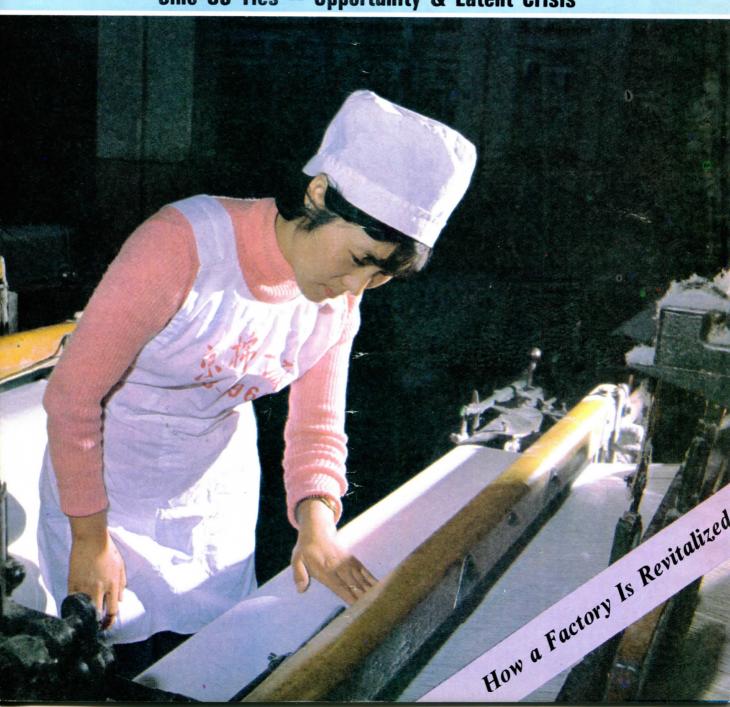
BEIJING REVIEW October 14, 1985

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A CHINESE WEEKLY OF NEWS AND VIEWS

Chen Yun: Combating Decadent Ideology

Sino-US Ties -- Opportunity & Latent Crisis





Wushu, a popular activity among the workers.

## Workers' Spare Time Cultural Life

The Wuhan Boiler Factory in Hubei Province has more than 8,000 employees. While making every effort to develop production, the workers' spare time cultural and recreational activities are also a focus of much attention. The factory has established 19 associations with more than 6,000 members including readers, athletes, singers, dancers, philatelists, anglers and plant lovers.

Peng Youjin (front), deputy director of the factory, is also the captain of the factory's long-distance running team. Peng has been running six years.



## SPOTLIGHT



He Guoliang (right), an old worker,

Model worker Wang Xuegong is an active philatelist

Lathe worker Wang Yanping and her husband, both core members of the factory's song and dance association, teaching their son to sing.



# **BEIJING REVIEW**

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COVER: Yang Xiaohui, a model worker of the Beijing No. 1 Cotton Mill. Photo by Chen Zonglie

## HIGHLIGHTS OF THE WEEK

#### Better Party Work Style Stressed

Speaking at the recent Sixth Plenary Session of the Central Commission for Discipline Inspection, Chen Yun underscored three points for improving the Party work style — developing ethics, preventing infiltration of capitalist ideology and affixing responsibilities to Party committees and discipline inspection commissions (p. 4).

#### Reforms Infuse Life Into Enterprises

Urban economic reforms, unfolded in all fields last October, have yielded initial results in 870 of China's 5,800 state enterprises. The Northwest No. 5 Cotton Mill discussed here is a typical one which has seen a steady increase both in gross industrial output value and profit during the last eighteen months (p. 6).

#### Baoshan Steel Complex Picks up Steam

Although steel production in the world at large is declining, China has stepped up construction of Baoshan Steel in Shanghai in an attempt to achieve self-sufficiency in high-grade steel products. Once completed, the mammoth project will boost China's steel output by several million tons per year (p. 8).

### Sino-US Relations Hinge on Taiwan Issue

Sino-US relations face both great opportunities and potential crises. The major obstacle to the further development of the relations remains the Taiwan issue, which can only be removed by the United States through its implementation of the principles laid out in the three Sino-US communiques (p. 21).

#### Air Raid Condemned Worldwide

Most countries and international organizations condemned Israel who sent six warplanes to bomb the PLO headquarters in Tunisia on October 1. As usual, the United States attempted to shelter it from punishment (p. 12).

#### Soviets Launch Major Diplomatic Initiative

Taking advantage of his visit to Paris, Soviet leader Mikhail Gorbachev unveiled the Kremlin's much-vaunted proposals on nuclear disarmament. The move is seen by many observers as a Soviet initiative aimed at winning over Western Europe before the US-Soviet summit next month in Geneva (p. 11).

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## Power Transfer: Smooth Sailing

by AN ZHIGUO Political Editor

The most impressive aspect of the National Chinese Communist Party Conference and the 5th Plenary Session of the 12th CPC Central Committee, which concluded about three weeks ago, was the promotion of a group of younger Party members, who are both politically and professionally sound, to the Party's central leadership to supersede some retired aging cadres.

In a world where coups and power succession crises can often provoke political unrest, the Party's smooth and orderly transition of power has been widely acclaimed as a pioneering political move as well as an indication of China's political stability.

Although somewhat limited, the reshuffle is spectacular when considering the composition of the Party Central Committee, the Political Bureau and the Secretariat.

In the Central Committee, which holds supreme authority of the Party, 65 members stepped down from their posts. Most of these members, representing 18 percent of the total committee, are about 70 years old. In their place, 64 new members were promoted, all in their 40s and early 50s. Most of these new alternate and full members have worked for a few years in important positions and are comparatively well educated. Some hold positions in provinces and autonomous regions,

while others serve at military area commands and the Party, state and army departments.

While the changes in the Central Committee are significant, the Political Bureau experienced the greatest turnover. Ten of the members original 27 have stepped aside, including veteran revolutionaries Ye Jianying, Xu Xiangqian, Nie Rongzhen and Deng Yingchao, all of whom are in their 80s. Their successors, Hu Oili, Tian Jiyun and Li Peng, are in their 50s, and Qiao Shi, Wu Xuegian and Yao Yilin are all in their 60s. This reduces the age of the present 22-member decisionmaking elite to an average of 68 years old, about five years younger than that of its predecessor.

The only significant change in the Standing Committee of the Political Bureau is outgoing Ye Jianying. The original Standing Committee members, Hu Yaobang, Deng Xiaoping, Zhao Ziyang, Li Xiannian and Chen Yun, remain at their posts.

With the turnover, the 44-yearold head of the General Office of the Party Central Committee, Wang Zhaoguo, was promoted to the Secretariat, along with Tian Jiyun and Li Peng, and becomes the youngest in the group. In addition, two alternate members, 61year-old Qiao Shi and a former textile worker, 50-year-old Hao Jianxiu, were made full Secretariat members. Their promotion and the withdrawal of Xi Zhongxun, Gu Mu and, Yao Yilin - all in their 70s or late 60s - make the group, which handle the Central Committee's day-to-day work, more vigorous and dynamic.

Many factors have contributed to the Party's smooth reshuffle. First and foremost is the fact that the Party's decision to abolish tenure in leading posts and its principle of promoting younger people who are revolutionary-minded and better educated have been warmly supported by the people. The reshuffle also was made easier by the veteran cadres' readiness to hand down their important tasks to the young in the interest of the Party and the people. The third factor is the training of these cadres from the third-echelon who have both ability and political integrity.

Last, but not the least, is the way the reshuffle has been carried out, representing a well-planned, gradual transition in which the old and new generations closely cooperated.

The shake-up, though impressive, is not the end of the entire process. It will continue from the central down to the grass-roots level of the Party organization, as national construction and structural reform go on in depth.

There has been worldwide concern over whether China's current policies could be carried on without cease. The continuity of policies depends primarily on whether they are correct and have popular support. The promotion of a group of young, capable policy-supporters to the leadership will, organizationally, guarantee political continuity.

#### **About Religious Freedom**

As a black Panamanian Moslem, I am grateful for the privilege and opportunity to express my thoughts concerning the Chinese people. Many years ago the media often spoke of the "bamboo curtain," which has since been torn down. China leaving wide open. The articles on religious freedom appearing in Beijung Review captivated my attention not only because Islam is my way of life, but because in many other countries Moslems do not have religious freedom. Your socialist system is to be admired because of the progress you have made since 1949. The Marxist doctrines, iniected with Chinese philosophy, have been a success. China, with her 4 million member armed forces, has not even a single soldier on foreign soil. This respect for rights of other nations should make China a forerunner as a world peace maker.

> Zaakir Daaniyaal El Dorado, Panama

## Comments and Suggestions

I find your magazine very informative. I also like your simple language and direct style and limited sloganeering. Please continue the series on China's modernization drive and related issues. These articles help us understand China's policies and directions and also dispel rumours and ugly accusations of China's becoming another imperialist nation.

Marietta P. Goco Quezon City, the Philippines

I read almost all of Beijing Review, but sometimes don't completely read the articles filled with numbers and percentages.

The "China" (in French edition) and "International" columns are

always very interesting. I also appreciated the articles about the Long March and the recent reports on the Anti-Japanese War. All the articles, both on Chinese ancient and modern history, are also fascinating.

The tourist articles capture my attention as well. The article about a waterfall in Guizhou Province in the current issue of BR also was very nice.

One more thing, many of your advertisements for Chinese books on the back cover have interested me, particularly "Chinese village Close-Up," "The 1911 Revolution" and "Highlights of Tibetan History." It's a pity they are all in English since we know very little English. We hope you'll translate them into French if not, you should cancel these advertisements from the French edition of the magazine.

Your articles on self-criticism are also very impressive.

#### Cecile et Michel Colas Paris. France

Beijing Review provides our Western people a clear and true picture of changing China.

I think you should publish some articles about the state of traditional Chinese medicine and related areas. The articles on these areas are too limited, and the world needs better understanding of this ancient medical science.

Overall, every week we look forward to receiving this varied and interesting magazine.

Jose Argue A. Barcelona, Spain

Last autumn, I travelled to Guilin and Kunming. On the bank of Tianchi Lake, the guide told me about Ne Er, the composer of the Chinese National Anthem and

other popular songs who is honoured with a tomb there. The guide, however, didn't give me details of the composer's life. I wish you would publish an article on Ne Er, who was drowned in Japan, and his main works.

> Sakuichiro Kamai Saitama, Japan

## Don't Allow Tragedy to Be Repeated

Your magazine (issue No. 32, in its Japanese edition) carried an article commemorating the 40th anniversary of the victory against fascism, which described the true tragic history of the anti-Japanese war with a host of valuable materials. In one picture of the Nanjing massacre, a group of Japanese soldiers watched cold-blooded expressions as innocent Chinese were buried alive. They watched the massacre as if nothing had happened. How can we tolerate such cruel attitudes. which treat people like pigs and dogs?

History showed, the Japanese militarists wanted to rule the world by force. "Force worship," with its nature of aggression and cruelty, has long been thoroughly exposed. Only through punishment by the iron fists of the world's people has "force worship" disappeared today. However, if Japan does not think about and repent its past aggression, it may again follow the same disastrous road, and reveal its aggressive nature - from bullying small and weak nations to intruding into other countries by force. This should draw the vigilance and attention of the Japanese people.

> **Kazuhiro Sakigama** Fukuoka, Japan

## Xinjiang Proud of 30 Years of Growth





Modern buildings have sprung up in Urumqi in recent years. On the left is the 12-storey Science and Technology Hall. On the right is the office building of the standing committee of the regional People's Congress.

A colourful parade of more than 30,000 people of different nationalities down Urumqi's main streets on October 1 culminated the celebrations of the 30th anniversary of the Xinjiang Uygur Autonomous Region in northwest China.

The parade was part of a rally in the region's capital attended by 150,000 people, including members of a central government delegation headed by Wang Zhen, vice-chairman of the Central Advisory Commission.

This red-letter day was described by the people of Xinjiang as "a day of double happiness" because it coincided with the 36th anniversary of the founding of the People's Republic of China. As dawn broke, participants in the parade marched towards the centre of the city, beating drums, blowing suona horns and playing various other local instruments.

Soon after the start of the event, a message from the Central Com-

mittee of the Chinese Communist Party, the National People's Congress and the State Council was read by Wang Zhen, who led the army into the region in 1949. The message congratulated Xinjiang for having made progress in fields such as industry, urban construction, defence and education over the past three decades.

"Xinjiang's advancements have laid a sound foundation for building the region into one of the most important bases for the nationwide modernization programme," the message said. While also remarking on the unity of the region's nationalities, the message said further strengthening of the region's unity would guarantee economic progress. The message also urged Xinjiang officials to be flexible and take measures appropriate to local conditions in its economic reforms.

