

A CHINESE WEEKLY OF NEWS AND VIEWS

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## Vice-Ministers on Foreign Policy



**Tianjin: From the People,  
For the People**



Pensioners enjoying their birds.

*Photo by Yang Guilin*



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<b>COVER: Li Ruihuan with Tianjin residents.</b>	
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## HIGHLIGHTS OF THE WEEK



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### Authoritative Answers to Foreign Policy Questions

■ How are China's relations with the Soviet Union, the East European countries, the United States and Japan? Vice-Foreign Ministers Qian Qichen and Qi Huaiyuan answered these and other questions and a number of keen international interest at a recent press conference in Beijing, which was fully covered in this report. (p. 14).

### NPC Session Democracy At Work

■ The Fifth Session of the National People's Congress closes after 15 days of active discussion. Deputies offered constructive criticism of government work and made suggestions to improve it (p. 5).

### Tianjin's Democracy & Public Servants

■ Tianjin has undergone great changes in the last few years. This is due directly to Mayor Li Ruihuan and his colleagues in the municipal government. As public servants, they keep in close touch with the masses, ask their opinions and act upon them in a manifestation of socialist democracy. (p. 17).

### Letting Students Learn From Reality

■ Providing students with more opportunities to experience real life is aimed at helping them understand China, keep a correct political orientation and integrate their studies with practical experience. It has been proved that student contact with reality is productive (p. 4).

### Intellectuals and Bourgeois Liberalization

■ In this review of the opinions of CPPCC members of intellectual background, there is a consensus that without the Communist Party, China would not have secured the gratifying results of the reforms today. Some suggest that the struggle against bourgeois liberalization should have been launched much earlier (p. 21).

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# What Students Can Learn From Reality

by An Zhiguo

In an interview with *Beijing Review* (see article "Campus Unrest: Result of 'Liberalization'" issue No. 8), Vice-Minister of Education He Dongchang said that in order to improve college education, students will, from now on, be given more opportunities to experience real life and know society. In reporting this, some media in Hong Kong and abroad described this positive measure as forcing students on the mainland to do physical labour in factories and the countryside, as was the practice during the "cultural revolution." This assertion is a misunderstanding, if not deliberate distortion.

During the "cultural revolution," intellectuals were wrongly regarded as targets of revolution, and manual labour was used as a means of punishing them. This brought terrible consequences for China's higher education. The situation was rectified after the Third Plenary Session of the 11th Party Central Committee in December 1978. The session declared: "Intellectuals are part of the working class." The idea of respecting knowledge and talent has gradually taken root in people's hearts. The practices of sending all senior middle school graduates to work in the countryside and allotting them little time to acquire knowledge and too much time for manual labour and other non-cultural studies have changed.

Since then China has restored college entrance examinations, readjusted college specialization, worked out new teaching programmes, organized efforts to

compile new teaching materials and experimented with teaching reform. The basic aim is to train personnel in an all-round way—

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***Correcting the mistakes of the "cultural revolution" does not mean negating correct approaches such as integrating theory with practice and education with labour.***

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morally, intellectually, physically and aesthetically—to meet the needs of socialist construction.

Correcting the mistakes of the "cultural revolution" does not mean negating the correct approaches such as integrating theory with practice, intellectuals with workers and farmers, and education with productive labour. Rather it is aimed at better implementing the policy of all-round education and "making education serve socialist construction."

Generally speaking, Chinese education has made great strides since 1978 by carrying out correct educational policies. But for some time, because of the trend of bourgeois liberalization, ideological and political work was rather weak in schools, and there was a tendency towards stressing theoretical study to the neglect of practice and manual labour. After graduates were assigned to jobs, employers often found them weak in or incapable of analysing and solving practical problems.

Some students lack training in

basic political principles and orientation. The campus unrest last December shows that a small number of students, who really didn't know much about China's conditions and society and were politically immature, were unable to distinguish right from wrong in the face of the erroneous trend whipped up by a few influential people who advocated "complete Westernization" in China.

Providing students with more opportunities to experience real life is aimed at helping them understand China, keep a correct political orientation and integrate theory with practice.

In the spirit of the CPC Central Committee's Decision on Reform of the Educational System, many schools have gained new and useful experiences in strengthening the links between teaching and socialist construction and reforms, and in guiding the students onto the correct road of sound development. For instance, teachers and students in some schools have embarked on production, working for technical innovation, investigation and research on special subjects. Schools and units where students do field work have established co-operative relations and set up organizations combining teaching with scientific research and production. They open "second classrooms" and enrich the students' spare time activities. On a voluntary basis, the students carry out extensive social studies during their vacations and receive military training for a period of time. All these activities are encouraged and popularized.

Last winter, some university students surveyed factories and



## NPC 5th Session Nearing Close

The Fifth Session of the Sixth National People's Congress (NPC) has been in session for two weeks now, in an atmosphere of democracy and unity. It will conclude on April 10.

Meeting in the Great Hall of the People, the 2,700-add delegates heard and discussed a number of important reports. Among these were one delivered by Premier Zhao Ziyang on government work, the draft of 1987 programmes for national economic and social development and the 1987 draft state budget.

The meeting examined a draft decision on the election of deputies to the Seventh National People's Congress, and a report on the NPC Standing Committee's work. Deputies spoke their minds on major state affairs, frankly criticized the work of the government and submitted more than 260 bills.

Wu Xueqian, state councillor and foreign minister read a report on the recently initialled joint declaration on Macao in which Portugal agrees to hand over the exercise of Sovereignty over Macao to China in 1999. The session empowered its Standing Committee to examine and endorse the declaration after it is officially signed later this month. In his report, Wu briefed the NPC deputies on China's basic policies towards Macao, the course of the Sino-Portuguese negotiations and other relevant matters.

The foreign minister said that China's policies on the Macao issue not only fully embody the principle of maintaining China's sovereignty over Macao but also are conducive to the maintenance of long-term development and stability there, taking into consideration both the similarities and differences in the conditions of Hong Kong and Macao.

He added that residents in Macao will be able to continue their lives as before and enjoy the

rights and freedoms ensured by the laws currently in force, which will remain basically unchanged except for those tainted with colonialism, which must be abolished or revised, and those which are no longer applicable because of changes. The interests of the Republic of Portugal, Portuguese citizens in Macao and their descendents will be ensured. After the establishment of the Macao Special Administrative Region, public servants (including police) of Portuguese and other foreign nationalities previously serving in Macao may all remain in employment and continue their service with pay, allowances and benefits no less favourable than before, Wu said.

At the session, Vice-Chairman of the NPC Standing Committee Peng Chong explained the draft regulations governing villagers' committees, saying that the establishment of such committees in China's rural areas by villagers as self-governing organizations indicates a major improvement in the country's grass-roots organizations which help to promote direct socialist democracy.

As envisaged in the draft regulations, villagers' committees serve as a bridge between the local authorities and the citizens, and committee members are elected directly by the villagers, he said. They are not government organs or bodies subordinate to local government.

In his report on the work of the NPC Standing Committee, the committee Vice-Chairman Chen Pixian called for the election of more competent deputies to the People's congresses at county and township levels.

Chen condemned practices which are undemocratic and unlawful, such as forcing voters to elect particular people and the exclusion of candidates nominated in a legitimate manner. He called for correction of these

the countryside and discovered that people there did not favour campus unrest and wanted the students to safeguard political stability and unity. Deeply moved, many of the students conducted "self-questioning." This shows that student contact with reality is productive.

During this teaching reform experiment, a prudent attitude will be taken and the colleges will adopt programmes in the light of their actual conditions. All these activities are quite different from the "leftist" mistakes committed during the "cultural revolution." These activities will not affect normal teaching or lower the colleges' theoretical requirements. On the contrary, they will help students consolidate their knowledge and apply it even better.

How to integrate theory with practice in higher education is an issue challenging countries around the world. Chinese educational circles have taken note of the methods some countries adopted to solve this question. They have stressed the need to learn from advanced methods abroad, and see to it that through careful experiments and proceeding from China's reality, they will come to master the objective laws governing education so that they'll train a generation of talented young people capable of meeting the needs of socialist modernization.

practices noting that they had resulted from an ignorance of legal procedures.

At the session, deputies also discussed and approved in principle a report by the NPC Financial and Economic Committee on the examination of the report on the implementation of the 1986 state budget and the draft state budget for 1987.

Wang Renzhong, vice-chairman of the NPC Standing Committee and chairman of the Financial and Economic Committee, said that in 1986, the state invested much more in key projects in the fields of energy, transport and raw materials, education, culture, science and public health than in the previous year. There were also extra-budgetary expenditures such as investment in the processing industry and luxury hotels which he said were undesirable, beyond our financial ability and must be corrected.

On the draft state budget for 1987, Wang said that it is very difficult to make proper arrangements for the funds required in every field of endeavour and correctly handle the contradiction between supply and demand. "The principles and methods embodied in the draft are appropriate and necessary," Wang added.

The eight-billion-yuan deficit in the budget is difficult to avoid while striving to achieve a basic balance between total demand and supply. In order to keep a balanced state budget in the current fiscal year, we must stimulate production further and carrying forward the spirit of hard struggle and plain living.

Price readjustments and their impact on the life of the people were of great concern. Quoting the State Statistics Bureau and after analysis and comparison during the panel discussions, deputies agreed that although prices in China are rising, the people's living standards are improving rapidly.

## Interests of HK, Macao to Be Guaranteed

Premier Zhao Ziyang pledged in Beijing on March 31 that China will faithfully observe the two joint declarations and their annexes concerning Hong Kong and Macao. "We will not do anything that may harm the prosperity and stability of Hong Kong and Macao at present or in the future. We wish to have a good ending as well as a good beginning so that everyone is happy."

Zhao, who is also acting general-secretary of the Chinese Communist Party, made the remarks while meeting with delegates from Hong Kong and Macao who were attending the current sessions of the National People's Congress and the National Committee of the Chinese People's Political Consultative Conference in Beijing.

The premier said that the successful settlement of the Hong Kong and Macao issues is something worth celebrating as two major events in the Chinese history, of which all Chinese people, including compatriots in the two regions and Taiwan as well as overseas Chinese should be proud.

He stressed that although Hong Kong and Macao will practise a capitalist system 50 years after their return to the motherland while the mainland will keep its socialist system, they are all parts of one country and are closely related. Political stability and economic prosperity of the mainland are beneficial to both of the regions, and vice versa, he said.

Therefore, Zhao said, the mainland, Hong Kong and Macao must strengthen their co-operation and make the most of all their advantages for mutual benefit and common development.

"Such co-operation," he added, "can cover such areas as resources, production as well as high technology." Hong Kong, which is well-informed and familiar with the international market, has its own trade and sales networks as well as management expertise. However, he said, Hong Kong needs to co-operate with the mainland to strengthen its competitiveness in the face of growing protectionism in world trade.

He made it clear that though

Premier Zhao Ziyang meets delegates from Hong Kong and Macao.

QI TIANYAN



China's direct trade with foreign countries has expanded steadily in recent years with the adoption of the policy of opening to the outside world, the mainland's entrepot trade via Hong Kong will continue to increase rather than decrease.

Referring to the struggle against bourgeois liberalization, Zhao said, "It has nothing to do with Hong Kong and Macao. It is aimed at building socialism. Since capitalism is and will be practised in Hong Kong and Macao, what's the point of opposing bourgeois liberalization there? Compatriots in Hong Kong and Macao need not be worried about this."

Furthermore, he added, to stage such a struggle in the two regions would directly contradict the concept of "one country, two systems" which has been a cardinal principle for reunifying China, put forward first by China's senior leader Deng Xiaoping more than four years ago.

Then he noted that the "leftist" ideology prevailed during the "cultural revolution" has no market on the mainland and is rejected by the overwhelming majority of the people. There does not exist the ideological basis for practising leftism in the country which has suffered enough from it. ■

## Military Leaders Meet the Press

The reduction of China's military forces by 1 million has been going on smoothly and has almost been completed. This was revealed by Xu Xin, Deputy Chief of the General Staff of the People's Liberation Army of China at a press conference on April 4. It is the first time that Chinese military leaders have ever answered Chinese and foreign correspondents' questions in an open forum.

To reduce the military forces, Xu Xin said, some structural and organizational reforms have been adopted. The original 11 military areas have been merged into seven, he pointed out. While some offices, colleges and units have been eliminated, others are being simplified and strengthened. Many older officers have been asked to retire and the proportion of officers to soldiers is being adjusted.

Xu said preparations for the restoration of the system of military ranks are underway. However, he said, since the system has been eliminated for over two decades, and it will involve a great number of people, it may have to be postponed temporarily so as to have the preliminary work done more carefully.

When asked whether the yearly reduction of the ratio of China's military expenditure to the state budget will affect the modernization drive of the country's defence, Xu Xin noted that since China is a poor country, its defence modernization must be compatible with economic development. Progress in military defence can only be achieved gradually in accordance with national economic progress. Xu said it is imperative to use the limited military funds efficiently, that is, with modernization as the central task, to raise the quality of both officers and soldiers and strengthen the army's comprehensive combat ability to fight a modern defensive war. The crucial work lies first in training military professionals mainly through military colleges while providing training to those working at their posts. Second, improving equipment and arms mainly by relying on China's own design and production facilities and strengthening international co-operation at the same time so as to import advanced technologies and equipment. Third, enforcing scientific research in national defence.

Xu told the reporters that China

has not changed its strategies of positive defence. Though China has achieved a lot in terms of research and the production of arms and military equipment, there are still gaps between China and developed countries in some technologies. The Chinese People's Liberation Army is making great efforts to build itself into a revolutionary, modern and professional army, without which, it would be unable to build an army with Chinese characteristics, Xu said.

