Banking in China: A Record Of Achievement
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National and Democratic Movements In Latin America on the Rise

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Archaeology and Other Features
THE VICTORY OF MARXISM-LENINISM IN CHINA

LIU SHAO-CHI

Now available in pamphlet form, this 17,000 word article was written by the Vice-Chairman of the Central Committee of the Chinese Communist Party and Chairman of the People's Republic of China, for the journal World Marxist Review (Problems of Peace and Socialism), in celebration of the tenth anniversary of the founding of the People's Republic of China. It is an analysis of the great achievements of the Chinese people in the past ten years as a victory for Marxism-Leninism in China, a victory for the leadership of the Chinese Communist Party and its policies during the bourgeois democratic revolution, and in socialist revolution and construction.

A Great Decade

Chou En-lai

Now available in pamphlet form, this 17,000 word article was written by the Vice-Chairman of the Central Committee of the Chinese Communist Party and Premier of China's State Council. It was first published in Renmin Ribao (People's Daily) on October 6, 1959. In this article Premier Chou En-lai reviews the phenomenal successes of the new China in industry, agriculture, culture and education in the past decade, and, based on the theories of Marxism-Leninism, analyses the reasons for these victories and the bright prospects they open before the Chinese people.

March Ahead Under the Red Flag of the Party's General Line and Mao Tse-tung's Military Thinking

Lin Piao

Now available in pamphlet form, this 11,000 word article was written by Marshal Lin Piao who is Vice-Chairman of the Central Committee of the Chinese Communist Party, Vice-Premier of China's State Council and Minister of National Defence. It first appeared in Hongqi (Red Flag), the fortnightly of the Central Committee of the Chinese Communist Party, No. 19, October 1, 1959. It is in five parts. The first describes the successes the Chinese People's Liberation Army has achieved in national defence guided by the military theories of Chairman Mao Tse-tung in the past ten years; the other four deal with the role played by political and ideological work in the building up of the army; the attitude of members of the armed forces towards the country's economic construction and mass movements; the correct way to handle intra-army relations and to strengthen still further the Party's leadership in the army.

The Great Unity of the Chinese People and the Great Unity of the Peoples of the World

Teng Hsiao-ping

Now available in pamphlet form, this 8,000 word article was written by the General Secretary of the Central Committee of the Chinese Communist Party and Vice-Premier of the State Council, in celebration of the tenth anniversary of the founding of the People's Republic of China. It first appeared in Hongqi (Red Flag), No. 19, October 1, 1959. It is a systematic exposition of the enormous significance and role of the unity of the Chinese people and the unity of the peoples of the world in the victories won by the Chinese people in revolution and construction.

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Building Water Conservancy Projects
In a Big Way

A NEW mass movement to build water conservancy works is in full swing in China's countryside. Tens of millions of people are out building a million and a half water conservancy projects of varying sizes.

This winter's campaign is more extensive than the one in 1958. And the work is quicker and better. Most of the projects are small and medium-sized, built by the people's communes. Work on the giant projects on China's main rivers is also going ahead full steam.

Water conservancy is extremely important for China's economic construction. From time immemorial flood and drought have devastated China's agriculture. In the 2,142 years from 206 B.C. to 1936, there were 1,031 major floods and 1,060 serious droughts, averaging out to almost one every year. The history of the development of Chinese agricultural production is the history of the titanic struggles of the Chinese peasants against floods and droughts. But in the old society, oppressed by the ruling class, the Chinese peasants, for all their efforts, could not possibly block the menace fundamentally. At the time of liberation, for instance, irrigation reached only 240 million mu of land.

The picture changed fundamentally after liberation. The Chinese people became the masters of their country. Led by their Communist Party, they set out to improve their life by bending nature to their will. They did much in the past decade to change the face of the country. Sixty large reservoirs, with a capacity of more than 100 million cubic metres each, and more than 4 million medium-sized and small reservoirs and canals, were built. Irrigation was extended to more than 1,000 million mu, which exceeds 60 per cent of the total area under cultivation in China. Much has also been done to check water and soil erosion and hydraulic power resources have been developed very considerably. Consequently agricultural production soared steadily.

Sparked by the Party's general line for building socialism, the Chinese people went all out in 1958 and built water conservancy projects all over the country in a mass way. In one year, they brought irrigation to 480 million mu, doubling the total land brought under irrigation up to the time of liberation. Last year the worst natural calamities in decades hit China. One-third of China's cultivated land suffered serious drought and floods. But unlike the old days, when millions of people lost their lives and homes and means of livelihood, the Chinese peasants beat back the drought and floods and wrested a bigger harvest than the big-leap crop of 1958! This would be inconceivable but for the water conservancy works built the winter before and the strength of the people's communes — and impossible in any society ruled by the greed of a few milking the many.

With all that has been accomplished, there is still much to be done. The menace of natural calamities has not been completely banished. That is why more water conservancy works will have to be built.

The movement is progressing very well. With their rich experience and the growing resources of the people's communes, China's peasants will certainly write wonderful new pages. And this mass movement of construction will undoubtedly further spur the continued big leap forward of China's agriculture and the national economy as a whole.
"Kaimenhong"—"Red" Beginning

Red has always been the favourite colour of the working people of China. It is synonymous with what is best, a token of beauty and bliss. Red flags are awarded for superior work. People are married in red, though only symbolically nowadays, with red flowers pinned on the chests of the bride and bridgroom. Red is the colour that dominates all festive occasions in China. Red is also the hallmark of excellence.

The most popular phrase in China at the moment is kaimenhong, which literally means "open the door to red," or, in other words, to pave the way to great success. The people want to see the first month of the 60s, the first week, the first days, as "red" as possible: crowned with achievements. You read the phrase kaimenhong in the newspapers every day, you hear it on the wireless, and it is on the lips of everybody in all fields of endeavour. Workers, peasants and people in various walks of life greet and challenge each other with kaimenhong. 1960 has opened with grand achievements, as the progress reports from all fronts indicate clearly.

Elsewhere in this issue there is a roundup of news from the production front. Here we would like to reflect the wonderful work that is being done "to open the door to red" in the field of water conservancy.

Cutting the Yellow River

Far west, in Kansu Province, the builders of the 1 million-kilowatt hydro-electric power station at the Liuchia Gorge delighted the nation with a great feat on New Year's Day: they succeeded in blocking the flow of the Yellow River to provide dry ground for building a dam by raising a stone embankment in the record time of 7 hours.

Boulders and huge blocks of stone were hurled into the river from both sides of the 60-metre-wide Liuchia Gorge at a rate of one truckload per minute. The Yellow River was in its low water season, but although it roared down the Gorge, splashed it with its ice floes, and stirred the entire Gorge extending for a distance of some 10 kilometres, by 9:50 a.m. New Year's Day the Yellow River was barred and blocked at a point exactly according to plan.

Under man's control, the Yellow River now flows downstream through a tunnel, cut through a rocky mountain, for a length of some 683 metres before meeting the river-bed again. The Liuchia Gorge project is one of the three biggest projects undertaken in China. The second is the Sanmen Gorge Station, further down the river, about which much has been written in previous issues of Peking Review. The third one is the 1 million-kilowatt hydro-electric power station on the Chienhsi River, a tributary of the Min River, in Fukien Province, which has just begun construction.

70 Million Plus Each Day

Major water conservancy projects apart, work is now proceeding on one and a half million medium and small construction sites. Despite the cold weather in most places, more than 70 million people are turning out every day to work on these water conservancy projects in all parts of the country. Their enthusiasm is heightened by the fact that notwithstanding the severe natural calamities last year, the newly built reservoirs and other water works did yeoman's work in licking the drought and helping secure richer harvests than in 1958. They have seen what benefits the hard work done in the water conservancy campaign of the previous winter brought them and they are determined to do still better this winter to reap even bigger crops in 1960.

With such a big corps manning the water conservancy front progress has been phenomenal. By now more than 11,600 million cubic metres of earthwork has been completed. In Honan Province alone, China's leading wheat producer, the peasants have done 3,000 million cubic metres of earth and stone work, the equivalent of 17 Panama Canals. Honan was one of the provinces hardest hit by the drought last year, but thanks to the water conservancy projects built in the past year or two the members of the people's communes were able to give some irrigation to most of their farmland in the worst days of the drought. In the end grain output exceeded even the record harvest of 1958. Convinced of the value of their water conservancy works, the Honan peasants are pegging away at top speed and have already completed more than three-quarters of the work scheduled for 1959-60.

In fact, one of the outstanding features of the water conservancy work this winter is high speed plus high quality. The work of the peasants everywhere has been greatly facilitated by the numerous iron and steel smelting plants and other industrial undertakings built by the people's communes since the great leap forward of 1958. These are furnishing improved tools to raise working efficiency on the construction sites. A campaign to replace spades and shoulder-poles with machines and semi-mechanized aids is now sweeping the water conservancy works in the country, raising to a considerable extent average working efficiency this winter.

Commune Members Earn More

From the accounts that are being completed for 1959 it is already quite clear that the income of the members of the people's communes last year greatly exceeded 1958. Besides income from agricultural production, income from industry, forestry, livestock farming, fishery, side-line occupations, the transport services run by the commune, handicrafts, orchards and other undertakings, ran to millions of yuan. An increase in incomes of such proportions was never witnessed before the days of the communes.

The average income of the commune members in 1959 is higher than in 1958, by more than 10 per cent in most places, and as high as 40 per cent in some of the more developed areas. Quite a few of the provinces severely hit by drought and other natural calamities last year managed to offset part of their losses with the income drawn from the commune-run industries and undertakings.

The reserve funds of the people's communes and production brigades have also increased, thanks to the swelling of total incomes. With these funds plus the aid of the state, the people's communes are buying more machinery for greater production, such as irrigation equipment and tractors, which China is mass producing for the first time. The commune members are buying more consumer goods in a flourishing market characterized by more choice and value for their money.

More and Better Consumer Goods

To meet the demand of increased purchasing power in the countryside and the cities, the output of 45 major consumer goods, including paper, edible oils, sugar, soap, thermos flasks, fountain pens, and cameras all registered considerable increases in 1959 over 1958.

Buyers are also getting better quality for their money. The rubber footwear made last year is smarter and more durable. Enamelwares are better finished and reproduce works of art by such masters as Chi Pai-shih, Hsu Pei-hung and others.

There are a host of new products: 17-jewel wrist watches for women, sewing machines, new sports models of
bicycles, high-grade ball-point pens.... For industrial use, there are the electronic computers, 660,000-volt cable, paper, quartz glass, acid-resistant glass pumps, artificial precious stones, etc.

The tremendous rise in output in 1959 was achieved on the basis of a big leap forward in the preceding year when light industry output increased by 34 per cent. In this continued big leap forward, the campaign to increase production and practise economy—keyed to higher output, better quality, lower costs, greater varieties and safety in production—scored a blow in the Eighth Plenary Session of the Eighth Central Committee of the Chinese Communist Party and produced impressive results.

Workers of National Minorities

China's national minorities entered 1960 with tremendous increases in the numbers of their industrial workers. There are more than 800,000 industrial workers among China's national minorities today as compared with 40,000 in 1949. Together with the Han workers they are speedily developing industry in the national minority areas.

The Communist Party organizations have devoted great attention to the training of workers from the national minorities. Special training classes have been set up for the workers of national minority origin in factories, mines and other enterprises in the national minority areas. The technical school of the Paotow Iron and Steel Works in the Inner Mongolian Autonomous Region has set up special literacy classes for the Mongolians on the site. After a year and a half of study most of them have acquired the equivalent of a secondary school education, junior grade. Many were sent to the Anshan steel centre to work as apprentices.

