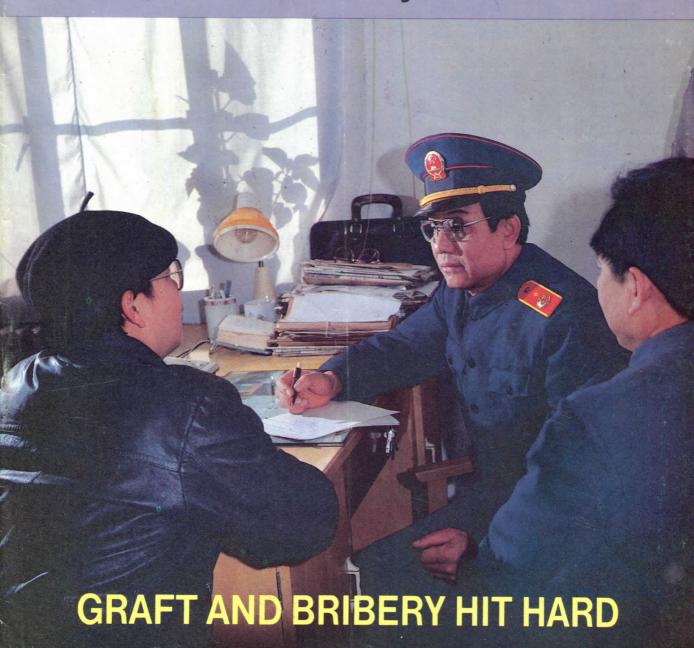


Review ****

Vol. 32, No. 52

December 25-31, 1989

"One Country, Two Systems"
—A Policy in Practice



The Third International Photo Exhibition of 'China Through Foreigners' Eyes'

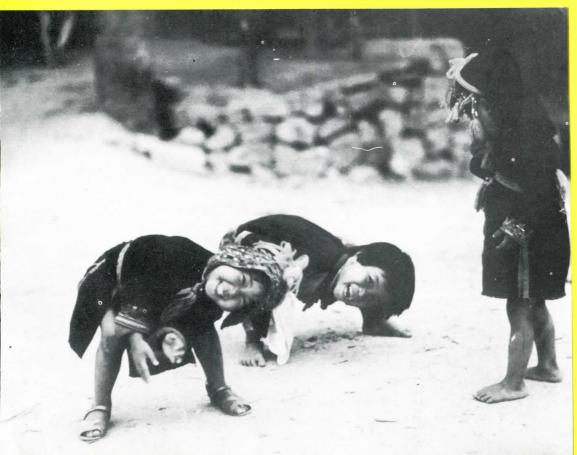
The Third International Photo Exhibition, like the previous two international photo exhibitions of 1987 and 1988, attracted many foreign and domestic exhibitors and visitors.

In 1987, the first International Photo Exhibition entitled "China Through Foreigners' Eyes" was sponsored by *Beijing Review*, 14 press circles and nongovernment associations and was organized by China's *NEXUS* magazine. On exhibit were more than 300 photos about China's development taken by foreign friends. The photos express the photographers' feelings towards the Chinese people and their warm appreciation of the policy of reform and opening that have taken place. The photos were widely praised by various circles at home and abroad.

The international photo exhibition entitled "China Through Foreigners' Eyes" is held regularly once a year.

Top: Photo by W. Landolt (Switzerland). Bottom: Photo by Thomas Billhardt (German Democratic Republic). These two photos are provided by courtesy of China's NEXUS magazine.





CONTENTS

NOTES FROM THE EDITORS	4
Chinese President's Visit to Four	
Arab Nations	
VENTS/TRENDS	5-11
Overseas Chinese Affairs High on	
Agenda	
Synching Economic, Political	
•	
Reforms	
4th National Census to Get Under	
Way	
Party Leadership, League Role	
Reiterated	
Verdant 'Great Wall' Turns China	
Green	
Scowcroft's Visit Seen as	
'Constructive'	
Combating Snail Fever in South	
China	
Shenzhen: A Decade of Robust	
Growth	
Survey Finds Kids Healthier,	
Happier	
News in Brief	
NTERNATIONAL	
Implementing the Policy of 'One	1.0
Country, Two Systems'	12
ASEAN Countries: Adjusting	
Foreign Policies	16
CHINA	10
China Hits Hard at Corruption	19
China in International Sports	23
Shoudu Iron & Steel Co. (4):	
Innovative Wage System	25
State Aid to Poor Counties of	
National Minorities	29
FROM THE CHINESE PRESS BUSINESS/TRADE	4-35
BUSINESS/TRADE 3	6-37
CULTURE/SCIENCE 3	4-35 6-37 8-39
_ETTERS	40
NDEX (Nos. 27-52) COVER: For many years, Friday	Į-X
COVER: For many years, Friday	has
been a regular day for the direct	or of
he Beijing Dongcheng District	Peo-
ple's Court to meet visitors. He	
cits a wide range of opinions from	1 the
masses so as to eliminate corrup	tion,
naintain a clean court and handle	
es according to law. While on	dutv
Director Jia Zhiyun (centre)	talke
with visitors.	
WILL VISILUIS.	

Photo by Chen Zhonglie

Visit Seeks Greater Co-operation

• To promote mutual understanding, co-operation and common development, Chinese President Yang Shangkun has paid a visit to four Arab countries, a move that shows China's domestic and foreign policies remain unchanged (p. 4).

"One Country, Two Systems" Key to Hong Kong

• In response to the recent clamour that attempts to internationalize the Hong Kong issue, this special article argues that a basic prerequisite for maintaining long-term stability and prosperity in Hong Kong is to seek a common ground of "one country" and preserve the differences of "two systems" and that the key of the formula is the reunification of the country (p. 12).

Green Great Wall Project Successful

• Thanks to an immense afforestation project—the "Green Great Wall"—that started 12 years ago, vegetation in China's 13 northern provinces and autonomous regions has increased. The project has now entered its second stage. Its aim is to cultivate more land and protect existing forest and vegetation (p. 8).

China Prepares for the 4th National Census

• China's fourth national census, to be completed in four or five years, will begin on July 1, 1990. More than 6 million people will be mobilized to take part in it. Chinese Premier Li Peng stresses census data are essential for economic planning and social development (p. 7).

China Hits Hard at Corruption

• China is clamping down on graft and corruption, especially major cases involving senior cadres and embezzlement exceeding 10,000 yuan. This move demonstrates the determination of the Party and government to promote clean government and improve social morals, but there's still a lot to be done before the root courses of corruption are eliminated (p. 19).

Unless written by Beijing Review correspondents, the opinions expressed in signed articles do not necessarily reflect the view of the Beijing Review editorial board.

General Editorial Office
Tel: 8314318
TLX: 222374 FLPDA CN
FAX: 8314318
English Dept. Tel: 8315599 Ext. 546

Published every Monday by BEIJING REVIEW 24 Baiwanzhuang Road, Beijing 100037 The People's Republic of China Distributed by **China International Book Trading Corporation** (GUOJI SHUDIAN) P.O. Box 399, Beijing, China

Subscription rates (1 year	·):
Australia	A.\$29.00
New Zealand	NZ.\$39.00
UK	£14.50
USA	US\$29.00
Canada	Can.\$25.00

Chinese President's Visit to Four Arab Nations

by Our Guest Commentator Ya Fei

t the invitation of the heads of state of Egypt, the United Arab Emirates, Kuwait and Oman, Chinese President Yang Shangkun paid an official visit to the four nations beginning December 18. The first visit abroad by the Chinese president since China quelled the counter-revolutionary rebellion in Beijing in June, this tour not only demonstrates that China's domestic situation is stable, but also indicates that China's policies, including the domestic policy of reform and opening to the outside world and its independent foreign policy, remain unchanged. As well, strengthening solidarity and co-operation with third world countries remains the basic point of the foreign policy.

China has enjoyed friendly relations with the four nations. Spanning Asia and Africa, Egypt is a very influential country in the Afro-Asian region. In 1956, not long after New China was founded, Egypt established diplomatic relations with China, the first African Arab country to do so. Kuwait and the United Arab Emirates are important oil-producers in the Persian Gulf region, their per capita income ranking among the highest in the world. The Kuwaiti emir has proposed at international conferences to reduce the third world countries' debt burden. This move has been appreciated and highly evaluated by many countries, including China. Though small in size, Oman occupies a strategically important position at the mouth of the Strait of Hormuz, through which passes two-thirds of the world's sea-borne trade in crude oil.

Since gaining their independence, the four nations have actively engaged in developing their economies and improving people's living standards. In foreign affairs, they have pursued a policy of neutrality and non-alignment, making efforts to promote a peaceful solution to the Middle East problem. All of them support maintaining security and stability in the Gulf region.

China's friendly exchanges with the four countries have existed for many years. There have been frequent visits between Chinese leaders and those in the four nations. Egyptian President Hosni Mubarak has visited China three times in his capacity both as vice-president and president. In the 1960s, the late Chinese Premier Zhou Enlai visited Egypt three times. Since late 1982, various Chinese leaders, including former President Li

Xiannian, have visited Egypt. Other Chinese leaders have visited the United Arab Emirates, Kuwait and Oman. Since 1986 and 1987, leading officials in the Chinese foreign ministry have established a political consultative system with the Egyptian and Oman foreign ministries. This exchange has deepened mutual understanding and trust and promoted the comprehensive development of friendly relations between China and the four countries.

Economically, China and the four nations, with their respective advantages, have entered cooperation in many forms. This co-operation is based on the principle of equality, mutual benefit, mutual complement and common development.

In 1964, China signed an agreement on economic and technological co-operation with Egypt for the first time. In the 1960s, China provided loans and economic aid gratis to Egypt. Projects that China helped construct include a brickmaking factory, a TNT explosive assembly line and the Cairo International Conference Centre. Since the 1980s, China has actively conducted economic, trade, scientific and technological cooperation with the four countries and has achieved remarkable progress. Since 1983, China has developed the contracting business in Egypt that focuses mainly on construction projects. At present, five Chinese companies have signed 31 contracts with Egypt. In 1988, Sino-Egyptian trade volume reached about US\$176 million.

In recent years, co-operation between China and Kuwait and the United Arab Emirates has developed rapidly. Since 1982, the Kuwaiti economic development fund has granted China US\$300 million of long-term and low-interest loans for the construction of 13 projects. Loan agreements on 12 of these projects have been signed. The Xiamen International Airport and the Urumqi Chemical Fertilizer Factory are two of the seven completed projects. These projects have proved economically efficient in China's economic construction. In February 1985, China, Kuwait and Tunisia agreed to build a chemical fertilizer joint venture in Qinhuangdao in China's Hebei Province. The project is scheduled to be completed in June 1990. These joint ventures are praised as models of South-South co-operation. In 1981. China began to contract out labour in Ku-

Overseas Chinese Affairs High on Agenda

ontinuity of existing policies designed to protect the legitimate rights and interests of overseas Chinese and their relatives who have either returned to China or are still residing abroad was the major topic of the Fourth National Conference of Returned Overseas Chinese, which opened on December 18 in Beijing's Great Hall of the People.

In his speech at the opening ceremony, Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, said that overseas Chinese affairs have always been high on the agenda of both the Communist Party of China and the government.

He praised the great contributions made by the returned overseas Chinese, Chinese living abroad and their relatives to the Chinese revolution and national reconstruction.

However, Jiang admitted that China once made some mistakes in dealing with overseas Chinese issues, particularly during the "cultural revolution" (1966-76), when many of those who had overseas relations were persecuted.

This dampened the patriotic

enthusiasm of the returned overseas Chinese and overseas Chinese, Jiang added.

He noted that with the rise of China's international role and its socialist modernization, China needs a better understanding of the outside world. At the same time, Jiang said, the outside world needs a better understanding of China.

Because overseas Chinese and their relatives live all over the world, they can help the people of the rest of the world to better understand China.

Jiang said that returned overseas Chinese federations at all levels are bridges facilitating communications between the Party and government and returned overseas Chinese, Chinese living abroad and their relatives.

He called on these feder-

wait, and by June 1989, China's 16 companies had signed a total of 175 contracts for labour service. The number of Chinese labourers now under contract in Kuwait has reached 7,682. In November 1985, China and Kuwait signed a protocol on the encouragement and protection of investments. In 1988, bilateral trade between the two countries reached US\$230 million.

At the beginning of 1980, the Civil Aviation Administration of China signed an agreement on air service with the Sharjah Civil Aviation Administration of the United Arab Emirates. Most of China's civil airliners flying to Europe stop at Sharjah, a great convenience. In November 1985, the two countries also signed protocols on economic, trade and technological co-operation. In 1988, trade between the two countries reached US\$187 million. From 1983, China began to engage in project contracting, labour co-operation and joint-venture management in the United Arab Emirates

Communications in culture and sports between China and the four Asian and African countries have also expanded.

China has no conflicts over fundamental in-

terests with the four countries. Each expresses satisfaction with the friendly relations that have been established. China's political relations with the four countries are established on the basis of the Five Principles of Peaceful Co-existence. They respect each other and are equal. In finding a just, over-all and reasonable solution to the Middle East issue and of realizing stability and peace in the Gulf, as well as on some other significant international and regional problems, China and the four countries support each other and co-ordinate stands, setting up a model for state relations.

The Chinese government and people cherish their friendship with the four countries. To continue to consolidate and develop this friendship is one of China's fixed policies. During his official and friendly visits to the four countries, Chinese President Yang Shangkun exchanged opinions on bilateral relations and on international and regional issues of common interest. The leaders also briefed each other on their internal situations and foreign policies. Yang's visit to the four Arab countries has met the aim of promoting understanding, friendship, co-operation and common development.

ations to foster close relations with as many overseas Chinese, returned overseas Chinese and their relatives as possible, safeguard their rights and interests and give voice to their requests and suggestions.

On their part, Jiang said, the Party and government will concern themselves with overseas Chinese affairs, strengthen the leadership of federations of returned overseas Chinese and provide practical support and aid for them.

He noted that China will continue to solve the sovereign issues of Hong Kong and Macao on the basis of the Sino-British and Sino-Portuguese joint communiques, and promote friendly exchanges with other countries for the sake of world peace and stability.

To reach these goals China's fundamental policy of opening to the outside world will remain unchanged, Jiang said. "So will all policies concerning overseas Chinese affairs."

Zhang Guoji, president of the All-China Federation of Returned Overseas Chinese, delivered a work report of the federation's third national committee and put forward plans for protecting the rights and interests of overseas Chinese, giving full play to the federation's role to assist economic contruction, promoting economic and cultural exchanges and co-operation between China and foreign countries, and strengthening the federation itself.

During the meeting, 980 intellectuals and entrepreneurs were cited for their meritorious deeds by the federation and the State Council Overseas Chinese Affairs Office.



Premier Li Peng met December 12 a group of foreign bankers and entrepreneurs attending an international symposium on upholding the reform and open policy and extending economic co-operation with foreign countries.

WANG JINGDE

Synching Economic, Political Reforms

he reform of China's political structure should take place simultaneously with that of the economic structure, Premier Li Peng said in Beijing on December 12.

Speaking to a group of bankers and entrepreneurs from Britain, Canada, West Germany, the United States and Japan as well as Hong Kong, Li added that political restructuring should be carried out in a way conducive to the stability and prosperity of the country rather than causing social disturbances. The guests were in the Chinese capital to attend an international symposium on upholding the reform and open policy and extending economic cooperation with foreign countries, which began the previous day.

"It is wrong to think that China carries out only economic reform but not the reform of its political structure," the premier said.

He added that like the reform of the economic structure, the reform of the political structure should proceed from China's actual conditions with a view to mobilizing the initiative of the people and inspiring them to work wholeheartedly and with full confidence for the realization of the four modernizations.

Briefing his guests on the current situation in China and the country's policy of reform and opening to the outside world, Li said that marked achievements have been made in improving the economic environment and straightening out the economic order over the past year and the economy as a whole is picking up. Despite temporary difficulties caused by problems, old and new, "we have quite a lot of favourable conditions to overcome the difficulties," he said.

The general guideline for China's current economic work, the premier said, is to rectify the economy and deepen the reform on the premise of social stability.

To ensure the continuity and stability of the policy of reform

4th National Census to Get Under Way

hina's fourth national census, to be completed in four or five years, will begin on July 1, 1990, and more than 6 million people will be mobilized to take part in the work.

At a December 8 preparatory meeting, Chinese Premier Li Peng called the census "one of unprecedented scale" because China now has a population of 1.1 billion people. "Therefore, advantages of the socialist system should be brought into full play and all social forces should be mobilized to conduct the census which is actually a survey of our national conditions and capabilities."

To fulfil this colossal task, the State Council has decided that all census takers will be chosen from incumbent and retired Party and government officials, industrial enterprise employees and grassroots rural officials.

Preparations for the fourth national census are being made throughout the country.

China conducted a national census in 1953, 1964 and in

1982, when the population was 1.03 billion.

The Premier stressed that population data is essentially a basis for national economic planning and social development, the making of policies for population, education and employment, and the arrangements for the people's material and cultural life. Census data also serves as the barometer of the conditions of the country, he said.

Without census data, he explained, "We will have no accurate and scientific basis for devising principles and policies and development strategies."

Li also expressed China's determination to keep its population at the 1.25 billion mark by the year 2000, although he conceded that this will be a tough job because of an already large population base, the impact of cyclical baby booms and slackened family planning in some regions. According to the premier, each year there is an increase of 15 million to 17 million in China's population.

However, the premier noted,

ops its economy by combining planned economy with market regulation. It is wrong to think that a relatively small proportion of the market economy means a retrogression in reform, Li said, because the proportion

means be used as the criterion.

"China will continue to develop economic and technological co-operation with foreign countries on the basis of equality and mutual benefit," Li said, adding that foreign friends are welcome to come and see for themselves in order to understand China better.

of market economy can by no

China has progressed greatly in population control, with the growth rate reduced to a stable and low level. He attributed this success to the "one family, one child" policy adopted since the 1970s.

According to the Ministry of Civil Affairs, a peak of the population of marrying and childbearing age is predicted in 1991-93. An average of 64 million women will reach the peak child-bearing age — 20 to 24 — each year during that period. The population of this age group will slowly drop to 58 million in 1995.

The people at the peak child-bearing age numbered more than 40 million each year from 1980 to 1983, reached more than 50 million in 1984 and 1985 and has been at 60 million since 1986.

During each of the first five years of the 1990s, the time for China's Eighth Five-Year Plan, the number of women aged 15 to 19 and men aged 15 to 21 will be around 100 million.

The more than 300 million people born from 1962 to 1972 will reach marriageable age in the 1980s and 1990s, according to the ministry figures.

Meanwhile, according to a state population survey, 4.86 percent of married people in 1987 were under China's legal age for marriage — 20 for women and 22 for men.

A prediction based on this rate shows that about 11.67 million married people during the first five years of the 1990s will be under legal marriage age.

If that is the case, experts warn, even if every married couple has only one child, the population will grow by at least 10 million because of the underlegal-age marriages during that time, something to be reckoned with in China.

and opening to the outside world, Li said there will be no changes in the rural responsibility system, the contract system for industrial enterprises and the system under which factory directors assume the full responsibility, the central and local financial responsibility system, as well as policies concerning private business, special economic zones, coastal areas and preferential treatment to foreign investors.

Naturally, the premier added, these policies need to be further improved in practice.

Li reiterated that China devel-

Party Leadership, League Role Reiterated

top Chinese leader said that Party leadership and the role of the Communist Youth League as an assistant to the Party are very important to China.

"The Communist Party has 48 million members, and the Youth League boasts 56 million. More important than these large numbers, however, is their quality," said Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, while meeting with the delegates to the Second Plenary Session of the 12th Central Committee of the Chinese Communist Youth League in Beijing on December 15.

"The quality of Party and Youth League members must be improved constantly. Only with highly qualified members can the Party and League play tremendous roles," Jiang added.

Jiang pointed out that the country's situation is stable. He attributed this to three factors.

First, he said, the Communist Party has been tempered by its experience and its members are generally of good quality, although it still has many internal problems that need to be solved. It is the party that has a genuine, close link with the masses and is armed with Marxism-Leninism and Mao Zedong Thought.

Second, the People's Liberation Army is a well-trained and battle-tested army under the exclusive leadership of the Party and has a close link with the people.

Third, the Chinese nation has a tradition of not yielding to any outside pressure. The Chinese people should never diminish the significance of the tradition, Jiang said.

Jiang urged League leaders and members to strive for the

accomplishment of the tasks set forth at the Fifth Plenary Session of the 13th Party Central Committee held in November this year.

Also present at the meeting were Song Ping, a member of the Standing Committee of the Political Bureau of the Party Central Committee, and Ding Guangen, an alternate member of the Political Bureau and member of its secretariat.

In his speech at the meeting, Ding said that the organizations of the Communist Youth League should resolutely safeguard political stability and unity and become an important force in maintaining social stability, revamping the economy and deepening the reforms.

He urged the League to guard against subversion and so-called peaceful evolution by some hostile foreign forces.

"We can never make any concessions to bourgeois liberalization, for there is no way out by making concessions," Ding added.

