 1. All figures are adjusted for inflation, based on 1980 prices.

2. In line with the new classification, the total industrial output value includes the output of the rural industries.

3. The eastern area includes Beijing, Tianjin, and Shanghai municipalities; Hebei, Liaoning, Jiangsu, Zhejiang, Fujian, Shandong and Guangdong provinces and the Guangxi Zhuang Autonomous Region;

The central area includes Shanxi, Jilin, Heilongjiang, Anhui, Jiangxi, Henan, Hubei, Hunan provinces and the Inner Mongolian Autonomous Region;

The western area involves Sichuan, Guizhou, Yunnan, Shaanxi, Gansu, Qinghai provinces and the Ningxia Hui, Xinjiang Uygur and Tibet autonomous regions.

Output of key Products (percentage of total)

Area	Products	Percent of total	comparison
East	Grains, oil, pork, beef, mutton	40-43	
	Cotton	56.7	
	Aquatic products Yarn, cloth, pig iron, rolled	80.2	
	steel, steel and cement	51-59	
	Grains	40.2	slightly higher than the east
Centre	Other farm and sideline products	17-37	all lower than the east
	Coal, crude oil, timber	53-58	far higher than
	<u> </u>		the east
West	Output of key products,	all low, the	
	grains, oil and cotton.	percentage was even less in 1985 than in 1980.	

Prospects

The development the economy in the eastern area depends on the introduction of foreign technology and operation with other areas. The focus should be on its industrial level and the quality of products. There are now more than 220,000 enterprises in the area, of which large and medium-sized number 4,246, accounting for 47.6 percent and 53.7 percent of the nation's total respectively. The density of industry in some provinces and cities in the area has reached saturation. The situation is relatively favourable as far as funds, technology, talent and production capacity are concerned, but the area is poor in natural resources and is short of energy resources and materials. It therefore has limits on its development possibilities. In the coming years, the eastern area should work on its role as a "window" open to foreign countries to introduce new technology, expand knowledgeintensive industries and develop high-tech products. It should upgrade its traditional products and improve their quality. Projects that consume much energy and raw materials should not be constructed. Co-operation with the central and western areas should be stepped up to coordinate exploitation of resources.

The population in the central area accounts for 35.7 percent of the total while the cultivated land is 43.7 percent of the nation's total. The annual grain output per capita was 410 kgs during 1981-85, 12.9 percent higher than the national average (363 kgs). The output of cash crops like cotton and oil-producing plants accounted for more than one-third of the total in the country. The area has a good agricultural base to sustain the development of its industry. Transport developed with a present total of 24,300 kms of operational railway lines, (46.7

Total per-capita output value in 1985

	Average per-capita output value (yuan)	
East	1,611 (69.9 percent more than the centre: 120 percent more than the west.)	
Centre	948	
West	718	

State Investment During 1981-85 Period

Area	Total investment in the state- owned enterprises (bil. yuan)	Projects constructed total large and medium- sized		Increase of fixed assets (bil. yuan)	
East	162.7	66,000	274	109.5	
Centre	99.7			71.8	
West	58.8			44.4	

Comparison: Investment in the eastern area was 63.2 percent more than in the central area and 180 percent more than the west.

The increase of fixed assets in the eastern area was 50 percent higher than in the central area and 150 percent higher than the west.

percent of nation's total) and highways of 335,000 kms (35.6 percent of the total.) Zhengzhou, Wuhan and Zhuzhou are major communication centres. The area abounds in mineral resources such as coal, crude oil, copper, lead ore, tungsten, gold, rare earth and forests. The existing industry has reached a relatively high standard in quality and technique. The focus of industrial build-up should be gradually shifted from the east area to the central, to realize the potentials there.

The areas of pasture and the potential for hydroelectric power generating in the western region are overwhelmingly greater than elsewhere in the country. The deposits of copper, lead, zinc and phosphorus account for 40-50 percent of China's total. The deposits of coal account for 32

Transport

Railways, highways and inland water navigation in 1985*

	Total		1985 over	1985 over 1980 (km)		Density (Km /10,000Km ²)	
	Rail (km)	Highway (km)	Inland waters (km)	Rail	Highway	Rail	Highway
Total	52,000	942,000	109,000**	2,179	54,000		
East				677 (31%)	20,000 (37.1%)	115	2.342***
Centre	24,300 (46.7%)	335,000 (35.6%)		1,066 (49%)	16,000 (28.7%)	. 85	1.171
West				436 (20%)	18,000 (34.2%)	24	561

Notes: * Brackets are percentage of the country's total.

** Mostly in the eastern and central areas.

***The distribution of railways in the eastern area is 35.3 percent more than that of the central area and 380 percent more than the west. The highway density is double that of the central area and 320 percent more than the west. Airports are being built and expanded in all the 14 coastal cities opening to the outside world.

Average per-capita net income in 1985

		Average income	Number of Farmers			
Area	Farmers	Ratios	Workers	Ratios	with less than 150 Total (million)	yuan a year
Average	398		1,096*		27.32	
East	463	1.44	1,132	0.996	4+	
Centre	389	1.2	1,026	0.903	4+	
West	322	1	1,136**	1	17.97	65.8

Notes:* Excluding the subsidies for meat.

