Greeting 26th Anniversary of Founding
Of Democratic Republic of Viet Nam

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— "Renmin Ribao" editorial

Continuing the Revolution or
Restoring Capitalism?
The 700 million Chinese people provide a powerful backing for the Vietnamese people; the vast expanse of China's territory is their reliable rear area.

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Socialist relations of production have been established and are in harmony with the growth of the productive forces, but they are still far from perfect, and this imperfection stands in contradiction to the growth of the productive forces. Apart from harmony as well as contradiction between the relations of production and the developing productive forces, there is harmony as well as contradiction between the superstructure and the economic base.
Chairman Mao, Vice-Chairman Lin and Premier Chou Send Message to Comrades Ton Duc Thang, Le Duan, Truong Chinh and Pham Van Dong

— Most warmly greeting 26th anniversary of founding of Democratic Republic of Viet Nam

Comrade Ton Duc Thang
President of the Democratic Republic of Viet Nam,

Comrade Le Duan
First Secretary of the Central Committee of the Viet Nam Workers' Party,

Comrade Truong Chinh
Chairman of the Standing Committee of the National Assembly of the Democratic Republic of Viet Nam,

Comrade Pham Van Dong
Premier of the Government of the Democratic Republic of Viet Nam,

On the occasion of the 26th anniversary of the founding of the Democratic Republic of Viet Nam, we, on behalf of the Communist Party of China and the Chinese Government and people, extend the warmest congratulations to the Viet Nam Workers' Party, the Government of the Democratic Republic of Viet Nam and the Vietnamese people.

The Democratic Republic of Viet Nam is the first socialist country founded in Southeast Asia after World War II. In the past 26 years, the imperialist aggressors have launched wars of aggression against Viet Nam. The heroic Vietnamese people, under the wise leadership of their great leader President Ho Chi Minh and the Viet Nam Workers' Party, have carried out protracted indomitable struggles and first won the brilliant victory of the war of resistance against French aggression. In the past decade and more, the Vietnamese people have resisted with dauntless heroism the most barbarous aggression launched by U.S. imperialism and won great victories in the war against U.S. aggression and for national salvation. Engaging in the fight and production simultaneously, the people in northern Viet Nam, with firm stamina and in a spirit of self-reliance, have won tremendous successes in socialist economic construction and the building of national defence. The great victories of the Vietnamese people have given a powerful support to the people of various countries engaged in anti-imperialist revolutionary struggles and set a brilliant example for the liberation struggles of the oppressed nations and people throughout the world.

At present, the heroic Vietnamese, Laotian and Cambodian peoples, holding aloft the militant banner of the Summit Conference of the Indochinese Peoples, are fighting valiantly for the seizure of complete victory in the war against U.S. aggression and for national salvation. The situation in Indochina is unprecedentedly fine. The so-called "Nixon doctrine" and the scheme to "Vietnamize" the war pushed by the U.S. aggressors have gone bankrupt. Riddled with internal contradictions, the puppet cliques are in a state of utter chaos. Although U.S. imperialism is still putting up a desperate struggle, its defeat has become a foregone conclusion which no force on earth can alter. Victory surely belongs to the three peoples of Indochina.

The Chinese and Vietnamese peoples are comrades and comrades-in-arms who have gone through long tests. Our friendship and unity are unbreakable. The Chinese people will, as always, resolutely fulfill their internationalist obligations and give all-out support and assistance to the Vietnamese and other Indochinese peoples in their war against U.S. aggression and for national salvation until complete victory.

Mao Tsetung
Chairman of the Central Committee of the Communist Party of China

Lin Piao
Vice-Chairman of the Central Committee of the Communist Party of China

Chou En-lai
Premier of the State Council of the People's Republic of China

Peking, September 1, 1971

September 10, 1971
Chinese Party and State Leaders' Cable

— Extending deepest sympathy to Vietnamese Party, Government and people on serious floods hitting northern Viet Nam

Comrade Ton Duc Thang
President of the Democratic Republic of Viet Nam,

Comrade Le Duan
First Secretary of the Central Committee of the Viet Nam Workers' Party,

Comrade Truong Chinh
Chairman of the Standing Committee of the National Assembly of the Democratic Republic of Viet Nam,

Comrade Pham Van Dong
Premier of the Government of the Democratic Republic of Viet Nam,

We feel utmost concern to learn that northern Viet Nam has been hit by serious floods. On behalf of the Communist Party of China and the Chinese Government and people, we wish to extend our deepest sympathy to the Viet Nam Workers' Party, the Vietnamese Government and the fraternal Vietnamese people.

In the present struggle against the floods, the heroic Vietnamese people, under the staunch leadership of the Viet Nam Workers' Party, have been fighting day and night with courage and tenacity, displaying an unparalleled revolutionary spirit. The Chinese people express high admiration for this.

China and Viet Nam are close neighbours, and the Chinese and Vietnamese peoples are comrades-in-arms and brothers. The Chinese people always look upon the difficulties of the Vietnamese people as their own difficulties, and they will do everything possible to give all-out support and assistance to the fraternal Vietnamese people in overcoming the floods.

We firmly believe that the heroic Vietnamese people, who have won great victories in the war against U.S. aggression and for national salvation, will certainly overcome the temporary difficulties caused by the natural disaster and win victory in the struggle against the floods.

Mao Tsetung
Chairman of the Central Committee of the Communist Party of China

Lin Piao
Vice-Chairman of the Central Committee of the Communist Party of China

Chou En-lai
Premier of the State Council of the People's Republic of China

Peking, September 2, 1971

26th Anniversary of D.R.V.N. Independence Celebrated

Ngo Thuyen, Ambassador of the Democratic Republic of Viet Nam to China, on September 2 gave a grand reception to warmly celebrate the 26th anniversary of the Proclamation of Independence of the D.R.V.N.

Chinese Party and state leaders attending the reception were Chou En-lai, Huang Yung-sheng, Chang Chun-chiao, Li Hsien-nien, Yeh Chien-ying, Chiu Hui-tso and Kuo Mo-jo.

Diplomatic envoys of various countries to China were also present.

Ambassador Ngo Thuyen and Chief of the General Staff Huang Yung-sheng spoke at the reception.

Ambassador Ngo Thuyen first pointed out that under the correct leadership of the Viet Nam Workers' Party established by President Ho Chi Minh, the Vietnamese people recorded great victories in their resistance to the French colonialists and in their present socialist building of northern Viet Nam and in their struggle against U.S. aggression and for national salvation.

The Ambassador said that the Vietnamese people will always exert their efforts to consolidate and increase the brotherly militant solidarity and friendship with the Chinese people.

He said that the Vietnamese people profoundly rejoice over the important results obtained by the Chinese people in socialist revolution and construction.

Referring to the present situation towards the end of his speech, the Ambassador said: The U.S. imperialists have suffered very severe setbacks on all battlefields in Viet Nam, Laos and Cambodia; more than ever they are isolated and besieged by the opinion of the people of the world and American progressive people. But the Nixon administration still remains stubborn; it has not yet seriously replied to the 7-point proposal put forth on July 1, 1971 by the Provisional Revolutionary Government of the Republic of South Viet Nam. It refuses to quickly and totally pull out from south Viet Nam the American and U.S. satellite countries' troops. It persists in clinging to and maintaining the bellicose Nguyen Van Thieu, in continuing the "Vietnamization" of the war, promoting the war in Laos and Cambodia, launching bombing attacks over many areas of north Viet (Continued on p. 19.)

Peking Review, No. 37
"Renmin Ribao" Editorial:

**U.S. Imperialism Doomed to Defeat, Vietnamese People Bound to Win**

— Greeting the 26th anniversary of the founding of the Democratic Republic of Viet Nam

**Today** is the glorious festival of the Vietnamese people—the 26th anniversary of the founding of the Democratic Republic of Viet Nam. With the most profound fraternal feelings, the Chinese people joyfully celebrate this historic day together with the Vietnamese people who have won great victories in the struggle against U.S. imperialism, and extend to them the warmest congratulations and the loftiest militant salute.

The Vietnamese people are a heroic people and the Vietnamese nation is a great nation. Under the wise leadership of their great leader President Ho Chi Minh and the Viet Nam Workers' Party, the Vietnamese people have waged protracted and extremely arduous struggles against imperialism and colonialism for the independence of the fatherland and the liberation of the nation. The founding of the Democratic Republic of Viet Nam was the result of the Vietnamese people's great victory in their revolutionary struggle against imperialism after the August Revolution and marks a new stage of development in Viet Nam's history. In the past 26 years, the Vietnamese people have travelled a militant, victorious and glorious road. They drove out the French colonialists after 9 years of the anti-French war. In the war of resistance against U.S. aggression and for national salvation in which they have been persisting for 10 years, they have defeated the U.S. imperialist aggressors, the most ferocious in our epoch, and set an outstanding example for the oppressed nations throughout the world—a weak nation can defeat a strong and a small nation can defeat a big. The Vietnamese people's valiant struggle is a magnificent epic. Their splendid victories are an earth-shaking miracle. Their glorious feats and important contributions to the common struggle of the people of the whole world against U.S. imperialism will shine for generations to come. The Chinese people are proud to have such valiant and dauntless comrades-in-arms as the Vietnamese people. The Vietnamese people's fighting spirit and invaluable experience in the war of resistance against U.S. aggression and for national salvation are worth learning from by the Chinese people.

The National Day of the Democratic Republic of Viet Nam this year comes when there is an excellent situation in Viet Nam and the whole of Indochina. The 40 million Vietnamese people have won unprecedentedly tremendous victories in their war of resistance against U.S. aggression and for national salvation. Persevering in a protracted people's war, the patriotic armed forces and people in south Viet Nam have further frustrated the "Vietnamization" programme pushed by the Nixon government and dealt U.S. imperialism and its lackeys heavy blows. Persisting in fighting and production simultaneously, the north Vietnamese people have smashed the U.S. imperialists' naval and air raids and made new achievements in socialist construction and in building up national defence, thus giving powerful support and assistance to their kith and kin in the south and the Lao and Cambodian peoples in their war of resistance against U.S. aggression and for national salvation. The Democratic Republic of Viet Nam, which was born and has grown up and become stronger in the flames of revolution and war, has become an impregnable bastion of revolution at the anti-imperialist outpost in Southeast Asia. The Vietnamese people's just struggle has the universal support of the people throughout the world. The 7-point peace initiative put forth by the Provisional Revolutionary Government of the Republic of South Viet Nam not long ago pointed out the correct way to a peaceful settlement of the Viet Nam issue and was warmly welcomed by the world's people, including the American people, and by many governments.