He urged the League to uphold firmly the leadership of the Chinese Communist Party and keep in line with the Party Central Committee politically, ideologically and in action.

The four-day session closed on December 16 in the Great Hall of the People in Beijing.

Verdant 'Great Wall' Turns China Green

regetation of China's 13 northern provinces and autonomous regions has increased thanks to an immense afforestation project that started 12 years ago.

The Ministry of Forestry said the 13 provinces and regions in northeast, north and northwest China have planted 9 million hectares of trees. An extra 16 million hectares have been sown aerially with tree seeds or transplanted with saplings. Vegetation has increased to 7.09 percent this year from 5.05 percent in 1977.

About 9 million hectares of grass have been preserved or restored in the autonomous regions of Xinjiang, Ningxia and Inner Mongolia and Gansu Province.

China began to plant trees on a northern belt-shaped area totalling 4.069 million square kilometres in 1977, accounting for 42.2 percent of the country's total land area. Most of the areas covered by the project known as the "Green Great Wall" had suffered from serious encroachment of desert, flood, drought and soil erosion.

Protected by windbreaks, 11 million hectares of arable land that used to suffer from soil erosion and sand encroachment have become productive, boosting North China's grain output by 10 to 30 percent.

China has planned to build, within the next few decades, a shelterbelt system to increase timber storage, control desert encroachment and soil erosion, and eventually change the lot of the people in the "Green Great Wall" area.

The afforestation project has now entered its second period. The aim is to protect existing forest and vegetation, and bring more acreage of land under cultivation.

At a national conference in Beijing earlier this month concerning the building of the windbreaks, 13 northern provinces and regions were urged to rely on science and pool available resources to increase investment in China's "Green Great Wall" project.

Scowcroft's Visit Seen as 'Constructive'

ormal Sino-US relations will gradually be restored as long as practical steps are taken by both countries, said a Chinese Foreign Ministry spokesman.

Asked to comment at the ministry's news briefing on US presidential envoy Brent Scowcroft's recent visit to China, the spokesman Jin Guihua said it was "constructive and useful."

The spokesman said Scowcroft's visit has helped promote mutual understanding and overcome the existing difficulties in bilateral relations, adding that it has also contributed to a gradual restoration and development of Sino-US relations.

China, attaching great importance to the improvement of its relations with the United States, appreciated US President George Bush sending his envoy to Beijing, he said.

Although some difficulties in Sino-US relations still remained after the talks between Scowcroft and Chinese leaders, both sides agreed that "they have major mutual interests in a wide range of topics."

China and the United States can surely maintain their common interests while upholding their respective positions and overcome the present difficulties, as long as they make a common effort and act strictly in accordance with the Five Principles of Peaceful Coexistence and the principles of the three Sino-US communiques, and as long as the two sides take practical steps. Jin said.

The constant exchange of views between China and the United States, he added, is both "necessary and beneficial," because the present international situation is undergoing the most

profound changes since World War II.

Asked whether China was prepared to let Fang Lizhi leave the US Embassy in Beijing in exchange for the United States' lifting of economic sanctions, Jin said that it is not appropriate for the US Embassy in China to provide shelter to Fang.

"That's a sensitive question involving China's sovereignty and law, as well as norms of international law," he said. "Efforts from both sides are required" to resolve the problem, he added.

Answering a question about using a Chinese rocket to launch three Amesican satellites, Jin said that China and the United States had earlier agreed that China would provide the launching service.

"If the US side agrees to issue export licences for the telecommunications satellites, it will help to smoothly accomplish the co-operation and China would welcome the US move," said Iin

Combating Snail Fever in South China

he Communist Party's top leadership has vowed to take all possible measures to wipe out snail fever — schistosomiasis — in China.

General Secretary Jiang Zemin, in a special message to the Five-Province Conference on Snail Fever Control held on December 13 in Nanchang, Jiangxi Province, said the Party and government are duty-bound to work with the people in wiping out snail fever. The severe endemic disease is threatening the health of the people in the five lake-studded provinces of Hunan, Hubei, Jiangxi, Anhui and Jiangsu. It results in blood loss, tissue damage and swollen bellies.

Controlling snail fever is a long, difficult task, since the disease — which had been largely eliminated more than two decades ago — has reappeared in some regions in recent years, said Jiang in his letter.

The Party and government have committed themselves to the work ever since the founding of the People's Republic of China in 1949, and has won great achievements by mobiliz-

ing the effort of people from all walks of life, he added. The general secretary urged governments at all levels of the affected regions to put tremendous effort into solving the problem.

The five provinces are among China's top rice producers and are economically better developed, Jiang said. Therefore, it is imperative that snail fever be eliminated there and a good ecologic environment be maintained to make the economy more prosperous. Jiang said he believed that by drawing on past experiences, drafting tangible plans, adopting effective measures and coordinating the efforts in both prevention and treatment, the parasitic disease would be eliminated at an early

The conference, held by the State Council, was to hear snail fever control reports from the lake areas, work out guidelines for action and form a five-province group to carry out new strategies.

At present, there are about 1 million people suffering snail fever in China, 40,000 in the advanced stages. Another 100

million people face the possibility of being affected.

The present 110 affected counties are mainly concentrated in the lake and mountainous areas in the south. Snail-infested fields have risen to 3.5 billion square metres in 1988 from 2.8 billion square metres in 1980.

Minister of Health Chen Min-

zhang attributed the reappearance of snail fever to inadequate attention paid to prevention work in recent years, failure of scientific research to meet the need of prevention and treatment of the disease, careless disposal of human and livestock excrement, and shortages of funds and medicines.

Shenzhen: A Decade of Robust Growth

fter nearly a decade of burgeoning growth, the Shenzhen Special Economic Zone, now covering a 61 square kilometre area, has transformed itself from a small seaboard town into a modern city. By the sweat of their brow, builders of this brand-new metroplis have begun to harvest the fruit of their work.

As a testing ground of China's reform and open policy, Shenzhen, across from Hong Kong, has set up more than 2,300 foreign-invested enterprises with a total capital of US\$2.3 billion, or about one-seventh of the sum total that foreign businesses invested in China.

Shenzhen's industrial output value was over 10 billion yuan, of which the output value of

export commodities made up more than 60 percent. Its total export volume last year reached US\$1.85 billion, second only to Shanghai, among China's coastal cities.

With its increasing economic sinews, Shenzhen has contributed tremendously to the state. Statistics show that since its establishment, the Shenzhen Special Economic Zone has turned over to the state a total profit of 800 million yuan as well as US\$82 million in foreign exchange.

Shenzhen has also increased its ability to weather fluctuations in the market. In recent years, acting on the Party Central Committee's policy of economic rectification and deepening of reform, Shenzhen has re-

The newly built Shenzhen Financial Centre.

CHEN ZONGLIE



duced the scale of capital construction while keeping its main economic targets.

In terms of industrial production, Shenzhen's total industrial output value from January to August this year reached 6.844 billion yuan, 32.9 percent over the same period last year; the export of industrial products totalled 3.927 billion yuan, an increase of 48.8 percent.

The prosperous Shenzhen, like China's other special economic zones, is exerting more and more influence on China's reform and open policy.

Zhuhai: Another Success Story. "The reform and open policy should be further carried out in China's special economic zones," Vice-President Wang Zhen stressed recently while on an inspection tour of the Zhuhai Special Economic Zone in south China's Guangdong Province.

Wang spoke highly of the results achieved by the zone and encouraged officials and workers there to pool their wisdom and strength to make the zone even better.

"Just as Party General Secretary Jiang Zemin has repeatedly stressed," Wang said, "the state's stability is essential to the stable development of the economy." "This requires the entire nation to unite and stick to the reform and open policy," he added.

Wang urged the people of Zhuhai to adhere to the style of hardworking and plain living.

In one year's time, the Western District of Zhuhai has syphoned in a total investment of 160 million yuan, including more than 70 million Hong Kong dollars of foreign funds. The local people achieved all this by their bootstrap efforts, without asking the state for investment when the country's economy was suffering transient difficulties.

Survey Finds Kids Healthier, Happier

he majority of China's 300 million children are healthy, well-developed and living happily. They enjoy a carefree home environment and adequate medicare and education.

This is the conclusion of a fiveyear survey conducted by the State Statistics Bureau and five other Chinese ministries and civil organizations with funds provided by the United Nations International Children's Emergency Funds (UNICEF).

More than 230,000 children, from new-borns to those 14 years old, in nine municipalities, provinces and autonomous regions were involved in the survey. It looked at their growth and development, eating habits, social environment, family conditions, medical care and physical condition.

The mortality rate is decreasing as more and more children receive inoculations, according to the survey. Statistics show that more than 85 percent of the children in China receive inoculations, reaching the target set by the World Health Organization

and the UNICEF.

This has played a great role in reducing the death toll and cases of disability and malnutrition because of infectious diseases.

The death rate for children below the age of five is 4.6 percent, much lower than the limit of 7 percent, a ceiling set by the United Nations for all countries by the year 2000.

The survey finds that more than 97 percent of the children live in harmonious families with both parents around. Material and housing conditions of most families has been improved. With the betterment of economic conditions, more and more families has bought radios, television sets and video cassette recorders, which help to educate children.

Of the 1,062 villages and neighbourhood committees covered in the survey, more than 91 percent have elementary schools and about 88 percent have hospitals, clinics, village doctors or medics.

Today, 77 percent of children between the ages of six and 14 are able to receive education from qualified teachers in safe, bright and clean classrooms.

Statistics show that kindergartens in China are accommodating more and more children under the age of six. In cities, 39 percent of the children receive pre-school education, 6.8 percent higher than the 1983 figure. In rural areas, where pre-school education was virtually impossible, 6.7 percent of the children are able to attend kindergartens.

The survey also shows that Chinese children are physically healthy, with a low rate of sickness.

The sampling indicates that thanks to the country's family planning policy, the number of children has dropped to 28.9 percent of the whole population from 33.6 percent in 1982. The proportion of one-child families is increasing.

The survey also reveals some problems. For example, the overall standard of pre-school education is still low, and medical and health care facilities are comparatively backward in rural areas, where more than 80 percent of the children in China live.

News in Brief

Outstanding Scientists Honoured

The Chinese Academy of Sciences (CAS) marked its 40th anniversary by awarding its Young Scientist Prizes and Presidential Scholarships for the year.

Zhou Guangzhao, president of CAS, announced in Beijing on December 15 that 21 research fellows from the academy's institutes had received Young Scientist Prizes.

Zhou also announced that over 100 scientists had received Presidential Scholarships.

Hijacked Jet Returned

The hijacked Air China jetliner that landed in Fukuoka, Japan, on December 16, returned to Beijing early the following day with its crew and passengers.

The jet, bound for the United States, was hijacked before its stopover in Shanghai.

According to reports, the hijacker was identified as Zhang Zhenhai, 35, who was hospitalized in Japan for injuries incurred while being pushed out of the fuse-lage.

Appeal For Freedom to Visit Taiwan

The Taiwan Democratic Self-Government League has urged the Taiwan authorities to allow all Taiwanese compatriots on the mainland to visit their families and relatives and go sightseeing in Taiwan.

The League made this appeal at the Third Plenary Session of its Fourth Central Committee, which closed in Beijing on December 16.

The meeting spoke in favour of the recent decision by Taiwan authorities to allow Taiwanese who settled on the mainland before 1949 to come for visits.

RMB Devalued

Enpowered by the People's Bank of China, the State Admininstration of Exchange Control announced in Beijing on December 15 that the exchange rate of the Chinese currency (Renminbi) vis a vis foreign currencies had dropped by 21.2 percent as of the following day.

The value of foreign currencies will increase 26.9 percent by this action.

That means that the buying price of one US dollar will rise from 3.71 yuan to 4.71 yuan and that the selling price goes up from 3.73 yuan to 4.73 yuan.

Implementing the Policy of 'One Country, Two Systems'

— A message to Hong Kong compatriots on the fifth anniversary of the signing of the Sino-British Joint Declaration on the Question of Hong Kong

by Guo Gang

ive years ago, the governments of the People's Republic of China and Britain officially signed in Beijing the Joint Declaration on the Question of Hong Kong, affirming China's resumption of the exercise of sovereignty over Hong Kong on July 1, 1997. The question of Hong Kong, which is left over from the past, was therefore satisfactorily resolved and the national humiliation inflicted upon the Chinese people over the past 100 or so years ended. The Government of the People's Republic of China, under the leadership of the Chinese Communist Party, had finally achieved what the governments of old China could not have accomplished. This historic event was a major success of New China's diplomacy and a significant step towards the reunification of China. All the Chinese people, including the compatriots in Hong Kong, felt happy and jubilant.

The resolution of the Hong Kong issue removed the historical shadow over Sino-British relations, bringing about the best years in their relationship. Over the past few years, to implement the joint statement, the Chinese government has made great efforts and co-operated with the British side.

The Sino-British Joint Liaison Group and the Sino-British Land Committee have functioned effectively. After mutual consultations both sides have finished examining the transitional arrangement of travel and identification cards for all Hong Kong

Premier Li Peng (right) meets with Tak Shing Lo, vice-chairman of the Consultative Committee for the Basic Law of the Hong Kong Special Administrative Region, in Beijing on December 17.

TANG MENGZONG



closely tied to the interests of Hong Kong residents — and reached agreement on Hong Kong's separate participation in the General Agreement on Tariffs and Trade under the name "Hong Kong, China" after 1997. Agreements have also been reached and arrangements made permitting Hong Kong to stay in such international organizations as the Asian Development Bank, International Monetary the Fund, the International Bank for Reconstruction and Development, the Universal Postal Union, the International Telecommunication Union, and the International Maritime Organization. Progress has also been made in the localization of Hong Kong laws, the reaching of the Hong Kong Civil Aviation Agreement, the arrangement for the transfer of criminals between Hong Kong and other countries and the transitional arrangement of land contracts. Not long after the signing of the joint declaration, the National People's Congress decided to set up the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region in order to write into law the Chinese government's basic policv on Hong Kong. After more than four years of common efforts by both mainland and Hong Kong legislators, the Draft Basic Law for Solicitation of Opinions and the draft of the Basic Law have been published along with two widespread bids to solicit op-

residents — something that is

inions in Hong Kong and the mainland. At present, the drafting committee is busy with final revisions to the Basic Law, which will be submitted to the Third Session of the Seventh National People's Congress to be convened in March for deliberation, approval and promulgation.

Thanks to the joint efforts of the Chinese and British and Hong Kong compatriots, Hong Kong's situation over the past few years has been generally stable. Its economy is thriving, its society stable and people are working hard for a more dynamic and vigorous Hong Kong. Facts have proved, and will continue to prove, that the Chinese government has steadfastly abided by the Sino-British Joint Declaration and conscientiously fulfilled its commitments in this international agreement.

The Chinese government's basic policy on Hong Kong, stipulated in the joint declaration, was based on the scientific formula of "one country, two systems." The Third Plenary Session of the 11th Central Committee of the Chinese Communist Party restored the Marxist ideological line of seeking truth from facts. Based on a deep respect for history and reality, Comrade Deng Xiaoping crystallized the collective wisdom of the Party Central Committee and put forward an unprecedented idea of "one country, two systems" as the basic state policy for reunifying China. As far as Hong Kong is concerned, the formula and its subsequent series of special policies are based on the historical and actual conditions of Hong Kong. They have both maintained national sovereignty and assured Hong Kong's continued stability and prosperity. This policy conforms to the fundamental interests and common desire of the whole Chinese nation including Hong Kong compatriots, but it also takes into account the interests of other parties. It is both reasonable and practical,

and therefore it has received genuine support from the Chinese people both inside and outside China and acclaim from the international community at large.

Hong Kong's rise and fall is closely connected with that of the mainland. The only way to appropriately handle the relations between Hong Kong and the mainland is to earnestly implement the policy of "one country, two systems" by seeking a common ground of "one country" and preserving the differences of "two systems." This is a basic prerequisite for maintaining long-term stability and prosperity in Hong Kong. It applies during the transitional period, and will be even more so after 1997.

The core of the "one country, two systems" concept is the reunification of the country. Everything else will be out of the question without the reunification of China and its resumption of the exercise of sovereignty over Hong Kong. The "one country, two systems" policy clearly states that the future Hong Kong Special Administrative Region will be a regional administrative division of the People's Republic of China and will be under the direct jurisdiction of the Central People's Government. The relationship between the Central People's Government and the Hong Kong Special Administrative Region is the same as that between a central government and a local government. The Hong Kong Special Administrative Region can enjoy a high degree of autonomy, but this autonomy, granted by the central government, is to be executed under the state sovereignty of the unified People's Republic of China. It does not mean that Hong Kong is an independent or semi-independent political entity. Therefore, to implement the "one country, two systems" policy, the state's sovereignty must be maintained first, the Chinese nation's unity must be safeguarded and any attempt to block China's resumption of the exercise of sovereignty over Hong Kong must be opposed.

Some people propose that Hong Kong be "separated" and "insulated" from the mainland. Some even suggest that a "burglar-proof lock" be mounted between Hong Kong and the mainland and that the key be kept by the Hong Kong people. This view is in total defiance of the integrity of China's sovereignty. It is not advanced in support of the high-level autonomy under the "one country, two systems" concept for Hong Kong but rather in favour of the establishment of "two countries, two systems" in a bid to turn Hong Kong into an independent political entity that will be eternally separated from China. It is wellknown that Hong Kong did not, and will not, have any conditions for independence from the main-

As for the division of powers between the central government and the Hong Kong Special Administrative Region under the "one country, two systems" formula, the Basic Law will stipulate that clearly. After 1997, the central government will respect the high-level autonomy of Hong Kong. It need not and will not interfere in the specific affairs of Hong Kong, but it is necessary for the central government to retain some powers that are indispensable for a state's central government. This is a basic guarantee for maintaining the unified national interests. If the central government renounces all powers, chaos that is detrimental to the fundamental national interests and as well as Hong Kong's interests will probably erupt in Hong Kong. Therefore, it is in the interests of Hong Kong for the central government to keep some necessary powers.

Some people, in an attempt to pit "democracy against communism," suggest that the "democratic process be accelerated" in developing Hong Kong's political system. They favour holding a general election of legislators at a date much earlier than stipulated in the draft Basic Law. They stress that this is the desire of the Hong Kong people in an attempt to create a de facto situation to bring the Chinese government to its knees.

The Chinese government does not approve of this practice and has reaffirmed repeatedly that China stands for democratization of Hong Kong's political system. But it must conform to the spirit of "one country, two systems" and the process must be gradual, with the balanced participation of all levels of society taken into account. Briefly, the democratization must dovetail the stipulations of the Basic Law and serve the stability and prosperity of Hong Kong. With regard to the people's will, the central government must pay attention not only to those people who seemingly serve the public interest but actually have ulterior motives, but also to the "silent majority" of the Hong Kong residents. It must heed the views of the Hong Kong residents, but also the views of all the Chinese people. Some people have discarded the principles of a step-by-step process and conformity with the Basic Law and played once again the card of the "people's will" in order to accelerate the democratization of the political system. This cannot but arouse our suspicions that these people are actually seeking, under the pretext of "democracy," to establish a power pattern in Hong Kong after 1997 that will confront the central government and harm China's sovereignty. This, we resolutely oppose.

Attempts to internationalize the Hong Kong question have also become a notable trend recently. The Chinese government has always maintained that Hong Kong's status as an international monetary and trade centre remains unchanged. The region will continue to develop economic re-

lations with other countries or regions in the world, for this will only favour its stability and prosperity. However, to maintain Hong Kong's role as an international monetary and trade centre and to internationalize the Hong Kong issue are two completely different things. Those who advocate internationalization of the Hong Kong problem do not proceed from the need of Hong Kong's economic development, but attempt to create a situation where international forces can gradually intervene in Hong Kong's political affairs. Essentially they want to muster anti-Communism and anti-China forces in the world in order to thwart China's resumption of the exercise of sovereignty over Hong Kong. As is known to all, Hong Kong has been part of China's territory since ancient times. It is only natural that China resumes the exercise of sovereignty over Hong Kong. However, out of consideration for Hong Kong's history and reality as well as for the good Sino-British relationship established after the founding of New China and on the basis of the Five Principles of Peaceful Co-existence, China and Britain finally reached an agreement on the Hong Kong question after serious negotiations. During the transitional period before 1997, the implementation of the Sino-British Joint Declaration is entirely an affair of the Chinese and British governments, in which no other country or international organization has the right to intervene.

After 1997, Hong Kong will become a special administrative region of the People's Republic of China. The Chinese government firmly refuses to make it an area under international condominium. As Hong Kong is an international city, many other countries have their economic interests there. While China employs the concept of "one country, two systems" to solve the Hong

Kong problem, China has shown consideration for other countries' economic interests in Hong Kong. However, the economic interests of other countries in Hong Kong should be protected by the Basic Law and other relevant Hong Kong laws, and no foreign political intervention in Hong Kong's affairs will be permitted. The argument that those countries having economic interests in Hong Kong naturally share political interests in its future arrangement and therefore can participate in Hong Kong's political affairs, is a theory of hegemony and power politics. In the 1980s, and today when the Chinese people have stood up, such a theory will never work.