** This is the highest of the three areas because of the special policy favouring the remote and minority regions.

Retail Sales of Commodities

1985 total social retail sales of commodities

Area	Sales	increase	percentage of	the total
Arca	(10 bil.yuan)	over 1980 (%)	1980	1985
East	22.24	107.1	50.2	51.7
Centre	13.77	95	33	32
West	7.04	95.6	16.8	16.3

Distribution of Population

	Number of people more than in 1980 (million)		
Total East Centre West	58.53 26.61 19.43 12.49	311 123 42	332 130 44

Notes: The natural population growth rate in the west is generally higher than in the eastern area, but the total population of the area increased much more slowly than was expected mainly because of the outflow of skilled people to the economically developed eastern and central areas, especially technicians, badly needed in the west.

percent and natural gas for 67 percent of the country's total. It is an important base for China's military industry. The nonferrous metal, chemical and energy industries as well as animal farming should be seen as key to future development there. The

policy of transferring the military production capacity to civil use must be pursued in order to utilize their excellent technology and equipment to produce state-of-the-art goods which cannot be produced by the local civil industry for the time being.

As a whole, the economy of the eastern area is well developed and the central area's is also good. The areas' development is not well balanced, however. There are still gaps in the output of products in different provinces. Some provinces in the eastern area are not so developed as certain provinces in the western area. For instance, the average per-capita output value in 1985 in most eastern provinces and cities was above 1,000 yuan, the highest being 7,335 yuan in Shanghai. But the average total output value in Guangxi was only 552 yuan. That is even lower than that in Sichuan Province, which is in the western area. The average figure for the central area is above 700 yuan.the highest being 1,414 yuan in Heilongjiang Province and the lowest 736 yuan in Henan Province. The highest figure in the western area is 911 yuan in Xinjiang and the lowest 435 yuan in Tibet. On this account, it is important to work out a strategic programme for development in the light of the actual conditions in each locality.

(source: State Statistical Bureau)

Evening Newspapers in China

by Our Correspondent Yang Li

People begin queuing up outside Beijing's newspaper kiosks at three in the afternoon. By the time people come off work, the papers are all gone. This situation prevails elsewhere, too. "We have received letters complaining of the difficulty in obtaining the paper," says Li Fu, vice-chairman of the Chinese Evening Papers Workers' Association and chief editor of Tianjin's Today's Evening Paper. "We are not the only ones with this kind of problem. distribution of our papers is administered by post offices. The press may not set up newpaper stalls by the roadside. Many papers would sell better if this problem were solved." The press, post office and other departments have decided to build 500 paper stalls in Tianjin. In Beijing, the residence committees will distribute the papers to their subscribers.

Subscribing is very common. Last year's statistics show that one in three Beijing households takes the evening paper, and reading it has become as popular as watching TV and listening to the radio.

In China, almost all enterprises and government organizations subscribe to national and big local newspapers for their employees. Evening newspapers are subscribed to by individuals themselves.

"It is important for us to make our papers more informative and interesting to gain more readers," said Li Fu. "This is why evening newspapers have built up their own special identities."

In Beijing, the *Beijing Evening* News carries good stories on cultural activities and public

figures of national stature. The Yangcheng Evening News of Guangzhou is known for its comments on major social problems and its literary supplement. The Xinmin Evening News of Shanghai is strong on "miscellaneous news," especially social news. "Our paper in Tianjin," said Li Fu, "is known for its up-todateness and exclusives." It means the papers' popularity extends well beyond these cities. Beijing Evening News has about 10,000 readers in far away Xinjiang, and one-third of the subscription to the Yangcheng Evening News come from outside Guangdong. More and more farmers have become interested in the papers' articles on society, culture and sports, which originally were written only for urban people. On Guangzhou's outskirts, the subscribers Yangcheng Evening News creased to 90,000.

To meet the needs of the readers, said Li Fu, celebrities such as sports stars, artists, scholars, writers, outstanding workers and model cadres are often reported on and some of them are willing to write for evening papers. "Their articles are popular because they are written in a freer style and are strong on human interest," Li Fu said.

In my family, my son, a middle school student, likes the sports news and the serialized stories. I like the local and social news as well as critical letters from readers.

Li Fu reckons my family is typical. He says that people like the papers partly because they carry their own commentaries, and partly because of their local news coverage and human interest.

In this the evening papers are continuing a healthy tradition that goes back a long way.

The four-page Beijing Evening News was first issued in 1958. It tells its news in lively and simple language. Circulation reached 200,000 by the early 1960s, when the column Evening Word at

Yangshan Hill was particularly popular. Well-known writer Deng Tuo who was a leader of the Beijing Municipal Party Committee published his essays in this column and attracted a wide following.

In the spring of 1966 when everything was turned upsidedown, Deng Tuo was criticized, and his works were attacked as "anti-Party, anti-socialist poisonous weeds." Beijing Evening News was severely criticized for propagating them. Ultra-leftists took "knowledge, interest, entertainment" as damaging the cause of revolution. The paper was forced to close down, and the editors were all dismissed. The other evening papers suffered the same fate, and were all suppressed by the end of 1966. They are said to have been the first victims of the "cultural revolution."

Beijing Evening News resumed its publication in the spring of 1980. It not only appeals to the old readers, but has acquired new ones as well. Its circulation is four times what it was before the closure and is the biggest circulation paper in Beijing.

"The evening paper's policy did not change after the cultural revolution," says Li. However, it has to meet readers' demand for all kinds of new information. China's reforms and open policies have helped the evening papers. With the rise in living standards and the greater intellectual elbow room, people's demands have increased and diversified. Recreation has gained importance. Some new columns have been added, including "Evening University" and "Science Corridor" in the Beijing Evening News, "calligraphy and Chinese painting" and "Flower, Bird, Insect and Fish" columns in Tianjin's paper. "Many evening papers have a 'Sunday Outing Guide' in the weekend copy, which is the readers' favourite," says Li Fu. Fifteen years ago, however, most of the urban dwellers had to do

their housework on Sundays, so an 'outing guide' would have been so many empty words to them."