Many of yesterday's Mongolian herdsmen are working at the Pailunopo iron mine, north of Paotow. Among them are electric locomotive drivers, and operators of boring machines and power shovels. When they first came they could not speak the Han language, and certainly knew no technical terms. With the help of the veteran workers of Han nationality and their own hard work, they can now handle their jobs independently and competently.

Rails Across the Gobi

Some 20,000 people from the 13 national minorities that inhabit the Sinkiang Uighur Autonomous Region in China's far west turned out at Hami on New Year's Eve to celebrate the opening to traffic of the newly built section of the Lanchow-Sinkiang Railway which extends westwards into Sinkiang from Kansu Province. The tracks of the new railway now extend to Hami, which is in the eastern part of Sinkiang famous for its water melons, and some 500 kilometres from Urumchi, the capital. The occasion was marked with great festivity because this is the first time in history the people of Sinkiang can boast of a railway. Amid the deafening cheers of a colourful crowd, made all the more festive by the singing and dancing and the rich and gay costumes of the national minority people, the train pulled out of the Hami station and sped eastwards across the Gobi towards Lanchow, the rising new industrial city in China's Northwest. With the completion of the Lanchow-Hami section, 3,515 kilometres of the new Lanchow-Sinkiang Railway are now in service.

The opening to traffic of the section between Lanchow and Hami has initiated a fundamental change in Sinkiang's transport and communications services. It has created favourable conditions for large-scale construction in the autonomous region and will strengthen the ties between the people of the 13 nationalities in the region and the people of the rest of the country, said Saifuldin, Chairman of the Sinkiang Uighur Autonomous Region, at the celebration ceremony.

Gay Day in Lhasa

Lhasa never celebrated the New Year the way it did this year. The city was decked out with thousands of red 5-starred national flags and colourful streamers and the homes of the Tibetans and people of other nationalities were decorated anew with gay red-papered scrolls extolling the new lease of life given them by the Communist Party. Lamas from the Daipung, Sera, and Gahdan Monasteries joined the merrymaking crowds carrying pictures of Chairman Mao Tse-tung, banners and flowers into the streets. The holiday-makers visited the Working Committee of the Communist Party in Tibet, the Preparatory Committee for the Autonomous Region of Tibet, and the Tibet Military Area Command of the People's Liberation Army to convey New Year's greetings and their thanks for all that has been done for them.

Ngapo Ngawang-Jigme, Vice-Chairman and Secretary-General of the Preparatory Committee for the Autonomous Region of Tibet, and other high officials of the Preparatory Committee exchanged New Year hatsas (ceremonial scarves) with Chang Ching-yu, representative of the Central People's Government and Secretary of the Working Committee of the Communist Party in Tibet.

Norbu Lingka, which only a year or so ago was the exclusive park of big serf-owners and highly placed Tibetan officials of the defunct katha, attracted large crowds. Gaily dressed children with their parents made merry at a New Year's garden party in which more than 10,000 people participated. At this party many newly emancipated serfs and peasants danced and sang new songs expressing the joy of their new life on this first New Year of the Tibetan people since the overthrow of the reactionary serf-owners.
Banking in New China

by TSAO CHU-JU
Director of the People's Bank of China

DURING the past ten years, financial work and banking in China have played an active part and scored great achievements in the socialist revolution and construction in line with the central tasks of the Communist Party and the state in different periods and for the implementation of the Party's general line.

I. Establishment of the Independent, Unified and Stable "Renminbi" System and a Socialist Monetary and Banking System

Money and banking in old China, long under the rule of the reactionary Kuomintang regime, had a strong semi-feudal and semi-colonial nature. On the eve of liberation, the financial world in the areas under Kuomintang control had fallen into a state of great chaos: the fabi (the legal tender then) was experiencing rapid depreciation and prices skyrocketed; the market was flooded with gold, silver and foreign currencies in which the moneymen interests speculated mostly, with the banks owned by bureaucrat-capital and the imperialists, other private-owned banks and "money shops" (native banks) as the centre of these speculations; the banks which the imperialists had opened in China were free to issue banknotes, they also monopolized clearings in China's international transactions, manipulated the rates of exchange between the Chinese and foreign currencies, and enslaved and exploited the Chinese people. From all this the masses of the working people were impoverished and distressed. After the whole mainland was liberated, under the wise leadership of the Chinese Communist Party, the circulation of the fabi, foreign currencies and gold and silver was quickly brought to an end, monetary speculation was effectively banned, banks owned by bureaucrat-capital were confiscated and all prerogatives enjoyed by the imperialist-owned banks were terminated and an independent, unified monetary system as well as a banking system which is socialist in nature was established.

In the early years of the founding of the People's Republic, the Party and the Government in March 1950, promulgated a decision to unify the financial and economic work of the state, with a view to stabilizing the currency and commodity prices, and to create favourable conditions for the rapid restoration of the national economy. Within a few months following its promulgation, a balance in state revenue and expenditure, in the supply of commodities, and in cash receipts and payments, was quickly achieved through the efforts of the whole population. In the implementation of this decision, the People's Bank of China strictly exercised cash control by drawing large amounts of state funds scattered in enterprises, government offices, organizations, armed forces and other units into the bank and by using these funds to help state commerce get hold of the goods, to reinforce the material strength of the state economy in leading the market; this dealt effective blows to speculation in the market. In the implementation of this decision, the bank also quickly established a remittance network throughout the country to facilitate the unified allocation and concentrated use of state funds. In this way, with the successful realization of balanced finances and supply of commodities, the money market and commodity prices were stabilized in no time; this fundamentally changed the condition of currency inflation and soaring prices that had continued for twelve years as a result of reactionary rule. This brilliant victory on the financial and economic fronts underlined the fact that the financial and economic situation of the country had begun to take a turn for the better, creating favourable conditions for the rehabilitation and development of the national economy.

As production made steady progress and commodity prices remained stable over a long period of time, the people generally felt the need to change the units of the renminbi (people's currency) for the convenience of market transactions. Accordingly, in March 1955, the Party's Central Committee and the State Council made a decision on the issuance of new renminbi. The new currency took the place of the old renminbi at the rate of one to 10,000. The state stipulated that all bearers of the old renminbi, irrespective of class and social stratum, could exchange it for the new currency at this same rate and one yuan of new renminbi could be used to buy the equivalent of what 10,000 yuan old renminbi could buy. The issuance of the new renminbi thus greatly facilitated business transactions and accounting. Since then, China's monetary system has acquired a sounder footing and has been further consolidated.

Taking prices in March 1950 as 100, the index of wholesale prices throughout the country by the end of 1958 was 92.7; that of retail prices in eight principal cities was 101.4 — proof positive of the stability of the renminbi in all these years.

The stability of the renminbi is a manifestation of the superiority of the socialist system. It is also the result of the planned adjustment of money circulation on the basis of the high-speed development of production under the beacon-light of the Party's general line.

The financial work of the state during the past ten years has not only ensured a balance in revenue and expenditures but also produced a certain surplus from time to time to be put aside as state reserve funds. The state issues the money through the channels of credit and loans handled by the bank which either increases the
amount of money in circulation or withdraws it from circulation, depending on the growth of production, the expansion of commodity circulation and seasonal market changes. In working out its national economic plan, the state always sees to it that the increases in production and supply of consumer goods keep pace with the growth of the people’s purchasing power so as to preclude either too much or too little money in the market and to ensure normal money circulation.

During the period of economic rehabilitation, based on the Party’s policy of utilizing, restricting and transforming capitalist industry and commerce, strict administrative control was exercised over the privately-owned banks and “money shops” to limit their speculative activities. At the same time, under the leadership of the state bank, their funds were diverted to the granting of loans to government-approved industry and commerce, and these banks themselves were organized, step by step, for joint loans and joint management. During the wu fan movement* quite a few cases of illegal and speculative activities carried out by the privately-owned banks were unmasked. The artificial market boom caused by illegal speculative activities, to which they owned their existence, no longer existed. The part these banks played in absorbing idle funds and adjusting the flow of funds in society waned daily; at the same time, the leading role of the People’s Bank of China in the money market was strengthened daily. As a move to meet the situation, the state in December 1952 brought the banks and “money shops” owned by private capital as a whole to public-private joint operation and formed the State-Private Bank which operates under the leadership of the People’s Bank of China. This completed, in the main, the socialist transformation of the private banking interests and brought capitalist banking in China to an end. A unified socialist banking system was built up. All this has provided favourable conditions for the further socialist transformation of capitalist industry and commerce by the state.

II. Aiding Socialist Industrialization and Socialist Transformation

Since China entered the era of planned construction, there has been a constant expansion of industrial production. During the First Five-Year Plan (1953-57) total industrial output (including handicrafts) increased by 128 per cent, in terms of value; the number of enterprises, newly built and expanded, totalled more than 10,000 of which 537 were above-norm** construction units that went into full or partial operation. Apart from state appropriations, the circulating funds needed for industrial production were provided by the banks which were charged with the responsibility of issuing loans to finance seasonal and temporary needs. During that period, industrial loans by the bank increased 3.3-fold and answered state industry’s seasonal and temporary needs for cir-

*The movement against the five evils: capitalist bribery of government workers, tax evasion, theft of state property, cheating on government contracts and stealing economic information from government sources. — Ed.

**The norm of investment in capital construction for heavy industry ranges from 5 million to 10 million yuan and that for light industry from 3 million to 5 million yuan. — Ed.

January 12, 1960

culating funds. More than 50 per cent of these loans were granted to heavy industry in accordance with the policy of giving priority to development of heavy industry.

During the same period, state and co-operative commerce was required not only to serve the exchange of goods between town and countryside, to serve production and consumption by the people, but were also entrusted with the task of the socialist transformation of capitalist industry and commerce. With a view to backing up the continuous expansion of state and co-operative commerce, to providing socialist commerce with funds for signing contracts with capitalist industry and commerce to manufacture and process goods for the state, and to provide it with funds needed for the state purchase and distribution of all their finished products, the loans to state commerce increased more than threefold in the five years between 1953 and 1957. As state and co-operative commerce were also entrusted with the job of purchasing the farm produce, the bank also undertook to supply state commerce with the necessary funds for the purchase of the main agricultural products, such as grains and cotton, guided by the principle of providing as much funds as needed for these purchases.

To carry through the tasks of the democratic revolution, the great land reform movement was launched throughout the length and breadth of the country after the founding of the People’s Republic. In three years, about 700 million mu of land and large quantities of other means of production were distributed among some 300 million impoverished peasants, and feudal land ownership, which had brutally exploited the peasants for centuries, was completely destroyed. But when these impoverished peasants won back their land, the state still had had to give them financial support before they were able to go into production and make a living. So the Communist Party again decided on the issuance of loans to the poor peasants. Between 1950 and 1952, acting in accordance with the instructions of the Party, the bank increased its agricultural loans to 420 million yuan all told, of which 70 to 80 per cent were granted to the impoverished peasants who had received their shares of land.

After the land reform, the peasants of the whole country, under the leadership of the Central Committee of the Communist Party and Chairman Mao Tse-tung, began to march along the path of organizing themselves and realizing agricultural co-operation step by step. Beginning in 1953, they entered the stage of mutual aid and co-operation; in the autumn of 1955, the whole countryside was in the high tide of the socialist transformation of agriculture; by the end of 1956, 96 per cent of the nation’s peasant households had organized more than 750,000 agricultural co-operatives, the overwhelming majority of which had joined advanced farm co-ops. During that period, the agricultural loans of the bank were mainly for the purpose of helping to bring about agricultural co-operation, at the same time help was enthusiastically given to needy individual peasants. Between 1953 and 1956, agricultural loans increased by 2,600 million yuan. During the high tide of the socialist transformation of agriculture in 1956 alone, the increase in bank loans amounted to 2,030 million yuan, including 700 million yuan for the poor peasants’ co-operative funds.
The issuance of these loans during the high tide of agricultural co-operation played an active part in building up the hegemony of the poor peasants in agricultural co-operation and also in strengthening the unity between the poor and middle peasants.