In order to carry out the spirit of "one country, two systems," the mainland and Hong Kong should respect each other, get along peacefully, and respect each other's social system and lifestyle. Both sides should not force one's own political ideas and ideology upon the other. That is to say, Hong Kong practises capitalism, while the mainland follows a socialist road. Well water should not intrude into river water, nor should river water intrude into well water. Chinese government opposes any attempts to harm complete state sovereignty and to change "one country, two systems" into "two countries, two systems." The government also opposes wiping out one system with another and changing "one country, two systems" into "one country, one system." Chinese leaders have stated again and again that the Central People's Government will neither change Hong Kong's capitalist system nor practise its socialist system and policy in Hong Kong. The leaders also hope certain Hong Kong people will not intervene in or attempt to change the mainland's socialist system.

As China's citizens, Hong Kong compatriots undoubtedly enjoy the right of participating in the

management of state affairs, according to law. And their opinions and suggestions about the mainland's work will be much appreciated. However, when they participate in the management of state affairs, they must respect the mainland's socialist system and follow the state constitution and laws. At present, Hong Kong residents enjoy freedom of speech and press. According to the stipulations of the draft Basic Law, they will continue to enjoy these freedoms after 1997. During the transitional period and after Hong Kong has returned to the motherland, Hong Kong compatriots must confine themselves to Hong Kong laws in their speeches and actions, as well as the state constitution and the relevant laws when they participate in state affairs as Chinese citizens. When Hong Kong compatriots want to raise opinions to the central government, they should do it through legal channels and in a legal way, such as, through the National People's Congress deputies, or the Chinese People's Political Consultative Conference National Committee members, or submitting a written statement and appealing to the higher authorities. If unsuitable means are adopted to express one's own viewpoints, things might go contrary to his wishes and damage might be brought upon the friendly relationship between the mainland and Hong Kong. People from the mainland and Hong Kong compatriots are all members of the same family, and when dealing with mutual relations, they should stress both legality and reasonableness, show consideration for the differences in politics, the economy, the social system, ideology and values, and try to seek common ground while preserving differences. If one side tries to impose what it favours on the other and acts to hurt the feelings of the other side. that will be harmful both to the state and to the individual. Therefore, the Chinese government hopes both the mainland and Hong Kong will stress getting along peacefully and make joint efforts to create a good environment in which the concept of "one country, two systems" can be implemented smoothly.

Currently, the problem is that there are certain people who use Hong Kong as a base to subvert the Central People's Government and the socialist system on the mainland. They have openly claimed that they plan to overthrow the central government and push Western "democracy, freedom and human rights" into the mainland. They have viciously atttacked and slandered Chinese leaders, creating various rumours to launch anti-Communist and anti-socialist sentiments, and even penetrated into the mainland to support and take part in activities of illegal organizations. They added fuel to the flames when the turmoil and counter-revolutionary rebellion took place in Beijing in May and June. They plotted to help the counter-revolutionary rioters wanted by the central government to secretly flee away and took them in. All their subversive activities are in violation of the desire and interests of the Chinese people and have resulted in harming the stability and prosperity of Hong Kong.

The establishment and consolidation of the socialist system on the mainland has embodied the objective law of China's modern social movement. Since the founding of the People's Republic of China 40 years ago, socialism has made China with its 5,000-year-old civilization reemerge with vigour into a prosperous country from a poor and backward nation. Today socialist China is playing an increasingly important role in world affairs. It is socialism that helped the Chinese people stand up, and no longer suffer from the bullying and humiliation of imperialists

and colonialists. All the overseas countrymen and countrymen of Hong Kong and Macao have deeply felt it from their own experience. Only when the socialist motherland is prosperous and strong can capitalist Hong Kong be stable and prosperous. We don't want the compatriots of Hong Kong to accept the socialist system, but believe that all patriots who support the reunification of China, preserve China's national dignity and wish China to be prosperous will surely understand why 1.1 billion Chinese people on the mainland chose the socialist road.

To implement the spirit of "one country, two systems," Hong Kong and the mainland should benefit each other in economics because both sides have many common interests and room to develop and promote social prosperity. Common interests have closely linked Hong Kong with the mainland. The prosperity and stability of Hong Kong relies on the support of the mainland. Without rich and cheap natural resources, labour, food, fresh water and daily necessities provided by the mainland, the economy of Hong Kong could not sustain prosperity and development for very long. Hong Kong is also a door for all countries of the world to enter China. With the mainland pursuing the policy of reform and opening to the outside world, Hong Kong has gained many benefits from economic activities between China and other countries.

Reform, opening up to the outside world and construction of the mainland also need Hong Kong's foreign ties. It needs to increase export of raw materials and products, introduce capital, technology and advanced management experience through Hong Kong. Their shared economic interests demand that, when handling their economic relations, they stress mutual benefit and common development.

Since the Sino-British Joint Declaration was signed in 1984 the British government has been responsible for the administration of Hong Kong during the transitional period. Whether Sino-British relations are good or not directly influences relations between Hong Kong and the mainland.

For five years China and Britain have maintained friendly cooperation in implementing the joint declaration, indicating that the two countries have a common interest on the question of Hong Kong. In June, the Chinese government put down a counterrevolutionary rebellion in Beijing aimed at overthrowing the leadership of the Communist Party and socialist system — an entirely internal matter. China did nothing to hurt others, and it does not want to be hurt by anyone else. Currently, the Sino-British relations are abnormal, and responsibility does not lie on the Chinese side. The Chinese people do not want to see such a situation. China is a polite country and pays attention to courteous reciprocity.

On the question of Hong Kong China believes in consultation, mutual understanding and accommodation. The Chinese people cannot accept pressure being exerted upon them. The Chinese government has repeatedly reaffirmed its policy of reform and opening to the outside world won't change. Its policy of "one country, two systems" remains unchanged. The Chinese people will always observe the Sino-British joint declaration. Whatever happens, China will not budge from the joint declaration. China and Britain should maintain and develop good relations of cooperation to ensure a smooth transitional period for Hong Kong. Unrest during this period will be in the interest of neither side. China hopes Britain will adopt a wise and realistic attitude and co-operate in order to implement the joint declaration.

Recently people often speak of

the question on the future and confidence of Hong Kong. We consistently consider that the fundamental conditions for preserving stability and prosperity of Hong Kong such as exceptionally natural and geographical environment, comparatively stable society, free and open economic system and policy, industrious and ingenious 5 million compatriots of Hong Kong, the economic ties of Hong Kong with the mainland and preference of transfer of trade, as well as the policy of

"one country, two systems" and other policies adopted by the central government towards the settlement of the question of Hong Kong still remain and will not fundamentally change.

If China and Britain continue to co-operate on implementing the joint declaration and Hong Kong maintains and develops a relationship of mutual respect and benefit with the mainland, Hong Kong will retain its unique vitality and its future will be bright.

ASEAN Countries: Adjusting Foreign Policies

by Lin Xiaozeng

n the past, Cold War confrontations influenced foreign policies of countries within the Association of Southeast Asian Nations (ASEAN). Because of a similar social system and ideology, ASEAN countries tended to develop closer relations with Western countries, and pursued pro-Western foreign policies. They depended on Western support and co-ordination to safeguard their independence and security. After the Soviet Union supported Viet Nam in its invasion of Kampuchea and set up a military base in Viet Nam, ASEAN countries further relied on US and Western support to contain Soviet and Vietnamese expansion and threat in the region.

However, in recent years there have been changes in East-West relations — US-Soviet relations have switched to dialogue from confrontation. State-to-state relations in the Asian and Pacific region and in Southeast Asia have also begun to change. Because of the changed atmosphere, ASEAN countries have made major, important adjustments to their foreign policies, which have influ-

enced the situation in Southeast Asia and relations among the parties concerned.

Despite differences and disputes on views and policies among ASEAN countries, their adjustments do share some common ground.

Moving Closer To the Soviets

Now, ASEAN countries are trying to gradually break away from Cold War influences, strengthen independent policies and distance themselves from the United States while at the same time developing relations with the Soviet Union.

ASEAN countries have tried to lessen their dependence on the United States, and contradictions and clashes have intensified. Thailand and the Philippines, which have an alliance with the United States, and Singapore, which has also developed closer ties with the Americans, all show a tendency towards distancing themselves from Washington. They stress their own interests and advocate multilateral diplomacy. Thai Prime Minister Chati-

chai Choonhavan has indicated that Thailand will implement a neutralist policy. Philippine President Corazon Aquino claimed the Philippines will pursue a peaceful and co-operative policy towards all countries. Anti-American feeling has increased in the Philippines because the people are aware that so long as US military bases remain on the islands, the Americans will continue to be able to interfere in their country's internal affairs. The government of Singapore even expelled a first secretary of the US embassy in Singapore to protest American interference in its internal affairs. Indonesia, in order to raise its position among non-aligned nations, has stressed the non-aligned nature of its foreign policy. Faced with a progressive reduction of the US role in Southeast Asia, ASEAN countries have strengthened their defence forces one after another and have approached how to increase their defence co-operation. As for arms, ASEAN countries are trying to buy fewer weapons from the United States. For example, Malaysia bought equipment worth of US\$2.5 billion from Britain and Thailand bought a number of weapons and equipment from neighbouring countries.

Meanwhile, ASEAN countries no longer regard the Soviet Union as a realistic threat because of the inevitable Vietnamese troop withdrawal from Kampuchea. Therefore, they have clearly improved their relations with the Soviet Union. Both the prime ministers of Malaysia and Thailand have visited Moscow. Recently, Indonesian President Suharto paid his first trip to the Soviet Union since taking office in 1965, and Philippine President Aquino is likely to visit the Soviet Union in the near future. As well, Soviet leaders have frequently visited ASEAN countries in recent years. ASEAN countries have praised highly Gorbachev's "new thinking" and the new Soviet Asianand-Pacific policy. Currently, ASEAN countries are taking steps to develop economic relations with the Soviet Union and East European countries. A rapid development of bilateral economic relations is difficult because of a lack of economic complementarity and a shortage of hard currency, but trade will likely increase and investment by the Soviet Union and East European countries in ASEAN nations will also develop gradually.

Resolving the Kampuchean Problem

After the easing of East-West relations, ASEAN countries stopped their confrontation with Viet Nam on their own initiative and adopted a more flexible attitude on the Kampuchean issue to seek an earlier settlement. At the same time, they improved relations with Indo-China. Indonesia hosted two informal meetings on the Kampuchean problem in Jakarta under the support of other ASEAN countries. Leaders of Indonesia and Thailand have encouraged leaders of various factions of Kampuchea to negotiate. The Thai government announced that improving relations with Indo-China would take priority in its foreign policy. Soon after taking office, Chatichai visited Laos and plans to visit Viet Nam soon. Although Thailand has not recognized the Phnom Penh regime, Hun Sen, the prime minister of the Heng Samrin regime, has paid three informal visits to Bangkok. The two sides discussed the Kampuchean problem, economic relations and trade. Philippine Secretary of Foreign Affairs Raul Manglapus also visited Viet Nam last year, and discussed such questions as US military bases in the Philippines and the Soviet naval base at Cam-Ranh Bay in Viet Nam and the Chinese Nansha Islands, showing a tendency to improve relations.

Economic Development a Top Issue

Economic development has become the top priority of ASEAN countries and their foreign policies are tightly linked to that development. As soon as Chatichai became prime minister of Thailand, he announced that Thailand's foreign policy aim was to turn Indo-China from a battlefield into a market. In actual fact, ASEAN countries have been vying with each other to improve relations with Indo-China in order to gain a favourable position in the region's market.

To expand their market and financial resources, ASEAN countries have improved relations with the Soviet Union, Eastern Europe, Africa and Latin America in view of their pluralistic economic policy. In doing this, they have not neglected seeking active aid from. the United States, Japan and Western Europe. They stress cooperative and competitive relations with these developed countries, hoping the contradictions and conflicts among their economic relations can be settled through co-ordinative efforts.

Policy of "Balanced Strength"

Although US-Soviet military strength in the Asian-Pacific region continues to play a leading role, the key players in the region are the United States, the Soviet Union, China and Japan. The policy of ASEAN countries is to welcome the four powers in the region. However, no country can be allowed to dominate Southeast Asia. ASEAN countries have determined to pursue a policy of "balanced strength," allowing the United States, the Soviet Union, China and Japan to restrain each other, thus gaining the most benefit in a situation of stability and development. They did not ask the United States to dismantle its military bases in the Southeast

Asian region, because the two superpowers will restrain each other.

ASEAN countries have become increasingly dependent on Japan for their market, capital and technology. But they are afraid that Japan will develop into a military power and have been trying to rely on China, the Soviet Union and the United States to check the trend towards the revival of militarism in Japan.

Regional Economic Co-operation

The main issues of the third summit meeting of ASEAN countries in 1988 were strengthening economic co-operation and formulating programmes for the next five years. ASEAN countries have taken an active and prudent policy towards regionalization and conglomeration of the present international economic relations. In principle, ASEAN countries support the Asia-Pacific co-operation, but oppose any exclusive group. ASEAN first stresses co-operation among its members. ASEAN countries are all members of the Committee of the Pacific Economic Cooperation. At the same time they maintain that their co-operative scale with the Asia-Pacific region should be smaller than the cooperative one between themselves, attempting to set up an unofficial and loose organization with this region in order to prevent the United States and Japan from controlling and manipulating. They have also adopted a prudent attitude towards the economic rim, a Forum for the Asia-Pacific Economic Co-operation and a US-ASEAN free trade zone. To protect their interests, ASEAN countries took part in a ministerial meeting of 12 Asian-Pacific countries held in Australia in November 1988.

Difficulties and Unyieldings

The range of readjustment of

ASEAN countries' foreign policy on the whole is somewhat limited.

Although the situation in the Southeast Asian region has eased, the US and Soviet rivalry for the region has not stopped. The US military bases in the Philippines and the Soviet military bases in Viet Nam continue their antagonistic posturing, and US and Soviet military forces are deployed around ASEAN countries. Under such circumstances it is difficult for ASEAN countries to rule out the influence of US-Soviet contention.

Although US forces in the area are smaller than before, they still occupy a leading position. American military, political and economic strength and influence are much stronger than those of the Soviet Union. The United States has some complaints about the readjustment of ASEAN countries' foreign policy, but it can do nothing. It has been trying to keep ASEAN from running away from the US sphere of influence.

It is realistic to say that ASEAN countries cannot change their heavy dependence on the United States and Japan in the

foreseeable future. US military might and economic strength in the Southeat Asian region has tended to decline while Japanese economic strength and political and economic influence upon ASEAN countries have been increasing. In a few years Japan may occupy a leading position in ASEAN's foreign economic ties. Its influence on these countries will likely outstrip that of the United States.

As for the Kampuchean issue, it will be a long time before the problem is resolved because Viet Nam wants to protect its invested interests and there are many internal and external factors that work against a comprehensive settlement. With ASEAN countries attempting to bring Indo-China into their sphere of influence, Viet Nam has taken the opportunity to exert its influence upon these countries.

In conclusion, readjustment of ASEAN's foreign policy will meet with difficulties and obstructions and its impact on the situation in the Southeast Asian region remains to be seen, but ASEAN cannot stop the course it is on.

International Studies

(A Quarterly in Chinese) Contents of Issue No. 1, 1990

The Prospects for the 1990s Wang Lin
On Asia-Pacific Situation in the 1990sTao Bingwei
On the Cause of US-Soviet Disarmament and the Prospects for the
1990s Xia Yishan
An Economic Comparison of Export-Oriented Development Stra-
tegies Chen Zhaoxing
Beyond Containment: An Initial Analysis on US Strategy
Pan Tongwen
Political Settlement of Afghanistan in Stalemate
Hong Xicheng
On Economic Situation in India and Its Seventh Five-Year Plan
Dong Manyuan
South Africa at the Crossroads
On "Overall National Strength" Li Tianran
China's Foreign Relations: A Chronicle (September-November
1989)

China Hits Hard at Corruption

by Our Staff Reporter Wu Naitao

n line with a decision of the CPC Central Committee and the State Council, China has launched a crackdown on graft and corruption, especially those cases involving embezzlement of over 10,000 yuan and senior cadres. This action demonstrates the firm determination of the Party and government to strengthen clean government and punish corruption.

The campain has already brought results.

Liu Yushan, former deputy director of the Anhui Provincial Machine-Building Department, brought a bank account of 47.-600 yuan with him on the morning of August 25, 1989 when he surrendered himself to the Anhui Provincial Department of Supervision. According to Liu's account, he had embezzled some 10,000 yuan of public funds by writing false receipts and making fraudulent claims and expense accounts slips at a dozen or so enterprises affiliated to the machine-building department. The case has been referred to the supervisory organization and when the facts about Liu's crime are ascertained, he will be given lenient treatment according to law. Liu Yushan is one of 10,000 criminals who, in the face of the powerful offensive launched recently against graft and corruption, have turned themselves in.

Surrender Within A Time Limit

On August 15, 1989, the Supreme People's Court and the Supreme People's Procuratorate jointly issued the Circular on

Criminals Guilty of Graft, Bribery and Speculation Who Must Surrender Themselves Within a Specified Time Limit. The time limit stipulated in the circular was from August 15 to October 31, 1989. Those who surrendered themselves, gave up their illgotten gains and reported other offences to the authorities within the above-mentioned time limit would all be given lenient treatment. Those who refused to surrender themselves, to make a clean breast of their crimes; who destroyed incriminating evidence, hid the spoils and illicit money; who acted in collaboration and concluded a pact to shield each other; or who absconded to avoid punishment and refused to be brought to justice would be severely punished according to law.

On August 19, the Chinese Ministry of Supervision issued the Circular on Personnel of the State Administrative Organizations Guilty of Corruption and Bribery Who Had to Voluntarily Give an Account of Their Problems Within the Time Limit. The circular said the supervisory organizations at all levels must concentrate on investigating and dealing with cases of personnel

Criminals cannot escape the net of justice.

ZHAO REN



of state administrative organizations involved in graft and bribery; work units and persons involved in the cases, whatever they are, must be seriously dealt with in accordance with the provisions of the Temporary Regulations on Giving Disciplinary Sanction Against Personnel of State Administrative Organizations Guilty of Graft and Bribery and other relevant laws and regulations and must not be tolerated.

After the publication of the two circulars, newspapers, broadcasting stations and television stations in various parts of the country gave them wide publicity. Supervisory departments in some places set up a special reception office for those who surrendered, set up special telephone lines, assigned special personnel to be on duty and made the measures known to the public.

A week after the publication of the circulars, 288 people surrendered, handed over 1.415 million yuan of illicit money; ten days after the circular was made public, 1,082 people had turned themselves in and handed over 7.94 million yuan of illicit money; 20 days later, the num-

ber rose to 2,181 people with 13.8 million yuan; recovered by October 20, 18,030 criminals had surrendered themselves to supervisory institutions and given up a total of 101.97 million yuan worth of illicit money and spoils. Of these there were 3,963 criminals who each had ill-gotten goods or money exceeding 10,000 yuan in value.

A Necessity

In recent years, the slogan of "Anti-corruption" has resounded in China but the phenomenon of corruption has gone unchecked. Secretary-General Luo Gan of the State Council has said, "Corruption is seriously contaminating our healthy societal body and threatening our subsistence. Unless resolute measures are taken, the consequence will be too dreadful to contemplate."

The overwhelming majority of the cadres are law-abiding, honest and strict with themselves. However, there are indeed some people, including some leading cadres, who are engaged in corruption. Although in the minority, they exert a very bad influence on society and blemish the image of the Communist Par-

Liu Donghan, management head of the Material Supply Division of the Guangzhou Fuel corp., who ignored the Circular of the Supreme People's Court and the Supreme People's Procuratorate, is arrested for criminal crimes. $\it ZHAO\ YONGWEI$



ty and government. Cases of corruption, manifested in graft, bribery and the abuse of power for personal ends, has increased in number. Those involved in corruption are mainly engaged in finance and accounting, business, and supply and marketing; people implicated in cases of bribery are mostly those having power over the allocation, planning and use of human, financial and material resources.

Over the past few years, the efforts of the Party and government departments to promote clean government and control bribery and corruption has made some progress. For example, according to statistics from the departments concerned, between February 1982 and June 1986, more than 67,600 Party members were disciplined for involvement in economic cases, 25,598 of whom were expelled from the Party; since 1987, organizations for discipline inspection have conducted investigation annually in which more than 100,000 Party members are found to have violated discipline; in 1988, state supervisory organs handled more than 21,100 cases of graft and bribery, and took disciplinary action against more than 3,700 leading cadres who are Party members. But overall, more was said than done in promoting clean government and cracking down on corruption; the measures taken were ineffective.

As early as 1980, Deng Xiaoping had given a warning. At the CPC Central Committee's Political Bureau Conference on August 18, 1980, he admonished leading Party and government cadres at all levels about the lessons of the "cultural revolution." He said, "At present there are still some cadres who, regarding themselves as masters rather than servants of the people, use their positions to seek personal privileges. This practice has

aroused strong mass resentment and tarnished the Party's prestige. Unless it is firmly corrected, it is bound to corrupt our cadres."