At an assembly attended the day before by 3,000 local officials, Wang Zhen announced a package of central government policies designed to give Xinjiang an economic boost.

These policies include granting greater decision-making power to enterprises; promoting manufacturing (particularly goods sought by different nationalities in the region); and encouraging local authorities, collectives and individuals to tap mineral resources and turn the region into an industrial base of raw materials for the entire country.

Wang also suggested that Xinjiang's rural economic structure be adjusted so that animal husbandry and fruit farming develop hand in hand with grain production. These three areas of endeavour should become pillars of the region's agricultural economy, Wang said.

Wang called for Xinjiang to open its gate still wider to other parts of the country and the world. Under the guidance of the state's policies, Xinjiang should expand its economic and trade links with

neighbouring countries and regions, Wang said. He added that steps should be taken to attract foreign funds to help explore coal, nonferrous metals, oil, natural gas and other mineral resources.

Wang also asked that greater attention be given to improving education in the region, as well as to the training of minority people in management and technology.

To support the region, Wang said, the state would provide the necessary financial assistance while urging Xinjiang to rely on its people's hard work.

Xinjiang was liberated peacefully in August, 1949, and on October 1, 1955, the Xinjiang Uygur Autonomous Region was founded. According to Wang Enmao, first secretary of the region's Party committee, progress made in Xinjiang over the past three decades has been remarkable. The region's gross agricultural output value in 1984 topped 4.55 billion yuan, almost four times more than that of 1955, and a six-fold increase over that of 1949. Xinjiang's previously negligible industry has grown to include 4,300 various enterprises in steel, coal, oil, power, machinery, nonferrous metals, chemicals, textiles, tobacco and food and leather tanning. The region's gross industrial output in 1984 reached 5.98 billion yuan, a 14.6-fold increase over 1955 and 64 times over that of 1949. Transportation and communications also have made large strides, especially in the areas of highways, railways, air routes and pipelines.

In the last 30 years, the number of colleges in the region has increased from three to 14; secondary schools, from 79 to 2,325; and primary schools, from 2,014 to 8,253. The student enrolment has increased from 420,000 in 1955 to near 3 million today.

The number of government employees and professionals of minor-

## State Plan Fulfilled, Zhao Says

The targets set in the Sixth Five-Year-Plan (1981-85) are expected to be met and even exceeded, said Premier Zhao Ziyang.

At a reception in Beijing on September 30 celebrating the 36th anniversary of the People's Republic, Zhao said China's economic situation is improving and its task of securing a strong financial foothold has largely been accomplished.

In his toast, Zhao said the Party's national conference and the fourth and fifth plenary sessions of the 12th Central Committee represented a milestone in the Party's history and succeeded in securing the continuity of the Party's line and the stability of the Party's collective leadership. "The Party will be better able to fulfil its historical mission of leading the people of all nationalities in economic reforms and national reconstruction and in promoting the great cause of the country's reunification," Zhao said.

Zhao also said that in developing the economy, China must do a good job in pumping new life into the nation's numerous enterprises. China also must strengthen its macroeconomic control over investments in fixed assets. He called on the Chinese to improve the economic efficiency of enterprises, so as to ensure sustained, stable and co-ordinated growth of the nation's economy.

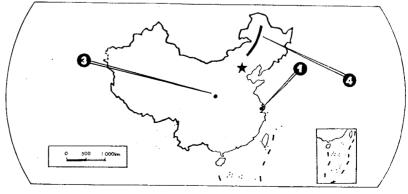
"Top priority will be given to the current economic reforms and its systematic delivery. We will lay a foundation over the next five years or more for a vigorous socialist economic structure with Chinese characteristics," he said.

ity ethnic backgrounds in Xinjiang also has increased since the founding of the autonomous region. As of 1984 cadres of minority nationalities numbered 192,000, accounting for 44.4 percent of the total number of local officials. The

number of technical personnel the same year was 115,000, a 45-fold increase over 1955. Many of the trained personnel in Xinjiang have taken leading posts in Party and government organizations, as well as in businesses.

#### 

## PLACES IN THIS ISSUE



1. Shanghai (p. 8) 3. Xian (p. 16) 4. Great Hinggan Mountains (p. 31)

### **News in Brief**

A 850-metre section of the Great Wall was opened recently in Jixian County, Tianjin Municipality, after ten months of renovations.

The Taipingzhai section has one watch tower and six sentry posts, which are believed to have been built about 1,400 years ago.

Chinese doctors have succeeded in fertilization of a human egg outside the womb—an important step in the country's test-tube baby research, which got under way last year. After fertilization, the egg, which was taken from a 29-year-old woman, split into three cells within 40 hours and into a dozen two days later. Doctors are now carrying out tests for implanting artificially fertilized eggs.

A Chinese publishing house specializing in books by overseas Chinese will pay Taiwan authors in US dollars, the overseas edition of *People's Daily* reported.

According to the newspaper, the publishing company this year will print 120 books written by overseas Chinese, 55 from Taiwan.

New regulations to prevent water pollution were passed recently by the Standing Committee of the Beijing Municipal People's Congress. Under the new law, no construction projects likely to cause pollution will be allowed near a source of drinking water.

The region's achievements have been attributed to sound leadership and attention of the Party Central Committee and the State, and to the vigorous aid of the People's Liberation Army and the the rest of the country. From 1950 to 1984, the central government subsidized the region with 15.4 billion yuan in financial assistance and invested 14.4 billion yuan in the region's construction.

While assessing its achievements, the secretary called on Xinjiang's officials to "work hard, making even greater success in socialist modernization and bring prosperity to the region."

## Baoshan Paves Way For Modernization

At a time when steel mills in the West are slashing production to suit the dwindling demands of a "sunset industry," workers at the Baoshan Iron and Steel Complex in Shanghai celebrated as their factory turned out its first products last month. The event indicated the beginning of a robust takeoff for the Chinese steel industry.

The largest and most costly project ever undertaken in China, Baoshan Steel is modelled after two of Japan's factories believed to be among the best in the world's steel industry. The two-phase construction on the 12-square-kilometre iron and steel "town" at the Changjiang (Yangtze) estuary began on December 23, 1978. The first stage, which has just ended, will enable Baoshan to put its Japanese and German equipment and technology into operation, producing 3 million tons of iron and 3.12 million tons of steel every year. Following the completion of the second phase of construction around 1990, the complex will tnen begin operating at full capacity, boosting China's steel output by several million tons.

The mammoth project was designed to meet China's modernization needs. Steel output in China averages a meagre 0.04 ton per capita, more than 20 times less than Japan's average. In terms of quality as well, Chinese steel products lag well behind those of the West's steel-producing nations. Each year China spends several billion US dollars on imported steel products at prices that in 1984 alone rose from US\$1,000 to US\$1,800 per ton. As the modernization process advances, the Chinese government has been faced with a difficult choice whether to continue buying the "eggs" - batches after batches of foreign steel, or to solve the problem by buying a "hen" which would lay the "eggs."

China chose the second way out by starting its "hen" — the Baoshan complex. The reason for the decision was justified, but the timing was not. When the decision was made in 1977, the decade-long chaos of the "cultural revolution" was just ending and the country was struggling along the brink of bankruptcy. The whopping 20 billion yuan — averaging 20 yuan per Chinese — was then well beyond the state's financial reach.

The problem was compounded by a miscalculation of the costs. At first it was estimated that the project needed to import 280,000 tons of Japanese equipment at US\$4,000 per ton. A visiting Chinese delegation in Japan, however, was shocked to learn that 570,000 tons of equipment were needed and that the price per ton had shot up to US\$6,500. The Chinese had no alternative but to increase the investment.

Getting the huge sums of money needed was obviously a difficult task. When China started to enforce tight fiscal policies at the end of 1980, construction in Baoshan came to an abrupt halt. Planners were already considering ways to write the project off at minimal losses. Officials soon discovered, however, that abandoning the project would be costly, considering the amount of money they would have to pay the Japanese as compensation for scrapping the contracts and to maintain the mountains of equipment already shipped in.

After carefully weighing the pros and cons, the State Council decided to press on with the project, and construction was resumed in August 1981 at a reduced speed.

The location of the giant steel complex also was once the centre of controversy. Many argued that Shanghai's alluvial topography was too soft and that it would be expensive to drive steel piles into the earth to prop up the heavy equipment. But the advantages of the location in Shanghai soon became evident. First, the riverside location makes transportation convenient and cheap, since 97 percent of the raw materials - much from overseas - and 70 percent of the products will be shipped by boat instead of by train. Second, Shanghai, with its advanced technology and a large contingent of experts and

professionals, is the only city in China capable of undertaking a complicated project where one false step could mean huge financial losses. This has been borne out in Baoshan's seven years of painstaking, and sometimes uncertain, development.

Baoshan has, for example, benefited from the wisdom of a Shanghai "think tank" — an advisory group of about 30 professors and engineers.

To build the complex's raw material yard, a blueprint provided by the Japanese called for the use of 162,000 steel piles at a cost of 80 million yuan. But members of the "think tank," after repeated surveys and calculations, cut the number of piles by 60,000, without endangering the quality of the structure and saving 30 million yuan.

When displacement occurred among the piles already driven in 1980, giving rise to the rumour that the project was in danger of sinking into the Yangtze, a Shanghai engineer vetoed an expensive foreign plan and successfully remedied the situation at a much lower cost. In 1978, the Japanese asked an exorbitant price for a 200-metre-high steel chimney needed for Baoshan's sintering plant. A Changsha engineer designed a

different chimney, which was erected for 7 million yuan less than that offered by the Japanese.

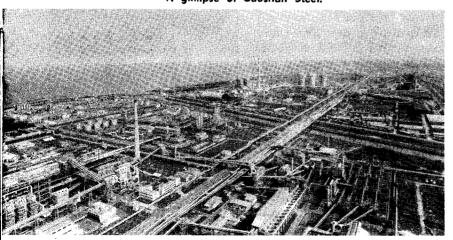
These examples epitomize a nation determined to make its largest construction project work. "So much is at stake," said Zhu Erpei, a chief administrator at Baoshan. "We cannot afford to fail in this endeayour."

For seven years the immense project has employed 60.000 workers from China's eight major metallurgical construction companies. Some 1.800 universities. research centres and steel plants also have done their bit by sending their best engineers and experts. and 180 of them have undertaken to train technicians, managers and skilled workers who will man the complex once it comes into full operation. More than 10 million tons of sand and stone have been brought to the site from neighbouring provinces; and coal mines in the north have sent only their best coal. This nationwide co-operation has helped ensure the project's smooth progress.

Despite the co-operation, however, Baoshan's economic results for the time being are far from satisfactory. The output of the plants already commissioned during the first-phase construction is very limited, and China still has to make up for its shortage of steel with imports. Only when Baoshan finishes its second-phase construction will China be largely self-sufficient in the area of high-grade steel product.

But the significance of Baoshan Steel is not limited to its sheer size and output. As a synthesis of the world's best steel-making technology from the 1970s, the complex will serve as a pilot case, guiding the modernization of China's steel industry. That is probably why Deng Xiaoping, in a message to the factory, urged Baoshan workers to "be good at studying and master-

A glimpse of Baoshan Steel.



ing new technology, more importantly, be good at creating new things."

## China Encouraging Growth in Tourism

China is taking the development of its tourist industry seriously, as seen by the nation's observance of World Tourism Day, falling officially on September 27.

As part of the celebration the State Tourism Administration invited a group of foreign guests on a tour of the newly built Grand View Garden in southwest Beijing, designed to resemble a structure of the same name in the classic Chinese novel, *The Dream of Red Mansions*. At the invitation of the China International Travel Service (CITS), a study group representing 19 tourism services from 9 countries in September also visited Lhasa, Tibet's capital.

President Li Xiannian wrote a message, to the World Tourism Organization, the founder of World Tourism Day, for its efforts in "developing tourism, promoting friendship, bringing about economic co-operation and safeguarding world peace."

Tourism in China has been growing at an annual rate of about 30 percent in the past few years, according to the State Tourism Administration. A record 8.97 million overseas tourists, including 8.3 million compatriots from Hongkong and Macao, visited China in the first half of this year, 59 percent more than in the same period last year. The tourists included about 200,000 Japanese, the largest group among all foreign visitors. The United States ranked second with more than 110,000 visitors to

China. The burgeoning tourist trade boosted China's foreign exchange income by 20.1 percent to US\$560 million in the first six months of this year, as compared with the same period of 1984.

