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Democratic Parties Act On N.P.C. Decisions

Holding meetings in Peking shortly after the close of the National People’s Congress last month, the leaders of China’s democratic parties discussed the report Premier Chou En-lai gave to the N.P.C. on the work of the People’s Government and on the domestic and international situation. Following this they mapped out plans for this year’s work and decided on measures their parties can take to help translate the N.P.C.’s resolution into action and fulfill the ten major tasks set by Premier Chou in adjusting the national economy.

The leaders of the democratic parties fully endorse the Premier’s report. Citing their own experience and firsthand information gathered on tours in various parts of the country, they confirmed the achievements made in the past few years in various fields of socialist construction and the need for the continued and thorough implementation of the policy of “adjusting, consolidating, filling out and raising standards centred on adjustment” in the national economy in the present period.

Participants in these meetings expressed themselves greatly heartened and inspired by the new situation that has emerged in the Chinese people’s democratic united front. Led by the Chinese Communist Party, the workers, peasants, intellectuals and other working people, the democrats and patriots of all nationalities, have further steeled themselves in the past few years and are now more closely united than ever. This great unity of the Chinese people, they said, is one of the most important guarantees that the present tasks in the national economy will be fulfilled.

With full awareness of their responsibilities, all the democratic parties expressed the determination to rally still more closely round the Chinese Communist Party and Chairman Mao Tse-tung and, together with the people of the whole nation, hold aloft the three red banners of the general line, the big leap forward and the people’s commune; thoroughly carry out the policies of “long-term coexistence and mutual supervision” of the parties of the united front, and of “letting a hundred flowers blossom and a hundred schools of thought contend”; and mobilize to the fullest extent all positive forces in the service of the nation.

They voiced their resolve to rally all their forces and efforts for the fulfilment of the tasks put forward by Premier Chou.

Following the meetings the leading members and officials of the democratic parties returned to their work and posts. Everyone is determined to make 1962 a year of solid achievements and new successes in the building of socialism.

Inner Mongolia: 15 Years of Progress

On May 1, when Inner Mongolia, China’s first autonomous region, celebrated its 15th anniversary as well as International Labour Day, Huhehot, its capital, was the scene of gala rejoicings. Freed from reactionary rule, the region has made spectacular advances in the past 15 years.

Mainly a pastoral region, Inner Mongolia has a multi-national population of 11 million living on an area bigger than France, Germany and Italy put together. Before liberation it had no industry to speak of, and was an economic and cultural backwater, cruelly exploited by the ruling classes.

Today it is advancing, building socialism as the rest of the country. It has a fairly developed industry. Compared with 1947, the annual output value of industry has increased 25 times. It produced no iron or steel in the past; today hundreds of thousands of tons of metal are pouring out of its steel mills every year. Its Paotow iron and steel complex ranks among the largest in the country. It has coal mines, machine-building plants, chemical works, woolen textile mills, meat packing...
plants and other industrial plants. Over 90,000 Mongolians and minority peoples here are working in these enterprises, more than 5,000 of them as engineers and technicians.

A steady advance continues in livestock breeding. Inner Mongolia is one of the leading stock-breeding regions in China, supplying large quantities of meat, leather, hides and dairy products to other parts of the country. The number of livestock has increased 270 per cent since 1947.

The agricultural areas have extended their arable land some 60 per cent since 1947. The irrigation system is greatly expanded. The annual output of grain and soyas beans has averaged an increase of 80 per cent. The region’s peasants and herdsmen numbering 1,800,000 households have organized themselves into 900 people’s communes. Many former nomads have settled down and reorganized their livestock economy on a modern basis, with consequent improvements in their way of life.

Education has developed by leaps and bounds. There was not a single institute of higher learning in the region; today it has more than ten, and four times as many secondary and primary schools as in 1947. Schools and colleges have an enrolment of 1.62 million — seven times the number 15 years ago.

These economic and cultural advances have changed the face of the region. The exploitation of the poor by the rich is no more. Ownership of means of production by the whole people and the collective today occupies the predominant position in the economy. The people are enjoying a steadily rising standard of living. The decline in the population of the Mongolian and other minority peoples has been checked and reversed. On all sides are evident signs of prosperity. The successes achieved are a triumph for the Communist Party’s policy towards nationalities and a fine example for other autonomous regions in the country.

Celebration: It was to celebrate these achievements that an immense crowd of the peoples of the region gathered on May 2 in Huhhot, the “Green City” founded by the descendants of Genghis Khan. Anniversary congratulations were received from all over the country. Yu Hsin-ching, Vice Secretary General of the N.P.C.’s Standing Committee; Li Li-san, secretary of the North China Bureau of the Central Committee of the Chinese Communist Party; and the novelist Lao She were among delegates from the central authorities who came in person to offer congratulations.

In honour of the occasion, a Nadom sports festival, the biggest ever held in the region, took place on the outskirts of Huhhot. Over 100,000 holiday makers enjoyed horse races and riding displays, archery and wrestling contests. It was a brilliant day made gayer by the colourful national costumes of the Mongolians, Hans, Huis, Manchus, Koreans, Tahurs, O wenkes and Olunchuns of the region. There was a tremendous ovation for Yu Hsin-ching who is nearly 70 years old and for Ulanfu, 56-year-old chairman of the region, when they rode out for an exhibition race among the elders of Mongolia.

National Youth Day Marked

The 43rd anniversary of the May Fourth Movement was commemorated last week in Peking, Shanghai, Canton, Wuhan and other cities.

It was in Peking’s Tien An Men Square in 1919 that that movement started with a fiery student demonstration against the traitorous warlord government which was conspiring with imperialism to sell out the country (see article on p. 11). That demonstration swiftly developed into a revolutionary storm that swept the nation and finally carried the democratic revolution forward to a new stage. From then on China’s youth continued to fight in the vanguard of the struggle against imperialism and feudalism. It was for this reason that, during the war against the Japanese invaders, May Fourth was celebrated as Youth Day in Yanan and throughout the liberated Shensi-Kansu-Ningsia border region. After the founding of the People’s Republic of China in October 1949, it was officially proclaimed China’s national Youth Day.

In Peking this year, May Fourth commemorative meetings and get-togethers were held in colleges, schools, people’s communes, factories, offices and army units. At the People’s University, students heard a first-hand account of those exciting days from Wu Yu-chang, president of the university and a veteran revolutionary who had taken part in the 1919 May Fourth Movement. Recounting the trials of those times and the dangers that beset those who searched so determinedly for the truth, he urged the younger generation to carry forward the revolutionary spirit of the May Fourth Movement into the life of today and to master their specialties so as to make still greater contributions to the cause of socialism.

On the eve of May 4, units of the People’s Liberation Army in Peking held a garden party in Zhongshan Park. This brought together thirty thousand officers and men of the P.L.A., including many senior officers. When the picnicking was over and the songs had been sung, the floodlight park was filled with groups of intent listeners. In some, veterans of the revolution were telling young recruits about the early exploits of the Chinese Red Army; in others, combat heroes were recalling stories of the War of Liberation.
U.S. Economy in the Throes of Sharpening Contradictions

by MENG YUNG - CHIEN

This is the first instalment of a slightly abridged translation of an article on the current U.S. economic situation published in the Chinese fortnightly "Hongqi," Nos. 8-9, April 25, 1962.—Ed.

In the first quarter of this year John F. Kennedy delivered to the U.S. Congress a series of messages and reports — on the state of the union, on the budget, the economy, trade, agriculture, foreign “aid,” international payments, etc. — in which he discussed at great length the policies of his administration, both domestic and foreign. Regarding the U.S. economic situation, he declared that the goal he had set for the year 1961 — to reverse the trend of economic decline — had been reached; and that “at home, we [the U.S.] began the year in the valley of recession — we completed it on the high road of recovery and growth.” He asserted further that it was now possible to “combat future recessions” and achieve “sustained prosperity” if only the Congress would approve these messages, pass the bills he proposed and grant him “Presidential stand-by authority.”

Facing Tremendous Difficulties

The reactionary ruling group in the United States which Kennedy represents is, in point of fact, confronted with tremendous difficulties and beset with crises. This is true both in home and foreign affairs. What Kennedy proposed in his messages are all reactionary policies and measures which will only deepen and aggravate the contradictions the United States is facing both at home and abroad. The present article attempts to make a preliminary examination of these contradictions and of the real nature of Kennedy’s policies in the light of the basic trends of postwar economic development in the United States, and especially in the light of the 1960-61 crisis and the post-crisis situation.

In the postwar years the United States has already gone through five economic crises. The latest one began when the index of industrial production reached 111 in January 1960 (taking the 1957 figure as 100). In February 1961, the index dropped to 102; then production began to pick up. Last July, it climbed to 112, the pre-crisis peak. By December, it reached 115 — a gain of only 3 points in five months. “Prosperity,” such as Kennedy had prophesied in his State of the Union Message, did not appear in the U.S. economy in the first quarter of this year. Production was practically in a state of stagnation. Recently even official circles in the United States began to take a rather dim view of the economic prospects for the rest of the year.

One particular feature of the upturn of production in the United States in 1961 is that, for the year as a whole, production of capital goods did not exceed the 1960 level. Output of industrial equipment, which is the most important component of capital goods, remained at the 1957 level; the only item which exceeded the 1957 output was commercial equipment. The detailed figures are as follows:

<table>
<thead>
<tr>
<th></th>
<th>1957 = 100</th>
<th>1960</th>
<th>1961</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Equipment</td>
<td>105</td>
<td>105</td>
<td></td>
</tr>
<tr>
<td>Industrial equipment</td>
<td>102</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Freight &amp; passenger equipment</td>
<td>101</td>
<td>99</td>
<td></td>
</tr>
<tr>
<td>Farm equipment</td>
<td>92</td>
<td>98</td>
<td></td>
</tr>
<tr>
<td>Commercial equipment</td>
<td>118</td>
<td>124</td>
<td></td>
</tr>
</tbody>
</table>

It is true that there was a slight increase in consumer goods production (114 in 1960 and 116 in 1961), but in 1961, the automobile industry, which occupies a leading position in the industries manufacturing durable consumer goods, produced 1.13 million cars less than in 1960. The index of raw materials, which accounted for 53 per cent of all U.S. industrial production, remained unchanged at 106 in 1960 and 1961, while the index of materials for durable capital and consumer goods actually dropped below the 1960 level as follows:

<table>
<thead>
<tr>
<th></th>
<th>1957 = 100</th>
<th>1960</th>
<th>1961</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials</td>
<td>106</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>Durable goods materials</td>
<td>102</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Non-durable goods materials</td>
<td>110</td>
<td>114</td>
<td></td>
</tr>
</tbody>
</table>

You Can’t Fool All the People All the Time

The economic upturn in 1961 is not promising because a genuine upsurge in production is most unlikely without a substantial increase in capital goods production. When Kennedy talked about the United States being “on the high road of recovery and growth,” he was only fooling himself and trying to fool others.