Since the beginning of this year, the people of the three Indochinese countries, holding high the banner of the Summit Conference of the Indochinese Peoples, further strengthening their unity and supporting each other and fighting shoulder to shoulder, have launched vigorous offensives against U.S. imperialism and its running dogs on various battlefields. They have brought their fighting to a new level and had such brilliant successes as the Highway 9 and Snoul victories. Whether in Viet Nam, Cambodia or Laos, the situation in the three Indochinese peoples' war of resistance against U.S. aggression and for national salvation is excellent today. On the other hand, U.S. imperialism and its lackeys, suffering defeat after defeat and riddled with contradictions, are in the grip of irretrievable crisis in the whole of Indochina.

To save itself from defeat, U.S. imperialism is bent on pushing its policy of aggression in Indochina. It continues to intensify the war of aggression there in a futile attempt to counter-attack militarily. It refuses to announce a date for the withdrawal of the U.S. aggressor troops from south Viet Nam. It carries on the "Vietnamization" scheme and the "Nixon
doctrine" of making Asians fight Asians. While evading replying to the 7-point peace initiative of the Provisional Revolutionary Government of the Republic of South Viet Nam, it has spread the word about convening a Geneva conference in an effort to hoodwink the world's people and hang on in south Viet Nam by staving off and obstructing a peaceful settlement of the Viet Nam issue. But the U.S. imperialist scheme can never succeed. The Vietnamese people are determined to carry out the sacred behest of President Ho Chi Minh: "So long as a single aggressor remains on our soil, we must fight on to sweep him away." They are strengthening their fraternal unity with the peoples of Laos and Cambodia, fighting still more vigorously and exploiting their victories. They will certainly be able to seize complete victory in their war of resistance against U.S. aggression and for national salvation and fully realize their national aspirations.

The revolutionary friendship and militant solidarity between the two Parties, the two Governments and the two peoples of China and Viet Nam were cultivated personally by Chairman Mao, the great leader of the Chinese people, and President Ho Chi Minh, the great leader of the Vietnamese people; they are based on Marxism-Leninism and proletarian internationalism and can withstand any storm. The Chinese and Vietnamese peoples have always sympathized with, assisted and supported each other in the common struggle against imperialism. The Chinese people's great leader Chairman Mao has pointed out: "The 700 million Chinese people provide a powerful backing for the Vietnamese people; the vast expanse of China's territory is their reliable rear area." It is the unwavering policy of our Party and Government and also the bounden proletarian internationalist duty of our people to give all-out support to the Vietnamese and other Indochinese peoples in their war of resistance against U.S. aggression and for national salvation till complete victory. The heroic Vietnamese people will fight to the end, and the Chinese people will resolutely support them to the end. At all times and under all circumstances, the Chinese people will, as always, unite together, fight together and win victory together with the fraternal Vietnamese and other Indochinese peoples. We are deeply convinced that final victory surely belongs to the heroic Vietnamese and other Indochinese peoples.

(September 2)

Continuing the Revolution or Restoring Capitalism?

—Criticizing the "theory of productive forces" of Liu Shao-chi and other political swindlers

by the Writing Group of the State Planning Commission

The reactionary "theory of productive forces" is a trend of thought of international revisionism. According to this "theory," a country should not and cannot carry out socialist revolution unless its productive forces have reached a very high level and it has a highly developed capitalism. It describes social development as a natural outcome of the development of productive forces only, especially the development of the tools of production. There is no need at all for the proletariat to make revolution, it argues, because capitalism will "peacefully evolve" into socialism as long as the productive forces develop.

At every important juncture in the development of the Chinese revolution, the renegade, hidden traitor and scab Liu Shao-chi and other pseudo-Marxist political swindlers always raised the tattered "theory of productive forces" banner and frantically opposed the revolutionary struggle of the proletariat in an attempt to strangple the revolution. In the period of democratic revolution, on the pretext that China's "productive forces were backward" and labelling the proletariat "immature," they held that only the bourgeoisie could lead the revolution and opposed the seizure of political power by the proletariat. After the proletariat had seized power, they raved that "there isn't too much but too little capitalism in China," advocated unlimited development of capitalism and put forward the reactionary programme of "consolidating the new-democratic system" in an effort to turn back the wheel of socialist revolution and pull China on to the road of capitalism.

China's socialist transformation of agriculture, handicrafts and capitalist industry and commerce (referred to hereafter as the three big transformations) was basically completed in 1956. At this decisive point concerning whether or not socialist revolution could continue to go forward, Liu Shao-chi and other political swindlers after careful arrangements came up with a refurbished version of the "theory of productive forces" and described the internal principal contradiction in China as the "contradiction between the advanced socialist system and the backward social pro-
productive forces.” This fallacious theory tampered with the basic Marxist-Leninist principle concerning the interrelations between the productive forces and the relations of production and between the economic base and the superstructure, opposed our great leader Chairman Mao’s very important scientific conclusion that “the contradiction between the working class and the bourgeoisie” is the internal principal contradiction in China, and negated the class struggle in the economic, political and ideological fields. In presenting such a fallacy they tried to write off altogether the necessity of continuing the revolution under the dictatorship of the proletariat and create the “theoretical” basis for their counter-revolutionary revisionist line.

I

Marxism tells us that the contradiction between the relations of production and the productive forces and the contradiction between the superstructure and the economic base constitute the basic contradictions of every society. The endless emergence and solution of these contradictions promote social development and progress. “The basic contradictions in socialist society are still those between the relations of production and the productive forces and between the superstructure and the economic base.”

In the contradiction between the productive forces and the relations of production, the productive forces “generally play the principal and decisive role.” But “in certain conditions,” the relations of production “in turn manifest themselves in the principal and decisive role”; “when it is impossible for the productive forces to develop without a change in the relations of production, then the change in the relations of production plays the principal and decisive role.” The relations of production must correspond with the growth of the productive forces. A certain level of productive forces demands corresponding relations of production. When the relations of production correspond with the productive forces, they promote the latter’s growth; otherwise, they retard its growth. In the entire history of the development of human society, the change in any type of relations of production is a result of the development of the productive forces. There is no exception from slave-owners’ to feudal and then to capitalist ownership. However, tremendous growth of the productive forces always takes place after the establishment of new relations of production which correspond to the development of the productive forces. This is the general law of social development.

The productive forces are the most revolutionary and most active factor while the relations of production are relatively stable. As decided by their respective characteristics, contradictions between the relations of production and the productive forces are absolute while their harmony is relative. With the growth of the productive forces, the relations of production gradually lag behind this growth and change from something corresponding to the expansion of the productive forces into shackles holding back this expansion.

After the basic completion of the three big transformations in China, Liu Shao-chi and his gang shouted that a “contradiction” had appeared in China in which the productive forces lagged behind the relations of production. This was not only fallacious in theory but very reactionary in practice.

In their opinion, China’s “relations of production were in advance of the productive forces” after the basic completion of the three big transformations. In other words, these transformations were carried out with too much urgency and too rapidly and the new socialist relations of production were too “advanced” so they should go back to capitalist relations of production.

Did our three big transformations go too fast and thus cause our relations of production to surpass our productive forces?

The best answer was provided by facts. The upsurge of the three big transformations in 1956 developed smoothly, soundly and vigorously. This showed it was the general trend approved by popular feeling and a truly urgent need for further liberating the productive forces. In January 1956, Chairman Mao wisely pointed out: “The change-over from individual to socialist, collective ownership in agriculture and handicrafts and from capitalist to socialist ownership in private industry and commerce is bound to bring about a tremendous liberation of the productive forces. Thus the social conditions are being created for a tremendous expansion of industrial and agricultural production.” Precisely because the three big transformations corresponded with the needs for the development of our social productive forces, they promoted the latter’s growth at a very fast rate, bringing about considerable increases in China’s industrial and farm production in 1956 and a new big leap forward in 1958. Didn’t these solid facts adequately explain that these transformations were completely correct and very timely? How could anyone say that the relations of production surpassed the productive forces?

Liu Shao-chi and his bunch came up with such a fallacy — the “contradiction between the advanced socialist system and the backward social productive forces” — to oppose the three big transformations in China. What is more, they tried to prevent China’s revolutionary wheel from advancing and opposed continuing the revolution under the dictatorship of the proletariat.

According to their nonsensical argument, problems in the fields of the relations of production and the superstructure had been solved after the completion of the three big transformations and “the Party’s primary task is to develop the productive forces as quickly as possible.”

Following the basic completion of the three big transformations in China, the socialist relations of pro...
duction have certainly been in harmony with the development of the productive forces and therefore promoted the latter’s rapid growth. Our state power of the proletarian dictatorship and socialist ideology under the guidance of Marxism-Leninism-Mao Tsetung Thought correspond to the needs of the socialist economic base and play an active role in helping the formation, consolidation and development of the socialist relations of production. This is the fundamental aspect. Overlooking this aspect means overlooking the socialist system’s superiority. But this does not mean that every aspect or every link in our relations of production and the superstructure is already perfect and that there is no more need to make further changes and adjustments or carry on revolution in these fields.

Chairman Mao has taught us: “Socialist relations of production have been established and are in harmony with the growth of the productive forces, but they are still far from perfect, and this imperfection stands in contradiction to the growth of the productive forces. Apart from harmony as well as contradiction between the relations of production and the developing productive forces, there is harmony as well as contradiction between the superstructure and the economic base.” Marx scientifically foresaw long ago that socialist society is inevitably “in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society from whose womb it emerges.” Therefore, the socialist system still needs a historical process of continuous building and consolidation. The basic completion of the three big transformations is only the first step in a ten-thousand-li long march in the socialist revolution.

Have facts not proved this?

Capitalists were still receiving a fixed rate of interest on their capital and at that time a section of the farm co-ops and handicraft producers’ co-ops were still semi-socialist in character. Even in state enterprises, state ownership does not mean that the relations between people in them have naturally changed into those of socialism. For instance, do they follow the system of one man leadership or the system of collective leadership of the Party; do they take the “line of relying on experts” or do they launch large-scale mass movements; do they practise material incentives and put profits in command or put politics in command and stress ideological work first? The correct or incorrect solution of these questions decides, in the final analysis, whether the power in an enterprise is really in the hands of the working class or not and whether an enterprise is a genuine socialist enterprise or a capitalist one with a socialist signboard. If we fail to see the fact that our socialist relations of production are still far from perfect and mistakenly hold that the question of the relations of production has been completely solved and therefore we can concentrate on production alone, then not only will the development of the productive forces be impeded but socialism may “peacefully evolve” into capitalism as what has happened in the Soviet Union.

