A Programme for Anti-Imperialist Struggle

Editorial by "Renmin Ribao," "Hongqi" and "Jiefangjun Bao"

Counter-Revolutionary Features of Wang Ming, Liu Shao-chi and Chou Yang Revealed by The Play "Death of Li Hsiu-cheng"

A Glimpse of Chinese Export Commodities Fair
People of the world, unite and defeat the U.S. aggressors and all their running dogs!

The danger of a new world war still exists, and the people of all countries must get prepared. But revolution is the main trend in the world today.
THE WEEK

Viet Nam Workers’ Party Delegation Led by Comrade Le Duan Welcomed

The Delegation of the Viet Nam Workers’ Party led by Le Duan, First Secretary of the Central Committee of the Viet Nam Workers’ Party, arrived in Peking by special plane from Moscow on May 10.

Member of the delegation is Ha Huy Giap, Member of the Central Committee of the Viet Nam Workers’ Party, Deputy Head of the Propaganda Board of the Central Committee of the Viet Nam Workers’ Party and Vice-Minister of Culture of the Government.

They were welcomed at the airport by Chou En-lai, Member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China and Premier of the State Council; Huang Yung-sheng, Member of the Political Bureau of the C.P.C. Central Committee and Chief of the General Staff of the Chinese People’s Liberation Army; Chang Chun-chiao and Yao Wen-yuan, Members of the Political Bureau of the C.P.C. Central Committee; Chiu Hui-tso, Member of the Political Bureau of the C.P.C. Central Committee and Deputy Chief of the P.L.A. General Staff; and leading members of the departments concerned.

On May 11, Chou En-lai and other comrades held talks with the delegation in an atmosphere which fully manifested the fraternal unity and militant friendship between the Chinese and Vietnamese Parties.

That evening, the Political Bureau of the Central Committee of the Communist Party of China gave a banquet and a soiree warmly welcoming all comrades on the delegation.

Present on the occasion were: Comrades Chou En-lai, Chiang Ching, Huang Yung-sheng, Chang Chun-chiao, Yao Wen-yuan and Chiu Hui-tso.

Comrade Chou En-lai and Comrade Le Duan spoke at the banquet.

In his speech, Comrade Chou En-lai said: Comrade Le Duan has come to Peking on his way home, and will visit Shaoshan, the home village of Comrade Mao Tsetung, and go to Kwangchow to acquaint himself with the Great Proletarian Cultural Revolution there. We are very grateful to Comrade Le Duan for his attention, and very happy to receive our Vietnamese comrades-in-arms.

Comrade Chou En-lai warmly congratulated the three peoples of Indochina on their great victories in the war against U.S. aggression and for national salvation, particularly the brilliant victory won on the battlefield of Highway 9. He said: We believe that the three peoples will soon win new victories in their war against U.S. aggression and for national salvation on the battlefield of Indochina. The Chinese people will always stand on the side of the peoples of Viet Nam, Laos, Cambodia, Korea and the people the world over, together we unite, together we fight and together we will win victory.

Comrade Le Duan who spoke next said: The battlefield in our Viet Nam is not just a battlefield of Viet Nam, and the battlefield in Indochina is not just a battlefield of Indochina, because we have your mighty people as our backing and your vast land as our great rear area. Our front extends from Viet Nam to Laos, to Cambodia, to China and to Korea, and it is constantly expanding.

Comrade Le Duan declared: We the Vietnamese people fear neither protractedness, nor hardship, nor sacrifice. We are determined to win final victory in the war against U.S. aggression and for national salvation.

Comrade Le Duan added: The agreement of views between the Parties of Viet Nam and China is an important factor for the endeavour of the people of Indochina to drive out U.S. imperialism and for the struggle against Japanese militarism.

After the banquet, the Vietnamese comrades attended a soiree at which they saw the modern revolutionary ballet The Red Detachment of Women.

The Vietnamese comrades-in-arms accompanied by Comrade Chiu Hui-tso and Comrade Keng Piao, Head of the International Liaison Department of the C.P.C. Central Committee, left Peking on May 12 to visit Shaoshan, Changsha and Kwangchow.

On May 12, Comrade Le Duan and the other Vietnamese comrades-in-arms visited in Shaoshan Chairman Mao’s birthplace and the exhibition hall attached to Chairman Mao’s birthplace. They saw the picture portraying a cordial meeting between Chairman Mao and President Ho Chi Minh which is a precious gift to the people of Shaoshan from President Ho Chi Minh, the great leader of the Vietnamese people, when he visited Changsha in 1961. The Vietnamese comrades-in-arms then had a group photograph taken in front of Chairman Mao’s birthplace.

Comrade Ngo Thuyen, Vietnamese Ambassador to China, was with the delegation on its visit to Shaoshan.

On the morning of May 13, the Vietnamese comrades visited in Changsha the Hunan Provincial No. 1 Teachers’ Institute and Chingshuitang, site of the former Hunan Regional Committee of the Chinese Communist Party, where the Chinese people’s great leader Chairman Mao carried out revolutionary activities in his youth. The Vietnamese comrades-in-arms were accorded a warm (Continued on p. 27.)
A Programme for Anti-Imperialist Struggle

Editorial by “Renmin Ribao,” “Hongqi” and “Jiefangjun Bao”

ON May 20, 1970, the great leader Chairman Mao issued the solemn statement “People of the World, Unite and Defeat the U.S. Aggressors and All Their Running Dogs!” This solemn statement has shaken the world, immensely inspired the people of all countries in their struggle against U.S. imperialism and its running dogs, and exerted a most far-reaching influence on the international situation. This brilliant document of historic significance has become a programme for the anti-imperialist struggle waged by the Chinese people together with the revolutionary people throughout the world.

Chairman Mao points out in the statement: “The danger of a new world war still exists, and the people of all countries must get prepared. But revolution is the main trend in the world today.” This is a most important scientific thesis set forth by Chairman Mao after summing up the development of the international situation in the twenty-odd postwar years and concisely summarizing the essential features of the present-day international class struggle.

Postwar history is one of fierce and repeated struggle waged by the people of all countries against U.S. imperialism and its lackeys; it is one of U.S. imperialism and its followers continuously launching wars of aggression and the people in various countries continuously waging revolutionary wars to defeat the aggressors. In its attempt to dominate the world, U.S. imperialism has committed aggression, intervention, subversion and sabotage everywhere. This has enabled the people of various countries to see more and more clearly its aggressive nature and inherent weakness and aroused them to rise in revolutionary struggle against aggression and oppression. With the daily sharpening of the fundamental contradictions of the world and the steady awakening of the people of various countries, the world people’s revolutionary movement is mounting. A new high tide in the struggle against U.S. imperialism is rising vigorously throughout the world.

The development of the international situation in the past year has fully borne out Chairman Mao’s brilliant thesis that “revolution is the main trend in the world today.”

At present, Indochina is the main battlefield in the world people’s struggle against U.S. imperialism. The revolutionary situation in this region has undergone a deep-going change in the past year. As a result of U.S. imperialism’s expansion of its war of aggression, the battlefields in the whole of Indochina have merged into one and a new situation in which the 50 million people are united in struggle has emerged. The raging flames of the Cambodian people’s war against U.S. aggression and for national salvation are spreading rapidly. The Vietnamese and Lao people are persevering in protracted people’s war and are growing ever stronger in the course of fighting. The great victory on Highway 9 has won worldwide renown. The Nixon government has landed itself in a blind alley and is at the end of its tether. Its strategic plans have failed completely. The great victory won by the people of the three countries in Indochina has tremendously inspired the people of small countries with a revolutionary fighting will to resist aggression by big countries and given a powerful impetus to the struggle of the people the world over against U.S. imperialism.

U.S. imperialism’s war of aggression in Indochina and its fascist rule over the American people have touched off violent revolutionary storms in the United States. The revolutionary struggle in various forms waged by the broad masses of the workers, Afro-Americans and other national minorities, students, women, soldiers and people of other strata against the Nixon government’s policies of aggression and war and racial discrimination has become more widespread, frequent and intense. Increasing numbers of people have risen to oppose counter-revolutionary violence with revolutionary violence. The people of the United States are dealing heavier and heavier blows from within against U.S. imperialism, the world people’s ferocious enemy, and they have become an important vigorous force in the world people’s struggle against U.S. imperialism.

Revolutionary struggles are developing with great vigour in Asia, Africa and Latin America as well as in North America, Europe and Oceania. The Albanian Party of Labour and other genuine Marxist-Leninist Parties and organizations in the world are scoring one fresh victory after another in their struggle against imperialism, revisionism and all reactionaries. The struggle waged jointly by the Chinese people and the people of Korea, Japan, the three countries in Indochina and other Asian countries against the revival of Japanese militarism by the U.S. and Japanese reactionaries is advancing and deepening. The Palestinian and other Arab people have stood the test in the struggle against the U.S.-Israeli aggressors and are continuing to march
forward. The armed struggles of the people in South-east Asia and throughout Asia, Africa and Latin America are developing in depth. The Cuban people are persisting in their struggle to oppose U.S. imperialist aggression and safeguard national independence and state sovereignty. The African peoples are resolutely fighting against aggression, subversion and intervention by colonialism and neo-colonialism; the Guinean people have successfully smashed the armed invasion by the U.S.-Portuguese colonialists. The workers' struggle and revolutionary mass movement in capitalist countries are surging violently. The Polish people have waged a tempestuous revolutionary struggle against the revisionist rule. The flames of people's revolution are spreading to all corners of the world.

U.S. imperialism and the other superpower collude and at the same time contend with each other in a vain attempt to divide the world, and they have met with widespread opposition and resistance. More and more small and medium-sized countries have risen to oppose the power politics of the superpowers. Latin American countries have stood up to the pressure of U.S. imperialism and joined forces to defend their national interests and their right over 200-nautical-mile territorial waters. Ten oil-exporting countries have taken concerted action to oppose plunder and exploitation by U.S.-led imperialist oil monopoly groups. At the Third Conference of the Heads of State and Government of Non-Aligned Countries, strong condemnation was voiced against the big powers' interference in the internal affairs of other countries and their monopolization of international affairs. All this shows that the days when big powers dictated the destiny of the world are gone for ever.

Countries want independence, nations want liberation and the people want to make revolution — this has become an irresistible trend of history. Pounded by the waves of revolution of the world people, U.S. imperialism finds itself in a more passive, difficult and isolated position than ever. Social-imperialism, too, finds the going tougher and tougher.

Chairman Mao points out in the statement: "A just cause enjoys abundant support while an unjust cause finds little support. A weak nation can defeat a strong, a small nation can defeat a big. The people of a small country can certainly defeat aggression by a big country, if only they dare to rise in struggle, dare to take up arms and grasp in their own hands the destiny of their country. This is a law of history." More and more people in the world have now done away with myths about U.S. imperialism and realized that U.S. imperialism, a huge monster, is not at all terrific. Big and small, strong and weak are relative and may transform themselves into their opposites. U.S. imperialism can be defeated, provided that the people of all countries dare to rise and fight against it, and fight jointly.

The world is changing, changing in a direction more and more favourable to the people of all countries. However, the aggressive nature of imperialism will not change. U.S. imperialism will never be reconciled to its defeat. It has not for a moment relaxed its arms expansion and war preparations, nor has it relinquished its aggressive ambitions in the least. To save itself from doom, U.S. imperialism will inevitably counter-attack, make desperate struggles and even embark on a hazardous adventure. Lenin, the great revolutionary teacher, said: "Modern war is born of imperialism." The world will have no peace as long as there is imperialism. The danger of a new world war still exists. We must maintain high vigilance and get prepared at all times. It is dangerous if we see only the raging revolutionary flames but not the enemy who is sharpening his sword, and think that in view of the excellent situation we can lay our heads on our pillows and just drop off to sleep.

Chairman Mao's great call "People of the world, unite and defeat the U.S. aggressors and all their running dogs!" has won enthusiastic response throughout the world. In face of frenzied U.S. imperialist aggression in Asia, the people of China, Korea, Viet Nam, Cambodia and Laos have further strengthened their revolutionary unity. The anti-imperialist front of Asia, Africa and Latin America has become stronger and broader. All peace-loving countries and people subjected to U.S. imperialist aggression, control, intervention or bullying have united to wage a common struggle. The international united front in the world against U.S. imperialism and its running dogs has expanded enormously in the past year.

The international united front against U.S. imperialism is an important magic weapon for the world people to defeat U.S. imperialism and all its running dogs. In order to completely defeat U.S. imperialism, the common enemy of the world people, we should further expand and strengthen the international united front against U.S. imperialism, unite to the greatest extent with all forces that can be united, mobilize to the fullest all the positive factors favourable to the struggle against U.S. imperialism, and isolate and strike at the chief enemy to the utmost, so as to push to a new high the struggle of the world people against U.S. imperialism and all its running dogs.