During the 1960-61 crisis, U.S. industrial production dropped by 8 per cent. Compared with previous postwar crises this was not so significant. Hence the bourgeois press of the United States held almost unanimously that of all the postwar crises that was the most moderate one. But actually the crisis was not less serious than the previous ones. As it is necessary to correctly assess the current U.S. economic situation and the trend of its future development, we have to make a more thorough analysis of the seriousness of the 1960-61 crisis. When we study that crisis in the light of the basic trends of economic development in the United States, instead of reviewing it merely in terms of the amplitude of a drop in industrial
production, it is not difficult to see that the 1960-61 crisis was not a moderate one and that the U.S. economy as a whole is heading towards a more and more difficult plight. Such a trend of development can be explained as follows:

(1) It should be noted that the outbreak of a crisis is one of the manifestations of the sharpening contradiction between production and market. Another is the fact that enterprises are being operated constantly below capacity. In the United States the rate of utilization of capacity for major materials dropped from 94 per cent in 1951 to 76 per cent in 1961; it means that almost one-fourth of the processing equipment was lying idle. This is no trifling but a very serious problem for U.S. monopoly capital which always struggles for a maximum profit. What is more serious is that despite the continuous cuts in the rate of operation by U.S. monopoly capital, economic crises nonetheless break out one after another. This shows that in these years the contradiction between production and market in the United States grew very much deeper and more acute.

(2) As Marx pointed out, the process of capitalist reproduction produces not only commodities and surplus value; it also produces and reproduces capitalist relations. Thus, if the crisis is examined not merely in the light of a drop in production, but also in terms of the reproduction of capitalist relations of production, we can readily see that the 1960-61 economic crisis has brought about unusually profound changes in class relations in the United States. These changes are manifested both in the continuous growth of unemployment and in the new developments in centralization of monopoly capital.

Unemployment — A Chronic Problem

According to official U.S. statistics, the number of unemployed in February 1961 was 3.71 million while the rate of unemployment (i.e., percentage of jobless in the labour force) was 6.9 per cent; in December, unemployment dropped to 4.09 million, or to 6 per cent. In the 12 largest cities in the country, the percentage of unemployed Negro workers was three times the average rate of unemployment. In March this year, the ranks of the jobless again swelled to 4.4 million. As the situation after every postwar economic crisis shows, the rate of unemployment tends to grow steadily. The rate of unemployment before the 1953-54 crisis was less than 3 per cent, but it increased to 4 per cent after the crisis; it went up to 5 per cent after the 1957-58 crisis and to 6 per cent after the 1960-61 crisis. This shows that the rate of unemployment has increased after each crisis and that each time the situation gets more serious.

During the 1957-58 crisis, 89 of the 150 industrial centres in the country were officially classified as areas with serious unemployment or depressed areas. During the 1960-61 crisis, 101 industrial centres were so classified; these included 71 centres where the rate of unemployment was 6 to 9 per cent; 17 centres where it was 9 to 12 per cent; and 13 centres where it was over 12 per cent and, in some cases, more than 20 per cent. Even by January this year when industrial production had already been restored to the pre-crisis peak, 61 industrial centres were still depressed areas. This shows that the U.S. industrial centres are decaying one by one and that the unemployment problem has become a chronic and insoluble problem.

Doctored Statistics

It should be pointed out that official U.S. statistics by no means show the full extent of the seriousness of the unemployment situation. In compiling unemployment statistics, they constantly falsify the figures. One way of doing this is to overstate the total number of the labour force and understate the number of unemployed. Thus, by adding, subtracting and dividing, the rate of unemployment is thereby markedly reduced. What then is the true state of affairs? In the opinion of Senator Paul A. Douglas, a bourgeois expert on labour economics, about 11 million small proprietors and workers working in their own homes, who receive no regular wages or other remunerations, should not be included in the statistical calculation of the total number of the labour force. Hence the total labour force should be 60 million instead of 71 million, the current official figure. He is also of the opinion that in calculating the number of unemployed, government statisticians should add to the total number of involuntary part-time workers who, converted into the equivalent of wholly unemployed, number an estimated 1.25 to 1.5 million. According to Douglas the rate of unemployment should be over 10 per cent as against the official figure of 6 per cent. Victor Perlo, a progressive U.S. economist, made another estimate in the January issue of Political Affairs. There are also a considerable number of jobless workers, he pointed out, who no longer seek for work because they have given up hope of finding a job after prolonged unemployment; they are thus excluded from the official unemployment statistics because, in the eyes of Washington bureaucrats, their status does not conform to the official definition of unemployment. If these people and other jobless workers who have not been included in the unemployment statistics are counted in, then the rate of unemployment is not 10 per cent but 14 per cent. This means that nearly one out of every seven U.S. workers is jobless.

Partial unemployment is very serious in the United States. According to statistics of the U.S. Department of Labor, the number of part-time workers was 11.6 million in 1957 and 14.1 million in 1958. It once dropped to 12.2 million in 1959 but, according to an estimate made by Perlo, it probably exceeded 15 million in 1961.

Every crisis in the United States is followed by a steady increase in the rate of unemployment and a continuous and in fact considerable decrease in the rate of employment. The progressive American periodical Econoic Notes recently made a comparative survey based on the official Monthly Report on the Labor Force showing the percentage increases in the number of employed 11 months after production had dropped to its lowest point in each of the postwar crises. The figures are as follows:

*These are places where unemployment reaches 6 per cent and has been 50 per cent higher than the national average for three of the preceding four years, or 75 per cent higher for two of the three years, or twice the average for one of the two preceding years.
Percentage Increases in Employed 11 Months After Crisis Troughs

<table>
<thead>
<tr>
<th></th>
<th>September</th>
<th>July</th>
<th>March</th>
<th>January</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Farm</td>
<td>8.1</td>
<td>4.5</td>
<td>3.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>13.1</td>
<td>5.8</td>
<td>5.3</td>
<td>3.1</td>
</tr>
<tr>
<td>Durable Goods</td>
<td>22.3</td>
<td>8.1</td>
<td>7.4</td>
<td>4.8</td>
</tr>
<tr>
<td>Non-Durable Goods</td>
<td>4.0</td>
<td>3.0</td>
<td>2.8</td>
<td>0.9</td>
</tr>
<tr>
<td>Construction, Transportation &amp; Mining</td>
<td>13.3</td>
<td>5.1</td>
<td>2.8</td>
<td>-3.0</td>
</tr>
<tr>
<td>Trade</td>
<td>3.1</td>
<td>3.4</td>
<td>2.6</td>
<td>0.9</td>
</tr>
<tr>
<td>Finance &amp; Service</td>
<td>2.0</td>
<td>4.1</td>
<td>3.5</td>
<td>2.1</td>
</tr>
</tbody>
</table>

As the above table shows, the increase in non-farm employment in the United States dropped after each crisis from 8.1 per cent in 1950 to 1.8 per cent in 1962, while the increase of employment in branches of the manufacturing industry producing durable goods dropped from 22.3 to 4.8 per cent; in the construction, transportation and mining industries there has been no increase in employment this year; on the contrary, there has been an absolute decrease in the number of employed.

Owing to the crisis of prolonged agricultural overproduction, large numbers of farmers have gone bankrupt or been annexed; this too has aggravated the unemployment problem. According to official U.S. statistics, the number of U.S. farms was reduced from 4.78 million in 1954 to 3.7 million in 1959, a decrease of 1.08 million in five years. This is accompanied by a steady decline in the agricultural population; it was 25.05 million in 1950, or 16.6 per cent of the nation's total, and 20.54 million in 1960, which is only 11.4 per cent of the nation's total. Farmers and agricultural workers have moved into cities in large numbers and become part of the industrial reserve army.

The serious aggravation of unemployment and partial unemployment testifies to the increasing relative, and even absolute, impoverishment of the U.S. working class. As Marx pointed out in Capital, this is the inevitable result of the absolute general law of capitalist accumulation. It is, therefore, necessary for us to examine the question of monopoly capitalist accumulation in the United States.

Corporate Profits Go Up and Up

The growth of accumulation of U.S. monopoly capital is most remarkable. U.S. corporate profits before tax were $39,300 million in 1953, and $46,100 million in 1961. Investments in plant and equipment in 1953 were $28,300 million; they grew to $34,400 million in 1961. In addition to the increase of fixed assets, the net working capital of U.S. corporations has also risen steadily; it was $9,180 million in 1953 and by the first half of 1961 had increased to $137,900 million. Three economic crises occurred during that period but as U.S. monopoly capital shifted its losses in these crises primarily and mainly onto the shoulders of the U.S. working class, capitalist accumulation continued to grow.

As Marx pointed out, competition and credit are the two most power-

ful levers of the centralization of capital. As a result of the roles played by these two levers, U.S. monopoly capital has always been highly centralized, but this tendency has grown greater in recent years. According to data released by the Federal Trade Commission, three waves of mergers have swept the United States since the end of World War II. The first wave came in 1946 when more than 400 mergers of enterprises in the manufacturing industry were reported. The second wave occurred around 1955 with more than 500 mergers per year. The latest wave which began in 1959 lasted three years with some 600 mergers every year. Among the 100 largest manufacturing companies (those with annual sales ranging from close to $400 million to $12,700 million), over 60 have been involved in at least one important merger. If non-industrial firms are included, there were altogether 1,234 mergers in 1961. Among these 671 were mergers and acquisitions in manufacturing and mining.

The enterprises merged cover a considerable field. They involve a great many branches of industry such as guided missiles, electronics, oil, chemicals, construction, railways, aviation and shipbuilding as well as those making household appliances, cosmetics, foodstuffs and beverages; also included are chain stores owning several hundred or over 2,000 shops.

Increased Centralization of Capital

During these years, banks controlling the financial lifelines of the country are also being merged in a big way. Between 1953 and 1961, there were 1,530 mergers and acquisitions in banking. During the last two or three years the more important mergers include the following: the J.P. Morgan and Company and the Guaranty Trust of the Morgan group; the Chase Manhattan Bank and the Hempstead Bank of the Rockefeller group; the Chemical Corn Exchange and the New York Trust; the Manufacturers Trust and the Hanover Bank. This shows that the fight on the financial front among the big financial groups in the United States has been quite fierce.

The intensified centralization of capital inevitably leads to the bankruptcy of a large number of small and medium-sized enterprises. There were 3,500 business failures in 1947; 15,445 in 1960 and another 17,075 in 1961. January this year saw another 1,447 failures, 13 per cent more than the number of failures in last December. 1961 saw a larger number of business failures than in any one of the last 28 years. Liabilities involved in these 1961 failures amounted to about $1,100 million, 2.4 times as much as the corresponding figure in 1955, and 4.6 times as much as that in 1948. The bankruptcy of this large

Behind Kennedy's "Shelter Programme"  Cartoon by Chiang Fua

May 11, 1962
number of small and medium-sized enterprises is also one of the causes of mass unemployment.

As a result of mergers, capital is further centralized and competition becomes more acute so that there is a greater need for modernization of production equipment and automation. The U.S. Department of Labor estimates that according to the current scale and tempo of modernization and automation, machines will replace every year about 1.8 million workers and clerks from their jobs. Under these circumstances, the U.S. unemployment problem will become even graver.

This large-scale merger movement and intensified centralization of capital will certainly lead to still more profound changes. The U.S. Business Week recently carried a report on the three great waves of mergers in the history of U.S. economic development. The first appeared in 1898-1902; the second, in 1926-30; the third, between the close of World War II and now. In this report, the year 1961 was regarded as the peak year of postwar mergers. At present it is still difficult to say whether this latest tide of mergers has reached its crest. Nevertheless, it is noteworthy that these waves of mergers are closely associated with economic crises. The first one was followed by the economic crises of 1903 and 1907. It was during the second big wave, in which mergers of enterprises and centralization of capital took place on a still bigger scale, that the severe economic crisis of 1929-33 broke out. It is true that in the postwar years and up to now, no crisis as serious as that of 1929-33 has yet occurred in the United States but there are signs that the U.S. economy is heading in that direction; the increasing competition among the monopoly capital groups and the tidal wave of large-scale mergers of enterprises are factors that are preparing conditions for another unprecedentedly grave crisis.