Reports, letters and short commentaries, which point up social problems, often evoke responses among the readers and beyond. Very often, they contribute to a settlement. Last year, says Li Fu, his paper in Tianjin reported on the big clock on top of the Tianjin Department Store building which had been out of order for months because two departments concerned were passing the buck. The report led to the municipal government's intervention and the broken clock was repaired in a couple of days.

The evening newspapers' comments on social issues and criticism of bureaucracy have enhanced their prestige among the readers. Everyday, people contact them to let them know the problems and difficulties they have encountered. "Letters from readers come in like snowflakes." says Li Fu. "To ease communication, some evening newspapers set up special telephones which are answered round-the-clock." All this has helped the papers forge close relationships with the readers, an important feature of China's evening newspapers.

China now has more than 30 evening papers with a combined circulation of 7 million. Those in Beijing, Shanghai, Tianjin, Guangzhou, Xian and other big cities account for 30 to 40 percent of the circulation, surpassing all the other papers. Even Lhasa in Tibet and Urumqi in Xinjiang have evening papers of their own. *Urumqi Evening News* appears in both Han (Manderin) and Uygur.

When asked whether it is sensationalism that sells China's evening newspapers, Li simply says, "They are popular, but not vulgar. Their socialist nature requires them to beef up the social morale, not pander to low taste." In that spirit they will continue to grow and adjust to future trend.

Farm Mechanization Still A Priority

"RENMIN RIBAO"

(People's Daily)

Since the beginning of the 1980s, there have been different cpinions about farm mechanization, in particular on whether efforts should still be made to increase mechanization after the introduction of the responsibility system on a household basis, when the unit of production has become so small. The following statistics are of interest in this connection.

Between 1980 and 1985, the total horsepower of China's farm machinery rose by 120 million hp to 280 million hp. This increase equalled nearly half of the growth over the previous 30-odd years. There were about 5 million tractors in China's countryside in 1985, two and a half times as many as in 1979, and 427,000 trucks, a 5.7-fold increase over 1979.

Big increases have also been registered in machinery for the processing of farm, forestry, animal husbandry, sideline and fish products.

Individual farmers bought 3.74 million tractors in 1985, accounting for 84 percent of the country's total purchases, and two thirds in terms of horsepower. Since the Third Plenary Session of the 11th Party Central Committee in 1978, Chinese farmers have spent a total of 30 billion yuan on machinery. During the Sixth Five-Year Plan period (1981-85), the annual average they spent on machinery was between 5 and 6 billion yuan, most of which was raised by the farmers themselves. During the five years, the farm machinery industry marketed 50 billion yuan worth of products, with its output value for 1985 doubling that of 1980.

These figures demonstrate that the household-based responsibility system is not an obstacle to China's farm mechanization, but rather an encouragement to it. Moreover, this development took

place during the Sixth Five-Year Plan period in the absence of state investment and planning. The state monopoly over the production and marketing of farm machinery has given way to market regulation. Farm machinery enters the rural market like other commodities and farmers decide for themselves what to buy and how to buy it, that is, as individuals or collectively.

The enthusiasm of the farmers for buying farm machinery perhaps stems mainly from the needs of commodity production. Commodity production began in the early 1980s, when the free circulation of farm and sideline products was permitted. Carrying their products to market on shoulder-poles or by hand was no longer realistic. Hence emergence of large numbers of specialized "transportation households" armed with trucks or tractors. The other reason is that farm machinery can save manpower on a large scale and greatly raise productivity, which is

conducive to improving the structure of agricultural production, especially in the more economically developed areas where large sections of the labour force are turning to rural industries and service trades for employment.

Farmers have therefore chosen the road of mechanization. Of course, this development has not been all plain sailing. For instance in some areas, farmers, lured by immediate economic gains, have blindly purchased farm machinery in disregard of their actual needs and concrete circumstances, resulting in waste. In other areas, the rapid increase in the number of machines has placed an added burden on fuel supplies, resulting in farm machinery being left to stand idle. Apart from this, the varied conditions in different places call for varied designs of farm machinery, but there is little being done to meet these demands because it would eat into the profits of the manufacturers. All this shows that, far from being abandoned, the drive to mechanize farming requires fresh attention to be paid to it.

Women's Lib: No Way to Control Men

"ZHONGGUO FUNU"

(Women of China)

n some Chinese families, the women have become the bosses. They want their husbands to submit meekly to their control. families these People call (meaning "hen-"Qiguanyan" pecked"). This tendency not only distorts normal family life but results in inequality between the sexes.

A "Qiguanyan" family has the following features:

1. The wife keeps her hands firmly on the family purse-strings. She doesn't even allow her husband pocket money. As a result, he finds it very difficult to buy books, for example, or to have any kind of social life. As for smoking and drinking, they are out of the question.

2. The wife does not recognize that men and women should share the responsibility for housework. She is insufferably arrogant in ordering her husband to do this or that. Her husband has to do all the household chores—cooking, shopping and washing.

3. The wife limits her husband's social activities. Some women object to their husband's friends, particularly girl friends. They try every means to keep their men within bounds.

4. Some wives don't respect and

support their husband's work, but flagrantly interfere with their working lives.

There are three main reasons for this phenomenon.

First, women keeping their husbands under strict control is a reflection of the abnormal psychology that resulted from the cruel oppression and exploitation that women suffered in the old society. Now they have achieved equality with men, some want to reverse the situation and are eager to dominate men, taking the women's liberation movement off its correct course. Secondly, social opinion tends to favour women and is quicker to criticize men for their faults. Thirdly, there are often differences in the level of education of husbands and wives, the latter having received little schooling.