When the reform brought such good results and benefits, however, some leading cadres failed to pay adequate attention to the advice of the chief architect of reform. The mass madia intermittently exposed the phenomenon of corruption but investigations met resistance and some cases were left unfinished. The result was the spread of corrupt practices.

Deng Xiaoping recently pointed out that even though the problem had been mentioned many times over a period of several years, few results have been achieved. The reasons, he said, probably lay within the highest level of the Party.

People have strongly opposed corruption and expected that the CPC Central Committee and the government would effectively deal with it. However, Zhao Ziyang, then general secretary of the CPC Central Committee, was indifferent towards the problem, even asserting that corruption was unavoidable. When the masses expressed their strong discontent about children of highranking officials doing business and abusing their power, Zhao disagreed, saying, "This does not tally with the state law. Leaders' children cannot be separated from the masses and put under another category." At a provincial governors conference, held after the people's congress last March, Governor Shen Zulun of Zhejiang Province and others proposed to Zhao that regulations be enacted forbidding high-ranking officials' children from doing business, but Zhao ignored their proposal. His attitude, in effect, protected those who abused their power to secure profit by force or trickery.

One of the reasons why so

many people were involved in the "June 4 incident" that took place in Beijing at the turn of spring and summer was that the plotters and organizers incited the masses' discontent with corruption. The whole nation has now come to realize that the fight against corruption is indeed a matter concerning the life and death of the Communist Party and the long-term peace and stability of the country. Unless there is a clampdown on corruption, China's socialist construction faces the danger of going bust. It is high time, therefore, to tackle the matter.

In late July, the CPC Central Committee and the State Council decided that they would undertake seven tasks of common concern to the masses. These include the abolition of the special supply of a small quota of food for Party and state leaders, the use of China-made instead of foreign produced limousines by senior and the withdrawal of senior cadres' spouses and children from companies in the circulation field. The clampdown on graft and corruption was announced as one of the major, present tasks, particularly investigations of major cases (involving an excess of 10,000 yuan) and those involving senior cadres.

Institutions

To combat corruption, the Ministry of Supervision has formulated more than 20 administrative laws, rules and regulations and is drafting and revising five sets of regulations: The Supervisory Regulations of the People's Republic of China, the Provisional Regulations on the Disciplinery Sanction Against State Functionaries for Dereliction of Duties, the Temporary Regulations on the Report About the Property and Income of State Functionaries, A Number of Regulations on the Enforcement of

Law by State Administrative Organizations and Their Staff, The Detailed Rules for the Implementation of the Temporary Regulations on the Disciplinery Sanction Against State Functionaries for Graft and Bribery, as well as A Number of Regulations on the Strict Prohibition on Giving Dinner Party and Gifts in All Official Business Activities, and Regulations on Checking Excessive Eating and Drinking at Public Expense and the Introduction of the Method of Work Meals for Staff Members at Party and Government Organizations.

On September 13, the Ministry of Supervision published the Detailed Rules for the Implementation of the Temporary Regulations on Disciplinery Sanctions Against State Functionaries for Graft and Bribery, reaching some 6,000 words in 46 articles. There are explicit stipulations in the Temporary Regulations on enforcment of administrative discipline and on the investigation and punishment of state functionaries for their acts of graft and bribery. Implementation of the Detailed Rules has made the Temporary Regulations more concrete, the policy line more hard and fast and enforcement of the regulations easier. For example, it clearly defines what is meant by "taking advantage of the convenience of one's post." This includes both the use of power within the scope of one's post and the use of the convenient conditions created by the post one presently holds or held in the past; it stipulates that when a state functionary's property or expenditure is obviously greater than his legal income and he himself fails to clearly account for its legal source and the balance exceeds 2,000 yuan, he should be disciplined accordingly. In addition, with regard to acts of bribery, embezzlement of public funds and the covering-up

BEIJING REVIEW Subject Index (Nos. 27-52, 1989)

	Issue Issue No No		Issue Issue No No
I. DOMESTIC		Marxism-Leninism Needs to Be Inte-	
•		grated With China's Reality	38:14
1. Political		Establishing Clean Government	38:31
		Veteran Leader on Anti-Subversion	39: 9
1) General		Study of Marxist Philosophy Urged	40: 4
CPC Central Committee Holds Plenum	27: 4	Leader Explains Policies to HK Jour-	
China Not to Yield to Foreign Pressure	27: 5	nalists	40: 6
Spokesman on Current Situation	27:11	Quality of Party Members to Be Im-	
Jiang Reiterates Party's Policies	28: 4	proved	40: 8
Deng's Talks on Quelling Rebellion in		Top Party Leaders Answer Questions at	
Beijing	28:14	Press Conference	40:15
People Comment on the Riot in Beijing	28:21	Beijing Celebrates PRC's 40th Anniver-	
Who Stirred Up the Turmoil	28:21	sary	41: 5
Seize the Vicious Manipulator—Liu		Speech at the Meeting in Celebration of	
Xiaobo	28:22	the 40th Anniversary of the Found-	
What Did the Campus Broadcasting		ing of the People's Republic of	
Station Do?	28:25	China	41:11
Deng Xiaoping on Upholding the Four		Daqing Spirit Inspiring	42: 5
Cardinal Principles and Combating		China's Model Workers Honoured	42: 5
Bourgeois Liberalization	29:16	Li Peng on Current Domestic and In-	
Report on Checking the Turmoil and		ternational Policies	42:14
Quelling the Counter-Revolutionary		Questions of Interest About China	44: 8
Rebellion 29: Co	entrefold	Two Views on Reform	45: 4
Martial Law Kept in Force	30: 4	Why China Should Not Introduce the	
Upholding Fundamentals for National		Tripartite Political System	45:29
Construction	31: 4	Deng Meets Henry Kissinger	47: 6
CPC to Boost Ideological Work	31: 5	Communique of Fifth Plenary Session	
Shanghai Remains Open to Foreign		of 13th CPC Central Committee	47:15
Business	31: 8	CPC Central Committee Decision on	
The Road to Strength and Prosperity	32: 4	Deng's Resignation	47:18
Forums on Fighting Liberalization	32: 8	'China Has Not Been Isolated'	47:38
'Democracy Must Fit China's Reality'	32:28	Chen Jingrun: Still Working on 1+1	47:40
Encouraging Clean Government, Com-		Marxism—Leninism Is the Banner of	
bating Corruption	33: 4	Our Times (I)	48:13
Subversive Acts by Fugitives Continue	33: 5	Positive Reporting by Media Stressed	49: 5
Yuan Mu on Fang & Turmoil		Li Peng on Domestic and World Issues	49: 8
Problems	35: 5	The True Features of 'Democratic	
State Cuts Food & Car Perks	35: 6	Fighters'	49:19
Anti-Corruption Rules to Plug Loo-		Marxism-Leninism Is the Banner of	
pholes	36: 9	Our Times (II)	49:23
Multi-Party Co-Operation Continues	38: 6	Media Must Serve People, Socialism	
		—Jiang	50: 4

	Issue Issue No No		Issue Issue No No
Unity Among Nationalities Stressed	50: 5	Brief Biography of Yang Baibing	47 : 23
Marxism-Leninism Is the Banner of Our Times (III)	50.22	Deng Urges PLA to Stay Loyal	48: 4
Chinese Leaders and Deng Meet US	50:23	5) Democracy and Legal System	
Envoy	51: 4	No Change in Reform Policy—Deng	39: 5
Overseas Chinese Affairs High on		CPPCC Marked 40th Anniversary	40: 6
Agenda	52: 5		
Synching Economic, Political Reforms Party Londorship, Longue Bala Paites	52: 6	6) Hong Kong, Macao and Taiwan	
Party Leadership, League Role Reiterated	52: 8	China Sticks to HK, Macao Policy Policy on Taiwan Unchanged	27: 6
atou	32: 8	Taiwan Reporters Deported	28: 8 30: 5
2) Chinese Communist Party		HK Newspaper on China's HK Policy	31: 7
Communique of the Fourth Plenary		Former KMT Personnel Won't Be Pro-	
Session of the 13th CPC Central		secuted	39: 7
Committee Porty Leader Calls for Dissipling	27: 9	Taiwan Denounced for Propaganda	
Party Leader Calls for Discipline Profiles of the Party's Leaders	28: 5 28:17	Trick	40: 7
Addenda to Party Leaders' Profiles	29:17	'Internationalization' of HK Question Opposed	45: 5
CPC Vows to End Corruption	32: 5	'Internationalization' of Hong Kong	43: 3
Intensification of Party Consolidation		Gets Nowhere	50:10
Urged	36: 5	Mainland's Taiwan Policy Unchanged	50:31
The Communist Party Must Accept Su-		Hong Kong Policy Remains	
pervision	39:16	Unchanged	51: 8
Communist Pioneer Commemorated	46: 6	7) Notional Minarity	
Deng Retires, Jiang Appointed Military Chief	47: 5	7) National Minority Lhasa: Growing Pains	25 . 21
Deng Meets Last Foreign Guests Offi-	47: 3	Yunnan Minorities Mix Life Styles	35:21 37:30
cially	48: 5	The Little Known Nationality of the Tu	37.30
Developing the Economy in a Sus-		·	47:28
tained, Stable and Harmonious Way	49:13	Unity Among Nationalities Stressed State Aid to Poor Counties of National	50: 5
3) National People's Congress and	the	Minorities Minorities	52:29
Chinese People's Political Consulta	ative	Militarities	32.29
Conference		8) The Legal System	
NPC Meeting Focuses on Rebellion	29: 4	Draft Law Opens for Discussion	29: 5
NPC Standing Committee Brings New		NPC to Probe Signature Incident	29: 6
Measures Current Economic Policy Pays Off	37: 4	Crackdown on Corruption Continues	29: 7
Financial Strain Analysed	37: 5 37: 6	Corruption Cases Brought to Light Liaoning Governor Issued a Summons	30: 6 30:31
Hainan Governor Dismissed for Abuse	37: 6	Implementation of UN Beijing Roles:	30:31
of Power	39: 6	Juvenile Delinquency	32:20
Important Role of the CPPCC Reiterat-		Smuggling Developed to a Fine Art	33:23
ed	43: 4	State Fines Major Firms	35: 5
Returned Students Warmly Welcomed	51: 6	Confessions Easier With Clemency	
4) People's Liberation Army		Law Forum: Why 'Laws Go Unenforced'	36: 7
Martyrs Are Remembered	27: 7	A Few Words About Martial Law	37:13 38: 4
Between Army and People	31:16	Big Fish Caught in Abuse Crackdown	38: 5
Martial Law Troops Replaced in Tian-		Overview on Resolution of Economic	
anmen Square	46: 4	Disputes Involving Foreign Interests	
Deng Xiaoping's Letter of Resignation		in China: The Legal Basis & the Ma-	
to CPC Political Bureau Brief Biography of Liu Huaging	47:21	jor Methods	41:35
prior brographly of the fluadills	47:22		

	Issue Issue No No		Issue Issue No No
Working Hard to Build the Legal Sys-		Economic Structural Imbalance: Its	
tem	42:27	Causes and Correctives	36:18
China Joins in Anti-Drug Campaign	43: 6	China's Foreign Exchange Boosted in	26 20
Anti-Porn Campaign Off to Good Start	44: 4	'88	36:28 40:19
Construction of the Chinese Legal System	44:13	Only Socialism Can Develop China China Advances Towards Its 40th An-	40:19
Symposium on Combating Unfair	44.13	niversary	40:26
Competition Compating Chran	44:31	Daqing Spirit Inspiring	42: 5
Demonstration Law Approved	46: 4	China's Major Natural Resources	42:34
China Deals With Unfair Competition	47: 7	China Meets Economic Challenges	43: 4
China Hits Hard at Corruption	52:19	Statistics Show Economic Growth	46: 8
omma izito riaid di Corraption	52.17	China Cleans Up Companies to Stop	
		Official Profiteering	46:14
9) Others		Ten Major Ecological Problems	46:28
Beijingers Rescue PLA Men	28: 6	Initial Success for Economic Rectifica-	
Features of Law-Breaking by Cadres	29:30	tion and Improvement	48:16
Hunger Strikers Used as a Tool for	27.30	Readjusting of Industrial Structure	51:29
Political Blackmail	30:24		0.1
Beijing After the Counter-	20.2.	2) Industry, Communications and	City
Revolutionary Rebellion	31:19	Construction Three Corres Project (I): Dream and	
Aping West Ways Resulted in Turmoil	32:28	Three Gorges Project (I): Dream and Reality	27:15
Party Still Backs Intellectuals	33: 6	Three Gorges Project (2): Main Points	27.13
What Does 'The River Dies Young' Ad-		of the Feasibility Study Report	27:22
vocate?	34:18	Three Gorges Project (3): Why I Am	21.22
People's Daily Editor's Note	34:19	Agaisnt the Project	27:27
Hou Appears From Hiding	35: 7	Developments in China's Offshore Oil	21.21
Campaign to Beat Down Pornography	36: 6	Industry	28:27
Li Puts New Generation in Focus	38: 6	Industrial Growth Better	29: 9
More Care for Complaints	39: 8	Modernizing China's Highway Net-	
A View of the Class Struggle	41:44	work	32: 9
Active in State Affairs Overseas Trips by Officials to Be Con-	42:26	Travel Costs Increased	37: 4
trolled	43: 6	Total China-Made Car Mkt Targeted	38: 8
Ideological Work Should Strengthen	43: 8	Shenyang: Seeking Co-Operation in In-	
Eyewitness Accounts of the Clearing of	4 5. 0	dustrial Transformation	38:15
Tiananmen Square	43:26	China Sets Up Independent Industrial	
New Trends on Nanjig Campuses	52:34	System	39:22
rew frends on ranging campases	52.51	Energy Blueprint Worked Out	41: 6
10) Others		'Opening Broadens My Horizon'	41:25
•	26 . 0	Peaceful Use of Nuclear Energy	42:17
Sci-Tech Group Probes Geo-Disasters	36: 9	High-Tech Pays Off	43: 7
		Tarim Basin, a Promising Oil Resource	47: 6
2. Economic		Golmud—a New Plateau Town	47:24
		Big and Medium-Sized Enterprises: Backbone of Industrial China	49:25
1) General		Ups and Downs of 'Red Flag' Car	51:29
China's Major Natural Resources	29:30	Use of Scrap Metal Increases	52:34
Li Urges an Orderly Economy	34: 5	Diaoyutai State Guesthouse: a Mirror	52.51
Li Stresses Stable Economy	35: 4	of Diplomacy	52:34
Eliminate Unfair Income Distribution	35:15		. =
Why China Will Not Practise Privatiza-		3) Agriculture, Animal Husbandry a	and
tion	36: 4	Sideline Production	
Economy Develops Amidst Snags	36:15	Hope for China's Agriculture	33:15

	Issue Issue No No		Issue Issue No No
Matters for Deep Thinking	33:27	Actors, Actresses Evading Taxes	47: 8
Fewer Farmers on the Move	37:30	Actors, Actresses Evading Taxes	77. (
Plant Growth Agent Taken to Rural			
Areas	38:30	6) Tourism	
Farm Mechanization Takes Off	38:31	China Still Welcomes Tourists	27:31
A Way to Treat Low-Yielding Farm-		A Restaurant That Serves Medicinal	
land	39:27	Food	28:34
'Present Policies Are Best'	40:35	Beijing Tourism Picks Up	31:23
Beijing Suburban Agriculture on Road		Guild Hall's Legacy!	31:34
to Modernization	46:23	World's Largest Mini-Compact Scenic	
Serious Grasslands Degeneration	46:28	Area	35:34
Minhe County's Fight Against Poverty	47:31	Science Lovers Get Tours	35:34
Farmers' Joys and Worries	47:45	New Convenience for Commercial	
Agriculture Takes Top Priority	50: 6	Travellers	39:34
Property in Beijing	50:29	Mystic Conch-Like Valley	41:30
Breakthrough Needed in Agriculture	51: 6	Tourist Meeting in Shenzhen	46:30
4) Forestry		Flea Market Opens in Beijing	47:47
Shelterbelt to Guard Yangtze	36:10	Aviation Museum Opens in Beijing	50:34
Forests Plundered Despite NPC Laws	37: 6	Restored Scenic Belt in Nanjing	50:34
Big Trouble in the Woods	38: 8		
Verdant 'Great Wall' Turns China	70.0	7) Opening to the World	
Green	52: 8	Foreign Trade to Be Expanded	27: 5
		Mediating Disputes for Foreign-	
5) Finance and Trade		Funded Enterprises	28:30
World Bank Link Still Exists	28: 7	Resource Capital Needs Capital	28:30
Chinese Clothing Catches Up With		US\$100 Million Repaid to HK	28:31
World Trend	30:20	More Foreigners Invest in Shanghai	28:31
How Traders Spend Money?	30:31	US & Holland Invest in Hi-Tech Indus-	
Strengthening Taxation's Role as an		try	28:31
Economic Lever	32:16	Fayourable Situation in Foreign Trade	29:25
China Reiterates Loan Policy	32:30	Volkswagen Plans Expansion in China	29:25
China Seeks More World Bank Loans	32:30	Lift Venture Seeks Foreign Sales	29:26
China Fights Tax Dodgers Foreign Exphange to Be Co Ordinated	33: 6 34:22	Good Sales of Woolen Yarn	29:27
Foreign Exchange to Be Co-Ordinated Call to Use More China-Made Goods	34 : 22 35 : 28	Sino-British Contract on Course	29:27
Shanghai: Stock Market	33.20	China's Foreign Trade Policy Remains	
Re-established	38:19	Unchanged	30:13
Hai Tong Endeavouring Securities	30.19	Beijing Continues to Open the Door	30:15
Transaction Endeavouring Securities	38:23	Foreign Entrepreneurs and Chinese	
ADB Loan flows to Shanghai	38:28	Staff Overcome Difficulties	30:16
Upstarts Evade Taxes	38:30	Foreign Chamber of Commerce Set Up	30:27
Circular on Crackdown on Counterfeit	20.20	Co-Operation in High Technology	30:27
Goods Issued	39: 9	Exports and Imports Rise	30:27
'A Private Entrepreneur's Dream'	40:39	Investment Area for Taiwanese	30:28
Don't Shun Your Iron Pot	42:34	Multi-Functional Corporation	30:28
Real Estate: a Rising Industry	44: 7	New Container Ship Ready to Go	30:28
Retrenchment and Economic Growth	44:17	Hainan's Door Keeps Open	31: 6
China's Stock and Bond Market	44:20	China's Foreign Trade Strategy	31:25
China Announces Foreign Debts for		Seek Co-Operation in Nuclear Power	31:30
the First Time	44:29	US Steel Service in Wuhan	31:30
Private Businesses Need Protection	45: 7	Foreign Capital Growing in Yantai	31:30
Facts & Figures: China's Capital Goods		Rectify Foreign Trade System	33: 7
Market	46 : 26	Joint Venture Proposals	33:29

	Issue Issue No No		Issue Issue No No
Export of Electrical Goods	33:29	in China: The Legal Basis & the Ma-	
Licence Control on Medicine	33:30	jor Methods	41:35
Nanjing Adds 17 Joint Ventures	33:30	Eight Exhibitions to Be Held as Sched-	11.55
Plastic Products Success	33:31	uled	41:45
Hong Kong Wins Cassava Case	33:31	Co-Operative Exploration in China	41:45
American Lease Tianjin Land	34: 4	Fujian Expands Tea Export	41:45
Notes on a Trip to Shenzhen (I): Fruit	31. 1	China Aids Cairo Conference Centre	41:45
of the Open Policy	34:11	Tin-Technology Surprises World	41:46
Foreign Investment in Qinhuangdao	21111	China's Foreign Trade Policy	42: 9
Growing	34:22	Export Target for Chinese Products	42:30
Italy Wins Bid in Tyre Item	34:22	A US Bus Factory in China	42:30
Foreign Exchange to Be Co-Ordinated	34:22	CGG in China	42:30
Import Goods See Licensing	34:23	Yunnan Cigarettes Are Oversea Win-	
Notes on a Trip to Shenzhen (II): Pro-		ners	42:30
gress and Problems in Attracting		Pingdingshan Seeking Co-Operation	42:31
Foreign Capital	35:23	The History of the MGM Project	43:29
An Introduction to Shenzhen SEZ	35:24	Foreign Trade Increase in Dalian	44 : 24
Foreign Trade Rose to US\$9.59 Bn in		BTU Service Centre in Beijing	44:30
July	35:30	4 Foreign Trade Companies Dissolved	44:30
Xiamen's Booming Land Market	35:30	Symposium on Cambating Unfair Com-	
Anti-VD Shampoo Hits Market	35:31	petition	44:31
Joint Venture Proposals	35:31	Products for Foreign Markets	44:31
Notes on a Trip to Shenzhen (III): Es-		Decade of Successful Foreign Invest-	
tablishing an Export-Oriented Econ-		ment	45 : 14
omy	36:25	Putian: A Good Partner for Economic	
Bicycle Production Line Imported	36:28	Co-Operation	45:23
Joint Venture Proposals	36:28	Foreign Investment Up	46:29
Notes on a Trip to Shenzhen (IV):		A US Enterprise in Chongqing	46:30
A Glimpse of the Science & Technology		A Worldwide Symposium	46:30
Industrial Park	37:23	More Patent Applications by Foreign	
Open Roads With Foreign Fund	37:27	Businessmen	46:30
Chinese Ships Sail to the US	37:27	Investment Turns Profit	46:31
Hebei Sees Trade Success in Hamburg	37:28	Sino-British Co-Operation in Shipbuild-	
Sino-Romanian Line-Up in Know-How	37:28	ing	46:31
China Plans Export Improvements	37:28	Co-Operation With Philips	46:31
Great Leap in Sino-Soviet Trade	37:29	Two Open Areas in Yunnan Province	47:35
Expanded H-Acid Exports	37:29	Foreigners Not Allowed to Buy Goods	
Joint Venture in Capsule Project	37:29	for Export	47:42
Dalian Plans Big New Free Port	38:28	Foreign Investment Used to Develop	47 . 43
Paid Transfer of Land-Use Right in	20. 20	Shenfu Coalfield	47:42
Fujian	38:28	Ericsson Develops China Market	47 : 42 47 : 43
ADB Loan Flows to Shanghai	38:28	A New Coca Cola Bottling Factory	47:43
Exhibition of Foreign-Funded Enter-	20, 20	Tangshan Updated With Foreign	47.42
prises' Achievements	38:29	Equipment China Vays Quality Coal for Japan	47 : 43 48 : 28
New York City Pizza Corp. in China	38:29	China Vows Quality Coal for Japan	40.20
Joint Offshore Oil Development	39:31	China Helps Foreign-Funded Enter-	48:28
Exhibition Site Attracts US Investor	39:31 39:31	prises New Co-Operative Projects in Tianjin	48:28
China & Brazil to Produce Satellite	39:31 40:10	Lockheed Expands Co-operation With	70.20
China's Foreign Trade in Past 40 Years	40:10 40:47	China Co-operation with	48:29
Rural Enterprises' Exports Increase Overview on Resolution of Economic	40:4/	Export of Confucian Family Liquor In-	₹0.47
Disputes Involving Foreign Interests		creased	48:29
Disputes involving 1 offigir interests		0100300	10.27