Deepening Contradictions

From what has been said above, it can be seen that the 1960-61 crisis in the United States has caused very profound changes in the process of reproduction of the relations of production in the United States. It has aggravated the contradictions between the U.S. working class and the monopoly capitalist class and the conflicts within the monopoly capital groups themselves; it has also caused the bankruptcy of a large number of small and medium-sized enterprises. The economic aftermath of this crisis is extremely serious.

(3) One basic trend in the development of the postwar United States economy is the shortening of the business cycles. According to calculations made by the U.S. bourgeois economists themselves, the interval between the 1948-49 crisis and the 1953-54 crisis was 45 months; that between the 1953-54 crisis and the 1957-58 crisis was 35 months, and that between the 1957-58 crisis and the 1960-61 crisis was only 25 months.

There is a second trend which also shows that the U.S. economy is very unstable. Production rose after each crisis; but the extent to which it has risen above its pre-crisis peak became less and less. For instance, production increased by 34 per cent after the 1948-49 crisis and by 10 per cent after the 1953-54 crisis; but after the 1957-58 crisis it increased by only 8 per cent.

As a matter of fact, some major branches of production have evidently entered the stage of decline. Steel output, which was 106 million tons* at its peak in 1955, has now dropped to between 85 and 90 million tons although steel-making capacity is 142 million tons. The peak output of passenger cars was 7.92 million in 1955; at present it is down to 5.54 million while the industry has a capacity of more than 10 million. Output of coal today is down to 359 million tons, from a peak of 620 million tons in 1947. Railway transport, textiles, household electric appliances and other branches of production are also in the stage of decline. One of the reasons why many industrial centres become depressed areas is that the major branches of industry there are industries already in the stage of decline. A few branches of industry in the United States are indeed still expanding; they include the electrical machinery, electric power and industrial chemical industries which have increased production over the 1957 level by 14, 31 and 37 per cent respectively. But growth of production in these branches alone can in no way reverse the basic downward trend in the U.S. economy.

Marked Decline of U.S. Position

(4) Owing to the uneven development of capitalism, great changes have taken place in the balance of forces inside the imperialist camp — there is a marked decline of the U.S. position in the capitalist world’s economy. The following changes have taken place between 1953 and 1961 in regard to the tempo of growth of industrial production and of exports in the major capitalist countries:

<table>
<thead>
<tr>
<th>Country</th>
<th>Growth of Industrial Production (%)</th>
<th>Growth of Exports In Value (%)</th>
<th>Growth of Exports In Volume (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>20</td>
<td>33</td>
<td>19</td>
</tr>
<tr>
<td>Britain</td>
<td>28</td>
<td>45</td>
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</tr>
<tr>
<td>West Germany</td>
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<td>France</td>
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</tr>
<tr>
<td>Italy</td>
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<td>237</td>
</tr>
<tr>
<td>Japan</td>
<td>217</td>
<td>232</td>
<td>246</td>
</tr>
</tbody>
</table>

The share of the major capitalist countries in industrial production in the capitalist world before the war, in the early postwar years and recently, registered the following changes:

<table>
<thead>
<tr>
<th>Country</th>
<th>1933 (%)</th>
<th>1945 (%)</th>
<th>1961 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>37.0</td>
<td>33.2</td>
<td>43.3</td>
</tr>
<tr>
<td>Britain</td>
<td>13.7</td>
<td>11.2</td>
<td>9.0</td>
</tr>
<tr>
<td>West Germany</td>
<td>3.6</td>
<td>3.9</td>
<td>5.0</td>
</tr>
<tr>
<td>France</td>
<td>3.3</td>
<td>2.6</td>
<td>4.1</td>
</tr>
<tr>
<td>Japan</td>
<td>3.6</td>
<td>1.0</td>
<td>4.8</td>
</tr>
</tbody>
</table>

The share of the major capitalist countries in the capitalist world’s exports before the war, in the early postwar years and recently, registered the following changes:

<table>
<thead>
<tr>
<th>Country</th>
<th>1937 (%)</th>
<th>1945 (%)</th>
<th>1961 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>14.2</td>
<td>32.5</td>
<td>17.7</td>
</tr>
<tr>
<td>Britain</td>
<td>11.2</td>
<td>9.8</td>
<td>9.1</td>
</tr>
<tr>
<td>West Germany</td>
<td>4.1</td>
<td>4.0</td>
<td>6.1</td>
</tr>
<tr>
<td>France</td>
<td>2.4</td>
<td>1.4</td>
<td>3.5</td>
</tr>
<tr>
<td>Japan</td>
<td>5.1</td>
<td>0.4</td>
<td>3.6</td>
</tr>
</tbody>
</table>

* All metric tons in this paragraph.
There are also great changes in the share of the major capitalist countries in the exports of manufactured goods. In 1951, the share of West Germany for the first time was on a par with that of the United States. The actual situation is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>United States</th>
<th>Britain</th>
<th>West Germany</th>
<th>France</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1937</td>
<td>19.6%</td>
<td>22.4%</td>
<td>7.2%</td>
<td>6.4%</td>
<td>7.2%</td>
</tr>
<tr>
<td>1950</td>
<td>27.3%</td>
<td>25.5%</td>
<td>7.3%</td>
<td>9.9%</td>
<td>3.4%</td>
</tr>
<tr>
<td>1961</td>
<td>20.3%</td>
<td>15.9%</td>
<td>20.3%</td>
<td>9.6%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

These changes in the balance of forces show clearly that the United States is running up against serious competition in the capitalist world. It is being pushed into a more and more disadvantageous position.

**Export of Capital**

Nevertheless, in so far as export of capital is concerned, the United States continues to be a powerful competitor. According to U.S. government statistics, direct private U.S. foreign investments in 1950 totalled about $12,000 million; they increased to $35,000 million in 1961. But, as the U.S. press itself has revealed, the actual figure is probably more than twice as high as the official estimate. This is because enormous investments are being concealed and because the book value of the assets involved is far lower than their actual value. Overseas markets directly captured by the United States through its foreign investments have long ago surpassed in size the markets of its export of commodities. In future U.S. monopoly capital will continue to increase its exports of capital and extend its overseas positions. Owing to the increasing number of competitors, these markets, however, are shrinking relatively. The market for certain important industrial branches is even shrinking absolutely. The further development of this kind of competition will cause the contradictions between production and market to become more and more acute within the capitalist world.

Finally, it must be pointed out that the dollar crisis which broke out during the 1960-61 crisis is an important indication that the international position of the United States has weakened. Since World War II, New York has always been the international financial centre and the U.S. dollar, the dominant currency in the capitalist world. These have been important tools of the U.S. financial empire in its bid for world domination. The United States is a country with a favourable balance of exports over imports, but in recent years it has faced a serious unfavourable balance in its international payments due to its huge imports of capital and its ever increasing military expenditures overseas. Between 1958 and 1960 the average annual unfavourable balance of payments run as high as $3,700 million. This has led to a constant outflow of gold and a marked decrease in its gold reserve. Along with the dollar crisis, French francs, West German marks and pounds sterling have also become convertible. The dollar is now no longer the sole dominant currency in the capitalist world. With regard to international short-term funds, the United States, by the end of last year, had $4,710 million of claims on foreigners while its liabilities amounted to $22,560 million. Its gold reserve had dropped to an equivalent of $16,947 million (in last March it dwindled further to $16,610 million, the lowest level since August 1939). If another $11,800 million (the prescribed 25 per cent reserve required by the Federal Reserve Bank as backing for its notes and demand deposits) is set aside, it is clear that so far as its transactions in short-term funds are concerned, the United States, as the international financial centre, has already sunk to a position in which its claims are smaller than its liabilities. In 1961, the dollar crisis was further followed by a sterling crisis; and the position of West German marks and French francs was thus relatively strengthened. A fierce struggle on the international monetary and financial front is thus unfolding among the major capitalist countries. The dollar crisis has not only weakened the international position of the United States but has at the same time deepened the contradictions inside the imperialist camp.

*(To be continued.)*

**Sino-Korean Solidarity**

**Chinese N.P.C. Delegation’s Successful Visit to Korea**

The delegation of the Chinese National People’s Congress has concluded a most successful visit to the Korean Democratic People’s Republic. It returned to Peking on May 4.

While in Korea, its members led by Peng Chen, Vice-Chairman of the Standing Committee of the Chinese N.P.C., travelled far and wide, visiting Pyongyang, Hamheung and other cities and taking part in a host of activities. They were deeply moved by the warmth of the welcome they received everywhere they went, a warmth stemming from the great friendship and unity of the Chinese and Korean peoples.

This visit took place at a time when the Korean people were celebrating the 30th anniversary of the founding of the Korean Anti-Japanese Partisan Detachment, a memorable event in the fraternal relations between the peoples of China and Korea. At a mass rally to celebrate the anniversary on April 25, Peng Chen paid

*May 11, 1962*
tribute to the glorious revolutionary tradition handed down by the anti-Japanese guerrillas led by Comrade Kim Il Sung.

The Anti-Japanese Partisan Detachment was formed thirty years ago in the Changpaishan Mountains and the Yalu River valley during the dark years of Japanese imperialist occupation of Korea and northeast China. During the long years of struggle in which the Chinese and Korean guerrilla detachments fought shoulder to shoulder against the invaders, a close friendship was forged between the two peoples. This friendship was further cemented later in the battles against U.S. imperialism.

At the present time, the U.S. aggressors are still occupying China's territory of Taiwan, and the southern part of Korea. Washington is increasing its efforts to bring the Japanese militarists, the Chiang Kai-shek gang and the south Korean fascist junta into an aggressive "Northeast Asian Military Alliance." But the peoples of China and Korea, standing as sentinels on the eastern outpost of the socialist camp in the struggle against U.S. imperialist aggression and in defence of peace in Asia and the world, will continue to aid and support each other at all times.

China Supports Korea's Reunification

Peng Chen, speaking at a banquet in Pyongyang given in honour of the Chinese delegation by Choi Yong Kun, President of the Presidium of the Supreme People's Assembly, reaffirmed the solid unity between the two peoples. He condemned the Kennedy Administration's attempts to keep Korea divided and to turn south Korea into its colony and military base. Peng Chen pointed out that the Pentagon's policies of aggression and war have brought about an increasingly grave situation in the area, but that no action by U.S. imperialism and its followers, however perverse, can shake the Korean people's firm determination to unify their country. The Korean question should be settled by the Korean people themselves. U.S. imperialism must get out of south Korea. The Chinese people have always stood and will always stand by the Korean people, resolutely supporting their sacred cause and their just struggle for the reunification of their country, he declared.

Friendship for the Chinese people and the Korean people's enthusiasm in socialist construction deeply impressed the delegation members. When they visited the Whanghai Iron Works, one of Korea's big modern iron and steel centres, Peng Chen spoke of the Chinese people's great admiration for the Korean workers and lauded the close ties between this factory and China's Shihchingshan Iron and Steel Company. He said: "This mill is not unfamiliar to us. We know that the ruthless U.S. aggressors dropped 30,000 bombs on your factory and claimed that its chimneys would never smoke again. We know that, three days after the armistice, Comrade Kim Il Sung came here and told all the workers: 'The enemy dreamt of wiping this factory from the face of the earth but we will rebuild it and it will be better than ever before.' We also know that in response to this appeal, you not only healed the wounds of war in the short span of two years but rebuilt your factory into a modern integrated iron and steel centre."