Credit co-operatives were also developed in the countryside in accordance with the Communist Party directive on the development of agricultural co-operatives. The number of credit co-operatives in the countryside rose to a total of 9,418 in 1953, and by the end of 1955, there was practically one such organization for every township. More than 76 million peasant households joined the credit co-operatives. Together with the sub-branches of the state bank, these credit co-ops organized the funds of the peasants at large to deal blows at usury, help solve the financial difficulties of the poor and lower middle peasants and in this way helped promote the development of the mutual-aid and agricultural co-operation movement.

During the high tide of socialist transformation, the bank also issued loans to support handicraft co-operatives and provided the handicrafts industry with funds needed for expanding production after the transformation. In the single year of 1956, loans to the handicraftsmen's co-operatives increased fourfold. During the high tide of the switch-over of capitalist industry and commerce to joint state-private operation by whole trades, loans granted to these joint enterprises increased 6.8 times, and provided them with enough circulating funds to expand production or extend business transactions after the switch-over.

III. Implementing the General Line, Supporting the Big Leap Forward and the People's Communes

With the big leap in industrial and agricultural production and the increase in national income, with the growth in state revenue and earnings of the people, the sources of funds for credit and loans also increased at a leap-forward speed. Between the early part of 1958 and June 1959, the increase in bank deposits amounted to 119.4 per cent of the total increase in bank deposits during the First Five-Year Plan. During the same period, the increase in bank loans amounted to 129.4 per cent of the total increase in bank loans during the First Five-Year Plan.

During the big leap in industry in 1958, the bank fully supported the movement for iron and steel production in a big way by issuing additional loans totalling 2,000 million yuan. It actively supported both the mass movement to produce iron and steel by modern methods in the giant enterprises and the mass movement to produce iron and steel by indigenous methods in small enterprises. As a result, the iron and steel output more than doubled.

Another important aspect of the big leap forward was the rapid growth of local industry. In addition to providing existing local enterprises with circulating funds for their expanded production, the bank also made great efforts to support the development of new local enterprises. Besides local financial appropriations, the bank, in accordance with the programme for the development of local industry, raised funds from various sources, and issued some loans for small-scale capital construction for building new enterprises. It also helped the new enterprises set up and perfect their accounting and financial systems to reduce their expenditures, increase their incomes, accelerate their circulation of funds and lower costs. At the same time, in co-ordination with other departments concerned, the bank also helped the industrial enterprises sort out materials and equipment they did not need for exchange among themselves. This not only pushed forward their leap forward in production but also made for better administration of their circulating funds.

In support of the movement to set up people's communes, the bank implemented the decision and directive of the Party's Central Committee concerning the people's communes by helping the communes develop production and a diversified economy, strengthen their financial administration and business accounting and implement the principle of running communes industriously and frugally. In helping the communes find funds for production, the principle that all communes should strive to live on their own while the state would provide auxiliary financial aid was followed. Between the early part of 1958 and June 1959, financial appropriations for the poorer communes and production brigades amounted to 1,000 million yuan, the bank's additional loans for industrial and agricultural production in the communes totalled 2,160 million yuan, advances on purchases paid by the trading departments registered an increase of 910 million yuan—all in all a total of 4,070 million yuan. During the same period, deposits in the credit co-operatives also registered an increase of 110 million yuan; the amount of loans granted by these co-ops also increased accordingly. This greatly promoted industrial and agricultural production in the communes as well as the overall development of farming, forestry, animal husbandry, side-occupations and fisheries. Funds employed by the state to finance the communes (including bank loans, state investments and cash advances on purchases paid by the trading departments) were handled in an overall planned way under the leadership of the local Party committees. By integrating the funds the state employed to finance the communes with those belonging to the communes themselves, by integrating the state investments in the countryside with the materials it supplies to the countryside, in an overall planned way, both the financial support and supply of materials were made to meet the needs of agricultural production. The result was a big spur to the big leap forward in agricultural production.

Developing a diversified economy is an important aspect of the development of production in the communes and the growth of their incomes. In addition to developing production for their own consumption, the communes have to engage also in commodity production to meet the needs of the market and industrial production. The help given by the bank to the development of a diversified economy by the communes is not limited to financial aid alone. It also helps them work out what they are to produce, the planning of their production and their funds, and finding a market for their products so as to facilitate the smooth development of their diversified economy.

During the big leap forward, as their incomes increased, the people, in their eagerness to support national
construction in every possible way, flocked to the bank with their savings. Between the early part of 1958 and the end of August 1959, bank deposits in all the cities and towns of the country increased by 1,360 million yuan, or 70.5 per cent of the total increase in bank deposits in all the cities and towns of the country during the First Five-Year Plan. During the past ten years, total bank deposits in all the cities and towns of the country reached the total of 4,150 million yuan. There are now more than 100,000 savings offices of the bank throughout the country.

IV. Active Role in Development of Foreign Trade

During the past ten years, China's foreign trade has also made considerable progress; the total volume of foreign trade in 1958 was 3.1 times that of 1950. Through the handling of international loans and clearing, the bank supports the expansion of China's foreign trade. To date, China has established trading and payments relations with 93 countries and regions on the basis of equality and mutual benefit, signed inter-governmental trade treaties or agreements with 27 countries and worked out corresponding provisions for payments and clearing.

China's trade with the fraternal countries in the socialist camp forms the major part of her foreign trade. With the vigorous development of trade between China and the fraternal countries, the relations of international payments and clearing are also being developed steadily. In 1958, the foreign exchange payments in our trade with the fraternal countries grew more than sixfold compared with 1950. During the past ten years, the amount of foreign exchange payments in our trade with the fraternal countries constituted approximately 75 per cent of the total foreign exchange payments in China's foreign trade.

In the international clearing between China and the nationally independent countries in Asia and Africa, we have always firmly adhered to the principle of equality and mutual benefit, strictly respected the desires of the other party and never added any unequal, special conditions which would impair the sovereignty and economic interests of the other party. Based on the trade agreements or the needs arising from business transactions between China and these countries, we have, in dealing with some countries, made arrangements for payments to be made or accounts settled in terms of the currency of the other country. This has facilitated the foreign payments of both parties, brought the trading potentialities of both parties into play, and developed trade in the form of exchanging what one has for what one does not have.

In the past decade, based on the needs of her foreign trade, China has established and developed relations of international clearing with the Western countries by consistently adhering to the principle of equality and mutual benefit. To date, we have already signed inter-governmental trade agreements with Finland, Sweden, Denmark, Norway and other countries with similar provisions for payments and clearing. The Bank of China—a bank of a state-private joint operation character specializing in foreign exchange transactions under the leadership of the People's Bank of China—has also established business relations with the state banks of Britain, France, West Germany, Holland, Switzerland, Austria, Belgium, Italy and other countries, to act as each other's agents and open accounts in each other's banks. It must be pointed out, however, that the development of relations of international clearing depends on a friendly political atmosphere. The unfriendly attitude of certain countries or their discrimination against our country has impeded the development of their trading and clearing relations with this country. This goes against the interests of these countries and their people.

At present, the nation's economy is prospering and the entire economic situation is most favourable. China's banking and financial institutions are now striving to raise more funds, to manage well and make good use of the circulating funds so as to give full support to the continuous big leap forward of the national economy.

News from the Production Front

Industry Leaps into the Sixties

by OUR CORRESPONDENT

At a little past three in the morning of New Year's Day, 1960, the silence was broken by the sound of gongs and drums wielded by a group of young punch-press operators in the Loyang No. 1 Tractor Works beating out the success story they were bringing to the Communist Party committee: in the first three hours of 1960, they had accomplished 136 per cent of the quota for the entire 8-hour night shift—by introducing 5 technical innovations, And they were not the first group in the works with good tidings to start off the new year. An hour earlier, a group of seven grinding-machine operators reported that they had overfulfilled the quota for the shift by fully 100 per cent in only two hours. When the morning sun rose for the first time in the 1960s, reports of success poured in from all the shops of the Loyang works and cheers and fireworks rose above the din of gongs and drums. Brand-new Dongfanghong (The East Is Red) tractors were driven off the assembly line at the rate of one every 8 minutes—more than double the designed speed.

New Pattern Emerging

This was typical of the scene in China's factories and mines everywhere as the big leap extended into 1960, right
from the start. At the Harbin Rolling Stock Works, Su Kuang-min, an outstanding veteran worker, in 8 hours of work on New Year's Day accomplished the equivalent of 82 hours and 12 minutes in terms of the established quota. At the Changan Machinery Works in Chungking on the Yangtse, Wei Kao-kou, a forward-looking young innovator, completed the work quota for the entire year in a single day. He did this by introducing 12 technical innovations, including a change-over from complex time-consuming metal cutting to precision casting.

The enterprises, as collectives, fared equally well. At Anshan, China's greatest steel city, a "technical demonstration emulation* week" began on New Year's Day. The score in the first five days: all major targets were topped and the average daily outputs of steel and rolled steel were 12.3 per cent and 14.3 per cent respectively above the average for December 1959. Incomplete figures for 146 major collieries in the country show that the miners boosted daily coal output to an all-time high in the first two days of the year - 13 per cent above the peak reached in the last quarter of 1959. The country's railway workers moved 13 per cent more freight on New Year's Day than the daily average carried in December 1959. Compared with the daily average for December 1959, output on the first workday of 1960 was 29 per cent higher at the No. 1 Motor Works in Changchun; 19 per cent higher at the Electronic Tube Works in Peking; 56 per cent higher at the Harbin Boiler Works. ... Such examples can be multiplied indefinitely.

All this adds up to one thing: the pattern which prevailed in the past - of output in the first quarter of the year generally lagging behind the last quarter of the previous year and output at the beginning of the month tending to dip below the end of the previous month - is being changed. A new pattern of sustained and steady rise has been created. This trend actually began last August, following the Eighth Plenary Session of the Central Committee of the Chinese Communist Party which analysed the economic situation, criticized right deviations, and inspired the people throughout the country to more heroic exploits in socialist construction.

Preparations Began Early

Preparations for a flying start in 1960 began last October after the National Conference on Industrial Production. The various departments, areas and enterprises then began to draw up and discuss their production plans, make arrangements for material supplies, stockpile the needed raw materials and tackle transport problems. Since most of them fulfilled their annual production plan ahead of schedule, they were able to concentrate their efforts on these preparatory jobs days before the new year began. A solid material foundation was thus laid.

In all this, the decisive factor was the initiative of the workers and staff members which was brought into full play through political education and discussions of the production plans. Take the Tientsin Dyeing and Weaving Mill, for example. It fulfilled its 1959 plan on December 5. An enterprise-wide debate was held on whether output could be raised continuously in 1960. At first, a few people thought that the dormant potentialities had already been fully awakened and that difficulties in raw materials supply and imbalances in equipment would make a further rise in output impracticable. But through the debate, in which divergent views were freely and fully expressed, it became clear that difficulties of one kind or another had always existed. They were overcome because there was a powerful will among the workers to industrialize the country at top speed and effective measures to this end had been taken. As the workers said: potentialities are not exhaustible like a cup of water; they are like an inexhaustible eternal spring. Armed with this forward-looking spiritual weapon, the workers and staff members proceeded to stockpile all the necessary raw materials by going far afield for them or utilizing substitutes. They also strengthened some of the weaker links in production by devising new equipment themselves. As a result, they are confidently fulfilling their plan to raise output by 1 per cent every ten days.