Although "hen-pecked" families are few in China, the press must give correct guidance to those women who are proud to control their husbands.

economic reform. But there are many problems to be dealt with in the development of local government. For instance, there is still no clear distinction between Party government work and between that of the government and enterprises in some areas; some township Party committees undertake work that should be done by the government; some county departments concern themselves with the economic affairs of townships; some townships lack real socialist democracy and a proper legal system, others are run by extremely inefficient administrations. Moreover, there are not even villagers' committees in some places, particularly in poor areas, and no one to deal with local matters. If all these problems are not solved immediately, they will hold up the development of the reform of the rural economic structure and hamper the creation of a socialist material and moral civilization throughout the country," Cui said.

Reform of the Commune System

"ZHONGGUO FAZHI BAO"

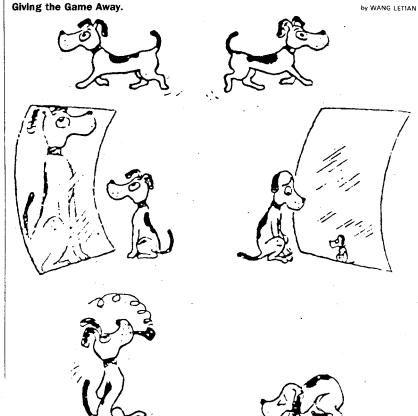
(China Legal News)

Qui Naifu, minister of civil affairs, recently said at an interview with journalists, "The rural people's communes should clearly separate the work of government administration from that of economic management in building the people's township governments. This was laid down in the new Constitution promulgated in 1982. Over the following three years the government implemented this reform step by step in a planned way and had completed it by the end of February 1985."

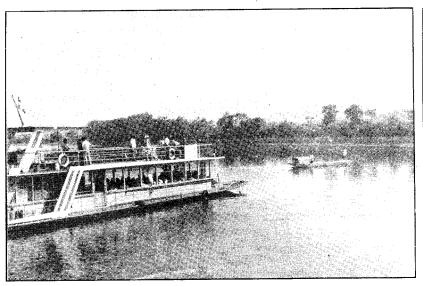
"Before the reform, China had 54,000 people's communes and 2,800 towns. Now 91,590 people's town and township governments have been established, covering the whole country, of which 9,140 are town governments. In addition, 948,600 villagers' committees have been set up in the rural areas," the minister said.

"Following the widespread introduction of the production responsibility system based on households in the countryside, the reform of the people's commune system was of profound historical significance. It began to change the drawbacks of the people's

commune, which integrated government administration and economic management and hence lacked a clear division of work between Party and government and between government and enterprise. The reform has also strengthened rural political power and kept abreast of the new situation created by the rural



Guilin's Plan to Use Foreign Funds



Touring the Lijiang River.

YUE HAITAO

Guilin plans to attract foreign money with which to develop its municipal engineering works and agricultural and industrial production. The city government will draw up a series of preferential measures, in addition to those already stipulated by the state, guaranteeing the profits of both Chinese and foreign partners, and cuts in the labour service fee, the land use fee and other fees, said Zheng Yi, mayor of Guilin.

Following are the projects the local government wants to develop with foreign investment:

- New tourist spots. Guilin has 200 scenic spots. Only 22 have so far been opened and their facilities need improvement.
- Raise the water level of the Lijiang River. The famous tourist route on the Lijiang and Yangsu rivers has been closed because of the low water level caused by overfelling of trees on the upper reaches of the rivers and irrational water irrigation along the banks.
- Energy. The city is short of electricity and water. The power supply is always overloaded and the city is short of 54,000 tons of water a day. The sewage system

needs to be improved, there is none in 52.39 percent of the city areas.

■ Pollution treatment. About 51.08 percent of waste water is discharged from industrial enterprises without any treatment. Every year dozens of thousands of tons of waste water flow directly from the residential areas to the Lijiang River without any treatment. The city does not have any rubbish disposal facilities. In the city proper, the amount of dust that falls monthly is 8.5 tons per square kilometre.

These projects need an investment of about US\$100 million. This will be recouped through industry and tourism.

In the last few years the city has used foreign capital to improve its

tourist facilities and build highclass hotels, golf clubs and villas, said Mayor Zheng. Now Guilin has seven hotels with 3,190 beds for foreign tourists. It has another 10 hotels (5,035 beds) under construction, and plans three more (1,646 beds) to be built jointly with foreign firms. When open next year, all these hotels could cater for 650,000-800,000 foreign tourists a year.

Guilin began to invite foreign capital in 1979. It signed 65 attracted and contracts US\$208.21 million by the end of September 1986. The contracts: 18 for industry (US\$10.18 million), 28 for building new hotels and updating old ones (US\$189.23 million), and 19 for improving tourist facilities (US\$8.8 million). Of these contracts, 19 are for Sinoforeign joint ventures (US\$54.64 million), 24 co-operative enterprises (US\$127.41 million), 10 projects compensatory trade (US\$13.46 million) and 11 leasing items (US\$12.7 million). Almost all these are with firms in Hong Kong and Macao.

Located in the Guangxi Zhuang Autonomous Region in southwest China, Guilin is one of the great scenic areas in China. In 1982 the city was designated one of the 24 historical and cultural cities in China and in 1985 came second in a poll for the 10 best-known scenic centres in the country. This year it was named one of the seven important tourist cities in the country.

by Yue Haitao

UNICEF-China Co-operation in Childcare



In the five years beginning in 1985 the UN Children's Fund (UNICEF) plans to grant China US\$50 million for 38 projects including health services for women and children, production of vaccine and medicines for children, freezing and transport, training of medical workers and medical teachers, prevention and treatment of disablement and after-school activity centres.