Following Chairman Mao's teachings, the Chinese people uphold proletarian internationalism, for ever stand on the side of the people of all countries, resolutely oppose U.S. imperialism's policies of aggression and war and firmly support the people of all countries in their revolutionary struggles. This stand of ours is firm and unshakable. We will further strengthen the militant unity with the proletariat and the oppressed people and nations of the world and further unite with all the peace-loving countries and people subjected to U.S. imperialist aggression, control, intervention or bullying in the common struggle to thoroughly defeat the U.S. aggressors and all their running dogs.

(May 20)
Counter-Revolutionary Features of Wang Ming, Liu Shao-chi and Chou Yang Revealed By the Play "Death of Li Hsiu-cheng"

by Chung An

Our great leader Chairman Mao has pointed out: "The people, and the people alone, are the motive force in the making of world history." (On Coalition Government.) To laud the heroes who create history or lavishly prettify such dregs of history as the renegades, enemy agents, national traitors and counter-revolutionaries who have wormed their way into the revolutionary ranks; to educate the people in the revolutionary spirit of the proletariat, inspire them with it and promote the advance of history or corrupt people's souls with the reactionary ideas of the exploiting classes and hold back the advance of history — this is a question of principle in the struggle between Chairman Mao's proletarian line in literature and art and the counter-revolutionary revisionist line in literature and art and in the struggle between historical materialism and historical idealism.

The existence of two hostile contingents on the literary and art front has always reflected the political struggle between the two classes and the two lines. The Death of Li Hsiu-cheng, a play turned out and presented to the public by the renegade and enemy agent Yang Han-sheng in 1937 and restaged in 1963, is a big poisonous weed that dressed up the renegades, opposed Chairman Mao's proletarian revolutionary line and served the counter-revolutionary line of Wang Ming and Liu Shao-chi. Thorough criticism of this reactionary work helps us see the counter-revolutionary features of Chou Yang, Hsia Yen, Tien Han and Yang Han-sheng and their masters Wang Ming and Liu Shao-chi and their gang, raise our consciousness of class struggle and the struggle between the two lines and further consolidate the dictatorship of the proletariat.

I

Lenin penetratingly pointed out: "Revolutions are subjected to the most serious tests in the fire of battle." (The Achievements and Difficulties of the Soviet Government.) Genuine revolutionaries and sham revolutionaries or counter-revolutionaries are clearly revealed during the practical tests of revolutionary struggle.

The Taiping Heavenly Kingdom revolutionary movement which broke out in the mid-19th century fought against the feudal Ching Dynasty rulers and national oppression. During this movement many leaders and heroes of peasant revolution such as Hung Hsiu-chuan and Chen Yu-cheng emerged. At the same time, some sham revolutionaries and counter-revolutionaries who had sneaked into the revolutionary ranks were also exposed. After being captured by the Huihui Army, the counter-revolutionary army of the landlords; between July and August 1864, Li Hsiu-cheng, once an important general of the Taiping Heavenly Kingdom, soon betrayed the revolution and wrote his notorious confession in an enemy prison. In it he viciously slandered and attacked the Taiping revolutionary movement, shamelessly flattered the enemy and tearfully repented his past. He even went to the enemy on his belly and made a "ten-point proposal calling for surrender" in an attempt to save his miserable life at the cost of the blood of his comrades-in-arms. However, this spineless mangy dog could not escape execution by the enemy. The year Li Hsiu-cheng was killed, Tseng Kuo-fan, Hunan Army chieftain and executioner, printed for circulation the former's confession under the title of Confession of Li Hsiu-cheng. Revised and facsimile editions were later published. There is every evidence to prove Li Hsiu-cheng's crime of surrendering to the enemy and betrayal, and it is futile for anyone to try to reverse this well-established historical case.

For years, however, Chou Yang, Yang Han-sheng and their gang worked obstinately to put this renegade in the ranks of people's heroes. Chou Yang shouted: "The monument to the martyrs in front of Tien An Men also gives credit to Li Hsiu-cheng." Yang Han-sheng praised Li Hsiu-cheng as someone who "always put revolution and unity first without considering his own life or death." "He was truly no ordinary man. He was a revolutionary hero." Chou Yang and his gang of renegades, enemy agents and sham Marxist political
swindlers praised Li Hsiu-cheng ad nauseam through such reactionary subjective idealist phrases as a “sage and hero” of “foresight and vision,” the “soul of national existence” and a “big master leading the historical movement.”

To turn this shameless renegade into a “revolutionary hero,” Yang Han-sheng racked his brains to set the plot and fabricate events in The Death of Li Hsiu-cheng. He had Li Hsiu-cheng enter the stage as a “national hero” in resisting foreign aggressors. Then, the characters in the play heaped praise on him, eulogizing him for being “both intelligent and brave,” cherishing “infinite loyalty,” playing the role of a “towering pillar” for the Taiping Heavenly Kingdom and that “all the officials and officers in the court and all the country’s armymen and civilians place their hopes on you.” Li Hsiu-cheng is thus crowned with the laurel of saviour. And through talk between Ching officials about what they saw and heard and their conversations, Li Hsiu-cheng is described as a man of “great popularity among the people” and praised for being the “first big hero of the Taiping Heavenly Kingdom.” The final scene presents the details of his fabricated “heroic death” as follows: When Tseng Kuo-fan sends someone to ask him to act on behalf of the Ching Dynasty and call on the hundreds of thousands of Taiping Army members along the north and south banks of the Yangtze River to surrender after his capture, he defies the butcher’s sword and stands majestically on the side of justice, saying angrily: “Those shameless slaves are day-dreaming!” He then makes a noble speech, expresses his feelings by a libation, reviews the “revolutionary journey” and pays his respects to the “grand ideals of the heroic martyrs.” He finally commits suicide by sword, thereby showing his “dedication to the great cause of the Heavenly Kingdom until his dying day.” This was how Yang Han-sheng coloured over the monstrous ghost and spruced up the renegade as a hero.

But no adornment can cover up the true image of this renegade. “Sham is sham, and the mask must be stripped off.” (Introductory note to Material on the Hu Feng Counter-Revolutionary Clique.) It was no other “shameless slave” than Li Hsiu-cheng himself, according to historical facts, who hatched the vicious intrigue of calling on the Taiping Army to surrender! It was clearly written in his confession: “I am willing to gradually get all my subordinates on both banks to surrender as my repayment to your noble kindness and my tribute to the Emperor of the great Ching Dynasty to remedy my past crimes.” He confessed frankly that all this was aimed at helping the Ching Dynasty “pacify the nation with the sword of benevolence and love.” Like a hammer, the facts dashed to pieces the “heroic image” fabricated by Yang Han-sheng.

A hall of bullets, prisons and execution grounds are touchstones showing who are heroes or renegades and who are genuine or sham revolutionaries. Faced with the test of life or death, we Communists and revolutionaries behave entirely different from them. Chairman Mao has taught us: “We Chinese Communists, who base all our actions on the highest interests of the broadest masses of the Chinese people and who are fully convinced of the justice of our cause, never balk at any personal sacrifice and are ready at all times to give our lives for the cause.” (On Coalition Government.) Armed with Marxism-Leninism-Mao Tsetung Thought, Communists and revolutionaries regard the great and magnificent cause of communism more important than their own lives. They make sacrifices and risk their lives for the liberation cause of the Chinese and the world’s people. They fight and shed blood on the battlefield and advance wave upon wave. They stand majestically on the execution ground and would rather die than surrender. The proletarian internationalist fighter Huang Chi-kuang1 with his chest blocked the hole through which the enemy fired his machine-gun. Communist Li Yu-ho2, an outstanding personification of proletarian revolutionary fighters, unhesitatingly laid down his life for the revolution. The lofty determina-

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tion of the proletarian revolutionaries reaches to the sky and shines over all the world. It is impossible for shameless renegades, who will trade principles for their desppicable lives, to understand the high aspirations of proletarian fighters.

Why, then, did Chou Yang and his kind prettify and defend Li Hsiu-cheng and desperately clutch at this historical mummy?

Their own confessions give the answer. Chou Yang said: “We have followed his path” and “it is against our interests to defame him.” Wonderful! He voluntarily put their gang after Li Hsiu-cheng in the family tree of renegades. He also said that how to evaluate Li Hsiu-cheng “is not entirely an academic question, but a question of political nature,” that is, “how to evaluate the proletariat who wavered and then came back again or were killed by the enemy?” They defended Li Hsiu-cheng with their tongues, but what was in their minds was the “evaluation” of the traitors to the proletariat. It turned out that Chou Yang and his master Liu Shao-chi and their gang had all wormed their way into the revolutionary ranks of the proletariat, later “wavered” and become shameless renegades; then they “came back” again with ulterior motives to become hidden traitors. They and Li Hsiu-cheng are jackals of the same lair. No wonder they felt very uncomfortable when Li Hsiu-cheng’s mask was torn away. They played the role of defenders and make-up men of renegades and national traitors like Li Hsiu-cheng and all kinds of counter-revolutionaries and their aim, precisely as Marx had said, was to use yesterday’s base behaviour to defend today’s base behaviour. (“Introduction to Critique of Hegel’s Philosophy of Right.”)

At the same time, they made Li Hsiu-cheng their protective talisman to conceal their renegade features so as to recruit traitors and deserters and prepare public opinion and organize for pushing Liu Shao-chi’s counter-revolutionary revisionist line.

But fire cannot be wrapped in paper. The storms of the Great Proletarian Cultural Revolution completely lifted the mask off the Liu Shao-chi renegade clique, exposed their true colours one by one as dregs of history.

II

The Death of Li Hsiu-cheng which sang the praises of a renegade was an important example of “national defence literature”5 which Chou Yang and his gang advocated in 1936, and a component part of the “national defence plays.” This play was hurriedly worked up and made public within a month after the outbreak of the War of Resistance Against Japan and labelled a “war of resistance play” and “national salvation literature.” What, after all, was its role in the “war of resistance” and in “national salvation”?

Falsifying events, Yang Han-sheng openly spread class collaboration and class capitulationism in the play.

Thus, when the Hunan Army encircled Nanking, Li Hsiu-cheng, a commander of the Taiping Heavenly Kingdom, went so far as to shamelessly praise this counter-revolutionary landlord army for being “unafraid of death,” “very brave,” “extremely staunch” and “full of determination and strength” and express his “high respects.” He also regarded the Hunan Army, a counter-revolutionary army of the landlord class, as “our own brothers” and placed high hopes on it. The play also spreads the idea that as long as the Taipings unite with the Hunan Army, the magnificent land which has been ruled by the Manchu aristocrats for more than 200 years may soon be recovered and the Taiping Army, though its fate is at stake, can immediately have a bright future. When one character asks about the terms for dealings with Tseng Kuo-fan, chief-tain of the Hunan Army, Li Hsiu-cheng replies: “There isn’t much to talk about with them now. As long as they join us to chase out the Manchu aristocrats, we’ll give good consideration to whatever terms they put forth!” That is to say, as long as the chieftain of the landlord class “agrees” to fight against the rule of an alien nationality, it is permissible even to sell out the entire revolutionary movement of the Taiping Heavenly Kingdom to him. All this was passed around as the political line of the “revolutionary hero” Li Hsiu-cheng.

At the time when the Japanese aggressors launched an all-out war against China and the Chinese nation faced a life and death crisis, The Death of Li Hsiu-cheng shamelessly praised the landlord army which slaughtered the people, greatly eulogized Li Hsiu-cheng’s capitalist line and spared no effort in advocating that the Taiping Army in exchange for Tseng Kuo-fan’s “alliance” should compromise and surrender unconditionally. This raised a very important question: When the national contradiction rises, could this bring about the dying out of class contradiction? Should the hostile class be united with unconditionally and “be given good consideration” regarding its terms, whatever they may be?

Precisely as Chairman Mao has pointed out: “In terms of relative political importance the development of the national contradiction between China and Japan has demoted the domestic contradictions between classes and between political groupings to a secondary and subordinate place. But they still exist and have by no means diminished or disappeared.” (The Tasks of the Chinese Communist Party in the Period of Resistance to Japan.) The Chiang Kai-shek counter-revolutionary clique was compelled to accept the anti-Japanese national united front put forward by our Party, but it did not give up its activities to oppose the Communists and sell out the country. “The trinity of dictatorship, civil war and selling out the country has always been the basis of his policy.” (The Situation and Our Policy After the Victory in the War of Resistance Against Japan.) Under the pretexts that “the state is above everything” and “the nation is above everything,” the Chiang Kai-shek gang shouted that

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our Party should "fundamentally cease its class struggle" and "fundamentally cease its Red propaganda"; it arrogantly wanted to wipe out the Red Army and the border regions and raved that "it was necessary to use any effective method to eliminate the Red calamity in China through our own efforts." The Death of Li Hsiu-cheng preached that the Taiping Army of the peasant revolution and the Hunan Army, part of the landlords' armed force, were "our own Han nationality brothers" and "we'll give good consideration to whatever terms" the chieftain of the Hunan Army put forward. This is nothing but prettifying Chiang Kai-shek's policy of dictatorship and fighting against the Communists.