Technical Innovations

In the continuing industrial upsurge, technical innovations are playing an extremely important role. This is clear from the examples already cited. Advanced technical experiences are swapped and popularized systematically and in a big way. Last October, special meetings of the National Conference of Outstanding Workers and Groups were held for this specific purpose. After the conference, the delegates went back to their places of work and spread the advanced experiences far and wide. The Ministry of Coal Industry has summed up a total of 179 important experiences for popularization this year in the country's coal mines. They range from capital construction to coal cutting, tunnelling and labour organiza-
tion. The Ministry of Metallurgical Industry and other ministries have also decided to popularize systematically the experiences that proved their value during the continued big leap forward of 1959. On New Year's Day, a big exhibition of new industrial equipment, methods and processes was held in Shanghai. More than 5,000 outstanding workers, innovators, veteran workers and cadres were at the exhibition to demonstrate and share their technical know-how and challenge one another to greater feats in production.

The communist spirit of co-ordination and mutual help also figures prominently in the industrial big leap that continues non-stop. This was one of the reasons why Anshan was able to chalk up new records in the first days of 1960. When an open-hearth required repairs, steel makers at nearby open-hearts rushed over to give a hand which greatly reduced the repair time. Workers at the mines, sintering and coking plants delivered high-grade ores, agglomerates and coke for iron smelting.

A new feature today is that co-ordination is now undertaken on a larger scale than before, often involving different enterprises, provinces and ministries. The close co-ordination between ports, railway stations, industrial and trading departments, etc., under joint and unified command has resulted in a considerable rise in transport efficiency.

Materially and mentally well prepared, China's workers are tackling this year's greater tasks in stride. At the Shanghai Machine Tool Works, the first batch of finished products—grinders—came off the assembly line on January 2, the plant's first workday in 1960. Processing workers are already working on parts for grinders to be finished in February; foundrymen are turning out jobs for machines to be completed in March; and the designers are working on new models to be trial manufactured in the latter half of the year.

A good beginning has been made to keep up the all-round rapid rise all through the year.

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**Industrial Survey**

**Oil Output Up**

by WANG CHIH-CHUN

China's oil industry has changed fundamentally since the big leap forward that began in 1958. There were only four oilfields and two natural gas fields of industrial value before liberation. Now there are 32 oilfields and 18 gas fields. Of the 44 oil and gas fields discovered since liberation, 32, or 72 per cent, were found in the two leap forward years of 1958 and 1959. The known areas and extractable reserves of the existing fields have also been extended considerably.

This dispels the myth that China is oil-poor—a "theory" cooked up by scientists in the employ of the imperialists to justify the monopolistic dumping of petroleum products on the Chinese market.

The production of shale oil, coal tar and other synthetic oils has also been developing rapidly, particularly since 1958. Guided by the set of policies known as "walking on two legs," construction of a number of giant modern plants has been stepped up. At the same time, more than 1,000 medium-sized and small plants have been built in various parts of the country. This is especially important. Since medium-sized and small plants are relatively easy to build and operate and can make the best use of scattered local resources, they help increase oil output at high speed. Because their production techniques and management are being improved and perfected, they are expected to play an increasingly significant role in China's oil production, especially in meeting the rising requirements of the vast countryside for oil.

Great progress has also been made in the techniques of geological prospecting and refining, in the manufacture and repair of machinery and equipment and in oil transport. Oil production in China has become an integrated industry. A weak link in the national economy has been considerably strengthened. In 1958, China produced 2,260,000 tons of crude oil, a 55 per cent increase over 1957. Crude oil output in 1959, it is estimated, registered an even greater increase—more than 60 per cent. Last year's crude oil output was about 30 times the 1949 level.

**Legacy of Extreme Backwardness**

The discovery and use of petroleum and natural gas in China has a long history dating back more than 1,800 years. During the long stretch of feudal rule and the century of imperialist domination, however, the growth of China's oil production was stifled. In the 42 years from 1907, when China began to build her modern oil industry, to 1948, the eve of liberation, a total of only 123 exploratory wells and 45 producing wells were drilled, with a cumulative drilling footage of only 71,000 metres. Peak pre-liberation crude oil output (1943) was 320,000 tons, 81 per cent of which was shale oil produced in areas under Japanese occupation. Production dwindled to 80,000 tons in 1948. Refining capacity in 1943 was 130,000 tons annually. By 1948, there were only two small and poorly equipped integrated petroleum works,

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five seriously damaged synthetic oil plants and two refineries.

Liberation opened new vistas for the development of the oil industry. With the continuous expansion of the national economy, especially the rapid development of the metallurgical and machine-building industries with which the oil industry is closely related, oil production forged ahead at unprecedented speed.

"Oil-Poor" Myth Exploded

Large-scale prospecting for oil since 1950 has had amazing results. A large number of oil and gas seepages have been found in many provinces of the country. Hundreds of structural traps have been located. Test-drilling of only a small percentage of these traps resulted in the discovery of 44 oil and natural gas fields. These finds enable China to develop petroleum production extensively. Today, four major oilfields are already being exploited energetically: the Chuihuan Basin in Kansu Province; the Daungarian Basin in the Sinkiang Uighur Autonomous Region; the Tsaidam Basin in Chingsai Province and the Szechuan Basin. Yumen, in the Chuihuan Basin, Karakum, in the Daungarian Basin, Lengo, in the Tsaidam Basin, and the central and southern parts of Szechuan, have already become or are fast becoming petroleum bases producing increasing quantities of oil.

In addition, many structural traps and a number of oilfields have been discovered in the Tarim and Turfan Basins in the Sinkiang Uighur Autonomous Region, on the Sungari-Liao Plain, in Yinchuan (Ningsia Hui Autonomous Region), the Kwangsi Chuang Autonomous Region, and Kweichow Province, as a result of extensive geological reconnaissance and detailed surveying. Oil and gas seepages as well as structural traps have also been found in some provinces in East and North China, in Hunan, Hupeh, Fukien, Kwangtung Provinces, the Inner Mongolian Autonomous Region and the Tibet area.

Sixteen new natural gas fields were found, eight times the number known before liberation.

The discovery of rich and widespread resources of oil shale and coal with high coal tar content makes it possible for China to develop her synthetic oil production at high speed and on a nationwide scale.

A few figures illustrate how the scope of prospecting for oil has been enlarged since liberation. In old China, there were only 24 trained geologists in this field, eight worn-out drilling rigs, very little surveying equipment and no regular exploration party whatsoever. Today, in contrast, there are 916 oil exploration parties (not including those under the Ministry of Geology) working in 34 different areas of the country. Ninety-four of these are geophysical crews. There are a total of 480 modern drilling rigs, 60 times the pre-liberation number. Post-liberation cumulative drilling footage amounted to 3,370,000 metres by the end of 1958, more than 47 times the total for the 42 years before liberation. The drilling footage in 1957, the last year of the First Five-Year Plan, was 10.5 times that of 1952, while total footage drilled in 1958 was more than three times the 1957 level. Up to the end of 1958, 2,964 exploratory wells were drilled — 24 times the total for the 42 years before liberation. The number of exploratory wells drilled in 1957 was 9.4 times that of 1952, and the 1958 figure was 3.8 times that of 1957. Up to the end of 1958, 1,371 producing wells were drilled after liberation — 41.5 times the total for the 42 pre-liberation years.

It can confidently be anticipated that with the further expansion of the national economy and the extension of geological work, more oil and gas fields, oil shale and coal deposits will be added to the known list.

Filling stations bearing the signs of Standard Oil, Texaco or Asiatic Petroleum were a common sight in China's big cities before liberation. These foreign companies enjoyed a virtual monopoly of the Chinese oil market. The few poorly equipped Chinese concerns were insignificant and were reduced to ruins by the Kuomintang on the eve of liberation.
The renovation of existing plants and the building of many new ones went ahead after liberation at the same time that large-scale exploration for oil was conducted. Emphasis was placed on accelerating the construction of the building of major refineries so as to create the backbone of the country's oil industry and boost production.

Three giant integrated petroleum works have been built in Yumen, Karamai and Longhu. They are China's first major oil bases. The oil enterprise in Yenchang was expanded. At the same time, three shale oil plants and two coal oil plants (one using the method of dry distillation under low temperature and the other using a process of synthesis) were restored and expanded. Three existing refineries were expanded and a new one was built. The latter, the Lanchow Refinery, is the largest and most up-to-date in the country.

Since the big leap forward that began in 1956, numerous small and medium-sized plants have been built by the local authorities and the people's communes.

These renovated and newly built enterprises are increasing their output continuously. We have already seen how crude oil output increased over the past years. The increase in natural oil production has been particularly rapid. In 1952, it constituted 45 per cent of the country's total crude oil output. By 1958, its share rose to 65 per cent. Since imported as well as domestically produced crude oil is processed, the output of oil products increased even more rapidly than domestic crude oil production. Compared with 1948, gasoline output in 1958 rose 37-fold, kerosene soared 45-fold and diesel oil shot up 76-fold. More varieties of oil products are being produced. Pre-liberation China could make only 17 varieties of oil products. Now 92 are being produced. Many high-grade oil products and special lubricating grease are either in quantity production or have been successfully manufactured. More new products are being trial produced.

Much has been done in the way of scientific research. Apart from a national Petroleum Research Academy and a central Designing Bureau for Exploration, research institutions, laboratories and designing institutes have been established by virtually all of the major oil bases and big synthetic oil enterprises. These scientific institutions are closely linked with production and serve it directly.

There are five colleges and 19 secondary schools specializing in geology. A number of fair-sized factories have been built which have begun to supply big machines and precision instruments to the oil industry.

**Rising Technical Level**

The technical level of the oil industry in old China as a whole lagged behind the more advanced countries by about half a century. Geological workers then employed only conventional methods of prospecting. There were only very limited experiments with geophysical methods. There wasn't even a definite work programme. Drilling was done only to a depth of some 1,000 metres. The drilling rigs were worked only six months and lay idle for the rest of the year. The oilfields were exploited haphazardly. There was no overall plan and no attention was paid to conserving reservoir energy. The state of petrochemistry and petroleum technology was even more backward. And this was not at all surprising because China was then a semi-feudal and semi-colonial country.

This state of affairs has undergone drastic changes since liberation as a result of energetic study of the advanced experiences and new techniques of the Soviet Union, the strengthening of scientific research, and the widespread campaign for technical innovations and the technical revolution. Years of actual practice in production and construction on a large scale have proved particularly helpful.

The rise in the technical level of the oil industry has been rapid and all-round. New techniques and up-to-date methods of exploration, including regional geological surveying and a combination of many types of geological prospecting are being employed. Micro-log and radioactivity log, unknown in pre-liberation days, are now widely applied. Drilling techniques have advanced by leaps and bounds. The rigs are now worked all year round and wells are drilled to a maximum depth of 3,500 metres. The techniques of directional drilling, drilling with double bores or turbo drills have been mastered. The speed of drilling literally soared. In 1958, the average drilling speed of big and medium-sized rigs was 673 metres per month, more than double the average speed in 1957. In September 1958, the team headed by Wang Chin-hsi chalked up a national record of 5,009 metres per month. This was broken by the team headed by Nie Wen-hai in December of the same year. With a light rig, this team drilled 6,617 metres in a single month. These were not isolated instances; 160 teams topped the 1,000 metres per month level in 1958. New records are continuously being set and broken. In January 1959, the "Steeled Youth" team at Karamai set a record of 530 metres in a single day!

As a result of continuous improvements in the technique of geological prospecting, the area explored has been extended rapidly.

In the field of oil extraction, the application of the new methods of injecting water and gas into the wells and of fracturing the reservoir rocks, etc. resulted in much better exploitation of the oil wells and considerable lowering of the rate of decline in output from each well. Many abandoned or old producing wells have been brought back to life or rejuvenated. Oil resources are thus exploited in a much more rational way.

Spectacular achievements have been made in petrochemistry and petroleum technology. More oil is obtained from oil shale or coal. The rate of utilization of oil shale rose from 65 per cent in pre-liberation days to more than 80 per cent. The rate of oil output rose from 75 per cent to 85 per cent. From every cubic metre of raw material gas, 191 grammes of synthetic oil are obtained. This is achieved by using iron as a catalyst instead of cobalt in processing under medium pressure in fluidized beds. Many new techniques have been mastered in oil refining. China's oil industry is heading steadily towards modernization.