China now has 326 million children under 14, one-quarter of the world's total. As the economy is developing unevenly, children's health, education and welfare provisions vary from place to place.

UNICEF and China have cooperated since 1980. In 1980 and 1981, UNICEF offered China US\$7 million for producing vaccine, buying printing machines and producing food for weanlings. From 1982 to 1984 the Fund also provided US\$20.16 million for building children development centres, for pre-school education and education of disabled children and for building up contacts abroad. At the same time UNICEF offered medical equipment to 11 children's hospitals and helped China build eight cold chain production lines in five southern provinces. In April this year UNICEF agreed to grant US\$12.5 China million immunization programmes. In addition. the Fund US\$180,000-worth of goods and medicines to children in some disease-ridden areas.

The production line producing food for weanlings in Shanghai turns out enough food for 140,000 under-nourished children, the children's medicines production line in Hangzhou provides most of the medicines for 90 million children, the eight cold chains have provided vaccines for 80 million children. By 1990, about 85 percent of children living in the counties (on city outskirts) will be vaccinated.

While receiving the Fund's donations, China has since 1979 contributed US\$2.05 million and 260,000 yuan to the Fund and donated US\$20,000 to Lebanon through the Fund.

by Yao Jianguo

Sino-Czech Trade Grows

China and Czechoslovakia have signed 953 million Swiss francs' worth of trade contracts in 1986, 2.9 times more than 1981 and 12.7 times more than 1950. The figure is 10 percent higher than envisaged in the long-term governmental trade agreement for 1986-90.

In addition to traditional goods, China will for the first time, export four oceangoing freighters to Czechoslovakia and Czechoslovakia plans to provide two sets of 500,000-kw thermal generating equipment for China. According to the agreement, the trade volume for the next five years will be double the previous five years, with a yearly growth rate of 15 percent.

Sino-Czechoslovak trade began in 1950 and has registered a rapid development in the 1980s. In the last few years, in addition to the trade in kind between the two governments, a similar trade between local governments has Sino-Czechoslovak grown. economic and technical operation has also increased rapidly. At present, the two countries are co-operating in assembling heavy-duty trucks and providing equipment and transferring technology. The Czechoslovak government has expressed its willingness to help China update old enterprises and offer more labour services abroad.

by Sun Ping

Accountants Office Counts in Beijing

The Beijing Certified Public Accountants Office, established in 1981, has a general affairs, a domestic, an international and an economic and technological consulting section. The economic and technological consulting section

provides accounting feasibility studies for foreign businessmen before they sign contracts. Since June 1985 the office has made computer-aided feasibility studies for 28 industrial production projects and 174 non-industrial projects. The largest one involves an investment of US\$710 million and the smallest US\$200.000.

The international section checks annual accounts, examines and approves reports, tests and verifies capital, offers advice to Sino-foreign joint ventures, cooperative and solely foreign enterprises, and helps them with accounting regulations and programmes. Thus far the office has provided accounting services for more than 240 undertakings in Beijing, including the Beijing Jeep Automobile Company, the Jianguo Hotel, the Great Wall Hotel and some resident offices of foreign companies.

The Beijing accountants office has established business relations and exchanged experience and data with five world-famous accounting companies including Price Waterhouse and Arthur Andersen.

The Beijing accountants office was set up with the help of the Ministry of Finance and has legal status. It has dozens of excellent accountants. There are similar accountants offices in various provinces, municipalities and autonomous regions.

by Liu Jianjun



Scientific Expeditions to Namjagbarwa Peak

Namjagbarwa peak, located in the southeastern part of Tibet, is 7,782 metres in height and ranks as the 15th highest summit in the world. It is also the highest peak over 7,500 metres that still remains to be conquered. Standing at the eastern end of the Himalayas and connecting with the Tanggula and Hengduan Mountain Ranges, Namjagbarwa also occupies a unique and important geological position.

Between 1982 and 1984 the Chinese Academy of Sciences dispatched four scientific expeditions to Namjagbarwa peak, involving more than 100 scientists, including geologists, biologists, atmospheric physicists and many of other specialities. The area of the survey extended to the inner side of the Yarlung Zangbo River where it turns around the Namjagbarwa, and the four

nearby counties.

The raging Yarlung Zangbo River, the highest in the world, turns swiftly southward along the Namjagbarwa, forming the famous Daxiawan (meaning Grand Canyon Turning) with an average depth of more than 5,000 metres.

Geological surveys show that the Namjagbarwa area is the juncture of various geological structures that may be grouped into three systems according to the direction in which they run, namely, the east-west, the northeast and the north-west systems.

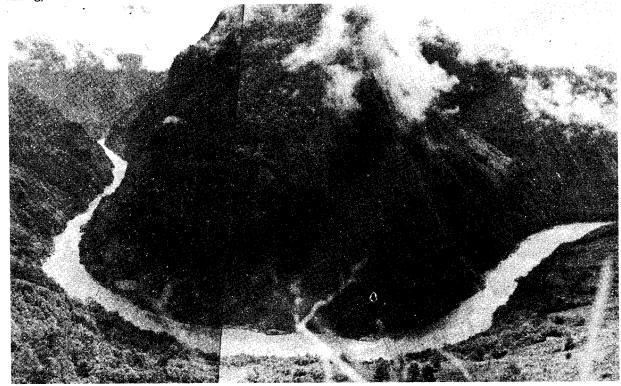
Geologists have found that the Namjagbarwa dates back 749 million years, similar in age to the Indian platform. It is clear that it is part of the northern extension of the Indian platform. The magnetograph has shown that in the Cretaceous Period, the Namjag-

barwa was then at a latitude 13 degrees north of today. This testifies to the fact that the Indian plate has moved northwards 15 degrees since.