There was at that time a serious struggle in the Party between Chairman Mao's proletarian revolutionary line and the Right opportunist line of Wang Ming, Liu Shao-chi and their like around the question of proletarian leadership in the anti-Japanese national united front. Chairman Mao reminded the whole Party again and again of the necessity of always firmly keeping in the hands of the proletariat the leadership in the united front and adhering to the principle of being independent and holding the initiative. Contrary to Chairman Mao's revolutionary line, Wang Ming, Liu Shao-chi and their kind howled about "unifying the army" and advocated "everything through the united front" and "everything must be submitted to the united front." In doing so, they tried to hand over to Chiang Kai-shek proletarian leadership in the anti-Japanese national united front and the people's armed forces, and to place hope on the Kuomintang reactionaries for victory in the anti-Japanese war.

Waving Wang Ming's "coalition front" banner and acting at the bidding of Kuomintang secret agents, the renegade, enemy agent and hidden traitor Chou Yang and his ilk in art and literary circles raised the reactionary slogan "national defence literature" which openly denied class differences and advocated class collaboration. They babbled that "national defence literature" was the "literature of the entire Chinese nation" and the proletariat should not "demand leadership over it because the proletariat has special qualifications." Strutting about like "authorities of theory," these sham Marxist political charlatans raved that the slogan "national defence literature" was "irrefutable" and that it should reflect the "different interests of all kinds of people" in the "coalition front." The Death of Li Hsiu-cheng advocated that as long as the Taiping troops were united with Tseng Kuo-fan and followed the counter-revolutionary armed forces of the landlords, the motherland's "beautiful land" could be "recovered" and the Taipings would "immediately have a bright future." This was exactly the capitulationist line of Wang Ming and Liu Shao-chi advocated by "national defence literature." They tried in this way to dull the class consciousness of the revolutionary people, and so disarm the proletariat and its political party ideologically, politically and organizationally and make them follow the Chiang Kai-shek counter-revolutionary clique and betray the country and capitulate.

While calling for the establishment of an extensive anti-Japanese national united front, our great leader Chairman Mao especially stressed the leadership and independence of the proletariat. He incisively pointed out: "Is the proletariat to follow the bourgeoisie, or is the bourgeoisie to follow the proletariat? This question of responsibility for leadership in the Chinese revolution is the linchpin upon which the success or failure of the revolution depends." (The Tasks of the Chinese Communist Party in the Period of Resistance to Japan.) Whether or not the proletariat and its political party persist in keeping the leadership in the united front and maintain their ideological, political and organizational independence is a question affecting not only the whole process and outcome of a national revolutionary war but the existence and fate of the proletariat and labouring people as well. To unite does not mean to amalgamate. In the united front, the proletariat and its political party must not blur their class stand and obliterate their class distinction from the bourgeoisie. Only by maintaining its leadership and independence can the proletariat struggle against the bourgeoisie ideologically, politically and organizationally while uniting with it, and thus promote the consolidation and expansion of the united front. Only in this way can it smoothly and without losses switch over to use people's revolutionary war to oppose counter-revolutionary war when it is forced to break with the bourgeoisie. As regards the carrying out of the capitulationist line advertised in The Death of Li Hsiu-cheng, our Party's history has witnessed serious lessons. Chairman Mao repeatedly has taught us: "In 1927 Chen Tu-hsin's capitulationism led to the failure of the revolution. No member of our Party should ever forget this historical lesson written in blood." (The Situation and Tasks in the Anti-Japanese War After the Fall of Shanghai and Taiyuan.) If the proletariat and its political party should give up their leadership of the masses, they would turn themselves into an appendage of the bourgeoisie and cause the failure of the revolution. Waving the "coalition front" banner and selling out the leadership of the proletariat was just a sinister political trap of this nature set by Wang Ming and his gang.

Our great leader Chairman Mao has pointed out: "Class capitulationism is actually the reserve force of national capitulationism in the anti-Japanese national revolutionary war; it is a vile tendency that lends support to the camp of the right wing and leads to defeat in the war." (The Situation and Tasks in the Anti-Japanese War After the Fall of Shanghai and Taiyuan.) The Chiang Kai-shek counter-revolutionary clique was the headquarters of national capitulationism. Wang Ming, Liu Shao-chi, Chou Yang and other renegades, enemy agents and political charlatans like them were the reserve force of this headquarters. "National defence literature" was the literature of betrayal. Though it talked about "resistance to aggression" and "nation-

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al salvation," the play was actually using these as a disguise to oppose the Communist Party and betray the country, thereby serving Chiang Kai-shek's national capitalismism.

That was why the play met the very needs of the Chiang Kai-shek counter-revolutionary clique, and it was praised by the Kuomintang reactionaries as soon as it was brought out. Even Chiang Kai-shek thought highly of it, and so it was staged again and again in Wuhan, Chungking, Shanghai, Nanking and other places in the then Kuomintang-controlled areas. This was no coincidence. Immediately after Yang Han-sheng was arrested by the Kuomintang in 1935, he gave in to the enemy and became a vile traitor. Following orders from the ringleader of the special agents of the Bureau of Investigation and Statistics under the Kuomintang Central Executive Committee, he wrote *The Death of Li Hsiu-cheng* which was nothing but a confession of his betrayal and his deed of sale in the service of the Kuomintang.

**III**

Staged in Kuomintang-controlled areas until the eve of liberation in 1949, the play went off the stage following the Chiang dynasty's downfall. In 1962, Yang Han-sheng thought that his chance had come. He blared: "Li Hsiu-cheng is worth praising. It's significant that the play can be integrated with the reality, and it is the actual situation." In 1963, he hurriedly put the play on the stage again, renaming it *Li Hsiu-cheng*. Chou Yang also came out in praise of the play: "It is good. It has the atmosphere of our era."

What was their ulterior motive in digging up the historical mummy of Li Hsiu-cheng? What kind of "reality" was to be "integrated" and what kind of "atmosphere" was to be created?

Resurrecting a historically dead soul is for the needs of realistic class struggle. Because of sabotage by Khrushchov revisionism and natural disasters, China at that time was faced with temporary economic difficulties. Internationally, the imperialists, revisionists and reactionaries of various countries again set into motion an adverse anti-Communist and anti-China current; domestically, monsters of all kinds launched a fierce attack against socialism. In collusion with the class enemies at home and abroad, the Liu Shao-chi renegade clique frenziedly set about restoring capitalism. The renegade, hidden traitor and scab Liu Shao-chi republished his sinister book *Self-Cultivation*, aiming at overthrowing the dictatorship of the proletariat and restoring the dictatorship of the bourgeoisie. Lu Ting-yi, Chou Yang and other renegades and special agents, who were Liu Shao-chi's agents in the art and literary circles, all came out shouting themselves hoarse over the "spirit of Hai Jul." They let loose many poisonous weeds which advocated the spirit of "resistance," like Hai Jui Dismissed From Office. It was in this counter-revolutionary "atmosphere," when there was an evil trend of attacking the dictatorship of the proletariat and restoring capitalism, that Li Hsiu-cheng emerged.

To give prominence to Li Hsiu-cheng's spirit of "resistance" against Hung Hsiu-chuan, the play described the latter, the revolutionary leader of the Taiping Heavenly Kingdom, as a historical criminal who was "prejudiced" and "stubborn," did not listen to his officials' suggestions and adhered to an erroneous line which finally led to the defeat of the Kingdom. On the other hand, Li Hsiu-cheng was presented as the representative of the correct line. When the play was restaged after liberation, Yang Han-sheng deliberately added one act at the beginning. This act described at length that when victory was in view at the time of Li's attack on Sungkiang, Hung Hsiu-chuan, the Prince of Heaven, issued edicts three times a day ordering Li to "withdraw his troops back to the capital." Li Hsiu-cheng bitterly denounced that this was completely wrong and openly stated that he "dared not obey." Forced to return to Nanking, Li strongly advocated an "immediate withdrawal from Nanking" and opposed Hung Hsiu-chuan's decision to hold the city, threatening that he would die if Hung Hsiu-chuan did not comply with his suggestion. After the fall of Nanking, Li Hsiu-cheng's wife sighed: "Ai! Now we are defeated! Totally defeated! But who is it that has caused us to be defeated to such an extent? If, when he was alive, the Prince of Heaven had adopted what Your Highness had suggested, would we have been defeated?" This passage served to sum up the lesson of the failure of the Taiping Heavenly Kingdom and further showed the correctness of Li Hsiu-cheng's "resistance."

Yang Han-sheng has always stressed that there is a motive in staging a play. What then was his motive in putting on *Li Hsiu-cheng* at the time? Before and after presenting it, he busied himself selling the idea: Li Hsiu-cheng "is sharp in the struggle over principle. He dares to contend with the Prince of Heaven when he disagrees, even at the risk of his life." "Li Hsiu-cheng's spirit of resistance has developed to a high level under the limits of historical conditions. We should appraise him in this regard."

"Contention at the risk of his life!"

Experience in class struggle has told us that in class society, every "contention" serves a certain class or a definite political line. We should use the viewpoint of class struggle and of the struggle between the two lines to analyse and use Marxism-Leninism-Mao Tsetung Thought to distinguish whether the "contention" is in the interest of the proletariat or of the bourgeoisie and distinguish whether it conforms to the truth of Marxism or is merely a fallacy of sham Marxism. Chairman Mao has pointed out: "The combination of these two aspects, democracy for the people and dictatorship over the reactionaries, is the people's democratic
dictatorship.” (On the People’s Democratic Dictatorship.) In our state of the dictatorship of the proletariat, the people have become the masters of the country and enjoy full democracy which no bourgeois state provides. They have the right to air their views freely, write big-character posters and hold great debates. Only those overthrown class enemies have bitter hatred for our state of the dictatorship of the proletariat and try desperately to resist. As Chairman Mao has pointed out: “The class enemies will invariably seek opportunities to assert themselves. They will not resign themselves to the loss of state power and of their property.” Because of the tremendous might of the dictatorship of the proletariat, one of their means of attacking the proletariat is to invoke the spirits and, through a character in a play, praise a dead man’s spirit of “resistance,” which gives expression to their own counter-revolutionary sentiments.

Our great leader Chairman Mao teaches us: “To overthrow a political power, it is always necessary first of all to create public opinion, to do work in the ideological sphere. This is true for the revolutionary class as well as for the counter-revolutionary class.” If we “integrate” what Yang Han-sheng advocated — Li Hsü-cheng’s “contention at the risk of his life” — with the “reality” of the struggle between the two lines within the Party at that time, we will be very clear about its essence. Didn’t Liu Shao-chi wildly clamour in 1962 that “it is permitted to be an open opponent, ... and one is even allowed to put forward his own line and programme”? What did “open opponent” mean? It was nobody other than the counter-revolutionaries he headed! “One’s own line and programme” was nothing but Liu Shao-chi’s counter-revolutionary revisionist line and his programme for restoring capitalism! What Yang Han-sheng did — prettifying the renegade Li Hsü-cheng as the embodiment of the correct line and advocating Li’s spirit of “resistance” and “contention” — was to clear the way for Liu Shao-chi’s line and programme. Yang Han-sheng himself put it even more bluntly by arguing: Li Hsü-cheng “is limited by his world outlook, he could only obey Hung Hsü-chuan.” “The tragedy of a peasant revolution lies here.” Yang Han-sheng even clamoured: “If it had been someone other than Li Hsü-cheng, he would have rebelled at an early date.” This completely exposed Yang Han-sheng’s wild ambition. Was this not creating public opinion for usurping the power in the Party and government by Liu Shao-chi’s counter-revolutionary clique? Was this not an open instigation to oppose the dictatorship of the proletariat?

Like mayflies trying to topple a giant tree, they overestimated themselves and were ridiculed. How can the drags of history stem the torrent of revolution? Chou Yang, Yang Han-sheng and company’s criminal plot to oppose Chairman Mao’s proletarian revolutionary line and restore capitalism was pure daydreaming. Liu Shao-chi’s bourgeois headquarters has been smashed in the Great Proletarian Cultural Revolution. However, the struggle between the two lines has not ended. Historically speaking, our Party has developed in the struggle between the two lines. It has, in particular, developed, expanded and consolidated through the struggle against the “Left” or Right opportunist lines represented by Chen Tu-hsiu, Wang Ming and Liu Shao-chi. The historical experience of the past 50 years proves that by implementing Chairman Mao’s proletarian revolutionary line we will have everything, while becoming divorced from Chairman Mao’s proletarian revolutionary line will make us lose everything. Chairman Mao’s proletarian revolutionary line is our Party’s life-line. It is only because of Chairman Mao’s revolutionary line that we have our Party, our army and our socialist motherland. Therefore, we should earnestly study dialectical materialism and historical materialism, conscientiously study the history of the struggle between the two lines within the Party, continue to criticize Liu Shao-chi’s counter-revolutionary revisionist line and eliminate its remaining pernicious influence, raise our ability to distinguish between genuine and sham Marxism and enhance our consciousness of implementing Chairman Mao’s revolutionary line.