	Issue Issue No No		Issue Issue No No
Co-Operative Programme for Enter-		and Romance	28:32
prises	49:30	Jiang Kun: China's Star of Laughter	29:28
High-Tech Products of Syntone Group	49:30	Deepening Our Understanding of 'Silk	
Thriving Economy and Trade in Suzh-		Road' Music	31:32
ou	49:31	Dance Drama Reflects Local Life	31:32
Qingdao: An Open City	50:25	Chen Xueqing, a Promising Cellist	33:32
Investment Association Founded in		What Does 'The River Dies Young' Ad-	
Beijing	50:30	vocate?	34:18
Shanghai Squibb's Bright Future	50:30	People's Daily Editor's Note	34:19
Co-Operation to Develop Rock Salt	50:31	New Film an Epic of China's Revolu-	31.17
Bright Prospects in Agriculture With	•	tionary War	34:24
Use of Foreign Funds	51:26	Guan Excels in Peking Opera	34:25
UN Co-Operation With China	51:26	Drama Exposes Feudal Traits	35:33
Share Purchase in Chilean Fish Co.	51:26	Chinese Artist Gets UNESCO Prize	37:33
New Computers on the Warld Market	51:26	Actor of All Seasons	38:33
Neste to Expand Ties With China	51:27	Second China Art Festival Opens	39: 7
New Toys Move Abroad	51:27	Stage Psyche of a Small Potato	39:32
A Big Go in the Use of Foreign Funds	51:28	Literature Is From Life and More Than	37.32
Shenzhen: a Decade of Robust Growth	52:10	Life	40:41
Law on JV to Be Revised	52:36	The Second China Art Festival: A	10.41
Co-Operation Focus in Shandong	52:36	Hundred Flowers Will Go on Blos-	
CCPIT Planning for 1990 Exhibitions AEG Aiming at Future	52:36	soming	40:42
Australopithecus Skull Discovered	52:37 52:38	Listing of Some Programmes and Per-	70,72
Austraiopithecus Skull Discovered	32:38	forming Groups	40 : 44
8) Economic Reform		Chinese Ballet Stars Win Awards in	70.11
Shoudu Iron and Steel Co. (I): A Mo-		Moscow	40:48
del in the Reform of State-Run En-		'Bai Shuxiang—a Ballet Star'	41:29
terprises	50:15	Award-Winning Works on Show in Bei-	,,,,,
Shoudu Iron and Steel Co. (II): Con-		jing	41:49
tract System Stimulates Enterprises	50:19	Discard the Dross, Make Literature and	
Shoudu Iron and Steel Co. (III): Lead-		Art Prosper	42: 4
ership Established Through a Demo-		Mongolian Acrobatic Troupe Performs	
cratic System	51:22	in China	42:33
Shoudu Iron & Steel Co. (IV): Innova-		Minority Artists Dazzle Beijing	45:32
tive Wage System	52:21	Museum Features Shangzhai Culture	45:34
		Bolshoi Captivates Dance Lovers	46:32
9) Environmental Protection		Innovation in Chinese Opera	46:33
Giant Panda's Origin Discovered	50:28	China's Film Industry Based on Real-	10.55
40\ 04b = ==		ism	47 : 48
10) Others	22 22	Confucian Culture Festival	47:49
Smuggling Developed to a Fine Art	33:23	Successors to the Qi School	48:33
State Fines Major Firms	35: 5	Prizes Awarded Defence Articles	48:34
0.00-14		One-Man Comedy Captivates Beijing	10.15.1
3. Culture		Audience	49:33
1) General		Bulgarian Pantomime Troupe in China	49:34
1) General A Kingdom of Brown-Eared Pheasants	20.20	Artist Combines Styles of East and	
Current Economic Policy Pays Off	29 : 29 37 : 5	West	50:32
Financial Strain Analysed	37: 3 37: 6	Farmer Painter—Peng Deyin	50:33
i manoiai ottain /indiyseu	31. 0	The World's Longest Woodcut	51:34
2) Art and Literature		The 2nd International Wuqiao Acro-	
Butterfly Stories Focused on History		batics Festival	52 · 38

	Issue Issue No No		Issue Issue No No
3) Education		Boxing Gets 'Computer Judges'	37:32
Facts & Figures: Education in Present		Athletic Talent Seen at Second Nation-	
Day China	29:21	al Games	43:33
Policy on Sending Students Abroad		China in International Sports	52:23
Unchanged	32: 6		
Meditation After the Disturbance	32:23	7)Archaeology and Culture Relics	
Early Start for Beijing Students	34: 5	Remains of Peking Man Suggest	27.22
A Word to Students	36: 8	Chinese Origins	27:32 27:33
Training Qualified Personnel for So-		East-West Exchanges in Ceramics	27:33
cialism	41:27	Archaeological Progress in Sichuan	27:34
Fresh Term for the Freshmen	44: 5	Sacrificial Horse Pit Opens in Shan-	29:29
Campuses After Disturbance	46:19	dong	30:32
Students' Living Expenses Increase	47 : 44	Tombs Have Stories to Tell	30.32
University With No Campus	49:32	Bone International Reveals Western	33:34
Heads of University Write to US Coun-		Han Dynasty Influence of Confucianism Abroad	36:32
terparts	50: 7	Ancient 'Rock-Porn' Found in Ningxia	39:33
Marxism-Leninism Studies Renewed on		Scientists Disscuss 'Peking Man'	46: 9
Campus	50: 8	Eighteen-Month Yi Solar Calender Dis-	40. /
Fund to Help Poor Dropouts	50: 8	covered	49:33
		New Archaeological Discoveries	51:33
4) Science and Technology		New Menacological Discovers	• • • • • • • • • • • • • • • • • • • •
Law-Temp Nuclear Heart on Horizon	35:32	8) Books	
Non-Government Scientific Units		'Selected Works of Deng Xiaoping'	
Ready to Expand	37:31	Published	38:26
Science Influences the Weather	39:32	Ancient Mongolian Oral Epic Pub-	
'My Dream Comes True'	40:37	lished	40 : 49
Complete Chinese Character Computer	10 10	'China Today: Aviation Industry'	41:47
System Passed Appraisal	40:48	'Past and Future'	41:47
China's Fruitful Scientific and Tech-	42 14	'Military Affairs Encyclopedia of	
nological Progress	43:14	China'	41 : 47
ms na 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Large Pictorial Albums of Contempor-	
5) Medicine and Health	22 10	ary China	48:30
Doctors Work for Disabled	32:10 34:26	An Introduction to 'China's Tibet'	50:27
Herbs Make Male Pill		a. a.,	
VD Babies Pock Future	35: 8	9) Others	20 - 20
Beijing Steps Up AIDS Check	46: 9	Music Industry Suffers Setback	29 : 29
Anti-Cancer Work in Progress	48:19 48:23	Taihu Stone Best for Classic Chinese	32:32
Two Chinese Tumour Experts China's Largest Tumour Research and	40.23	Gardens Chinese Cultural Centre in US	32:32
Treatment Centre	48:25	Confucius Gets 2,540th Birthday Hon-	32.31
Computer in Chinese Medicine Thera-	40.25	ours	36:31
•	48:32	Terracotta Site Goes Public	36:31
py The Story of Yunnan Baiyao	51:31	Sage's Birthday to Be Celebrated	36:32
Combating Snail Fever in South China	52: 6	Scientist Wins Top Honour	38:32
China Would Not Be Strong Without	32. 0	Sea Stones Hit Art World	38:32
the CPC	52:40	Publications Will Be Streamlined	40: 8
the Ci C	52.40	China's Biggest Dam in Focus	40:50
6) Sports		Dragon Palace Has Extra Dimensions	·
Revving Compatriots Cross China	28:33	of Interest	41:48
Asian Games on Schedule	32:34	Tea and Chinese Culture Exhibition	42:32
Magic Qigong Fights Cancer	33:32	Folk Arts of Inner Mongolia and Gan-	
China Boxing into World Level	37:32	su	43:32

	Issue Issue No No		Issue Issue No No
TV Serial Reflects Minority Life Beijing Hosts China's First Film Festi-	43:33	9) Religion	
val	44:32	Government Functionary Discusses Re-	
Magazine News 10 Top Film Stars	44:33	ligion Religion in China	33:18 33:22
'Jiaozi,' China's Dumplings	50:32	Rengion in China	33:22
Confucianism: Still a Subject of Interest	51:17	10) Others	
Books for Prisoners	51:17	Deaths Spiral as Floods Hit	30: 7
'Thunderstorm' Recaptures Beijing Au-		Yantai Mayor Yu Zhengsheng	33:27
dience	52:39	Early Marriage in Shandong Changing Jobs Becomes a Fashion	36:30
4. Social		Looking After His Constituency	41 : 43 42 : 24
		Earthquakes Hit North China	45: 9
1) General		Moonlighting Craze Hits China	45:21
'Opening Broadens My Horizon'	41:25	Support Project for Poor Area Succeeds	
2) Trade Union	•	Impact of Global Warming	46: 8. 47:44
Trade Unions: Strengthen Labour Pro-		More Seek Divorces	50:28
tection Leading Role of Working Class Reaf-	29:23		30.20
firmed	32: 7	II. International	
3) Youth		1) Comprel	
Implementation of UN Beijing Rules:		1) General Spokesman on Current Situation	27:11
Juvenile Delinquency	32:20	NATO Safeguards Unity With SNF	27.11
4) Senior Citizens		Compromise	28:10
Living Standards of the Retired Fall	33:28	Anti-China Clamour Cannot Intimi-	
China's Model Workers Honoured	42: 5	date Chinese People	29:14
5) Women		China Diplomats Meet in Beijing China's Internal Affairs Brook No In-	30: 4
Women Talk About Gifts	31:29	terference	31:10
Women in the Tide of Reform Women's Association for Banning	36:30	Rival Visits Highlight East-West Con-	01.10
Gambling	41:43	tention	31:11
6) Ohildaa		'Dual Recognition' Will Get Nowhere	33:10
6) Children Stop Sex Checks of Fetuses	20. 0	New Measures Battle Nepotism US Differs With West Germany on Ma-	34: 4
Money and Children	28: 8 35:28	jor Defence Issues	34: 8
Survey Finds Kids Healthier, Happier	52: 7	Multi-Polar Tendency in the World	27. 0
7) Disabled		Economy	35:11
Handicapped Better Their Lives	51:30	Non-Aligned Movement Aims at Modernization	26 . 11
		Summit Agreement Promotes Peace	36:11
B) Population and Life Cities Clamp Down on Water	35: 7	Process	36:14
China's Population Still Faces Yellow	33. /	Foreign Minister Qian Assesses World	
Light	44: 6	Situation	37: 8
China's Population Policy Is Proving to		The International Climate and the June	27 0
Be Effective Calculating China's 1.1 Billion Popula-	45 : 30	Rebellion Rumours and the Truth	37: 9 37:16
tion	50:29	The Development of Comecon and Its	37.10
th National Census to Get	- /	Prospects	38:10
Under Way	52: 4	The Non-Aligned Movement at a Turn-	
		ing Point	3Q · 4

	Issue Issue No No		Issue Issue No No
New China's Diplomacy: 40 Years On	39:11	puchean Issue	45: 5
Deng on Handling International Relations	40: 5	China Hopes to Further Co-operate With ADB	45: 8
Adhering to the Norms in State-to-State		Li Peng Tours Three South Asian Na-	47: 4
Relations Current International Situation and	41: 4	tions Chinese President's Visits to Four Arab	4/. 4
Sino-US Relations	41: 7	Nations	52: 4
China's Five Steps to Peace in Middle	40	T. Ji.	
East Nobel Peace Prize to Dalai Lama Criti-	42: 6	India Chinese Leader Meets Indian Guests	29: 7
cized	42: 8	Will Nepal-India Relations Improve?	30:11
The West's Peaceful Evolution Exam-		India Increases Food Production	33:11
ined	43: 9	China and India for a New Internation-	44.4
'Dual Recognition' Not Acceptable	43:10	al Order	44: 4
Questions of Interest About China Symposium on Combating Unfair	44: 8	India: Developing Economic Diplomacy for the 1990s	47 : 13
Competition Opposing Interference in Other Coun-	44:31	Indonesia	
tries' Internal Affairs Through Hu-		Sino-Indonesia Talks Make Headway	51: 7
man Rights	45:10	•	
Roadblocks to Middle East Peace Pro-	46 . 10	Japan Manay Politics Produces Pecruit Scan-	
cess China Sticks to 'One China's Policy'	46:10 46:11	Money Politics Produces Recruit Scan- dal	30:12
A Challenge for Commonwealth	46:12	LDP's Domination Ends With Poll	55.12
Cut in Conventional Arms Hopeful in		Losses	33:12
Europe	47: 9	77	
Namibia: A Key Step Towards Inde-	48:11	Kampuchea Kampuchean Settlement Sees Good Be-	
pendence The Deplorable Actions of the Nobel	40.11	ginning	34: 7
Committee	49: 4	US Adjusts Policy on Kampuchea	50:12
UN Calls for Vietnamese Withdrawal		T 7	
From Kampuchea	49:12 50:14	Korea Kim II Sung Visit China	48: 8
Debt Haunts Western World A Mockery to Nobel Peace Prize	51: 5	Killi II Sung Visit Cillia	10. 0
Superpower Relations Enter New Stage	51: 9	Laos	
A Brutal Nobel Peace Prize Winner	51:10	Laotian Leader Visits China	42: 7
The 1980s in Retrospect	51:11	Mongolia	
ASEAN Countries: Adjusting Foreign Policies	52: 16	Mongolian Acrobatic Troupe Performs	
China in International Sports	52: 10	in China	42:33
2. China and the United Nations		Nepal Will Nepal-India Relations Improve?	30:11
Co-operation Centre in Beijing	50:30	Pakistan Visit Promotes Bilateral Relations	32 : 14
3. China's Foreign Relation, Cou	ntreis	v 1511 F101110168 Dilateral Relations	32.19
and Regions		South Korea Political Crisis in South Korea	44 : 10
Li Wrone Un South Asian Tour	48: 6	FUHLICAL CLISIS III SUUUI KUICA	→→ . 10
Li Wraps Up South Asian Tour	40. ∪	Turkey	
1) Asia China, Thailand Share Views on Kam-		The Economic Revitalization of Turkey	43:11

	Issue Issue . No No		Issue Issue No No
Viet Nam		China Protests US Congress Bill	48: 7
Viet Nam's 'Final Withdrawal' a Hoax	42:12	NPC, CPPCC Protest Against US Sanc-	
2) Africa		tions	49: 5
Chinese Foreign Minister Tours Africa	35:10	US Bill on Student Visas Censured	49: 7
First Foreign Head Visits Since June	38: 5	Heads of Universities Write to US	50: 7
New Developments in Southern Africa	38:12	Counterparts A Move to Poison Sino-US Ties	50: 7 50: 9
Sino-Liberian Ties Cut	43: 5	Chinese Leaders and Deng Meet US	30: 9
Qian on Sino-African Ties	49:10	Envoy	51: 4
Chinese President's Visit to Four Arab		US Move Imperils Student Exchange	51: 7
Nations	52: 4	International 'White-Coat Soldier' Hon-	51. /
		oured	51: 8
Nigeria		Scowcroft's Visit Seen as 'Constructive'	52: 5
Economic Reform Boosts Nigeria's			52. 5
Economy	30:10	5) Europe	
Tanzania		Barter Trade Protocols Signed	32:31
Chinese Leaders Meet Nyerere	49: 6	Implementing the Policy of 'One Coun-	
enmese Leagers wicet Typiere	49. 0	try, Two System'	52:12
Egypt			
Egypt, Libya Improve Relations	47:12	Britain	
		Thatcher Reshuffles Cabinet for New	
3) Latin America		Image	33:13
Latin America Explores New Economic		Election Fever Begins in Britain	45:12
Paths	32:11		
El Salvador and Central American		Czechoslovakia	
Peace	48: 9.	Co-operation With Czechoslovakia	32:31
Panama		Common Domonatic Domobile	
Panamanian Political Crisis deepens	38:13	German Democratic Republic	
i anamaman i onticar Crisis acceciis	30.13	GDR: Stable and Permanent Economic Growth	21.14
Belize		Glowth	31:14
China Suspends Ties With Belize	45: 7	Federal Republic Germany	
		Federal Germany's Policy Towards the	
Grenada		East	29:10
China Suspends Diplomatic Relations		Lust	27.10
With Grenada	33: 7	France	
Mexico		China Protests France's Support for	
Mexico Benefits From Debt Accord	26.12	Fugitives	40: 4
Mexico Benefits From Debt Accord	36:13	French Interference Protested	40: 7
4) North America		French Reporter's Fabrication Refuted	41: 6
		Where the French Government Wants	
The United States		to Lead Sino-French Relations	41: 9
Li Peng Meets American Doctor	28: 5	Yuan Mu on France's Recent Attitude	45:13
China Rejects US Protest	29: 8		
US Congress' Bill Refuted	31: 6	Soviet Union	
Chinese Cultural Centre in US	32:34	Moscow Tries Out Democracy	28:12
Current International Situation and		Researchers Urge Co-operative Plan	
Sino-US Relations	41: 7	With USSR	30:30
US Must Take Steps to Patch Up Sino-	46 5	Sino-Soviet Further Co-operation	39: 6
US Rift Push Gorbachay to Most in December	46: 5	Bush, Gorbachev to Meet in December	47:11
Bush, Gorbachev to Meet in December	47:11	Egypt, Libya Improve Relations	47:12

of such acts, there are explicit stipulations on the standards of disciplinary sanctions according to the amount of misappropriation and seriousness of one's case.

Investigation of Major Cases

Investigating major cases is presently a matter of great concern to the people and is vital to the struggle agaisnt corruption. According to Feng Tiyun, viceminister of supervision, since the beginning of this year, the Ministry of Supervision has listed more than 20 major cases, some of which have involved leading cadres at the ministerial and provincial level. The Ministry of Supervision is stepping up its effort to investigate these cases, some of which will be dealt with by the end of the year.

Tuohuti Shabir, vice-chairman of the Xinjiang Uygur Autonomous Region, taking advantage of his power and function, supported illegal sales and took bribes worth more than 16,000 yuan. In accordance with the established facts, submitted by the Ministry of Supervision, the State Council decided to remove him from his office. His case was referred to judicial organizations for further action.

He Yong, vice-minister of supervision, referred to this case when he said it was the first serious case of infraction involving a high-ranking government official to be directly handled by the Ministry of Supervision since its establishment. The case was handled after half a year of investigation conducted on the basis of the reports given by the masses and supported by the Party committee and government of the Xinjiang Uygur Autonomous Region.

Two weeks after Shabir's case was exposed, Liang Xiang, deputy secretary of the Party commit-

tee and governor of Hainan Province, was found to have committed the serious mistake of abusing his power for personal gain. As a result, the CPC Central Committee and the State Council decided to dismiss him from all his posts inside and outside the Party. At the announcement by the Ministry of Supervision, the spokesman said Liang Xiang was an old comrade who had taken part in revolutionary work since 1935 and in the past, had done some useful work. Under the new situation of reform and opening up to the outside world, however, he had abandoned the Party's fine tradition of wholehearted service to the people and hard work and supported and connived with the law-breaking activities of his wife and son. He committed the serious mistake of abusing his power for personal ends and violating financial discipline by having his whole family benefit from his official status. His actions damaged both the image of the Party and government among the people and the reputation of reform and opening.