In the last few years, extremely friendly relations have grown between the workers of Whanghai and Shihchingshan. They have assisted each other and learnt from each other's experience.

A moving ceremony that took place in one of the offices of the Presidium of the Supreme People's Assembly the day before the Chinese delegation left Korea was one of the most memorable occasions of the tour. At this ceremony, the Presidium of the Korean Supreme People's Assembly awarded the Order of the National Flag, first class, to Peng Chen in recognition of his great contribution as an organizer of the Chinese people's movement to resist U.S. aggression and aid Korea, of his active support to the just struggle of the Korean people against U.S. imperialist aggression and of his efforts in strengthening and developing the traditional friendship and co-operation between the Korean and Chinese peoples.

Peking Review
The great May Fourth Movement broke out in China 43 years ago. This was the first thoroughgoing and uncompromising revolutionary struggle of the Chinese people against imperialism and feudalism.

Historical and Social Background

That movement had deep historical and social roots. In 1840 foreign capital, with British capital in the lead, began penetrating China, turning it, step by step, into a semi-colonial and semi-feudal country. Imperialism and feudalism weighed down on the Chinese people like two great mountains. The 1911 Revolution led by Dr. Sun Yat-sen failed to accomplish the task of overthrowing imperialism and feudalism, and the fruits of that revolution were usurped by Yuan Shih-kai, head of the imperialist-fostered warlords. Yuan sold out the nation's sovereign rights, restored the monarchy and established a dictatorship. In 1915, he signed the Japanese-imposed “Twenty-one Demands” which gave the Japanese imperialists control of China's political, financial and military affairs. Yuan died in the following year and Tuan Chi-ju, another warlord, took power. The warlords split up into different cliques each trying to get backing from one or other of the imperialist powers; they vied with each other in bartering away the nation's sovereignty. The imperialist scramble for spheres of influence and privileges in China led to constant civil wars between these various warlord cliques. The traitorous and dictatorial policies of the warlord governments and their constant internecine fighting brought untold suffering to the Chinese people. The contradiction between imperialism and the warlord regime on the one hand and the masses of the Chinese people on the other became more acute than ever.

On the other hand, new revolutionary forces were growing. Chinese national capitalism had been developing since the mid-19th century, and, during World War I, its growth was accelerated when there was a reduced flow of European and American exports to the Orient. This was known as the “golden age” in the history of the development of Chinese capitalism. Take, for instance, the textile and flour industries — two branches of industry that grew at the fastest rate. The number of spindles in cotton mills owned by Chinese national capital more than trebled between 1913 and 1921. In 1913 China's net imports of flour amounted to 2,460,000 piculs. Two years later China was exporting more flour than it was importing; by 1919 net exports of flour reached 2,420,000 piculs.

Change in Alignment of Class Forces

The growth of capitalism resulted in a change in the alignment of class forces in Chinese society. The ranks of the working class, the national bourgeoisie and intellectuals grew. Since contradictions existed, in varying degrees, between them on the one hand and imperialism and feudalism on the other, their growth represented the development of the revolutionary forces in China. In the six years between 1913 and 1919, the number of industrial workers shot up from 650,000 to 2 million. Suffering from a triple oppression by imperialism, feudalism and domestic capitalism, the working class, representing the new forces of production, is the most revolutionary class in modern China. Its growing strength profoundly influenced the Chinese revolutionary movement.

The turn of world events further stimulated the awakening of the Chinese people. The end of World War I saw the collapse of three imperialist powers — the German, Austro-Hungarian and tsarist Russian Empires — and the weakening of British and French imperialism on the one hand and on the other the Great October Revolution staged by the Russian proletariat who founded the world's first socialist state. Under the influence of the October Revolution, the proletarian revolution in several countries surged to a new high: German and Hungarian workers established soviets and the workers of Britain, France, Italy and other countries staged great strikes. The situation in which imperialism was declining and the proletariat was increasing in power greatly encouraged the Chinese people, bringing them new hope of national liberation.

Impact of the October Revolution

The Chinese people came under the influence of the October Revolution as a result of the work of the progressive elements in the country. The fact that the 1911 Revolution ended in failure had caused these progressives in China to doubt the feasibility of establishing a bourgeois republic, and they were still groping to find some way out for the country. The Great October Revolution pointed out the road to liberation to the Chinese people along with all the other oppressed peoples of the world. Under the impact of the October Revolution there emerged
in China a number of intellectuals who supported that revolution and had some rudimentary understanding of communist ideas.

These intellectuals were represented by Li Ta-chao, who was then a professor at Peking University. In his articles "Victory of the Common People" and "Victory of Bolshevism," both published in 1918, he pointed out that World War I ended in the victory of Bolshevism, which helped to bring about a fundamental change in the world situation, and that the doom of imperialism and of all reactionaries was inevitable. He also declared that "the world of the future will be the world of the Red Flag," and urged the Chinese people to emulate the Russian revolution. In Peking, Li Ta-chao rallied around himself a number of progressive intellectuals, published the magazines Weekly Review and Citizens, set up the "Young China Society" and other organizations, and devoted himself to the propagation of Marxism and to anti-imperialist and anti-feudal revolutionary activities.

**Deepening of the New Cultural Movement**

Thanks to the influence of the October Revolution and the revolutionary activities of Li Ta-chao and other like-minded intellectuals, a remarkable change took place in the intellectual circles of China. Between 1915 and 1918, the radical petty-bourgeois democrats had joined hands with a section of the bourgeois intellectuals to launch the new cultural movement against feudalism. With the magazine New Youth (first published in 1915) as its bastion, this movement lashed out at the feudal ethics and morals which had prevailed in China for thousands of years; it advocated democratic and scientific ideas and called for a revolution in literature. It attacked reactionary feudal culture with unprecedented violence, and helped the people to free themselves from feudal bondage. But this new cultural movement still only proposed the establishment of a bourgeois democracy after the French pattern; it was not yet linked up with the political movement against imperialism and feudalism. Now, around 1919, with some of its leaders and many students accepting the revolutionary ideas flowing from the October Revolution, the new cultural movement began to develop into one that disseminated Marxism and spread thoroughgoing anti-imperialist and anti-feudal revolutionary ideas. It sounded a clarion call for the political struggle against the twin enemies of the Chinese people.

It was at this juncture, when class contradictions at home were becoming more acute and the new revolutionary forces in China, inspired by the world proletarian revolution, were becoming more and more awakened, that there came the news of the diplomatic failures of the Chinese government at the Paris Peace Conference. This immediately touched off a raging anti-imperialist and anti-feudal struggle among the Chinese people.

**The Paris Peace Conference — A Bitter Lesson**

The Paris Peace Conference called in January 1919 by the United States, Britain, France and other victor nations of World War I was a conference to divide the spoils of the war and redistribute the colonies. Before the opening of the conference, however, the imperialist powers with supreme hypocrisy declared that they would uphold the principles of "justice" and "national self-determination." Deceived by this imperialist propaganda, the Chinese national bourgeoisie as well as some of the intellectuals hoped to regain China's national independence and freedom through the conference. Under popular pressure, the Chinese delegation therefore presented the conference with the demands that the special rights held by the imperialist powers in China should be abolished, that the "Twenty-one Demands" imposed by Japan be annulled, and that the various rights previously enjoyed by Germany in Shantung and seized by Japan during the war be restored to China. The conference refused outright to discuss the first two demands. As to the third demand, it even went so far as to stipulate in the Peace Treaty that Japan should succeed to all German rights and interests in Shantung.

Faced with these unjust decisions, the spineless Peking warlord government was actually prepared to kneel under to the dictates of the imperialist powers and sign the Peace Treaty. When this became known, the whole nation was enraged. The Paris conference was a bitter lesson to the Chinese people. They learnt to see through imperialist propaganda and came to realize that they could never expect to win national emancipation as a "favour" bestowed by the imperialist powers; that only by relying on their own efforts and by rising to effect a "direct solution" as the Russian people had done, could they achieve national independence and freedom. The Paris Peace Conference kindled an unquenchable struggle in China.

**Students Protest**

On May 4, 1919, thousands of Peking students held a rally in front of Tien An Men. At the rally, they put forward the slogans: "Uphold our sovereignty! Down with the traitors!", "The Peace Treaty must not be signed!", "Abolish the Twenty-one Demands!", "We swear to recover Tsingtao!" These slogans expressed the demand of the whole Chinese people for absolute opposition to imperialism and feudalism; they became the watchwords of the nationwide struggle that followed.

In the past the Chinese bourgeoisie were afraid of offending imperialism while attempting to carry out the democratic revolution. For instance, after the 1911 Revolution, the Nanking provisional government, fearing imperialist intervention, announced its recognition of all the privileges enjoyed by the imperialist powers in China. Now the May Fourth Movement, under the impact of the October Revolution, raised aloft the banner of struggle against imperialism and opened up a new phase in the democratic revolution of China. The slogan "Uphold our sovereignty! Down with the traitors!" showed that the Chinese people had realized that the warlord government was just a prop of imperialist rule in China and had linked the anti-imperialist struggle with the struggle against feudalism. It also showed that the people were prepared to wage a more thoroughgoing struggle than before. The revolutionaries of earlier periods harboured the illusion that they could overthrow the feudal forces at home with the "assistance" of foreign imperialist powers (this was the case in the 1911 Revolution) or in their fight against imperialism failed to deal effective blows against the domestic feudal forces, which had collaborated with the foreign imperialist powers (this was the case with the YI Ho Tuan Movement of 1900). Consequently, all these earlier movements failed.
During the May Fourth Movement, the pro-Japanese traitors denounced by the people throughout China were: Minister of Communications Tsao Ju-lin, who as Vice-Foreign Minister under the Yuan Shih-kai government signed the "Twenty-one Demands"; Director of the Currency Bureau Lu Tsung-yu, who served as the Chinese Minister to Japan when the "Twenty-one Demands" were signed; and the then Chinese Minister to Japan Chang Tsung-hsiang, who sold a number of railway rights to Japan. Casting aside the traditional "politeness" and "polished, gentlemanly manner" of the Chinese intellectuals, the students taking part in the demonstrations resorted to militant, direct action. They set fire to Tsao Ju-lin's house and beat up Chang Tsung-hsiang. The warlord government immediately dispatched large numbers of gendarmes and policemen, who arrested 32 "rioting" students. On May 5, the university and college students in Peking staged a general strike calling for the release of the arrested and pressing their other demands. On May 6, a student federation was set up, embracing the colleges, universities and secondary schools in the city. The federation quickly organized propaganda groups which took the revolutionary, patriotic message out onto the streets and into the countryside. It also launched a campaign to boycott Japanese goods, and took steps to spread the patriotic movement throughout China. A prompt response came from Tientsin, Shanghai, Changsha, Wuhan, Tsinan and other cities, where the students also went on strike. From May 4 to the beginning of June, students in more than 50 large and medium-sized cities went on strike.