(Abridged translation of an article in “Hongqi,” No. 4, 1971)

NOTES

1. Li Hsü-cheng (1823-1884), a native of Tenghsien County in Kwangsi, in 1851 joined the Taiping Army led by Hung Hsü-chuan and later became a deputy commander. He received the title of Prince Chung. When Nanking fell in 1864, he was captured by Tseng Kuo-fan’s Hunan Army while attempting to break through the siege. Betraying the Taipings and surrendering to the enemy, he wrote a confession tens of thousands of characters long, but was later killed by Tseng Kuo-fan. For the past hundred years, some bourgeois historians and writers or artists either sought to defend this renegade by various means or lavished praises on him. Yang Han-sheng’s play The Death of Li Hsü-cheng was a typical work of such endeavours.

2. The Taiping Heavenly Kingdom revolutionary movement was a Chinese peasant revolutionary war in the mid-19th century against feudal rule and national oppression by the Ching Dynasty. In January 1851, leaders of this revolution, including Hung Hsü-chuan and Yang Hsü-ching, staged an uprising at Chintien Village of Kueiping County in Kwangsi, and proclaimed the founding of the Taiping Heavenly Kingdom. In 1852 the peasant army, proceeding northward from Kwangsi, marched through Hunan, Hupeh, Kiangsi and Anhwei and in 1853 captured Nanking. A part of the forces then continued the drive north and pushed to the vicinity of Tientsin. However, the Taiping Army failed to build stable base areas in the places it had occupied; moreover, after establishing its capital in Nanking, the leading group in the army committed many political and military errors. This accounted for its inability to withstand the combined onslaught of the counter-revolutionary forces of the Ching government and the British, U.S. and French aggressors, and it was finally defeated in 1864.

3. Tseng Kuo-fan (1811-1872) was Hunan Army chief. In the later period of the Ching Dynasty, Originally a bureaucrat in the Ching government, he was ordered by it
to organize a local army — the Hunan Army — in his native place Hunan in 1853. This army later became the main force in suppressing the Taiping Heavenly Kingdom revolution. He was defeated by the Taiping Army in a number of battles. Only by launching a joint pincers operation in collusion with the British, U.S. and French aggressors did he finally succeed in putting down the Taiping Heavenly Kingdom revolution. Because of his part in suppressing the people, he was greatly prized by the Ching government. Tseng Kuo-fan was an outstanding representative of the reactionaries in modern Chinese history.

4. Huang Chi-huang (1930-1953), Combat Hero of the Chinese People’s Volunteers, Special Class, fought in Korea with the Chinese People’s Volunteers in 1951. During the Sangkamryung campaign in Kangwon Province, Korea, he bravely rushed to an enemy pillbox and with his chest blocked the hole through which the enemy fired a machine-gun. He laid down his life, but he enabled his unit to fulfill its mission — the capture of a hill. He was posthumously admitted to the Chinese Communist Party and awarded the title of honour Hero of the Democratic People’s Republic of Korea.

5. Li Yu-ho, hero of the modern revolutionary Peking opera The Red Lantern, was a member of the Chinese Communist Party, a railway switchman and an underground worker. After being entrusted with the task of getting a secret code to the anti-Japanese guerrillas led by the Party, Li Yu-ho was arrested because of a renegade’s betrayal. A Japanese fascist gendarme chief used all kinds of tactics, including hard and soft, to force him to hand over the code. But, intelligent and brave, he did not yield. Unable to break him down, the enemy mercilessly killed him. Unafraid of death as he faced a firing squad, he displayed true proletarian heroism.

6. National defence literature was a Right capitulationist slogan in China’s Left-wing cultural movement in the 1930s. Because Japanese imperialism had steadily extended and deepened its aggression against China after 1935, the national contradiction was raised to the position of the principal contradiction in China. Chairman Mao formulated for our Party the policy of anti-Japanese national united front which got all anti-Japanese classes united in fighting the invader. At the same time he stressed that leadership in the united front must be firmly held in the hands of the proletariat and capitalism must be opposed. Contrary to this, Wang Ming, Liu Shao-chi and their gang pushed a Right capitulationist line which fundamentally negated leadership by the proletariat and advocated “everything through the united front” and “everything must be submitted to the united front.” Closely following Wang Ming and Liu Shao-chi, the hidden traitor Chou Yang and his like who had secreted themselves in the Left-wing cultural movement put forward the slogan of “national defence literature” in 1936, advocated liquidation of class struggle and renunciation of leadership by the proletariat, preached the so-called “literature of the entire Chinese nation” and a “literature that is for the whole nation,” and did all they could to oppose the slogan of “mass literature of the national revolutionary war” advanced by Lu Hsun which represented the proletarian line.

A Glimpse of Chinese Export Commodities Fair

by Our Correspondent

LOCATED at Hai Chu Square in the centre of Kwang-chow, the building of China’s 1971 Spring Export Commodities Fair took on a new look when the fair was held there from April 15 to May 15. At the entrance were portraits of the great revolutionary teachers Marx, Engels, Lenin, Stalin and our great leader Chairman Mao. A big streamer read “Long live the great unity of the peoples of the world!”

On display at the fair were tens of thousands of industrial and agricultural products. There were also model deeds of 56 advanced units and individuals in the living study and application of Marxism-Leninism-Mao Tsetung Thought. More than 16,000 visitors attended. Among them were businessmen and friends from over 90 countries and regions on the five continents, and patriotic overseas Chinese and compatriots from Hongkong and Macao. The fair reflected new achievements in China’s socialist revolution and construction. It is a get-together between the Chinese people and the people of various countries and regions throughout the world in developing trade relations and promoting friendship. Many foreign friends said that they had been deeply impressed by China’s policy of establishing friendly relations with countries having different social systems on the basis of the Five Principles of Peaceful Coexistence and her policy of promoting friendly exchanges with the people of other lands.

New Upsurge in Construction

When entering the machinery hall, one heard the roar of machines and saw them in operation, often with sparks spurting out. But one machine seemed not working. A visitor suggested to a comrade who explained things at the fair: Why not get it started? He replied with a smile, “It’s operating,” adding: This is the photoelectric follow-up linear cutting machine, which uses a new technological process. It is very difficult for ordinary machines to process small precision parts of hard metals in complicated forms, which modern industry requires. But this one can do the job, no matter how complicated the parts may be. All you have to do is make a design on paper and put it on the machine. This machine was produced by a small neighbourhood factory in Soochow which originally only had dozens of workers. The comrade who explained how the machine operated was a worker who had taken part in manufacturing it.

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Many new Chinese-designed high precision and automatic machine tools were on display for the first time.

Among the tens of thousands of exhibits in the halls of industries were high temperature resistant alloys and light metal materials for manufacturing planes, cold rolled steel for trucks and tractors, special steel plates for ocean-going vessels and high-strength rolled alloy steel for building such gigantic projects as the Nanking Yangtze River Bridge, as well as profile grinding tools with different specifications used in the machine-building industry. Most of them are new products manufactured during the Great Proletarian Cultural Revolution.

Many new products and technological processes in the hall of light industrial products attracted visitors. Many of them often stood round a new weighing instrument. It was the first electronic counter scale made by the Tientsin Weighing Instrument Factory in only eight months last year. When you put something on the scale's supporting plate and tell the operator where it is to be shipped, the operator presses a button and the scale can calculate and stamp the distance in kilometres, weight, shipping charges on a bill in a few seconds. This factory could only turn out three kinds of lever scale before the Great Cultural Revolution. Today it has manufactured a high precision bench platform scale with a sensitivity of one-625,000th, and made new contributions to producing electronic weighing instruments.

Rich farm and sideline products at the Hall “In Agriculture, Learn From Tachai” showed the excellent situation in which China had gathered bumper harvests for nine years running. The visitors were deeply impressed by the farm machines shown in another hall. Among the exhibits were big self-propelled combine harvesters which can harvest 300 mu of crops a day, suitable for large tracts of plain; light and small reaper, easily manoeuvrable, serviceable for small plots of land; machine-towed cultivating board used in cultivating the irrigated fields; and an implement for transplanting rice-seedlings with clusters of mud, which helps their growth.

These exhibits demonstrate the new achievements which the Chinese people, under the leadership of Chairman Mao and the Communist Party of China, have scored in carrying out the general line of “going all out, aiming high and achieving greater, faster, better and more economical results in building socialism”; they also are the new results of “taking agriculture as the foundation and industry as the leading factor,” which is the general principle of developing the national economy.

After seeing the exhibits, many foreign guests have got a new understanding of the high tempo of China's economic construction. An Australian friend said: I have attended the fair for the sixth time. This time the exhibits are better and richer than ever before. A West German friend said: There are new products, especially new industrial products on display at every session of the fair. This shows that China’s industry is developing without let-up.

**Consciousness Can Be Transformed Into Matter**

Chairman Mao said: “Once the correct ideas characteristic of the advanced class are grasped by the masses, these ideas turn into a material force which changes society and changes the world.” The advanced deeds of model units and individuals displayed at the fair have shown the fact that the mass movement of the living study and application of Marxism-Leninism-Mao Tsetung Thought is surging forward and that the magnificent ideological and political flowers have resulted in rich economic fruits.

The advanced deeds of No. 990 Geological Team of Kiangsi Province have eloquently proved once again the truth of how “consciousness can be transformed into matter.” In the past, the bourgeois “authorities” asserted that “there are no mineral deposits in the red soil strata in Kiangsi.” After studying the materialist dialectics, however, the geological team came to understand that “they [correct ideas] come from social practice, and from it alone” and that scientific practice was the only way to correctly explore and find out what lay under the red soil strata. Then a sub-team came to a small red soil basin. They went among the masses to make investigation and conducted prospecting. Having carefully analysed the extensive scientific data collected, they concluded that there were rich sedimentation and storage of ore resources. Thus they made deep drilling and finally located a big salt deposit and a rich copper
deposit in this small basin. The team also found mineral deposits of good quality in other regions of red soil strata. These facts shattered the fallacy that "there are no mineral deposits in the red soil strata in Kiangsi."

Chiang Ju-wang, secretary of the Party branch of Chinchien Brigade of Hsingtangpien People's Commune in Chiangshan County, Chekiang Province, studied and applied Marxism-Leninism-Mao Tsetung Thought in a living way in the struggle between the revolutionary proletarian line and the reactionary bourgeois line. When the renegade, hidden traitor and scab Liu Shao-chi stirred up a gust of evil wind in the countryside in an attempt to restore capitalism, Chiang, together with other poor and lower-middle peasants, studied Chairman Mao's theory of continuing the revolution under the dictatorship of the proletariat and came to realize that during the whole period of transition, there exist class contradictions and the danger of capitalist restoration. They, therefore, resolutely rejected Liu Shao-chi's capitalist road and defended Chairman Mao's revolutionary line. Following Chairman Mao's teaching: "Practice, knowledge, again practice, and again knowledge," they constantly summed up experiences in increasing production and settled the problems of water and manure shortage. The comrades from the locality who explained things at the fair gladly told the visitors: The village she came from is called Huangtukang. In the past, it was a poor place where, because of lacking irrigation facilities, people would be much worried if there was no rain for some time. But today Huangtukang gets two harvests of rice crop a year and people don't worry again if it is hit by the worst drought. Under the radiance of Mao Tsetung Thought, the villagers are transforming nature with stronger fighting will. Average per-mu grain yield of this brigade in 1970 was 3.5 times that in the early years after the liberation.

Among the model units exhibited at the fair were Tachai Production Brigade, Taching Oilfield, and a number of new advanced units coming to the fore from the mass movements of "In agriculture, learn from Tachai" and "In industry, learn from Taching." Put proletarian politics in the forefront, use Marxism-Leninism-Mao Tsetung Thought to educate people and display the revolutionary spirit of self-reliance and hard struggle — these are the characteristics common to them all.

Relying on their staunch will and hard work to transform the backward mountain areas for the revolution, the Tachai people have battled the elements, transformed the mountains, harnessed the rivers and improved soil fertility so as to build stable and high-yielding farmland. Per-mu grain yield last year reached 1,070 jin. The old Tachai, with its barren mountains, untamed rivers and poor soil, had long been turned into a thriving socialist new village.

Arming themselves ideologically with Chairman Mao's On Contradiction, On Practice and the "three constantly read articles," the Taching people began the battle in 1960 to open up an oilfield in a desolate area with "the blue sky overhead and a grassland underneath." Having overcome numerous difficulties, they finally opened up the Taching Oilfield with a high speed and at a high standard in three years, thus making their contributions to developing China's oil industry self-reliantly. During the Great Cultural Revolution, Taching has overfulfilled its production tasks yearly and monthly and met the targets set for the Third Five-Year Plan two years ahead of schedule. A comparison between 1970 and 1965 shows that the crude oil output of the Taching Oilfield has gone up 2.5 times, oil refining and processing ability 2.7 times and the variety of oil products 75 per cent.