Socialist society is far superior to capitalist society and the productive forces in it develop at a much faster rate than in capitalist society. With the rapid growth of the productive forces, the relations of production which correspond with the productive forces for the time being will not correspond with and will become contradictory to them in certain aspects later. Precisely because we are able to consciously and timely solve these contradictions in the relations of production which do not correspond to the growth of the productive forces and we continuously adjust certain imperfections in time, we can promote the development of socialist society tremendously. The relations of production have to undergo continuous quantitative changes and many partial qualitative changes before the completion of all the qualitative changes for entering communism. Liu Shao-chi and other political swindlers like him never talked about the need for the relations of production to be constantly perfected and transformed by stages in accordance with the development of the productive forces. Their efforts were to strangle socialist revolution and liquidate the continued revolution under the dictatorship of the proletariat.

Likewise, it is also necessary to continue the revolution in the field of the superstructure.

Socialist revolution in the ownership of the means of production alone cannot ensure a consolidated socialist system and we must also carry out thorough socialist revolution on the political and ideological fronts. Chairman Mao has taught us: “We have won the basic victory in transforming the ownership of the means of production, but we have not yet won complete victory on the political and ideological fronts. In the ideological field, the question of who will win in the struggle between the proletariat and the bourgeoisie has not been really settled yet.” It is not long ago that the working class became the ruling class in our country and proletarian ideology cannot become the dominant ideology of the entire society overnight. On the contrary, the influence of the ideological system of the landlords and bourgeoisie is still quite powerful in many fields and quite a long time is needed to thoroughly eliminate this influence. Vice-Chairman Lin pointed out: “If we do not make revolution in the field of the superstructure, mobilize the broad masses of the workers and peasants, criticize the revisionist line, expose the handful of renegades, special agents, capitalist readers and counter-revolutionaries and consolidate the leadership of the proletariat, how can we further consolidate the socialist economic base and further develop the socialist productive forces?”

Liu Shao-chi and his gang turned up with the fallacy of the “contradiction between the advanced socialist system and the backward social productive forces,” yelling that the “primary task” of the Party and the people was to “develop production.” In doing this, they were not really concerned with the develop-
II

In class society, the contradictions between the relations of production and the productive forces and between the superstructure and the economic base inevitably manifest themselves as class contradictions and class struggle. This is because the advanced class representing the new productive forces insists on destroying the out-dated relations of production and superstructure while the exploiting classes representing the old system do their utmost to retain them. Therefore sharp class contradictions inevitably exist and intense class struggle between them is inevitable. Although the bourgeoisie has been overthrown and the proletariat has grasped political power in socialist society, the overthrown landlord and capitalist classes will never take their defeat lying down; they will invariably struggle desperately against us in the vain hope of regaining their lost paradise. As early as at the Second Plenary Session of the Seventh Central Committee of the Party, Chairman Mao pointed out: After the seizure of political power by the proletariat, the principal internal contradiction is "the contradiction between the working class and the bourgeoisie." After the basic completion of socialist transformation in China, Chairman Mao repeatedly taught us: "In socialist society, class contradictions still remain and class struggle does not die out after the socialist transformation of the ownership of the means of production."

After the basic completion of the three big transformations in China, Liu Shao-chi and his gang jabbered that the principal internal contradiction is "the contradiction between the advanced socialist system and the backward social productive forces," their purpose being to obliterate the contradiction between the working class and the bourgeoisie. They damned that "the private capitalist enterprises had been turned into joint state-private enterprises and the contradiction between the proletariat and the bourgeoisie had been basically resolved." This is a betrayal of the Marxist-Leninist theory on the dictatorship of the proletariat.

Has class struggle died out since the basic completion of the socialist transformation of the ownership of the means of production? Can we just grasp production and forget to strengthen the dictatorship of the proletariat? Let us see how the teachers of revolution taught us:

In his Critique of the Gotha Programme Marx wrote: "Between capitalist and communist society lies the period of the revolutionary transformation of the one into the other. There corresponds to this also a political transition period in which the state can be nothing but the revolutionary dictatorship of the proletariat."

On the basis of the great practice of the dictatorship of the proletariat in the Soviet Union, Lenin explicity pointed out further: "The transition from capitalism to communism represents an entire historical epoch. Until this epoch has terminated, the exploiters inevitably cherish the hope of restoration, and this hope is converted into attempts at restoration." He repeatedly stressed: During the socialist period, "the dictatorship of the proletariat is essential." Having summed up the historical experience of the dictatorship of the proletariat at home and abroad, Chairman Mao pointed out even more clearly: "Socialist society covers a considerably long historical period. In the historical period of socialism, there are still classes, class contradictions and class struggle, there is the struggle between the socialist road and the capitalist road, and there is the danger of capitalist restoration." "Our instruments of dictatorship must be strengthened, not weakened."

Historical facts of class struggle have fully testified to the incomparable correctness of the brilliant theses of the proletarian revolutionary teachers Marx, Lenin and Chairman Mao. The three big socialist transformations in China were sharp class struggles; following the basic completion of these transformations, class struggle has never ceased. The bourgeoisie Rightists launched wild attacks on the Party and socialism in 1957. In 1959, the Peng Teh-huai anti-Party clique frantically opposed the Party's general line, the great leap forward and the people's communes. Between 1960 and 1962, Liu Shao-chi and his gang vociferously advocated san zyi yu bao (the extension of free markets and of plots for private use, the promotion of small enterprises with sole responsibility for their own profits or losses, and the fixing of output quotas on a household basis) and four freedoms (freedom to practise usury, hire labour, buy and sell land and engage in private enterprises). After 1963, Liu Shao-chi and company resorted to tactics which were "Left" in form but Right in essence to sabotage the socialist education movement. Especially during the Great Proletarian Cultural Revolution, Liu Shao-chi and his agents launched one counter-attack after another from the Right and from the ultra-"Left." All these struggles are life-and-death struggles between the two antagonistic classes—the proletariat and the bourgeoisie—which from beginning to end are centred on the question of political power. The question is whether to consolidate or subvert the dictatorship of the proletariat, and whether to take the socialist road or the capitalist road.

Liu Shao-chi and those like him used the so-called "contradiction between the advanced socialist system and the backward social productive forces" to replace "the contradiction between the working class and the bourgeoisie," liquidate class struggle in vain attempt to totally deny the necessity of continuing the revolution in the spheres of the relations of production and the superstructure, and oppose continuing the revolution under the dictatorship of the proletariat. Their criminal aim was to make socialism go back to capitalism. Severely denouncing the imperialists, Lenin said that they "want to turn peaceful economic develop-
ment into the peaceful disintegration of Soviet power.” Liu Shao-chi and other political swindlers were such imperialist lackeys.

History proves that to win political power, the proletariat must rise to make revolution and must never resort to any peaceful means; to consolidate political power, the proletariat must persist in continuing the revolution under the dictatorship of the proletariat and must never go in for production only and forget and abandon class struggle. “Peaceful transition” cannot make capitalist society “grow peacefully into” socialist society but will only safeguard capitalist rule; it cannot make socialist society “grow peacefully into” communist society but will only make it “peacefully evolve” into capitalism. In countries where victories have not been won in the proletarian revolution, the revisionists trumpet “the theory of productive forces” for the purpose of numbing the people, wanting them to rest content with things as they are and not to make revolution, not to seize political power by armed force and not to overthrow the bourgeoisie. In socialist countries where the proletariat has seized political power, the counter-revolutionary revisionists advertise “the theory of productive forces” in the vain hope of making the Marxist-Leninist Parties degenerate into “productive parties” and disarming the Party members and the masses of the people ideologically so as to facilitate the class enemy in its attempt to effect “peaceful evolution.” The “theory of productive forces” is an out-and-out “theory of capitalism.”

III

The fallacy of “the contradiction between the advanced socialist system and the backward social productive forces” trotted out by Liu Shao-chi and company gave rise to the counter-revolutionary revisionist line opposed to Chairman Mao’s proletarian revolutionary line.

After summing up the historical experience of the dictatorship of the proletariat at home and abroad and making a profound Marxist-Leninist analysis of the basic contradictions of socialist society, Chairman Mao has put forward in a comprehensive way the basic line of our Party for the whole period of socialism. The correct Marxist-Leninist line advanced by Chairman Mao is concretely embodied in the series of principles and policies laid down under his personal guidance for China’s socialist revolution and socialist construction.

The great principle “Grasp revolution, promote production” is the concrete manifestation of Chairman Mao’s revolutionary line. It has correctly handled the relationships between revolution and production, consciousness and matter, the superstructure and the economic base and between the relations of production and productive forces. Lenin severely denounced the opportunists who opposed looking at problems from the political point of view. He said: “Politics must take precedence over economics. To argue otherwise is to forget the ABC of Marxism.” Chairman Mao has always taught us: “Political work is the life-blood of all economic work.” The relationship between politics and economics and between revolution and production is always one between what commands and what is commanded, and between what is primary and what is secondary. Once politics are grasped, the principal aspects of the contradiction are grasped and everything will readily go forward. Only by persistently giving prominence to politics, can we constantly consolidate and develop the socialist economic base and bring about the development of the productive forces at high speed. This is the law of socialist development. In trumpeting that “production can promote revolution,” Liu Shao-chi and company tried to replace revolution with production and suppress and liquidate revolution. Giving prominence to production actually means giving prominence to bourgeois politics. This is not a policy for developing socialism but a policy for restoring capitalism.

“The aim of socialist revolution is to liberate productive forces.” Our Party has always paid great attention to the development of social productive forces. But how can we promote the development of productive forces? Whom do we rely on to develop them? We can only rely on putting politics in command and on the people armed with advanced ideas. Marx said: “The greatest productive power is the revolutionary class itself.” Lenin said: “The primary productive force of human society as a whole, is the workers, the working people.” Chairman Mao said: “It is people, not things, that are decisive.” “The people, and the people alone, are the motive force in the making of world history.” The masses of the people are the main force in the three great revolutionary movements — class struggle, the struggle for production and scientific experiment — and in knowing and changing the world. Among the factors of the productive forces, the tools of production are important. But a machine is only a kind of possible productive force. It can be transformed into a real productive force only when it is run by man. Moreover, a machine is created by man. When people’s ideologies differ, the results of their labour vary. To negate the factor of man means to negate the greatest productive force. To negate the role of ideology means to negate the reaction the superstructure has on the economic base. Once people’s thinking is revolutionized, production is developed. When we stress that the relations of production should be handled well and that we should make the revolution in the sphere of the superstructure successful, firmly grasp class struggle and arm the masses with Marxism-Leninism-Mao Tsetung Thought, we mean giving maximum play to people’s enthusiasm for socialism. Vice-Chairman Lin has pointed out: “To give prominence to politics is not an optional policy which you may or may not follow. It is a fundamental measure put forward in accordance with the law governing the development of socialist society and required by its economic base. To go against it means violation of the law governing the development of socialist society.” The principle “Grasp revolution, promote production” personally formulated by Chairman Mao re-
quires us to firmly grasp class struggle as the key link, give prominence to proletarian politics and use revolutionization to lead mechanization. This is the broad road in building a socialist country.