January 12, 1960
National and Democratic Movements in Latin America on the Rise

by SU MIN

IN the wake of the victory of the Cuban revolution, a chain of historic events took place in Latin America in 1959 which shook the foundations of U.S. imperialist domination. The past year witnessed a continued upsurge in the national and democratic movements.

The overthrow of the U.S.-supported Batista dictatorship by the Cuban people constitutes a most important victory in the Latin American struggle for national independence, democracy and freedom. It dealt a telling blow to U.S. imperialism, which has always relied on reactionary dictatorships as its main prop in Latin America. The Cuban revolution continued to advance throughout 1959, despite U.S. attempts to strangle it. The Cuban people by their united efforts have successfully smashed repeated U.S. subversive plots and intrigues, and have accomplished much in the suppression of the counter-revolutionary criminals and in the purging of the turncoats of the revolution. At the same time they have been able to introduce land reform and begin to develop a diversified economy.

The victory of the Cuban revolution and its continued progress has given great impetus to the anti-dictatorship struggles in all Latin America. Inspired by the Cuban example, the peoples of Paraguay, Nicaragua and the Dominican Republic intensified their efforts in 1959 against the U.S.-supported dictatorships and are successfully waging armed struggle and guerrilla warfare. In Nicaragua, the patriots have taken up arms against the Somoza regime. In the Dominican Republic, an armed uprising has established two bases in the central and northern parts of the country. And in Paraguay, the democratic forces after striking heavy blows against dictator Stroessner’s troops, moved to the mountainous regions to continue guerrilla warfare.

Armed Struggle Answers Force

All of this increased activity and particularly the emphasis on armed struggle reflect the unparalleled growth of revolutionary zeal on the part of the Latin American peoples. Unidad Paraguayan, organ of the Paraguayan Communist Party, has pointed out: “The people have come to see from their own experience that they have to answer brutal force from above with brutal force from below. Criticisms by public opinion and underground publications are not enough. The people are prepared to criticize the dictatorial government by taking up arms against its criminal attacks.”

In Latin America, the rising national and democratic movements are directed in the first place against U.S. imperialism.

The popular struggle for national independence and in defence of national sovereignty in this area invariably takes the form of powerful campaigns against U.S. imperialism which tramples on Latin America and plunders the wealth of the Latin American peoples. Experience has taught the Latin American people that to end their miserable plight and the political unrest, they must first of all end U.S. political domination and economic exploitation.

Anti-Imperialist Tidal Wave

The wave of anti-U.S. campaigns and demonstrations which swept the entire Western hemisphere in 1959 must be viewed against this background. Even in countries which the United States considered to be firmly under its control, fierce struggles erupted. In Panama, where large U.S. forces are stationed, anti-U.S. demonstrations for the recovery of the Canal flared up on several occasions. In Puerto Rico, a U.S. colony with 21 military bases, the people twice held large-scale demonstrations demanding independence. The Bolivian people launched a mighty demonstration to defend their national dignity and protest U.S. insults. These were some of the outstanding popular demonstrations against U.S. imperialism. Others took place in Peru, Chile, Honduras, Guatemala and other Latin American countries.

A further manifestation of the upsurge of the national democratic struggle in Latin America as well as evidence of the sharpening contradictions between the Latin American countries and the U.S. imperialists was the adoption last year by a number of Latin American governments under popular demand of economic measures directly aimed at U.S. monopoly capital. In addition to the land reform law, the Cuban Government promulgated mining and oil laws, all dealing direct blows at U.S. monopoly capital. The Brazilian Government took over the equipment of a U.S. power company while in Venezuela, the decree to increase tax levies on foreign oil companies was enforced. The Venezuelan Government, moreover, declared that it would not grant new leases for oilfields to foreign companies and requisitioned ten thousand hectares of land occupied by the United Fruit Company. Mexico cancelled the concession to the U.S. Texas International Sulphur Company to extract sulphur ores on
52,000 hectares of land. And in other Latin American countries such as Argentina, Brazil, Colombia and Chile, vigorous campaigns to defend their oil resources and oppose their plunder by foreign exploiters were carried through.

Another aspect of the effort to break free from U.S. economic enslavement has been the rising demand for the establishment of trade and diplomatic ties with the socialist countries. The recent visit to Mexico of Soviet First Vice-Premier A. I. Mikoyan and the trade agreement concluded between Brazil and the Soviet Union have aroused widespread interest in the Latin American countries.

**Land Reform — Crux of Agrarian Problem**

The past year was also one of marked progress in the struggle to abolish the feudal agrarian system.

Most notable in this respect has been the land reform carried through by the Cuban people in the face of blatanst U.S. intervention. By December 3, more than 65,000 *caballeria* of land from 575 *latifundia* were expropriated. A large part of this land had been controlled by U.S. monopoly capital.

The agrarian question, a problem common to all Latin American countries, has long demanded urgent solution. It is the *latifundia* system which has kept Latin America economically backward and provided an important instrument of U.S. imperialist domination and plunder. Owners of big landed estates and foreign monopoly capital (mainly U.S. monopoly capital) to date still possess more than two-thirds of the arable land of Latin America. Although the peasants constitute 70 per cent of the total Latin American population, over 70 per cent of the peasant households are made up of landless farmhands, while the biggest landed proprietors are the 2,000 companies owned by U.S. monopoly capital. The United Fruit Co. alone, known as the "green devil," owns 2.5 million hectares of land in eight Central and South American countries. In Brazil, Standard Oil and other American monopolies hold concessions for over 4,800,000 hectares of the country's land.

In Latin America, the crux of the land problem is, in effect, one of freeing the agricultural economy from the grip of U.S. ownership and exploitation.

The repercussions of land reform in Cuba have reverberated throughout Latin America. Everywhere the peasants are demanding land. In July, the Venezuelan Parliament discussed a draft land reform law. In September, the Costa Rican Chamber of Deputies adopted a set of general principles for the implementation of land reform law to be promulgated in 1960. The political programmes of the anti-dictatorship armed forces and the united front organizations in Nicaragua, the Dominican Republic and Paraguay give land reform high priority. In Colombia, Mexico, Venezuela and Brazil, there have been instances of peasants expropriating on their own the land of the feudal estates.

Under these circumstances, the peasant movement has entered a new phase in many Latin American countries. In Cuba, Venezuela, Argentina, Chile, Peru and Colombia, peasants and agricultural workers are organizing for the first time in history.

Simultaneous with the growth of the national and democratic movements, the working class has emerged as an important, independent political force in Latin America. By means of unrelenting struggle, the Communist Parties in many Latin American countries have won legal status. Their political programmes affirm the semi-colonial and semi-feudal nature of their countries and place the bourgeois democratic revolution as the primary task of the present stage. Spearheading the fight against imperialism and feudalism, the Communist Parties of Latin America have shown themselves to be the staunchest enemies of U.S. imperialism and its agents and have won the increasing support of the masses.

The political nature of the 1958 strikes called by the Cuban workers in their struggle to overthrow the Batista dictatorship is well known. 1959 witnessed a new wave of strikes in Latin America involving millions of workers. In that year important strikes took place in Argentina, Mexico, Brazil, Colombia and other Latin American countries. In Chile, Colombia, and Puerto Rico, U.S. monopoly capital was the immediate target of these militant actions.

**Working Class Unity**

Working class unity in Latin America was also greatly strengthened in 1959. For the first time united trade union organizations were formed in Venezuela, Uruguay and Paraguay. In Argentina a united labour movement was set up to include most of the Argentine trade unions and formulate a programme of joint struggle. In Peru, a united labour front of many trade unions and peasant organizations was formed. In Cuba, the Tenth Congress of the Confederation of Labour made the highly important decision to withdraw from the Inter-American Regional Organization of Labour (Orit). It denounced Orit as a U.S. tool against Cuba and an instrument for U.S. infiltration of the Latin American labour movement. The
Congress further proposed a new and united organization of labour for Latin America which immediately won the enthusiastic endorsement of the trade unions of Venezuela, Chile, Uruguay, Bolivia and other Latin American countries.

The strengthening of working class unity ensures that this class will play an increasingly important role in the development of the national and democratic movements. It is of paramount importance because the growing strength of the working class is the guarantee of victory in the struggle for independence and democracy.

The national and democratic united front is steadily taking shape and expanding in Latin America under the impetus given by the Communist Parties and various progressive forces. International solidarity and mutual support in the anti-imperialist struggle have been strengthened by the movement to support the Cuban revolution and oppose U.S. intervention. This popular movement has spread throughout the continent. Today, many Latin American countries have permanent organizations dedicated to the defence of the Cuban revolution. This Latin American solidarity is a powerful source of strength to Cuba and a counterforce against the subverting activities of the U.S. imperialists. In Nicaragua, the Dominican Republic and Paraguay, broad patriotic democratic fronts, with the participation of the Communist Parties, have been established. These have in turn formed an “Anti-Tyranny League of the Peoples of Americas” for mutual support. The alliance of the anti-imperialist and anti-feudal patriotic forces is also registering rapid growth in Brazil, Chile, Colombia, Bolivia and Cuba.

Hard Battles — Bright Future

The outstanding successes won by the national and democratic movements in Latin America in 1959 testify to the unprecedented awakening of the Latin American people. They show that these movements have entered a new historical phase. The situation in Latin America and in the world is favourable to the struggles of the peoples of Latin America for independence and freedom. Though that struggle must still face many zigzags and though U.S. imperialism and its lackeys — the reactionary forces in various countries — will not easily retreat, the future for the Latin American peoples is bright. In 1960, the national and democratic movements in Latin America will continue to gather momentum and no intrigues or plots of U.S. imperialism will be able to stem this historical tide.

Rural Welfare

How Commune Dining-Rooms Serve The Peasants

by CHUAN NUNG-TIAO

These notes on the community dining-rooms at the Hongguang (Red Glow) People’s Commune will give some idea of how such dining-rooms operate in general, improve the life of the peasants and aid production.

Hongguang is a commune in Pihsien County, not far from Chengtu, capital of Szechuan Province. Located in a fertile plain, it has 16,900 households. Rice, wheat and rapeseed are its major crops. The setting up of its dining-rooms was a new enterprise that began in 1958. But this collective catering had its roots in earlier efforts. Long before, so as to get work started earlier and everybody on time in the busy farm seasons, the farmers were wont to arrange for one household to cook for several families working together. The cost of meals then was shared either by contributions in kind or exchanges of labour. That was done as far back as the early days of the mutual-aid teams, precursors of the co-ops.

After the switch to the farm co-ops, especially the advanced co-ops, many production teams or groups also used to arrange to eat together when farm work was at its height. In 1958, a spirit of tremendous enthusiasm surged up among the peasants, and as efforts to boost production steadily increased, all the 60 farm co-ops that later formed the Hongguang People’s Commune were feeling a shortage of labour. It was to answer the problems caused by this situation that every one of them set up what they called “busy season dining-rooms.”

The birth of the commune heralded the local start of the mass campaign to make iron and steel. Soon many members were busy smelting. They soon had 50 small blast furnaces going, using indigenous methods of production. Other undertakings were set up — workshops to make chemical fertilizers, insecticides, bricks and tiles, spirits and wines or to process farm products. It was just at that time that the commune needed to muster all hands available for the regular autumn work of the fields — harvesting, storage of crops, cultivation and sowing. It was under these circumstances that the dining-rooms were turned into permanent, year-round affairs. 432 community dining-rooms were set up, each of them catering
for about 40 households, to serve the 75,700 men, women and children in the commune.