Having learnt from the Tachai spirit, Shansi's Hsiayang County where the Taching Production Brigade is located has greatly developed its water conservancy works. In only four years, it has become a Tachai-type county. Per-mu yield in 1970 was 2.3 times that in 1965. By learning from the Taching Production Brigade, Kwangtung Province has pressed forward with the mass movement to go in for capital construction for the farmland, build water conservancy projects and engage in scientific farming. Irrigated area has accounted for 80 per cent of the province's total cultivated land. Average per-mu grain yield was 818 jin, more than double what it was in 1949. Total output of sugar-cane, one of the main industrial crops, increased tenfold and jute 10.8-fold.

In the mass movement to learn from Taching in industry, many old mines have displayed vigour and youthfulness and new plants have sprung up one after another. After criticizing such Right conservative ideas as "Anshan Steel is set in a fixed pattern" and "production has reached its maximum target," workers and staff members in the Anshan Iron and Steel Company, a time-honoured steel base, have renovated the equipment and developed new technological processes and new techniques. They turned out 430 kinds of new products in 1969 and again registered a 15 per cent increase last year. In addition, they have built new blast furnaces and iron mines and achieved self-sufficiency in ore. Production has kept rising every year. In learning from Taching, the Loyang Mining Machinery Plant in Honan Province has boldly renovated its products, widened the range of products from 26 kinds of 3 categories to over 800 of 23 categories and designed and manufactured many new products which were up to advanced standards. Through emulating the Taching spirit, 48 workers and educated youth in the Kwangsi Chuang Autonomous Region have built an alloy material plant by simple and indigenous methods during the Great Cultural Revolution. Ninety per cent of the plant's machines and equipment were made by themselves. They are now able to produce more than 100 kinds of products.

Unity and Friendship

The number of foreign friends from various countries visiting the session of the commodities fair...
outstripped that of the previous years. These foreign guests coming from different countries, regions and social strata have brought the friendship of the people of various countries for the Chinese people and helped promote the friendly relations between the Chinese people and the peoples throughout the world.

Many foreign friends and businessmen highly praised China's foreign trade policy of equality and mutual benefits and supplying each other's needs. Basing themselves on the concrete conditions of their respective countries, trade delegations and guests from different Arab countries and African nationalist countries often have certain specific needs in regard to the quantity, designs and specifications of commodities to be purchased. Proceeding from the principle of equality and mutual benefits, Chinese foreign trade workers tried their best to meet the guests' needs. One African trade delegation badly needed an all-aluminium wire of British specifications, but the available Chinese-made aluminium wire was one of the metric system specifications. When workers in the Chinese production departments concerned learnt about this, they immediately tried to make the product. Faced as they were with heavy production tasks, they would naturally meet many difficulties to make special arrangements for the production of the needed aluminium wire. Nevertheless, the workers accepted this task and satisfied the needs of the friends from this African country. A kind of textile goods needed by the guests from an Asian country had been sold out in the session of the commodities fair, but the comrades working in the fair, considering the concrete conditions of the country, sought ways to supply them with the goods and reduced the stipulated minimum quantity for purchasing this product.

Among the foreign friends who visited the fair, many were from those countries that have not yet established diplomatic relations with China. During their visits to the fair and talks on transactions, they expressed their feelings of friendship for the Chinese people and their strong desire for developing friendly trade transactions with China.

One thousand and four hundred representatives from the Japanese friendly firms took part in the present session of the fair. The friendship between the Japanese friends and the Chinese people culminated in the get-together held in Kwangchow's Chungshan University on May 1, International Labour Day.

Many Japanese friends expressed their determination to further strengthen the unity of the forces for Japan-China friendship, firmly oppose the revival of Japanese militarism by the U.S. and Japanese reactionaries and fight for an early restoration of diplomatic relations between Japan and China.

The fair's rooms for exchanging views on transactions were filled with an atmosphere of unity and friendship. Many foreign friends said: Surely, trade with China is based on real equality and mutual benefits; China has a wide range of commodities to offer, their quality is good and price reasonable. Talks on transactions take less time and agreement can be quickly reached to the satisfaction of both sides. Foreign friends of trade circles were generally of the opinion that China's Renminbi is stable and reliable and this is in sharp contrast with the U.S. dollar which is in a precarious position. At the session of the fair, there are more foreign businessmen who signed contracts and settled accounts in terms of Renminbi.

Now let us quote the following dialogue to conclude this report.

A Chilean friend told a Chinese comrade explaining things about the exhibits: "I have great admiration for China. The Chinese people are industrious, courageous and have the dauntless spirit which the Chilean people would like to learn from."

The Chinese comrade said: "We should learn from the Chilean people."

The Chilean friend went on to say: "Your country has been successfully built. Yours is a big country which has many things worthy of our emulation."

The Chinese comrade answered: "As Chairman Mao has always taught us, 'Every nation, big or small, has its strong and weak points,' we should learn from each other."
A new upsurge in the struggle against U.S. ir.
Socialism is now emerging throughout the world.

— Mao Tsetung
Mozambique: Guerrillas on the march.

Cuba: "Down with U.S. imperialism!" "Nixon is the murderer!"

Anti-war demonstrators encircle the U.S. Congress.
Latin American Countries Oppose Superpowers

Struggle to Defend Territorial Sea Rights

The Latin American countries have united more closely in defence of their sovereignty over territorial waters since the beginning of this year. This is an important move in the struggle now emerging in Latin America for the defence of national interests and state sovereignty and against the hegemony of big powers.

Ocean Colonialism

While contending for hegemony over the oceans, U.S. imperialism and social-imperialism have been colluding with each other in pushing their ocean colonialism everywhere. At the end of 1969, the two superpowers colluded with each other in "fixing the territorial limits to 12 nautical miles," and "proposed" the convening of an international conference to put their conspiracy into effect. They also concocted the so-called "Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other Weapons of Mass Destruction on the Sea-Bed and the Ocean Floor and in the Subsoil Thereof" which prohibits the emplacement of nuclear weapons on sea-bed outside the 12-nautical-mile territorial waters. One sinister aim of this was to limit the territorial waters of various countries within 12 nautical miles in an attempt to facilitate their encroachment on the sovereignty over territorial waters of the small and medium-sized countries and their plunder of the ocean resources of other countries.

In May 1970, U.S. imperialist chieftain Nixon also dished up a so-called statement on the "United States oceans policy," openly proposing that all nations "would renounce all national claims over the natural resources of the sea-bed beyond the point where the high seas reach a depth of 200 metres." This actually amounted to forcing the small and medium-sized countries to renounce their sovereignty over territorial waters and their right to exploit and utilize the ocean resources.

Big Confrontation Coming Up

The Latin American countries have waged a resolute struggle against the plots of the two superpowers to infringe on their national interests and have united on a wider and wider scale in the struggle. In mid-January, nine Latin American countries—Chile, Peru, Salvador, Ecuador, Nicaragua, Argentina, Panama, Uruguay and Brazil—held a conference in Lima, capital of Peru, in defence of their sovereignty over territorial waters. This was another collective action taken by Latin American countries against the scheme of the superpowers to dominate and divide the oceans. At the conference, they unanimously reaffirmed the stand to uphold the 200-nautical-mile limit as their territorial sea rights and reaffirmed the principles of the "Montevideo Declaration," namely, all coastal countries have the right "to establish the limits of their sovereignty and jurisdiction over the oceans, in conformity with their geographical and geological characteristics and the factors which condition the existence of the ocean resources and the necessity for their reasonable use." These Latin American countries also stressed the necessity of uniting with Asian and African countries to meet the grave challenge of "the ambitious and most powerful nations."

The 4-day conference fully demonstrated the determination and unity in action of the Latin American countries in defending their sovereignty over territorial waters. As Peruvian Foreign Minister Edgardo Mercado pointed out at its closing session, the conference contributed to the preparation for a forthcoming great confrontation.

Ecuador Defies brute force

To exert pressure on the conference, U.S. imperialism fiendishly sent out a large fishing fleet to intrude into Latin American territorial waters to plunder their ocean resources. But it met with forceful counter-action. Between January 11 and March 27, Ecuador captured piratic U.S. fishing boats on 26 occasions. Mexico also intercepted two piratic U.S. fishing vessels, one on January 29 and the other on February 6. On March 30, Peru also detained a piratic U.S. fishing boat. In addition, Ecuador seized an intruding Japanese fishing vessel. Altogether they captured piratic U.S. fishing boats on 29 occasions in the first quarter, almost one in every three days. This indicated the sharpening of the Latin American countries' struggle against intensifying U.S. plunder.
Enraged, U.S. imperialism tried vainly to make a breach in Ecuador. It lodged a “protest” with Ecuador one moment, suspended “military aid” the next and then applied a “sanction” against the latter. However, Ecuador feared no brute force and waged a tit-for-tat struggle. At the Foreign Ministers’ Conference of the Organization of American States (O.A.S.), Ecuador accused U.S. imperialism of this despotic behaviour, denounced it and requested the convocation of a special O.A.S. foreign ministers’ conference to discuss the U.S. violation of her territorial waters. All the other Latin American countries went to her support and this put U.S. imperialism in the dock. The U.S. International Herald Tribune lamented in a commentary on February 8 that “against strenuous American objections the Latin American countries voted 22 to 0 [the United States abstained from voting] to hear Ecuador’s complaint . . . not a single country sided with the United States.” After this, Ecuador ordered the expulsion of the U.S. military mission in the country and refused to negotiate with the United States on the question of territorial sea, thereby frustrating the U.S. imperialist plots. At this juncture, the Soviet Ambassador to Ecuador had the cheek to step forward to chorus U.S. imperialism. “We do not agree with the 200 nautical miles,” he blared out to the Ecuadorian people.

“A just cause enjoys abundant support while an unjust cause finds little support.” Ecuador’s struggle in defence of national interests and state sovereignty won the firm support of the Peruvian and Chilean Governments and the backing of public opinion in Cuba, Peru, Chile, Panama, Argentina, Mexico and other Latin American countries. According to an AFP February 16 report from Washington, U.S. violation of Ecuador’s sovereignty over territorial waters also “unleashed a wave of solidarity with Ecuador among the American people.”

Unity Is Strength

In order to combat various machinations of the two superpowers, Latin American countries have been strengthening their ties and co-ordinating their actions. In the first half of February, representatives from 23 Latin American countries held a consultative conference at the U.N. Headquarters on the questions of the law of the sea and the preparatory work for the 1973 Geneva international conference on the law of the sea and achieved satisfactory results. On March 14, during the Foreign Ministers’ Conference of the Andean Pact Organization, the Foreign Ministers of Peru, Chile and Ecuador issued a joint statement reaffirming their common position of defending sovereignty over 200-nautical-mile territorial waters and pledged unity to meet any threats or reprisals possibly taken by the superpowers. The decision, said the statement, was adopted after a study of the situation arising from the illegal fishing of U.S. vessels on Ecuador’s territorial waters. Commenting on the joint statement, the Peruvian paper Expreso noted that “we are linked by a consciousness of the citizens of Latin America. The U.S. interests have been notified that we are more closely united in face of the menace.” Afterwards, the Foreign Ministers of Peru and Brazil again took a common stand on the question of the sovereignty over 200-nautical-mile territorial water limits in their talks held in late March. The Brazilian Government promulgated a decree on March 29 prohibiting foreign boats from illegal fishing on her territorial waters.

International Solidarity

The stand taken by Latin American countries on fixing the coastal nations’ territorial water limits in conformity with their actual geographical conditions and the necessity for reasonable use of their resources has won sympathy and support from more and more countries in other areas. The Albanian paper Zeri i Popullit and the Korean paper Pyongyang Shinmun have published articles expressing support for the struggle of the Latin American countries in defence of 200-nautical-mile territorial water limits and hailing their victory scored in the struggle. Zeri i Popullit pointed out in its commentary: “This is another proof that the small and medium-sized nations and countries are ever more openly opposing the power politics and hegemony of the big countries and this opposition has now become a powerful anti-imperialist movement.” Commenting on the struggle of the Latin American countries for defending the sovereignty of 200-nautical-mile territorial water limits, the Yugoslav paper Politika pointed out that their stand won principled support at the Conference of Non-Aligned Countries. Not long ago, during his visit to Peru, Hussein Zulfikar Sabry, Advisor to the President for International Affairs of the United Arab Republic, expressed the resolute support of his government for the principle regarding rights to their regional and ocean resources applied by nine Latin American countries in defence of 200-nautical-mile territorial water limits. He said: We hold that the stand of signatory countries to the Montevideo Declaration of the sovereignty over territorial waters is correct, and we unreservedly support this stand. On April 2, Hannes Kjartansen, new Ambassador of Iceland to Peru, expressed the support of his country for Peru’s sovereignty over 200-nautical-mile territorial water limit.
Sato Government’s Fourth Arms Expansion Plan

True Colours of Japanese Militarism Exposed

THE draft of the fourth five-year arms expansion plan published by Japan’s reactionary Sato government is a fresh revelation of the ferocious features of Japanese militarism.