Three Groups of Intellectuals

Three groups of intellectuals participated in the movement: the communist intellectuals, revolutionary petty-bourgeois intellectuals and bourgeois intellectuals. When the movement took to revolutionary methods those bourgeois intellectuals represented by Hu Shih (then a professor of Peking University) grew panic-stricken and promptly accused it of "going too far" and "lacking Anglo-American statesmanship." Some even opposed the continuation of the strikes and declared that the students should return to their classrooms and "devote themselves to their studies." The communist intellectuals, however, took an entirely different stand. They threw themselves actively into the movement, and, at the same time, supported and guided it through the propaganda medium of the Weekly Review and other progressive journals. When the movement spread and struck deeper roots, Li Ta-chao wrote an article in the Weekly Review entitled "Secret Diplomacy and the World of Robbers." Here he pointed out that the final objective of the people's revolution should be the realization of "national self-determination" and the "transformation of the world of robbers," or, in other words, the winning of national independence and the overthrow of world imperialist rule. He thus explicitly integrated the patriotic movement with the world anti-imperialist struggle to make it a more thoroughgoing revolutionary movement. This further awakened the masses and stimulated their militancy. The Weekly Review also called upon workers, peasants, businessmen, intellectuals, newspapermen, policemen, soldiers, government employees, in a word, all strata of the people, to join the struggle; it pointed out that the patriotic movement should develop from a student struggle into a joint militant campaign of the people from every walk of life. In other words, it urged that the patriotic united front should be broadened in order to expand the forces of the patriotic movement. The May Fourth Movement at that time was advancing precisely along the lines charted by the communist intellectuals.

Alarmed by the growth of the patriotic student movement, the Japanese imperialists deployed troops, police and secret agents to suppress it; at the same time they put pressure upon the warlord government and demanded a government ban on it. On June 3, the warlord government in Peking arrested 178 students for carrying on patriotic propaganda in the street. On June 4, it arrested 800 more. Student propaganda activities, however, continued to expand. The young people doing this work showed the greatest resolution. They even carried their bedding with them and were fully prepared for imprisonment. These mass arrests of students added fuel to the flames of the struggle.

Mass Movement Surges Higher

As news of the arrests spread, the patriotic mass movement surged higher throughout the country. On June 3, the movement entered upon a new phase of development. This came to be known as the "June 3 Movement." Workers joined the struggle, staging political strikes in support of the students. The urban petty bour-
geoisie and the national bourgeoisie were also drawn into the movement. The patriotic movement thus developed from a struggle of young intellectuals into a mass campaign of the whole people. The working class became the main force of the movement in place of the students, and the centre of the movement shifted from Peking to industrial and commercial Shanghai.

Over 500,000 industrial workers were concentrated in Shanghai, the industrial centre of China. This city was also imperialism's main base for aggression against China. This accounted for the relatively greater acuteness of class contradictions and national contradictions in that city. Moreover, the seamen of Shanghai had been in frequent contact with the European workers, and, both during and after World War I, large numbers of Chinese workers had returned there after working abroad for the Allied Powers in Europe during the war. The Shanghai workers thus came under the influence of the world proletarian revolution somewhat earlier than workers in other cities. All this explains why Shanghai became the birthplace of the June 3 Movement and why the working class there came forward as the nucleus and vanguard of this movement.

Workers Enter Struggle

On June 5, after news of the mass arrests of students in Peking reached Shanghai, workers in the Japanese-owned cotton mills in the city were the first to call a protest strike. Workers in British, American and French enterprises as well as those in the enterprises run by the national capitalists soon followed suit. Simultaneously with the workers' strikes, on June 5 commercial enterprises in the city, at the request of the students and with the support of their shop assistants, began to suspend business. The student strikes continued to spread. The industrial strikes, the closing of shops and the student strikes combined into a powerful revolutionary force. The industrial strikes stopped the city's transport; the stoppage of production and the closing of shops paralysed the whole economic life of the city.

The outbreak of the popular patriotic movement in Shanghai sparked similar developments in other cities with considerable concentrations of workers. These too centred on the workers' strikes. Industrial strikes were called in Nanking, Hangchow, Tientsin, Tangsham, Klu-kiang and other cities. Traffic was stopped on many trunk railway lines. Strikes in various port cities brought the export and import trade to a standstill. Many more cities joined the movement with student strikes and the stoppage of trade. Within a week of June 3, the movement had swept to 150 cities in 22 provinces. Overseas Chinese and Chinese students studying abroad also responded to the call of the movement.

The imperialists and the warlord government had taken painful body blows from the patriotic movement; now they collaborated to suppress the people's struggle. More warships were dispatched to China from Japan, Britain and France. The warlord government besieged the factories on strike with its troops, police and secret agents. It made more mass arrests of patriots. It declared the boycott of Japanese goods illegal, sealed the premises of the student federations and other patriotic organizations and banned the publication of revolutionary journals. It also used splitting tactics against the movement, trying to force the businessmen to reopen their shops first in order to isolate the workers in their strike struggle and then force the latter to return to work too. When the movement first started, the national bourgeoisie showed some considerable enthusiasm in the struggle. This was especially so in the boycott of Japanese goods, which coincided with their own interests, giving a grand opportunity for Chinese-made goods to take the place of Japanese goods. But as soon as the workers' strikes grew to threatening proportions and the reactionaries intensified their repressions, the national bourgeoisie began to show signs of wavering. They put forward the appeal for a "civilized boycott" and "no rioting"; they tried to keep the struggle within the limits of "legality." They even prepared to reopen their shops and seek a compromise with the reactionaries. They used all sorts of pretexts to restrict and obstruct the workers' strikes.

The working class, however, displayed characteristic steadfastness in the struggle. They broke through the siege of the factories by the reactionary troops and police, repudiated the restrictions of the bourgeoisie and their obstructions, and persisted in their strikes. In cooperation with the students, they succeeded in overcoming the vacillation of the bourgeoisie and foiled their attempts to reopen their shops and compromise with the reaction.

Nucleus of Leadership

As the movement developed, workers and students, the petty bourgeoisie and national bourgeoisie all over the country established a broad, national-democratic united front. This took the form of "student federations," and "federations of all circles of the population," etc. The various societies formed by the communist intellectuals and the revolutionary youth under their influence became the nucleus of leadership of such united front organizations. These societies included the "New People's Study Society" in Changsha led by Mao Tse-tung, the "Society of Awakening" in Tientsin led by Chou En-lai and Teng Ying-chao, and the "Society of Benefits for the Masses" in Wuhan led by Yun Tai-ying. Throughout the course of the movement, these societies gave the masses the education for a thorough opposition to imperialism and feudalism, and mobilized them to fight against every manifestation of bourgeois reformism. With this staunch leadership the movement held out till the end. Steeling in struggles of the May Fourth Movement and their study of Marxism, the finest members of these societies subsequently became the founders of the Chinese Communist Party.

The warlord government was finally compelled to yield as a result of the vigorous development of the nationwide revolutionary movement and especially the mighty strike movement waged by the workers. It released the arrested students and ordered the dismissal of the traitorous officials Tsao Ju-lin, Lu Tsung-yu and Chang Tsung-hsiang. The Chinese delegation to the Paris Peace Conference was ordered to refuse to sign the Peace Treaty. The May Fourth Movement scored a great victory.

That victory in the first thoroughgoing and uncompromising anti-imperialist and anti-feudal revolutionary movement in the history of China, was mainly due to the fact that under the impetus of the October
Revolution the Chinese working class had for the first time stepped onto the political stage.

The communist intellectuals were the first to take the road of the October Revolution. They played the leading role in the May Fourth Movement, and adopted the proletarian world outlook as a means of studying and solving the problems of the Chinese revolution. They helped the people discard their illusions about imperialism. And, for the first time in the history of the democratic revolution in China, they raised the banner of a thorough struggle against imperialism, integrating the anti-imperialist struggle with the struggle against feudalism. Unlike the previous leaders of the democratic revolution, who only aspired to the establishment of a bourgeois republic in China, these communist intellectuals linked the anti-imperialist and anti-feudal struggle with the ideal of “transforming the world of robbers” and founding a socialist society. They directed the struggle towards these far-reaching goals and imbued the whole movement with a thoroughgoing revolutionary spirit.

Decisive Factor for Victory

The May Fourth Movement was a revolutionary mass movement with working-class participation. Before this movement, the Chinese working class had not appeared as an independent political force in the democratic revolution; the leaders of that revolution either had the petty-bourgeois ideology characteristic of the peasantry and failed to unite closely with all the other revolutionary forces and see through to the future of the struggle, or they were bourgeois-minded, afraid of the workers and peasants on the one hand and of imperialism and feudalism on the other. In either case they were incapable of carrying through the task of overthrowing imperialism and feudalism. The May Fourth Movement, however, brought about a complete change in the situation. The working class stepping onto the political stage showed the greatest revolutionary firmness and thoroughness in the anti-imperialist and anti-feudal struggle. Their entrance into the struggle was the decisive factor contributing to the victory of the May Fourth Movement.

From the very start, the May Fourth Movement resorted to “direct solution,” that is, the launching of a revolutionary mass movement by staging demonstrations, industrial and commercial strikes and student strikes in a blow-for-blow struggle against the reactionaries. This greatly heightened the revolutionary consciousness of the masses.

Pitting itself against “the world of robbers”—the world capitalist class—the May Fourth Movement won the sympathy and support of the world proletariat, while bringing down on itself the opposition of world imperialism. Prior to the May Fourth Movement, the democratic revolution in China was a component part of the world bourgeois revolution; with this movement, it became a component part of the world proletarian revolution.

Birth of the Communist Party

The May Fourth Movement testified to the correctness of the revolutionary road opened up by the October Revolution and helped to hasten the spread of Marxism-Leninism. After the May Fourth Movement, the broad masses of revolutionary intellectuals became increasingly eager to get to know Soviet Russia and longed for socialism. The New Youth and other magazines spreading the new cultural ideas published “Marxist Studies,” “Studies of Russia,” “May Day” and other regular columns or special numbers to disseminate Marxism and criticize the various anti-Marxist ideas then current in China. They started the first Marxist study movement in the history of China. Marxism soon became the main current in the new cultural movement. The ranks of communists began to grow rapidly. Thus the May Fourth Movement, both ideologically and in the matter of training cadres, paved the way for the founding of the Chinese Communist Party.

The greatest achievement of the May Fourth Movement was that it speeded up the integration of the Chinese working-class movement with Marxism. The birth of the Chinese Communist Party in 1921 marked that integration.

After the May Fourth Movement and the founding of the Chinese Communist Party, the Chinese revolution assumed an entirely new aspect. Thereafter the Chinese democratic revolution, under the leadership of the great Chinese Communist Party, advanced to victory step by step following the road of the October Revolution.

News Analysis

“Special Warfare,” Fancy Name for Dirty Colonial War

WASHINGTON is stepping up its large-scale, direct armed intervention in south Viet Nam. Its propaganda machine is turned on full blast publicizing its so-called “special warfare.” Pentagon brass compete in bragging about the “ability and strength” of the U.S. military to fight and win this “new-type” war in south Viet Nam, while State Department officials openly talk about U.S. readiness to give its “effective support to other free nations of the world in similar straits.” The Kennedy Administration, using south Viet Nam as a testing ground for its “anti-guerrilla warfare,” is trying to blackmail the south Vietnamese. “Don’t you dare fight for your
freedom, or else….” Such is the blunt threat U.S. propaganda is posing to the oppressed peoples of the world fighting for their national liberation.