A government official said the rapid growth of tourism in China could be attributed mainly to the country's open policy, which "has attracted more and more foreigners and overseas Chinese to China for business and travel." The satisfactory solution of Hongkong's future, the official said, has also contributed to the growth of international tourism in China. The official said China's tourist, industry would have developed more rapidly if present problems, such as traffic congestion, hotel short ages and poor management, had been eliminated.

To improve its service, the CITS has taken a series of measures. These included upgrading the skills of its guides and interpreters by holding training classes during the off-seasons and by requiring stiffer qualifications for employment with the service.

A number of hotels are now under construction in Beijing, Shanghai, Xian, Guilin and other major cities. As a result, foreigners who want to visit Beijing and Shanghai will be able to book hotel rooms in advance next year. Advance bookings have now only been available at some join-venture hotels in China. New air routes between China's large cities also have helped alleviate air-traffic congestion.

By the end of September, China had opened nearly 270 cities and scenic spots to overseas tourists; more than 100 of them allow direct or immediate tours. Tourist bureaus, agencies and companies at provincial level have been authorized to make travel arrangements directly with foreigners.

### China & the World

## China, Grenada Establish Diplomatic Relations

Grenada became the 131st nation in the world to establish diplomatic relations with China at the ambassadorial level on October 1, 1985.

#### Congratulations to Ryzhikov

Premier Zhao Ziyang recently congratulated Nikolai Ryzhikov on his appointment to the post of chairman of the Council of Ministers of the Soviet Union.

In a message to the new Soviet leader Zhao wished Ryzhikov future success, and expressed the hope that Sino-Soviet relations would improve and develop continuously in accordance with the Five Principles of Peaceful Coexistence.

#### Deng Blasts 'Star Wars'

Deng Xiaoping said on October 5 that China is against any superpower engaged in the development of space weapons.

Speaking at a meeting with Franz-losef Strauss. minister-president of the Federal German state of Bavaria and chairman of that country's Christian Social Union, Deng said the "star wars" plan symbolizes the escalation of the nuclear arms race between the two superpowers. Deng said China, the Federal Republic of Germany and Europe as a whole should continue to act as a force for peace and checking world war.

### Soviet Union

## Moscow's Diplomatic Initiative

Soviet leader Mikhail Gorbachev's trip to France is seen by many as a diplomatic drive aimed at provoking discord between Western Europe and the United States.

#### by MA WEIMIN

A S many people had expected, Soviet leader Mikhail Gorbachev's four-day visit to France was not entirely designed to enhance bilateral relations. Rather, some say, it was a calculated Soviet move, coming only weeks before the US-Soviet summit in Geneva next month, aimed at splitting the Western alliance on the issue of nuclear disarmament.

The Soviet diplomatic initiative, from what Gorbachev said in Paris, includes the following points:

- The Soviet Union is ready to reach an agreement on the deployment of intermediate-range missiles in Europe with the United States that is not directly linked with space and strategic arms.
- Moscow is willing to open direct negotiations with France and Britain on their nuclear forces.
- The Soviet Union would, in the next two months, dismantle additional Soviet SS-20 missiles that were deployed in Eastern Europe one year ago. The total number of SS-20s in Eastern Europe is now 243, the number deployed before the Soviet Union brought in extra missiles last year. The Soviet counter-measures targeted at United States territory would remain effective.
- The Soviet Union is ready to abide by an international understanding on the non-proliferation

of chemical weapons and to make efforts towards making Central Europe a non-chemical weapons zone.

- The Soviets would call for more constructive ties between the Council for Mutual Economic Assistance (COMECON) and the European Economic Community (EEC).
- A provisional settlement could be reached between the Warsaw Pact and the North Atlantic Treaty Organization (NATO) in order to ease the confrontation between the two military blocs.

The Soviet leader also proposed a 50 percent cut in both Soviet and US strategic nuclear arms, and a total ban on offensive space weapons.

Reactions to these statements and proposals from France and other West European countries. were immediate, varied and cautions. The French newspaper Le Monde said the proposals contained some prudent elements necesfor resuming dialogues. Foreign Minister Hans-Dietrich Genscher of the Federal Republic of Germany described the proposals as "interesting." Belgian Foreign Minister Leo Tindemans said they represented "a positive step." The United States said Gorbachev's entire arms-control package represented "a change in their (the Soviets) position," and could serve as a basis for US-Soviet talks.

But many observers tried to avoid commenting on the true meaning of the Soviet proposals and their possible impact on future East-West relations.

The core of the Soviet initiative is its arms reduction proposals to Washington, and Moscow's statement that it hopes to hold separate negotiations with London and Paris concerning their nuclear arsenals.

In an indirect reference to Gorbachev's proposal, US President Ronald Reagan, campaigning on behalf of fellow Republicans in New Iersey on October 4, vowed to continue pursuing his strategic defense initiative, commonly known as "Star Wars" programme, saying the United States is "seeking to discuss with the Soviets in Geneva the vital relationship between strategic offense and defence." This statement forced observers to question. again, if Moscow and once Washington will soon be able to make any progress in slashing their nuclear arsenals and banning space weapons.

French President Francois Mitterrand rejected the Soviet offer to begin separate talks with the French on nuclear arms, saying France actually possesses no medium-range missiles and its nuclear arsenal is so small there is no margin for negotiation.

"France has no leeway," Mitterrand said. "Our problem is to remain just at the minimum threshold for credibility without moving into an additional arms race. Therefore, France is limited in her margin to manoeuvre."

In London, a British spokesman said Britain would be prepared to reconsider its nuclear deterrence only after the two superpowers have negotiated substantial reductions of their nuclear arsenals.

The French press generally held that the real intention behind the Soviet diplomatic drive was to draw Western Europe away from the United States. They noted that Gorbachev chose Paris as the site to launch the initiative because France has a great deal of influence on West European politics, it has shown a strong independent streak towards Washington and, in particular, because it takes exception to Reagan's "Star Wars" programme.

One of Gorbachev's basic aims was to win points with France on the American strategic defence initiative. But Mitterrand told his guest that France would not participate in an arms race in outer space and that the issue was left for discussion by the United States and the Soviet Union.

Gorbachev's proposal to contain the number of SS-20s in Europe at the June 1984 level, observers say, was made with the Netherlands in mind, for the Dutch will decide whether to install US Pershing missiles on its territory next month. The Dutch have said they will forgo deployment if the number of the Soviet SS-20 missiles is kept at that level—243 in total.

All signs indicate that Moscow is trying hard to win over Western Europe before the US-Soviet summit next month in Geneva. Washington also has been doing the same thing. Both are trying to put the other in a less favourable position and force the other to make concessions. But this is not the way to ease international tensions, professing the desire to keep a nuclear balance between the two while actually aiming to gain superiority over the other. And it is neigher fair nor possible for the two superpowers

to ask other countries to reduce their small arsenals while they themselves — each with a nuclear capability that can destory the other. And it is neither fair nor yet turned their numerous arms control proposals into more than just rhetoric.

#### Tunisia

## Air Raid Condemned Worldwide

The Palestine Liberation Organization has accused the United States of complicity in an Israeli-led bombing raid on PLO headquarters in Tunisia in which at least 60 people died.

#### by NAN JU

ON the morning of October 1 six Israeli warplanes bombed the PLO headquarters in Tunisia, killing at least 60 people, injuring another 100 and turning the PLO's fortress-like complex into a pile of rubble.

Yasser Arafat, chairman of the PLO Executive Committee and his top aides were not hurt in the attack, which the Israeli military said was a reprisal for the killing last week of three Israelis on their yacht in Larnaca, Cyprus. A man who said he was from the PLO's "Force 17" telephoned a Western

wire service in Jerusalem that day to claim responsibility for the Cyprus attack. The PLO in Cyprus, however, denied involvement in the killing.

Arafat denounced the Israeli air raid as "official terrorism" and vowed Palestinians would respond. He also accused the United States of collusion in the attack, saying "it was obvious and clear the Israelis were helped by American stations. . . by American bases, by the American fleet, the 6th Fleet, by Americans in the Mediterranean Sea."

As reported by Agence France Presse, Israel's ambassador to France denied the claims that the

A rescue team searching the rubble for victims of the October 1 bombing of PLO headquarters in Tunisia.



United States was involved in the attack. Ambassador Ovadia Soffer called the accusations "fantasies" and said the United States was informed of the attack "afterwards."

In Washington, President Reagan and Secretary of State George Shultz appeared to be at odds over the Israeli raid. On October 1, Reagan said the Israelis had the right to retaliate against what the White House called terrorist attacks and had chosen the right target. Shultz, however, speaking to ministers from the six-nation Gulf Co-operation Council at the United Nations, said there was no justification for the raid.

The Israeli raid, 1,400 kilometres from Tel Aviv, is the first such long-distance venture for the Israeli military against the PLO. Israel sent paratroopers more than 3,800 kilometres to Uganda's Entebbe Airport in 1976 to free Israeli hostages.

With 14 votes in favour and the United States abstaining, on October 4 the UN Security Council adopted a resolution condemning "the act of armed aggression perpetrated by Israel against Tunisian territory."

The resolution (No. 573), adopted after the council met in four emergency sessions, demands that Israel refrain from such aggression and from threatening countries or organizations with such actions.

Tunisia originally submitted a draft resolution, strongly condemning Israel, demanding Israel compensate for the damage it caused and asking the council to take measures to prevent such incidents in the future. That draft, however, was unacceptable to the United States, the only one in the council to defend Israel's action.

Egypt, the only Arab state to have diplomatic relations with Israel, announced it was suspending talks with Israel over the disputed Taba enclave, an Israeliheld patch of land on the gulf of Aqaba, in protest of what it described as the "criminal" Israeli bombing.

King Hussein of Jordan, who was in Washington at the time of attack, condemned the raid and said it would endanger efforts to bring the Palestinians to the peace talks.

International organizations such as the Organization of African Unity, the European Economic Community and the Arab League, also strongly condemned the raid.

As Israel was roundly condemned, the Reagan administration shar-

pened its response to the bombing, calling it "understandable" but "deplorable" and contrary to US objectives of seeking a peaceful Middle East. Washington had previously defended the raid as a legitimate response and expression of "self-defence" to a terrorist attack.

Tunisian President Habib Bourguiba castigated the United States for its "negative and unexpected" support for the raid.

Analysts in Washington say the White House's shift is aimed at coordinating the news of administration officials and avoiding harming US-Tunisian ties and the Middle East talks.

#### Panama

## **President Resigns Amid Controversy**

The recent resignation of Nicolas Ardito Barletta, 48, is seen by many as the likely conclusion to a less-thanglorious tenure as the Central American nation's president.

#### by ZHU MANTING

ONE day after Panama's President Nicolas Ardito Barletta resigned on September 27 because of his growing unpopularity among the military, and because of a dispute with the governing coalition over economic policies, Vice-President Eric Arturo Delvalle was sworn in as Panama's new president.

Ardito Barletta, 48, resigned after serving less than one year of his often embattled five-year term as Panama's leader. Criticized by supporters and opponents for what they saw as a lack of a power base and of political experience, he encountered difficulties from early on in his presidency.

Along with his problems with

the military, Ardito Barletta, a former vice-president of the World Bank, met with increasing opposition from labour and business groups who faulted him for his economic policies in dealing with Panama's US\$4 billion foreign debt. Leaders of the major parties in the ruling National Democratic Alliance also clashed with Ardito Barletta over fiscal matters. and in a communique issued after the resignation, said the resignation could be attributed to differences with the coalition over which "economic policies and mode of development" the government should adopt.

After his September 28 inauguration, President Arturo Delvalle heard an appeal by Panama's largest trade union, the National Committee of Labour Organizations, asking him to rework the

country's International Monetary Fund (IMF) repayment policies.

As one of the Ardito Barletta most pressing administration's problems, the portion of Panama's debt due for repayment this year alone is US\$700 million. The Panamanian economy, never very vital, however, has continued to deteriorate year after year, making repayment plans particular burdensome. With the turbulence of Central America in general and the slowing of the economic recovery in the West, prospects for Panama's service industries. which are the nation's main source of revenue, are gloomy. In addition the nation is also confronted with a deficit of US\$100 million this year.

Barletta's controversial IMF policy centred on rearranging repayment by reducing the huge deficits, an approach favoured by the International Monetary Fund. In order to achieve the deficit reductions, last November. Ardito Barletta instituted a series of unpopular reforms, which called for government expendireducing tures, freezing wages of the government employees and raising taxes. The austerity measures were opposed not only by bussiness people and bureaucrats, but also by workers. Last November President Ardito Barletta was forced to repeal his unpopulartax law after 150,000 of Panama's two million people took to the streets in an unprecedented protest, the size of which has not been seen in Panama in recent years.