Arms Expansion on a Larger Scale and At a Quicker Tempo

Approved by the national defence group of the ruling Liberal Democratic Party beforehand, the draft plan was turned out by Yasuhiro Nakasone, Director-General of the “Defence Agency,” on April 27. It stipulates that during the 1972-76 period, Japan’s direct military expenditure will come to about 5,800,000 million yen, (equivalent to more than 16,127 million U.S. dollars) or 2.4 times that of the third plan. This shows that Japan’s arms expansion and war preparations have attained a heretofore unknown scale and tempo.

In order to soft-pedal its obvious militarist flavour, Eisaku Sato, Yasuhiro Nakasone and their like said the arms expansion plan aims at “establishing purely defence-oriented preparedness to cope with aggression through localized warfare involving conventional weapons” and at limiting armaments to a “necessary minimum.” But everyone knows that Japanese militarism always has encroached and committed aggression under the signboard of “defensive operations” or “defence.” Far from being limited to a “necessary minimum,” its armaments are being expanded to realize its unbounded ambition for aggression.

A look at the past of Japanese militarism tells us its present. It was under the cover of “localizing” the situation that soon after creating the September 18 Incident and occupying northeast China in 1931, Japanese militarism set out on all-round aggression against China. And it was under the same pretext that Japanese militarism unleashed the Pacific War in World War II. All this was dictated entirely by the greedy, aggressive nature of Japanese militarism. “Strategic defence,” “self-reliant defence,” etc., are nothing but empty phrases now used by the reactionary Sato government to deceive the people.

Plot to Collude With the Two Superpowers In Aggression Abroad

Japanese militarism has a dual purpose in energetically expanding its armaments: to meet the needs of U.S. imperialism in carrying out its policies of aggression and war in Asia and to meet its own needs in seeking the position of a big power and engaging in expansion abroad. It was admitted in the arms expansion plan that it is necessary for Japan to engage in arms expansion and war preparations because “the United States will lay more and more stress on the self-help by its allies under the Nixon doctrine” and because Japan’s “national strength has steadily been built up.”

Words and deeds of the U.S.-Japanese reactionaries following the publication of the Japan-U.S. joint communiqué have showed there is a counter-revolutionary objective behind all the efforts of the Japanese militarists in their arms drive for war, i.e., to undertake greater military commitments in the “Nixon doctrine” of “using Asians to fight Asians” and at the same time realize its ambition of dominating Asia. It has absolutely nothing to do with “purely defence-oriented preparedness” or “self-reliant defence.”

The part of the draft plan on the situation in Asia bares Japanese militarism’s real features. It says: “In Asia, while the relations between the United States; the Soviet Union and China are complicated, there lie many factors of international tensions, such as political instability, economic and social backwardness, and problems arising out of divided states.” Thus, it goes on, “We cannot deny the possibility of a limited armed conflict breaking out in the Far East, including Japan,” as well as the “possibility of indirect aggression” in the country.

It is known to all that the many factors contributing to international tension come from none other than the two superpowers. Like a thief crying “stop thief," Japanese militarism does not trace the root cause of war to the policies of aggression and war against Asia.

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being pursued by U.S. imperialism, social-imperialism and Japanese militarism, but to the Chinese, Korean, Vietnamese and Japanese people and those Asian peoples fighting for national liberation. This shows that far from “coping with” aggression against Japan, which is non-existent, Japanese militarism is actually attempting to collude with the two superpowers in aggression against China, Korea and Viet Nam and suppressing the national-liberation movement in Asia and the revolutionary struggle of the Japanese people. This arms expansion plan of Japanese militarism in effect paves the way for launching a large-scale war of aggression.

What is uppermost in the minds of the Japanese militarists is by no means a “localized war involving conventional weapons,” since its arms expansion plan calls for the “maintenance of air supremacy and the control of the sea to the necessary degree” in areas around Japan. Inasmuch as Sato, Nakasone and other militarists have long regarded Japan as the overlord in Asia and the Pacific Ocean within the “spheres of Japanese life,” is it not clear where Japan will extend its “air supremacy and the control of the sea”?

The arms expansion plan also calls for “adhering to the Japan-U.S. security system” and “depending on the nuclear deterrent of the United States.” “With the return of the administrative rights over Okinawa,” it says, “we must give consideration to stationing necessary defence forces in this area and with the arrangement and reduction of the U.S. military forces in Japan, we must give consideration to maintaining the necessary function of the bases.” It declares that 6,000 men of the “self-defence forces” will be sent to Okinawa during the period of the new plan.

The “Okinawa reversion” fraud of the U.S. and Japanese reactionaries is aimed at turning all Japan into an advance post and a nuclear base in their aggression against Asia and making up the shortage of U.S. military forces by Japanese forces. The joint Japan-U.S. military defence to be carried out in Okinawa and Japan proper means that Japan will commit itself to wars of aggression, including nuclear war, to be launched by U.S. imperialism with Okinawa and Japan proper as the bases. In this way the U.S. imperialists hope that by fastening Japan tightly to their war chariot, Japan will help them to avert their defeat in Asia and the Japanese will serve as their cannon fodder.

Stopping at Nothing in Establishing Hegemony

The target of the plan for armaments expansion is to increase the offensive ability of Japan’s armed forces, especially speeding up the expansion of its naval and air forces. When the plan is accomplished, Japan will have 180,000 first-line troops of the army and 41 regiments of second-line troops totalling 60,000 men, in addition to 247,000 tons of warships and 1,750 aircraft. Besides, the plan lays down measures to step up recruitment, establish more colleges training medical officers, set up an “intelligence headquarters” under the Joint Chiefs of Staff and develop a nationwide telecommunication network, all for preparing an aggressive war. Even U.S. Congressmen hold that Japanese armament at its present level has already exceeded the limits of its actual defence needs, a fact which will become more conspicuous when the new plan is accomplished.

It must be pointed out that this plan is only the first stage of Japan’s ten-year arms expansion plan. According to disclosures in the Japanese paper Mainchi Shim bun, the ten-year plan has not been made public because the “Defence Agency” is worried that publication would hamper arms expansion and war preparations.

The fourth arms expansion plan is also for stimulating the munitions industry. The Japanese bourgeois press has estimated that during the plan period, 2,600,000 million yen will be spent on purchases of military equipment at home. This is three times the outlay in the third arms expansion plan. The expenditure for research and manufacture of such arms and equipment as guided missiles and electronic weapons will be increased to 3.5 times that of the third plan. This will enable Japanese monopoly capital, now bogged down in an “over-production” crisis to find a way out through munitions production, and will bring about closer collusion between the munitions monopolists and the brasshats and give a new impetus to arms expansion and war preparations. It has been disclosed that the Japanese monopoly capitalists have put forward a programme for a financial guarantee in stepping up arms drive for war. This shows that once Japanese militarism embarks on the road of establishing hegemony through a position of strength, it will stop at nothing.

The reactionary Sato government’s frantic arms expansion and war preparations will bring new disasters not only to the broad masses of the Japanese people but also to the people of other Asian countries. That is why this cannot be tolerated by the people of Asian countries, including the people of Japan. This is the 1970s and not the 30s or 40s. Should Japanese militarism provoke a new war of aggression, it will inevitably meet with opposition from the Japanese and other Asian peoples and the people all over the world, and end up in self-destruction.

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China and Peru

Minutes of Lima Talks

Talks between the Chinese Vice-Minister of Foreign Trade and the Secretary-General of the Ministry of Foreign Affairs of Peru were held in Lima. Both sides expressed the desire to make efforts to develop trade relations and to contribute to the strengthening of the friendship between the people of the two countries. China supports the action which Peru and other Latin American countries have consistently taken to exercise their sovereign rights over 200-nautical-mile territorial waters and to establish more impartial, realistic and lasting international order on the sea.

The signing ceremony for the minutes of talks between Chou Hua-min, Vice-Minister of Foreign Trade of the People's Republic of China, and Carlos Garcia Bedoya, Secretary-General of the Ministry of Foreign Affairs of the Republic of Peru, was held in Lima, capital of Peru, on April 28. Vice-Minister Chou Hua-min signed the minutes of talks on behalf of the Chinese side and Secretary-General Carlos Garcia Bedoya on behalf of the Peruvian side. Peruvian Foreign Minister Edgardo Mercado Jarrin was present at the signing ceremony. Minister Mercado, Secretary-General Garcia and Vice-Minister Chou Hua-min in their speeches congratulated the signing of the minutes.

The minutes of the talks read:

Upon the invitation of the Peruvian Ministry of Foreign Affairs, His Excellency Mr. Chou Hua-min, Vice-Minister of Foreign Trade of the People's Republic of China, visited Lima. During the visit, the two sides held talks from April 22 to April 28, 1971, with a view to promoting the possibilities of trade interflow between the People's Republic of China and Peru. The talks manifested the common desire for developing trade relations in the spirit of equality, respect, reciprocity and mutual benefit so as to contribute to the strengthening of the friendship of the people of the two countries.

In the talks, both sides expressed the desire to make the greatest effort to promote and expand trade interflow and to reciprocally provide the necessary facilities for the import and export of commodities produced by each side, which are mentioned in list B and list A of the annex of the present minutes corresponding respectively to the export products of the People's Republic of China and Peru, but this will not preclude the addition to the above-mentioned lists of commodities stated in subsequent agreements.

Both sides also expressed the desire that the most favoured nation treatment will be mutually granted for import and export of the above-mentioned commodities and for customs duties, other taxes and customs procedures. However, both sides agreed that this obligation does not apply to advantages, special favours, privileges and immunities which one side grants or may grant to her neighbouring countries and to any special benefit or exemption from taxes that has been granted or will possibly be granted by one side in virtue of integrated regional or subregional agreements.

Both sides also defined that while entering into, berthing at or sailing from the ports of the other side, merchant ships of each side should enjoy the most favoured conditions, which the laws of the respective country have granted to ships flying the flag of a third country, in regard to port regulations and operations practised at the ports. But these regulations are not applicable to coastal navigation and fishing of any kind within the limits of maritime jurisdiction established by each side or to the special regulations dictated for the protection and development of their own merchant fleets.

Both sides also agreed that the exchange of commodities between them will be conducted through the state trading corporations of the People's Republic of China and the Peruvian state trade organizations or juridical or natural persons engaged in foreign trade.

The Peruvian Ministry of Foreign Affairs accepted with pleasure the invitation made by His Excellency Mr. Chou Hua-min, Vice-Minister of Foreign Trade of the People's Republic of China, for a visit to his country by a Peruvian trade mission to continue the talks started in Lima, with a view to working out the most suitable procedures for the promotion and concrete realization of permanent trade interflow and for the possible establishment of commercial offices in both countries.

With regard to the questions of territorial sea rights, both sides reaffirmed that as the common principle of international policy, the coastal countries have the right to dispose of the natural resources in the sea adjacent to their coasts and in its sea-bed and subsoil for promoting the development and welfare of their peoples. Consequently they have the right to define the limits of their maritime sovereignty and jurisdiction in accordance with their geographical realities and the necessity for reasonable use of the above-mentioned resources.

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With regard to this, His Excellency Mr. Vice-Minister reiterated the support of the People's Republic of China for the action which Peru and other Latin American countries had consistently taken at regional and world forums to reaffirm their sovereign rights over 200-nautical-mile territorial waters and to establish more impartial, realistic and lasting international order on the sea.

Finally, His Excellency Chou Hua-min expressed the admiration and sympathy of the People's Republic of China for the efforts made by the Peruvian maritime workers and entrepreneurs who, working under the protection of the government within the zone of 200 nautical miles, have turned Peru into a nation of fishery with the highest catch in the world, thereby contributing to the general development of the country and the raising of the standard of living of her people.

At the conclusion of the talks, both sides expressed in particular the cordiality and the spirit of co-operation displayed in the talks, which are in consonance with the long-standing and lofty friendship binding together the peoples of the People's Republic of China and Peru.

Prosperity Comes to the Wulanmaotu Grassland

by Chinpataerh*

SITUATED on the grassland of the southern foot-hills of the towering Greater Khingan Range in northeast China, the Wulanmaotu People's Commune has a population of 13,000 people — 11,000 are Mongolians — in its more than 2,300 households. A land of rolling mountains, it has some 1,600 square kilometres of pasture.

Threatened by starvation throughout the year before liberation, the impoverished herdsmen in Wulanmaotu lived in dire misery. Only a small number of cattle and sheep grazed on the desolate grassland. The whole Wulanmaotu area had only a little over 2,000 people in some 300 households just before liberation, and the number of domesticated animals was 22,000 in all.

With liberation the poor and lower-middle herdsmen became their own masters. Actively responding to Chairman Mao's great call "Get organized!" they formed mutual-aid teams and co-operatives which gradually developed into the people's commune of today. Giving full play to the collective strength of the commune and relying on their own efforts, working hard, doing away with all fetishes and superstitions and emancipating their minds, the commune members made energetic efforts to improve the breed of sheep and brought about rapid development in animal husbandry. Today's number of livestock in the commune exceeds 230,000, nearly 11 times as many as in the early post-liberation years and nearly twice the number in the period just before the commune was formed. Since 1958, our commune has supplied 4,290,000 jin of high-quality wool to the state, and sold more than 350,000 head of livestock to the state and other communes and brigades. The Wulanmaotu grassland has become a prosperous, new socialist livestock-breeding area with lush pastures and rich water resources; the people are leading a good life and the animals are sturdy and healthy.