But what is this vaunted “special warfare”? Recent developments in south Viet Nam, particularly the so-called “Operation Sunrise,” show that it is nothing but a bloody colonial war waged under modern conditions.

Militarily, it is a combination of large-scale “mopping-up” operations and surprise commando attacks, followed by wholesale burning of villages and compulsory herding of the peasants into so-called “strategic villages” — a euphemism for concentration camps. By such brutal “annihilation campaigns,” the Pentagon strategists hope 1) to trap and wipe out the people’s forces, 2) to tighten their control and rule over the peasants and 3) finally to make it impossible for any people’s forces to operate or survive.

**Colonial War With Modern Weapons**

Such are the ugly realities of U.S. “special warfare” as applied in south Viet Nam. Of course, except perhaps for its new-fangled name, there is nothing original in this pet Kennedy project. Twenty years ago, in the course of China’s war of resistance to Japanese aggression, the Japanese imperialists resorted to the same tactics against the Chinese people’s guerrillas. At that time, they pitted large forces against the Liberated Area in north China and combined “mopping-up” campaigns with surprise attacks, carrying out wholesale burning, killing and looting to create vast areas of no man’s land and herding the peasants into special villages under strict surveillance. Yet, despite all these bloody measures, the people’s guerillas grew and expanded, and, in the end, the Japanese invaders were defeated and kicked out. After World War II, the French colonialists too employed such anti-guerrilla tactics against the Vietnamese people’s forces and the Algerian National Liberation Army. Here too the aggressors failed miserably.

If there is any difference between U.S. “Operation Sunrise” and the Japanese “Public Security” campaigns in China and the “Navarre Plan” which the French colonialists tried out during the Indo-China war, it is the fact that the Kennedy Administration has now combined all the brutal methods used by the various old colonialists and supplemented them with up-to-date modern weapons — helicopters, defoliant chemicals, concussion bombs, etc.

U.S. imperialism has resorted to this “special warfare” in south Viet Nam precisely because all its previous attempts to bolster up the tottering Ngo Dinh Diem puppet regime have failed. No amount of U.S. dollars or weapons can save the hated Diem regime from collapse. The fascist rule of the Ngo Dinh Diem puppet clique has left the south Vietnamese people no alternative but to rise up and fight. So widespread is the people’s movement and so precarious Diem’s rule that the U.S. neo-colonialists can no longer afford to hide behind their usual facade. That is why they have come out into the open: U.S. troops are taking a direct part in a war of suppression against the national-liberation movement of the south Vietnamese people.

Yet, the days are gone when the colonialists could ride roughshod over the colonial peoples. The people of south Viet Nam won’t take it lying down. They have a glorious tradition of struggle against oppressors, both foreign and home grown. Tempered in the crucible of protracted struggles against both French and Japanese imperialism, they are showing that they know how to deal with the U.S. imperialists too.

True, so far as weapons are concerned, the people of south Viet Nam are at a disadvantage at the present time. But, it is people, not weapons, which in the final analysis decide the outcome of a war. In his article “On the Protracted War,” Mao Tse-tung has said: “By mobilizing the common people of the whole country, we shall create a vast sea of humanity to drown the enemy in, remedy our shortage in arms and other things, and secure the prerequisites for overcoming every difficulty in the war.”

This is precisely what is happening in south Viet Nam. The bloody colonial war conducted by the Kennedy Administration in south Viet Nam, side by side with U.S. political, economic and cultural aggression and oppression, is intensifying the people’s hatred for U.S. imperialism and making them rally still closer in their struggle. In time, they will perfect their strategy and tactics, remedy their deficiencies in arms and drown the foreign invaders.

**An Anachronism of History**

In spite of the “Staley Plan,” “Operation Sunrise” and such devices, the struggle of the south Vietnamese people is mounting. The south Vietnamese popular self-defence forces, supported by the broad masses of the people, have been quite successful in their counter “mopping-up” campaigns. Hundreds of thousands of people have taken part in mass struggles against Diem’s rule. One “strategic village” after another has been destroyed, and people’s fighting villages established in their place.

A recent article in the New York Post revealed the pessimism and uncertainty felt in certain quarters in the United States. “The Americans in Viet Nam,” it says, “have learnt guerrilla tactics. But neither they nor Diem’s soldiers have yet learnt to swim in the sea of the people.” The truth is, they never will. No anti-popular troops can apply the strategy and tactics based on a popular war. During a tour of the war areas in south Viet Nam, U.S. Army Secretary Stahr acknowledged that the jungle warfare there was “amazingly difficult.” This is a telltale admission. Kennedy’s “special warfare,” conducted in this age of people’s liberation, will end up like all anachronisms — in the dust-bin of history.
From "Staley Plan" to "Operation Sunrise"

THE "special warfare" the Kennedy Administration is now carrying out in south Viet Nam is a long prepared move in its aggressive and adventurous campaign there.

In May 1961, not long after his inauguration, Kennedy sent Vice-President Johnson to Saigon to assure the Ngo Dinh Diem clique of continued U.S. support. Shortly afterwards, Washington and Diem began working out a new military programme to crush the patriotic movement in south Viet Nam; simultaneously, a special Viet Nam task force was set up under the U.S. State Department. In charge were Sterling J. Cottrell, a State Department official, and Brigadier-General Edward Lansdale, the Pentagon's "guerilla warfare expert." In mid-June, Kennedy sent a mission to south Viet Nam headed by Eugene Staley, Research Director of the Stanford Research Institute of California. On its return, the mission submitted to the President a secret plan for all-out aggression in that country, widely known as the "Staley Plan." (See Peking Review, No. 43, 1961, p. 12.)

"Staley Plan" in Action

Kennedy's special military adviser, Maxwell Taylor, arrived in Saigon in mid-October to work out ways of putting the "Staley Plan" into effect. He suggested that two lines—one "tough," the other "soft"—be used to deal with the south Vietnamese people. The "tough" line calls for more effective military action against them by the use of more U.S. military personnel and helicopters, and the reorganization of Diem's army command; the "soft" seeks to fool the people by introducing some "economic, administrative and health" measures side by side with military action. Taylor considers the "soft" line the most important if Diem is to keep the territory he has "recovered" from the guerilla forces.

Washington decided that, to put Taylor's ideas into practice, it must tighten up its control of the Ngo Dinh Diem clique in the military, political and economic fields. In early December, Frederick E. Nolting Jr., the U.S. Ambassador in Saigon, finally forced Diem to accept an 11-point "economic and social development" programme, and was in turn assured that the United States would be allowed "to overhaul the organizational structure of the [Diem] government in order to strengthen its effectiveness and efficiency in all fields — military, economic and intelligence." From then on, as The New York Times noted contentedly, "Americans will be flying Vietnamese troops [Diem's puppet forces] into battle and accompanying them in combat on the ground — Americans will help run the Vietnamese intelligence system, assist in military planning and have a voice in measures to improve social and economic conditions."

This Nolting-Diem confab was immediately followed by Kennedy's announcement of more "aid" to the Diem clique: American helicopters, bombers and military personnel were poured lavishly into the country. The U.S. imperialists have, since then, taken a direct part in the bloody massacre of the people of south Viet Nam.

On February 8 this year, Washington announced the setting up of a so-called "U.S. Military Assistance Command, Viet Nam" under P.D. Harkins. This is in direct command of the U.S. armed forces now fighting side by side with the Ngo Dinh Diem troops. After a number of talks with Defense Secretary McNamara, Harkins worked out a "new strategy" for U.S. aggression in south Viet Nam. Instead of trying to carry out "mopping-up" operations on a nationwide scale, this "new strategy" aims to wipe out the guerilla forces "in a particular area within a specified time." In order to cut off supplies for the people's armed forces and their connections with the outside world, it was decided that the United States would provide the means (chemicals, technicians, etc.) with which to destroy forests and crops and thus turn many parts of the country into a "no man's land." Peasants from the areas affected would be herded into "strategic villages" so as to prevent them from joining the people's guerillas or giving them information and food. Here we see the "Staley Plan," modified by Taylor, in action.

"Operation Sunrise"

In late March, Washington and the Ngo Dinh Diem clique started carrying out this "new strategy" by launching large-scale military repression under the code name "Operation Sunrise." This is divided into three stages: 1) all-out "mopping-up"; 2) implementation of a "psychological warfare" programme; 3) establishment of local government organs in the so-called "strategic villages." In plain words, in co-ordination with their military "mopping-up" operations, the U.S.-Diem clique seeks to herd the peasant masses into concentration camps and then, in the name of "social reforms," rule them with an iron hand. Peasants — their homes destroyed, their food grains and crops burnt — are now being driven by terror into these "villages." Hoping to "secure permanently the land from which the guerillas were swept," it is trying to dot with these "villages" the ten provinces which cover a vast area from the border regions adjoining Cambodia to the South China Sea coast. But the people's resistance against this is strong from the very beginning.

May 11, 1962
THEATRE

Chinese Drama on the Japanese Stage

Third Sister Liu, the lively Kwangsi folk opera which captivated Peking some two years ago with its poetry and wit, is proving to be just as big a hit in Japan. The Japanese version, arranged and staged by the Tokyo Workers' Music Association, had its premiere on February 15, and is moving towards its 60th performance after being seen by more than 150,000 people. As many as 60 actors and actresses from Tokyo's 12 leading opera and ballet theatres, dramatic companies and choirs are taking part in the opera. The noted composer Hikaru Hayashi re-arranged the score after hearing the Chinese original during a visit to China. He has used mainly Western wind and string instruments with the addition of Chinese style percussion. Koreo Senda, the producer, also studied the Chinese original when he came to China in 1960. In Tokyo he has arranged to get his audiences to join in the singing with the cast in places. This has linked auditorium and stage in a most effective way. The excitement, gaiety and warmth created on the stage leaps like an electric spark to stir the audience. The orchestra pit simply disappears. Audiences become actors. The Japanese theatre has a tradition of handing out cards to the audience for their comments. One such card reads: "We heard that New China's theatrical arts are first rate. This performance shows that's more than true!" Another says: "Third Sister Liu reminds us of existing conditions in Japan. Let's follow her example — using our songs to spell out the doom of our oppressors!" Japanese audiences with their tremendous love of song have delighted in this dauntless Chinese songstress of a thousand years ago who, according to legend, used her witty songs to expose the landlord oppressors and confound their hired intellectuals. "This play," says Peggy Hayama, the noted Japanese singer who plays the role of Third Sister Liu, "has deepened my understanding of China."

This is the first time that a folk opera like Third Sister Liu has been translated into Japanese and staged in Japan but other types of Chinese drama, modern plays, Peking and modern operas are by no means new to Japanese audiences. Thunderstorm, the classical modern tragedy by Tsao Yu, one of China's most eminent contemporary playwrights, was staged in Japan by Chinese students as early as 1934. This was followed by a production of Flood by another outstanding playwright, Tien Han. Since the founding of the Chinese People's Republic, more Chinese plays and operas have been seen on the Japanese stage. In recent years Japanese audiences have seen and praised such plays as The True Story of Ah Q, adapted from Lu Hsun's short story of the same title; Chu Yuan by Kuo Mo-jo; Kuan Han-ching by Tien Han; Oppression by Ting Hsi-lin; and Lao Sheh's Peking Singsong Girl, Dragon Beard Ditch and Rickshaw Boy. Tsao Yu's two best pre-liberation tragedies, Thunderstorm and Sunrise, have been on the repertoire of the Japanese theatre for the last 20 years. His other plays, Transformation, Wilderness, Bright Sky and others, are also well known to Japanese theatre-goers.