Barletta's economic measures deepened his differences with the Democratic Revolutionary Party, the core of the ruling sixparty coalition. Last April the Democratic Revolutionary Party handed a proposal to Barletta, asking for readjustments in fiscal policy, condemning the terms

issued by the International Monetary Fund and World Bank and saying they impinged on the national dignity of Panama. At the same time the Barletta government was holding talks with business people and trade unions, which finally ended in discord over Ardito Barletta's refusal to revise the agreement between the Panamanian government and the IMF. Critics accused the president as safeguarding the interests of his former employer, the World Bank, at the expense of those of Panama.

## Washington

## **United States Among Net Debtors**

With a growing foreign trade deficit and the increasing infiltration of foreign capital into the US market, the United States has become a debtor nation.

## by WANG DAXIN and HOU LING

THE United States had a tremendous trade deficit in the first half of this year, putting that country into the rank of net debtors for the first time in decades.

The United States has become a net debtor because of two factors. First, its foreign trade deficit expanded steadily for years. And second, at the same time foreign capital inundated the country.

The US favourable trade balance reversed in the mid-1970s and has since further deteriorated. Last year, American trade of high-tech products ran a deficit of US\$6.8 billion. From 1980-84, the total foreign trade deficit of the United States mounted from US\$24.3 billion to US\$108.2 billion. This year, the deficit for the first two quarters reached US\$70 billion.

The growing deficit has made it more difficult for the United States to achieve a balance in its international revenue and expenditure. Formerly the United States could offset its trade deficit with overseas investment profits. Such profits, however, dropped steadily from US\$34.1 billion in 1981 to US\$19.2 billion in 1984 — far from enough to make up the yawning

trade deficit.

long-term capital grammes have also been hit with adverse changes. The infiltration of foreign capital funds into the United States has surpassed US overseas investment. During 1979-83. US direct overseas investment grew at an average annual rate of 5 percent, while direct foreign investment in America increased by 36 percent annually. At the end of 1984, US overseas assets amounted to US\$914.7 billion, while foreign assets in the United States were up to US\$886.5 billion. The situation changed, however, in the first half of this year. The value of foreign properties exceeded US overseas properties by US\$8.2 billion, thus depriving the United States of the ability to make up its trade deficit with overseas investment profits. The United States now has a deficit of US\$62.1 billion in its international balance of payments for the first half of this year.

The shift of the United States' status in international trade and investment is directly affected by high interest rates and the strong dollar. The high interest rates attract large sums of foreign capital into the United States, while the overvalued dollar raised the price of US commodities, making them unattractive abroad.

## Combating Corrosive Ideology

This is a speech delivered at the Sixth Plenary Session of the Central Commission for Discipline Inspection on September 24, 1985. — Ed.

#### by CHEN YUN

S INCE the 12th National Party Congress, the Central Commission for Discipline Inspection and the local discipline inspection commissions at all levels have done a great deal to play a positive role in helping various Party committees to fundamentally improve the Party's style of work, raise Party members' political integrity, check unhealthy tendencies, punish those who violated law and discipline and combat mistaken ideas among Party members.

At present, however, there are still many serious problems in the Party's style of work and social mores. Therefore, it is still an arduous task to achieve a fundamental turn for the better in these fields.

I now wish to make the following suggestions for fundamentally improving the Party's style of work.

1. The Party must overcome the tendency to underestimate the importance of developing ethics in the ideological field.

Socialism includes the building of material wealth and the development of socialist ethics; the two are inseparable. The socialist cause can neither be purely the construction of material wealth, nor be purely ethical development. For the socialist cause, it is impossible to complete the building of material wealth first and then ethics. Today everybody is devoted to the building of material wealth. and this is completely necessary. But it is noteworthy that the phenomenon of overlooking ethics is quite common. The capitalist philosophy, "every man for himself, or the forces of heaven and earth will destroy him," and the slavish mentality, which gives no regard to national and human dignity, are factors endangering the cause of socialism.

In the Party, if cultivation of ethics and ideological and political work are neglected, the Party work style will not be improved; in society, if ethics development and communist ideological education are neglected, undesirable social mores will develop. In short, if socialist ethics are neglected, our cause as a whole will deviate from Marxism and the socialist road.

The negligence of promoting good values, which is now prevalent, is by no means a minor problem. Therefore, comrades of the entire Party must pay special attention to the situation.

2. Serious attention must be given to the infiltration of decadent capitalist ideology and its work style.

The policy of opening to the outside world by importing advanced foreign technology and management expertise to serve China's needs for socialist con-

struction is entirely correct and must be firmly upheld.

But at the same time, one must note that opening to the world will inevitably be accompanied by capitalist ideology and its style of work, both of which are detrimental to our socialist cause.

If our Party committees and members, especially veteran cadres, are clearly aware of and highly vigilant against this, and purposefully conduct education with communist ideology as the focal point, then the infiltration of capitalist ideology is nothing to be afraid of. We are convinced that the truth of Marxism and communism will overcome the intrusion of decadent capitalist ideology and work style.

It merits our serious attention that currently many Party committees and cadres have let down their guard against this. For example, whenever we talk about the policy of opening to the world and invigorating the domestic economy, some Party, government and military institutions, Party and administrative cadres and their children swarm forward to do busi-According to surveys in a dozen provinces and cities, since the last quarter of 1984, some 20,000 various companies have sprung up, a considerable number of which collaborate with lawbreakers and unscrupulous foreign businessmen. Taking advantage of reforms, these new companies have been involved in all sorts of criminal activities, including speculating on the rise and fall of prices, engaging in illegal trade, offering or taking bribes and trafficking in smuggled goods. They also have resorted to deception, extortion, evading customs duties and selling counterfeit medicine and liquor, which are lethal to human lives, just for ill-gotten gains. The sale of obscene video tapes and seducing women into prostitution are also some of their vices.

The decadent capitalist ideology, which is characterized by the "worship of money," is exerting a serious corrosive influence on our Party's work habits and social mores.

To build socialism, we must resist and clear away these ugly ideology and actions. We must mobilize and organize forces of the entire Party and society to wage a resolute struggle against these phenomena in the spirit of removing all evil.

Tasks for the Central Commission for Discipline Inspection and the local discipline inspection commissions at all levels are: Whoever violates Party and administrative discipline must be dealt with resolutely according to Party and administrative discipline; those who

violate laws must be dealt with, upon proposals, according to law. Discipline inspection commissions at all levels must act upon these principles, otherwise they will be considered negligent of their duties.

Without strengthening ideological and political work and strictly implementing Party and administrative discipline, it would be impossible to achieve fundamental improvements in the Party's working style and social values.

3. Party committees and discipline inspection commissions must meet their responsibilities.

If violations of Party principles and policies or of law and discipline are due to one person's mistake, then it is a personal problem. But if long-term unhealthy and evil trends prevail in a certain unit or region, then they obviously are not only personal problems, but have something to do with the Party committee of that unit or that region.

If the unhealthy tendencies that endanger socialism and corrupt the Party's style of work and social values are ignored and go unchecked, then the blame must not only be placed on the evildoers, but also on the Party committee of that unit or region, including the discipline inspection commission. Take the motor vehicle scandal on the island of Hainan, for example. This involved illegal trade in foreign currency, swindle, corruption and the acceptance of bribes. Not only should the violators bear responsibility, but also the local Party committee. When fake medicine was made and sold in Jinjiang Prefecture, the local Party committee turned to it with a blind eye, and even offered their protection. That being the case, if we do not place the responsibility on the local Party committee, we will depart from the Party stand.

While Party committees at all levels are building material wealth, and paying attention to ethics and ideological and political work, they must also strictly enforce Party and administrative discipline. Only then can the Party bring about a fundamental improvement in its style of work. Under the unified leadership of the Party committees, the discipline inspection commissions at all levels must make strenuous efforts to fulfil the main task of improving the Party's working habits.

## **Economic Reforms Revitalize Cotton Mill**

by HAN BAOCHENG

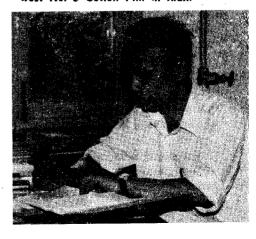
Our Correspondent

After several years of experimentation and preparation, China's urban economic reforms centring on invigorating enterprises, especially key ones, began to unfold in all fields last October. According to a recent survey by the State Economic Commission, initial results directly related to the reforms have been recorded in 870 of China's 5,800 state-owned key enterprises. The Northwest No. 5 Cotton Mill, which is the subject

of the following article, is one of these successful enterprises. — Ed.

A BOUT 2,000 years ago Xian, the capital of Shaanxi Province, was the starting point of the Silk Road linking Asia and Europe. Today Xian serves as another starting point of the new Long March—this time in the area of economic reform—towards socialist modernization.

A new situation has emerged in the No. 5 Cotton Mill after it was given greater dicision-making power and its workers' enthusiasm Director Ying Zhibang of the Northwest No. 5 Cotton Mill in Xian.



was activated. The No. 5 Cotton Mill in eastern Xian has 9,000 workers, 102,748 spinning spindles, 13,440 twisting spindles and 3,226 looms. This 28-year-old enterprise has gone through various reforms since 1979 and has benefited from the process. The most notable changes at the mill have been the upgrading of technology, the diversification of production and the improvement of the workers' well-being.

Since its establishment in 1957, the No. 5 mill has made a profit of 877.22 million yuan, which is 22 times its initial investment, for which the factory has been commended several times by the central and provincial authorities. Despite the profits, the plant's technology and equipment improved little at that time. Its good economic results could be attributed to the supplies of low-priced raw cotton and fuel and the state's purchase of its overstocked products.

#### **New Challenges**

In 1979 the No. 5 mill was confronted with three challenges. Ying Zhibang, director of the factory, said the first of these challenges was a growing demand for new varieties of clothes spurred by improving living standards. Textiles became a buyer's market and competition sharpened. Second, more decision-making power was delegated by the state to the enterprise in its management. This change ended the former practice, in which the enterprise performed according to the state's mandatory planning, allowing the enterprise to operate more or less independently. And third, the prices of raw materials and fuel increased significantly. All in all, the changes made it necessary for the enterprise to update its technology and improve its management in order to be more competitive.

When first confronted with the changes, the factory found it difficult to adapt. As a consequence,

the mill's economic indices decreased in 1982 and the profit dropped by 16.64 million yuan, 39.6 percent less than the previous year's. In 1983 the mill began to introduce experimental reforms in some of its selected sections and its profits that year increased 1.31 percent over those for 1982. In May 1984, the State Council re-

of Textile Industry and another 12 indices set by the provincial textile bureau. At the same time, the factory also had to fulfil similar financial indices set up by the central and provincial financial departments.

"Of course most of the indices were reasonable," said Song Guofang, head of the mill's planning



Workers and section heads discussing production.

leased the Provisional Regulations on Further Extending the Decision-Making Power of the State Industrial Enterprises, giving such enterprises power in the following areas: planning for production, pricing and sale of products, selection and purchase of raw materials. use of funds, handling of assets, structural establishment, administration of affairs concerning personnel and labour, wages and bonuses, and inter-unit associated operation. The implementation of these regulations helped the factory run its operation more smoothly and develop its production more efficiently.

## **Meeting Competition**

Under the former management system the factory was required to reach eight technological and economic quotas set by the Ministry section. "The problem was deciding who had the right to stipulate these indices — the producer or someone from the state administrative management department who knows little about the plant's practical production. Some indices were too stringent and ended up putting us in an economic straightjacket."

"For example, the state not only designated the factory's cotton supplier, but also stipulated the grade of cotton the factory used to produce certain kinds of cloth," Song said. The No. 5 mill was capable of producing high-grade yarn with a low-grade cotton, but it could not do so because the cotton was purchased under the state mandatory plan. With these and other unreasonable stipulations removed, the No. 5 mill has since become a competitive operation.

Since 1979 the state has reduced its control over the production of textile products, with the exception of chemical fibres and export goods, which are still controlled by state mandatory planning. Most enterprises, however, can reorganize their production and change the quotas for cotton yarn and cloth produced under the state's guidance planning and according to market demand. They also can stop producing goods that have no ready market. The state takes no responsibility for their sales, and the provincial textile corporation functions only as an enterprise to place orders for the factory's prod-Furthermore. enterprises are allowed to sell their products by themselves or through wholesale departments as well. The Xian mill sells all its cotton cloth by itself, whereas before the reforms it was responsible for the sale of only 5 percent of its products. The factory also has the right to sell surplus products turned out under the mandatory planning.