In feverishly advocating and pushing the "theory of productive forces," Liu Shao-chi and his ilk wanted the people to engage only in economic construction and pay no attention to class struggle, to promote only mechanization and not revolutionization. They strenuously encouraged "material incentives" and opposed putting politics in command. Their purpose was to push their counter-revolutionary revisionist line. Liu Shao-chi and company spread the fallacy everywhere that putting politics in command "means to push things upward," drivelling that "the greatest politics" lies in "technical development and the development of things in various fields." They talked glibly about such nonsense as "making electronics the centre" but did not mention the role of advanced ideas and of man. This proves that "the productive forces" in their eyes were nothing but the tools and skills of production and that they knew nothing about the truth that correct ideas can be transformed into a material force that changes the world or about the reaction the superstructure has on the economic base. They were political swindlers who reputedly knew about Marx but actually opposed Marxism.

Our experience in the struggle against Liu Shao-chi and his kind has proved that under socialist conditions the "theory of productive forces" appears cloaked as Marxism and beneath the signboard of developing social productive forces, and is peddled amid loud noises about "improving the people's material well-being" and "stepping up socialist construction" and therefore it is most deceitful. It is the "theory" which the bourgeoisie uses to oppose socialist revolution and restore capitalism. As long as the struggle between the working class and the bourgeoisie exists, it will appear in one disguised form or another. Criticizing the reactionary "theory of productive forces" in a deep-going way and eliminating its pernicious influence are of great importance in heightening our consciousness of the struggle between the two lines and persisting in continuing the revolution under the dictatorship of the proletariat.

The Decline of the Dollar Empire

U.S. imperialism has long used the U.S. dollar to push its aggressive foreign policy. Known as "dollar diplomacy," this is characterized by open collusion between Wall Street and the State Department in relying on the dollar to pave the way for U.S. world hegemony. The dollar has been a symbol of U.S. economic hegemony in the capitalist world since World War II. Thus the United States is known as the "dollar empire."

How the Dollar Got Its Privileged Position

One reason for the dollar's role is it was backed by large amounts of U.S. gold reserves. In the capitalist world, the country with the biggest gold reserves is considered to be the god of wealth and has a bigger say. For this reason, during World War II and the early postwar period U.S. imperialism took advantage of its economic strength, enormously inflated in the war, to obtain large quantities of gold from other countries. By the end of 1949, U.S. gold reserves had reached 24,600 million U.S. dollars, or 73.4 per cent of the total in the whole capitalist world. Buried in Fort Knox and heavily guarded, these reserves became an important means by which U.S. imperialism dominated the capitalist world.

At the preparatory Bretton Woods conference for founding the International Monetary Fund, held in the United States in 1944, the year before the end of World War II, U.S. imperialism forced the other countries in the capitalist world to accept an international monetary system in which the dollar was tied to gold while other currencies were linked with the dollar. A parity was fixed between the dollar and gold (according to U.S. government regulation of January 1934, one ounce of gold is worth 35 dollars) as well as between the dollar and other currencies according to their gold content. As a substitute for gold, the dollar thus acquired the privileged position of a reserve currency in the capitalist world and a pillar of its monetary system.

For the past 20 years or so, international trade and international payments throughout the whole capitalist world were settled on the basis of this system. Relying on its financial and economic superiority, U.S. imperialism once boasted that Western Europe caught a cold every time the United States blew its nose.

Why the de Facto Devaluation of the Dollar

But it was not long before confidence in the dollar dropped drastically. Several hectic dollar selling and gold rush storms occurred in Western Europe. As a result of inflation and soaring prices at home, one dollar in the United States today is worth only 35 cents compared with 1939. During the March 1968 monetary crisis the United States had to give up maintaining the official gold rate of 35 dollars per ounce in the free markets. The so-called two-tier exchange system for gold was adopted. Under this the United States no longer provided the free markets with gold but allowed the price to float, while the official rate of 35 dollars an ounce was maintained only between the central banks of the
United States and other countries. Since the gold price immediately shot up to more than 40 dollars an ounce in the free markets at the time the dollar was actually devalued.

Now that the U.S. Government has been forced to announce the temporary suspension of the convertibility of dollar holdings of foreign central banks into gold, the dollar has been turned into a real paper money, which in fact is devalued against other currencies. This spells the end of the dollar’s dominant position and the collapse of the capitalist monetary system in which the dollar is the pillar.

Why Drastic Loss of Confidence in Dollar

Confidence in the dollar is based on U.S. gold reserves. Feverish arms expansion, unceasing wars of aggression, a steady decline in economic strength and huge international payments deficits have combined to cause the outflow of U.S. gold reserves. On the other hand, because of the law of the uneven development in capitalism, the strength of West European countries and Japan has grown steadily, and dollar reserves held by many of them have constantly increased. This has led to a loss of confidence in the dollar and the steady flow of large amounts of speculative dollars into Western Europe, which now have flooded the markets there with more than 50,000 million dollars. At the same time, the stampede for gold during dollar dumping has reduced U.S. gold reserves to their present figure of 9,700 million dollars, the lowest since 1936 and insufficient to meet 20 per cent of the foreign dollar holdings. This has further caused a drastic decline in confidence in the dollar. The relative changes in the economic strength of the United States and some other capitalist countries since World War II can be seen from the following tables:

Changes in Shares of U.S. and Other Countries in Capitalist World Industrial Production

<table>
<thead>
<tr>
<th>Country</th>
<th>The 40s</th>
<th>The 50s</th>
<th>The 60s</th>
<th>The 70s</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>58.4%</td>
<td>46.1%</td>
<td>43.4%</td>
<td>40.9%</td>
</tr>
<tr>
<td>Britain</td>
<td>11.2</td>
<td>9.7</td>
<td>7.1</td>
<td>7.1</td>
</tr>
<tr>
<td>West Germany</td>
<td>3.6</td>
<td>9.4</td>
<td>9.4</td>
<td>9.7</td>
</tr>
<tr>
<td>France</td>
<td>3.9</td>
<td>4.9</td>
<td>4.8</td>
<td>4.7</td>
</tr>
<tr>
<td>Japan</td>
<td>1.0</td>
<td>3.5</td>
<td>8.5</td>
<td>9.4</td>
</tr>
</tbody>
</table>

Changes in Shares of U.S. and Other Countries in Total Volume of Capitalist World Exports

<table>
<thead>
<tr>
<th>Country</th>
<th>The 40s</th>
<th>The 50s</th>
<th>The 60s</th>
<th>The 70s</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>32.4%</td>
<td>20.6%</td>
<td>15.6%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Britain</td>
<td>9.8</td>
<td>9.2</td>
<td>7.2</td>
<td>7.0</td>
</tr>
<tr>
<td>West Germany</td>
<td>0.5</td>
<td>9.0</td>
<td>12.0</td>
<td>12.3</td>
</tr>
<tr>
<td>France</td>
<td>4.0</td>
<td>5.3</td>
<td>6.2</td>
<td>6.4</td>
</tr>
<tr>
<td>Japan</td>
<td>0.4</td>
<td>2.8</td>
<td>6.5</td>
<td>6.9</td>
</tr>
</tbody>
</table>

Changes in Gold and Foreign Currency Reserves of U.S. and Other Countries (unit: 100 million U.S. dollars)

<table>
<thead>
<tr>
<th>Country</th>
<th>The 40s</th>
<th>The 50s</th>
<th>The 60s</th>
<th>The 70s</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>246.63</td>
<td>186.07</td>
<td>146.40</td>
<td>117.01</td>
</tr>
<tr>
<td>Britain</td>
<td>18.88</td>
<td>27.35</td>
<td>25.27</td>
<td>25.61</td>
</tr>
<tr>
<td>West Germany</td>
<td>2.01</td>
<td>45.22</td>
<td>68.27</td>
<td>124.25</td>
</tr>
<tr>
<td>France</td>
<td>8.00</td>
<td>17.00</td>
<td>38.00</td>
<td>47.89</td>
</tr>
<tr>
<td>Japan</td>
<td>2.26</td>
<td>13.21</td>
<td>30.27</td>
<td>37.20</td>
</tr>
</tbody>
</table>

The weak position of the U.S. dollar reflects the growing U.S. financial and economic crisis which has manifested itself in the following respects:

Decline in Industrial Production. There have been successive decreases in U.S. industrial production since August 1969. The fall reached 7.6 per cent at the end of November 1970. A slight rise at the beginning of this year was followed by successive drops.

Industrial enterprises operated at 72 per cent of capacity in the last quarter of 1970, the lowest level in the previous 12 years.

Growing Unemployment. Unemployment is growing more serious. According to official statement, the rate of unemployment reached 6 per cent in the first quarter of this year, the peak since the 1960 economic crisis. The unemployed numbered 5.4 million, about 780,000 more than last December and almost twice the figure before Nixon took office.

Aggravating Inflation. The amount of currency in circulation in the United States, including bank notes and cheques, has increased 5.4 times in 30 years from 37,390 million dollars in 1939 to 203,600 million at the end of 1968. In mid-July this year, the figure was 226,700 million dollars. The vigorous inflation has sent prices climbing. Total price rises, which stood at 6.6 per cent in the first five years of the 1960s, reached 27 per cent in the next five years. In the more than two years since Nixon entered office, prices went up at an amazing rate —15 per cent. The dollar’s real purchasing power has gone down rapidly. According to statistics by the U.S. Department of Commerce, it has fallen 62 per cent in the past 30 years.

Foreign Trade Deteriorating. Beginning from 1966, the U.S. foreign trade surplus has decreased year by year. Trade deficits totalling 803 million dollars for three consecutive months in the second quarter of 1971 brought about a U.S. foreign trade deficit of 372.3 million dollars in the first half of 1971, a deficit which had never taken place before in the United States this century. The U.S. share in the total volume of trade of Western industrial countries fell from one-third in 1956 to one-fifth in 1970.