Strong earthquakes often occur in the Namjagbarwa area as a result of collisions between the Indian plate and the Qinghai-Tibet plate. The area was hit by an earthquake of magnitude 8.5 on the Richter Scale on August 15, 1950.

The Namjagbarwa area rose out of the ocean far earlier than other parts of the Himalayas, rising quickly between the Quaternary and middle Pleistocene periods. At that time the peak was covered in snow. Since then there have been three glacial periods and traces of them can still be clearly seen. Some glaciers are of the rare oceanic kind first

The Yarlung Zangbo River turns swiftly southward along the Namjagbarwa, forming the famous Daxiawan (meaning Grand Canyon Turning).





Scientists climbing up the glacial area of the Namjagbarwa.

YANG YICHOU

discovered in China and seldom seen elsewhere.

The Namjagbarwa area is a typical natural reserve that encompasses a wide variety of natural habitats, making it the home of numerous species of wild animals and plants. There is a sharp contrast between the conditions on the south and north slopes of the peak.

The Motuo area on the southeastern face receives plenty of rain, and thus has a vast expanse of primeval tropical forest. Large amounts of water move northwards along the Daxiawan, making the areas of Yigong and Bomi on the north face of the Himalayas as warm as south China.

Botanical surveys show that the area possesses a wide variety of higher plants. There are 3,000 species of plants, comprising 66 percent of Tibet's total. The area also has 400 kinds of large fungus, about 80 percent of the Tibet's total and 60 percent of China's.

Situated at the foot of the southeastern face of Namjagbarwa and on the lower reaches of the Yarlung Zangbo River, the valley area has the richest natural resources of the state-designated Himalayas biological zone. The area has more than 100 species of plants peculiar to China. Some plants such as *quercus lodicosa* and

cydobalano psisxizangensis are to be found growing together.

The differences in climate within the area also give rise to the differentiation of species, particularly in insects. For example, aserratus and tenuifemnrus (species of locust) are unique to the area. Biologists have also collected some very old species—"living fossils"—that have survived in the area.

In their expeditions to Namiagbarwa scientists have brought together several hundred specimens of amphibians and reptiles, covering 20 amphibious species and 25 reptile species, among them two never found before. They are platy mantis reticulatus Zhao etli (a kind of frog) and calotes medogensis Zhao etli (a kind of lizard). In addition, hodysoni guenther (a snake) was found for the first time in China, and ophiophagus hannah cantor (king-cobra) in Tibet.

Some animals, such as the king-cobra (najahannah), the Bengal tiger (panlhera tigris bengalensis) and the longtailed leaf monkey (presbytis entellus) are living at a higher latitude than places in which they are usually found.

Scientists in atmospheric physics and meteorology have gathered large amounts of firsthand data from 150 balloons over the Yarlung Zangbo and Palong Zangbo rivers, and from ground weather stations. This helps scientists study the valley area on the lower reaches of the Yarlung Zangbo River, which serves as a major channel to the Qinghai-Tibet Plateau, supplying it with five times as much rain water as other sources.

The Namjagbarwa area possesses rich water and forest resources that provide 'broad opportunities for transplanting tropical, subtropical and medicinal crops onto the Tibetan plateau. The primeval forests there provide a secure living and growing environment for rare species such as aceros nipalensis (a bird) and takins. The area has favourable conditions for conducting scientific research, developing tourism and mountainclimbing. This July, the state designated the Motuo area, where the Namiagbarwa peak is located. as a state natural reserve with an area of 62,000 hectares.

by Yang Yichou

Cameo Sun's Handwriting Discovered

An important article written by Sun Yat-sen in 1924 has been discovered recently in Shanghai, together with a list of the members of the Executive Committee and Supervisory Committee of the First National Congress of the Kuomintang. The list is in Sun's own handwriting.

The article, titled "10 form an anti-imperialism alliance," was published in the Beijing-based *Morning Post* on January 8, 1924.

In the article, Sun called on the people of weak nations of the world to unite against the aggression of imperialists.

The valuable historical piece was presented by Wang Genxiong, 64, a collector of relics concerning Sun Yat-sen.

More Behind the Yangtze Expedition

In spite of the indifference of many Chinese towards the three expedition teams that navigated the Changjiang (Yangtze) River this year, the expedition team from Luoyang, a city in Henan Province in central China, successfully achieved its goal when it reached the mouth of the river near Shanghai on November 12, 1986. They were greeted by crowds of people, including the sailors of four naval vessels, and many Chinese and foreign tourists.

The team took more than five months, from June 18 to November 12, to cover the 6,300 km from the source of the river to its mouth, and became the first to do so in the nation's history. Four members of the expedition lost their lives on the journey.

The team itself raised 20,000 yuan (about US\$5,400) needed to buy the boats, equipment and daily necessities for the expedition, said Wang Maojun, 32, expedition leader.

At the source of the river they were almost overwhelmed by the freezing temperature and at one time ran out of food and had to eat grass roots and dead animals, Wang said.

But Wang attributed their

success to the support of the local people along the river, saying, "Without their support, we would have hardly been able to move an inch along the river. Therefore, our victory belongs to the people and the motherland."

The expedition was the idea of eight young people from Luoyang, but the team had increased to 19 members by the time they reached their destination. It was four of the original eight who died. Standing in the welcoming crowd was the mother of Yang Honglin, who said, "I have lost my son, but all the team members are my children. I'm proud to be their mother."