But though the commune’s dining-rooms grew out of the experience of the farmers in collective catering, they have some essential differences with the tentative efforts of the past, one of the most spectacular, of course, being that they provide “food without pay.”

**Big Aid to Production**

The commune dining-rooms have proved their worth from the very beginning in aiding production and bringing about improvements in the livelihood of the peasants.

Their establishment together with other welfare undertakings such as nurseries and kindergartens immediately freed large numbers of women members from routine household chores. At Hongguang, they helped to reinforce the labour force with 17,000 women. This immediately eased the tight labour situation and, like their menfolk, these women are now doing all kinds of remunerative farm work.

In the 1959 autumn harvest, women accounted for 60 per cent of those working in the fields. They are keen on their jobs and quick to master the necessary skills. All this has had a profound effect in raising the social and economic standing of women.

The dining-rooms are popular. There is no question but that the women like them; they have freed them from the drudgery of the fire and the pot. There’s no more worry about oil, salt, firewood, and the rest. Bachelors find them a special boon.

Some of the dining-rooms have sales counters which sell members wines, cigarettes and an assortment of articles in daily use. Practically every dining hall has loudspeakers linked with the commune’s rediffusion centre, so that members may listen to news broadcasts or enjoy music or other entertainment during meals. Members like these extra services.

The commune’s Communist Party organization paid great attention to putting the dining-rooms on their feet and seeing to it that they are run well. When they were being started, the first secretary of the Party committee took a personal hand in the work and a leading Party member in each production brigade was given direct responsibility for it. This was something that affected every member in a most tender spot! The cooks were carefully chosen. They are democratically elected; they must be good cooks, healthy, socially conscious, full of initiative and hygiene conscious. To master the arts of big-scale catering and cooking, get-togethers among the cooks have been organized.

On instructions from the Szechuan provincial authorities, each Hongguang dining-room has put aside one mu of kitchen garden for every 20 members eating in it. These plots are intensively cultivated. They are used to grow various kinds of vegetables and their annual yields run up to 10,000 jin per mu. Most of them produce more than the dining-rooms can use so the surplus is sold and the dining-rooms use the proceeds to buy condiments, special sauces, etc. The No. 1 Production Team of the Hongguang Production Brigade, for instance, sold over 30,000 jin of vegetables from its dining-room plots last year and earned more than 1,200 yuan from it.

The dining-rooms raise pigs and fowls themselves. Today dining-rooms and production teams of the Hongguang Commune have 35,400 pigs, nearly half as many again as in co-op days. Commune members ate more meat than ever before, but the commune sold more pigs and fowls to the state than in any previous year.

There has been no reduction in the number of public restaurants, tea-houses and food-processing shops in Hongguang Commune. They have their specialities and special facilities that don’t compete with, but supplement the commune dining-rooms. Members may get a small amount of vegetables from the dining-rooms to make their own pickles. During the Spring Festival (Chinese Lunar New Year), the dining-rooms are planning to fix up extra, special dishes and also issue rice, pork and vegetables to members for their festival cooking.

Special meals are cooked for the aged, children, the sick or convalescent, and expectant mothers. Their families can take their meals ready prepared back home or get the grain, vegetables and other things from the dining-room and do their cooking at home. If needed, the dining-room staff will arrange to deliver meals or goods. Seventy-year-old Granny Hsiung, who likes to cook herself, says: “In the co-op days, when the grain was shared out, I had to ask someone to deliver it for me. Now, my grain and vegetables are delivered right to my door, thanks to the community dining-room!”

Growing production and prosperity have shown themselves in many improvements in the dining-rooms. Kitchen facilities have been improved; the dining halls made more attractive; better pigsties have been built and a proper water supply system laid on with locally-made equipment. Trees, flowers and grass are being planted around their dining-rooms by members in their spare time. They are taking on a look of permanence as well they may. They have taken firm root in commune life. The Hongguang members set great store by them.

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The Bronze Culture of Ancient Yunnan

Archaeologists have long been intrigued by stray finds before liberation of small bronze objects and, in particular, of bronze drums of a peculiar form that have hinted at the existence of a distinctive type of bronze culture in ancient Yunnan. Working at the site of an ancient cemetery at Shihchai Hill, Tsning, some thirty kilometres to the south of Kunming, the Yunnan Provincial Museum conducted its first excavation in 1955, which confirmed the existence of a bronze culture characterized by bronze drums and a whole array of small bronze objects unique in form and decoration. In subsequent excavations conducted in 1956-57, twenty other tombs were opened up. These, too, surprised archaeologists with the novelty and richness of their tomb furnishings. In addition to many bronze drums of the well-known early type, a vigorous, new animal art of the highest perfection was brought to light.

A complete report on the results of this second excavation entitled The Ancient Cemetery at Shihchai Hill, Tsning, Yunnan has been published by the Wen Wu (Cultural Objects) Press, Peking. The new light it sheds on the history of the nationalities who inhabited ancient Yunnan is of special interest.

The key find from these tombs is a gold seal with a decorative handle on top in the form of a coiled snake and bearing a carved inscription of four Chinese characters: “Seal of the King of Tien.” Tien was the name of one of the tribes in southwestern China in Han times, who lived on the shores of Lake Tiencih in the vicinity of present-day Tsning. According to the Shih Chi (Historical Records) by Suama Chien, the Emperor Wu Ti granted the King of Tien a seal in 109 B.C., confirming the latter’s position as the king of his people. The discovery of this seal has not only facilitated the dating but also enabled archaeologists to identify these tombs with certainty as belonging to the royal families of the Kingdom of Tien.

The tombs yielded a total of 27 bronze containers with various shapes and decorations, all filled with cowrie shells (then used as money). There were also 15 bronze drums with the usual decorations. This was the first time that so large a number of bronze drums has ever been excavated at one time and place under scientific conditions. It is interesting that nine of these drums were found inverted to serve as cowrie shell containers. Moreover, of the other 27 containers mentioned above, several were fashioned by welding together two drums one atop the other. On the cover of one of these containers is a unique decoration: a procession of people in various tribal costumes presumably on their way to present tribute to the King of Tien. On another is a vividly realistic battle scene dominated by the central figure of a warrior on horseback. Two other drum-shaped containers are decorated with scenes of people engaged in daily as well as ritual activities, herding cattle, horses, goats, sheep and pigs, carrying or, rather, distributing grain, dancing and a long procession depicting a royal excursion.

Another main type of cowrie shell container is somewhat barrel-shaped, usually with two tiger-shaped handles and three claw-like legs. The decoration on their covers consists for the most part of well-modelled figures of one or several standing oxen. The cover decoration of the most important specimen, however, is of a house with a saddle-shaped roof standing on a platform, flanked with two enormous bronze drums and over a hundred people, the whole probably representing a sacrificial rite.

The Shih Chi relates that the people of Tien knew how to farm. This is also borne out by the presence in these tombs of a large number of bronze farm implements, including socketed hoes, spades, sickles, etc. Many of these implements carry exquisitely incised designs of peacocks, phoenix, birds and ox heads, indicating that they were probably made specially for the royal tombs.

Another outstanding feature of these tombs is the unusual abundance and variety of their bronze weapons. The sockets of these weapons and tools are usually decorated with characteristic geometric patterns. Particular mention should be made of the beautiful, incised designs of various animals and birds on the blades of some daggers. A striking feature of the bronze weapons is the preference for a long socket tube adorned with sculptural figures based on local fauna. The fact that weapons with this latter type of decoration are often found in pairs seems to suggest that they were ceremonial weapons.

Archaeologists, however, had their greatest surprise in the discovery of 53 bronze ornaments with designs in high relief representing hunting and a great variety of animal combat scenes, somewhat reminiscent of the animal style of the Eurasian steppes. The treatment of the animals here, however, shows a freer and more animated naturalism.

As might be expected in these royal tombs, an impressive number of gold objects of various kinds was unearthed, including three vambraces which are the first of their kind ever excavated in China. But the bulk of the gold finds consists of thousands of beads, buttons and dress ornaments of every description, amounting to 7,069 grammes. Among the latter are some in the shape of a tiger or horse-like animal, crouching with an arched back and decorated with concentric circles on the groins and parallel grooves over the entire surface.

The people of Tien evidently loved to wear rich dress ornaments. There are circular and rectangular bronze ornaments decorated with inlays of turquoise and jade, figures of animals in high relief, drum, bird and animal shaped buttons and beads of rare beauty made of turquoise and agate, and earrings and bracelets of jade.

The various objects of Western Han origin found here and the gold “Seal of the King of Tien” help to date these tombs with certainty to the period roughly corresponding to the duration of the Western Han (206 B.C.-24 A.D.). The absence of any object indicating an Eastern Han date also supports this dating.

These finds provide us with a rich and vivid picture of the life of the Tien people more than 2,000 years ago. We can say with certainty that they lived in wooden houses standing on a piled platform, with a saddle-shaped roof. They had already taken up farming, but hunting and cattle-raising still played a very important part in their economy. This has been fully borne out by both archaeological evidence and the frequent references in early Chinese annals to the large number of livestock captured in all
the military campaigns conducted at that time in the area. The predominance of the ox motif in their bronze art also points to this fact.

The Shih Chi describes the Tien people as belonging to the group of southwestern tribes who "wore a cone-shaped coiffure" and "had towns where they gathered." It is also related that they were neighbours to the other group of tribes who "braided their hair" and "following their livestock, moved from place to place." We see that the Tien people represented themselves as wearing a high coiffure while, on the other hand, all the vanished and imprisoned shown in their art were depicted as people who have braided hair. Some of the bronze weapons also bear fine incised decorations of a decapitated head with braids. These facts and the frequent representations of battle scenes on so symbolic a place as the cover of the royal cowrie shell containers suggest that the Tien people were constantly at war with the neighbouring nomadic tribes to their west and northwest. This probably was their major source of supply of slaves.

The ubiquitous representation of the snake serving as the ground on which human and animal figures stand might be connected with their eponymic beliefs. Several plaques showing groups of strangely garbed people dancing and singing in a peculiar manner seem to indicate the practice of shamanism.

Attention, however, should be drawn to a fragment of a long and very thin strip of bronze divided into several bands incised with enigmatic figures of prisoners, decapitated heads, animals, birds and other unidentifiable objects. The secret of this unusual object seems to lie in the presence of many circles and depictions of cowrie shells arranged schematically under some of the representations. Could this represent the furthest step taken by the Tien people in the direction of creating a written language?

The scarcity of iron weapons and tools at Tsinning shows that at that time the Tien people were still in the Bronze Age. Archaeological evidence reveals that the opening of official contacts with the interior of Han China gave a great impetus to the development of the local culture. Thus, in the early types of tombs opened, most of the tomb furniture is of local origin. In contrast, the later tombs show a marked increase in the quantity of objects of Han manufacture including, particularly, bronze coins, mirrors, belt hooks, various vessels of bronze and iron weapons. Thanks to the excavations conducted in Szechuan in recent years, we now know for certain that many of these objects were imports from Szechuan; iron swords in particular, since this particular weapon has been found in great numbers there. Moreover, this line of reasoning is fully supported by two historical facts related in both the Shih Chi and the Han Annals: in early Han times the people of Szechuan already engaged in a surreptitious but lively trade with the Yunnan area, while all the military campaigns conducted against Yunnan at that time were by way of Szechuan.

Archaeological evidence likewise indicates the probability that at an earlier date the people of Tien got the knowledge of bronze casting through Szechuan. As revealed by excavations of a large number of the boat-shaped coffin tombs belonging to the Pa Shu culture of Szechuan, the coexistence of early and late types of bronze ko we find at Tsinning was a typical feature of such tombs there at the time of the Warring States. Moreover, the prototypes of many peculiar forms of bronze weapons found at Tsinning, such as some of the spearheads, boot-shaped and circular-shaped axes, can all be found in these tombs. The Shih Chi mentions that a general by the name of Chuang Chiao of the State of Chu (in the Warring States Period, 475-221 B.C.) conquered Tien by way of Szechuan but was prevented from returning to Chu when the State of Chin conquered Szechuan and Kwei-chow. Thereupon he returned to Yunnan and became the king of Tien. To do this, he gave up his Chu style of dress and followed the customs of the local people. Since Pa was then part of the ever-expanding State of Chu, we can understand why both archaeological and historical evidence points to the influence which the culture of the State of Chu exerted via Szechuan on the bronze culture of the Tien people.