On the question of whether Vice-Chairman of the Military Committee of the CPC Central Committee, Yang Shangkun, is going to visit the United States, Xu said Yang has received several invitations from the United States and the two countries are discussing the matter. Xu also told reporters that so far the Chinese fleet does not have any plans to visit the United States, and there is no arrangement for a second visit by American naval vessels to China.

When some foreign correspondents asked if it is true that, according to some media abroad, the struggle against bourgeois liberalization was initiated by the army because it opposed Hu Yaobang as chairman of the Military Committee, and that the armies in Beijing were on alert when Hu resigned, Xu said all such talk is groundless. So is the rumour that China is building an aircraft carrier, Xu said. ■

## Mechanized Farming On the Rise Again

More acreage in China is tractor-ploughed now after years of decrease in the use of machines for cultivation. The responsibility system, under which farming is done on a household basis, was one factor for many farmers returning to traditional methods of agriculture.

But last year, farm machinery used throughout the country had a combined power of 228 million kw, up 9.1 percent over the 1985 figure, and topping the 7.2 percent average annual growth rate for mechanized farming during the Sixth Five-Year Plan period (1981-85). Areas now under mechanized cultivation total over 38 million hectares, a jump of 3.1 percent, with 310 million hp. being used.

"These increases demonstrate that the family-based contract system may not be an obstacle to China's farm mechanization," said an official at a national meeting on farm mechanization ending late March in Nanhai County, Guangdong Province.

During the current rural reforms, China's agricultural mechanization has undertaken a self-transformation. The state monopoly over the production and marketing of farm machinery has given way to market regulation. Farm machinery has entered the rural market along with other commodities, and farmers can now decide for themselves what to buy for their farming needs.

Statistics show that individual farmers now own some 4.71 million tractors—88 percent of the nation's total, with the number in operation increasing from 3.94 million in 1985 to 4.71 million in 1986. More than 92 percent of the so-called "walking tractors" are individually owned. That means nine of every ten tractors produced last year were sold to individuals.

Farm officials attribute the increase in farmers buying farm machinery to their heightened enthusiasm for investment in farming, now that they find it can save manpower and greatly increase productivity. Those farmers in more economically developed areas are particularly inclined to buy tractors because a



LIU JIANGUO

### Young Peace Envoys in Beijing

Children from various countries with China's Vice-President Ulanhu. They are visiting Beijing as members of the International Children's Peace Mission.

large part of the labour force in their regions is turning to rural industries and service trades for employment.

Other modern agricultural techniques are also applied more widely. For instance, areas with machine-applied plastic film cover to protect seedings reached 125,000 hectares in 1986, up 57 percent over 1985.

Modern agricultural machinery is finding favour with Chinese farmers and many have chosen the road of mechanization especially when they have been once again urged to cultivate more acres of crops by a recent state circular.

According to the circular the total national grain output this year is scheduled to reach 405 million tons; the cotton output is to be increased by a fairly big margin as well. Rape-seed and sugar-cane, however, must recover from their previous reduction in output.

### New Port Opens To Foreign Ships

The *Dalian Trader* entered the Zhenjiang Port and unloaded its goods on March 18 when the formal opening ceremony was held March 21. The Panamanian ship was the first foreign vessel to dock at the newly expanded Changjiang (Yangtze) River port of Zhenjiang.

Zhenjiang is made up of four ports. A 100 million yuan expansion of the Dagang Port was completed in 1985. It has now four deep-water berths for ships up to 25,000 tons, according to Yin Hongshun, chief engineer of the port construction project. By 1990, when the second phase of the project is finished, said Tong Xugui, director of the Bureau of Port Administration, four more berths for ships of 10,000 tons, will be built and the annual handling capacity of the port will reach 10

million tons. The Ministry of Transport and Communications will invest 170 million yuan in the project during the Seventh Five-Year Plan period (1986-90).

Zhenjiang is the fourth port on the Changjiang River to be opened to foreign ships over the past few years. The others are Zhangjiagang, Nantong and Nanjing. Its opening will help relieve Shanghai's overloaded foreign trade facilities. Furthermore, by using Zhenjiang as a transition port for export, shippers can save 6 to 7 yuan per ton of coal in transportation fees and 10 yuan per cubic metre of timber, in addition to saving three to four days.

Zhenjiang's history as a river port dates back to the third century. In the Sui Dynasty (581-618 AD), after the Grand Canal was constructed, Zhenjiang, situated at the intersection of the Changjiang River and the canal, became an important centre for trade and transportation between southern and northern China.

After the Opium War, the unequal Treaty of Tianjin signed between China and Britain named Zhenjiang as one of four Changjiang ports open to foreign trade.

"The reopening of the port to foreign ships is dramatically different from what happened in history," said Xia Liangzhen, deputy mayor of the city Zhenjiang. "In the past, when the port was forced to open to foreign trade, the British colonialists set up business offices and controlled the customs-house and the whole administration of the port. Today, the sovereignty of the port is in our hands and we are doing business with our foreign partners on the principle of equality and mutual benefit."

He said that he was confident that the Zhenjiang port would play an important role in promoting foreign trade, transportation and tourism in the Shanghai economic zone.

by Shang Rongguang

## Weekly Chronicle (March 30-April 5)

### POLITICAL

March 30

■ Local police in Guangzhou announce the arrest of three Hong Kong residents on charges of car theft.

### ECONOMIC

March 30

■ Ningxia Hui Autonomous Region has imported US\$56.35 million in funds from Islamic countries since 1985, says *Renmin Ribao* People's Daily's overseas edition.

April 1

■ China will open another five international air routes—Beijing to Fukuoka, Beijing to Tokyo via Dalian, Shanghai to Fukuoka, Beijing to Sydney via Guangzhou and Melbourne, and Beijing to Istanbul via Urumqi and Sharjah, according to the Civil Aviation Administration of China (CAAC).

■ China has received 37,436 patent applications from inventors both at home and abroad since its first patent law went into effect two years ago, says an official of the Patent Bureau.

April 2

■ More than 30 Chinese engineers are now working with American colleagues at the Pratt and Whitney Company in the US to design FT-8 engines, says an official of the Chinese Ministry of Aeronautics Industry.

### FOREIGN RELATIONS

March 30

■ A management training programme sponsored by the European Community opens in Beijing, *China Daily* reports.

■ China's State Councillor and Foreign Minister Wu Xueqian returns to Beijing after his visit to Czechoslovakia, Poland, Bulgaria, Italy, San Marino, the

Federal Republic of Germany and Switzerland.

■ The 13th session of the Asia-Pacific Forestry Commission opens in Beijing, appealing to the world to put an end to the gradual reduction in the earth's forestry resources.

■ A Chinese government economic delegation led by Minister in Charge of the State Economic Commission Lu Dong leaves for Australia to attend the first meeting of the China-Australia Economic Joint Committee at ministerial level.

March 31

■ The Chinese government and the Commission of the European Community sign an agreement in Beijing to establish a delegation of the organization in China, and outline the privileges and immunities it will have, Xinhua News Agency says.

■ A spokesman for China's Ministry of Communications condemns the attack on a Chinese vessel by unidentified gunboats in the Persian Gulf on February 26, Xinhua says.

### CULTURAL

March 30

■ A 26-member team starts China's first expedition to raft the length of the Yellow River, a six-month adventure.

■ The ground station for China's meteorological satellite officially starts operation, Xinhua says.

April 1

■ An experimental class given by the Dalian Deaf and Mute Children's School has enabled deaf children to speak through pre-school training, Xinhua says.

### SOCIAL

March 31

■ Xinhua reports that a sample survey shows the natural population growth rate in 413 counties and cities throughout China rose from 11.23 per thousand in 1985 to 14.08 per thousand last year.

US-JAPAN

## Trade Friction Turns Dramatic

*Washington decided on March 27 to retaliate against Japan for violating last year's US-Japan semiconductor agreement. As a result Japanese electronics products now face retaliatory tariffs as high as 100 percent.*

The US government said on March 27 that it would impose 100 percent tariffs on up to US\$300 million worth of Japanese electronic products as punishment for Japan's unwillingness to limit its market in the US and for its failure to raise export prices of computer chips to levels competitive with American-made products.

It is believed that the tariffs imposed by the US represent the most sweeping US trade retaliation taken against Japan since World War II. The tariffs will affect such Japanese companies as Hitachi, Fujitsu, Toshiba, NEC and others, on products like TV sets, laser printers, disc-drives for computers and personal computers.

In the past several years, the US and Japan have had a number of clashes on trade in steel products, automobiles, machinery and agricultural products. Each time Japan made some concessions, but it inevitably gained an increased foothold in US markets.

Semiconductors, the heart of computers and supercomputers and an essential part of home appliances and weapons systems, are regarded by the US as the key to the future of its industry and national security. Therefore, the US wants to take a hard line and show it will not lose out to its competitors again this time.

Unlike trade in autos and steel, where the US can simply set a quota to protect its own industries, semiconductors are everywhere in thousands of products and enforcement of quotas is difficult.

The US and Japan are the world's dominant makers of semiconductors and computers. They not only contend for each other's market, but are also competing for world market dominance.

Japanese manufactures can produce semiconductors more cheaply than the US counterparts because of lower labour costs and government subsidies. In order to create a fair trading atmosphere, the US asked Japan to raise its computer chip prices last year, or face reprisals—high tariffs and possibly the loss of the US market.

The Japanese government agreed to improve its enforcement measures and even ordered semiconductor makers to cut production by 25 percent. But the US found evidence that Japan is flooding the market with cheaper goods. This infuriated US semiconductor manufacturers.

The current fire was ignited when an official of the Japanese Ministry of International Trade and Industry told a visiting US delegation in February that the US should not even bother to try to sell US supercomputers to Japanese government agencies and universities, implying that Japan would not consider any bids other than Japanese.

The remarks were interpreted in the US as proof that Japan does not honour its word of buying competitive foreign products. Commerce Secretary Malcolm Baldrige even went public opposing Fujitsu's bid to buy 80 percent of a Silicon Valley firm that makes

semiconductors for both civilian and military systems.

However, analysts consider the US moves against Japan primarily motivated by a combination of economic, strategic and political factors.

Economically, Japan's trade surplus with the US, which has registered record highs for the last six years, hit US\$8 billion in February. Reports said that Japan's overall trade surplus for fiscal year 1986, which ends March 31, will reach US\$100 billion.

The US ran a record trade deficit of US\$170 billion last year. About a third of the deficit, or US\$58.6 billion, was in trade with Japan. Washington is anxious to correct this imbalance.

Strategically, semiconductors are used in all sophisticated equipment including weapons. No country can afford to leave semiconductor production largely in the hands of foreign manufacturers. It is reported that Japan's electronics sales to the US last year were worth US\$23.3 billion at current exchange rates, more than 40 percent of its global electronics exports. US semiconductor manufacturers would like to recapture their dominant position in the semiconductor field lost to Japan.

Politically, sweeping restrictive trade legislation now winds its way through US Congress. On Capitol Hill, both Democrats and Republicans are complaining that the Reagan administration has been too soft on Japan. The politicians are demanding the administration "go to the mat" with tough protective trade restrictions.

Apparently, the proposed tariffs have cast a shadow over US-Japan economic relations. US trade representative Clayton Yeutter said that the semiconductor action "probably constitutes the first step in a major reassessment of the long-term economic relationship with the Japanese" and Japan's overall economic role in the world.

However, considering the risk to both countries and the restraint they have shown earlier, it is quite possible that compromises can be found to prevent this dispute from becoming a full-scale trade war. US officials said they will probably remove the tariffs, which start April 17, as soon as Japan complies.

According to reports from Tokyo, Japan has been moving to

enforce the semiconductor accord by ordering chip makers to cut production. It also plans to buy an undetermined number of US superconductors at US\$20 million each for use by government agencies and state universities. Japan is also sending a high-level delegation to the US for emergency consultations on the semiconductor fracas.

by Zhao Zijian

## BRITAIN-SOVIET UNION

### Differences Remain After Moscow Talks

*Although Mrs. Thatcher failed to reach any agreement on major issues with Gorbachev in her recent Moscow visit, she has accomplished one of her tasks — conveying the message of West European nations to the Kremlin.*

Despite brisk talks and a warm atmosphere, Britain's Prime Minister Margaret Thatcher ended her five-day visit only to find that great differences remain on the few issues she discussed with Soviet leader Mikhail Gorbachev.

Mrs. Thatcher's tour to the Soviet Union from March 28 to April 1 was the first in 12 years by a British prime minister to that country. While both she and Gorbachev expressed satisfaction over their nine-hour, wide-ranging and frank talks, no agreement was reached on arms control, regional conflicts or human rights.

Thatcher, the first Western leader to visit the Soviet Union after Moscow put forward its latest proposal for removing medium-range missiles in Europe, apparently annoyed her Kremlin host by claiming that any agreement on medium-range missiles should be linked to the issue of short-range rockets in Europe. She stressed that if a Soviet-proposed agreement was accepted by the United States, the West would be outnumbered 9-1 in terms of short-range missiles.

The British prime minister held

that it is impossible to abolish nuclear weapons by the end of the century as the Soviets proposed, and that only nuclear deterrence can prevent war. More than once Mrs. Thatcher claimed that Britain must have its own independent nuclear force. She made it clear in her talks with Gorbachev that Britain was not ready to accept denuclearization of Europe. "Without far greater trust and confidence between East and West than exists at present, a world without nuclear weapons would be less stable and more dangerous for all of us," Thatcher said.