Increasing International Payments Deficits. U.S. international payments deficits amounted to 5,500 million dollars in the first quarter of this year and 5,800 million in the second quarter. Deficits in the 21 years from 1950 to 1970 totalled 48,400 million dollars.
National Debt Piling Up. The temporary ceiling for the U.S. national debt has been raised 22 times in the past 16 years. According to official U.S. statistics, the debt went up from 278,700 million dollars at the end of 1945 to 388,200 million at the end of 1970. It now stands at 405,000 million dollars, averaging 8,000 dollars for every household of four and requiring 21,000 million dollars in annual interest payments.

Huge Financial Deficits. The net total for U.S. financial deficits from Truman's to Nixon's rule reached more than 118,000 million dollars.

In each of the three fiscal years (1970 to 1972) since the inauguration of the Nixon government, there have been financial deficits — more than 2,800 million dollars the first year, 23,200 million the second and an estimated 21,000 million the third. These deficits add up to 47,000 million dollars, surpassing the budget deficits in any postwar U.S. President's term of office.

The announcement of the U.S. Government 'new economic policy' reveals the bankruptcy of confidence in the U.S. dollar and the decline of the dollar empire. The collapse of the capitalist monetary system in which the dollar is the mainstay will surely make the capitalist world more divided than ever. There will be a continuing tendency for countries subject to past U.S. bullying to unite in resisting U.S. imperialism. New money and trade wars among the capitalist countries will give rise to a situation in which there is new upheaval, division and reorganization in the whole capitalist world.

For Your Reference

Capitalist World Major Financial Crises Since 1967

Seven successive serious financial crises have broken out in the capitalist world from November 1967 through August 1971. Although one or two directly hit the pound sterling and the French franc, they were a real blow for its financial and monetary system in which the U.S. dollar is the pillar. Large-scale and in ever shorter cycles, they were violent in nature. A brief account of them follows:

The first: Starting November 17, 1967, there was frantic dumping of the pound and dollar and a gold rush erupted in the capitalist world. The British Government was forced to announce a 14.3 per cent devaluation of the pound, namely the official parity of one pound to 2.8 dollars dropped to one pound to 2.4 dollars. This brought on a currency devaluation in more than 20 countries and areas.

The second: Because of rumours that the United States would suspend gold sales and the dollar would lose value, a hectic wave of buying gold and selling dollars and pounds again took place in March 1968. The result was an increase in the daily total of gold transactions on major West European financial markets by hundreds of tons — several or scores of times the normal daily average. In over half a month, 1,400 million dollars flowed out of the U.S. gold reserve. Thus the United States had to announce the introduction of a two-tier exchange system for gold.

The third: In November 1968, Western money markets once again vied in selling the franc, pound and dollar and there was a rush for gold and the West German mark, because it was said the mark would be revalued and the franc devalued. While the franc, pound and dollar were being rocked, Western foreign exchange markets announced suspension of transactions.

The fourth: In April 1969 when there were rumours that the franc would be devalued, Western money markets competed in selling francs and pounds while hastening to buy marks. On August 8, the French Government was forced to announce a 12.5 per cent devaluation of the franc because of drastic developments in its domestic political and economic crisis.

The fifth: A reported revaluation of the mark in September 1969 caused a wild stampede for marks on financial markets in the capitalist world. West Germany was compelled to close down its foreign exchange markets and introduced a "floating rate system." In October, the West German government had to announce a 8.5 per cent revaluation of the mark, thus raising the parity rate of the mark from 4 marks to one dollar to 3.66 marks.

The sixth: In May 1971, because of the serious U.S. financial and economic crisis, the malignant development of its inflation, the drastic worsening of its international balance of payments and its dollar position being in imminent danger, there was heavy selling of dollars and then a rush to buy gold and the mark in Western Europe's chief financial markets. The price of gold soared and foreign exchange markets in the capitalist countries announced they were suspending transactions.

The seventh: Beginning late July this year, Western financial markets saw once again a spree of dumping dollars and buying gold and other currencies. In less than two weeks, the dollar had been battered three times. While the dollar price plunged downwards, the gold price went up sharply. Confronted with this situation, the Nixon government was forced on August 15 to announce the temporary suspension of the convertibility of dollar holdings of foreign central banks into gold. The crisis is still developing.
The Danger of Japanese Imperialism's Policies of Aggression and Expansion in Asia

An article in the Vietnamese journal “Hoc Tap” exposes the gradual revival of Japanese militarism in the economic, political, military and ideological fields.

The recently published issue No. 7 of the Vietnamese journal Hoc Tap carried an article entitled “The Danger of Japanese Imperialism’s Policies of Aggression and Expansion in Asia.”

The article said: Twenty-five years after its defeat, Japanese imperialism, with U.S. imperialism’s active help, has again raised its head and is stretching out its claws. Driven off the China mainland, defeated in Korea and now sinking in the quagmire of Viet Nam and the whole of Indochina, U.S. imperialism knows it has insufficient strength to cope with the revolutionary movement in Asia. Thus it is scheming to use Japanese imperialism as its shock force in this region. On its part, revived Japanese imperialism, which has unbridled ambitions to again indulge in its shattered dream of the “Greater East Asia Co-prosperity Sphere,” is doing its utmost to cling to U.S. imperialism.

Postwar Development of Japanese Imperialism

Reviewing Japanese imperialism’s postwar development, the article said it had the following main characteristics:

1. Japan’s economy has developed considerably fast and its monopoly capitalist groups, the mainstay of Japanese militarism, have been strengthened. By 1951, Japan’s industry had been restored to its prewar level. Afterwards, the average annual rate of industrial development was over 14 per cent, while that for the whole capitalist world in the same period was only 5.5 per cent.

The concentration of production and capital was also strengthened with the development of production. Six big financial groups control 67.2 per cent of the total loans to all enterprises. Many gigantic companies have emerged after a series of mergers in the past few years. Actual power in Japan is now in the hands of such financial groups as Mitsubishi, Mitsui, Sumitomo, Dai-Ichi, and Yusuda—the old pillars of Japanese militarism—and, on this basis, state monopoly capital has developed rapidly. The Japanese Government not only hands out tax reductions and exemptions to the big companies, it also gives them funds, and adopts a series of policies to encourage them.

2. Sources of raw materials and markets have become the most urgent problems for Japan’s economic development. The development of industrial production naturally brings on a host of problems, the first being sources of raw materials and markets.

On the question of raw materials, there is an acute contradiction between the need for large amounts and the lack of such resources in Japan. It, therefore, relies mainly on raw materials from abroad. For example, 90 per cent of the iron and steel industry’s ore is imported. With regard to markets, Japan is faced with a situation in which domestic sales and exports cannot keep up with the rise in production. More and more products are piling up, especially iron and steel, automobiles, machine-tools, construction materials, home electrical appliances and petroleum products.

3. Japan’s monopoly capital is dependent on the United States. About 300 treaties and agreements between Japan and the United States lay the political and legal basis for Japan’s dependence on the United States. The Japan-U.S. “security treaty” has put Japan under the U.S. “nuclear umbrella” and bound it tightly to the U.S. chariot of aggression. In the economic field, in particular, dependency on the United States is great. From 1950 to the end of 1968, total foreign investment in Japan amounted to 7,200 million U.S. dollars, with the United States taking up 80 per cent of this. To make deeper economic inroads into Japan, the United States is pressing Japan to complete at an early date “liberalizing” foreign investments. Military orders placed with Japan by the United States to equip U.S. occupation forces in Japan and those given it in the U.S. war of aggression against Korea in the past and in the present war of aggression against Viet Nam have been sources of enormous capital for Japanese capitalists. Statistics show that since 1965 Japan has received over 10,000 million U.S. dollars’ worth of U.S. military orders.

In technical matters, from 1950 to December 1968, foreign countries gave Japan 5,500 million U.S. dollars’ worth of technical “assistance.” Of this, 3,300 million dollars (59.4 per cent) was doled out by the United States. In foreign trade, the United States ranks first and about 30 per cent of Japan’s total volume of foreign trade is with the United States. Japan now depends on it to a considerable extent for many important raw materials, such as crude oil, iron ore and coke.

4. Japanese militarism is being revived. On the basis of the development of the economy and state monopoly capitalism, Japanese militarism is reviving step by step, economically, politically, militarily and ideologically.

The Japanese armed forces in the 1950s were armed chiefly with U.S. weapons. However, by the early 60s, Japan could manufacture many kinds of weapons.
Though the armed forces now number about 260,000-
Japanese industry and Japan has all the necessary
missiles and modern weapons have been turned out by
is south
Korea's second biggest creditor (next to-the
nals and new fascist' militarist organizations not only
has the “hushido” spirit as its quintessence. War crim­
inations in the state organs of Japanese imperialism. For
example, 80 per cent of the generals and 70 per cent
of the colonels and majors in today's armed forces are
former fascist officers.

Japanese Imperialism's Neo-Colonialism in Asia

The article bared the Japanese imperialists' neo-
colonialist acts in Asia. It said: Japan has deeply
penetrated Asian countries' economies. Exports to some
Asian countries account for one-third of its total exports.
In south Korea, it controls 90 per cent of the fertilizer
industry, 64 per cent of the chemical fibre industry, 62
per cent of the food industry, 48 per cent of the cement
industry and 48 per cent of the chemical industry. Japan
is south Korea's second biggest creditor (next to the
United States). Since 1965, Japan has poured great
ergy into infiltrating Taiwan and is intensifying ef­
forts to invest in Taiwan's iron and steel, fertilizer,
motor vehicles, ship-building, harbour-building and
highways.

Facts over the past ten years or so show that Japa­
nese imperialist expansion and infiltration in Asian
countries is aimed at meeting its needs for raw ma­
terials and export markets. This is also a move to lay
an economic and political foundation for a long-term
plan to turn Asia into a region attached to Japanese
imperialism, thereby once again realizing its favourite
dream, which blew up in its face, the “Greater East
Asia Co-prosperity Sphere.”

Nixon Uses Japanese Militarism as Shock Force
For Aggression in Asia

Referring to strategic co-operation between Japa­
nese imperialism and U.S. imperialism in Asia, the
article pointed out that the disastrous strategic defeat for
U.S. imperialism in Viet Nam and the rest of Indochina
clearly shows the limitations of its power. U.S. Imperial­
ism has stepped up so-called Asian “regional defence”
with the intention of turning Japan into a powerful ally
which helps the former act the gendarme in this re­
gion. This scheme coincides with Japanese imperial­
ism's policy of colluding with U.S. imperialism to
realize its expansionist ambitions. It also corresponds
with the present capacity of Japanese imperialism to
play the part U.S. imperialism hoped it would.