Tending Sheep for the Revolution

Those who suffered in the old society understand today's happiness best. Those who were slaves and were subjected to bitter oppression understand the importance of Mao Tsetung Thought most. With profound proletarian feelings, the poor and lower-middle herdsmen in our commune study and apply Mao Tsetung Thought in a living way. The commune has set up 308 groups for studying Chairman Mao's works, and 187 activists in the living study and application of Mao Tsetung Thought have come to the fore. Taking the "three constantly read articles" by Chairman Mao as their orientation, the poor and lower-middle herdsmen have fostered the thinking of tending sheep for the revolution, regarding raising one more sheep and producing one more jin of wool as their extra contribution to the cause of the revolution.

During the lambing season in spring 1966, Wulannmaotu was hit by a severe blizzard seldom seen in the area. Big flakes fell for one day and one night, burying the vast grassland in a sea of snow. Seeing that tens of thousands of lambs were in danger of freezing to death, the poor and lower-middle herdsmen immediately took them to their houses and kept them warm with

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blankets. Their care and attention enabled the lambs to survive.

Praised by everyone as an "old activist" in tending sheep for the revolution, Hsienkulupa is an old herdsman who studies and applies the "three constantly read articles" in a living way. Over the past 20 years, he has carefully tended the flocks and he always thinks of the collective. The improved breed of sheep which he looks after are all healthy and strong. In the past eight years, he has covered thousands of li while tending sheep and has returned home only twice: once to shoe his horse and once because of a sore eye. Because he was getting on in years, some people tried to talk him into taking on lighter work in the brigade instead. But he turned them all down and replied: "I'm not as old as the Foolish Old Man who removed the mountains, and I've done very little compared to what Dr. Bethune and Chang Sun-teh did. The longer I live the younger I feel in tending sheep for the revolution."

Seldom returning home, poor herdsman Szuni is devoted to the interests of the collective and looks after the flocks on the grasslands all the year round. In summer 1969, he was called back by the brigade because his wife and daughter were sick. His wife complained that he cared more for the sheep than his home. Szuni at once organized the whole family to study the "three constantly read articles" which enlightened all of them. Then he recalled how as a slave before liberation he had suffered in the old society, having little to eat and hardly enough clothes to keep himself warm. His recollections brought tears to everyone. But when his past suffering was contrasted with his present happy life, everyone rejoiced. With her political understanding enhanced, his wife took the initiative to send him back to the pastures. Szuni was in charge of 700 sheep whose average weight was 126 jin. The wool produced by them averaged 10.4 jin per head, and the amount of wool sold to the state each year was more than 7,000 jin.

A fire raged through the mountains in the spring of 1965, spreading rapidly from the frontier region to the grassland north of our commune. Defying all danger, the poor and lower-middle herdsmen who were armed with Mao Tsetung Thought fought the fire for several days and nights and succeeded in protecting the livestock. Their exploits were numerous. When Patamachichike and his family saw the fire reach the village and it was destroying their house, they completely ignored it and did everything they could to drive the collective's 700 sheep to a safe place. Despite the fiery flames, 18-year-old herdsman Tiehlung showed great courage. He leapt to his horse and drove the commune's cattle through the fire and dense smoke. He went back and forth several times against a howling wind and succeeded in saving more than 550 head of cattle. But young Tiehlung died while saving the collective's property. When he died, he still held his lasso tight in his hand.

Improving the Breed of Sheep

Following Chairman Mao's great teaching "Concentrate on production in breadth and depth," we took active steps to improve the breed of our sheep, and this expedited the development of animal husbandry.

Improving the breed, which is a change in production and a revolution in ideology, has been brought about in our commune through a fierce struggle between the two classes, the two roads and the two lines. When the poor and lower-middle herdsmen were determined to increase wool output by improving the breed of small Mongolian sheep through artificial insemination with semen from fine-wool sheep, the handful of class enemies did everything they could to undermine the attempt. They poked fun at the activists so as to dampen their enthusiasm in making scientific experiments to improve the breed. Some conservative-minded people also had doubts about the experiment which soon became the subject of their discussion. Chin Kuan-chu, chairman of a brigade's revolutionary committee, and Comrade Haliyihen, a Communist Party member, saw the experiment to improve the breed as a battle against the class enemies and a criticism of Right conservative ideas. They artificially inseminated 300 small and weak Mongolian ewes which, thanks to their tender care, gave birth to 259 lambs. The class enemies' sabotage activities were thus smashed and doubts stemming from conservative ideas dispelled, and an example was set for improving the breed of sheep. The new breed has proved its worth: the sheep are fleshy and the mutton delicious; the wool produced is fine and plentiful.

Wulanmaotu Commune's sheep pasturing.
While we were making rapid progress in improving the breed and raising livestock scientifically, some bourgeois "experts" mocked and picked holes in our work. "The second generation of the improved breed," they railed, "will not grow any wool." They set a number of "standards" which, they said, must be observed: e.g., each stud station with two pedigree rams must have specialized technicians and ten other workers; the semen taken from each pedigree ram must not exceed the amount for inseminating 500 ewes; in addition, we must have high-powered microscopes, high-quality fodder, and so forth. These so-called "standards" were nothing but restrictions aimed at stifling our efforts to raise livestock scientifically.

But, by studying again and again Chairman Mao's teaching "Class struggle, the struggle for production and scientific experiment are the three great revolutionary movements for building a mighty socialist country," the poor and lower-middle herdsmen further strengthened their confidence in improving the breed by using simple local methods. To make up for what they lacked in technique, they did their best to learn through work. As there weren't enough houses, they curtained off part of their yurts for the purpose of artificial insemination. And when there weren't enough pedigree rams, they solved the problem by taking semen at a few centres and distributing it to the various places. As there were too many sheep to be inseminated and too few people to do the job, a mass movement was launched to mobilize all commune members — men and women, old and young — to take part in improving the breed of sheep. In the last ten years or so, the commune has run about a dozen training classes for improving the breed of sheep, set up 115 stud centres and organized 102 "three-in-one" scientific experimental groups composed of cadres, technicians and herdsmen. Altogether, more than 500 technicians have been trained, and a mass movement is afoot, with everyone showing concern for scientific experiment and taking part in activities to improve the breed. Since we had only a few pedigree rams, we used the semen from each one of them to inseminate 11,200 ewes in 45 days, and the pregnancy rate was 88 per cent. Thirteen-year-old Patamachi-chike, who has mastered the technique of artificial insemination, has attained a pregnancy rate of 99 per cent. The locally-trained technical personnel have become the main force in developing animal husbandry. They do the artificial insemination, deliver and care for the lambs, and cure the animals of diseases. Fifty-four of them have become veterinarians in the commune.

About a dozen years ago, our commune did not have a single sheep of improved breed, but now the number of such sheep exceeds 100,000, which is 55 per cent of the total number of sheep in the commune.

**Settlements for Herdsmen**

For thousands of years we herdsmen roamed with the flocks in search of water and pasture. It is Chairman Mao's great thinking on "self-reliance" and "hard struggle" that has guided us to build our own settlements. We learnt from commune members on the farms how to build houses and cattle enclosures, cultivate the land, sink wells and do other work. We have built many new villages for the herdsmen and opened up what had been water-less new pastures. In this way we have promoted the development of animal husbandry with greater, faster, better and more economical results. The Ahchilangtu Brigade has set a good example for the whole commune in this respect.

The place this brigade is located in used to be rich in water, with water coming from the springs up in the mountains and from the streams below. But as a result of changes in geographical conditions, the springs gradually disappeared and the streams dried up, turning the place into a well-known water-less area. When this happened, some people suggested moving. Comrade Taoketeke, chairman of the brigade's revolutionary committee, organized the herdsmen to study Chairman Mao's works and inspired everyone with the Tachai people's revolutionary spirit. This added to their determination to battle the elements and revive the grassland. Undaunted by setbacks and relying on their loyalty to Chairman Mao and their own efforts, they dug with spades and shovels and found water about 20

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THE WEEK

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welcome by revolutionary masses everywhere they went. That afternoon, the delegation arrived in Kwangchow by special plane.

The Kwangtung Provincial Committee of the C.P.C. and the P.L.A. Kwangchow Units on May 14 gave a banquet to warmly welcome the Vietnamese comrades. During their stay in Kwangchow, Comrade Le Duan and the other Vietnamese comrades-in-arms visited the Huatung People’s Commune of Huahsien County on the outskirts of Kwangchow. They also saw the Chinese Export Commodities Fair.

Before the Viet Nam Workers’ Party Delegation left Kwangchow for home on May 15, Comrades Chiu Hui-tso and Keng Piao gave a farewell banquet in honour of the Vietnamese comrades-in-arms. Comrade Chiu Hui-tso and Comrade Le Duan spoke at the banquet. They both toasted the militant friendship between the two Parties and the two peoples of China and Viet Nam.

Welcoming Delegation of General Federation of Trade Unions of Korea

Over 1,000 workers in Peking held a rally on May 16 to warmly welcome the Delegation of the General Federation of Trade Unions of Korea led by Comrade Kim Myong Son, Vice-Chairman of the Central Committee of the General Federation of Trade Unions of Korea.

Comrade Kim Jai Suk, Charge d’Affaires ad interim of the Embassy of the Democratic People’s Republic of Korea in Peking, and Embassy members attended.

Comrade Yao Wen-yuan, Member of the Political Bureau of the Central Committee of the Communist Party of China, and Comrade Chi Teng-kuei, Alternate Member of the Political Bureau of the C.P.C. Central Committee, attended the rally.

When the Korean comrades entered the hall, the whole gathering of workers burst into prolonged applause to warmly welcome their Korean comrades-in-arms. They expressed their firm support to the heroic Korean people in their just struggle against U.S. imperialism and for the peaceful unification of the fatherland and voiced the determination of the Chinese working class and the rest of the Chinese people to firmly oppose, together with the people of Korea, Japan, the three Indochinese countries and the rest of Asia, the revival of Japanese militarism by the U.S. and Japanese reactionaries.

The rally was presided over by Comrade Wu Teh, Member of the C.P.C. Central Committee and Vice-Chairman of the Peking Municipal Revolutionary Committee. Comrade Liu Hsi-chang, Member of the C.P.C. Central Committee and leading member of the Conference of Representatives of Peking Revolutionary Workers, and Delegation Leader Kim Myong Son delivered very warm speeches at the rally.

Comrade Liu Hsi-chang said: The revolutionary friendship and militant unity between the working class and people of China and Korea were nurtured by the Chinese people’s great leader Chairman Mao and the Korean people’s great leader Premier Kim Il Sung and founded on the principled basis of Marxism-Leninism and proletarian internationalism. They are a reliable guarantee for defeating U.S. imperialism, Japanese militarism and all reactionaries. In future, no matter what difficulty and storms we will meet on our road of advance, we will adhere to our great leader Chairman Mao’s teaching and always unite, fight and win victory together with the Korean working class and people.

Delegation Leader Kim Myong Son said: No force whatever can disrupt the militant friendship and solidarity sealed in blood between the working class and people of Korea and China in the struggle against their common enemies under the banner of Marxism-Leninism and proletarian internationalism and the banner of opposing imperialism and U.S. imperialism. The working class and people of Korea will, as always, do their utmost to strengthen their friendship and solidarity with the fraternal working class and people of China and together with them fight shoulder to shoulder against U.S. imperialism and Japanese militarism through to the end.

The rally burst into warm applause when the Chinese and Korean comrades-in-arms exchanged banners after the speeches by Comrade Liu Hsi-chang and Comrade Kim Myong Son. The banner presented by the rally to the Delegation of the General Federation of Trade Unions of Korea was inscribed: “The great friendship and militant unity between the working class of China and Korea is evergreen!” The banner presented by the Central Committee of the General Federation of Trade Unions of Korea was inscribed: “Long live the militant friendship and unity sealed in blood between the working class of China and Korea!”

The rally ended amidst the grand strains of Internationale.

After the rally, the Korean colour documentary film Envoy of the Fraternal Chinese People was shown. It records Premier Chou En-lai’s visit to the Democratic People’s Republic of Korea.


Chinese Workers’ Delegation Visits Albania

The Chinese Workers’ Delegation headed by Pan Shih-kao, Member of the Central Committee of the Communist Party of China and Vice-Chairman of the Kiangsi Provincial Revolutionary Committee, left Tirana for home on May 13. The delegation had taken part in the May 1 International Labour Day celebrations in Albania and paid a friendly visit to the country at the invitation of the Central Council of Albanian Trade Unions.
During its visit to Albania, the delegation was received by Comrade Enver Hoxha, the great leader of the Albanian people and First Secretary of the Central Committee of the Albanian Party of Labour, and Comrade Mehmet Shehu, Chairman of the Council of Ministers of the People’s Republic of Albania.