The British prime minister said that deep cuts in strategic nuclear weapons should be within reach, but she stressed that such reduction should not be tied to limitations on the US strategic defence initiative research. However, Gorbachev stressed that the relationship between cuts in strategic offensive weapons and the non-militarization of outer space was a strategic link that cannot be untied.

Gorbachev spoke at length against Thatcher's accusations of

alleged Soviet violations of human rights. He also ignored Thatcher's request for an unconditional withdrawal of all Soviet troops from Afghanistan, repeating an earlier Soviet position that a complete troop pullout can only be achieved when outside interference stops in that country.

Both Britain and the Soviet Union have attached importance to Thatcher's Moscow visit. Moscow believes that Britain, a nuclear power and the closest ally of the United States, can play an important role in disarmament. In preparing for her visit to Moscow, Thatcher hurried to France and West Germany on March 23 for talks with President Francois Mitterrand and Chancellor Helmut Kohl. So, while in Moscow Thatcher actually acted as a spokeswoman for Western Europe. She conveyed to the Soviet leaders that Britain and France, the only two European countries possessing independent nuclear forces, are determined to continue to oppose the inclusion of their nuclear arsenals in US-Soviet negotiations.

West European leaders believe the security and peace of their region is backed up by the presence there of US troops and Pershing-II and cruise missiles as well as its strategic nuclear forces at large. If an accord on removing medium-range missiles from Europe was sealed, the military parity between East and West would be upset, thus exposing Western Europe to the threat of superior Soviet conventional and chemical weapons as well as short-range rockets, and the defence of Europe and US would be unhinged. Moreover, US President Ronald Reagan, bowing to pressure at home, is disposed to enter into the proposed treaty with the Soviet Union, causing a shift in the US strategic focus to outer space and strategic nuclear arsenals, thus sidelining the security interests of West European nations.

During their separate talks, the three leaders of Britain, France and West Germany agreed that it would be desirable if the United States and the Soviet Union agreed to remove their medium-range missiles from Europe. But they stressed that any agreement on medium-range nuclear missiles must be followed immediately by talks on short-range missiles, a field in which they believed the Soviets have an edge over the West. They also expressed concern about Soviet superiority in chemical weapons and conventional forces.

"Though not representing Europe in talks with the Soviet Union, what Mrs. Thatcher says will be authoritative enough to merit wide attention," Mitterrand said before Thatcher left for Moscow. Chancellor Kohl also said that it was extremely important that Thatcher hold her talks with Gorbachev with the support of Britain's West European friends.

Thatcher's Moscow visit is also seen as part of a campaign strategy by the British Conservative Party, as the country's general election draws near. The timing of the visit gives the Conservatives a chance to reaffirm their position against the opposition Labour Party, which upholds a nuclear-free defence policy for Britain. Possible diplomatic gains from improved British-Soviet relations will also help improve Thatcher's image as an international stateswoman, thus clearing the way for a possible third election victory.

During her stay in Moscow, the British prime minister also held talks with Soviet leaders on bilateral relations, mainly in trade, economy and culture. Several agreements were signed as a result. The two countries also agreed to further co-operation in studying and using outer space technology for peaceful purposes. Thatcher had a private luncheon and reportedly discussed Soviet reforms with Andrei Sakharov, a

Soviet dissident recently returned from exile.

The day after the British prime minister flew to Moscow, French Prime Minister Jacques Chirac travelled to Washington. The two trips are not considered to be coincidental. France, which plays a leading role in West European defence, reportedly conveyed its uneasiness and misgivings to the

United States. It is said that Chirac intended to stress the need to harmonize US-European positions on defence and make it clear that West European countries will not lend themselves to the proposed deal on medium-range missiles unless the United States makes concrete commitments to them.

by Xin Sheng

## THAILAND-LAOS

### Slow Progress in Bilateral Talks

*With similar languages, customs and culture, Thailand and Laos want to improve their relations, but recent talks in Bangkok ended with little progress.*

The 18-member Laotian delegation led by Deputy Foreign Minister Soubanh Sarithirath ended a four-day visit to Thailand on March 28 with little progress in bilateral talks for improving relations between the two neighbouring countries.

Speaking to the press in Bangkok before his departure, Soubanh said although the talks between the two countries produced no tangible results, they should not be described as a failure. He stated that the co-operation between the two countries in the economic and commercial fields could develop only after the problem of the three border villages Ban Mai, Ban Klang and Ban Sawang is resolved. Thailand and Laos have been at odds since 1984 and intermittent fighting has broken out over the sovereignty of the three small villages on the Thai-Lao border.

This is the second meeting between senior officials of the two countries for the purpose of improving relations. The first meeting was held in the Lao capital city of Vientiane last November, breaking a three-year

silence following the 1984 incident.

Arun Panupong, foreign affairs adviser to the Thai prime minister, and Soubanh held three rounds of talks in which both sides agreed to uphold the principles outlined in two joint communiques signed by the two countries in 1979.

The joint communiques underline the following points: Non-interference in each other's internal affairs, non-use of force in solving disputes, peaceful use of the Mekong River, and the initiation of a Thai-Lao joint commission and special committees in the fields of economy, trade and culture.

Meanwhile, both sides indicated that they would continue to seek ways to solve their remaining problems. Soubanh invited a Thai delegation to visit Laos at a suitable time to continue their consultation.

A spokesman for the Thai foreign ministry, on the other hand, expressed his disappointment about the talks in Bangkok. He said the success of talks depends on the sincerity of both sides, and claimed that the Thai side had shown its sincerity, but

there had been no due response from the Vientiane side.

Thailand has expressed its desire to improve economic ties with Laos, and has reportedly reduced items on the list of strategic goods banned from export to Laos from 273 to 61.

The Thai side put forth a five-point proposal which calls for the continued implementation of the principles laid down in the 1979 communiqués, the termination of mutual propaganda attack, (the Thai media has refrained from criticizing Laos since the two countries held talks in Vietiane last year,) co-operation in tourism and opening regular trade points at border areas.

The Lao side agreed to improve bilateral relations in accordance with the principles provided for by the two communiqués, and will consider the Thai proposal of tourist co-operation. But Soubanh said it is very difficult to terminate mutual propaganda attacks.

On the proposal concerning the restoration of the work of the Thai-Lao joint commission, the Lao delegation insisted that it would be possible only after the problem of the three border villages has been resolved.

Soubanh maintained that Thai troops were still occupying certain areas in Laos, but the Thai side has denied the accusation. In addition, the Lao side charged that Thailand supports anti-government forces in Laos.

During a meeting with Soubanh, Thai Foreign Minister Siddhi Savetsila said that all outstanding problems between the two countries can be easily solved if there is no third party interference. Analysts in Bangkok noted that steps to improve relations between the two countries would continue moving forward, but would more slowly, because the ministers' hands are tied by foreign factors to a large extent.

by Huang Yong

## ETHIOPIA-SOMALIA

### Another Attempt to Solve Border Dispute

*Wishing to find a just, equitable and peaceful settlement to the ongoing dispute over the Ogaden plain, Ethiopian and Somali foreign ministers met again to exchange views.*

The third round of peace talks between Somalia and Ethiopia was held in Addis Ababa from April 1 to 3, aimed at identifying and examining the basic differences between them.

The relations between the two countries were broken off in 1977-78 when they went to war over the sovereignty of the Ogaden area.

Ogaden is an arid region on the Somalia-Ethiopia border. As early

as the late 19th century, it was claimed by both Ethiopia and the Italian protectorate of Somaliland and the dispute has not ceased since then. In 1977, Somalia occupied the region with encouragement from some of the Somali-speaking residents there. In February and March 1978, Ethiopia, helped by Cuba and the Soviet Union, drove the Somali army out and proceeded to bomb

Ogaden villages as reprisal for their complicity in the invasion. This move resulted in more than 1 million refugees fleeing the area.

In January 1986 Ethiopian leader Mengistu Haile Mariam and Somali President Siad Barre met in Djibouti and agreed to set up a joint committee to examine their differences and normalize their relations. Since then, delegations led by foreign ministers of the two countries have held two rounds of peace talks for that purpose.

However, on February 12 this year, a border conflict again flared up between the two countries. But Somali First Vice-President General Mohamed Ali Samater reaffirmed that his country's stand on the peace talks with Ethiopia remained unchanged. And a spokesman for the Ethiopian foreign ministry has called the latest conflict "a minor incident," saying, "It remains the wish of the government of Socialist Ethiopia that this unexpected incident would not affect the ongoing talks."

The stumbling block that has prevented the previous two rounds of talks, as well as this one, from achieving positive results remains the sovereignty of Ogaden. Ethiopia insists that the first item on the agenda be its territorial integrity while Somalia proposes creating a peaceful atmosphere first, which includes the disengagement of armed forces along their border, the resumption of diplomatic relations and the demarcation of their common borders.

Though divergent interpretations of the mandate of the committee prevented the two sides from formulating an agreed agenda, both sides said in a joint statement issued after the talks, they have decided to refrain from all acts that could jeopardize the ongoing dialogue.

by Zi Xin

## Vice-Ministers on Foreign Policy Issues

*Chinese Vice-Foreign Ministers Qian Qichen and Qi Huaiyuan, at a press conference in Beijing on April 3, answered questions raised by reporters, both Chinese and foreign. Our correspondent Lu Yun attended the press conference and the following is his report.*

### Answers by Qian Qichen

**Q: Now that China has settled the Hong Kong and Macao issues, what attitude will it take towards other unequal treaties, such as those imposed on China by tsarist Russia that caused China to lose large tracts of territory?**

**A:** Disputes between states over their boundary lines are different from the Hong Kong and Macao issues, the latter being that China will recover and resume exercise of sovereignty over Hong Kong and Macao.

Sino-Soviet border talks have just resumed. This is the third round of talks since the founding of New China. The two sides have agreed to review and determine the entire alignment of their boundary line, starting with the eastern sector.

Boundary issues between China and India and between China and Bhutan are under negotiation. China has settled boundary issues with all other neighbouring countries.

**Q: What are the difficulties in Sino-Soviet border talks?**

**A:** China and the Soviet Union have reached an agreement on keeping their talks secret. Of course both sides have agreed that there are questions about the boundary between them and that these disputes should be solved through equal consultations in

accordance with the principle of mutual understanding and mutual accommodation.

**Q: Would you comment on the prospect of the forthcoming Sino-Soviet vice-foreign ministerial consultations in April? Is it possible that Sino-Soviet relations will make great progress in the near future?**

**A:** I'll soon leave for Moscow to attend the 10th round of the Sino-Soviet consultations. From the

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*There are still difficulties lying in the way of improving Sino-Soviet political relations. There remains the need to overcome them through negotiations.*

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very beginning the two sides agreed that the aim of the consultations would be to remove the obstacles to the normalization of their relations. But for quite a long time the Soviet side had tried to avoid or refused to discuss the question of removing the obstacles. Recently they have agreed to discuss the question, and I hope this is a good omen. (The obstacles hindering the normalization of Sino-Soviet relations, as defined by the Chinese government, refer to the stationing of large numbers of Soviet troops along the Sino-Soviet border and in Mongolia, the Soviet occupation of Afghanistan and the Soviet support for the Vietnamese invasion of Kampuchea.)

**Q: Reports say Vice-Premier Li Peng will meet Gorbachev during his visit to the Soviet Union in May. Can you confirm the reports?**

**A:** The Sino-Soviet Commission on the Co-operation in the Economy, Trade, Science and Technology, which meets annually in Beijing and Moscow alternately, will hold its annual meeting in Moscow this May. The specifics of the agenda have not yet been fixed.

**Q: What progress has been made in Sino-Soviet relations?**

**A:** Much progress has been made in economic relations, trade and exchange of visits between China and the Soviet Union, but there are still difficulties in improving their political relations, and there remains the need to overcome them through consultations.

**Q: Do you think there is any new development in Gorbachev's attitude towards China?**

**A:** Soviet leader Gorbachev has on many occasions expressed desire to improve relations with China, and we appreciate it.

**Q: Has the Soviet Union begun pulling out its troops from Sino-Soviet border areas? How many troops has it withdrawn from Mongolia?**

**A:** I haven't heard of any Soviet troop pullout from Sino-Soviet borders. As to the Soviet troop pullout from Mongolia, it's only one Soviet division deployed in the northern part of Mongolia, along with a few other Soviet units. They were not troops stationed near the Sino-Mongolian border.

**Q: How are China's relations with the East European Countries? What results do you expect the visit to Eastern Europe by Premier Zhao Ziyang will produce?**

**A:** We are satisfied with the fast development of China's relations with the East European countries in recent years. Zhao Ziyang will visit Poland, Democratic Germany, Czechoslovakia, Hungary and Bulgaria this June in his capacity as both the Chinese Premier and the Acting General Secretary of the Central Committee of the Chinese Communist Party. All-round relations between China and these countries will be fully normalized.

**Q: It was announced in 1985 that the foreign ministers of China and the Soviet Union would exchange visits. Now one and a half years have passed and the visits have not materialized. Do you think the visit will be made this year or when?**

**A:** Foreign Minister Wu Xueqian has no plan to visit the Soviet Union this year, and it's hard to say when the visit will be made.

**Q: Tsarist Russia had annexed 1.5 million square metres of land from China through unequal treaties. What's China's attitude towards the matter today? How much territory do you think tsarist Russia had annexed from China?**

**A:** The Chinese government has made it clear on many occasions that it is a historical fact that tsarist Russia had occupied part of Chinese territory through unequal treaties, and that the Chinese government is willing to resolve the Sino-Soviet boundary disputes on the basis of the existing treaties.