Speaking on Japan's role in U.S. imperialism's
strategy before becoming president, Nixon said that to
materialize the U.S. scheme of aggression in “Asia after
Viet Nam” (i.e., after the United States' defeat in
Viet Nam), it is necessary “to fashion the sinews of a
Pacific community” with the Asian and Pacific Coun­
cil as the foundation, “one in which Japan will play
an increasing role, as befits its commanding position
as a world economic power.” After taking office,
Nixon further developed and completed this idea by
advancing the Nixon doctrine on Asia. If the essence
of the Nixon doctrine is the plot of “using Asians to
fight Asians,” the basic scheme behind it is to em­
phasize Japan's past role and use Japan as a shock
force in Asia.

U.S. imperialism and Japanese imperialism are
doing their best to cover up their ulterior motives and
actions. Behind the open agreements are a series of secret
agreements between them.

The article forcefully exposed U.S.-Japan military
collusion in accordance with the Japan-U.S. “security
strategy,” the U.S.-Japan joint communiqué published in
Washington on November 21, 1969 and public state­
ments by Japanese politicians. It said that in their
overall strategy, the United States and Japan say they are
concerned with “the maintenance of international peace
and security in the Far East” (Japan-U.S. “security
strategy”) and that they should “contribute to the peace
and prosperity of the region” (U.S.-Japan joint com­
munique, November 21, 1969). In imperialist language,
maintenance of “peace” and “security” and contributing
to “prosperity” mean mutual collaboration between
the United States and Japan, maintenance of imperialist
rule and opposition to revolutionary movements in this
region.

Militarily, they say that “the presence of United
States forces in the Far East constituted a mainstay for
the stability of the area” (U.S.-Japan joint communiqué) and
Japanese imperialism will allow U.S. ground, air
and naval forces to use Japanese facilities and territory.
This implies that Japan would empower the United
States to use Japanese territory as war and logistic bases
in its wars of aggression against the various Asian coun­
tries.

South Korea and Taiwan are the main targets of
Japanese imperialism in this region. Japan has made
loud noises that the security of south Korea “was es­
tential to Japan's own security” and that “the main­
tenance of peace and security in the Taiwan area was
also a most important factor for the security of Japan”
(U.S.-Japan joint communiqué).

Following Old Road Will Bring Ignominious Defeat

The article stressed: Closely colluding with U.S.
imperialism, Japanese imperialism is the ferocious

September 10, 1971
enemy of the people of Asia and the world. The reactionary U.S.-Japan alliance has developed to a very dangerous new stage. Japan's expansion in Asia is growing more and more. Therefore, while actively struggling against their arch enemy U.S. imperialism, the people of Asia and the rest of the world are constantly keeping a sharp eye on and determinedly smashing all criminal schemes and activities of Japanese imperialism — U.S. imperialism's shock force in Asia.

Using its previous experience of domination and aggression and relying on its economic and military potential, Japanese imperialism is plotting "to do something big" in Asia with the active support of U.S. imperialism. But Japanese imperialism faces major difficulties and obstacles. First, there are acute contradictions in the Japanese economy and society. The former cannot overcome by itself its difficulties in getting raw materials and markets. These two problems make the contradictions between Japanese imperialism and other imperialist countries, including the United States, ever sharper as Japan contends with them for markets. Millions of Japanese people have been drawn into the struggle against the Japan-U.S. "security treaty" and the "Japan-ROK treaty." They oppose the U.S. and Japanese imperialists' conspiracy to amend the constitutions, revive militarism and pursue their policy of expansion. Second, Japan's ally, U.S. imperialism, now has fallen into the direst straits. Furthermore, Southeast Asia — the main area where Japanese imperialism is stepping up expansion and aggression — is where revolutionary storms strike most frequently and fiercely. The people of Viet Nam, Laos and Cambodia are fighting a great national-liberation war. The peoples of Thailand, the Philippines, Indonesia, Malay, India and Pakistan are waging heroic revolutionary struggles. The Asian people have gained experience in their protracted struggle against the cruel and cunning rule of imperialism and will never let Japanese imperialism clap the chains of colonialism on them.

Asia today is not the Asia of the Pacific war days. The people here have awakened and the struggle against imperialism is developing vigorously. The growing strength of the three socialist countries in Asia — China, Korea and Viet Nam — is a powerful encouragement to the struggle of the Asian people. Should the Japanese reactionaries fostered by U.S. imperialism forget the lesson of the destruction of the German, Italian and Japanese fascists and dare to take their old adventurous path, they will suffer ignominious defeat.

**Report From Guinea (Bissau)**

**Armed Struggle Rolls On**

We recently visited the southern liberated areas and eastern border region of Guinea (Bissau) for more than a month and had the unforgettable experience of witnessing the life of the patriotic armed forces and people of Guinea (Bissau) engaged in armed struggle for national liberation.

Travelling through jungles and crossing swamps in the southern plains near the Atlantic and the hilly areas in the southeast, we visited dozens of villages, schools, hospitals and offices between marches and had extensive contacts with people of various strata. Almost every day, while marching or resting in camps in the jungles, we heard guns booming in the distance where the patriotic armed forces were attacking isolated enemy strongholds. We were exalted by the constant flow of victory news. The armed struggle of the Guinean (Bissau) people is rolling on.

The excellent revolutionary situation was created by the Guinean (Bissau) patriotic armed forces and people with their guns, under the leadership of the African Independence Party of Guinea and Cape Verde Islands (P.A.I.G.C.). They have, through eight years of armed struggle, liberated two-thirds of the country's territory and about half its population. P.A.I.G.C. General Secretary Amilcar Cabral told us when he analysed how the struggle is going: "We dominate, we can say, almost the entire countryside of our country, except certain pockets around a few main cities." Totalling only 800,000 in a land of merely 36,000 square kilometres, the Guinean (Bissau) people are courageous and dauntless in the face of the U.S. imperialist-supported Portuguese colonialists. Tempered in the flames of war, they have grown up and become stronger and stronger in the course of fighting.

**Gaining the Initiative on Battlefield**

For eight years, the people's revolutionary armed forces, with the support of the masses, have won victory after victory by employing flexible tactics to hit the enemy. According to incomplete figures, in more than 2,100 attacks in the three years ending 1970, they wiped out more than 5,100 enemy troops, destroyed 189 military vehicles, downed or damaged 27 enemy aircraft, sank or damaged 52 vessels, captured large quantities of weapons and materiel and took 10 enemy strongholds. The southern region where the first shot in the armed struggle was fired in 1963 has become a comparatively consolidated liberated area, while the liberated areas in the southeastern part of the country have been linked up into one contiguous area. In the northeast the patriotic armed forces are pressing the enemy hard and reducing the number of enemy strongholds. In the north they have extended their operation to the surrounding areas of Bissau, the centre of colonial rule. The patriotic armed forces and people have gained the initiative on the battlefield.

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Political mobilization before combat.

There were only 3,000 Portuguese colonial troops in Guinea (Bissau) in 1961; now there are 40,000. But such a large force can only entrench itself in big urban centres and some fortified camps and posts, in a passive position where they can be easily picked off. For supplies, those enemy troops in isolated remote posts depend entirely on helicopters.

One night we passed through a place only several hundred metres from a brightly lit enemy post. A P.A.I.G.C. cadre told us that the enemy in the post did not dare to come out even in broad daylight, still less at night: ‘At present, with the exception of the capital of Bissau and a few cities like Bafata, all enemy posts and camps throughout the country are within range of artillery fire by patriotic armed forces.’

It was a moonlit night and the fighters had turned in for the night. The silence in the jungle was occasionally broken by the shrieks of frolicking monkeys. A young commander, having attended to the business of the day, enthusiastically related to us the glorious fighting path the Guinean (Bissau) people had traversed. He said with feeling: “All we have today comes solely from the guns in our hands!”

On January 23, 1963, a people’s guerrilla unit organized by the P.A.I.G.C. mounted an attack on the colonial troops in Tite City, south of the Geba River, firing the first shot of armed struggle. That single spark quickly started a prairie fire. The Guinean (Bissau) peasants who had never been in battle before used home-made bows and arrows, daggers and hatchets for their weapons, in addition to a few pistols and grenades captured from the enemy. Within a short period of time, many areas in the south were liberated one by one. In July the same year and November the following year new fronts were opened in Oio in the north and in the eastern region. The flames of armed struggle had spread throughout the land in less than two years.

Very early in the second year of armed struggle, the Portuguese colonialists massed 3,000 “crack troops” in a massive counter-offensive from the sea with air support against Como Island in the south in an attempt to retake the island and use it as a stepping stone for attacks on the liberated areas in the south. Though greatly outnumbered, the patriotic armed forces and people throughout the island showed unshakable determination and, united as one, again and again repulsed the enemy’s landing troops. They persevered in battle for 75 days and killed 650 colonial troops, completely shattering the enemy’s come-back scheme. Inspired by this important victory, the armed forces and people in the north also threw back enemy attacks many times and triumphantly defended their liberated areas.

To save themselves from defeat during the years 1965–67, the Portuguese colonialists never stopped sending reinforcements to Guinea (Bissau) and dispatching many planes daily to savagely bomb and strafe the liberated areas. They burnt, killed and looted wherever they went. But all this could not cow the Guinean (Bissau) people who are resolved to liberate themselves from the five-century-old colonial rule. They are striking at the enemy more resolutely.

Growing Up in Flames of War

On the basis of continuous victories over the enemy, the Guinean (Bissau) people have gradually built their revolutionary armed forces which embrace guerrillas, militia and regional forces. This young people’s armed force hands the enemy successive blows by employing flexible strategy and tactics, putting all enemy airfields, ports and bays, convoys, boats, barracks and posts under the threat of constant attack. From May 1968 to February 1969, the enemy sent two battalions numbering about four to five hundred troops to attack the border areas in the south in an effort to cut the transport lines in the liberated areas. The patriotic armed forces fought for nine months and finally defeated the enemy by outflanking tactics, thus guaranteeing supplies in the border areas. In the first few months of 1971 they successfully attacked Gabu field in the eastern region and Cufar field in the south, destroying four enemy aircraft and some important installations at the fields.

We were deeply impressed by the determination of the patriotic armed forces’ commanders and fighters to overcome difficulties and their revolutionary optimism.
Going north and south in their fighting, always on foot, they often had to march several days and nights on end. They moved away quickly after striking hard at the enemy so that his aircraft could not spot and strafe them. Without tents, the fighters lay on palm leaves and slept under mosquito nets hung on branches. They ate rice and salt with palm oil they extracted by themselves. Now and then they would hunt some wild animals for meat. The fighters got up at dawn and then began their drill and political and literacy study. They summed up their battle experience, ready to go into new combat at all times. In the evening, they would swim in jungle ponds, wrestle on the grass or play chess. At night, they recalled their experience in combat in their songs and dances round bonfires. They also praised the heroes and extolled their victories. We were greatly inspired by the revolutionary enthusiasm showed by them there.