Liang Xiang was the first governor to be directly investigated by the Ministry of Supervision. Because the CPC Central Committee and the State Council have repeatedly stressed the need to investigate and deal with major and important cases, such acts of corruption on the part of senior cadres are attracting the special attention of supervisory organizations and the masses. Luo Gan, secretary-general of the State Council, said, "We are taking concrete actions this time to deal with the phenomenon of corruption. No matter how many people are involved in criminal cases, no matter who they are, punishment will be meted out, no matter how many involved in infraction. are they will be dealt with and their actions never be tolerated." Zhu

Rongji, mayor of Shanghai Municipality, gave clear instructions to the Bureau of Supervision that they should keep a good watch on the 506 leading cadres at or above the bureau level. "Anyone discovered to be guilty of violating the law and discipline should be investigated and dealt with immediately." Liu Fuzhi, president of the Supreme People's Procuratorate, disclosed that between January and September, 584 major cases of graft and bribery, each involving a sum of over 10,000 yuan, or 22 percent of the nation's total similar cases, were placed on file for investigation and prosecution by supervisory institutions. Of these cases, 25 involved cadres at the departmental and bureau level.

Leniency and Severity

After the publication of the Circular of the Supreme People's Court and the Supreme People's Procuratorate, the broad masses of people came foreward to report offences to the authorities, some criminals surrendered themselves and some other criminals stood back and closely watched developments. Regarding this, the law departments and all levels of government have time and again declared that anyone guilty of graft, bribery and speculation, who refuse to surrender himself or herself and who stubbornly resists and destroys evidence will be severely punished according to the law; those who, within the time limit specified in the circular published by the Supreme People's Court and the Supreme People's Procuratorate, surrender themselves, give up ill-gotten gains and perform meritorious deeds by reporting other criminals will be given lenient treatment and an opportunity to turn over a new leaf.

Gui Guangqing, former director of the Wuhan Metallurgical

Research Institute, in the misuse of his post, trafficked in state planned supply materials, taking bribes in the amount of 403,000 yuan. In November 1988, he voluntarily surrendered himself to the supervisory institution, truthfully confessed his crimes and returned all the ill-gotten gains. According to the nature of Gui's crime, he should have been sentenced to death, but in view of the fact that he voluntarily surrendered and gave up his illgotten gain, the Wuhan Intermediate Court sentenced him to life imprisonment and divested him of his political right for life in accordance with the provisions of the criminal law and the circular of the Supreme People's Court and the Supreme People's Procuratorate. Gui refused to accept the ruling and filed an appeal with the higher court. The Hubei Provincial Higher People's Court, after hearing the case, was of the opinion that it was correct to give a light sentence in this case. In view of the defendant's confession and his surrender of ill-gotten gain and in the spirit of the government circular, however, he should be given a still lighter sentence. So, the court, on August 29, 1989, made a final decision on this case, commuting the life imprisonment to 15 years and divesting him of his political right for three years.

In comparison, those who refused to show repentance were strictly punished according to the law. Deng Anwei, chief accountant at the business office of the Guiyang Branch of the Agricultural Bank of China, worked in collaboration with Song Shunwen, an individual businessman. to embezzle a total of 143,000 vuan's worth of public funds between November 1986 to March 1987. Two criminals, fearing that their crimes would be exposed, illegally crossed the national border and fled. They were extradited in October 1988, however. In June 1989, the Guiyang Intermediate People's Court sentenced the two criminals to death and divested them of their political rights for life for graft and illegally crossing the border. They refused to accept the decision and lodged an appeal to the higher court. The Guizhou Provincial Higher People's Court rendered their decision in July 1989, rejecting the appeal and maintaining the original sentence. It then sent the decision onto the Supreme People's Court for review. On August 24, the Judicial Committee of the Supreme People's Court expressed the opinion that since the defendants had embezzled a huge sum of public funds, 140,000 yuan, and absconded after committing the crime, their cases were particularly serious and therefore should be severely punished. It approved the death sentence of Deng Anwei and Song Shunwen.

In the past few months, many local law departments have held

a series of meetings to publicly announce the sentences and severe punishment regarding those who commit serious crimes but refuse to show repentance; They have also announced the lenient treatment of those who surrender themselves to the judicial institution even though they had as well committed particularly serious crimes. The meetings were intended to clearly publicize the state law and urge criminals to quickly surrender themselves.

The current crackdown on economic criminals is aimed at greatly reducing the acts of corruption and bribery and at improving the Party's style of work and social morals. This, of course, is a long-term task. Although the CPC Central Committee and the government are determined to carry the struggle against economic crimes throught to the end, there is still a long way to go before the soil which breeds corruption can be cleansed.

China in International Sports

During the 40 years of development since the founding of the People's Republic of China, Chinese athletics is playing an increasingly important role in the world sports arena.—Ed.

by Wei Jizhong

hina is enjoying more and more of the limelight in international sports as a result of its more competitive athletes and improved international status. Since its founding in 1949, New China has had sports contacts with 167 countries and regions and participated in over

The author is the secretary-general of the Chinese Olympic Committee.

10,000 world competitions involving some 100,000 Chinese athletes. Moreover, 152 Chinese have held posts in more than 70 international and Asian sports organizations. Of particular note, He Zhenliang, viceminister of the State Physical Culture and Sports Commission of China, was elected vicepresident of the International Olympic Committee, and six

Chinese sports workers were awarded Olympic recognition medals for their outstanding contribution to the promotion of Chinese sports in the world arena.

China hosted · an increasing number of international competitions, four in 1986, six in 1987, 16 in 1988 and 20 during the first ten months of 1989. In addition, the nation's aid to foreign countries and its foreign technical cooperation has also continuously expanded. During the 40 years, China has built 42 sports facilities for 22 countries, carried out technical co-operations with 20 countries and, in nearly 500 coaching sessions, dispatched workers overseas.

In the World Arena

China's sports have stepped out of Asia and become a force to be reckoned with on the world sports scene.

When the People's Republic was first founded, some people in international sports field, refusing to accept New China, left no stone unturned to thwart the country's participation in the Olympics. On July 29, 1952,

however, China managed to send its first athletic delegation to the 15th Olympic Games held in Helsinki, Finland. Chinese swimmer Wu Jianyu took part in the trial heats for the 100-metre backstroke. This first appearance by the People's Republic at the Olympics proclaimed that the days of China as "the sick man of East Asia" were over.

In 1958, after the manipulations of a very small number of people, the IOC adopted a farcical policy of "one China, one Taiwan.' China was thereby forced to withdraw from the IOC and other international sports federations. From that time on. the Chinese people strove to regain its legitimate seat in world sports. In 1963, 2404 athletes from 48 countries of Asia, Africa, Latin America and Europe took part in the New Force Games held in Indonesia. China sent a full-fledged delegation to it. The successes achieved at the games greatly inspired developing countries. They proved that developing countries had the capacity to fully participate in international events and that the monopoly of a few nations was gone forever.

During the chaotic "cultural revolution" (1967-76), China's sports suffered many setbacks in terms of foreign participation. However, on instructions from Mao Zedong and Zhou Enlai, American table-tennis players were invited to China in 1971, signaling the start of Sino-American relations. Soon after this, China hosted the Asian Table-Tennis Invitational Tournament. It later hosted the First Asian Table Tennis Championships in 1972 and the Asian, African and Latin American Table Tennis Invitational Tournament in 1973, in a further promotion of the nation's international sports exchanges.

With the restoration of China's legitimate seat in the United Nations by the 26th UN General Assembly in 1971, the international sports organizations appealed one after another for the restoration of China's legitimate place in international sports. In November 1979, the IOC's resolution to include China in the Olympic family evoked a strong show of support among the world sports circles. The then current IOC vice-president commented that it's a grand occasion in world sports to see the one billion strong Chinese nation send their athletes to the Olympics.

Since then, China has expanded its sports ties beyond Eastern Europe, Asia, Africa and Latin-America to the whole world. Soon after its reappearance internationally. China caught the world's attention by its strong showing. In 1981, China sent 1,151 athletes to 55 international sports competitions at which it won 25 gold medals, broke eight and equaled three world records. At the New Delhi Asian Games held in 1982, the nation led the tally in overall medals and at the 1984 Los Angeles Olympics, China made a historical breakthrough by bringing home 15 golds. China had entered the

The Chinese women's volleyball team enters the Yoyogi National Gymnasium in downtown Tokyo at the opening ceremony of the Fifth World Cup Women's Volleyball Tournament on November 6, 1989.

LAN HONGGUANG





Chinese weightlifter Ma Na broke two world records in the 60 kilogram category with her 87.5 kilogram snatch and 115 kilogram clean and jerk at the Third Women's Weightlifting Championship in London on November 25, 1989.

world sports arena in an allround way. Commenting on China's position in world sports, Juan Antonio Samaranch, the IOC president, stated that China is now a powerful, internationally respected sports nation.

Confidence in Future

After China's quelling of the Beijing counter-revolutionary rebellion in June 1989, certain countries in the West imposed economic sanctions upon China. Most of its foreign friends in sports circles, however, still maintain cordial relations with China. For instance, when officials of the Sports Aviation Association of China went to a meeting in Paris in mid-June, some foreign representatives attending said that the presence of the Chinese delegation at the meeting indicates the current stability of China. When China sent its young women softball team to Canada in late summer of 1989, foreign friends commented that China's participation in the competition on schedule shows that its policy of opening to the outside world remained unchanged.

None of the international competitions held in Beijing during

its quelling the counterrevolutionary rebellion was boycotted or cancelled. This is because of China's prestige, the high competitiveness of the Chinese athletes and the friendship China has established with foreign sports circles over the past four decades.

hird Women's 21, 1989, representatives from more than 30 countries attended the Beijing invitation ceremony for the 1990 Asian Games. An executive member of the Asian Olympic Committee said that with the support of so many friends, China's Asian

September

On

cess.

The guiding principle for China's future participation in international sporting events is to maintain a continuous and energetic schedule and to retain its independence in all international sports organizations, depending neither on any power clique nor on hegemonism. China will proceed from the basic interests of the majority of countries and for the interest of the development of world sports. It will handle all international sports affairs according to the principle of fairness and in the spirit of seeking truth from facts.

The 1990 Beijing Asian Games will both test and promote the nation's sports capacity and has fueled much speculation about China's hosting the 2000 Olympics. This is the hope of all those involved in Chinese sports. To this end, the nation will make every effort to create conditions favourable for hosting the 2000 Olympics in Beijing.

SHOUDU IRON & STEEL CO. (4)

Games will certainly be a suc-

Innovative Wage System

by Our Staff Reporter Zhang Zhiping

hen the Shoudu Iron and Steel Co. (SISC) changed its traditional egalitarian distribution method, it linked its total payroll, bonuses and wage payment with fulfilment of contracted tasks, and thus stimulated the enthusiasm of a great number of workers and staff to increase both the enterprise's production and their own income.

Through reform of the wage system, the egalitarian bias of the company was corrected and a rational gap in the distribution of income introduced. Conse-

quently, workers with the same work experience are now found to have different incomes. Sometimes, much different. Li Lianhui, 28 years old, is one example. He is a monitor of a steel rolling group in a small-sized rolling mill under the SISC. He entered the mill in 1984, and now is an eighth-grade worker with a monthly income, plus bonuses, of about 350 yuan. Niu Zhengqiang, 33 years old, on the other hand, entered the mill in 1975, and is now a fifth-grade worker with a total monthly income, plus bonuses, of 270 yuan.



Zhou Guanwu (second left) visiting workrs in a strip steel mill.

SONG YILIN

When explaining the reasons for this difference in income, Li said that it was the result of the principle of to each according to his work and that everyone's payment was dependent on how much they put into his work. The result, he said, was a difference in earnings.

Zhou Guanwu, chairman of the SISC's board of directors, said that under the commodity economy of the public ownership, how to best carry out the principle of to each according to his work is a difficult problem that remains unresolved in the real world of socialist countries. The Shoudu Iron and Steel Co., however, through its practice of the contract system, has made a breakthrough in this area.

Wage Payments Tied to Work

The principle of to each according to his work is a basic feature of socialist society. However, under the old wage system which separated the amount of payment from the quantity or quality of labour, an increase in workers' income had no relation to the economic performance of the enterprise. Because the wages

of workers were unified and stipulated by the state, when, to what extent and to whom increases were given were decisions made by the state alone. When determining wages, seniority was the overriding factor. The system, also known as the one where "everybody eats from the same big pot,' had no clear and definite system of reward and disincentives, and so disagreements would arise whenever there was a chance of wage increase. The subsequent grudges always fostered a grievance against the government.

Since the implementation of the contract system in the SISC, the principle of more pay for more work has been fully put into practice and the workers' enthusiasm has soared. One demonstrable result is that, over the past ten years, the company's profits have increased at an average rate of 20 percent annually. In 1988, it handed over to the state 1.124 billion yuan in profit and taxes, while the average monthly income of workers and staff hit 208 yuan, or three times as much as that of 1987.

Zhou Guanwu thinks this kind of distribution, which links everybody's income with the com-

pany's general economic performances, is a good example of the principle of to each according to his work. Under the public ownership of the means of production, every product is a result of co-operative work in the enterprise, the positive results of which are embodied in the enterprise's economic performances. By linking the remuneration of workers with each enterprise's economic performance, the principle of "to each according to his work" is genuinely implemented and a fair and reasonable distribution of social wealth is realized

The contribution made by each unit and each worker to the company's overall economic returns is gauged by how well their contracted tasks (including output, quality, variety and depreciation costs of materials, etc.) are fulfilled. With the fulfilment of these contracted tasks, the company's performance improves and workers' income goes up. Otherwise, the opposite occurs.

In the company, every 1 percent increase in profits means a 0.8 percent rise in the payroll. Because real annual profits have increased at an average rate of 20 percent, the total payroll should increase by 16 percent over the base figure of the previous year. This increased payroll is determined by the following distribution methods:

Step Wages. After an enterprise fulfils its general efficiency target for the year, there is a proportionate increase in salaries for all the workers who have fulfilled their contracted tasks, an increase based on each person's original wage and made, more or less, according to contributions. The largest increase can be as high as 20 percent and the smallest only 1 percent. The company continues this procedure in the year following fulfilment of its task and will again increase the

workers' salaries based on the previous year's wage level. This continues every year as long as a given task is completed.

Floating Wage. Every year when economic performances are on target, the floating wage is given to 30 percent of the workers after their technical skills are examined and evaluated. Those who fail to reach the necessary level of technical standards are not given the floating wage. For those who have done well, their wages can be increased annually, even twice a year. There's no limit to the technical grade to which a worker can advance nor on the amount of salary one can earn. If, for example, the steelsmelting workers reach the last level of their branch of work, they can transfer to other branches, say, as a technician or engineer, and thereby advance their grades and earn higher wages.

Issuance of Monthly Bonuses. Bonuses are issued on the basis of the monthly fulfilment of contracted tasks by every unit and person, and are scaled according to the importance, complexity of technology and profession, work environment and intensity of labour in different departments

and jobs. People who just complete their monthly contracted tasks can only obtain the base figure of their bonuses; those who overfulfil their tasks are given proportionate bonuses; and those who fail to fulfil their tasks are given a reduction in the base figure of their bonuses.

The make-up of the company's wage distribution method thus includes the base job wage, step wage, floating wage and bonus.

Competition on an Equal Basis

The distribution method provides everybody in the company with a fair competitive chance to advance. It spurs enthusiasm because nobody wants to lag behind.

Gou Lianshan, a maintenance worker at the soaking pit of the blooming mill, is now 38. In 1975, when he left the army, he was a 2nd-grade worker with a monthly wage of 41.54 yuan. Eight years later, he rose to the 5th-grade and earned 70 yuan each month. From 1985, he advanced one grade each year until he reached the 8th-grade in 1988. Transferred to a monitor's job, he was promoted to the 9th-grade

with a monthly wage of 162 yuan. He now gets a total 254 yuan each month together with the addition step wage. "Since the reform in the wage system," he said, "people around me all started to care for the operation of the collective. Several years ago, there was no difference between working well and working badly. Some people looked long sick leaves on the excuse of minor illnesses, but still got full wages. Because we could not make any change in wages, we felt that the interest of the enterprise had no relation to our work. Along with others, I had no enthusiasm for work. Now things have changed greatly. Evervone is anxious for improvement because we all know we can make a change by our own effort. Take my group for example. There are fewer people taking sick leave now than before. Now, almost 80 percent of all workers take no leave. This is a result of the new distribution method."

Fang Jida, an older worker, came to the company in 1959 and now works at the steel pipe welding workshop of a mediumsized rolling mill. He had been a 6th-grade worker until 1978 with a monthly wage of 75.56 yuan. After the reform, he was unwilling to lag behind others simply because of his age and devoted himself to mastering technological innovations. Now, his monthly salary has risen to 264 yuan at the 10th-grade and he has been selected a model worker for many years. "If there had been no reform," he said, "it would have been impossible for me to become a 10th-grade worker and my family would not have received such benefits." He has two sons and one daughter, all of whom have jobs. The monthly income of his family is now about 1,000 yuan. They have two colour TVs and two refrigerators. When his elder son and

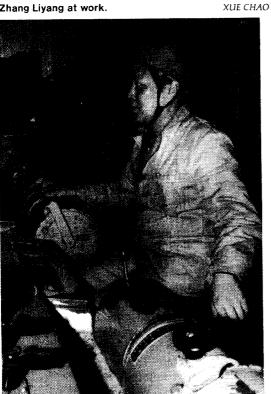
Anyone has a chance to become a senior engineer through qualification appraisals. $ZHAO\ REN$



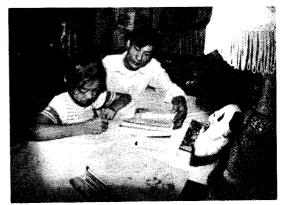
daughter were married, he spent 10,000 yuan for their furniture, clothing and other expenses.

In 1984, the SISC imported from West Germany Siemens Co. a highly efficient, high-speed 5,000 kw motor generator which made the work of the steelrolling workers much easier. Its operation, however, was hard to grasp, Zhang Livang, an operator of the blooming mill at that time, applied himself to this machinery together with his colleagues and in the end mastered its operation. Zhang graduated from the Secondary Technical School of the SISC in 1969. In 1984, Zhang produced a record 60 billets per hour, a large volume at the time. That year, his wage was increased by two grades. He was later appointed deputy chief of the production section in the blooming mill after passing qualification examinations. He told this reporter, however, that he had many classmates who adv-

Zhang Liyang at work.



anced more quickly both in position and wage than him. "I think the people here have a spirit of creative daring," he said, "because the new distribution system makes us feel as one with the enterprise. In this way, we stand with the enterprise in times of need."



Tao Tao, a model worker, is awarded a two-room apartment for his exemplary performance at work. XLIF CHAO

Gauging Efficiency

In 1988, the per-capita annual wage of SISC was 2,496 yuan, 43 percent higher than the nation's average. However, compared with its profit, it made up only a small portion of the company's total earnings. The company's total wage volume that year was 200 million yuan while its actual profit reached 1.614 billion

yuan, a ratio of 1:8. With the increasing ratio of 0.8:1, profit will grow this year by 20 percent, a net increase of 322 million yuan, and the total wage volume will accordingly grow by 16 percent, a net increase of 32 million yuan, making up a proportion of 1:10. With increased economic efficiency, the ratio between wages and profits will become increasingly Before smaller. 1978 when the contract system was not in place, its ratio was 0.18. By 1988, it was 0.16 with its per-capita

profit growing from 5,210 to 16,-600 yuan. This means that one yuan increase in wage brings in 6.4 yuan more in profit.

In the past three years, most China's enterprises have switched to the contract system; simultaneously, the total volume of wages has become linked with economic efficiency. However, different views regarding economic efficiency have brought about different results. Some enterprises link economic efficiency with productivity, but, at the same time, productivity is counted on the basis of output value which includes material cost. In this way, the higher cost of material indicates more wages should be given, an unreasonable assumption. Some enterprises base the economic efficiency on net output value. However, the net production value includes the total volume of wages and so greater wage expenditures indicate a growing net output value, another unreasonable assumption. There are also some enterprises who link their total volume of wages with their profits and taxes turned over to the state, the disadvantage of which lies in the state's ignorance of an enterprises earnings. So, after extensive comparison, the SISC believes that the best method to gauge economic efficiency is to link the total volume of wages with actual profits.

State Aid to Poor Counties of National Minorities

by Our Staff Reporter Lu Yun

ftern ten years of economic reforms, increasing numbers of rural people once caught in poverty now have enough food and clothing. Many people, in eastern and central parts of China particularly, have made remarkable improvements in their lives, while those still badly off, are found mainly in the western areas of China where there are highly compact minority communities.