**Q: How does the Chinese government comment on the basic stand of the Japanese government on the question of**

**Kokario student dormitory? The note sent by China's ambassador to Japan to the Japanese Foreign Ministry said that on the Taiwan issue, violations of relevant Sino-Japanese agreements would create serious political consequences. What does it mean by "serious political consequences?" How will the Kokario case affect Sino-Japanese relations?**

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***T**he US government can play a certain role in matters relating to the settlement of the Taiwan issue.*

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**A:** It must be pointed out that the Kokario case is by no means an ordinary civil lawsuit, but an important issue of principle concerning whether or not the Japanese government really abides by the Sino-Japanese Joint Statement, the Sino-Japanese Peace and Friendship Treaty and the generally accepted norms of international law. The acceptance of the case filed by "the Republic of China" in a Japanese court is in itself a violation of the provisions of the Sino-Japanese joint statement, and the question cannot be explained away by the Japanese government's allegation of the "separation of the three powers." According to the generally accepted principles of international law, no country should make use of the provisions of its domestic laws to justify its violations of international law. The Japanese government ought to take the question seriously and earnestly and handle it properly so as to avoid affecting the friendly relations between the two countries.

**Q: China has been calling for the US government to play its**

**due role with regard to the Taiwan issue. What exactly do you think is the role the US government can play in the settlement of the Taiwan issue?**

**A:** The Chinese and US governments have signed three joint communiques in which the US undertakes certain promises with regard to the settlement of the Taiwan issue. And the US government is therefore duty bound to abide strictly and earnestly by the provisions contained in these communiques. It can play a certain role in this matter. However, the statement by the US government that they have no involvement in and place no obstruction to the settlement of the Taiwan issue is not quite true.

**Q: What is your comment on the Taiwan authorities' policy of three "no's," namely, no talks, no compromise and no contacts?**

**A:** Many people in Taiwan oppose this policy. We advocate the establishment of three links, namely, navigation, postal services and trade between the mainland and Taiwan Province. This is an irreversible trend and also conforms to the desire of the people on both sides of the Taiwan straits.

**Q: Will you give up the policy to settle the Taiwan issue by force of arms?**

**A:** We stand for the settlement of the issue of reunification of Taiwan and the mainland by peaceful means. But we cannot undertake any obligation to rule out the possibility of non-peaceful means in resolving the issue. Otherwise, it would be more difficult for the issue to be settled by peaceful means.

**Q: Would you comment on the recent visits by your Foreign Minister Wu Xueqian to Bulgaria, Poland and Czechoslovakia?**

**A:** In his first goodwill visits to the three countries, Foreign Minister Wu received welcomes both from their foreign ministries and other governmental departments, from the leaders and people in these countries. And he is satisfied with the visits.

**Q: What position is China taking on the Soviet-US nuclear disarmament talks? What is the main stumbling block for peace in the Asian-Pacific area?**

**A:** We hope that the US and the Soviet Union will discuss the matter carefully and come to a genuine disarmament agreement which does not jeopardize the interests of other countries. China holds that the two superpowers should not reduce or eliminate nuclear weapons in Europe alone while reserving some in Asia. Nuclear weapons must be reduced in the two areas in a balanced way. This is a question for the US and the Soviet Union to discuss. The main questions concerning the peace and stability in Asia are the elimination of tension in certain hot spots and resolving regional conflicts in some areas, such as Kampuchea, Afghanistan and the Korean peninsula.

### Qi Huaiyuan's Answer

**Q: Does the recent meeting between the Chinese and Israeli permanent representatives to the United Nations mean that China has made an adjustment or a major change towards Israel in light of changes in the international situation?**

**A:** The recent meeting between the Chinese and Israeli permanent representatives to the United Nations should not be interpreted as a change in China's policy towards the Middle East and Israel. The United Nations recently adopted a resolution on the convocation of an international conference on the Mideast

issue in an effort to seek a comprehensive and fair solution to the Mideast question. As one of the permanent members of the UN Security Council, China has its obligation and responsibilities for the maintenance of international peace and security. The Israeli side expressed the wish to meet with the representatives of the five permanent members of the UN Security Council with regard to the Mideast issue. It is on such conditions that a meeting took place between the Chinese representative and his Israeli counterpart in the United Nations.

During the meeting, the Chinese representative elaborated China's consistent positions with regard to the Mideast issue:

Firstly, Israel must withdraw its troops totally from all the territory it has occupied since 1967, including Arab-Jerusalem.

Secondly, the national rights of the Palestinian people, including the right to establish an independent national state, should be restored.

Thirdly, all the countries in the Mideast region have the rights to independence and survival.

The Chinese representative also expressed the Chinese government's support for the convocation of an international conference under the auspices of the United Nations for the settlement of the Mideast issue with the participation of the various parties concerned.

All the parties in the conflict, including the Palestine Liberation Organization (PLO), have the right to participate in the international conference on an equal footing.

Judging from this, it is clear that the meeting between the Chinese and Israeli representatives to the United Nations is part of China's effort to express its support for the convocation of the international conference. It does not mean China's policy with regard to this question has changed. ■

## International Studies

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# Tianjin's Democracy & Public Servants

by Our Correspondents Wu Naitao and Li Ning

The concept of democracy has been recently confused in China by some bombastic talk. Ordinary people are realistic. Tianjin's experience shows that democracy finds expression in people's daily life. It is visible, tangible and enjoyable.

In February this year, visitors to Tianjin heard rumours that Mayor Li Ruihuan would be transferred away from Tianjin. This caused some worry. Shi Jian, vice-chairman of the municipal people's congress standing committee, said: "As a Tianjin resident, I hope Li will continue working in Tianjin for another 10 years."

Li became deputy mayor in 1981 and mayor in 1982. Working in concert with his colleagues, he has effectively set the government machine on course and has done many good things for Tianjin's 8 million residents. This formerly crowded and disorderly city where people drank brine has changed.

The middle-ring road which links 14 main streets has opened; about a million families have moved into new apartment houses and use gas stoves and while speeding along the thoroughfare by bus or strolling in the gardens by the roadside, people are visibly pleased, and proud of being Tianjin people.

Effective administration can be attributed directly to Li Ruihuan himself. His dedication, realistic attitude, vigour, organizational ability and exemplary behaviour are highly praised. His strength comes from the people. He and his colleagues maintain close ties with the residents. They are devoted to the people and are true public servants. After his inspection tour of Tianjin last February, Bo Yibo, vice-chairman of the Central Advisory Commission of the Chinese Communist Party, was very impressed. He said: "Acting according to the people's wishes embodies the essence of socialist democracy."

■ Municipal people's congress. Here municipal government leaders hear the opinions and criticism of the masses as conveyed by deputies from factories, countryside, schools, residential quarters and shops.

■ The government consultancy committee. A 160-member organization composed of retired veteran cadres, experts and scholars, it is responsible for examining and advising on the problems to be tackled by the government. This organization, which is instrumental in making the policy decision more democratic and scientific, is nicknamed the "shadow cabinet."

■ Opinion surveys. A census was conducted among the 990,000 urban households in Tianjin, and 1,000 households were chosen for the survey. These 1,000 families each receive a questionnaire from the municipal government at the end of each year and give their comments on the government's work. By the end of 1986, four such surveys had been conducted, in co-operation with New York State University.

■ Mass media. The municipal government has established a press conference system. A regular conference is held once a month in addition to many others, through journalists, the government learns of people's feelings and through the media, informs the residents of its plans and administrative activities.

■ Communicating personally and by letter. By this method the government gets first-hand information about the people's well-being and their demands. The government publishes *Today's Information* as its bulletin. Over the two years of the paper's operation, the government has

## From the People, for the People

Li, 52, a native of Baodi County, Tianjin, began life as a carpenter, who became educated through self-study. After 1958, he helped direct the construction of some major projects in Beijing and became known as "a new Lu Ban" (a famous carpenter in ancient China). Li was later promoted to be a local leading cadre.

While holding public office in Tianjin, he has decided to do his best for the people and really improve their life. Since 1983 he has done "10 good things" a year

for urban people, and the same for rural people since 1984.

### Six Democratic Channels

Since the winter of 1982, the Tianjin municipal government has canvassed residents' opinion at the end of every year about what urgent problems they feel need to be solved. These issues would be tackled the next year. There are six channels through which people's opinions are solicited:

received an average of over 10,000 letters to the paper each year.

**“Three Strange Things”**

For years Tianjin’s people have been complaining about Tianjin’s “three strange things:” 1. three generations still living in temporary shacks put up for victims of the earthquake in 1976; 2. running water salty enough to make pickles in and; 3. motor cars more travelling more slowly than pedestrians. The facts are that there was a housing shortage, the quality of the drinking water was bad and there were traffic jams. Li was determined to remove his city’s “three strange things.”

Since 1982, Li personally directed the dismantling of temporary shacks, and the construction of new dwellings (3 million square metres of floor space each year), the diversion of Luanhe River water to Tianjin, the building of a middle-ring road, 34.5 kilometres long and 50 metres wide, and other huge projects.

With the support of central government leaders, the co-



LIU YU

**Mayor Li Ruihuan speaking at panel meeting to the Fifth Session of the Sixth National People’s Congress.**

operation of his colleagues and the joint efforts of local army units and residents, his organizational talent brought the project to success. The Luanhe River water diversion project was praised by Deng Xiaoping as “setting an example in building a project better, quicker and more economically.”

Li is also a good employer. In all the projects he directed,

everyone found a job where they could give play to his skills. A group of capable, dedicated young people have matured in the process. Hu Xihua, 30, a graduate of a technical secondary school, is one of them. He was unconventionally promoted to engineer status for his success in designing a flyover.

Aside from the huge projects which benefited all the residents, Li has done much to help people in need even if they are a minority. For instance, some old urban houses were built on low ground, so when the rain came, so did floods and residents suffered. Government officials listed the problem as one of the 10 major problems in 1985, and these houses were completely rebuilt. Over a hundred thousand residents were overjoyed, comparing the act to “sending coal in snowy weather.”

Although there were not many cases of “adding flowers to the brocade,” (meaning improving what is already perfectly serviceable, the government has begun to do so. For example, the 18-kilometre Haihe Park has involved tree planting in over 40 districts, a food street has been established where famous Tianjin delicacies are all

**A shot of No. 2 Factory of the Tianjin Municipal Briquet Company.**

YANG BAKUN



available, an ancient culture street with buildings which compare favourably with the Beijing glaze factory (famous for the beautiful glaze tiles it makes) has been built, as has a hotel street which helped ease the shortage of places to stay, all with unique characteristics.

### Relying on the People

"Relying on the people in everything done for the people" is the motto of the municipal government. Fang Fang, deputy secretary-general of the government office, says that nothing has been done without all the people of Tianjin contributing their efforts, from the diversion of Luanhe River water to Tianjin and the rebuilding of Haihe Park, to the opening of the middle-ring road and its outer-ring road.

Voluntary labour, showing a communist spirit, has not been so common in China recently, but in Tianjin this spirit has been manifest.

Last November, 250,000 Tianjin residents took part in voluntary labour for 25 days for the

construction of the outer-ring road; they laid the ground for the road, dug ditches along it and established a 500-metre wide round-the-city belt to be planted with trees. Voluntary labour not only shortened the construction period, but helped cut the cost by about three quarters of the budgeted allocation.

By working for the residents, the government has won the support of the residents, which, in turn, has helped the government work still better. Maybe this was why each of the 70 major tasks in

Tianjin in the last four years was successfully completed.

The municipal government also regards people's supervision as a way to motivate its residents and help its work. In early March each year, the government makes public what it plans to do in the hope that the residents can oversee the implementation. The practice has spread to all government administrative organs and enterprises. People do not worry that what is planned cannot be accomplished, but rather they fear what they want to see done will not be included in the plan.

### How Deputies Exercise Their Rights

The Tianjin municipal people's congress has over 780 deputies, representing the interests of over 8 million people.

#### Proposing Motions

At the week-long annual session of the municipal people's congress, deputies discuss and approve work reports submitted

by the municipal government, court and procuratorate. Many deputies also propose motions on problems faced by their electoral districts. Some problems are solved during the session, others are referred to relevant departments.

During the 1985 session, deputies from the Beijiao District jointly proposed a motion against the construction of a pesticide factory in the district. They said that the ingredients used contained fatal toxins and leakages were possible. The people in the surrounding areas were very concerned. When the motion was brought to the mayor, he summoned a meeting of officials. After careful deliberation, they agreed to stop constructing the factory.

At the April 1986 session, 781 deputies proposed 123 motions and made 1,106 proposals and criticism. The government or the relevant departments respond generally in three months to motions, proposals and criticisms which are deferred. If there are any problems which cannot be solved for the time being, the government or relevant department, must make the reasons clear.

Mayor LI Ruihuan having lunch with students of Nankai University in Tianjin.

SONG YOUJIN



## Checking up on Work

Since October 1985 when the municipal people's congress is not in session, the people's deputies often go on inspection tours at the grass-roots level. The deputies have been doing so either personally or in groups. After the inspection, they give their opinions to the departments concerned or directly to the standing committee of the municipal people's congress and the municipal government. Although the deputies are not supposed to settle problems themselves, their opinions are highly valued.

Ma Zongtao, a people's deputy, investigated a dozen factories, institutions, schools and stores in reaction to allegations of overcharging. When his investigation revealed that the accusations were well founded the municipal government took remedial measures immediately.