Deputy captain Lei Jiansheng "We didn't start this expedition on a sudden impulse." Lei stayed the longest on the torrential river and was thrown into the water seven times. While passing through the Upper Hutiao Gorge—possibly the most danpart — Lei's dinghy gerous overturned and he was covered by it. The currents were so strong that he could not surface to breathe. When he was finally able to take a breath, he had been washed 200 metres downstream.

Lei Jiansheng was a peasant,

then a worker, before he became history teacher at Luoyang's 26th Middle School. He said, "Our floating down the river was not simply a matter of excitement or adventure, it concerned 'nation's character' as the great writer Lu Xun put it. Submissiveness and lack of initiative are seriously hindering China's currpolitical and reforms. Today many writers are trying to break that obsolete 'national character' with their pens, but we hope through our example to help the Chinese people realize they can overcome any difficulties."

Of the many who joined the expedition half way or more, one was a pretty 23-year-old girl Li Shilian, who works at the Panzhihua Hotel in Dukou, Sichuan Province. Standing at 1.73 metres, she is the centre forward of the city's basketball team. On September 30, her hotel was visited by the team, whose stories so moved her that she decided to paddle along with them. She was at first turned down flat because she was a woman. "But," she said, "though I was often scared to death, I would rather die in the torrential river than live a quiet, ordinary life."

(left) An airtight dinghy braving the torrential Yangtze. (right) Captain Wang Maojun (left) and Li Weimin hold up a banner presented to them by local people as a gift.





Sweeping Veils of Mystery Aside

Peking Opera (An Album),

English, French and German Editions Written by: Rewl Alley 98 color photos

Published by: New World Press, Beijing

Distributed by: China International Book Trading Corporation (**Guoji Shudian**)

(P.O. Box 399, Beijing, China)

Western admirers of Peking opera view its unique performing, singing and speech conventions as gorgeous veils which often shroud this oriental theatrical form in mystery. This, coupled with linguistic and cultural barriers, limits their understanding and enjoyment of a performance.

A true appreciation of Peking opera can only be attained through an understanding of Chinese classical poetry, recitation, dancing, music, martial arts, historical tales and other traditional aspects of Peking opera. Naturally, such knowledge cannot be gleaned from watching one or two performances of Peking opera, but few people have the opportunity or time to absorb themselves in the study of this art.

In the 1950's, New World Press published a black-and-white Peking opera album in English, French and German in an attempt to deal with this problem. Its publication was timed to coincide with visits that Peking opera troupes were making to Europe, where they received a rapturous Western audiences praised the brilliance of Chinese traditional theatrical techniques, and were especially struck by the simplicity combined with a strong sense of realism in even the most complex plots.

China's traditional dramatic form has undergone big changes in

the last 30 years. Rising like a phoenix from the ashes to which it had been reduced by the "cultural revolution" (1966-76), Peking opera has begun life anew. In the past few years, Chinese Peking opera troupes have given many performances in the West, and no longer limit their repertoire to martial arts and pantomime. Singing, acting, recitation and fighting now appear in performances, together with all the different role types of sheng, dan, jing and chou. The spell of Peking opera remains unbroken.

A udiences were helped in their understanding of the wry story of male chauvinism by a completely new edition of the Peking Opera Album.

Last year, the well-known Chinese dramatist Wu Zuguang took his opera The Three Beatings of Tao Sanchun performed by the Beijing Peking Opera Troupe to the International Drama Festival held in London. Miss Wang Yuzhen stunned audiences with her exciting performance as the lead in this opera of singing and acrobatics. Audiences were helped in their understanding of the story of male chauvinism, with its wry comment on the oppressed who rise to become oppressors themselves, by a completely new edition of the Peking opera album. Applause and laughter greeted the comic dialogues, stylised singing and fierce fighting.

Now in full colour, this album, available in three languages from

New World Press, also has a new text by Mr. Rewi Alley, a New Zealand writer with an extensive knowledge of Chinese culture and drama. In his preface he answers the queries of Western audiences and gives a concise account of the development of this traditional dramatic form. The stories of 15 Peking operas are retold, copiously illustrated with 98 colour photos, so that Western readers can get a clear picture of the unique performances, beautiful costumes and moving expressions of the actors. Additional chapters describe the origins and features of Peking opera, and give information on actors and costumes.

The album does not restrict itself solely to Peking opera, but also informs readers about other forms of local opera. There are about two or three hundred traditional opera forms in China, among which Peking opera is the best-known and most representative. Every province and autonomous region has its own Peking opera troupe, as do many cities. counties and townships. Differing only in singing and speech conventions, Peking opera and other local operas have costumes, acting techniques and even plots in common. Anyone with an understanding of Peking opera will appreciate kunqu opera, which was in vogue among men of letters and Qing officials before the emergence of Peking opera, as well as the more popular pingju, qinqiang and provincial bangzi operas. Other well-known local forms are Sichuan, Hankou and Guangdong opera.

Sweeping aside the veils which stand between Western audiences and the Peking opera stage, this informative album gives readers access to the fascinating world of traditional Chinese drama.

by Zhang Dunyi

A Healthy Trend

I write to Beijing Review to express my appreciation of the two articles on Wenzhou in issues Nos. 42 and 43. Not only do they explore the progress, problems in contradictions and economic reforms as they are put into practice in one small locality in China, they also demonstrate a healthy trend in journalistic People's practice the in Republic—the pursuit of individual reporting and investigation in addition to the printing of official government documents and reports.