It has long been known that the chun yu, a peculiar type of tall, slender bronze drum with a hollow end invariably bearing a tiger-shaped handle on top, was unearthed in great abundance in western Hunan and eastern Szechuan, precisely within the territories of the States of Chu and Pa. The presence of a chun yu in the largest scene of sacrificial rites decorating the cover of a cowrie shell container, lends fresh support to the view held by some Chinese scholars that the bronze drum of the Tiens probably evolved from the chun yu. At any rate, thanks to the rich finds at Tsinning, we now know for certain that the so-called Dongson Culture, as revealed through the 1924 excavations at Dongson in Viet Nam, is no more than a pale reflection of the splendour of the high bronze culture of the Tien people in ancient Yunnan.

The finds at Tsinning have given us no key to unravel the riddle regarding the true meaning of the mysterious bird-men and boat scenes which are the fundamental decorative motifs on the bronze drums of the Tien. They have, in fact, further complicated the issue by presenting us unexpectedly with this vigorous and in many respects new animal art which appeared beyond the horizons of the Eurasian steppelands. The fact that the people of Tien were in close contact with the nomadic tribes to their west and northwest naturally suggests influences from the animal art of the Ordos via Kansu and western Szechuan. The latter are precisely the regions described by the Shih Chi as being inhabited by nomadic tribes both at that time and prior to the Han Dynasty as well. However, until scientific excavations can fill up the gaps in our knowledge regarding the culture and art of these nomadic people over this wide area, it will certainly be premature to jump to any conclusions in this respect.

The high bronze culture of the Tien people in ancient Yunnan clearly contains distinctive elements derived from at least three widely divergent sources, namely: the Chu and Pa cultures of the Warring States Period, a nomadic culture pointing to probable contacts with the animal art of the great Eurasian steppelands, and an unmistakable affinity with the cultures of Southeast Asia. As it stands, this much is clear to us: What we find at Tsinning is a fully mature bronze culture of the highest level, both technically and artistically. Its richness and variety in both styles and types were partly the result of the introduction of bronze casting to a region known for its rich mineral resources, particularly copper and tin. Perhaps future excavations conducted in other parts of Southwest China, and along the routes travelled by the ancient nomads from Kansu south to Yunnan, will enable us to trace the origin of this high bronze culture of the people of Tien.

—WANG CHIUN-MING
**Situation in Laos Worsens**

The latest events in Laos mark a serious deterioration in the Laotian situation, run diametrically counter to the interests of the Laotian people and directly threaten peace and security in Indo-China and Southeast Asia, says *Renmin Ribao's* Observer (January 8).

Instigated by the U.S., the group of warlords who form the extremely pro-U.S. "Committee for the Defence of the National Interests" has engineered a military coup and seized state power in Laos, Observer points out. They have dissolved the National Assembly in which members of the former Pathet Lao fighting units and the Neo Lao Haksat Party participated, and established a provisional government under their control in order to extend the civil war, hound down the Laotian patriots and democrats and, at the expense of Laotian national interests, turn Laos into a full-fledged U.S. colony and military base.

In May 1959, Observer recalls, the then Phou Si Camon government under U.S. direction tore up the Geneva agreements by launching the civil war in Laos. But owing to the firm opposition of the patriotic Laotian people and the pressure of just world public opinion, the U.S. was not very successful in its criminal operations in Laos.

During the past few years, the U.S. has spared no efforts in buying up the Laotian military. It exercised tight control over the Laotian army through the hundreds of military men it sent to Laos, and its "military aid" to Laos has amounted to as much as 200 million dollars over the past five years, Observer continues. The growth of the group of warlords who comprise this self-styled "Committee for the Defence of the National Interests" has been fostered by U.S. imperialism, Observer states. They have been planning to seize power for a long time. Referring to Western press reports that the "Committee" seeks to forge a closer military alliance with the U.S. and to take more vigorous anti-Communist measures including the trial and execution of leaders of the former Pathet Lao fighting units, Observer states. Should this plot of the U.S. succeed, it will block the road to the restoration of peace in Laos in line with the Geneva and Vientiane agreements.

This grave situation in Laos has evoked widespread indignation among the patriotic Laotian people and is firmly opposed by them. The Neo Lao Haksat Party in a statement issued on January 2 declares that the military dictatorship poses a serious threat to the lives and property of the Laotian people.

The Geneva and Vientiane agreements are the basic guarantees for the maintenance of peace in Laos and Indo-China, Observer notes. As a neighbour of Laos and a participant in the 1954 Geneva Conference, China is firmly opposed to these criminal moves of U.S. imperialism to step up tension in Indo-China and menace peace in Asia. China demands that the international commission in Laos resume its activities, that the civil war in Laos be ended, that Prince Souphanouvong and other leaders of the Neo Lao Haksat Party be released and that the Laotian question be settled in accordance with the Geneva agreements in the interests of peace in Indo-China and Asia, Observer concludes.

**U.S. Threatens Asia**

*Renmin Ribao's* January 4 news survey on U.S. activities in Asia during 1959 shows that "the greatest threat to the peace and security of Asia comes from Washington's policy of aggression and war."

The survey recalls that during the past twelve months Washington has again and again keyed up tension in Asia, stepped up its activities in organizing new military alliances, brought in more and more nuclear war equipment and plotted to fill up the gaps in its string of military blocs in Asia so as to perfect its war machine directed against the socialist countries and the peoples of other Asian lands.

Last year the U.S. was busily engaged in talks with the Kishi government about revision of the Japan-U.S. "Security Treaty." It has announced that this will be signed in January this year. It is disclosed that under the new treaty the U.S. will freely turn Japan into its nuclear war base and use Japanese troops armed with nuclear weapons to launch joint military operations in the Far East in furtherance of its aggressive plans against the Soviet Union, China and Southeast Asian countries.

The signing of the new Japan-U.S. "Security Treaty" is an important link in the establishment of the Northeast Asia military bloc with Japan as its centre and including the Philippines and the Syngman Rhee and Chiang Kai-shek cliques. Once this new military alliance is signed, the U.S. will bring it into line with the SEATO and ANZUS blocs so as to complete its network of military blocs in the eastern part of Asia.

At the same time, Washington has done its best to regroup the paralysed Middle East aggressive bloc and fashion
it into a tool to threaten the Soviet Union and suppress the national independence movements in the Middle East. This aggressive bloc has repeatedly plotted to undermine the Iraqi Republic. Replacing Britain, the U.S. is strengthening its control over it in its new form as CENTO.

In March last year, the U.S. signed bilateral aggressive military agreements with the CENTO member states, Iran, Turkey and Pakistan, and it has started building missile bases in these countries.

Civil war in Laos instigated by the U.S. is aimed to strangle the Laotian patriotic democratic forces, to put Laos completely under its military control and pose a new threat of war to the borders of the Viet Nam Democratic Republic and China.

Washington has sent large numbers of high-ranking military personnel to south Viet Nam to prepare for war; many naval and air bases and strategic highways linking south Viet Nam, Laos and Thailand, have been built.

Long after the complete withdrawal of the Chinese People’s Volunteers from north Korea, U.S. aggressive troops are still in south Korea. In repeated violations of the Korean armistice agreement, the U.S. has shipped new types of weapons including rockets into south Korea and has already turned south Korea into a nuclear war base.

In the past year, the warlike talk of U.S. military brass in the Far East has made it plain that these war preparations in the eastern part of Asia are mainly spearheaded against China. In fact, the U.S. has not only continued to occupy China’s Taiwan but never ceased its armed provocations against China.

President Eisenhower has talked a great deal recently about his “sincere desire for peace.” But these bare words cannot deceive the peoples of the Asian countries, the paper says.

Washington’s Record at UN

An article in the first 1960 issue of Shijie Zhishi (World Culture) reviews and exposes the U.S. maneuvers at the 14th session of the UN General Assembly which so belies Washington’s talk of peace.

Washington tried to use the UN to stir up a campaign against China and other socialist countries. Once again, though against greater opposition, it railroaded through a resolution deferring discussion of China’s representation in the UN. The use of the so-called “Tibet question” to meddle in China’s internal affairs was a main gimmick of the U.S. to boost its anti-Chinese, anti-communist movement and intensify the “cold war.”

Under similar U.S. pressure the UN also adopted illegal resolutions interfering in Hungary’s internal affairs and obstructing the peaceful unification of Korea. The U.S. also tried to put Turkey into the seat in the Security Council reserved for the East European countries. However, despite U.S. pressure, Poland was voted onto the Security Council for 1960.

When the Soviet Union put forward the proposal for general and complete disarmament, the U.S. Government did all it could to attack it and denigrate its significance. Nevertheless this proposal proved to be so popular that Washington had to change its tactics and agree to submit the Soviet and British disarmament proposals for detailed discussion by the ten-nation disarmament committee which is to begin its work in early 1960.

As regards nuclear weapons tests, the U.S. openly voted against the proposal by 22 Asian-African countries demanding that France refrain from carrying out its nuclear tests in the Sahara; it also tried to sabotage the proposal by 24 countries including the Asian-African countries and Cuba calling for the ending of nuclear tests. But finally the U.S., not daring to risk open opposition, abstained from voting.

At this UN session the U.S., with the old colonial powers like Britain and France, did its best to obstruct and wreck every effort made to help the colonial peoples. On the demand of the Asian-African countries and with the active support of the socialist countries, the General Assembly, despite U.S. and French opposition, eventually got the Algerian question onto its agenda. In the Political Committee of the Assembly, the U.S. and France all voted against the demand put forward by 21 Asian-African countries that France and Algeria negotiate on the terms for realizing Algeria’s right of self-determination and a cease-fire.

The U.S. also voted against the proposal of 14 Asian, African and Latin American countries, demanding that Britain and Belgium fix the earliest possible date for independence for the British trust territory of Tanganyika and the Belgian trust territory of Ruanda-Urundi. This proposal, nevertheless, was adopted. And again in spite of U.S. sabotage, the Asian-African and Latin American countries, with the support of the socialist countries, also caused the General Assembly to adopt the following resolutions: the resolution to end in 1960 French trusteeship over Togoland and Italian trusteeship over Somaliland; the resolution concerning independence for West Samoa under New Zealand’s trusteeship in 1961; and the resolution denouncing racial discrimination in the Union of South Africa.

Although the 14th session of the UN General Assembly, as a result of U.S. intrigues, again passed a number of disgraceful resolutions, its proceedings showed the U.S. to be in an increasingly isolated and defensive position, the article concludes.

The same culture . . . .

The same demand. By Miao Ti

January 12, 1960
Sino-Soviet New Year Messages

Warmly worded messages of solidarity and mutual support were exchanged on the eve of the New Year between the leaders of the Chinese and Soviet Communist Parties and Governments.

The Chinese message signed by Mao Tse-tung, Liu Shao-chi, Chu Teh and Chou En-lai declares that "during the past year the Chinese people followed with profound admiration the great achievements made by the fraternal Soviet people under the leadership of the glorious Communist Party of the Soviet Union and its Central Committee headed by Comrade N. S. Khrushchev in carrying out the grand Seven-Year Plan in the transition to communism and their outstanding contributions in unremitting efforts to win and defend lasting world peace."