Poverty in China's rural areas is accurately reflected in the following figures. In 1988, the yearly per-capita net income in 331 poverty-stricken counties throughout the country was 333.1 yuan, 10.7 percent higher than in 1985. Of these counties, however, 141 were of minority nationalities which registered only a 9.9 percent increase over 1985. In the three years between 1985 and 1988, 60 percent of the under-fed

ill-clad population poverty-stricken counties nationwide solved the problem of food and clothing. Yet, in the same period, only 29 percent of the people in the poverty-stricken counties of minority nationalities rid themselves of poverty. In 1985, of the 331 poverty-stricken counties, 181 were counties with a yearly per-capita income below 200 yuan. Minority nationalities made up 50 percent or 90 out of the total. By 1988, the number of counties with such low living standards was reduced to 51, 38 of which, however, were counties of minority nationalities.

With the situation drawing government concern, the State Council issued a document in August of this year, which emphasized that the focus of the country's aid-the-poor work would be shifted to the minority nationality areas. At the National Working

Progress has been made in the aid-the-poor work in Qianjiang Autonomous County of Tujia and Miao Nationalities due to the encouragement of scientific farming by Mou Xuheng (middle), secretary of the county Party committee. LIU OIANGANG



Conference on Assistance to the Poor in Minority Nationality Regions held in September, the main topic was how to implement special policies and measures in minority nationality regions. When Jiang Zemin, newly elected Party general secretary, addressed the conference, he offered state help and encouraged people in poverty-stricken areas to display the spirit of self-reliance and hard work in order to rid themselves of poverty.

Reasons for **Long-Standing Poverty**

China's 55 minority nationalities, most in remote areas, make up 7 percent of the nation's population. Before liberation, their social economy was backward and their standard of living quite low. Since liberation, due to implementation of the regional national autonomy system and the policies of equality, unity and common prosperity for all nationalities, tremendous and profound changes have taken place. In particular, the recent ten years of reform have raised the total industrial and agricultural output value by 2.3 times, the total agricultural output value by 76.6 percent, and the total volume of retail sales by 4.52 times. More than 80 percent of the people of minority nationalities are provided with enough food and clothing, and, with these problems solved, their regions, with a several-thousandyear legacy of backwardness, are undergoing daily change.

Historical, geographical, political and economic factors, however, determine that development in the minority nationality regions has progressed slowly. This is particularly true in China's northwest and southwest areas where no fundamental changes in social productivity have taken place. Thus, some of the masses are still leading difficult lives, the reasons for which can be summarized as follows:

Poor natural conditions. About half of the 141 counties are scattered throughout mountainous areas. The rest are distributed in areas of alpine cold or desert places unsuitable for normal living and are frequently hit by drought, flood, blizzard, windstorm, hail and other natural calamities as well as by endemic and epidemic diseases.

Unbalanced social development. After liberation, minority nationalities stepped directly into the socialist society from the late stage of primitive, slave, and or feudal society. The impact that the vestiges of the old society exerted upon the development of the society's economy, production and life of its people cannot be underestimated. Slash-and-burn cultivation, a nomadic life style and other activities commmon to earlier societies can still be found in some areas. The result is an underdeveloped commodity economy, poor quality of labour and a large proportion of the population illiterate and semi-literate.

Geographical environment. Most of the poor counties are located on the border areas of provinces and autonomous regions. Far from their central cities, communication and transportation are difficult and create many obstacles to developing a commodity economy.

Weak economic base. For a long time, their economic development has been lower than the national average. The per-capita industrial and agricultural output value in 1988 in the 141 poor counties only reached 338 yuan, and accounted for only 20.7 percent of the nation's average; the per-capita industrial output value was 100 yuan, standing at 7.5 percent of the nation's average; and the per-person sales volume of social commodities was only 17 percent of the average found among the nation's rural population. Percapita financial income was about 14 percent of the nation's average. More than 95 percent of the poor



With products of the Bamboo Woven Arts and Crafts Factory in Sanhe Township of Jinzhai County in Anhui Province selling well in the markets of the United States and Europe, the township's income has increased and 350 families have rid themsevles of poverty.

counties are unable to make ends meet and their deficits must be covered by state subsidies.

From "Blood Transfusion" to "Blood Production"

At present, because of state aid, the number of the people classified as poor in 141 counties has decreased from 21.37 million in 1985 to 15.18 million in 1988. In recent years large numbers, some 6.2 million, of the poor in poverty-stricken villages, townships and counties of various provinces, autonomous regions and municipalities directly under the central government have freed themselves from poverty by finding ways to support themselves. The successful experiences of these areas are a useful reference for future efforts to aid poverty-stricken counties. The most important factor in their success story is that poor families are helped by developing the economy, rather than merely by distribution of relief funds. Relief funds are likened to "blood transfusion," while the help given in economic development is likened to the strengthening of the function of "blood production" in the body. One method is temporary, a

time affair, while the other is long term and continuous.

In poor areas, local governments have set up special offices in charge of the aid-the-poor work and a responsibility system introduced. Under this system, leading organizations and cadres at various levels help the population in specific areas to solve problems of food and clothing by developing production. Various ministries and commissions under the central government, democratic parties and mass organizations are also active in their support. The Ministry of Geology and Mineral Resources, for example, used 33.9 million yuan in aid funds for 154 types of geological explorations in the 141 counties over the past two years. By 1988, the ministry's geologists had appraised 234 mineral rich areas in 88 counties, 70 percent of which have since gone into production and produced economic benefits. The ministry also helped the Ali area of Tibet to discover boron and other mineral mines, which produced a profit of 650,000 yuan in 1986. Small gold mines, surveved in Oinglong County of Hebei Province, Zhouqu County of Gansu Province, Chengbu County of Hunan and Haiyuan County

of Ningxia Hui Autonomous Region, were soon being mined by local people. The China Democratic National Construction Association, one of China's democratic parties, and the Beijing branch of the All-China Federation of Industry and Commerce have also given assistance to poor areas. For example, specialists in fish farming were invited by the two organizations to Huangzhong County, Qinghai Province to pass on their know-how. In spite of the poor natural conditions for fish farming, such as oxygen deficiency and low water temperature caused by alpine cold, the output of fish per hectare of water surface in the county increased from 7.5 kilogrammes to 1,500 kilogrammes after consultation with the experts. In recent years, a member of both organizations in Zhejiang has gone to Yunnan seven times to provide local leather factories with technical assistance. With his help, the five leather factories in the area have all eliminated their deficits and increased surplus sales. For example, one technical innovation he recommended brought in 150,000 yuan a year to the Simao Tannery.

Overall, implementation of preferential policies and effective use of aid-the-poor funds and materials have made it possible for poverty-stricken counties to create a better environment for developing their economies. The governments at various levels give poverty-stricken counties preferential treatment in development of agriculture and animal husbandry, diversifying the economy, building village-andtownship enterprises and for traffic and energy construction, as well as allowing free marketing of farm and sideline products, in commodity circulation and tax reduction. They also give the funding, material and technological assistance. Over the past two years, the Altay area of Xinjiang Uygur Autonomous Region ex-

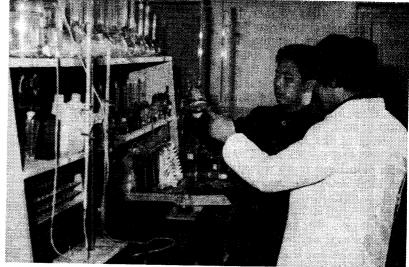
empted local households from payment of fees to the amount of 178,000 yuan. And in the Hotian Prefecture, the amount of taxation reduced or eliminated for poor families reached 9.4 million yuan over the past three years. In Guizhou Province, 31 povertystricken counties used 80 percent of their aid-the-poor funds to help develop production and, this year, the province allocated 75 million yuan in aid-the-poor funds to buy materials and goods needed next year for 260,000 hectares of farmland in poor counties. The two most serious poverty-stricken counties in Qinghai Province provided the free medical care and public-funded education. To further ease the burden on the local people, the state also allocates funds for grass-roots cadres, primary school teachers and veterinary surgeons. In other rural areas, however, the expenditures are usually covered by the locality. In Xinjiang, 17 poverty-stricken counties in 1988 got 45.26 million yuan of aid-thepoor funds from the central and local governments. Along with their aid, various localities established strict rules and regulations determining how aid-thepoor funds are used. Usually, the

funds are used in productive projects requiring less investment and yielding quick economic returns.

To improve the backward production conditions in farm and grasslands, the poor facilities for water conservancy, and the inconvenient transportation infrastructure, and to lessen the losses caused by frequent natural calamities, many localities have made efforts to strengthen basic facilities. For example, farm production conditions have been improved by transforming lowyield fields, sinking wells, building ditches and reservoirs to expand irrigated areas, and publicizing advanced science and technologies. Pastoral lands are being expanded with artificially sown grass and their alkalinity reduced. Many areas have built highways and hydropower stations and commodity production centres. Giving priority to the development of crops and plants, the breeding and processing trade and making full use of the local agricultural, forestry, animal husbandry, mining, hydroelectric and tourist resources have become the common experience of the poor counties in ridding themselves of backward-

Communist Party member Wang Youhai (left) has helped the masses of Xiaojing Township, Boai County of Henan Province to prosper by encouraging them to build brick and lactic acid factories.

CHENG QUI



ness. Those living in mountainous areas plant trees and Chinese medicinal herbs in the upper parts of mountains, grow fruit trees and tea on the mountain slopes and cultivate cereal crops and mulberry at the foot. In arid, alpine-cold or rocky areas, animal husbandry, rubber plants, forestry, fruit, minerals, medicinal herbs and tobacco leaves are developed according to suitability. In areas with surplus labour, a labour service economy developed. In border areas, border trade beneficial to the overall development of the area and the opening to the outside world is encouraged.

The most welcome technology for production introduced so far is the use of plastic film in the cultivation of corn seedling. Over the past five years, corn output per hectare has increased by 2,500 kilogrammes as a result of its use on 170,000 hectares of farmland in the western, hilly areas of Hubei Province. In Yunnan Province, the use of plastic film resulted in 1,500 kilogrammes more corn per hectare of farmland. Now the province is using the plastic on 54,000 hectares. It's estimated that the increased corn output resulting from its use is enough to feed 400,000 people for a year. In another example of new agricultural methods, Jirem League of Inner Mongolia succeeded in planting former dune and alkine areas with rice. More than 27,000 poor families have now planted more than 4,500 hectares of rice crops, accounting for 50 percent of the league's total areas sown with rice. Planting rice crop in Sanjiazi Town of Hure Banner, has resulted in the doubling of the total grain output, and decrease in desert areas from 62 percent to 40 percent of the total areas. Natural vegetation, beneficial to the development of animal husbandry, has been restored. The town also established a rice straw-weaving factory. All this has led the income



Since Party Secretary Xiong Xiliang (left) of Huiren County in Shanxi Province introduced scientific farming methods to local farmers, 49 have improved their standard of living.

per person in the town to increase from less than 200 yuan to more than 500 yuan annually. In Naiman Banner, the publicizing and increased use of rice cultivation technology has removed 4,600 families from the poverty rolls. New economic development is also making a dent in the poverty numbers. A silica sand factory, brick factory and glass bottle factory have been recently built, which provide together 1,000 families with enough money to support themselves. A tangible benefit is that with increasing use of the silica, the surrounding desert area is decreasing in size and becoming green with the planting of trees and grass.

Various localities have paid a lot of attention to popularizing new science and technology techniques and to new cropping systems. In addition, they have placed much importance on raising the leadership capacity of cadres and on training farmers so they can grasp the new techniques. The results have been remarkable. For instance, with the help of the Xinjiang Uygur Autonomous Region's commission of science and technology and the

Xinjiang Association of Scientists, 300,000 hectares of farmland in Hotian Prefecture registered a 33 percent increase in wheat and corn output by the improved cropping system, adoption of early-maturing varieties of wheat and corn and by scientific application of fertilizer. In recent years, Fengning Manchu Nationality Autonomous County held 4,649 training classes, involving 280,000 people. Now 70 percent of the county's poor families can support themselves by raising sheep and milch cows, making milk powders, cultivating edible fungus, mining fluorite, silica and coal, and weaving carpets.

New Policy Focus

In addition to the various preferential policies, the state recently established a new focus for the policies affecting poverty-stricken counties of minority nationalities. Their new focus pertains to planning and management, finance and the supply of materials and goods. It is part of the effort to accelerate the elimination of poverty and its implementation will be beneficial to strengthening the infrastructure of water conservation, grassland, energy and traffic, as well as the development of better local industries. At the same time, the various departments of the central government will continue their assistance to the most serious poverty-stricken counties where minority people are concentrated.

In regard to industrial policy, the development focus will be on better local industries, mediumsized and small enterprises that will get funds, material, technology and managerial experience assistance.

In regard to sale of farm and sideline products, the new policy focus will allow to the sale of various farm, animal and mineral products at comparatively high market prices. This does not include cereals and cotton ordered by the state under the contract system which are sold at state-set prices.

In regard to easing economic burdens, reduction in or exemption from farm taxation will continue. Poor families, for example, unable to pay off loans are allowed to enjoy a three- or fouryear moratorium without payment of additional interest. Also, the amount of taxes collected from impoverished counties above their 1988 quotas can be kept by localities for their own use.

In regard to fund assistance for poverty-stricken counties of minority nationalities, the state will continue to provide various funds to the 141 counties. In addition, it has decided to offer "Relief Funds for Minority Nationalities" every year to help minority people of 10-20 counties solve their problem of food and clothing by using funds mainly in developing on local production.

Additionally, a leading group under the State Council in charge of economic development for poverty-stricken areas has decided that 20-30 million yuan out of the nation's total annual aid-the-poor loans will be used in development of local industries in a certain number of counties. In 1990, for example, the govern-

ment will introduce the technique of corn seedling cultivation with polythene in areas suitable for the use of this technique. Minority poverty-stricken counties will also have access to motor vehicles at preferential prices.

Beginning in 1990, cadres at township and county levels in poverty-stricken counties in minority areas will be given training in order to raise their ability to lead the local economic development.

The Chinese government considers that the promotion of minority nationalities' economic development, social prosperity and a comfortable life of the minority people is a matter of overall importance, closely related to the prosperity of the whole nation. This is an arduous task because it requires the minority areas to fundamentally change their social, economic and cultural backwardness. After years of joint effort by the people of various nationalities, however, we are sure that we will fulfil this great task entrused to us by history.

China Reconstructs to Be Renamed China Today

China Today is the new name of China Reconstructs, the general interest monthly founded by Soong Ching Ling (Mme. Sun Yat-sen) in 1952. Starting with the January 1990 issue, the magazine will use the new name, but continue to provide readers with varied, colourful and informative articles about China and its people.

The 72-page illustrated monthly still presents news, features, regular columns and up to 20 pages of colour pictures, plus many black-and-white ones. It is published in seven languages—English, French, Spanish, Arabic, German, Portuguese and Chinese, and in eight different editions. The extra North American English edition is printed and distributed in the United States. The Arabic and Chinese editions are printed and distributed in Egypt and Hong Kong respectively. *China Today* is distributed worldwide to 153 countries, plus Hong Kong and Macao.

China Today Press (formerly China Reconstructs Press) also continues to publish and distribute books, art and photo albums, postcards and audio-visual materials.

We welcome subscriptions and advertisements in *China Today!*

China Today (formerly China Reconstructs)

24 Baiwanzhuang Rd., Beijing 100037, China

Fax: 8022338

Tel: General Editorial Office (89-2190)

Business Dept. (831-5599 Ext. 698, 805)

General Distributor: China International Book Trading Corporation (Guoji Shudian), P.O. Box 399,

Beijing, China

Fax: 8412023 Telex: 22496 CIBTC Tel: 8412027

New Trends on Nanjing Campuses

RENMIN RIBAO (People's Daily)

survey of 8,000 students by Nanjing University Journal has found that students are spending more time studying than on entertainment. More than 90 percent of the students surveyed studied in the evening instead of playing chess, cards or mahjong as they had several months earlier. About 300 of them studied until midnight. Even on weekends, 150 students studied late into the night. Among 200 students who studied in the evening, 137 or 68 percent studied until midnight, 162 or 81 percent read books dealing with the subject they wanted to major in, 100 or 50 percent read books in foreign languages and 120 or 60 percent read simply to become more knowledgeable.

While studying hard, students also found time for recreation. Music, films, TV programmes and academic discussions were available throughout the campuses. Hundreds of students were attracted to such activities as singing competitions to Karaoke, weekend dance parties, knowledge quiz for newcomers, film festivals of revolutionary tradition and economic discussions.

After receiving compulsory military training, 110 basic science students receiving crash course continue to do morning exercises, something that hadn't been done for more than 20 years.

After studying for two months documents of the Fourth Plenary Session of the 13th Party Central Committee, most students have matured. They have begun to think through the events of the turmoil that occurred in May and June in 1989.

Twenty students confirmed their Party belief and presented applications for Communist Party membership. During recent blood donation drives, more than 1,000 students offered to give blood voluntarily.

The survey also found a small number of students are still wasting their time while some others conduct illegal businesses.

(November 8, 1989)

Use of Scrap Metal Increases

JINGJI RIBAO (Economic Daily)

since the People's Republic of China was founded in 1949, it has reclaimed 410 million tons of scrap steel and iron. By doing so, China has saved 1.24 billion tons of iron ore and 450 million tons of high-quality coal. It has also saved 150 billion yuan on mine exploration and steel mill construction, according to statistics from the Ministry of Material.

In the past ten years, the volume of recycled scrap metal has increased at an annual rate of 8 percent. In 1988 the volume reached 28 million tons, representing 700 times that of 1950.

Currently, China's steel production ranks fourth in the world. Its volume of scrap metal also ranks fourth.

In most countries when steel production reaches 40 million tons, its volume of scrap metal rises yearly by a large margin. This speeds up the country's iron and steel production, thus

forming an efficient production-use-recycling cycle. In 1988, China recycled 50 percent of its total steel production of the same year. It's possible China could recycle an even higher percentage, and this would greatly help the national economy.

(November 13, 1989)

Diaoyutai State Guesthouse: A Mirror of Diplomacy

RENMIN RIBAO

(People's Daily, Overseas Edition)

Beijing Diaoyutai State Guesthouse, considered the mirror of China's diplomacy, has received state leaders and well-known figures from about 100 countries over the last 30-odd years.

In 1959, when New China was to celebrate her 10th birth-day, the central authorities decided to turn an ancient compound in suburban west Beijing into a state guesthouse to accommodate heads of state, government leaders and other distinguished guests from foreign countries.

Fifteen villas of light grey, yellow and green in different styles were built. The compound was given the official status of state guesthouse. In the beginning, the guesthouse received almost only leaders from other socialist countries and some third world countries.

From 1959 to 1966, the guest-house received a total of 300 high-level delegations.

Former US President Richard Nixon, who visited China in 1972, was the first guest from a Western country to stay in the guesthouse.

With the readjustment of

FROM THE CHINESE PRESS

China's foreign policies, the state guesthouse entered a new stage of prosperity.

From 1980 to May 1989, the guesthouse received an average of 40 foreign delegations monthly—equal to the number for any year before 1979.

In 1980, the guesthouse received more than 700 foreign delegations, both governmental and self-paying nongovernmental ones—equal to the total number of all the delegations the guesthouse received in the 20 years from 1959 to 1979.

In May 1979, the guesthouse, for the first time, received a non-governmental foreign delegation of Western bankers who paid for their stay.

When Richard Nixon paid his first visit to China in 1972, the late Premier Zhou Enlai asked Wang Yeqiu, head of the Cultural Relics Administrative Bureau, to select about 100 cultural relics to be used for decorating the villa where the US president was to stay, so that Nixon could have a glimpse of ancient China's civilization. Now, 3,000 valuable relics decorate the guesthouse.

Among the list of foreign dignitaries the guesthouse has received are Ho Chi-Minh from Viet Nam, Kim Il Sung from the Democratic People's Republic of Korea, L Julius Nyerere from Tanzania and Kenneth Kaunda from Zamibian. Ho Chi-Minh and some other leaders planted pines and dragon spruces as tokens of friendship and to help beautify the landscape around the guesthouse. On May 17, 1989, Soviet President Mikhail Gorbachev held a press conference in the Fangfei Hall of villa No. 17.

Excellent Service. The staff of the guesthouse is keen to ensure that guest are 100 percent satisfied by providing cosy and

elegant accommodation and suitable food to make them feel at home during their stay in China.

The head chef Hou Ruixuan, who has prepared food for dozens of foreign dignitaries, said, "A lot of people might think those state leaders prefer delicacies, but many of them don't."

They like ordinary Chinese food, according to Hou.

Singapore Prime Minister Lee Kuan Yew likes the typical Beijing breakfast of sovbean milk and deep-fried twisted dough sticks, and other light food for lunch and dinner. Thai Prime Minister Chatichai Choonhavan finds Chinese orange jam, seafood and vegetables tasty, while former US Ronald President Reagan wouldn't eat seafood. Mikhail Gorbachev is fond of Chinese and a traditional prawns Chinese dish of fish cooked with chicken sauce, while Uruguayan President Julio Maria Sanguinetti appreciates soft-fried chicken slices and tomato-flavoured pork, which are the guesthouse's specialties. When the former Iranian President Hojatoleslam Soyed Ali Khamenei stayed at the guesthouse early in 1989, he was offered mutton and beef prepared according to the Islamic practice. And the Chinese chefs were able to recite the Koran.