## Dialogue With the Mayor

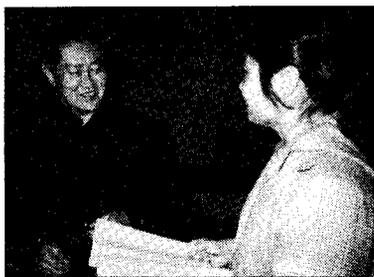
The standing committee of the municipal people's congress has been holding meetings for deputies to meet the mayor and deputy mayors since 1983. At the first meeting, Mayor Li asked deputies to make criticisms of his government's work in the past year.

Attending the meeting were Li, deputy mayors and heads of government departments, as well as a few dozen deputies to the municipal people's congress; sitting opposite them were some members of the standing committee of the municipal people's congress and deputies from the grass-roots level. These deputies were often blunt in pointing out the shortcomings in the government's work.

"The municipal government has decided to allot a block of flats to teachers," said Deputy Du Yunzhen, a teacher. "Unfortunately, three floors of the six-

storey building are occupied by cadres from the Municipal Educational Bureau." The head of the bureau promised to make investigations and correct the mistake.

In his speech, Deputy Li Xiao, a doctor, said some hospitals asked people visiting their hospitalized friends or relatives to pay a two yuan deposit with a view to



**Fang Fang, deputy secretary-general of the municipal government, being interviewed.**

preventing too many people from visiting the hospitals at the same time. The director of the Health Bureau forbade such charges and published this in the paper the next day.

## Appraisal Congress

The Democratic Appraisal Congress (DAC) was set up last August in the Economic and Technology Development Zone of Tianjin, where the foreign funded enterprises are concentrated. The organization aims at experimenting with democratic management in the development zone.

The establishment of DAC was first proposed by some young people, and received the support of Zhang Wei, head of the development zone's management committee and concurrently the provisional Party committee secretary. DAC members are all employee representatives, and although DAC is under the zone's Party committee, the Party committee does not meddle in its affairs.

According to DAC's notarized constitution, its members have the right to make suggestions and

recommend talented people, address inquiries to state departments concerned and impeach cadres of their misdeeds.

DAC has held five meetings already, including three question meetings. The first was about whether the cadres promoted to the zone's middle echelon met the four requirements (to be revolutionary, young, educated and professional). The second looked into services in joint ventures and the quality of engineering projects; the third discussed election of deputies to the people's congresses. At all three meetings people responsible for these areas answered questions. Involved in each meeting were scores of cadres.

At the annual DAC meeting votes of confidence in cadres above the level of department director in the development zone are held. The last session saw a voting rate of 83 percent. All the 31 leading cadres of the zone, Zhang Wei included, had a few votes of non-confidence or abstentions cast against them; Liu Baoping, deputy department head of the management committee, however, failed to get a majority of votes of confidence.

According to DAC's constitution, Liu must resign within 15 days after the non-confidence vote. Liu insisted on a right to reply. An extra question meeting, was arranged. During the meeting which lasted several hours, he defended himself by citing his achievements and the difficulties he had faced. Zhang Wei, who employed him, spoke in Liu's favour. The meeting still believed Liu was unsuited for the job and two-thirds of DAC's members voted for him to resign.

According to DAC's constitution, a person like Liu should be demoted or transferred. All this came as quite a shock to Liu's colleagues. Impeaching a cadre is unprecedented in Tianjin. It is still experimental, but the broad masses of the people think this will motivate cadres to work harder. ■

# Intellectuals and Bourgeois Liberalization

by Our Correspondent Wu Naitao

The Chinese leaders have on many occasions since the beginning of the year discussed the struggle against bourgeois liberalization. In his government work report to the Fifth Session of the Sixth National People's Congress which opened on March 25, Premier Zhao Ziyang spelled the policies out again. A number of intellectual members of the Chinese People's Political Consultative Conference (CPPCC) aired their views on this question at the Fifth Session of the Sixth National Committee of the CPPCC which began on March 24.

## Historical Witness

"Bourgeois liberalization means opposing the Communist leadership and opposing the socialist road," said Qian Weichang, a noted physicist and newly elected CPPCC vice-chairman. He is also vice-chairman of the China Democratic League and concurrently president of the Shanghai Engineering Institute. "I'm 75 years old. Half of my life was spent in old China under the rule of a hopeless non-Communist system."

Recalling the old days when China was torn by incessant civil wars, natural disasters and imperialist encroachment, Qian said that China had almost no industry of its own and even had to import nails. He said that in 1947 he was a professor at Qinghua University, but his monthly salary was enough for just one thermos flask. In 1949 there were 23 universities and colleges in China; there are 1,052 today. "The Communist Party has its shortcomings, but without it there would not be the gratifying situation we have today," said Qian.

"China has a population of 1 billion. It is extremely unevenly

developed. Only the Communist Party has the capacity to unite the whole country. I feel that everyone should work hard under the leadership of the Communist Party of China. We should cherish this situation, an unprecedented, positive situation, where stability and unity prevail and the whole nation is pulling together for the four modernizations."

"There are many things not quite as people wish, but they are being or will be improved. People should air their views calmly and no antagonistic action should be taken, as the objectives of the government and the people, students included, are the same." During the CPPCC session, many members made sharp criticisms or comments which is normal, concluded Qian.

Fang Jun, a CPPCC member and director of the Surveying and Geophysical Research Institute of the Chinese Academy of Sciences, said, "Fang Lizhi is young and intelligent. I like him very much. Liu Binyan wrote many articles appealing for justice and exposing evil which exerted great influence

on the masses. They were Party members, yet were always interfering with stability and unity. I'm against this, I don't support them at all. There is no party in a position to replace the Communist Party in leading New China."

## Sense of Responsibility

Yao Xueyin, a CPPCC member and a famous writer, said, "There are many reasons for the spreading of the bourgeois liberalization trend. The first reason is the weak and ineffective leadership. The second is that many younger people resent the 'left' politics of the past and the ten-year turmoil of the 'cultural revolution,' and yet don't have a real understanding of the Communist Party and socialism. Thus some of them took rebellious actions. Writers of our older generation have gone through many difficulties in life and understand that the four cardinal principles were formulated on the basis of China's historical experience. Therefore, we are not apt to be influenced by bourgeois liberalization."

(from left to right) Zhou Peiyuan, Fei Xiaotong, Lei Jieqiong and Qian Weichang, all CPPCC members, speak at a press conference in Beijing on March 30.

GUO ZHANYING



Yao said he had perceived that tendency in Chinese literary and art circles. "As a veteran writer, I have a strong sense of responsibility towards the future of China. So I too have made critical comments," he said.

He was for the practice: only a few Communist Party members who expressed opposition to the Party publicly have been expelled from the Party, and everyone else who made wrong statements or wrote erroneous articles before did not now face disciplinary action or punishment. Moreover, the criticism is strictly confined to the Communist Party and they were not criticised by name in the paper.

At a panel discussion of the creative members of the CPPCC, Yang Xianyi, former editor-in-chief of Chinese Literature, said that bourgeois liberalization is tinged with feudal ideas. The advocacy of complete Westernization is reminiscent of colonial ideas, and should be opposed.

Guan Hua, a poet and vice-chairman of the Beijing Association of Writers, added that the struggle against bourgeois liberalization must be coupled with a struggle against feudal ideas. "Just as Comrade Zhao Ziyang said," Guan said, "all problems must be solved exactly according to their natures."

### Right to Supervise

Wu Xiuping, secretary-general of the China Democratic League, was newly elected to the CPPCC. He said the League is composed of senior intellectuals and therefore is extremely sensitive about the policy of the Communist Party towards intellectuals. Since the three people who were expelled from the Communist Party are intellectuals, and intellectuals were often targets of previous political movements, many League members were nervous.

Their mind was put at rest when they heard Zhao Ziyang at a recent CPPCC Standing Commit-

tee meeting reaffirm that the struggle against bourgeois liberalization will be confined strictly to the Communist Party. It will not create disruption, said Zhao, it will not affect reform and construction, it will not change the policies of the Communist Party of China towards intellectuals, it will not affect the normal democratic life of society. Zhao also said the state policies of setting great store by knowledge, respecting talented people and letting "a hundred flowers bloom and a hundred schools of thought contend" will continue to be implemented. Most intellectuals have set their mind at rest now, said Wu.

Wu went on to say that those who have made mistakes were dealt with very carefully and properly. Fang was expelled from the Communist Party because he advocated complete Westernization. Still he is able to continue his scientific research and deliver academic reports upon invitation. Wu said he was glad to see that the Communist Party has become more mature having learnt lessons from its post-liberation experience.

Wu said the CPC Central Committee has repeatedly asked the various democratic parties to exercise supervision over the Communist Party. "In our country which is huge and was ruled by 'left' deviationist ideology for a long time, inevitably there will be some cases where things are not handled according to state policies. This is why some intellectuals still feel anxious today. It is our responsibility to lose no time in cautioning against malpractice."

### Theory and Practice

Liao Moshu, a CPPCC member and famous writer, was persecuted during the "cultural revolution" and suffered eight years of imprisonment. He said that contrary to Marxism intellectuals in China were always regarded as bourgeois elements in need of

ideological remolding. It was not until the Third Session of the 11th Party Central Committee in 1978 that it was theoretically confirmed that intellectuals were part of the proletariat and the labouring people. In practice, however, some people, particularly some of the cadres at the grass-roots level, still do not respect knowledge and intellectuals. For example, in some places, people who do simple manual labour receive more pay than people who do complicated mental work. This is unfair and should be reformed.

In Liao's opinion, the disturbances at the end of last year were, to certain degree, analogous to the Red Guard movement during the "cultural revolution." "These students are ardent but politically naive, they don't understand that disturbances will harm our country and our people," said Liao. Judging by the present situation, Liao holds that a second "cultural revolution" is unlikely. Given the turmoil that took hold at the time, the masses have an aversion to political movements. The student disturbances were also handled carefully and properly, he added.

Zhou Peiyuan, vice-chairman of the CPPCC and honorary chairman of the Chinese Association of Scientists, said the struggle will not impede the development of scientific research. On the contrary, he said, it will promote its growth. A case in point is the breakthrough Chinese scientists made recently in the development of super-conductors.

Lei Jieqiong, a sociologist, said that the struggle against bourgeois liberalization has also promoted the development of social sciences, as the struggle makes people, young people in particular, explore Chinese history and the law that governs the development of society. "Through such researches, they will have a better understanding of why China cannot take the capitalist road and why complete Westernization will not work in China," said Lei. ■

# Rise of Horizontal Business Associations

by Li Yongzeng

**B**eginning this year, China's three largest automobile groups—the Dongfeng, Jiefang and Heavy-Duty Auto Industry Joint Corporations—were allowed to submit their plans directly to the state. This shows that the Chinese government has decided to encourage horizontal association of enterprises with economic means, in the hope that business groups across regional and trade lines organized on a voluntary basis will help to break the fetters on the development of large and medium-sized enterprises. It is an important part of China's economic reforms in 1987.

## Three Automobile Groups

China's automobile manufacturing goes back only a little over 30 years, with a weak base, it can only turn out 400,000 motor vehicles a year. Since it involves producing many parts and

accessories and calls for wide-spread yet close co-operation between specialized producers, its development spurs the growth of other relevant trades, thus laying the ground for the formation of large business groups. The emergence of these three automobile groups following a nationwide campaign for horizontal association is, therefore, only a matter of course.

**The Dongfeng Auto Industry Joint Corp.** With its headquarters in the No. 2 Automobile Plant in Shiyan, Hubei Province, the business group has a workforce of 210,000 and fixed assets of 3.2 billion yuan. Its total industrial output value hit 5 billion yuan in 1985 and it produced about 100,000 motor vehicles that year, netting a profit of 1.7 billion yuan.

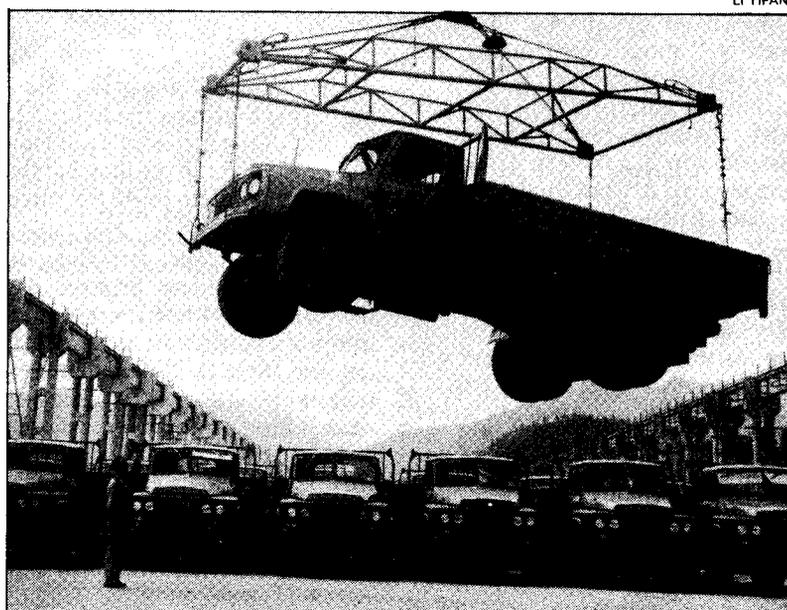
The No. 2 Automobile Plant proposed in 1980 to set up a trans-regional joint company on the basis of specialized co-operation with relevant businesses. This was well received by Deng Xiaoping

who was making an inspection tour there at the time. He said large enterprises like the No. 2 Automobile Plant should become a centre promoting co-operation between a number of provinces. In 1981, the government approved the Dongfeng Joint Corp. which included eight other automobile factories in Hangzhou, Guangzhou, Liuzhou, Guizhou, Yunnan, Chongqing, Hanyang and Xinjiang. By October 1986, the company's member factories had totalled 166, which were located in 24 provinces, municipalities and autonomous regions throughout the country.