With their expanded power in making decisions, enterprises have become more independent economic entities. The principle of putting business above everything is now applied to enterprises' all production procedures including cost accounting, quality checks and sales. Under the prerequisite of fulfilling the production targets according to the mandatory planning, the Xian mill has done its best to use highefficiency machines to produce goods in short supply. In addition, the mill's sales and planning section employees regularly visit commercial and foreign trade departments for market information. In order to boost purchases the factory also established an office in Guangzhou and has set up sales centres in other big cities throughout the country.

"Since the implementation of the urban economic reforms, the first thing I learnt was to do business at every opportunity," Song said. "Early this year, I went to Tianjin on a business trip. On my way I stopped in Beijing to look over its market for our products. I found a potentially profitable market there for our 2 million metres of khaki drills left over from a Hongkong deal that fell through. In the first two days of the visit, I sold 500,000 metres of the cloth. Not long ago a general manager of the Foshan Industrial Trade Co. in

Guangdong visited Xian. During a chat with him, we signed a contract on our factory providing his company with 120 tons of 10-count yarn."

To meet the needs of the changing market, the factory has improved its management system and given its deputy director the improveauthority over the ment of varieties, market studies, planning, production checks and sales. "To convert enterprises from pure producers to companies that can produce and sell is an important change in guidelines and management methods," said Qiang Dangying, head of the enterprise management office.

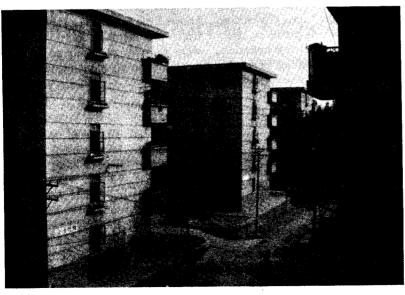
## Technical Improvement and Development

In the past, enterprises had to hand over all their profits to the state, leaving them with little money for maintaining and expanding their operation. The rate of depreciation of textile equipment is 3.5 percent of their costs each year, and most of these funds were formerly used to build new factories. This old practice made it impossible for enterprises to update their equipment or to improve their technology.

Since 1979, however, enterprises have been allowed to retain a certain portion of their yearly profits for their own use. In 1982 the state replaced profit delivery with taxes. The Xian mill can now retain 21.5 percent of its profits, of which 8.8 percent are used as bonuses, 8 percent for developing production and 4.7 percent for improving the welfare of its workers.

With this money, the cotton mill had better material conditions to update its technology. Between 1979 and 1984, it upgraded 2,196 looms, of these 1,176 were renovated last year. Now the mill turns out 203 varieties of six categories

The workers' living quarters.



of cloth with a width from 44 inches to 100 inches, basically meeting the needs of the domestic and world markets.

Last year the factory raised 21.7 million yuan to import 164 air-jet looms from Japan and Belgium, for producing 13 million metres of wide decorative cloth a year. The factory also plans to import 100 biphase rapier weaving machines this year.

The rate of depreciation for the factory's equipment has been raised from 3.5 percent to 4.5 percent, with the money now being controlled by the textile mills themselves. In addition, the state will subsidize less profitable projects that are socially valuable. Such projects include a pollution treatment project. The state allocation provided last year accounted for 2 percent of the Xian mill's funds for technical renovation.

Director Ying said, "In the last few years we have used money to improve our techniques and to increase salaries. In addition, we have established some welfare projects. Since 1979 we have built 50,000 square metres of apartment houses, or 75 percent of all those built in the previous 22 years."

With more power to make decisions, the factory also has expanded its business scope. In 1984 the mill invested US\$1.54 million and 4 million yuan, used 400 looms and other equipment, and provided technicians and managers for establishing 6 industrial companies that would operate with enterprises in other provinces and Hongkong. These companies cover textiles, dyeing and printing, knitting, clothing and leather production, tourism, hotels, trade and hospitals, and have not yet recorded any notable profit. This year the factory also signed co-operative contracts with two cotton mills in Hancheng and Tongchuan, also located in Shaanxi Province. According to the agreements, the factory provides

equipment and technology and shares in profits. Now the two textile mills have turned deficit into profit.

## Responsibility System Sparks Enthusiasm

The reforms are intended to introduce systems under which a director or manager assumes full responsibility for the production and enterprise management and in ministrative department headed by the director, and ensures that the enterprise moves steadily down the socialist road. As deputy secretary, Qin De of the No. 5 mill Party committee said, "The main task of the Party committee is to supervise the operation and ensure that the Party and the state principles and policies are implemented correctly."

The factory's worker congress

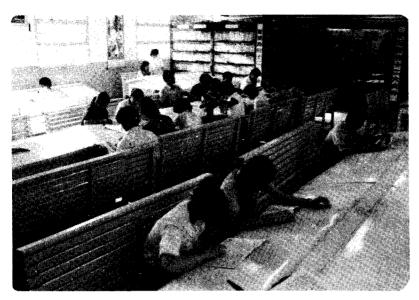


One of the mill's spinning workshops.

which the workers are paid according to their output and the quality of their products.

Before the reforms, enterprises were under the collective leadership of the Party committees, which made all the important decisions, while the director implemented these decisions. Now the director is entrusted with more authority and responsibility. In the past cooperative projects with foreign businessmen had to be discussed by all leaders. Now the director has the power to make decisions on these projects and to sign contracts with foreign businessmen.

The Party committee supervises and ensures the production and operation of the enterprises and its management, oversees the adexercises democratic management power, with workers making up at least 60 percent of the congress' deputies. The congress regularly listens to the director's reports, examines important production and development plans, makes comments and suggestions on the plans and decides how they will be implemented. The congress also draws up plans for the use of collective welfare funds, decides how to distribute new apartments and how certain welfare programmes will be established. If the director has different opinions about these decisions, he or she can ask for further discussion, or even postpone implementing them; but at the same time he or she should report this to the higher authority for final decision.



The library in the employee dormitories.

The factory director is appointed by the department at a higher level for four years. The current director of the No. 5 Mill, Ying Zhibang, 52, graduated from the textile department of East China Textile Institute in Shanghai in 1955. Ying was formerly in charge of the mill's laboratory and also served as chief engineer, deputy factory director in charge of operation. Deputy directors are recommended by the director and appointed by the higher authority. The middle-level leaders, including section chiefs and heads of workshops, also are appointed by the director. The textile mill has one director and two deputy directors.

Ying said that as a director he should first consider the interests of the state and the people, and at the same time should not ignore the interests of the workers. If not doing so, the interests of the state are difficult to be guaranteed.

As a result of the overall changes last year, wages averaged a two-grade increase. Workers also received subsidies for their positions, and floating wages and bonuses according to their performance.

"Another goal for the reforms is to improve the distribution sys-

tem. As long as the principle of distribution to each according to his or her work is implemented well, the enthusiasm of the workers will increase," director Ying said.

"Now workers can get an extra 39 yuan, 65 percent of their average wage of 65 yuan," said Gao Zhongli, head of the weaving workshop, which has 2,500 workers. "The gap between wages at the top and those at the bottom, however, is widening." Some workers can get an extra 60 yuan for their best work. If workers do not perform well, their bonuses and floating wages will be withheld. If they do not finish their work, their basic wages will be reduced by 5 to 20 percent. In reality, however, most workers finish their work, and only 1 percent have their basic wages deducted.

In addition, workshop heads can reward or punish their workers. The weaving workshop head, for example, has 7,000 yuan each month slated to reward workers for performing technical innovations. He also can use warnings and demerits to punish workers who violate regulations.

These reforms have eliminated

the practice of making no distinction between employees who do a good job and those who do a poor one, and have generally been welcomed by the workers. As a result, the factory's efficiency and its per-loom output have increased greatly, while the percentage of its quality export goods has gone up from 70 to 94.

In 1984 the factory's total industrial output reached a record value of 181.95 million yuan. Factory profits also have equalled 17.34 million yuan, an 18.3 percent increase over the previous year. In the first half of this year the profits increased 10.1 percent over the same period last year.

Factory leaders see the changes as heralding in a new era for the mill's profits and production. "In the future," said Lin Yuqin, the deputy director in charge of operation, "our factory will open further to the outside world. In the near future, we will install three new production lines: one for producing 50 million metres of wide decorative cloth a year, the second for making 30 million metres of high-grade dress materials annually, and the third for turning out 20 million metres of wide industrial cloth. There are also other projects to be developed. All these require that we work hard to further develop our economic co-operation with foreign countries."



## **Opportunities and Potential Crisis**

Unprecedented opportunities have emerged for co-operation between China and the United States. But some popular arguments among people influential in policy making in and outside of the US government form obstacles to the settlement of the one major question in Sino-US relations — the Taiwan issue. Washington is faced with a major choice: Whether to seize the opportunity to settle the issue, or to miss it?

## by ZI ZHONGYUN and ZHUANG QUBING

N observing the situation in the Pacific, the relationship between China and the United States stands out as a factor of vital importance from the perspective of peace and security, as well as from that of economic co-operation. The Sino-US relationship as it concerns the Pacific is a question of importance for the world in general and for the Pacific in particular. because the quality of the relationship between the two most powerful nations in the Pacific affects the interests of the Pacific region and the world at large.

Numerous works have been published in both countries exploring the causes and consequences of past Sino-American antagonism, recent developments as well as the outstanding issues in bilateral relations. This article will therefore avoid discussing either of these areas and will instead examine problems that, in the authors' view, are of fundamental importance.

#### I. Basis

After an abnormal status of more than 20 years, the Sino-US

relationship finally turned towards normalization and the two have made valuable achievements towards further augmenting their relations. The basis for this development lies in the three historical documents: the Shanghai Communique of 1972, the Joint Communique on the Establishment of Diplomatic Relations of 1979, and the Sino-US Communique on Taiwan of August 17, 1982.

These three communiques were agreed upon by China and the United States on the basis of equality and in the spirit of understanding. The substance of the documents can be summed up in two points:

- 1) Both sides confirm that the Five Principles of Peaceful Coexistence are the guiding principles of relations between the two countries.
- 2) The United States recognizes that there is only one China. Taiwan is part of China, and the Government of the People's Republic of China is the sole legal government of China. The United States also declares it has no intention of pursuing a policy of "two Chinas" or "one China, one Taiwan."

These two points constitute the basis for China's relationship with all countries and should be taken for granted. However, it is im-

portant to reiterate the points in the three communiques since relations between China and the United States remained abnormal precisely because the US intervened in China's internal affairs, and because the United States failed to treat China as its equal. Furthermore, because of the ideological and political differences between the two systems, it is all the more important to abide by the principles of respect for the will of each nation and non-interference in each other's internal affairs.

It could be said that, since the Shanghai Communique, all positive developments in Sino-US relations have been the result of the implementation of the spirit and principles in the above-mentioned documents. Broad prospects lie ahead for Sino-US relations if the two continue to recognize the importance of the principles.

## II. Opportunities

Unprecedented opportunities have emerged for co-operation between China and the United States. With one as a developing country with the world's largest population, and the other being the largest developed country in the world, the domain of co-operation between the two can be very broad.

1) China adheres to a foreign policy of independence and initia-

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tive. It will neither attach itself to any big power or bloc of powers, nor will it yield to any outside pressure. While the US government used to base its policy on the premise that the emergence and strengthening of New China constituted an unfavourable element in the US-USSR rivalry, it has now acknowledged that a strong and stable China is crucial to the security and stability of the Pacific, and that it is in America's own interests to maintain good relations with such a China.

- 2) China has adopted the four modernizations as its central task for this and the next century. In so doing. China has begun the policy of "opening to the outside world," hoping that China's rich resources and manpower can be complementary with American and other foreign capital and technology. With the development of China's economy, the Chinese market will expand rapidly and the demands for manufactured goods and for technology and capital will grow. A bright future the co-operation between this countries the two field is to be expected, provided the problems are handled properly and the principles of equality and mutual benefit is abided by.
- 3) As a nation derived from one of the world's most ancient civilizations. China is underreform movement going a of unprecedented scope and entering a new historical phase of national rejuvenation, while the United States is one of the countries that has seen the most rapid development in modern history. The very striking differences in their respective histories and cultures appeal strongly to intellectual pursuits in both countries. In China, at present, with the overcoming of "leftist" thought, a lively atmosphere and an open-minded attitude towards foreign cultures prevail in the academic world. The American

people also are overcoming ideological prejudice against the People's Republic of China, and the desire to learn about Chinese society seems to be growing there. With respect for each other's values and systems, it is entirely possible for the two nations to develop an educational relationship.

#### III. Potential Crisis

It has to be admitted, however, that despite all these promising opportunities, all is not roses on the road to the development of Sino-US relations, for there are thorns as well.

No two countries, however friendly their relationship might be, have identical national interests. This article does not intend to deal with the different kinds of thorns that may crop up here and there on the future path of Sino-US relations, but will rather concentrate on the one major stumbling block — the Taiwan issue.