A young fighter who was a little shy before strangers told us that no difficulty could prevent the Guinean (Bissau) people from marching forward. All difficulties could be overcome, he said. A tall leader in an artillery unit of platoon size who has a comparatively long history of struggle put it well: "We are willing to stand greater hardship and even shed our blood or lay down our lives for the liberation of the nation of Guinea (Bissau). We will not tolerate colonialist oppression any more!" On a rising ground in the jungle somewhere in the south we had a long talk with the commander-in-chief of the combined operations in the liberated areas. He told us that they must redouble their efforts and deal heavier blows at the enemy and be ready for a protracted struggle while striving for quick victory.

**Revolutionary War is a War of the Masses**

From their own experience, many P.A.I.G.C. cadres told us that they deeply realized that they must rely on the masses, otherwise they could achieve nothing. They also told us about the early stage of the struggle when the P.A.I.G.C. aroused the masses in the rural areas to take up arms in the struggle. At that time, they said, their daily necessities were supplied by the masses. When some cadres fell into enemy hands, the people would try hard to rescue them. When the struggle was spread to more areas, the food needed for the offices, schools, and hospitals of the patriotic forces and the P.A.I.G.C. in the liberated areas was supplied entirely by the masses. They acted as guides for their own troops, gathered information for them and supported the national-liberation war in every way.

The people's transport teams have played an important role in supporting the war. In the liberated areas, we often came across such teams carrying ammunition and supplies for the armed forces. On a jungle path we once met a transport team of nearly 100 people among whom were young men and women as well as old people. They carried military supplies or arms and ammunition weighing several dozen kilogrammes on their heads or backs in the tropical heat of over 40 degrees centigrade. They were soaked in sweat but in high spirits. A fighter told us that to support the armed forces fighting at the front, members of many transport teams slept in the day-time and walked at night, sometimes walking day and night for ten days or two weeks on end.

Rivers criss-cross the southern part of the country. Day or night, whenever we came to a ferry crossing, we found people on duty ready to ferry the fighters and materials in dugouts. In every village we passed through, we witnessed moving scenes in which the masses treated the fighters as members of their own families. Even when the armed forces arrived in a village late at night, there were always people to bring the fighters water and food.

People's political power at the village level elected by the people themselves has been established widely in the liberated areas. The Guinean (Bissau) people have begun to enjoy their right to political democracy and freedom, ending their inhuman status under colonial rule. Culture, education and medical service in the liberated areas are developing rapidly and the people's living standards are improving gradually. The people in the liberated areas are now stepping up their vigorous efforts to promote production and support the front. At the same time, militia organizations have been set up in all villages to shoulder the responsibility of defending the native land and frustrating frequent enemy harassment. A glowing militant spirit prevails all over the liberated areas.

*(By Hsinhua correspondents)*

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Political propaganda team member tells peasants about excellent situation in armed struggle.
(Continued from p. 4.)

Nam, thereby perpetrating monstrous crimes against the peoples of the three Indochinese countries. But the more obstinately they behave, the heavier will be the failures befalling the U.S. aggressors who will incur total defeat.

He also said: For the fatherland's independence and freedom and for the sake of our lofty internationalist duty, the Vietnamese people are determined to stand shoulder to shoulder with the brother Khmer and Lao peoples to expel the U.S. aggressors completely out of the Indochinese Peninsula.

Chief of the General Staff Huang first of all extended warm congratulations to the Vietnamese comrades.

He said: At present, the situation of the Vietnamese people’s war against U.S. aggression and for national salvation is unprecedentedly fine. The heroic south Vietnamese people, fighting in close co-ordination with the fraternal Laotian and Cambodian peoples, have launched fierce attacks on the U.S. aggressors and their running dogs and won victories of strategic significance. The heroic north Vietnamese people have defeated U.S. imperialism’s air and sea raids; engaging in battle and production simultaneously, they have scored tremendous successes in socialist economic construction and building national defence, rendering powerful support to the struggle of their compatriots in the south and carrying out their internationalist obligations to the peoples of Laos and Cambodia. The Chinese people are overjoyed and inspired by every victory of the Vietnamese people in their war against U.S. aggression and for national salvation and in socialist construction. We sincerely wish you still greater victories in the future and the early realization of the great goal of liberating the south, defending the north and proceeding to the peaceful reunification of the fatherland.

The Chinese people will always stand alongside the fraternal peoples of Viet Nam and the other Indochinese countries and fully support them till complete victory, he concluded.

**Chinese Military Friendship Delegation Ends Visit to Romania**

The Chinese Military Friendship Delegation ended its friendly visit to Romania on August 31.

On August 30, Comrade Nicolae Ceausescu, General Secretary of the Romanian Communist Party and President of the State Council of the Socialist Republic of Romania, received the delegation and had a cordial and friendly conversation with Comrade Li Teh-sheng, leader, Comrade Tsao Li-huai, deputy leader, of the delegation and other comrades.

Present on the occasion were Ion Gheorghe Maurer, Member of the Executive Committee and of the Permanent Presidium of the R.C.P. Central Committee and Chairman of the Council of Ministers, and other comrades.

To welcome the delegation, the Bucharest Garrison held a meeting on August 30. Army General Ion Ionita, Alternate Member of the Executive Committee of the R.C.P. Central Committee and Minister of the Armed Forces, and delegation leader Li Teh-sheng spoke at the meeting.

In his speech, Comrade Ionita stressed: Under the condition in which the danger of war and aggression still exists, our Party and Government are maintaining high vigilance against the aggressive plots of imperialism, paying special attention to the strengthening of the defence capability of the motherland and prepared at all times to give firm counter-blows to any imperialist attack.

He said, “As staunch fighters for the victory of the ideal of freedom and progress of mankind, the Romanian people firmly oppose the aggressive policy of imperialism, and give active support to the people of various countries in their struggle against foreign oppression, against colonialism and neo-colonialism, for the elimination of the domination of one country by another in any form and for the observance by the people of every country of the right to decide its own destiny independently.”

He added: “As an European country, Romania is now, as in the past, paying particular attention to the security of this continent and is working actively for the establishment of relations between countries free from the use or threat of force and for the ensuring of free development of economic, science and cultural exchanges, thereby turning Europe into a continent of mutual understanding and co-operation among the people of various countries.”

He continued, “In the present international situation, it is more necessary than ever before for all countries, big or small, to strive for the peaceful solution of disputed questions, and to take resolute action to enlarge co-operation between the people of various countries, to liquidate military blocs and military bases on the territories of other countries, to withdraw the troops to their own countries, to end the armament race which is a heavy burden on the peoples, and to eliminate in international life all factors which may lead to aggression and the interference in the national affairs of other countries.”

In his speech, Comrade Li Teh-sheng expressed joy at the enormous successes and victories won by the
Romanian people and the Romanian Armed Forces in building and defending their motherland. He said: Your achievements and victories provide powerful proof that any country can certainly overcome its difficulties and change its economic face so long as it adheres to the cardinal principle of independence and self-reliance. And so long as it dares to struggle and perseveres in struggle, it can certainly defend its independence and sovereignty.

He pointed out: "The Romanian people and army have consistently denounced U.S. imperialism for its aggression against Indochina and actively supported and expressed solidarity with the three peoples of Viet Nam, Laos and Cambodia in their war against U.S. aggression and for national salvation. Romania has always stood for equality among all countries, big or small, opposed imperialism resorting to power politics and monopolizing the international affairs, and supported the peoples of various countries in their struggle against colonialism and neo-colonialism. Your just stand has enjoyed extensive support and praise from the revolutionary people of the world."

He added: We have been unfolding the deep-going Great Proletarian Cultural Revolution in recent years, through which the dictatorship of the proletariat in our country has been more consolidated and international relations have more developed. The imperialist policy to blockade and isolate our country has suffered an ignominious defeat. But the people of our country do not forget for a moment that U.S. imperialism is still occupying our territory Taiwan Province by force. The United States must withdraw all its military personnel and installations from Taiwan Province and the Taiwan Straits. Any plot to create "two Chinas," "one China, one Taiwan," "an independent Taiwan" and the fallacy that "the status of Taiwan remains to be determined" can never succeed. The Chinese people are determined to liberate Taiwan.

Referring to the excellent situation of the world today, he said, "One or two superpowers are committing aggression and expansion everywhere in a vain attempt to dominate the whole world. The people of various countries have increasingly seen through their reactionary features and inherent weakness. Through practical struggle, the people of various countries have exploded the myth about the superpowers in the course of time. They dare to challenge, resist, and fight the superpowers, dare to stand up to their armed threat and military provocations and dare to take up arms to defeat their war of aggression. The great victories won by the three Indochinese peoples in their war against U.S. aggression and for national salvation have set a brilliant example of a weak nation defeating a strong, and a small nation defeating a big. The struggle of the people in Asia, Africa and Latin America, for national liberation, national independence and state sovereignty is developing in depth. The revolutionary mass movement in Europe, North America and Oceania is surging forward increasingly. Beset with difficulties at home and abroad, the imperialists find their going tougher and tougher. However, they are still struggling desperately and continuing their aggression and expansion. And in some areas they brandish their arms and create tension. The Chinese people and the revolutionary people of the world are closely following all their insidious schemes and doings. Should they dare to run riot, they will certainly meet the resolute opposition of the people of various countries and suffer more ignominious defeat."

He concluded by saying that though China and Romania are separated by thousands of miles, the two peoples have forged a profound revolutionary friendship. Whatever tempest may break out, the Chinese people will side with the Romanian comrades-in-arms and resolutely support their just struggle.

On the evening of August 30, Chinese Ambassador to Romania Chang Hai-feng gave a grand reception for the visit of the delegation.

The delegation returned to Peking on September 2.

**Chou En-lai and Other Comrades Meet Jacques Jurquet and Other French Comrades**

Comrade Chou En-lai, Member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China; Comrades Chiang Ching, Chang Chun-chiao and Wu Fa-hsien, Members of the Political Bureau of the C.P.C. Central Committee; Comrade Chi Teng-kuei, Alternate Member of the Political Bureau of the C.P.C. Central Committee; and Comrade Keng Piao, Member of the C.P.C. Central Committee, on September 3 met and had a cordial and friendly conversation with Comrade Jacques Jurquet, leader of the Delegation of French Marxist-Leninist Communists of the journal L'Humanite Rouge, and the members of the delegation Comrades Alain Castan and Andre Druesne.