In 1957, the Izumiza Dramatic Company staged Thaw on the Ice-Bound River by Ma Shao-po and others, a play depicting the abolition of prostitution after liberation. In 1958, the Nakama Dramatic Company celebrated its 5th anniversary with the production of a Chinese children's play, The Magic Aster by Jen Teh-yao, which it later entered in a children's play competition sponsored by Tokyo's Bureau of Education. Its 38 shows on that occasion were seen by 80,000 children.

In 1960, when the Japanese Modern Drama Company visited China, they saw the Shanghai People's Art Theatre production of A Withered Tree Revived, by the young playwright Wang Lien. Upon their return, they produced a Japanese version of the play with Toshikyo Masumi as director and Michiko Otsuka in the leading role. The Izumiza Dramatic Company, a company which has produced more Chinese plays than any other Japanese troupe, later staged this production at Tokyo's Halyuza Theatre. This was the first Japanese performance of a play portraying life in China's big leap forward. It was very well received, audiences being particularly interested in the revealing light which it throws on the close relations between the Chinese people and the Chinese Communist Party. It was this company which later performed the Teahouse by Lao Sheh, a very human chronicle of social change in the last 30 years in Peking.

Since the visit of the Peking opera delegation led by Ouyang Yu-chien and Mei Lan-fang some years ago, Japanese theatre-goers have been firm Peking opera fans. There was immense interest therefore when the Zenshinza Kabuki Theatre decided,
after its last tour of China, to transplant the Peking opera The Wild Boar Forest to Japanese soil. The task was tackled with great meticulousness. Specialists were sent to China to make a study—the Chinese libretto, stage decor, the whole Peking opera production of this play, and techniques of acting. Chinese theatrical circles did all they could to help, including preparing costumes for all the parts (724 pieces altogether not counting extra headdresses and shoes), as a gift to their Japanese colleagues. These efforts were well repaid. Water Margin (the Kabuki title for Wild Boar Forest) was a hit. It opened in Tokyo's finest Kabuki theatre, the Shinbashı. Chojuro Kawanakazi and Kariemon Nakamura, the two leading Kabuki actors, played the parts of the Liangshan heroes Lin Chuang and Lu Chih Sheng. From December 1960 to March 1961, 133 performances were given and seen by more than 200,000 people. The production was then taken on tour to many other cities—Kyoto, Osaka, Kobe, Nagoya and Kyushu. Everywhere it met with the same success. Their appetite whetted, theatre-goers wanted to see what happened next. The theatre gave them Water Margin, Part II, adapted from the Peking opera Tiger Hunters. Now the characters in these two operas, Lin Chuang, Lu Chih Sheng, Hsieh Chen and his brother Hsieh Pao and others have all won a place in the hearts of the Japanese public. Fighting their own oppressors, the Japanese people know how to value the fighting spirit of these men of old.

The modern Chinese opera Ashna has been adapted for the radio by the Japanese playwright Junji Kinoshita. He also created a Japanese play out of the Peking opera Eliminate Three Evils, and this is now on the repertoire of the Budo (Grapo) Society.

The story of The White-Haired Girl, the famous modern Chinese opera, was turned into a ballet as early as 1955 by the Japanese Mikiko Matsuyama Ballet Theatre. Since then, it has been presented many times on the Japanese stage, and has been improved continually. That part of the action showing how Hsi Erh, the peasant girl, is ill-treated by the landlord family and her subsequent escape is now more effectively presented. Chinese traditional dancing has been blended with ballet movement to add local colour and more vividly bring out the underlying theme.

The well-known Shaohsiing opera Liang Shan-po and Chu Ying-tai (The Butterfly Lovers), has also been adapted into a dance-drama starring the noted dancer Midori Nishizaki. This interesting production, a new departure in the Japanese ballet, incorporates movements from Japanese, Western and Chinese dancing.

Several new productions are being planned. The Kabuki theatre is working on Water Margin, Part III. The outstanding dancer Hanayagi Tokube is planning to bring Japanese audiences either The Magic Lotus Lantern or the Small Daggers' Society, both dance-dramas he saw and liked on a recent visit to China.

Chinese-Japanese cultural exchanges are nothing new. They have been going on for nearly 2,000 years, and have helped to create firm bonds of friendship between the two peoples. But they have a special significance these days when the Japanese people are stepping up their battle against U.S. occupation and against its attempts to involve Japan further in its aggressive schemes against China and other Asian countries. Japanese audiences and theatrical circles say they have found fresh inspiration for their progressive struggle in New China's theatrical art.

—CHEN PEI-OU

SHORT NOTES

Shanghai Music Festival

Shanghai's third spring music festival opened last Sunday. This is the biggest annual musical event in any of China's cities.

Twenty-seven orchestras, choruses and music schools, with a total of 1,400 musicians and singers, are participating. The 46 concerts scheduled during the two-week festival are devoted mainly to works written during the past year, but besides these modern Chinese compositions, the programmes include folk songs of various nationalities, European classical music, ancient Chinese instrumental music, and popular songs of Asian, African and Latin American peoples. Forty-two pianists, flutists, violinists, cellists and other soloists will give recitals, and there will be separate evenings for national instrumental music, traditional opera music, children's music and light music.

The first night opened with a symphonic suite by Hsien Hsing-hai, as a tribute to the late composer who was a pioneer of modern Chinese music. The programme also included five selections by Ho Lu-ting, and a new choral symphony entitled Hero's Poem with verses taken from five of Chairman Mao's poems and the music composed by Chu Chien-chih.

Other new works to be performed during the festival are Ting Shan-teh's symphony Long March (the last two movements), the symphony Cheng Ch'eng-kung (first movement) about the 17th century Chinese national hero who drove the Dutch from Taiwan, by two young composers; the cantata Storm of Anyuan written jointly by the Shanghai City Chorus director Seto Han and others; and Golden Lake, by Chang Tun-chih of the graduating class of the Shanghai Music Conservatory.
Can You Solve This? Problem: Each child in a circle of children takes at random an even number of sweets from a pile in the centre. Each gives one-half of his sweets to his right-hand neighbour. Those left with an odd number get another one from the teacher so that they still hold an even number.

Prove: After repeating this procedure a number of times, every child will have an equal number of sweets.

Looks simple, doesn’t it? Well, you try it. 1,400 fifth and sixth form students from middle schools sweated over this and other maths problems at a citywide contest held recently in Peking. Outside the examination halls their teachers eagerly crowded round each student as he came out.

Now the list of 82 winners has been published with six taking the first place and the rest in second and third places.

Hua Loo-keng and other eminent mathematicians formed the committee which directed and supervised the contest, the aims of which, says Prof. Hua, were to give aspiring mathematicians a chance to see how proficient they were in their subject and to encourage further interest in it.

How deep this interest already is, is shown by the wide response to the contest. Schools sent their best representatives. A group of students and young workers living on Shihfuma Street jointly wrote a letter of application to the committee and sent four representatives. Thousands more tried to find the answers to these same problems at home—it was at their request that they were published in the papers as soon as the contest was over.

New Life on Cotton. Chin Hsi-hsiang was a quiet, observant child with a natural talent for drawing. In her sketches she expressed the things that delight her: the boats on the river, trees in new leaf, the flight of birds.

Other modes of expression were denied her—she was deaf and dumb.

Shanghai under Kuomintang rule offered her no opportunity to develop her talent. Her family was poor; her mother, dead. At last her father, with an aching heart, was forced to place her in a “charity” home. Run by the imperialists these homes meant cheap child labour for the owners and ill-treatment for the children. Chin Hsi-hsiang suffered greatly.

No wonder she looked with distrust at the stranger who came to see her after the liberation. He was from the newly set up Deaf-Mute Welfare Society and asked what he could do for her. He learnt she could draw. Soon she went to her new job—as apprentice designer at the Shanghai Printing and Dyeing Plant. Able and warm-hearted older designers took her in hand and guided her first steps on the job. Then came the day when her first design was approved. A promising young designer now, she holds the “March 8” Red Banner—a high honour among women workers.

New white sails on the Whangpoo, joyous village children dancing, bumber harvests garnered in—the things that she sees and loves today are the motifs for her designs. They speak for their mute creator of the enchanting new life that has opened up for her.

Mongolian Doctor. White-haired, 71-year-old Dr. Kimpa who heads the department of traditional Mongolian medicine in a modern hospital at Paotow, Inner Mongolia, is deeply respected by all. A group of young doctors is following in his footsteps and over 1,000 of his prescriptions are being studied at the hospital.

This is the same Kimpa who, before liberation, eked out a precarious living roaming the grasslands and treating the sick. Son of a poor herdsman, he was orphaned at 16 and entered a lamaserie. There he picked up a little of the practice of traditional Mongolian medicine from lamas who had some knowledge of it. After three years, he left the lamaserie to work on his own. The long years since then have greatly enriched his medical knowledge, especially of liver diseases, rheumatoid arthritis and gastro-intestinal disturbances. But it was only after liberation that his ability won full recognition and he was invited to work at the hospital.

Over 3,000 doctors belonging to national minorities in Inner Mongolia, like Dr. Kimpa, are working in the region’s hospitals. Traditional Mongolian medicine, which integrates the methods of Han, Tibetan and Indian medicine, is today receiving the attention it deserves.

36 Dragons. Remember the “Nine-Dragon Screen” in Peking’s Beihai Park? A bas-relief of shining coloured glazed tiles forming a wall as long as a basketball court, it shows nine dragons playing with pearls in fleecy-white clouds above a vast blue sea. It was made in the Ming Dynasty in 1417. Now a new Nine-Dragon Screen has just come to life, created at the Peking Glazed Tile Factory by skilled artisans like Wu Wen-chih, whose family has been in the trade for seven generations. This is the biggest work in glazed tiles to be made by Chinese artisans in two hundred years. Two others of slightly different design made in the Yuan and Ching Dynasties now stand in Tatung, Shansi Province, and the Palace Museum in Peking.

The new screen is modelled entirely after the Beihai one except that it is one-third the size.

West Lake in May. Sparkling waters fringed by the green of willows and bursts of multi-coloured blossoms make Hangchow’s West Lake the more enchanting in the month of May. This famous lake-resort receives more holiday-makers every day. Among the crowds strolling along the shady boulevards, visiting temples or boating on the lake are industrial workers, shop assistants, bus conductors, postmen and people of every sort of occupation. Many are staying at the twenty sanatoriums and rest homes, the largest with over 800 beds, the city now boasts. Built mostly since liberation, the latest health treatments can be taken here as well as acupuncture and massage. Such vacationers, enjoying the welfare provisions of labour insurance, are away from their jobs on full pay. Usually they stay one or two weeks. Their trade union or the management of their workplace takes care of their transport, treatment, room rent and one-third of their food bill.

On the West Lake
Sketch by Feng Tzu-kai
in the Moscow Declaration and the Moscow Statement.

Sino-Hungarian Anniversary

The third anniversary of the signing of the Sino-Hungarian Treaty of Friendship and Co-operation was celebrated last week in both Peking and Budapest.

The Chinese and Hungarian Ambassadors gave banquets which were attended by leaders of the Government to which they are accredited. Speakers toasted further mutual assistance and co-operation and a strengthening of the friendly ties between the two countries.