There is no need to repeat here all the viewpoints of both sides over this issue, which have been extensively explored in different statements and documents issued on different occasions by both countries. Here, the authors would like to clarify certain basic concepts in light of some of the popular arguments among people influential in policy making in and out of the US government, arguments that form obstacles to the settlement of the Taiwan issue.

1) Taiwan is a part of the Chinese territory and not that of the United States nor its protectorates. This is admitted by the United States in its official statements. Yet, in its actual conduct and in the public speeches made by important persons, officials as well as non-officials, this fact seems to be often forgotten. Time and again these people talk about

the US commitment to Taiwan's security, the refusal to recognize the sovereignty of the sole legal government of China over the island and even the so-called possible "invasion" of Taiwan by the mainland, as if they were two different countries. The "Taiwan Relations Act" of 1979 most clearly spelled out the attitude of regarding Taiwan as an American protectorate. Moreover, while reaching agreement on the August 17 Communique with the People's Republic of China, the US government offered the Taiwan authorities six points of "assurance," including an explicit non-recognition of PRC's sovereignty over Taiwan. Every now and then the US Congress passes resolutions concerning the "future of Taiwan" which is purely an internal question of China's. Some Americans even ask the Chinese to refrain from raising the Taiwan question for, according to them, this is a question affecting American internal politics. Some influential policy papers go so far as to list the emphasis put by China on the Taiwan issue as one of the obstacles to the development of Sino-US relations. Moreover, China's protest and criticism of the "Taiwan Relations Act," which is an interference in China's internal affairs, has been accused by some politicians as an act of interference in America's internal affairs. One can hardly find a more typical case of upsidedown logic.

2) The basic question is the attitude of the United States towards China's peaceful reunifi-Whenever the United cation. States is asked to exercise some positive influence on the peaceful reunification of China, Americans hurry to say that the US position is that this is a question to be settled among Chinese on both sides of the Taiwan Strait, with which the United States has nothing to do. If it were really so, then the Taiwan issue would have long ceased to be an outstanding issue

in Sino-US relations. However. the fact remains that the United States has already involved itself deeply in the question and until now it has not taken its hands off. Historically, the United States had at one time set as its policy objective the separation of Taiwan from China, and failed in this attempt only due to the opposition of Chinese on both sides of the Strait. After the issuance of the Shanghai Communique, and especially after the establishment of diplomatic relations between the two countries, the official stance of the US government changed, while in practice it is still reluctant to take an entirely new course.

To borrow a term used by American scholars, the US government is pursuing a "dual track" policy. At present, this policy finds its expression in at least two aspects. One concerns arms sales to Taiwan. Instead of honouring its commitments in the August 17 Communique to progressively reduce arms sales to Taiwan, the US government is trying under various excuses to break the restriction laid down by the communique and has kept the arms sales on a fairly high level. Some influential Americans are even advocating that arms sale to Taiwan be kept in balance to the defence strength of the mainland.

The other aspect concerns the question of creating "two Chinas." The United States is conniving at or helping the establishment of an official or semi-official status of Taiwan in the international arena, thereby creating a situation of "two Chinas." The US position on China's membership in the Asian Development Bank (ADB) is a case in point.

The United States, by assuming this dual position, has undeniably encouraged the Taiwan authorities in its stubborn refusal to negotiate with the mainland. America is in effect obstructing the

reunification of China. The declaration that it has nothing to do with China's reunification is hardly convincing when the United States is proving by both public statements and actions that it has not taken and is not ready to take its hands off Taiwan.

3) Sino-US relations can only be based on the Five Principles of Peaceful Co-existence and not on power politics. Certain Americans argue that since China so much needs the help of the United States in its modernization, it has to be reconciled with the present US "dual-track policy." And that even if the United States should adopt a positive attitude towards the peaceful return of Taiwan to its motherland. China would not abandon its independent foreign policy, would not allow the United States to build military bases on the island, and would not cease to criticize some of the US policies towards the third world countries. etc. Therefore, according to them, it is not in the interests of the United States to see the Taiwan question settled. These arguments reflect the thinking of power politics and a kind of superpower instinct. At the least, they reveal a lack of knowledge of the history and national aspirations of the Chinese nation and an underestimation of the will-power of the Chinese people. After a century of bloodshed and arduous struggle before finally putting an end to the history of seeing their homeland being carved up at will by foreign powers, the Chinese people will never sacrifice the principle of safeguarding territorial integrity. Moreover, this involves the very basis on which to build and develop Sino-US relations as mentioned in the first part of this article. In modern times, unequal relationships between two countries with one party imposing its will on the other cannot last. Many a clear-sighted American has come to understand that long-term strategic interests of the United States necessitate a good relationship with China and that a sound development of such a relationship can only be based on equality. Those who hold the view of power politics as mentioned above are in the minority but they are outspoken and still have quite an audience, which is why the authors deem it necessary to comment on these arguments.

4) The so-called "self-determination" by the Taiwan people is a false issue. Certain quarters in the United States take as their favourite subject the so-called "selfdetermination" of the Taiwan people. Prompted by a few members, the US Congress frequently creates incidents over this subject to hurt the feelings of the Chinese people. To Americans who have no idea of the truth about Taiwan the slogan is quite appealing. Yet, a closer look at the problem will show the falsity of the premise. For, Taiwan is a province of China, an integral part of the Chinese territory. The separation of Taiwan from the mainland in whatever form, both past and present, has been caused by alien forces and not by the will of the people on the island. On the contrary, the great majority of Taiwan people have always regarded themselves as Chinese. They carried out long years of courageous struggle for the return of Taiwan to the motherland and rejoiced jubilantly at the realization of this long cherished dream at the end of World War II. It is the misgovernment of the Kuomintang authorities that has caused the strong dissatisfaction of the Taiwan people and that has given rise to the discord between so-called "mainlanders" and "Taiwanese." Moreover, living for so long in isolation from the mainland, a whole generation of Taiwan people has grown up under intense anti-communist propaganda and distorted presentations of the situation on the mainland. This, plus the "leftist" deviations on the mainland and, on top of them, the "cultural revolution," have understandably caused misgivings among a number of people on the island towards the mainland. So the question is not whether they want reunification at all, but one of when and under what conditions. With time and the increased exchange of information, in addition to more and more visible results of the reform taking place on the mainland, these misgivings will gradually dissipate. It is rather ironic for Americans to advocate "self-determination" by the people of Taiwan, while it is the Americans who created the present situation there in disregard of the will of great majority of the Chinese people both on the mainland and on the island.

It is therefore unrealistic for the United States to try to develop relations with China smoothly by getting around the Taiwan question. The Chinese people cannot expected be to forget the of cause reunification, as it will concern the destiny of the Chinese nation for generations to come. Moreover, America has never ceased to make noises and create incidents over the Taiwan issue, constantly reminding people that as long as this issue remains unsettled, it is difficult for the Sino-US relations to develop healthily.

On top of all this, there is the situation inside the island itself, which is by no means static. With the lapse of time, it increasingly brings a sense of urgency to the issue.

If, by relying on the support of the United States, the Taiwan authorities should stick to a diehard position, if the appearance of "two Chinas" on the international arena should become a real danger and if, because of succession crises or other factors, an unsoluble chaotic situation should arise on the island including, in extremis, the seizing of the power by a few "Taiwan independence" elements and the declaration of the independence of Taiwan, the PRC government is bound to do something. Should this happen, the United States will find itself in a real dilemma and, with one misstep, its relations with China will meet with serious and potentially critical setbacks.

The above scenario is not mentioned to create a sensation but to remind people that such a possibility does exist.

It may not be irrelevant to recall here some parts of modern history in Sino-US relations.

During the anti-Japanese war in the 40s, the United States had a valuable chance to establish sound relations with the Communist Party of China and lost it. Right after the war, at the crucial moment when the crisis of a civil war loomed large in China, many a person with insight in the US government warned against US involvement in China's internal conflicts, fearing such would only bring endless trouble for the United States. Yet, the US government finally sank in the quagmire of intervention. By the time of the victory of the Chinese revolution, the United States had another chance to disengage itself completely from the civil war and to prepare conditions for establishing normal relations with New China. yet US policy makers hesitated and failed to make up their mind for a decisive chance before it was too late. The result was the isolation of the two great nations from each other for a quarter of century.

Now that the relationship between the two countries has finally normalized, there are before the United States and China unprecedented opportunities. The United States is, however, faced again

with a major choice: Whether it will seize the opportunity to settle once and for all this outstanding issue by wielding its influence in a positive way, or at least by disengaging itself completely and sincerely from Chinese internal affairs. Or will the United States miss yet another golden opportunity because of its lack of foresight? The requirement for a choice may not be imminent. But. such a choice cannot be prolonged indefinitely, for the course of events often proceeds faster than one would expect.

It is understood that the promotion of bilateral relations require positive contributions from both sides, and it is not the authors' opinion that China has exhausted all its efforts in other fields. this one particular However. stumbling block Sino-US in relations can only be removed the United States through its full implementation of the principles laid down in the three communiques. Moreover. China has advanced the formula of "one country, two systems" for reunification, showing the sincerity and realistic approach of its leaders in striving for a peaceful settlement of the question. This is a formula which, under the premise of one China, takes into full account the reality of Taiwan, and the interests of the people there, and in which the United States has all to gain and nothing to lose. Besides keeping its present economic interests on the island and its ties with the people there, the United States will be able to free itself from the everpresent dilemma and potential crisis. What is most important is that, with the major stumbling block removed, the two nations will be able to further their relationship in giant steps and, together, make positive contributions to the stability and prosperity of the Asian-Pacific region.

## Going Full Circle: Brecht in Beijing

The works of Bertolt Brecht, German poet, playwright and theatrical innovator, are finding new audiences in China. In this article, a Chinese stage director discusses the influences Brechtian drama is having on contemporary Chinese theatre.

#### by CHEN YONG

T O many Chinese readers and playgoers, the name of the German poet, playwright and theatrical reformer Bertolt Brecht (1898-1956) may not be as familiar as those of Shakespeare, Moliere, Ibsen, Chekhov or Stanislavsky. This is because Chinese translations and performances of his rich and fascinating plays, poems, works on theatrical theory and experience of stage directing have been few and late in coming.

Using Marxist dialectics to guide his creative activities, Brecht made outstanding contributions to the progressive theatre prior to and after World War II, exerting great influence on Western intellectuals and theatrical reform in the world.

He was interested in and influenced by Chinese culture and art—an interest that China is now reciprocating in this era of intense social change, when both theatrical workers and audiences are exploring new modes of expression.

From my own experiences on two occasions (co-directing *The Life of Galileo* with my predecessor, Huang Zuolin, in 1979; and directing *The Caucasian Chalk Circle* this year), it dawned on me that Brecht was quite close to us and that he was not so difficult for the Chinese to understand.

The author is a stage director as well as deputy director of the China Youth Art Theatre.

When the three-hour-long The Life of Galileo was staged in China in 1979, the theatre was packed for each performance in its three-month run. Many goers wrote to us or attended forums we held after the production. Some said that Brecht helped them ponder on life and know the world in a dialectical way. Others said that Brecht's art had astonishingly unique impact; that his plays, so different from traditional drama. were very refreshing. In a word. the performance of his works had instilled the theatre with new life.

The China Youth Art Theatre has always paid attention to the changing spiritual demands and aesthetic consciousness of the country's younger generation. That is why, when we sponsored with other units China's first forum on Brecht last April, we also began rehearsing *The Caucasian Chalk Circle*, which represents much of Brecht's aesthetic aspiration.

For this work, written in 1944, Brecht borrowed the plot of a Yuan Dynasty (1271-1368) Chinese play and reset it in ancient Russia. In the Middle Ages, a civil war erupts in Georgia. Dissident nobles overthrow the grand duke and kill the governor. The governor's wife flees, leaving her son behind. A kind-hearted servant woman finds the deserted boy and protects him from marauding bands of soldiers. She endures many hardships to bring up the boy. When the uprising ends, the governor's wife sends people to retrieve the boy so she can inherit the governor's estate. She sues the servant woman. Yet the judge gives his verdict, by virtue of the chalk circle, that the boy should belong to his adopted mother — the servant woman.

An outstanding work imbued with realism and humanitarianism, The Caucasian Chalk Circle stands for righteousness and eulogizes the kind and honest nature of the common people. Poetic and witty, its characters vivid and finely delineated, the play gives actors and directors alike much scope to employ their talents.