The graceful bearing and hospitality of the guesthouse have left deep impressions on foreign dignitaries.

Britain's Queen Elizabeth II had a message taken to the guesthouse saying they could not have been more comfortably accommodated."

Sierra Leonean President Joseph Saidu Momoh told a staff member that the facilities and service were first-rate, while Bangladesh President Hussain Mohammad Ershad wrote in the guest book: We were given a most hospitable and friendly reception in the idyllic Diaoyutai State Guesthouse. The graceful entertainment and courteous reception reflect the fine tradition of the guesthouse.

(September 9, 1989)



Law on JV To Be Revised

n 1990, China's law-makers will revise some provisions of the Law of the People's Republic of China Concerning Joint Ventures Using Chinese and Foreign Investment (LJVUCFI) so that the law, originally drafted in 1979, can meet the future needs of China's opening to the outside world and absorbing foreign investment.

According to Gu Ming, deputy director of the Legal Commission under the National People's Congress, the present LJVCFI stipulates that the chairman of a joint venture should be Chinese. In the futhure, however, the chairman will be jointly decided upon by the two partners of joint ventures after consultation. In addition, the time limit to a joint venture will be rescinded. Some stipulations that fall out of step with the international practice will also be revised.

Gu Ming added that the National People's Congress will speed up the formulation of laws and regulations badly needed to govern foreign trade, including foreign trade laws, maritime laws and foreign exchange control laws.

To date, China has 1,224 efficient laws and regulations now in effect, 454 of which are economic laws, including 119 concerning overseas economic matters.

Co-operation Focus In Shandong

fficials in charge of the Open Economic Zone in Shandong Peninsula reported in early November that the area would continue to carry out the coastal development strategy in order to further co-operate with foreign countries in economic, technological and trade relations. The province's foreign co-operative points are:

□ Textile Industry: Strengthen spinning, weaving, dyeing and finishing industry; improve dyeing

and finishing techniques for wool spinning and provide extra wide decorative cloth; develop chemical fibre and new textile materials; and expand the processing capacity of cotton cloth, down and silk clothes.

☐ Light Industry: Increase the use of vacuum foods, peanut line products, grape wine and wild jujube products; develop ceramics arts and crafts, glass products and machine-woven jacquard carpets.

□ Electronic Industry: Raise the capacity of colour TV sets and their accessory products; develop automated equipment for offices, develop various integrated circuits, optical meters and instruments; and also develop experimental instruments for use in water, for environmental protection and for energy-saving and other key equipment.

□ Chemical and Rubber Industries: Expand the productivity of soda ash, sodium alginate and other products; develop petroleum processing products, products for use in eliminating bromine as well as other precision products, and develop and produce polyethylene, polypropylene and new plastic products.

☐ Machine-Building Industry: Import production technology and key equipment for diesel engines and multi-function switchers and cold presses; develop and produce new products such as cold containers, quick-frozen machines and engineering machinery; develop the design and manufacture of internal-combustion engines, automobiles, ship-building and various precision moulds.

□ Household Electric Appliances: improve the quality of refrigerators and washing machines and increase output and new products; develop series of household electric appliances including compressors, microwave ovens, air-conditioners and solar powered products.

□ Building-Materials Industry: Import advanced technology and equipment to develop colour glass and silicon iron; raise the capacity to mine asbestos and granite and improve the quality of their processed products; develop the new

technique for processing asphalt products and other highly strong and light building materials.

□ Energy and Communication Industries: Absorb and use foreign funds to import advanced technology and equipment; expand the construction of the existing power plants, harbours, railways and highways; develop oceangoing transport industry and co-operate with foreign countries in opening up oilfields in Linzi and Zhoucun areas.

☐ Aquatic Industry: Import advanced technology and facilities for such things as fishing vessels construction and fitting out, fishing ground survey and fish harvesting; develop fish breeding in shallow sea water and seabeach areas; expand deep-sea and fishing capacity; improve the technical level of fresh and processed aquatic products.

☐ Agriculture: Improved varieties and imported farm technology are used to accelerate the development of crops, cotton, oil-bearing crops and fruit, and develop new products.

☐ Tourism: Advanced technology and equipment are imported to update and perfect the present tourist facilities, renovate historic sites and build new tourist areas. ☐

CCPIT Planning for 1990 Exhibitions

he China Council for the Promotion of International Trade will send more than 500 Chinese enterprises to 24 international fairs in 1990, according to a CCPIT source. It also plans to hold five exhibitions in the Soviet Union, the United States, Japan, and Mali on China's economic development, trade and export commodities.

The 24 international fairs will be held in Australia, France, the United States, Sweden, Italy, Japan, Spain, the Federal Republic of Germany, Poland, Czechoslovakia, Thailand, Singapore, Malaysia, Indonesia, Iran, Iraq, Switzerland, Senegal, Trinidad and Tobago and the Soviet Union. China's total ex-

hibition area will amount to 12,-280 square metres, including 2,000 square metres for 26 Chinese enterprises attending the Djakarta International Fair to be held in Indonesia in June 1990. Products to be exhibited are largely of light industry, textile and electric appliances and mining. The fares, with each attending company having a counter, will, in addition to showing off China's recent products, provide an opportunity for the transaction of business with new customers.

The five exhibitions to be held in 1990 are: the China Economic Construction Exhibition in Moscow in June, the China Export Commodity Exhibition in New York in June, Tokyo in August and Los Angeles in September, and the China Economic Trade Fair in Bamako in October.

It is expected that remarkable improvements will be seen in the quality and marketability of the products to be exhibited abroad in 1990 over those of 1989. Along with an increase in the export of traditional products, export of machinery and electric commodities will be enlarged.

by Kou Zhengling

AEG Aiming at Future

EG, a diversified corporation of the Federal Republic of Germany, opened three training centres in Beijing on November 29, 1989 to train Chinese engineers and technicians in the proper operation of the AEG electric and electronic equipment, which are expected to find a ready Chinese market in the future.

The three training programmes are set up in the Academy of Automation under the Ministry of Metallurgical Industry, the Academy of Coal Mining Research under the Ministry of Energy Resources, and Northern China Polytechnical University under the China Nonferrous Metal Corp. AEG has spent several hundred thousand US dollars on teaching facilities in the three centres. Expanded enroll-

ment of trainees is expected in 1990.

Among the earliest companies to enter the Chinese market, AEG provided automatic equipment for some Chinese ocean-going vessels as early as 1897. In the 1940s it exported to China 50 power stations with a total installed capacity of 1.9 million kw. as well as some other electric equipment. With China's policy of opening to the outside world in 1979, AEG further expanded its business with China. According to Dr. Stehle, AEG vice-president, the corporation has provided China with electric and automatic equipment worth several billion marks used in such industries as iron and steel, coal mining, nonferrous metal, paper making, chemicals, railway, the power transmission of port facilities. In addition, AEG signed 25 technology transfer and cooperation agreements with Chinese enterprises.

Looking to the future, Dr. Stehle said, "We have been taking a long-term view of our investment and co-operation with China. With the present shortage of funds in China, we run the training programmes entirely for tomorrow." If winter comes, Dr. Stehle added humourously, "can spring be far away?"

Although China is engaged in economic rectification and cutting down on the scope of capital construction, Dr. Stehle said, AEG was still successful in bidding for its largest project---the primarystage of construction of a subway in Shanghai. The project, with a contracted investment of 350 million marks, will be shouldered by a FRG consortium and the FRG-Shanghai subway group. In addition, AEG has also equipped the China World Trade Centre and such grand hotels as Beijing Lufthansa Centre with electric appliances.

by Yao Jianguo

News in Brief

□ An agreement on providing China with 4.967 billion yen in aid in 1989 by the Japanese govern-

ment was signed in Beijing in December.

The aid, given gatis, will be used for the construction of four projects—3 billion yen to equip the Beijing TV Station, 1.608 billion yen to equip the Shanghai No.6 People's Hospital, 135 million yen and 133 million yen, respectively, for equipment geared to teenagers, scientific and technological education and for the nurses' school in the Ningxia Hui Autonomous Region.

Co-operation in funds between Chinese and Japanese governments began in 1983.

■ China's first comprehensive market privileged to trade in ancient cultural and historical relics—the Beijing non-government second-hand commodity market of arts and crafts—will hold an exhibition in Beijing from December 10, 1989 to January 10, 1990.

Merchandise includes porcelain, glassware, goldware, silverware, bronzeware, old furniture, antiques, ancient calligraphy and paintings, carpets and daily necessities as well as new handicrafts, which were produced in China or abroad before the founding of the People's Republic of China in 1949. The prices are expected to be 20 percent off. The exhibition authorities will help with customs clearing and delivery.

□ The Ka Wah Bank Ltd. Hong Kong under the China International Trust and Investment Corp. (CITTC) has established a representative office in London, England. This is China's second bank to set up its representative office in London. The first bank to do so was the London branch of the Bank of China some 60 years ago.

Since June 23, 1986 after CITTC took over the Ka Wah Bank Ltd. Hong Kong, it has increased its investment in the Hong Kong Concern. In 1988, the Ka Wah Bank's loans, deposits, total value of capital funds and net profits reached an all-time high, ranking first among all Hong Kong banks, which have so far reported their business records for 1989.

Photographic Art Festival in Beijing

visual record of the past 40 years of Chinese history was on display in Beijing during the recently completed China Photographic Art Festival.

The 20-day festival, which marked the 40th anniversary of the founding of the People's Republic and the 150th anniversary of the birth of photography, included four main exhibitions: Photographic Products of the Past 40 Years, Beloved China, The World in the Eyes of Chinese Photographers, and the Fifth International Photographic Exhibition.

Two other exhibitions included the works of 10 Chinese photographers who have won the Golden Picture Award of the Chinese Photographers Association and those of Japanese and American photographers.

A major consideration of the sponsors and organizers of the festival was that spectators get a visual review of China over the past 40 years. The Exhibition of Photographic Products of the Past 40 Years included 320 representative works. Those of the earliest period were generally realistic with the individuality of the photographers not particulary evident. But these photos' candid recording of historical events have given them a great documentary value. The Grand Founding Ceremony of New China was typical of this catagory. It records the moment when the late Chairman Mao Zedong announced the founding of the People's Republic of China from Tiananmen Gate on October 1, 1949. The photographer, Tong Xiaopeng, recalled that in order to record the ceremony he had to buy Kodak 120 colour film from Hongkong with the help of one of his friends. Among all the pic-

tures shot that day, only this one was satisfactory.

Beloved China reflected the changes that have occurred during the 10 years of reform. The 5th International Photographic Exhibition China and The World in the Eyes of Chinese Photographers focused on the exchanges between China and the world.

Critics agreed that the exhibition of the works of the 10 award-winning Chinese photographers was the best display, representing the highest level of the photographic art in China. Their personal understanding of reality has helped them to make unique works of art through the medium of photography. Some took a more subjective approach through their mastery of darkroom techniques; others showed their facility at snatching everyday scenes that displayed typical national features and some displayed their understanding of modern aesthetics.

Chen Changfen is one of these

photographers. outstanding Chen, 48, has worked for the Civil Aviation Administration of China for 30 years. He excels at air-shooting and presenting the world in a simple but creative artistic language. Chen's a group of Great Wall pictures were on display at the exhibition. In them, the Great Wall was shot either from close range, in which the grey bricks and towers were still and powerful under the blue sky, or from far away, in which the Great Wall became a zig-zag line against a dark background. In Chen's pictures, the viewers saw a mysterious vision of solitude and eternity.

For his great accomplishments, Chen was listed as one of the world's top 10 photographers in October 1989 and the *Time* magazine gave a special introduction to Chen and his works in its special issue marking the 150th anniversary of the birth of photography. Together with the other nine photographers, his portrait was published on the cover of the magazine.

by Cui Lili

Huishan Clay Figurine, a Big Exporter

uishan clay figurines, originally made by peasants as toys for their children, are now exported to 60 countries and regions and earn US\$10 million in profits each year.

The history of the figurines in the east China city of Wuxi near Shanghai dates back more than 400 years to the Ming Dynasty (1368-1644). The people of Huishan, a suburb of Wuxi, used a fine, black clay to make the figurines.

Because there were many temples and monasteries near Huishan, pilgrims often travelled to the area to worship Buddha. These visitors spread the popularity of the figurines and soon

their production was a sideline for most households in the Huishan area.

Legends, literature and history provide the subject matter for the figurine makers. The most common design is called *Big A Fu*, reproduced from chubby female and male urchins living south of Changjiang (Yangtze) River during the 1368-1892 period.

Another popular figurine features Princess Chang E, who in ancient mythology consumes an elixir given to her husband by a goddess and flies to the moon.

Huishan figurines, mainly moulded by hand, are noted for their life-like bearing, colours

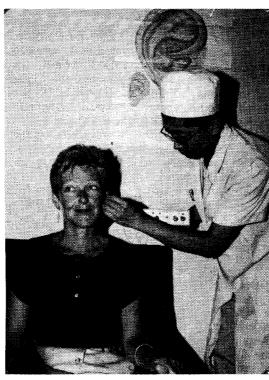
uriculotherapy is a traditional Chinese medical treatment is recorded that in 2,000-year-old Chinese medical classics. It includes a variety of specific treatments such as acupuncture, massage and burial of pharmaceuticals-a term referring to the placement of ointments on the acupuncture point, which is then bandaged. This old, simple but effective therapy has been revived by some doctors of traditional Chinese medicine and Chen Kangmei of Beijing's Fuxing Hospital has achieved great results.

Chen graduated from the Department of Traditional Chinese Medicine of the Capital Medical College in Beijing in 1981. Since then he has been performing clinical experiments and studying the theory of this unique therapy.

Chen and his collegues have been successful in the use of a form of auriculotherapy called *erxue maidou* (bury ointment on ear acu-points) to cure diseases such as hypertension, rhinitis (inflamation of the mucous membrane of the nose), haemorrhoids and insomnia. Treatment has proved to be 96 percent effective.

One case involved a 70-yearold retired teacher who had suffered from insomnia for more

Auriculotherapy Proves Effective



Chen treats a British expert working in China.

than 30 years. He had tried various kinds of therapy but the results were disappointing. After Chen's auriculotherapy treatment, however, the man slept very well.

Elle La Rosa of Australia had suffered from headaches since her childhood. She had been to more than 10 countries for treatment, but hundreds of doctors had failed to cure the troublesome disease. Dr. Chen, however, freed her from pain. He also cured a 15-year-old student's enuresis (involuntary discharge of urine). A 60-year-old woman writer who had suffered from constipation for more than 30 years received auriculotherapy and was cured.

In 1987 and 1988, Chen and his colleagues combined electric stimulation with the burial of ointments on ear points during experimental treatments on 192 sufferers of chromicbronchitis. The results showed that the two methods complemented each other in curing the disease. Electric stimulation had a quick effect while the implanted ointment consolidated the benefits. After treatment, 185 of the 192 patients were able to breathe naturally. Even in winter, a time when asthma and bronchitis attacks are common, 159 of the patients have not had a re-

lapse. On seven patients the treatment was ineffective.

To popularize the clinical use of auriclotherapy, Chen Kangmei and his wife, a nurse at the hospital, have published a colour diagram showing ear points for acupuncture and a book titled Practical Auriculotherapy which makes a theoretical analysis of the therapy. Chen has also discovered new ear points to be used in the therapy.

by Cui Lili

and exaggerated decoration. These features are also present in figures of birds and animals.

Production of the figurines was not well organized prior to the founding of New China in 1949. Some folk artists even lived a life of destitution, wandering far from their homes.

But after liberation the local government called back many

noted craftsmen and established a plant to produce the figurines. That plant now has a staff of more than 500.

Two kinds of figurine are now being turned out: one is made by the traditional method of moulding clay while the other uses a combination of plaster and clay. The artists often reproduce scenes from everyday life, adding a colourful new dimention to Huishan figurines.

The plant has even branched out into new products, such as lantern decorations, pen holders and smoking sets that are based on traditional Huishan designs. These products have been popular with both foreign and domestic consumers.

by Zhang Wei

China Would Not be Strong Without the CPC

am a foreigner of Chinese origin but, in my heart, a Chinese forever because my motherland is the People's Republic of China. I grew up during the Anti-Japanese War and like many compatriots born at that time, suffered a lot from the foreign invasions and the Kuomintang's corruption and incompetence. Today, I see a strong motherland with high international prestige and a national dignity respected by the whole world, I am proud of this because I also recall the hundred years of Chinese history filled with foreign invasion like the English who invaded and occupied Hong Kong, the Japanese, northeast China, the Russian Tzar, Lushun, the Germans, Oingdao, the Portuguese, Macao, the Dutch and Japanese, Taiwan, the French concession in Shanghai and the Eight-power Allied Forces who invaded Beijing and burned down off Yuanmingyuan and back streets of the Summer Palace. Although all this occurred in the 19th century, we Chinese would never forget history and whenever thinking about past miserable conditions, people would be filled with indignation and hope that China will be a truly democratic, free and independent coun-

Chinese once hoped that the western powers would have pity on them and send the democratic 'goddess,' thereby allowing them to enjoy true democracy and freedom. But history has proved that they never sent democracy and freedom to China. Instead, they brought only invasion and pillage. Today's national independence was achieved through dozens of years of bloody battles fought by the Chinese.-Looking over Chinese history, we see so many people who laid down their lives for national freedom and democracy, such as Qiu Jin in the early time of the Republic of China and Liuhulan in the time of the Anti-Japanese War.-Today when we are enjoying democracy, freedom and independence, how can we forget China's own 'democratic goddess' (national heroines), and try to bring in an abstract foreign democratic goddess as a substitute.

In 1911, Dr Sun Yat-sen led the democratic revolution to overthrow the rule of the Qing Dynasty. People, at that time, hoped that China would from then on enjoy freedom and independence. But Dr Sun died before China underwent reform and in the long period of

time between 1911-49 the KMT government made no contribution to China. If the Qing Court was corrupt and incompetent, so was the KMT. At a time when the people were disappointed, the CPC came. On October 1, 1949, the People's Republic of China was solemnly proclaimed from the rostrum of Tiananmen. It marked the beginning of China's true democracy, freedom and independence.

Forty years is a long time for a person but is very short for the transformation of a backward country like China with such a vast territory. Even though China has had many political shifts in this period, some very serious, politically unbiased people can see clearly the great changes that have been made under the leadership of the CPC. The unequal treaties of foreign invasion have been abrogated, the Chinese national dignity restored. Industrially, agriculturally and scientifically backward China has grown into a strong country with an advanced world level in these fields. It must be pointed out that in forty years China has gone through a tortuous course of development.

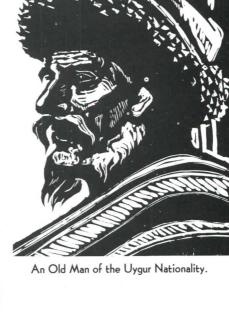
People remember clearly that several largescale wars occurred in Asia, surrounding China, their spearhead directed at China. The CPC took over the country in shambles from the KMT, it had to cope with foreign economical and political blockade and solve the problem of feeding hundred millions people. At that critical juncture, it was necessary to have a party like the CPC with the vitality to maintain China's territorial integrity. China's national liberation depended on the CPC, the safeguarding of its state sovereignty and territorial integrity also depended on the CPC. By its activity in the Korean, Vietnamese, China-India border, China-Soviet border and China-Vietnam border, people well knew the high patriotic spirit of the Chinese Communists. It has not lost an inch of the nation's land and has repulsed any invader. This enhanced the Chinese people's morale and punctured the aggressors' arrogance.

Today, from faraway, I wish my motherland a peaceful, favourable and stable future. One day, I will come back and pour out the feelings to you of one who has not forgotten his motherland.

Zhongguo, Mexico

Woodcuts by Gao Guilin

Gao Guilin was born in Qinhuangdao City, Hebei Province in 1935. Now a teacher at the Xinjiang Teachers' University, he depicts the rich life of the national minority of the Xinjiang Uygur Autonomous Region and its local landscapes.





A Camel Caravan.

ART PAGE



Spring's Arrival.

Luxury Ultrasonic Humidifier



DYADU

The ultrasonic humidifier, D150 and D200, produced by Beijing Yadu Research Institute of Building Equipment in co-operation with Japanese and Taiwanese factories, provides comfort and pleasure in dry climates.

Attractive in shape, the humidifier automatically controls humidity, prod-

uces a rich oxygen anion, eliminates static electricity, prevents and cures diseases of the respiratory system and can keep a 20m^2 area at 60 % humidity.

Retail Sale Price: RMB 660-690.

If purchased in bulk, preferential terms are available. The products are now on sale at the Beijing Wangfujing Department Store, Xidan Market, the Friendship Store, the International Market and other large stores.



Address: A32 Zhonglouwan, Dongcheng District, Beijing, 100009, China Tel: 4016621, 441304