Chen Yi Meets Japanese Friends

Delegates from the Japanese Socialist Party, the Japan-China Friendship Association, and Japanese trade unions were among the 25 Japanese guests received by Vice-Premier Chen Yi in Peking on May 3.

In conversation with his guests, the Vice-Premier paid tribute to the Japanese people's patriotic anti-U.S. struggle, and expressed his confidence that the great Japanese nation will never resign itself to protracted U.S. control, but will one day completely shake off the yoke of U.S. imperialism.

Referring to the relations between the Chinese and Japanese peoples, Vice-Premier Chen Yi pointed out that all the Chinese people and the overwhelming majority of the Japanese people stand for friendship between the two countries. Sabotage and obstacles put in their way by their common enemy, U.S. imperialism, will eventually be overcome and the friendly relations that existed between the two countries for more than two thousand years will be restored and will grow deeper.

President Sukarno Recovers: Chinese Treatment Successful

Dr. Suharto, Indonesian Minister of Commerce and private physician to President Sukarno, announced recently that as a result of treatment given by Chinese doctors the President's health has greatly improved. His left kidney has recovered its function and an operation is no longer necessary.

When the Chinese Government learnt of President Sukarno's illness last December, it offered assistance. A team of Chinese doctors and assistants was sent to Djakarta last January to commence treatment using acupuncture and Chinese medicine. The course of treatment successfully concluded, the team will soon return to Peking.

Speaking to the Indonesian press before his departure, Wu Chieh-ping, head of the team, said that the Chinese Government feels deep concern for President Sukarno's health. The group considered its mission a signal honour and a token of the Chinese people's support for the struggle of the Indonesian people, particularly the struggle to liberate West Irian.

Cultural News

1962 executive plans for the cultural co-operation agreements between the Chinese People's Republic and the Democratic Republic of Viet Nam and the Korean Democratic People's Republic were signed in Peking on April 30 and May 5 respectively.

Chinese papercuts and photography recently exhibited in Rabat, Morocco, aroused much public interest and admiration. Radio Morocco twice featured them in special programmes while they were widely reviewed in the local press. The papercuts, in particular, attracted attention. Many visitors writing in the guest book at the exhibition praised this unique form of Chinese art and also took the opportunity to express their friendship for the Chinese people and wish them a "bright future, progress, prosperity and success."

A Chinese translation of the complete works of Geoffrey Chaucer has just come off the press. Professor Fang Chung, who for 20 years has been a student of the great 14th century English poet made the translation. Chaucer's complete works is one of the masterpieces of foreign literature scheduled to be translated and published this year by the Shanghai Literature and Art Publishing House. New translations of some of Charles Dickens' novels are being made in honour of the 150th anniversary of the birth of the great English writer.
The Struggle to Liberate West Irian

The energetic measures being taken by the Indonesian people to liberate West Irian are described in a recent Renmin Ribao article.

Millions of Indonesians have joined volunteer organizations. Indonesian headquarters announced that 20,000 volunteers have already moved up to forward positions close to West Irian.

Armed struggle against the Dutch occupationists has actually begun in West Irian. Early in April, a group of patriotic Indonesian youth landed in Sorong, Fakfak and Kaimana. They launched widespread activities against Dutch colonial rule around these towns and in some coastal areas. Another group of young patriots recently entered Hollandia and Wisselmer in central West Irian. Waigeo Island and Gag Island are now controlled by the patriotic people. The West Irian people’s guerrilla forces have surrounded Sorong; a number of Dutch soldiers were killed or captured during the fighting.

The civilian population of West Irian has also gone into action against the Dutch imperialists. They have held demonstrations in a place only 16 kilometres from Fakfak, demanding the immediate withdrawal of the Dutch colonialists.

The Indonesian people’s movement to enlist in the volunteers has powerfully reinforced the struggle to liberate West Irian. In the period from December 19, 1961, when President Sukarno, supreme commander of the Indonesian armed forces, issued the order for the nation to prepare for general mobilization, to the end of January this year, more than 5 million people throughout the country have enlisted in the volunteers and are now receiving military training.

Meanwhile, the Dutch imperialists, grimly continuing to occupy West Irian by force, have stepped up provocations against the Indonesian people. They have sent troop reinforcements and warships to West Irian. They carried out a surprise attack on Indonesian patrol boats in the Aru Sea and instigated their lackeys to make another attempt on the life of President Sukarno at Makassar. They have engaged in numerous underhand activities to disrupt the Indonesian economy.

The stubborn and hostile attitude of the Dutch imperialists has aroused the bitter indignation of the Indonesian people. Under the banner of greater national unity, military preparations are being reinforced by energetic efforts on the economic, cultural and social service fronts. Political parties, trade unions, peasants’ organizations and other broad sections of the public have appealed to the whole population to close their ranks.

The U.S. imperialists are collaborating with the Dutch colonialists to prevent the Indonesian people from liberating West Irian. They are not only supporting the Netherlands through the NATO, ANZUS and SEATO, but are manipulating the United Nations to prevent or indirectly the Indonesian people from recovering their own territory of West Irian. In the face of this situation, the Indonesian people are developing a widespread struggle against these U.S. imperialist plots.

The West Irian people’s struggle is supported by the socialist countries and all peoples of the world who love peace and uphold justice. All fair-minded people in Asia and Africa recognize that the Indonesian people’s struggle to recover their own territory is a just struggle. The victorious development of this struggle will be a positive contribution to peace in Asia and the world, concludes the Renmin Ribao article.

The British Game in Central Africa

In the face of Africa’s rising national-liberation movement, the British colonialists are digging deeper into the bag of tricks to save their Central African colonies, says a recent Renmin Ribao article.

The “Federation of Central Africa,” established by the British colonialists in 1953, was designed to strangle the growth of the national independence movement in Central Africa. This tool of British colonialism has met with strong and determined African opposition. In recent years especially, with the rapid growth of their struggle for independence, the demand for its dissolution has been voiced ever more insistently. Alarmed at the way things are going, the British colonialists are resorting to a variety of intrigues to maintain their position.

On March 9, Prime Minister Wellensky of the “federation” dissolved parliament and announced new elections. He hopes to get the necessary mandate to prevent the breakdown of the “federation.” But this is a transparent trick. There are a population of 9 million in the “federation,” but only 11,000 Africans are eligible to vote as against the 110,000 European

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Elephantine Memory

Senator Kenneth Keating (Rep., New York) wants to slash U.S. “aid” to those “pseudo-neutrals,” as he calls them, who criticize the United States for resuming nuclear tests and “place full blame for the arms race on the United States.” Reactions to the tests would tell the United States “who our friends really are,” he emphasized. He promised to study these reactions and to “keep them very much in mind when we [the U.S.] take up the foreign aid bill.”

It is not for nothing that the elephant is the symbol of the Republican Party. Elephants never forget and they have a remarkably small brain in relation to their bulk.

But Has It Any Bite?

Questioned whether the West needed to put more teeth into CENTO, U.S. Secretary of State Dean Rusk said: “I think CENTO has teeth.”
WHAT'S ON IN PEKING

The following programme scheduled for the coming week is subject to change.

PEKING OPERA

ROMANCE OF THE FLOWERY TOWER
A traditional opera. A poor scholar luckily gets the "flower ball" - a pledge of marriage - from the hands of a prime minister's daughter and so is chosen to be her husband. The girl's father, however, wants to back out of his promise but the girl refuses to obey him. She marries the poor scholar against her father's will and lives happily with him ever after. China Peking Opera Theatre

ORPHAN OF THE CHAO FAMILY
Prime Minister Chao Tun of the ancient State of Tsin is killed by the ruthless minister Yu An-kung who orders the wholesale execution of all his kith and kin. The play tells how Chao's two faithful friends save his infant grandson, sole heir of the Chao family. Peking Opera Company of Peking Theatre

To celebrate the 10th anniversary of its founding, the Peking Opera School is putting on the following programme at the Peking Workers' Club.

May 12

KUI CHE PRETENDS MADNESS, MEETING IN A MULBERRY ORCHARD
HONEST OFFICIAL

May 13

CAPTURING FIVE DRAGONS, THE TWIN LI KUI, VISITING THE NETER WORLD
WANG YI-TO

May 14

KAHISING PREFECTURE AND YANG YEN-HUI VISITS HIS MOTHER

QUYI OPERA

YI HO TUAN A new historical quyi opera about the patriotic anti-imperialist uprising in 1800. Peking Quyi Opera Troupe.

MODERN OPERA

A CLOUD SEeks HER HUSBAND
A new opera adapted from a fantastic folk tale of the Pai minority people of Yunnan. A Pai princess falls in love with a brave young hunter, the most successful competitor in a horse racing event. In defiance of her stepmother's wish to marry her to a wealthy official, she flees from the palace and weds the young hunter. But the young couple's happy life together ends when the wicked stepmother, with a magician to turn the hunter into a stone ass. After the princess dies of grief, her spirit takes the form of a white cloud, wandering about the heavens seeking her beloved husband. Central Opera and Dance-Drama Theatre

CONCERTS

Violin and cello recital presented by the Central Broadcasting Symphony Orchestra. May 12 at Peking Concert Hall. Programme includes;

Mozart: Concerto No. 4 in D Major for Violin and Orchestra

Tartini-Kreisler: Variation on a Theme

Sain-Saéns: Concerto for Cello and Orchestra

Sang Tung: Fantasia for Cello

Cellist: Lin Ke-ming

Violinist: Lin Ke-ting

HIGHLIGHTS OF CURRENT ENTERTAINMENT, EXHIBITIONS, ETC.

A GIRL CLOUD WATCHER
Adapted from an original by Chien. A short period of training in meteorology makes a peasant girl an appointed weatherman of her community. The film tells of her battle against conservative ideas and the success of her work in the end. Peking Studio.

A FAMILY OF STEELWORKERS
A feature film in colour about a family of steelworkers who dauntlessly protect their steel works from the KMT reactionaries on the eve of liberation and helped build a socialist plant there after liberation. Tienna Studio No.

A DAWN COMES AGAIN
A Soviet wide-screen film. A moving story about a Soviet professor of surgery who devotes his life to research and how he selflessly saves a girl's life.

THE ROAD OF LIFE
A Soviet colour film. The love story of a hired herdsman and an orphan girl and how under the guidance of the Party, they become staunch fighters for the revolution.

A RED LEAVES
A Soviet colour film. The story takes place 35 years ago in that part of Byelorussia occupied by capitalist Poland. When an underground revolutionary courier goes into enemy hands, her little daughter, a small letter he is carrying falls into enemy hands. It is delivered by an enemy officer and the officer, thinking the courier into the revolutionary movement. As a result many of the revolutionaries are arrested. The courier, however, exposes and kills the provocateur.

A COUNTERFEIT COIN
A Greek feature film. As it passes from hand to hand, a counterfeit coin brings us dramatically into the lives of a beggar, a prostitute, a worker's daughter, a little daughter, a miserly rich man, and a struggling young painter and his wife.

EXHIBITIONS

SHANGHAI INDUSTRIAL AND APPLIED ART EXHIBITION Daily, 9.30 a.m.-5.30 p.m. till May 13. At Artists' Union Gallery.

PEKING CALLIGRAPHY AND SEAL-ENGRAVING EXHIBITION Daily, 9.30 a.m.-5.30 p.m. till May 13. At Beltai Park.
IRON CLAD SWITCHES WITH FUSES

Double pole for single phase, 250 V., A.C.
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