**The Jiefang Auto Industry Joint Corp.** With the No. 1 Automobile Plant in Changchun as its mainstay, the Jiefang Group has 144 member factories, distributed in 21 provinces, municipalities and autonomous regions, and involves seven departments—machine-building, transport and communications, urban construction, public security, civil administration, forestry and military industry. The group now includes 12 automobile factories and 32 motor vehicle refitting factories. With 210,000 employees and fixed assets of 2.2 billion yuan, the group produced 130,000 motor vehicles worth 4.2 billion yuan in 1985, making some 900 million yuan profit.

Built in the early 1950s, the No. 1 Automobile Plant established stable inter-dependent economic relations with many other Chinese enterprises. During China's economic reforms, the plant was granted decision-making power, including the right of co-operation. It first founded a motor vehicle production co-operative with factories producing Jiefang parts and accessories. It also set up a Jiefang products joint company with automobile refitting factories using Jiefang chassis, and a

Dongfeng Brand trucks manufactured by the No. 2 Automobile Plant.



LI YIFANG

maintenance service centre of factories repairing Jiefang trucks. In 1982, the government approved the Jiefang Auto Industry Joint Corp., an amalgamation of the three joint management businesses.

**The Heavy-Duty Auto Industry Joint Corp.** Given the slow progress of China's heavy vehicles industry, the government created a department to prepare for the establishment of No. 3 automobile plant in 1978, and it planned to invest 2 billion yuan in the factory with a designed capacity of manufacturing 100,000 trucks a year. Later, as the readjustment of the national economy made it impossible for the government to carry out the plan, a number of automobile factories formed the Heavy-Duty Auto Industry Joint Corp. in 1983 which has since imported technology to re-equip the existing enterprises. The group is now a two-tiered operation, one tier is made up of 30 major automobile factories in 10 provinces, with a combined workforce of 80,000 and fixed assets of 1.1 billion yuan. In 1985, it achieved a total industrial output value of 1.4 billion yuan and produced about 20,000 trucks, accounting for more than 80 percent of the country's total truck output. The second tier is made up of a number of joint management businesses, each centring around a major truck manufacturing or assembling factory and involving over 300 factories.

### Driving Force of Reform

The emergence of the three automobile groups is the inevitable result of horizontal association which is gathering momentum in China's current economic reforms. Under the old overcentralized economic system enterprises were administered vertically according to ministries, departments and regions, the interrelations of their economic activities were ignored and

commodity production and the law of value were neglected. This dampened the potential of enterprises. Since 1979, this situation has been improving.

First, China introduced the open policy. One implication of this is to open China's doors to the outside world and develop international economic exchanges; another is to open cities' doors to each other's economic advances. This encourages the country, and every enterprise within it, to be more attractive to outside investment, facilitating Sino-foreign economic exchanges and horizontal economic co-operation at home.

Second, in accordance with the principle of separation between ownership and management, enterprises have been given more decision-making power, to determine their own production, management and plans, to sell their products, at prices set by themselves, to purchase raw materials, to dispose of their funds and property, to establish administrative and production institutions, to distribute wages and bonuses, and to decide on their personnel and management. Many enterprises find that they can no longer "eat from the big pot" of the state and must compete in the market. So they have set about reorganizing and seeking co-operation.

The enterprise-to-enterprise and region-to-region economic association has in turn promoted the reform. A work conference on urban structural reform was held in March 1986 to study and deploy the work of horizontal economic associations. Premier Zhao Ziyang said at the meeting that an important part of the reform was to expose aspects of the current system which impede association. The State Council enacted a 30-article regulation on advancing horizontal economic association. This stresses that association should be conducted on a voluntary basis and should not be confined within a region, a

department, a trade or type of ownership. To keep up, various departments have adopted measures to reform their planning, financial, credit, materials supply, industrial and commercial management, and even statistical systems.

### Results of Reform

By the end of last July the number of registered economic associations in China had topped 60,000, the number of economic co-operative projects had exceeded 50,000, and the number of economic co-operative zones had reached 100. Materials involved in these co-operative programmes were valued at 15 billion yuan and the funds involved topped 16 billion yuan. The horizontal economic association has broadened and deepened the scope of the reform and brought about great changes in the country's economic life.

—Economic results improve. In the first nine months of last year the various co-operative projects in Jilin added 700 million yuan to its industrial output value and 140 million yuan to its profit and tax paid to the state, an increase of 60 and 70 percent respectively over the same period of 1985. In the first six months of 1986, the output value of Jiangsu Province's 56 business groups made up 32.8 percent of the province's total and the profits and taxes they handed over to the state were 40 percent of the province's total.

—The barrier of the old economic systems broken. The development of horizontal association requires enterprises to change their relations, planning and financial structures, and their distribution systems. It will also reduce the scope of the state mandatory plan and promote the market in the means of production. Since last year, associations breaking all the previous barriers have become

more varied and the number of businesses involved has kept rising. More units are forming associations to facilitate the development of production, scientific research and circulation of funds. Some specialists believe that this tendency will lead to the reform of the management system, putting great pressure on administrative companies which supervise enterprises.

—Circulation of funds promoted. By last June, the value of inter-bank borrowing and lending in Guangzhou, Chongqing, Wuhan, Shenyang and Changzhou had topped 11 billion yuan, and banks in Beijing, Shenzhen, Xinjiang and Qingdao lent banks in Chongqing and Changzhou about 200 million yuan between April and July last year.

—More research results applied. The number of scientific research and production combinations has topped 10,000. In Liaoning Province, 216 scientific research institutions, 44 institutes of higher learning and 609 enterprises organized 157 scientific research and production associations. Their co-operation has expanded from the transfer of research achievements and the dissemination of new technology, to the development of complete sets of equipment and contracting large projects; from co-operation in tackling difficult technical problems and developing new products to reforming traditional industries and developing new industries; from bilateral association to multilateral association involving several specialties and branches of learning.

—Structure of the old ownership system changed. Mutual investment and joint management between enterprises in the public and collective sectors becomes possible, which, in turn, leads to the formation of a new structure of ownership. Currently there are 6,000-7,000 businesses with shares and their combined shares are valued at 6 billion yuan. This is a

new way to revitalize the enterprises.

—Varied organizational structure promoted. With the growth of co-operation in specialized lines of production, new forms of association, such as research-production, industry-commerce, industry-trade, urban-rural and military-civil integrated enterprises, have emerged.

### An Inevitable Trend

Premier Zhao Ziyang pointed out that the strengthening of horizontal relations between enterprises will break the boundaries between different regions and departments, promote the advancement of the planned commodity economy, and rationalize enterprises' organizational structures. This should emancipate social productive forces. The development of horizontal association will definitely lead to the formation of different types of business groups with new ownership structures, and planning, financial and circulation systems.

With stable ties of association, almost all the large business groups have acquired the status of legal persons with defined rights and obligations. Some of these groups are nationwide businesses and some, regional; some are production-oriented and some, marketing-oriented. There are also banks which join forces to issue loans and financial institutions which form associations with productive enterprises. The Dongfeng Automobile Group is a nationwide combination of businesses producing Dongfeng automobile products, while the newly founded China Wanbao Household Electrical Appliances Group is a combination of more than 50 businesses producing refrigerators, air conditioners, freezers, washing machines and other household electrical appliances and parts in nine provinces and three cities, with Wanbao re-

frigerators as its flagship. The Wanbao group embraces productive enterprises, as well as scientific research institutes and commercial departments, such as the Guangzhou Electrical Appliances Scientific Research Institute, the Xiangtan Light Industry Design Research Institute, the Wuhan Arts and Crafts Co., and the Wanbao Beijing Joint Management Co. Enterprises may join or quit any business group and choose whatever form of association they themselves agree upon.

The emergence of business groups will make a notable impact on China's economic reforms and economic growth. First, it will help rationalize the industrial setup and the organizational structure of enterprises. Second, it will open new avenues for the reform of the industrial management system and the planning system. Business groups to be founded in the future will no longer be controlled by the upper-level administrative authorities in planning, investment and supplies, and will enjoy more autonomy. Relevant departments may establish economic relations with business groups through direct dialogue. Third, the scattered advantages of each single enterprise can be turned into advantages shared by a large group of businesses, and the optimum use of the personnel, technology, funds and factories involved can be made. Fourth, it will help form a unified market at home, to include the money market, the technology market and the market in the means of production. Fifth, it will expedite the structural readjustment and reform of the ownership system and create the conditions for the expansion of shareholding management. ■



## ACFTC — Home for Taiwan Compatriots

**"LIAOWANG"**

(Outlook Weekly, Overseas Edition)

Since the founding of the All-China Federation of Taiwan Compatriots on December 27, 1981, 28 of China's provinces, municipalities and autonomous regions, along with 67 cities and counties, have established branches of the federation one after another.

Now there are more than 27,000 Taiwan compatriots living on the mainland, who have a thousand and one links with people in Taiwan and the Taiwanese residing abroad.

According to the principle of having its feet firmly planted at home and keeping foreign land in view, the federation, focusing their work on Taiwan compatriots residing in Japan and the United States, has been in contact with Taiwan compatriots and their organizations in recent years by inviting them to China and going to visit them abroad. Through various activities, the federation has become better acquainted with a lot of Taiwan compatriots living abroad to find out what they are thinking about and to help them better understand the Chinese government's principles and policies concerning Taiwan and the situation on the mainland.

Over the past five years, the federation sent 18 delegations to visit the United States, Japan, Canada, Brazil, Argentina, the Federal Republic of Germany, Thailand and other countries where there are many Taiwanese. During the visits, the delegates exchanged views with more than 5,000 Taiwan compatriots from all walks of life and established good relations with their organizations. Last year, the federation's six

president and vice-presidents led delegations in meetings or activities sponsored by Taiwan compatriots residing abroad.

At the same time, the federation has hosted 50 delegations and groups of 2,160 Taiwan compatriots residing abroad, and about 650 single tourists. In addition, several hundred Taiwan scholars residing abroad have been invited to give lectures, make on-the-spot investigations and take part in academic exchange activities in China.

Since 1984 the federation has run a summer camp for young Taiwan compatriots residing abroad. About 400 people from more than 10 countries have attended. The federation organized varied and colourful activities for the participants to help them better understand that Taiwan is an inseparable part of China and its culture forms an integral part

of the culture of the Chinese nation.

In order to help Taiwan compatriots residing abroad who wish to be involved in economic activities on the mainland and contribute their share to the prosperity of the Chinese nation, the federation established an economic affairs department in 1985, as well as an economic and technological development company, with the aim of moving its links with Taiwan compatriots into the economic sphere.

Since its establishment, the economic affairs department has made energetic efforts to help Taiwan compatriots residing abroad acquire a better understanding of the economic situation on the mainland as well as the Chinese government's economic policies, so as to create conditions for them to do business and make investments in and transfer technology to the mainland.

Good services and hospitality have earned the federation the reputation as the "home of Taiwan compatriots on the mainland."

(Feb. 9, 1987)

## Smoking Brings No End of Trouble

**"JIANKANG BAO"**

(Health Newspaper)

Some medical experts have called on the Chinese tobacco industry to produce less poisonous products and urged people to quit smoking, fearing that deaths from lung cancer and other diseases caused by smoking will rise from the present 100,000 to 2 million a year by 2025.

Chinese experts say that one out of every five tumour cases in the Beijing Tumour Hospital attached to the Chinese Academy of Medical Sciences, the biggest of its kind in China, is lung cancer and

nine out of every 10 lung cancer sufferers has had a history of smoking. Lung cancer has become the number one cancer killer in Beijing while in Shanghai it is the second, though it is still the fourth largest killer on the national list with stomach, oesophagus and liver cancers ahead of lung cancer for the time being.

The experts expect that lung cancer will become the number one killer in the country after the year 2000 when improvements in the people's diet and medical care are expected to reduce deaths from the other main types of cancer. More deaths from lung cancer are predicted because of the increase in smoking.

A recent survey shows that more than 60 percent of China's male population smoke, most starting the habit between 15 and 24 years of age. The daily consumption by males is between 10 and 20 cigarettes. Among Chinese women, eight out of every 100 smoke about 10 cigarettes a day. If nothing is done, the experts warned, China will see in the next century 900,000 deaths from lung cancer annually and more than 1 million deaths from respiratory diseases, heart trouble and

hypertension caused by smoking.

For the sake of future generations, they suggested that medical workers should try to tell people, especially the young, of the harm caused by smoking and do what they can to help people break the habit.

They also urged departments to draft rules to encourage the producers to make cigarettes containing less poisonous elements, including tar and nicotine.

(Feb. 19, 1987)

level leaders who were incompetent have been dealt with by the provincial Party committee. Those who lacked experience were transferred to work at the grass-roots levels; those who were short of pioneering spirit and managing capability were demoted or transferred to other jobs suited to their ability; and those who seriously violated discipline or led a dissolute life were dismissed.

— A system of cadre exchanges and transferences has been established. Generally speaking, major county-level leaders who are locally born are not allowed to work in their native places so that all their relatives do not work under them. The departments concerned should help husbands and wives, parents and children, etc., who work in same unit to transfer in accordance with social needs and their speciality, but attention should be paid not to bring inconvenience to their family life in doing so.