The press has an enormously important role to play in the changes in China, and articles such as those on the reforms in Wenzhou show us how this role can best be pursued—by producing detailed examinations of all aspects of society so that they can be understood and debated not only by the Chinese people themselves, but by everyone interested in the great experiments now going on in this country.

I also would like to take this opportunity to thank the Review for putting into pamphlet form the two excellent articles that originally appeared in the magazine last spring—"Sunshine and Shadows," by Duan Liancheng. I am using this fine example of personal reporting to train the next generation of Chinese journalists in my classes at the Beijing Foreign Studies University.

Larry Pinkham Beijing, China

Suggestions

I would like to give you some sympathetic suggestions. First although your magazine is cheap, the content is new and readers are interested in it. I still feel there is room for improvement. Perhaps the reason is the Japanese readers' prejudice and misunderstanding of China. They always suspect the

reports have gone through government censorship. So, I think the most important thing is to eliminate these suspicions. You should dare to write things the Japanese want to know and try to write easily understandable, clear articles. For example about the "cultural revolution," backward economics, etc.

A Japanese tourism book says: "If you want to be friends with the Chinese people, you'd better not touch on the 'cultural revolution' and economic problems. Do not pick the scabs of old wounds." I think this will not help true mutual understanding. Moreover, Japan has deep and important historical responsibility for some of China's history. My opinion is that the Japanese should have a deeper understanding and not just sympathy and politeness.

Recent reports say that China might also open up in the ideological sphere. I think you should publish such reports. You might introduce various comments and articles by scholars and personalities from all circles, on the different opinions in China.

The method of awarding some readers who subscribe to your magazine a prize of a free holiday in China is a very good idea. You may attract more readers if you continue this. After I saw the advertisement for that prize I changed my one-year subscription to a three-year one.

Toshimichi Suzuki Hitachi, Japan

An Enlightening Article

Beijing Review's "Events and Trends" issue No. 30, contained the enlightening article "Reformers Merit Moral Support." I agree that one should not over criticize a person. We should not condemn all of a person's work when he has made a mistake. This kind of thing can be seen everywhere and it is unfair.

The article "China to Scrap Stipends" in this issue was also

very interesting. It is a very important step towards breaking the "big pot." I believe that if the people's enthusiasm were high, China would make more economic progress.

Peter Romen Lochau, Austria

More Frank and Critical

Over the years we have observed the growth and development which are behind your expanding influence in the USA. We feel your increased success has been due to the greater credence given to you by your readers in the capitalist world. We also feel that Beijing Review is part of the process that is softening the hard crust of mistrust that we in the USA have about communism and socialism.

Because Beijing Review has become relatively more frank and critical about issues within the People's Republic of China, and has given wider coverage to other nations, we now have a better sense as to how your government and people view their world inside and outside of China.

Lili and Albert Adatto San Francisco, USA

Interested in "Yanan Diary"

I read the article "Yanan: A Great Attraction to Visitors" in Beijing Review No. 6 and 7 with much interest. That rich region has so much potential. I was especially interested in the information on the wild plants called sea buckthorns. These plants can grip the soil by their many long roots, and can help prevent storm damage to the earth. These plants are rarely seen in France and areas and desert European They alluvium regions. however, ideal for preventing and solving soil erosion on the loess plateau.

Negre Simone Moissac, France



Mother and Son.

ART PAGE

Woodcuts by Xi Axing

Xi Axing, born in Shanghai in 1944, is art editor at the Shanghai Children's Publishing House.

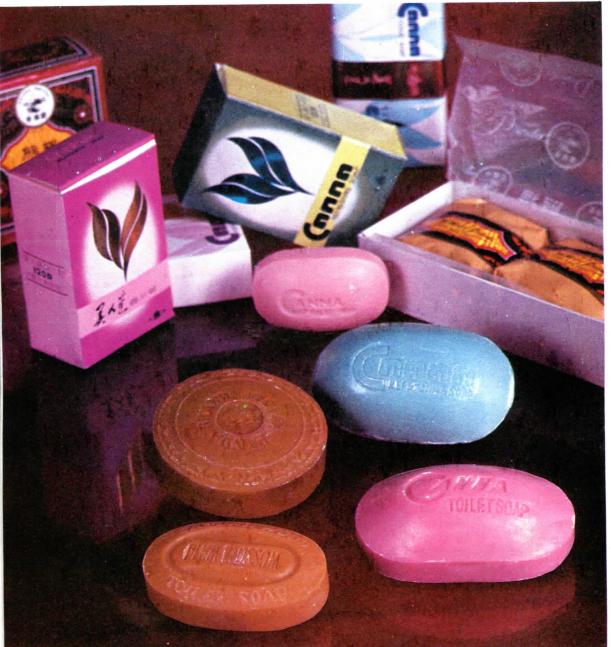
His work depicts Chinese everyday life in the style of Chinese folk art.



A Child in a Lotus Pond.



'Canna' Soap





Canna soap, produced by the Tianjin Perfumed Soap Factory, was awarded the "High-Quality Product" title by the Ministry of Light Industry in 1979. With a lustrous aroma the soap comes in various colours such as blue, green and rose. Canna soap will keep your skin fresh for hours.

The Tianjin Perfumed Soap Factory also produces Panda brand Sandalwood Soap, Plum Blossom Sandalwood Soap, Hundred-Flower and Canna Tourist Soaps.

Orders and enquires are welcome.

CHINA NATIONAL LIGHT INDUSTRIAL PRODUCTS IMPORT & EXPORT CORP., TIANJIN BRANCH

Address: 172 Liaoning Road, Tianjin, China

Cable: "INDUSTRY" TIANJIN Telex: 23142 TJLIP CN