Premier Chou Meets Cuban Government Trade Delegation

Premier Chou En-lai met and had a cordial and friendly talk in the afternoon of May 12 with Herminio Garcia Lazo, Cuban Vice-Minister of Foreign Trade, and all the members of the Cuban Government Trade Delegation led by him.

The delegation arrived in Peking on May 1 to sign a new five-year trade agreement, a payments agreement and the 1971 trade protocol between China and Cuba. After friendly talks, the documents were signed in Peking on May 11. Vice-Premier Li Hsien-nien attended the signing ceremony. Signing the agreements and protocol on behalf of their respective governments were Chinese Vice-Minister of Foreign Trade Li Chiang and Delegation Leader Herminio Garcia Lazo.

The China-Cuba Friendship Association gave a farewell reception at noon on May 12 in honour of the Cuban Government Trade Delegation. Present at the reception were Kuo Mo-jo, Vice-Chairman of the N.P.C. Standing Committee; Pai Hsiang-kuo, Minister, and Li Chiang, Vice-Minister, of Foreign Trade; as well as leading members of the departments concerned.

The reception proceeded in an atmosphere of warm friendship between the people of China and Cuba. President of the China-Cuba Friendship Association Shen Chien, and Delegation Leader Herminio Garcia Lazo proposed toasts at the reception.

After concluding its friendly visit to China, the delegation left Peking on May 13.

Trade Mission From Malaysia

Premier Chou En-lai and Vice-Premier Li Hsien-nien met the trade mission from Malaysia in the evening of May 15. When the Malaysian guests entered the hall, Premier Chou and Vice-Premier Li shook hands with them in welcome. At the meeting Premier Chou and Vice-Premier Li had a friendly conversation with Tengku Razaleigh bin Tengku Hamzah, leader of the mission; Abdul Rahman bin Hamidon, deputy leader; and others.

The mission had arrived in Kwangchow on May 8 to visit the Chinese Export Commodities Fair at the invitation of the China Council for the Promotion of International Trade and had come to Peking afterwards.

(Continued from p. 26.)

metres underground. This gave the dry grassland a new lease on life.

In the past decade and more, our commune has sunk 124 wells and opened up more than 250 square kilometres of once water-less pastures. Since the establishment of the people’s commune, we have built mud walls for cattle enclosures, and in the last few years we have begun building stone walls to replace the mud ones. In this way, the pastures are protected and there will be no wanton felling of trees in the mountain forests for making the enclosures. The commune has set up 192 lambing centres, and flocks are now kept in warm enclosures while lambs are raised in heated sheds. Thus good material conditions have been created for improving the breed of sheep.

To shoe a horse, we had to cross mountains and travel some 300 li in the past, and to buy a saddle we had to journey 1,000 li. Ordinary furniture made of iron had to be shipped in from other areas. But since the formation of the people’s commune we have built small factories from scratch, and these have developed into a small industrial base with workshops for making iron and wood implements, for curing animal skins and making felt, and for repairs and other work serving livestock-breeding.

While actively developing animal husbandry, we have also made a good start in farming. Taking into consideration the characteristics of the grassland on the high and cold mountains, we have succeeded in our experiments to cultivate oats, millet and other crops. We are now more than self-sufficient in vegetables and our orchards abound in fruit.

The era when herdsmen could not get an education is gone for good. Today every production team has a primary school and the commune has a middle school. School-age children and youngsters are all studying in schools.

What makes us particularly joyful is the fact that four representatives from our commune have been to Peking to attend National Day celebrations. They have seen our great leader Chairman Mao whose concern for us has given us inexhaustible strength.

Trees have roots and streams have sources. Why is Wulanmaotu as prosperous as it is today? From our own experience we deeply realize that Chairman Mao is the great saviour of the people of all nationalities in China, that Mao Tsetung Thought is the powerful ideological weapon for building up the socialist new grasslands, and that Chairman Mao’s revolutionary line shows us the way forward and ensures that revolution and production advance with each passing day.
The section of highway between Liencheng County and Changting County in Fukien Province has been rebuilt recently. This has completed the entire highway linking up the two old revolutionary base areas—Fukien's Kutien and Kiangsi's Juichin. Thus, the long-cherished wish of the two provinces' people has come true.

Kutien and Juichin were old revolutionary base areas during the Second Revolutionary Civil War. At that time, the Kuomintang reactionaries sporadically built several sections of highway there in an attempt to quench the revolutionary flames. Many sections were narrow, steep and rugged, making traffic on the highway difficult. Though the people in the two provinces rebuilt some sections after liberation, they have not yet linked Kutien and Juichin together.

More than a year ago, leading departments concerned decided to rebuild the Liencheng-Changting section of the highway. When this happy news reached the border areas of the two provinces, the broad masses there were jubilant and have one another to work at the construction site. Rebuilding this 68.4-kilometre-long section which passes through many rolling mountains, rapid streams and dangerous shoals called for tremendous engineering work. But the peasant workers, taking Chairman Mao's "three constantly read articles" as their ideological weapon, built the road with high militancy and boundless enthusiasm. They proceeded with the construction while engaging in surveying and designing. After a period of intense struggle, they finally completed the project.

Getting Rich Harvests by Transforming Nature

TUCKED away in a valley in Kansu Province, northwest China, the Chaitzu Production Brigade has transformed a rock-strewn mountain into terraced fields with channels winding up the mountain-side. Per-mu grain yield has topped the set targets seven years running. Though the brigade was seriously hit by drought in 1970, per-mu yield still reached 873 jin, an all-time high.

Most of the brigade's land is rocky and hilly and it has little arable land. Before 1964 the brigade had only half a mu of cultivated land per person, most of it narrow strips of dry land scattered over the mountains. Grain yield was very low. When Chairman Mao in 1964 issued the call "In agriculture, learn from Tachai," the poor and lower-middle peasants of the Chaitzu Brigade, determined to make Tachai Brigade their example, gave full play to their collective strength to transform nature in a planned way.

They started work that winter in cutting through stony mountains to build dams and dykes and terrace the fields despite severe cold. Using explosives and tools they had made themselves, the peasants blasted the cliff and moved numerous rocks, each weighing 1,000 jin, down the mountain. During that winter and the following spring, they succeeded in building a dam 700 metres long, 4 metres wide and 4 metres high and a section of the embankment, forcing the roaming Minchiang River to change its course. This opened up 34 mu of fertile land on the river's banks.

In addition, they blasted rocks on the mountain and removed stones scattered all around to terrace the land. In the past few years, they have wrested 78 mu of terraced fields from the barren stony mountains.

While expanding the acreage of cultivated land, they have followed Chairman Mao's teaching "Irrigation . . . is the lifeblood of agriculture" and organized a shock force which, braving the winter cold, has installed two water-turbine pumps to convey Minchiang River water up a 100-metre-high mountain. They also designed and built channels winding up the mountains. After four winter-spring periods of hard work, they completed five channels on the mountains which have a total length of 30 li, thus turning two-thirds of the land into irrigated fields giving two high and stable crops yearly.

Spring Afforestation

A SPRING afforestation drive has taken place all over the country. More saplings have been planted in many areas compared with the corresponding period last year, and they gave better results. Since last winter, offices for this purpose have been set up in many provinces and autonomous regions and cadres assigned to lead and organize the work.

Preparations for spring afforestation started earlier than the previous years and more people have taken part in the campaign. Some areas of Shansi Province have organized large numbers of revolutionary people to plant trees. In addition to nursing saplings on more than 60,000 mu, they have also afforested a combined area of over 100,000 mu.

Preparations for this drive were made immediately after the autumn harvest last year in Liaoning, Kansu, Hopei, Shantung and other provinces. As a result, the work started two or three weeks earlier than the past few years.

During the afforestation drive, various places paid great attention to forest management. Many places have combined the management by specialized personnel with that by the masses, and planted trees while giving them good management. By watering and wiping out the insect pest on time, the masses have enormously raised the survival rate of the saplings they planted this spring.

May 21, 1971
MONETARY CRISIS

U.S. Dollar Position Hard Hit

The new monetary crisis which violently struck the capitalist world has dealt the U.S. dollar a heavy blow. Confidence in the dollar has been further shaken, and a number of West European national banks have refused to increase their dollar reserves and demanded the caming in of dollars for gold. The dollar's already tottering position has become even more precarious and the U.S. monopoly capitalist class is deeply worried over the situation.

The U.S. Treasury Department admitted on May 12 that France had recently converted over 200 million dollars into U.S. gold. On the same day, the Belgian Central Bank announced that it had converted 100 million dollars into U.S. gold. Explaining the action, a spokesman for the Belgian Central Bank pointed out that the bank believed that it should cease increasing the amount of dollars in its reserves. In a May 13 dispatch from Brussels, the New York Times News Service said that some West European countries “have opened a new round of dollar conversions. Since May 3, the Netherlands, Belgium and France have taken 422 million dollars of American gold with their surplus dollars.”

The conversions of U.S. dollars into gold from the U.S. Treasury by West European countries show the drastic decline of the dollar’s position. As is well known, the dollar is backed by the U.S. gold reserves. During World War II, the United States amassed a fabulous fortune from the war. In 1949, its gold reserves reached 24,600 million dollars, or almost 70 per cent of the total amount of gold in the entire capitalist world. Consequently, the dollar acquired the position of “reserve currency” which played the role of gold and the United States became a “dollar empire.”

But, with the rapid decline of its political and economic strength, its gold reserves rapidly dwindled. In 1965 and 1966, France and some other West European countries cashed in their dollars for U.S. gold. By the end of 1967, the U.S. gold reserves stood at only 12,000 million dollars while foreign claims against U.S. gold totalled over 30,000 million dollars. The credit of the dollar has gone down drastically. A monetary crisis, the biggest in the capitalist world in 40 years, broke out in spring, 1968. Heavy selling of the dollar and a rush for gold in monetary markets eventually forced the United States to announce setting up of a so-called two-tier gold market and gold price system. This means that in free markets, the United States would no longer guarantee the official price of 35 dollars for an ounce of gold and would let gold price go up freely. Actually, this meant a devaluation of the dollar in another form. The official price of gold was to be maintained only when the central banks of various capitalist countries converted dollars into American gold.

As the total amount of dollars held by various West European and other capitalist countries is several times bigger than the U.S. gold reserves, the United States was in extreme fear that they might convert dollars into U.S. gold. It has therefore exerted pressure through various channels, compelling them not to raise the demand for conversion at random.

Today, the dollar’s position has further weakened. U.S. gold reserves have fallen to some 10,034 million dollars while foreign claims against U.S. gold total over 49,000 million dollars. France and other West European countries have again converted dollars into U.S. gold in defiance of U.S. blackmail. French Minister of Finance and Economic Affairs Valery Giscard d’Estaing reiterated in his recent speech at the French National Assembly that the six West European “Common Market” countries should take concrete actions to check the flow of dollars into Western Europe. He further noted that in the U.S. fight against inflation, no West European countries should be asked to pay the price.

As soon as the news of the run on gold against the dollar by France, Belgium, etc., spread, gold price in the Western bullion markets rapidly soared. Gold price in the London market increased from 40.15 dollars per ounce on May 5 to 41.3 dollars per ounce on May 13, the highest record since August 1969. In the Frankfurt market of West Germany, gold price on May 13 also increased to 41.18 dollars per ounce.

In order to reduce the impact of France and other West European countries cashing in dollars for gold, the U.S. authorities specially had the spokesman of the U.S. Treasury to make a statement stressing that the run on gold against the dollar had nothing to do with the present monetary crisis and that the United States was “feeling no pressures.” But some U.S. news agency commentaries revealed that this statement was more of a confession than a denial. AP said: “The Belgian move, coming on the heels of last week’s dollar crisis, could embarrass the U.S. Government. Any concerted move by other European national banks to follow Belgium in cashing in dollars for gold could undermine the world monetary system.” The United States has gold in stock only enough “to redeem less than one-third of the dollars held by foreign central banks,” it added.

With the sharp decline of the dollar’s position, the symbol of U.S. economic strength, the U.S. ruling clique could hardly hide their agitation and despair. A Western news agency has pointed to the U.S. “congressional alarm over Europe’s dollar crisis.” U.S. Senator Barry Goldwater sadly admitted on May 11...
that American "pride" had taken a "tremendous beating." He said: "Our prestige and the respect with which we are held by other nations of the world was certainly not improved when the U.S. dollar went begging on the European continent and foreign governments resorted to extreme measures to counteract the effects of American inflation." Another U.S. Senator Javits also said in alarm in his speech on May 12: "The United States should regard this latest crisis as a dire warning." Newsweek, a mouthpiece of the U.S. monopoly capitalist class, said gloomily: "Concern deepened... From being a coveted asset, the dollar was looking more and more like a shaky IOU." It added: "Radical change seems certain — numbering the days that the United States will continue as automatic top dog in world finance."

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ROUND THE WORLD

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