To find the links between the





aesthetic principles of Brecht's drama and our own traditions, we emphasize the use of various performing techniques from the Chinese theatre - singing, talking, acting and acrobatics — to portray the numerous characters and to demonstrate stage behaviour and changing scenes. By the time, the actors and actresses are giving full play to their wisdom to expose the nature of life in society. play's over 90 characters were performed by 36 artists, with some creating six or seven roles in the course of the production. This forces us to avoid repetition and self-consciousness. We modelled characters' masks after the facial makeup used in Beijing opera, and let the actors and actresses use different voices and motions to portray their different roles. This gave the artists new wings of expression. While employing their own experiences in their acting, they were allowed to portray their characters as they saw fit so that they could experience a joy and freedom of creation they had never felt before. Brecht's work made us believe we could blaze a new trail for China's performing arts.

The original Caucasian Chalk

Circle used folk arias to tell the story and express the characters' psychology. Our staging follows this narrative method faithfully. In addition, we make use of Chinese choreography, mime techniques and martial arts to illuminate various scenes. The handling of acoustics and lighting are also designed to immerse the audiences in the drama in an objective manner, instead of sharing the feelings of the characters in the usual way. All these experiments are aimed at giving performers and spectators alike more thought-provoking entertainment. As a result, audiences participate more fully in the experience. Theatrical performances should not only help audiences understand the world, but induce action to transform the world. This is the real philosophical basis of Brecht's aesthetics.

The study and application of Brecht's theatrical art can not only help Chinese artists come into contact with the pulse of the contemporary world theatre; it can also stimulate our love and respect for the legacy and tradition of our own national theatrical arts, spur us on to explore new aesthetic principles and methods

of presentation. Brecht never advocated simple imitation; he never used his theatrical ideas to shackle other people's creativity. With his originality, he nurtured a whole generation of theatrical reformers who embraced artistic creativity, and inspired his audiences with new tastes and dialectical modes of thought.

The performance of The Caucasian Chalk Circle gives our theatre new knowledge and new concepts; helps us find new ways and means. It also poses new problems and reveals new vistas for thinking. In short, Brecht helps us march better towards the future. He helps us avoid marking ourselves only as the disciples of a single master, as has always happened before. We should look to the whole world, let everything good serve us and blaze our own trails, to create a theatrical art worthy of the name of the great Chinese nation.

The China Youth Art Theatre's production of The Caucasian Chalk Circle is different from Brecht's own staging, produced in the 1950s by the Berlin Theatre of the German Democratic Republic. It also differs from the performances of theatrical troupes in other countries. Our performance is designed for contemporary Chinese audiences. It is Brecht's play, but with our explanation and understanding. If Brecht were still alive and could attend our performance, he would agree with our new, loyal and reverent betraval to his work, because, in the final analysis, simple imitation is not artistic creation.  $\Box$ 



## Open Policy Can Help Moral Growth

from "GONGREN RIBAO" (Workers' Daily)

S OME people think of China's open policy as an unhealthy influence on the country's ideological civilization.

These critics would prefer that the nation keep a vigilant eye on its doors, saying too wide an opening though it might further material progress, will only impair ideological development.

The open policy, however, is a complex, multi-faceted programme. Some people separate material and ideological civilizations in discussing the reasons for Chinese poverty. These people contend, that while China's material life is behind that of other countries, its spiritual life is more advanced. Such reasoning, however, is flawed.

According to Marxist tenets, ideological civilization is built on a foundation of material civilization. Two points should be clear when discussing the ideological civilization in foreign countries. First, the definition of foreign countries is not meant to include only capitalist nations, just as the term socialist is not meant for China alone. China's policy of opening to the outside world also includes opening to other socialist countries. Second, China's ideological civilization embraces the most advanced ideology - Marxism and Leninism. This doctrine, however, does not encompass everything good in civilization, nor is it unique to socialist countries. Capitalist ideology undoubtedly contains many decadent and unhealthy influence for which we should be on the alert. Capitalism also, however, has some valuable facets, to which we should be attentive.

For example, the Chinese can learn from Western practices of politeness that might prompt a man to offer his seat on a crowded bus to a woman.

Joseph V. Stalin appreciated American pragmatism, which is also a part of American ideological civilization. It must be pointed out that some people try to avoid speaking of the West's ideological civilization because they are afraid to be labelled as people who "worship and flatter what is foreign." The attitude of blind worship, however, is more reflected in material rather than in spiritual life. For instance, some Chinese advertisers tout their products, proclaiming they are composed of imported parts.

Ideological civilization is the treasure of all mankind. We have no reason to shut our door in this respect. There are many corrupt elements in capitalist ideology and lifestyle. We should, however, be careful not to ignore its valuable and healthy aspects while resisting its decadence.

## An Amateur Translator

from "LIAO WANG" (Outlook Weekly)

L 1 SHENGCHUN is a 40-yearold trolley-bus conductor, who failed his senior school examinations 24 years ago. Li, however, never stopped studying.

As a conductor, Li often worked night shifts, leaving his days free for his studies. After two years the self-educated man had completed all the subjects required of senior school students. Because Li had five younger sisters and brothers and his family was poor, he could not attend college, and so he had to continue his self-instructed education.

One day, Li read in the newspaper about a French captain who had learnt a dozen foreign languages through self-study and has compiled the world's first Cuneiform Characters Dictionary, unveiling the enigma of ancient Egyptian culture. The report encouraged Li to study foreign languages on his own.

Since his time was precious, Li developed his own efficient methods for studying languages that involved writing the new words out on paper and then learning them by heart whenever he had free time. Li set a goal of 300 words per day. His five English-Chinese dictionaries are all dogeared with his daily usage.

After years of daily study and dedication to a difficult goal, Li can now read 22 foreign languages, including English, French, German, Spanish, Portuguese, Italian, Swedish, Danish, Dutch, Romanian, Indonesian, Czech, Polish, Bulgarian, Persian, Urdu and Swahili. He has mastered some 30,000 English words and 3,000 to 5,000 words of other languages.

For his diligence and discipline, Li was given the title "assistant translator" and awarded a prize by the National Workers' Reading and Self-Study Organization.

## Beijing People's Timetable

from "BEIJING RIBAO" (Beijing Daily)

WITH more and more people—men and women—holding down full-time jobs in China these days, time distribution has become increasingly important.

The following represents how Beijing's employed population on the average distribute their daily hours:

- Eight hours, 11 minutes for work:
- One hour, seven minutes spent travelling to and from work;
- Nine hours, 14 minutes for sleeping and eating;
- Two hours, 27 minutes for household chores;
- Sixteen minutes for educating their children:
  - Fifty-six minutes for reading:
- One hour, 50 minutes for recreational activities.

Men and women distribute their time differently, with women spending one hour more than men in doing housework, while men spending 15 to 34 minutes more than women reading.

Some married women with children, however, spend as much as four hours each day in housekeeping. For them, therefore, a full-time job does not mean emancipation. Rather, it represents an increase in their daily burden. To solve this problem, the employment rate among married women with

children should be readjusted, while attention is paid to socializing household abour through developing service trades.

## Have You Had Dinner?

from "RENMIN RIBAO" (overseas edition)

(People's Daily)

- "Have you had dinner?"
- "Yes, and you?"
- "Yes, just now."

Instead of asking one another where they were going as a form of greeting, which is more common in urban China these days, people used to want to know if their friends had an empty stomach or not. Where and why this salutation began, however, no one knows for sure.

One guess is that these words were first exchanged because of past problems with feeding the population. China is a beautiful country full of rich resources. But, its people have suffered at times, and have endured some difficult periods when there was not enough to eat.

Thus people's first words to one another expressed their concern for their friends' well-being, knowing that the chances that he or she actually had not had dinner for a couple of days were very real. If someone had eaten, however, and responded as such, then one could be assured that his or her life was going well.

The concern for whether one's neighbours had eaten might also be historically traced to the ritual concern emperors showed for good harvests. After stressing the importance of feeding the people, emperors since ancient times would often make a ceremonial visit to the countryside and then to temples, to show the peasants









High-speed growth.
Cartoon by Wang Kaixin

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their interest in their harvests and to pray for bountiful crops. Yet, no feudal rulers had solved the problem of feeding China's big population.

Since the founding of the People's Republic of China, the percapita annual grain consumption has risen from the 100 kilogrammes allotted before liberation to more than 400 kilogrammes today. It is perhaps as a result of this increase, and because of China's now bountiful harvests that people less frequently ask after one another's last meal.

## **Communications Growing Rapidly**

A sophisticated international telecommunication system will begin operating in China this month, making China one of the world's countries now using the advanced method of communication.

The use of this sophisticated system is an endeavour by China to change its backward international telecommunications. In recent years, China has made great headway in the construction of infrastructure facilities for its international telecommunications. now has established four ground satellite stations, three in Beijing and one in Shanghai. The Sino-Japanese underwater cable system will be repaired next year and there are land cable and microwave services between Guangzhou and Hongkong. The international export bureaus in Beijing and Shanghai have installed 2,000line and 1,000-line programmecontrolled telegraph exchanges respectively. The international programme-controlled telephone exchanges and automatic relay equipment will be put into service this year. Through such development, China now has direct communication circuits with 46 countries and regions in the world.

China also has started telephone, telex, telegraph, photo telegraph, express copy telegraph and data indexing services. Of the communication services, the telephone business has been growing at the fastest annual rate of 52 percent. It is expected that in the next few years the growth rate will be at least 35 percent. With 761 circuits. China has established direct telephone relations with 30 countries and regions, while its international telex business has been growing at an average annual rate of 40 percent recently. With 2,100 telex subscribers and 600 international telex circuits, automatic exchanges have now become possible between China and other countries.

Since 1982 China has radio facsimile business ties with Japan, Singapore and Hongkong, and the business volume in this area bas been multiplying. Apart from expanding new business relations with Asian countries this year and the next, China will forge ties with countries in Europe and North America.

China started its information indexing business through the Italian data exchange network in 1983, and is now linked up with the US data network. It is expected that China will establish similar relations with some other countries this year.

Apart from its electronic links with the world. China also has direct postal relations with 113 countries and provides insured mail services. In order to expedite the delivery of mail, China opened an international express postal service in 1980 and has since established business relations with 30 countries and regions including Japan, the United States, Britain, France, the Federal Republic of Germany and Hongkong. China has also opened insured letter and parcel business with 100 countries and regions.

An operator at the Beijing Telegram Bureau telexing Karachi, Pakistan.



## Cities Secure More Foreign Contracts

In September while foreign business people were wondering whether China would add new limits to the amount of foreign investment in the country, a number of provinces and cities in the coastal areas and in the interior held a series of trade talks aimed at absorbing foreign capital and importing advanced technologies. Among the success recorded at these meetings are the following:

• Sixty-six contracts valued at US\$35 million were signed at the

Shanxi International Economic and Technological Co-operation Symposium. More than one-third of the projects involved the import of foreign capital, accounting for 50 percent of the total volume of business. The number of contracts signed with Britain, France and the Federal Republic of Germany accounted for 37 percent of the contracts.

- At the first Anhui International Economic and Trade Talk's attended by 860 foreign business people from 26 countries and regions, the province signed 572 contracts, letters of intent and agreements with foreign investors. The volume of import and export business amounted to US\$100 million, of which US\$36 million is slated for importing technologies and equipment.
- Seventy contracts totalling US\$41 million were signed at the Hebei International Economic and Technological Co-operation Import and Export Fair. Thirty-one agreements valued at US\$82 million were also signed. The value of export ran to US\$46.45 million. Among the 93 export commodities, textiles accounted for 63 percent.
- About 100 contracts totalling US\$57 million were signed at the first International Investment and Import and Export Fair in Shenyang which has been invested with the power to do business independently with foreign countries this year. Officials from the northeastern city signed five contracts valued at US\$30 million for the import of foreign capital, 80 contracts worth US\$21 million for the export of goods, and 16 contracts totalling US\$6 million for the import of technologies, equipment and raw and semi-finished materials with foreign exchange. In addition, the Shenyang officials also signed seven agreements and 13 letters of intent with foreign business people.
- At the week-long Zhejiang International Economic and Trade

Symposium, the provincial officials signed with foreign investors 12 contracts or letters of intent totalling US\$30 million for establishing joint ventures and other enterprises to be operated through compensation trade. Zhejiang's major export commodities include canned food, aquatic products, rabbit fur, silk, satin and hardware products.

## Agriculture Fair Slated for Beijing

The Beijing international agricultural fair, which will be held under the auspices of the Cahners Exposition Group of the United States and will be attended by 1,000 businessmen from 230 companies of 11 countries and regions, will be held from November 4 to 10.

On display at the fair will include agricultural machinery, poultry and livestock breeding machines, as well as equipment for processing vegetables, grain and fruit.