## Changing Cadre Appointment System

**"RENMIN RIBAO"**

(People's Daily)

Since the Party Central Committee is seeking to reform the cadre system, the Shaanxi provincial Party committee has adopted a series of measures over the past few years to further this reform in the province.

— Combining the standard organizational test of recommended cadres with the solicited opinions of the public. With this method the leadership of 52 government departments directly under the provincial Party committee has changed. The provincial Party committee made it compulsory in 1986 that in nominating a cadre candidate or dismissing a cadre, the personal files must be submitted along with the results of the organizational test and the opinion solicitation to the higher authorities. If someone is to be appointed in the unit, at least 80 percent of the units' employees must have their opinions solicited.

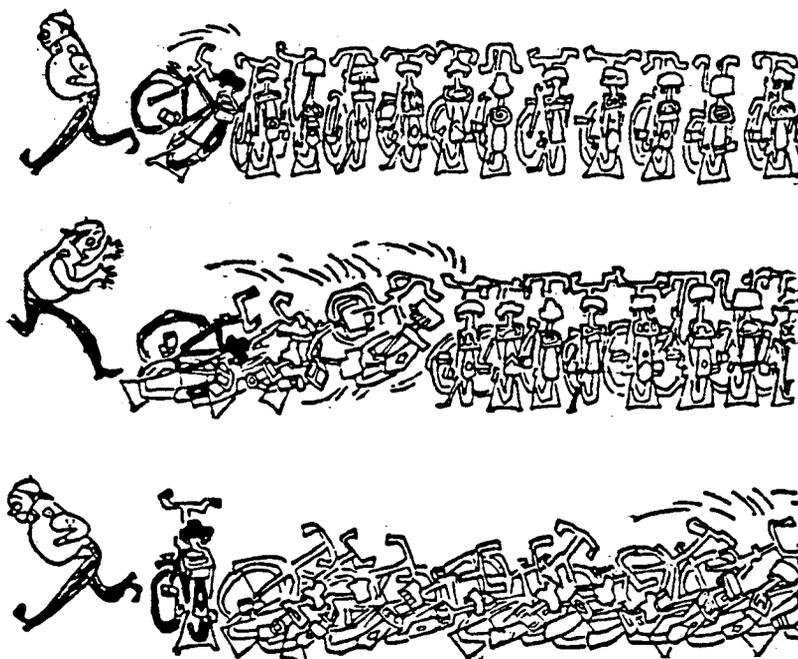
— Regular assessments of cadres by soliciting opinions of the rank and file, which serves as a factor in deciding further promotions or demotions of those cadres. In 1986, 52 leaders at the

prefectural level were promoted and 14 city-level leaders were demoted or dismissed as a result of these assessments.

— Further chipping away at the life-tenure practice the cadres have traditionally enjoyed. Over the past few years, about 100 county-

In the Bicycle Park.

CARTOON BY YE CHUNYANG



## China to Import Foreign Technology

**C**hina will focus its imports this year on advanced technology and key equipment. Import of consumer durables and ordinary machinery and electrical equipment will be tightly controlled. Projects for which contracts have been signed in the past few years, and imports for key projects included in the state plan, will be carried through.

The second-phase construction of the Baoshan Iron and Steel Complex near Shanghai, for example, will continue to import major equipment, such as sintering machines, blast furnaces and coking ovens. Work is under way to import power transmission and transformation equipment for the special coal railway line from

Datong in Shanxi Province to Qinhuangdao port in Hebei Province. Meanwhile, some testing and other equipment is being imported for a coal pier at Qinhuangdao port to serve the Datong-Qinhuangdao line. For the raw materials industry, China will continue to import installations and equipment for the production of soda ash, ammonia phosphate and alumina. China will also import diesel engines and related manufacturing technology from the United States.

In the past few years China has imported advanced equipment, for a large number of bigger projects, of which 127 items have gone into operation. These projects which are in the fields of energy, transport, telecommunications, raw materials, and electrical and machinery industries, will yield greater economic results during China's Seventh Five-Year Plan period (1986-90). ■

## 179 Foreign Financial Offices in China

**T**wenty three foreign financial offices were approved in China in 1986 and the Banca Commerciale Italiana, Credit Italiana and Generale Bank of Belgium opened their offices in Shanghai and Beijing early this year.

Since China adopted the open policy in 1979 foreign financial organizations have attached increasing importance to the Chinese market. By the end of March 110 financial organizations from 23 places abroad had established 179 representative offices in China: 102 in Beijing, 26 in Shanghai, 20 in Guangzhou, 10 in Dalian, 10 in Shenzhen, 3 in Tianjin, 3 in Qingdao, 2 in Xiamen and one each in Wuhan, Nantong and Zhuhai. Of these organizations 86 are banks, 8 are securities and 16 are insurance companies. Japan has the greatest

number of offices (41), the United States, France, the Federal Republic of Germany, Italy, Hong Kong, Canada, Britain and Sweden follow in that order. Of the 50 biggest banks in the world 40 have their offices in China, including the Citibank N.A. and the Bank of America (United States); the Fuji Bank, Dai-Ichi Kangyo Bank and the Industrial Bank (Japan); and the Banque Nationale de Paris and the Credit Lyonnais (France).

One of the main reasons these organizations establish their offices in China is the great potential of the Chinese market. These offices have done much to help China verify projects which could be funded by international loans, organize loans, contact relevant organizations and train personnel.

**by Yao Jianguo**

## China Co-operates On Weather

**C**hina has become one of the World Meteorological Organization's (WMO) most influential members. To date, it has joined forces with more than 80 other countries in international meteorological co-operation.

China has participated in activities of all the eight commissions under WMO in a number of large-scale international meteorological scientific experiments including world weather watch, global atmospheric study and the world climate programme, and in regional co-operative activities such as typhoon and monsoon studies.

As part of the world meteorological data system, the Beijing meteorological centre handles meteorological information from all over the world and provides over 100 weather charts daily for domestic and international use.

So far, the centre has set up high-speed meteorological transmission circuits with seven countries including Japan and the Federal Republic of Germany. Circuits linking China with American and African countries have helped establish an international meteorological information network.

China began to take part in international meteorological co-operation in 1972, and thus far, the co-operation has taken many forms and involves information exchange, joint experiments and technology imports.

China has signed 13 agreements with 10 countries, including the United States and Australia, for bilateral co-operation in atmospheric pollution studies, satellite data processing and digital weather forecasting. It has also imported from these countries advanced digital radar and satellite platforms, which can be widely used for weather forecasting, meteorological surveys, fishing and flood prevention. ■

## Pingshuo Coal Mine To Start Operation

The Antaibao Open-cast Coal Mine in Pingshuo, one of the biggest Sino-US joint ventures, will go into trial production in July this year after two-years' construction. It is expected to produce 3.5 million tons of coal this year, of which 2.88 million tons will be exported.

Located in Pinglu and Shuoxian counties in northern Shanxi Province, the mine covers 18.58 square km and has 450 million tons of coal to be exploited. It is designed to produce 15.33 million tons a year. Construction of the mine has been progressing well since it started in July 1985. Now 10 power shovels with a capacity of 24 cubic metres each and 107 dumpers with a loading capacity of 154 tons each have reached the mine. The assembling of a complete set of washing equipment with a capacity of 15.3

million tons a year will soon be finished. By the end of June 61.85 cubic metres of rock will have been stripped. Kang Ying, senior engineer at the mine, said that the speed and the efficiency of this construction is greater than other similar coal mines in the country. After completion this coal mine will be the largest of its kind in the country.

The coal mine is jointly managed by the Pingshuo No. 1 Coal Co. Ltd., a joint venture between the China National Coal Development Corp. and the China International Trust and Investment Corp., and the Island Greek of China Coal Co. Ltd., a joint venture run by the Occidental Petroleum Corp. of the United States and the Bank of China Trust and Consultancy Co. This contractual venture has a total investment of US\$650 million and the co-operation period is 15 years. The partners will share the products. ■

## Trade News in Brief

■ A port in the Zhoushan Islands in eastern Zhejiang Province opened to foreign vessels on April 1. A port administrative office, a customs-house and frontier inspection and health quarantine offices have also opened.

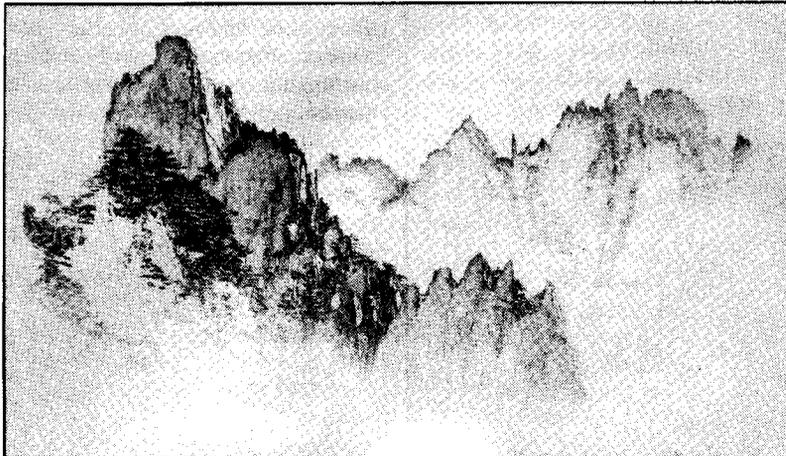
■ The construction of the Shanghai International Trade Centre, the biggest Sino-Japanese joint venture in the city, was begun in March. A joint venture run by six companies (including the Shanghai Foreign Trade Corp., the Kowa Fudosan Co. Ltd. and the Industrial Bank of Japan), the trade centre needs a total investment of US\$100 million. It covers 90,000 square metres; on the top of the 37-storey central building will be a helicopter pad and in the basement a parking lot. The construction should take two and a half years.

Constructing the Pingshuo Coal Mine.

DONG RONGGUI



## Beauty Seen Through Camera Lens



Sketch of Huangshan Mountain. (black and white)

CHEN GUOREN

China made another of its firsts when the Exhibition of Landscape Artistic Photography opened from March 17 through 27 in China's national art gallery in Beijing. It's a real treat for China's gallery-goers to see their compatriots' photographs depicting China's natural beauty and outlets for photographers' philosophies. The 300 photos on exhibit, selected from among 16,000 pictures sent to the organizing committee from across China, cover a variety of scenes from the most simple and roughest to the most tender and delicate. All traditional, full-pictorial photographs have been abandoned for this exhibition.

Ru Suichu, chairman of the organizing committee, said that none of the pictures have been reproduced full-length because "it is too expensive to enlarge them to that size." And because all the funds gathered for this exhibition by the members of the organizing committee amounted to only 20,000 yuan (US\$5,400), all the pictures are processed and enlarged by only one technician," who was so exhausted that

unfortunately he over-developed most of the 300 photographs.

The Japanese photographer Hiroji Kubota's exhibition, "China—Photographs by Hiroji Kubota," opened at the gallery almost simultaneously from March 3 to 22. While the quantity of Kubota's work and his insight into China's society and traditions are matchless, the Chinese photo-

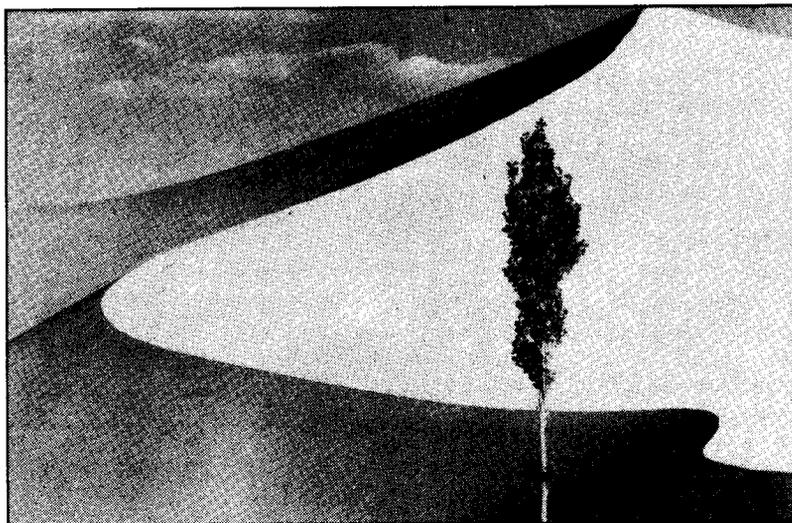
graphers' landscape pictures are handsome and well-composed.

Twenty of the pictures were awarded four prize trophies—Green Mountain Cup, Blue Sky Cup, Hope Cup, and Landscape Cup. Some of the other brilliant pictures did not win critical acclaim. "Autumn" by Liu Ping, "A Cottage in the Countryside" by Gao Lanqing, "As Fine As Jade" by Qiao Tianfu were excluded from any prizes.

As China is trying to catch up with the world in many areas, it has regarded efficiency as the most important, Chinese people are asking for aesthetics in a much, much more simplified form. "In the case of artistic photography," said Ru Suichu, "photographers used to try to put everything into one of their pictures, from near subjects, to those in the middle distance to objects far in the background. A viewer had to really scrutinize a picture in order to see what a profound theme is happening there." "Today," con-

A Poplar Tree. (black and white)

LIAO XIAOXI



tinued Ru, "people are busy. They usually take a quick look at works of art in their spare time using what little extra energy they have. I think the different characteristics of times ask for different styles of art. Beauty in its most simple form is in fashion now. A picture should always leave some space for viewers to fill in, to digest."

As in "As Fine As Jade," people can see a sort of marsh with a stream running across the middle, four trees on the other side of the stream and the soft, lush grass on the ground. All the scene is bathed in cold blue light mixed with a riot of little impressionistic bright colour spots. It's a simple corner of mother nature showing love and peace.