Before the meeting, leading members of the C.P.C. Central Committee gave a dinner in honour of the French comrades.

The French comrades arrived in Peking on August 15 at the invitation of the C.P.C. Central Committee.

**Greeting 2nd Anniversary of Libyan Revolution**

Premier Chou En-lai sent a message on August 31 to Omar Moamer

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Kazafi, Chairman of the Revolutionary Command Council and Premier of the Government of Arab Republic of Libya, warmly greeting the second anniversary of the revolution of the Arab Republic of Libya.

San Marino National Day Greeted

Premier Chou En-lai sent a message on September 2 to Luigi Lonfernini and Attilio Montanari, Capitaines Regents of the Republic of San Marino, extending warm congratulations on the occasion of the National Day of the Republic of San Marino.

Swedish Government Delegation Visits China

Premier Chou En-lai, Minister of the First Ministry of Machine Building Li Shui-ching and President of the Chinese People’s Institute of Foreign Affairs Chang Hsi-jo on September 4 met and had a friendly talk with all the members of the Government Delegation of the Kingdom of Sweden led by Rune Johansson, Minister of Industry, and Swedish Member of Parliament Mr. Yngve Moller and his wife now visiting China.

The delegation arrived in Peking on September 1. That evening, Chien Chih-kuang, Chinese Minister of Light Industry, gave a banquet in honour of all the members of the delegation and journalists accompanying it.

Minister Chien Chih-kuang and Minister Johansson spoke at the banquet.

In his speech, Minister Chien Chih-kuang pointed out: Since the establishment of diplomatic relations between China and Sweden in 1950, thanks to our common efforts, the friendly relations between our two countries have developed and grown stronger daily on the basis of the principles of equality and mutual benefit, mutual respect for sovereignty and territorial integrity.

He added: The Chinese people have always stood for equality between all countries of the world, big or small. We have consistently opposed one or two superpowers dominating the world, lording it over others, dividing spheres of influence and subjecting other countries to aggression, control, interference and occupation at will. We appreciate the just stand of Sweden against the U.S. policies of war and aggression in Indochina and for the immediate, complete and unconditional withdrawal of U.S. troops from Viet Nam. We are deeply impressed by the explicit stand of Sweden in opposing a superpower sending tanks to launch sudden attacks on a small country and barbarously strangle the latter’s right to national self-determination.

He expressed thanks to the Swedish Government for consistently upholding justice in the United Nations and for its stand for the restoration of all the legitimate rights of China in the United Nations.

Minister Johansson then spoke. He said: Good relations were established between Sweden and China at a very early stage. These relations were and are based upon similar points of view on many of the problems that our world is facing today.

In the economic field, he said, Sweden also looks forward to a continued progress and intensification of contacts and mutual exchanges.

He added that international cooperation and exchanges are advantageous for all people.

He expressed the hope that the friendly and sincere relations between China and Sweden will be further developed and strengthened.

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Wang Kuo-chuan Returns To Peking

Vice-President of the China-Japan Friendship Association Wang Kuo-chuan and his party returned to Peking on September 1 after attending the funeral of noted Japanese statesman Mr. Kenzo Matsumura and the National Conference of Unity and Victory of the Japan-China Friendship Association (Orthodox).

The funeral service for Mr. Kenzo Matsumura was held in Tokyo on August 26. Messages of condolence from former Japanese Prime Minister Mr. Tanzan Ishibashi and Premier Chou En-lai to the family of Mr. Kenzo Matsumura were read at the service.

Before the funeral service, Wang Kuo-chuan and his party, on behalf of Premier Chou and Vice-Chairman of the Standing Committee of the National People's Congress Kuo Mo-jo, called at the home of the late Mr. Kenzo Matsumura to express their condolences to his family.

On August 27, Wang Kuo-chuan and his party called on Mrs. Inejiro Asanuma and on the following day they attended the founding meeting of the Japan-China Agricultural Exchange Association. Wang Kuo-chuan spoke at the meeting and read a message of congratulations from the China-Japan Friendship Association to the meeting.

On August 29, they attended the National Conference of Unity and Victory of the Japan-China Friendship Association (Orthodox).

During his stay in Tokyo, Wang Kuo-chuan met Japanese friends from various circles and had friendly talks with them on Japan-China friendship, restoration of Japan-China diplomatic relations and other subjects. He and his party also called on Chairman Han Dok Su and other leaders of the General Association of Korean Residents in Japan.

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COMMUNE members and cadres in China's early rice growing areas have had a rich harvest of early rice this year after conquering such natural calamities as flood, waterlogging, dry spells, windstorms, hailstorms and insect pests.

Harvests have been basically completed in 11 provinces, one municipality and one autonomous region in south China, the major early rice growing areas. According to reports, all these areas have had rich harvests with increases in both per-mu yield and total production over last year. Total output in Kiangsu, Hupeh, Fukien, Anhwei, Hunan and Szechuan Provinces rose 20 per cent compared with last year.

Every early rice growing province has topped its previous total output peak, with increased yields on large tracts of land. High-yield communes and brigades have showed up everywhere. Many well-known high-yield regions, including the northern Chekiang plain, the Tungting Lake region in Hunan, the outskirts of Shanghai and southern Kiangsu, continued their high records. Marked rises have been achieved on Kwangtung's Hainan Island, in northern Fukien's mountain region and other relatively low-yield areas.

This year's rich harvest flows from the efforts by Party organizations and revolutionary committees at all levels in the growing areas to implement Chairman Mao's revolutionary line, conscientiously carry out education in ideology and political line and deepen the mass movement to learn from the Tachai Production Brigade in agriculture.

Great efforts were made in all early rice production work, including sowing preparations, transplanting, field management and pest control. Relying on the revolutionary spirit of self-reliance and hard struggle, cadres and commune members overcame difficulties and made use of various potentials so that they could enlarge cultivated areas while boosting per-mu yields. This led to an increase of more than 27 million mu sown to early rice in the 13 major growing areas.

Compared with last year, large-scale construction of water conservancy works on farmland considerably expanded stable-yield fields despite drought or waterlogging. In Kiangsu Province alone, the irrigated area has grown by 6 million mu this year. Twice as much low-yield land as last year was improved in Fukien Province this year. Fine seed strains were used more extensively than in 1970, and many places all but completely switched to the use of high-yield short-stalk strains. An advanced technique of transplanting rice seedlings with clusters of mud was used over large areas in Chekiang, Fukien, Kiangsi, Anhwei and Hunan. All these created favourable conditions for the rich early rice harvest.

Tangkangtzu Hot Springs Sanatorium

ONE of China's biggest, the Tangkangtzu Hot Springs Sanatorium is in the southern suburbs of Anshan City in China's northeast.

The hot springs contain 17 chemical elements good for treating various chronic diseases. China's labouring people began using these springs as far back as the Tang Dynasty (618-907). Yet for a thousand years before liberation, it was monopolized by the ruling classes. A northeast warlord built a villa there in 1921. After the "September 18" incident in 1931, the Japanese imperialists who occupied our northeast turned the place into an army hospital.

The Tangkangtzu returned to the people after the northeast was liberated. The People's Government rebuilt and completed it in April 1950. Compared with pre-liberation days, floor-space increased more than fivefold. The sanatorium now has 1,300 beds and some 100 medical instruments for different diseases. At first less than ten chronic diseases were treated there by simple methods. Now over 20 diseases, including rheumatism, arthritis and after-effects of injuries and skin and gynaecological
diseases, can be cured by some 20 methods—hydropathy, electro-therapeutics, massage, new methods of acupuncture, and applying silt from the fountain.

Invalids from the four corners of the country include workers, peasants, P.L.A. commanders and fighters and government functionaries of various nationalities. The state pays all medical fees as well as rooms and travelling expenses except for the peasants.

For peasants, these expenses are paid by their people's communes or production brigades. The sanatorium has special out-patient and in-patient departments for them. The charge for the rooms is small, no doubt it is welcomed.

Turning Waste Into Wealth

THE Lifei Chemical Plant is a small factory in Tsingtao, Shantung Province, which has developed as a result of making use of waste materials.

With some 50 workers averaging more than 50 years old, the plant was originally a shop that bought waste materials. All the workers had suffered bitterly in the old society. The shop dealt in such waste as scrap iron and copper and broken glass. The workers decided to make better use of these during the Great Proletarian Cultural Revolution.

They got the idea of recovering silver in broken mirrors and the glass parts of thermos bottles they purchased.

Guided by the shop's Party organization, workers formed an experimental group to extract silver. Instead of using a crucible, a funnel and a balance, they used an earthen pot, a broken bottle and a small steelyard to do the job. They spent only nine yuan to buy the necessary chemical agents and a few instruments. Thus, they set up a laboratory and started their scientific experiment on extracting silver. After more than 200 experiments, they recovered silver up to the required standards from waste water, waste film and broken mirrors by their own methods. They continued to sum up their experience and made improvements in the technological process, thereby raising the quality of silver and reducing the cost of production. In the past four years they have extracted more than 40,000 liang (one liang is equal to 31.25 grammes) of silver for the state.

The scope of their multi-purpose use has been expanded further. A worker noticed the water and mud in a ditch near a chemical plant were green. He got a bottle of water and some mud from the ditch and brought them back. Chemical analysis showed they contained copper. Helped by the chemical plant, the workers began to extract copper sulphate from its waste water by indigeneous methods. Output now exceeds 100 tons a year. By constant study, investigation and experiments, they have extended their multi-purpose use of waste materials to other 'things' and succeeded in recovering such items as gold, alum, aluminium sulphate, zinc sulphate and magnesium sulphate. This is how a shop buying waste materials became a plant producing chemicals.

More Salt

SEA-SALT production rose monthly from January to July this year in China's southeast coastal Fukien Province. Over 83 per cent of the 1971 state plan was fulfilled, an increase of 3.3 times over the same 1970 period, and quality was much better. The Amoy Salt Field met this year's production task five months in advance.

Studying and applying Chairman Mao's philosophical works in a living way and combining revolutionary drive with scientific approach, the masses in the Tungan Salt Field solved new production problems. Quality was generally improved and new production records set one after

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another. By the end of July, the field had fulfilled 94 per cent of the 1971 production plan.

While mainly engaging in salt production, salt field personnel in various parts of Fukien also set up farms and small salt chemical plants to increase farming and side-line production and went in for large-scale multi-purpose use. In the first half of the year, these plants turned out bromine, potassium chloride and other chemical products and extracted metallic magnesium from seawater. At the same time, they provided large quantities of potassium-magnesium fertilizer for farming which were welcomed by the poor and lower-middle peasants in mountain areas.