Participants will attach great importance to this fair. Agricultural ministers from the Federal Republic of Germany and Canada and agricultural officials from six US states are expected to attend the fair. During the fair China will hold talks with foreign businessmen on livestock production, processing and production equipment for aquatic, farm and sideline products, the processing, preservation, transport and storage of fruit and seek co-operation with them in these fields.

This fair will be the second major international agricultural exhibition since the 12-nation exhibit organized by the China Council for the Promotion of International Trade in 1978. The fair is expected to offer the Chinese agricultural departments an opportunity to better understand ad-

vanced overseas technology and equipment, so as to expedite China's agricultural modernization.

#### **News in Brief**

- China has made rapid progress in proceeding with the projects and labour service programmes contracted for Guam and Saipan with the United States. Six Chinese companies have taken up 15 projects and three labour service programmes in the two US territories, involving 600 people. In addition, China also has bought a fish farm in Guam.
- The Shanghai World Trade Centre was set up in Shanghai last month. The centre is intended to facilitate the flow of information between Shanghai and the Shanghai Economic Zone on the one hand and world trade centres in other countries and regions on the other. The centre's management will also be responsible for organizing economic and trade activities.
- On September 20 China began implementing the policy of export licence control over 21 products. The newly licensed products include labour protection gloves, silk and satin, ceramics, frozen prawns, Chinese chestnuts, Hami melon, oolong tea, bristle brushes, beandregs and soybean cakes, cassia bark, ramie and textiles, flax, hemp, bluish dogbane and jute fabrics, gunnysacks, toilet paper, Pian Zai Huang (a traditional Chinese medicine), chloromycetin, Tianjin pears and Shatian pomelos.
- The Finnish government will loan China 50 million Finnish marks for development.

The loan, to be repaid in 25 years and set at an annual interest rate of 0.75 percent, will be granted, together with export and commercial credits, in the form of mixed loans.

## Ewenkis Display Customs, Arts



An Ewenki woman in traditional costume has her two braids wrapped in embroidered and silver-edged cloth.

An exhibition about northeast China's Ewenki people, their history, customs and arts was recently held in the Nationalities Cultural Palace in Beijing.

Centuries ago Ewenkis roamed the areas northeast of Lake Baikal and the upper reaches of the Heilongjiang River, engaging in fishing and hunting, and raising reindeer. The Ewenkis, whose name means people who live in mountains and forests, have no written language, but speak three different dialects from the Altay family of languages.

Because of a series of migrations throughout their history, the

Ewenkis have lived under a variety of social structures and economies. Before 1949, while most Ewenkis lived under a feudal system, a small number living in the deep forests were beginning to emerge from a primitive form of society, in which extended communes were made up of families. Under this system, each family commune was its own economic unit. The unit, composed of grandparents, uncles, husbands, children, etc. would hunt together and then divide the catch equally among the smaller family units of parents and children.

Before 1949, most of the Ewenkis believed in a primitive religion called Samanism, while others followed the Orthodox

Eastern Church. As Samanists, the Ewenkis worshipped animals, totems, and ancestors. When a bear was caught, the Ewenkis hung the dead bear's five vital organs, its head and bones from a tree and let the elements "bury" the animal. Later, the Ewenkis would come to worship the animal with offerings of tobacco while they knelt and pretended to cry. For the Ewenki tribes who lived by herding, each had one bird as its totem, or symbol of worship. When the sacred bird flew over their heads, the tribesmen would sprinkle milk into the air to pay their respect to the bird. Killing or hurting of the totem bird was forbidden.

The Ewenkis used tree burials

#### erknerenen er en er



A scene from the dance drama "Wild Geese Returning to the East," performed by dancers of the Ulangab League of Inner Mongolia.

The drama is based on a true story from 1770, in which the nomadic Mongolian tribe, Tuerhute, left its native land for the lower reaches of the Volga River. Once there the Russian czar tried to force the tribe to become Russian nationals and to convert to the Orthodox Eastern Church. The Mongolians, however, refused, and after a violent uprising which lasted 19 months and ended with 100,000 of the 170,000 dead, the Mongolians returned to China.

for humans. When a person died, the Ewenkis would put the body in a coffin or wrap it with birch bark, and then fix the coffin high up in trees. Only recently have the Ewenkis begun burying their dead in the earth.

Today among the monogamous Ewenkis, the traditional "elopement" is still popular in some areas. Young couples in love choose a night during which woman will escape from her family to a yurt prepared by the bridegroom's parents. That night after an old woman waiting in the yurt combs the bride's eight plaits into two, the marriage becomes legal.

Dancing is the major event at Ewenki weddings. The dancers are usually women, who sing as they dance unaccompanied by musical instruments. The women usually dance in groups, moving their hands back and forth, up and down. Their dancing is simple and rhythmic, reflecting their tough, out-going and optimistic character.

The Beijing exhibit has quite a few pictures of Ewenkis with their reindeer. Hunting is the major eco-



A stuffed reindeer — the Ewenki's major form of transportation — on display in Beijing.

nomic activity of the Ewenkis, and the reindeer is their major mode of transportation. Reindeer designs are found everywhere in Ewenkis' lives. The artistic designs on their reindeer saddles are especially colourful.

The Ewenkis' clothes and paintings are strongly religious. The "Saman suit," a religious garment, is central to the practice of Samanism, with designs of the sun and moon, birds, animals and

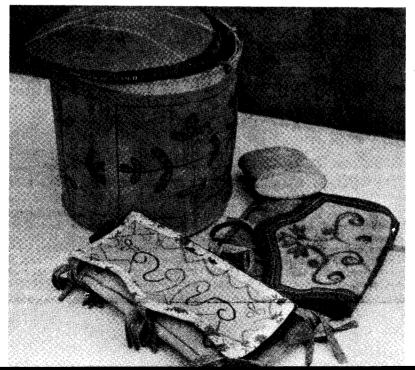
stars. Their paintings mainly drawn with black ink have gods as the main subjects.

The Ewenkis live in the Greater Hinggan Mountains region, where the white birch is the most beautiful among all the other trees. Birch bark is pliable and good for making utensils and ornaments. It was used by the northerners 5,000 years ago. In the exhibition hall, the bark bowls, boxes, basins, match boxes, needle box, buckets and boats are all carved, printed, or painted with geometrical lines, flowers and animals. The craftsmen add rhythms to the designs with splashes of colours.

Embroidery is almost always present on Ewenki clothing. The Ewenkis' very sophisticated embroidering skills result in gayly-coloured clothing and accessories.

In an attempt to preserve the rich Ewenki heritage, during the 36 years since liberation, the government has given special attention to protecting the Ewenki culture by, among other things, appointing experts to collect and compile books like Ewenki Folk Songs, Ewenki Vocabularies and Folk Tales of Ewenki.

Leather bags with reindeer designs, and a birch skin bucket.



Beijing Review, No. 41

## Chinese Pottery and Porcelain

Before the rest of the world even knew such things existed, the ancient Chinese were creating a whole new art form out of earth materials. The book Chinese Pottery and Porcelain by the Foreign Languages Press traces the 7900-year history of this art form from its beginnings to its golden age and wide impact on world culture to its decline and current renaissance.

The authors are Li Zhiyan, ceramics researcher at the Palace Museum's ceramic department and at the Museum of Chinese History, and Cheng Wen, FLP editor. The former is author or co-author of two books and over 40 articles on ceramics; the latter wrote two chapters of the book.

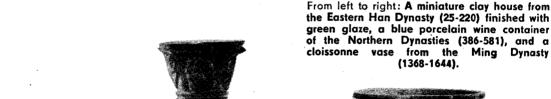
While paying due attention to the highly decorative ceramic pieces from China that are world famous, the authors put equal emphasis on the development over centuries of the processes that produced them. The book is a veritable atlas of China's ceramic production, describing in detail the clays, glazes, kilns and firings, the decorative arts, organizations of craftsmen, the role of feudal rulers and the impact of trading and exports.

The book traces the origin of pottery to the Neolithic era in China (approximately 8000 to 2000 BC). With the mineral-rich Chinese earth providing an abundant assortment of raw materials and the traditional inventiveness of the Chinese labouring people providing the motive power, China's early ceramic technology developed steadily.

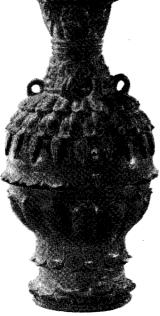
Clay firing that started out at

the cooking fire level over time developed into multi-chambered kilns with flues and grates to control heat. Potters learnt to select, wash and mix clay for maximum workability and strength, devised simple potters wheels and started labour division. Decorative painting developed along with all this, and by 6000 BC pots carried geometric designs and painted representations of birds, fish, plants and human figures.

The advanced degree of ceramic expertise, plus abundant deposits in China of a fine, white clay called kaolin, led in due time to a landmark invention: the discovery of porcelain. According to the authors, the origin of porcelain in China can now be placed as early as the 16th century BC, in the Shang and Zhou Dynasties. Chi-









nese craftsmen over the next several centuries refined and developed porcelain making into a high art famed and imitated all over the world.

The earliest version of the new ware was celadon or protoceladon, dark green or darker in color and of a rougher texture than the porcelain that came later. But it was a true porcelain: made of *kaolin*, feldspar and quartz and fired to a rock-like hardness at a temperature of 1,200° F, and about twice that of pottery. By the Han Dynasty (206 BC-220AD), celadon ware was being fired in hillside "dragon kilns" and traded throughout China.

By the end of the Northern Dynasties (about 575 AD), the discovery of white porcelain again changed the direction of China's ceramic art, according to the authors. Through the Tang, the Song and the dynasties beyond, Chinese ceramic craftsmen vied with one another to produce perfect porcelain, hard as crystallized rock and delicate as fine jade.

Kilns all across China turned out vessels. tableware, ceremonial pieces and a variety of other ware: lamps, stoves, tables, cabinets, headrests and bells. Many individual and regional styles developed and the art of decoration flourished. By the Ming Dynasty (1368-1644) porcelain decoration resembled fine painting in detail and colour. Polychrome underglaze patterns were highly developed, blue and white designs had reached perfection and cloisonne enamel was being combined with porcelain.

During these same centuries, according to the authors, the art of Chinese porcelain was spreading to the rest of the world: to Korea as early as 918 AD and to Japan in the 13th century. In that same century, 1,000 Chinese craftsmen were invited to Persia to make porcelain and the art spread across the Middle East, reaching Italy by the 15th century and Holland by the

17th century, where Delft blue ware showed strong Chinese influence.

The period of the Qing Dynasty (1644-1911) saw the art of Chinese pottery and porcelain at its highest peak and also saw its decline amid the ruins of the fading Qing empire. But before the decline, the authors point out, production vigour and design excellence flourished. The porcelain centre at lingdezhen, for example, had 200 or 300 private kilns, several thousand households making porcelain and more than 100,000 craftsmen. The book states: "Qing porcelain craftsmanship excelled in ... fine paste, lustrous glaze and exquisite carving. Blue and white, polychrome, famille rose (a naturalistic painting style in soft colours). cloisonné enamel and coloured glazes in a great variety of shades... surpassed the achievements of the Ming."

The decline of Chinese ceramic arts in the 100 years before Liberation paralleled the decline of Chinese society during that time and in the same manner, was reversed after Liberation. At present, many of the ceramic production areas famed in ancient times are active again: Jingdezhen in Jiangxi Province, Liling County in Hunan, Tangshan and Handan in Hebei, Shiwan and Chaoan in Guangdong, Dehua County in Fujian, Yixing County in Jiangsu, Longquan and Wenzhou in Zhejiang and Zibo in Shandong are the main areas listed by the authors.

In their words: "Almost every area in China produces ceramics. Ancient ceramic art flourishes again, ceramic products of different places preserving distinct national style and rich local colour. The pottery and porcelain of the new China contend for beauty as lovely flowers in a garden."

In 209 pages, Chinese Pottery and Porcelain has 10 chapters, sketches and drawings, maps and descriptions of ancient kiln sites, and a 48-page section of photos of outstanding ceramic works from the primitive to the contemporary eras, most of them in full colour.

- Rick Shanov

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#### International Studies

(Formerly Known as Journal of International Studies)

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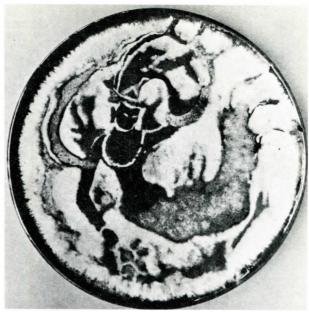
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## ART PAGE

## **Plates for Wall Decoration**

These plates were hand crafted by artists-Liang Dong, Hong Bo, Gu Qun and Zhang Shichun, whose works are prized for their artistic and decorative value.









### **BLUE SKY TOOTHPASTE**

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