Noting the further growth of the friendship and all-round co-operation between the Chinese and Soviet peoples in 1959, the message expresses the gratitude of the Chinese people for the enormous aid the Soviet Union has given to China's socialist construction. It concludes: "The fundamental interests of the Chinese and Soviet peoples rest on their close unity, which is a reliable guarantee for human progress and world peace. The Chinese people will continue to exert their best efforts to develop fraternal friendship and co-operation between the Chinese and Soviet peoples and safeguard the unity of the socialist camp headed by the Soviet Union."

The Soviet message signed by N. S. Khrushchev and K. Y. Voroshilov, conveys the joy of the Soviet people over "the great achievements scored by the fraternal Chinese people in the selfless struggle for the victory of socialism under the leadership of the Chinese Communist Party," and wishes the Chinese people "new successes in further consolidating the socialist system, in industrializing the country, carrying out the technical transformation of the national economy, and developing agriculture, science and culture." It expresses confidence that 1960 "will mark the further consolidation of the unbreakable unity and fraternal friendship between the Communist Parties, Governments and peoples of the Soviet Union and the Chinese People's Republic and our close co-operation in the struggle for the realisation of international tension, for peace and friendship among nations and for the victory of communism."

Rich Cultural Contacts

The 1960 Sino-Soviet Cultural Co-operation Plan signed in Moscow is thoroughly in line with the spirit expressed in the New Year messages. It envisages a broad programme of exchanges between the two countries for the coming year, ranging from cultural contacts in general, through the arts, broadcasting and television to science, education, public health and sports.

Prominent on the list of exchanges will be visits by the song and dance troupes of the two countries. China will send drama and dancing experts and acrobatic troupes to the Soviet Union and Soviet sports delegations will come to China. Exchanges of visits will be arranged for Chinese and Soviet scholars and specialists; Soviet artists, scholars and specialists will give lectures in China. University students, postgraduates and teachers will be exchanged.

The plan also provides for the holding of a Chinese ceramic exhibition in the Soviet Union and an exhibition in China of Soviet achievements in art and culture.

Lao Dong Party's 30th Birthday

The Central Committee of the Chinese Communist Party sent a message of congratulations to the Central Committee of the Viet Nam Lao Dong Party on the 30th anniversary of the founding of the Party on January 6. The message hail the Viet Nam Lao Dong Party as the sole reliable inspirer, organizer and leader of the Vietnamese people in winning their revolutionary victory and creating a new life. It expresses confidence that under the leadership of the Lao Dong Party the Vietnamese people will achieve fresh and even greater successes in socialist transformation and construction in the northern part of the country, in their efforts to organize co-operation in agriculture and the handicrafts and the socialist transformation of capitalist industry and commerce and complete the Three-Year Plan, in the struggle against the sabotaging of the Geneva Agreements and obstruction of the realization of Viet Nam's reunification by U.S. imperialism and the Ngo Dinh Diem clique, in the struggle for the building of a peaceful, unified, independent, democratic and prosperous Viet Nam and in the defence of Asian and world peace.

Burmesse National Day Greeted

On the occasion of Burma's National Day on January 4, messages of greetings were sent to Burmese government leaders by Chairman Liu Shao-chi and Premier Chou En-lai. The message from Chairman Liu Shao-chi wished Burma prosperity and the Burmese people happiness. Premier Chou's message declared that "under the guidance of the five principles of peaceful coexistence, the traditional friendship between our two countries has developed anew and their economic and cultural ties have been greatly extended." It expressed the sincere wish of the Chinese people to see "friendly relations between China and Burma strengthened continuously through the common efforts of the Governments and peoples of the two countries."

Premier Chou En-lai, Vice-Premier Chen Yi and other Chinese government leaders attended the National Day reception given by Ambassador Kyaw Winn in Peking.

Helping Construction Abroad

Rapid progress has been made in the construction of the Hodeida-Sanaa Highway in Yemen undertaken with the assistance of Chinese experts. So far, ninety kilometres of roadbed from the

G.D.R. Delegation Arrives

As we go to press, news comes that the Government Delegation of the German Democratic Republic headed by Deputy Prime Minister and concurrently Minister of Foreign Trade and Inter-German Trade Heinrich Bau has arrived in Peking. The delegation was met at the airport by Vice-Premiers Li Hsien-nien and Hsi Chung-hsun and other government leaders.

In an editorial, Renmin Ribao greets the visit of the delegation as a major event in the annals of Sino-German friendship and predicts that it will contribute to the further growth of fraternal co-operative relations between China and the G.D.R.

Renmin Ribao hails the G.D.R. as a bastion of peace, standing in the forefront of the struggle against the revival of West German militarism, against the activities of the Western countries to worsen the division of Germany and in support of the efforts of the Soviet Government to relax international tension. It concludes with an expression of full support for the G.D.R.'s demand to take part in the discussion of the German question at the forthcoming summit conference.
Hodeida end have been completed and a large number of bridges and culverts built. Work on the Sanaa end will soon begin. Since the project started in Hodeida in March 1959, the closest working relations have been built up between Chinese experts and Yemeni workers on the job.

Work on the building of the four Chinese-aided factories in Cambodia is going ahead well. While visiting the construction site of one of these factories—a plywood plant, the Cambodian Premier Prince Sihanouk declared that China had always supported Cambodia's policy of neutrality and had given aid to Cambodia according to her needs. He said that China had helped Cambodia construct factories and train technicians to consolidate her economic independence.

Zanzibar Leader in China
Abdul-Rahman Mohamad, General Secretary of the Nationalist Party of Zanzibar, is now visiting China on the invitation of the Chinese Committee for Afro-Asian Solidarity. He was received in Peking by Vice-Premier Chen Yi.

In an interview with the Hainan News Agency, the East African leader said: “I am very impressed by what I have seen here. One thing stands out prominently: that is that the Chinese people have truly become masters of their own destiny and history and are now creating a beautiful future for themselves in accordance with their own desires. I have seen how a country which suffered so much from imperialist oppression and exploitation made big progress in ten short years. This is a great inspiration especially to us who come from countries where we are constantly told that only by relying on aid from the West can we improve our livelihood.” Faced by the great successes of the Chinese people, we realize even more deeply how ridiculous such statements are.”

WHAT'S ON IN PEKING

— Highlights of Current Entertainment, Exhibitions, etc. —

Programmes are subject to change.
Where times are not listed consult theatre or daily press.

PEKING OPERA

▲ THE WOMEN GENERALS OF THE YANG FAMILY A Sung Dynasty story about the famous women generals of the Yang family. She Tai-chun and her grand-daughter-in-law Mu Kueh-ying who defeat the Hia invaders. Produced by the China Peking Opera Theatre.
Jan. 12, 7:30 p.m. Remmin Theatre

▲ THE GOLDEN MOUNTAIN MONASTERY MEETING AT THE FALLEN PRUNE OFFERING AT THE PAGODA Three episodes from the famous Chinese legend, The Tale of the White Snake, the love story between a white snake fairy and a scholar. Produced by the Mei Lan-fang Peking Opera Troupe.
Jan. 12, 7:30 p.m. Guang He Theatre

▲ HOW TU-TU WAS PUNISHED A historical opera. Kunshan Tu-tu and Yine Kuo-shou of the ancient Chou court are appointed a mission against the Prince of Hui Nan. Tu-tu, jealous of Yine, murder her husband and drives him into battle. He returns triumphant and lies that Yind Kuo-shou has been killed by the enemy. Yine-Culc appears before the court and tells what really happened to him. The murderer is punished. Produced by the China Peking Opera Theatre.
Jan. 12, 7:15 p.m. Peking Exhibition Centre Theatre

▲ WILD HORSE WITH THE RED MANE Against the will of her father, the prime minister of the Tang court, Wang Prop-huan gives her heart and hand to Hua He Ping-kuei, a poor man. For seventeen years she lives in poverty, while her husband is away seeking his fortune. They are separated when her husband returns as the emperor of Hai Liang. Produced by the Mei Lan-fang Peking Opera Troupe.
Jan. 11, 7:30 p.m. Xi Dan Theatre

▲ AT THE CROSSROADS Peking opera acrobats at their best in this episode of “fighting in the dark.” Produced by the Mei Lan-fang Peking Opera Troupe.
Jan. 13, 7:30 p.m. Yuan En Si Theatre

PINGJU OPERA

▲ TAMING DRAGONS AND TIGERS A new opera produced by the China Pingju Opera Theatre about the big leap forward in China’s economy and the changes in these areas. Produced by the Mei Lan-fang Peking Opera Troupe.
Jan. 12-15, 7:30 p.m. Da Zhong Theatre

SHAOHSING OPERA

▲ PRINCESS WEN CHENG A historical opera performed by the Mei Lan-fang Shaohsing Opera Troupe. The Emperor Tai Tsang of the Tang Dynasty marries Princess Wen Cheng to the Tibetan King Irom-Champa. This Tibetan-Han union strengthens the friendship between the two nationalities.
Jan. 12-15, 7:30 p.m. Chang An Theatre

MODERN OPERA

▲ SPRING THUNDER The story of a heroic peasant uprising in Hunan during the Chinese Revolution War. Will Kuo Lan-ying, one of China’s foremost singing actors, plays the leading role. Produced by the Central Experimental Opera Theatre.
Jan. 13-15, 7:35 p.m. Tianqiao Theatre

CHINESE BALLET

▲ THE MAGIC LOTUS LANTERN A modern Chinese ballet based on an ancient Chinese folk tale. Angered because the nymph of Mt. Huang has fallen in love with a mortal scholar, her intollerant brother imprisons the lady lover and makes her child, grown to be a brave warrior, defeat his uncle and save his mother free. Produced by the Central Experimental Opera Theatre.
Jan. 16 & 17, 7:15 p.m., Jan. 17, 13:30 p.m. Tianqiao Theatre

THEATRE

▲ A WITHURED TREE REVIVES A new play produced by the Peking People’s Art Theatre. It tells how in the past the peasants of southern China suffered from poverty and disease (schistosomiasis). Many families are broken up. A young peasant couple are separated. After liberation, the new society brings land to the peasants, better living conditions and health and the young people are happily reunited.
Jan. 12-18, 7:00 p.m. Shoudou Theatre

▲ LONG LIVE THE HEROES A new play produced by the Peking People’s Art Theatre describing how the Chinese People’s Volunteers defended the Stone Ridge in Korea against the American aggressors.
Jan. 12-15, 7:00 p.m. Peking Work-Clinch

▲ THE LAST ACT A play about the life, work and struggles of a group of progressive intellectuals. It depicts how villagers brave dangers to get raw materials for their furnaces in the 1938 steel drive.
Jan. 12-17, 7:00 p.m. Da Zhong Theatre

EXHIBITIONS

▲ NATIONAL EXHIBITION OF INDUSTRY AND COMMUNICATIONS Open daily (except Mon.) 8:30 a.m.-4:30 p.m. At Peking Exhibition Centre

▲ NATIONAL AGRICULTURAL EXHIBITION Open daily (except Mon.) 8:30 a.m.-4:30 p.m. At Agricultural Exhibition Centre

▲ PHOTO EXHIBITION OF THE 30TH ANNIVERSARY OF THE FOUNDING OF THE LAG DONG PARTY OF VIET NAM Open daily 9:00 a.m.-5:00 p.m. At Jinghsan (Coal Hill) Park

SKATING

The Season’s On!

▲ BEIHAI SKATING RINK: Daily: 8:30-11:00 a.m., 11:00-5:00 p.m.

▲ SHI CHAO HAI SKATING RINK: Daily: 8:30-11:00 a.m., 1:00-5:00 p.m.

▲ ZHONGSHAN PARK SKATING RINK: Mon.-Sat. 9:00 a.m.-5:00 p.m., 11:00-5:00 p.m.

▲ TAO RAN TING SKATING RINK: Daily: 8:30-11:00 a.m., 1:00-5:00 p.m.
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