Lingering Charm of Hills. (colour)

ZHANG LIANFU

Actually, in China's institutes of fine arts, less-respected painters' works have long been diminished as photo pictures—static, lifeless. The statement has made hundreds of China's photographers "indignant," according to Ru. In this

landscape exhibition, people can see photography as being a strenuous pursuit of some of the same effects achieved by oil paintings, by Chinese ink-and-colour, or by water-colour paintings. Some are in the traditional painting style; some are modernistic. In "A Cottage in the Countryside" by Gao Lanqing, people can find traces of traditional Russian paintings with their fertile, vast land and mature, heavy colours. In black-and-white pictures like "A Sketch of Mount Huangshan" by Chen Guoren, "Jiuzhaigou in Autumn" by Li Cheng, "A Mountain Village" by Chen Jun, and "The Crescent Moon" by Xia Yong, the superb, perfect lines, often seen in the style of traditional Chinese brush works, surpass those line drawings in form and content.

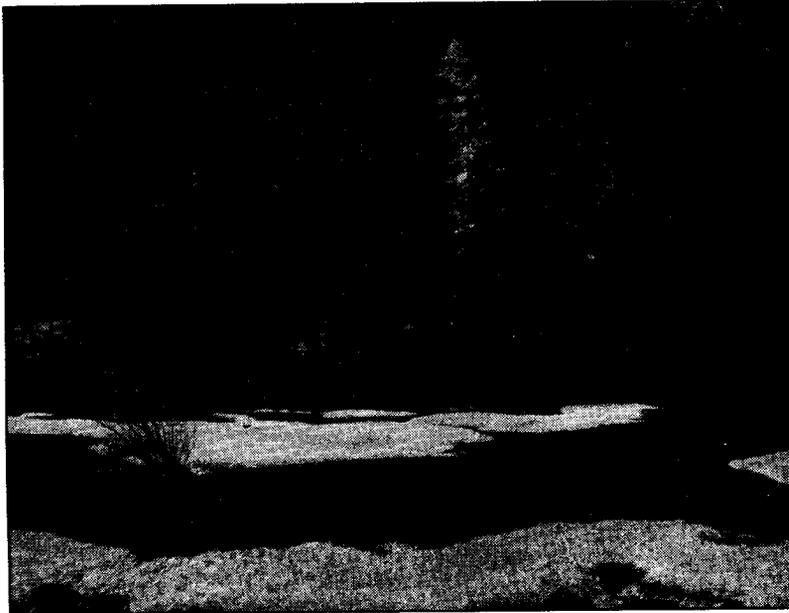
In "Mist-Shrouded Peaks" by Ren Yihua we see the style of "modernistic" Chinese ink paintings, diluted blocks of ink are used to depict a group of mountain peaks, clouds, or mist penetrated by shafts of sun rays.

Another style of paintings is seen in "A View From the Stone Forest." If it were not for the title, people might regard the picture as "abstract stuff"—several blocks of bright colours, golden yellow, dark red, sky blue, dark brown, silvery white. Actually according to Gu Weihuan, the photographer, "A View From the Stone Forest" was taken at night in Guilin. The bright colours of the stone forest were added by him

A View From the Stone Forest. (colour)

GU WEIHUAN





Swan Lake. (colour)

NIU XI

by putting coloured paper on flash lights. After exposing the film about 10 times, the various colours are absorbed.

Another major part of the show are scenes where minority people live. "The Potala Palace in Tibet" by Meng Zi, "Arabian Nights in Xinjiang" by Huang Weibo, "Lingering Charm of Hills" by Zhang Lianfu are the outstanding ones. "The Potala Palace in Tibet" is brilliant not only for its artistic value but for the photographer's skill in showing how mysterious Tibet is after all. In the picture, the sky is low heavy with angry clouds and two enormous dark mountains on the Qinghai-Tibet Plateau shoulder the Potala Palace while the palace, higher than other peaks and half-illuminated by soft golden light touches the sky with its roofs.

"Arabian Nights in Xinjiang" depicts the mosque in the dark background pointing eerily to the sky. What most characterizes the lovely humour of Xinjiang is the golden crescent moon and a large modern building in the distance.

Behind the glamour of these brilliant photographs is the hardship these photographers

have undertaken. Niu Xi, the only photographer to win two cups in this exhibition, said he is normally an advertising photographer. He doesn't have much free time for artistic photography. His "Snow on Mount Minshan," he said, was taken during a chance visit to Sichuan. Because of poor transportation in the mountain area of Sichuan Province, he went to the foot of the ice mountain Minshan on a lift. After spending three hours taking the picture and climbing down the mountain, he had to walk another three hours back to his lodging place.

by Zhao Zonglu

## Ancient Culture In Dance Drama

In a country of more than 50 national minorities, it is no easy matter for a folk dance drama to make its way onto the stage of the capital city. But *Xixianu* (Girl From West China) by the Song and Dance Ensemble of Ningxia Hui Autonomous Region made it. It was the first stage presentation of the ancient tribal group Dang-

xiang (Tanguts) of the nomadic Qiang nationality and was favourably received by the fans.

The state of Xixia (Western Xia), mostly made up by Dangxiang-Qiang and other minorities, was a very powerful state extending across a region of 2,500 square kilometres. In present-day geographical terms, Xixia would cover the provinces and autonomous regions of Ningxia, Shaanxi, Gansu, Qinghai and Inner Mongolia. The magnificent culture reigned from the 11th to 13th centuries, enjoying a flourishing economy and a well-trained army. As a powerful neighbour to the Song (960-1279) and Liao (907-1125) dynasties, the state of Xixia has an important place in Chinese history.

For years Xixia culture has been a major research interest of historians both from China and elsewhere. Some years back, a Xixia cemetery was found west of Yinchuan, capital of Ningxia Hui Autonomous Region. In the tombs a considerable amount of pottery, stone statues, gold and silver jewellery, coins and other archaeological treasures were unearthed. Most amazing, though, was the discovery of the Xixia written language, which consisted of as many as 6,000 characters and was used for some 500 years. The characters resemble Han characters, but none is exactly the same.

Buddhism was the predominant religion in Xixia. Two of its kings were believed to be faithful Buddhist scholars. Under them a great deal of Buddhist sutras were translated into the Xixia language and numerous monasteries were built. Some examples of Xixia architecture have been preserved intact. The pagoda which was built between 1049 to 1066 in Chengtian Temple and various other marble tablets with Xixia inscriptions are probably the best known in Yinchuan. Some of the Buddhist scrolls printed in Xixia characters with movable type are

still well kept in Beijing's Palace Museum, although many of them are now scattered in numerous foreign museums. In the Soviet Union and Japan, there are quite a few scholars prominent in the study of Xixia culture and history.

The history of Xixia is a history of wars closely associated with territorial expansions. Set in such a historical background, the dance

**Suying, the hero, falls in love with Ahxian.**

CHEN ZONGLIE



drama tells of a tragic love story between a Xixia girl and a Han general of the Song Dynasty. In the dance drama war separates people from each other, destroying the most beautiful thing in the world to them. *Xixianu* also shows how valuable a peaceful life is for the human race.

Ahxian, a Xixia girl, is kind-hearted and beautiful. She is also a well-trained army officer. She tries to save her father, who was captured in a battle by his Song rivals, by breaking into the enemy's camp all by herself. Her rescue attempt fails and she is captured by Suying, a general of the Song army. Suying is deeply moved by Ahxian's bravery and her love for her father, and falls in love with her. But Ahxian's father is vehemently opposed to their love. Meanwhile, Yihei, a Xixia

officer who also loves Ahxian becomes jealous, and watches for an opportunity to get revenge. As Suying and Ahxian are giving their oaths to the gods, Yihei thrusts his sword at Suying. Ahxian jumps between them and is killed instead.

More than two years' work went into creating the dance drama, said playwright Ge Hua. He and others involved in the production visited the Mogao Grottoes in Dunhuang and Yulin Grottoes in Anxi in the west of Gansu Province. There they found plenty of inspiration for dances that would be typical of Xixia. For example, the "iron striking" dance was taken from one of the frescoes in the fourth Yulin Grotto. Ge found a picture depicting some blacksmiths striking iron. On the left side of the picture, one man is pushing a bellows. It was an advanced sort of bellows for that time period and it stood straight up. On the right side, two men are striking iron. Another sequence called the lotus-holding pilgrims' dance depicts the influence of Buddhism on Xixia culture. This dance was taken from the 285th Mogao Grotto where there is a picture of the Xixia pilgrims. A pagoda tomb sits in the middle, flanked by four people with flowers in their hands piously worshipping.

As typical northerners, the Xixia people were known for their bravery, honesty and straightforwardness. As a result of the everlasting wars of their time, they had a strong desire for peace. Such a national character becomes the basic principle for the choreo-

graphy as well as the presentation of the story.

The most noteworthy performance of the dance drama was the duet in the last act. Choreographed by Sun Daizhang who has devoted himself to dancing for more than 30 years, the dance expresses the exuberant love between Ahxian and Suying with soft, subtle as well as vigorous dance movements. Sun's borrowing from the ballet liftings made the drama even more strikingly oriental. The duet marks the climax to a tragic love story.

If the Xixia people did not leave much of a record of their dance customs for people to discover, then there is even less evidence of Xixia's music. Wang Huayuan, director of the Song and Dance Ensemble of the Ningxia Hui Autonomous Region, as well as one of the composers of *Xixianu*, said that the basic music of the dance drama was taken from the music of Tang and Song dynasties, which for a while had great influence on the Xixia music. The composers also traced the treks of the nomadic Dangxiang-Qiang people and were able to find some leftover influences of Xixia music. Folk music of northwest China helped the composers because many of the ancient groups are believed to have scattered there.

"We are hoping to find a feeling, a feeling for what it was like in Xixia, in the course of composing the dance drama," said one of the composers. This feeling does come through in the performance. And this feeling is what makes *Girl From West China* a success. ■

**Xixianu: representing an ancient Chinese culture.**

CHEN ZONGLIE



## China to Set Up Hotel Groups

According to the recent national tourism conference, several hotel management groups will soon be set up in China. These groups, modelled on international groups such as Sheraton and Holiday Inn, will have their own room booking, training, and buying systems, and will have a joint sales department abroad.

At present, there are more than 900 tourist hotels affiliated to 350 units, all of which manage themselves. They lack unified planning, standards, managerial and inspection systems. For example, chain booking networks, where a hotel group will reserve rooms for a tour group for a complete itinerary, are also lacking and as a result, there is little competition.

Han Kehua, head of China National Tourism Administration, pointed out that the beginnings of such hotel groups had already appeared in China. In 1985, Beijing's Yanxiang Hotel sent people to help manage Haishan Hotel in Shenzhen and Mutianyu Restaurant in Beijing. Now it is preparing to send people to assist Wuxi (Jiangsu Province) in managing the Meilido Hotel, a Sino-foreign joint venture.

Han said that the state was considering drawing up a preferential policy for these groups, to enable them to become more competitive on the international market and to help them become a major force in the hotel business.

Han stated that establishing China's own joint hotel management groups did not mean excluding foreign hotel groups, chains or joint management of some hotels in China, and China was considering inviting a few foreign experts to help guide the new groups.

by Han Guojian

## Sports Tours

China is starting hot-air balloon tours this month.

Since its establishment in 1986, the China International Sports Tourist Corp. has developed a dozen new sports tourist programmes such as mountaineering, cycling, motor cycling, martial arts, shooting, and skiing. It has received 1,000 tourists from a dozen places abroad. More than 400 tourists from 40 tourist groups

climbed up the Qomolangma in Tibet, the Bogda Mountain in Xinjiang and Anyemaqen Mountain in Qinghai. In the future there will be trips to Yarlung Zangbo and the Lhasa rivers in Tibet, the upper reaches of the Changjiang (Yangtze) and Huanghe (Yellow) rivers, the Yulong Mountain in Yunnan Province, the Gongga and Siguniang (Four-Girl) mountains in Sichuan Province, Muztag district and other areas in Xinjiang and Tibet.

Foreign tourists coming on a China International Sports Tourist Corp. programme are granted preferential treatment and a 25 percent reduction. Compatriots from Hong Kong and Macao are given a 40 percent reduction.

by Han Guojian

## Tailpieces

■ A street in Gaixian County, Liaoning Province, has just been confirmed as genuine Ming and Qing dynasties (1368-1911) building. The street is 420 metres long and leads to the east gate of the county town. On the north side of the street stand 28 wooden houses of the Ming and Qing dynasties. These houses are built in a simple and co-ordinated style. According to the historical records, the county was a central trading place for the province in that time.

■ Wutongqiao town in Leshan city, Sichuan Province, has developed its folk industry and received 800 tourists from 22 countries and regions in the last six months. It organizes flower shows, card games in the tea plantations, tours for beautiful scenes along rivers in classical-style boats, fishing, picnics, tours on bicycles and exhibitions of calligraphy and painting skills.

■ On February 17, 1987, Beijing Tourism Administration sponsored a hotel quality conference, at which 11 hotels including the Beijing Toronto Hotel were praised and seven hotels including Shangyuan Hotel in Beijing were criticized.

Attendants at the Toronto Hotel, Beijing, welcome a customer.





## Paper-Cuts by Liu Caihua

Liu Caihua, born in 1946 in Gaomi County, Shandong, Province, is a self-taught paper-cut artist. These are her special characters from the Song Dynasty (960-1279) classic *The Water Margin*.

ART PAGE



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