Chairman Mao's Works:

1. China Will Take a Giant Stride Forward (December 13, 1964)

2. A Letter on Farm Mechanization (March 12, 1966)

What Motivates "Economic Co-operation"

"Peking Review" Subject Index Nos. 27-52, 1977
CONTENTS

THE WEEK

Commemorating 84th Anniversary of Chairman Mao's Birth
Chairman Hua Kuo-feng Greets President Kim II Sung
General Zia-ul-Haq Visits China
Chairman Hua Meets Deputy Prime Minister Ion Patan
Vice-Premier Chen Yung-kuei Visits Kampuchea
Volume V of "Selected Works of Mao Tsetung" in Russian, French and Spanish

ARTICLES AND DOCUMENTS

China Will Take a Giant Step Forward (December 13, 1964) — Mao Tsetung
A Letter on Farm Mechanization (March 12, 1966) — Mao Tsetung
The Two-Road Struggle in the Economic Field During the Transition Period — Hsueh Mu-chiao
Visiting a P.L.A. Division (IV and V):
- Relations Like Fish to Water — Our Correspondents Chou Nan-hsing and Lo Fu
- A Fighting Force as Well as a Production Corps

Chinese Press Survey:
- Speed Up Agricultural Development
- Make Urban and Rural Commerce a Success

Debts of Developing Countries — Product of Imperialist Plunder — A commentary by Hsinhua Correspondent

What Motivates "Economic Co-operation" — Hsu Keng-sheng

ROUND THE WORLD

Bucharest: National Conference of Romanian Party
Security Council: Mandatory Arms Embargo Against South Africa
NATO: Strengthening Defence

ON THE HOME FRONT

Chemical Fertilizer Output Increases
More New Coalfields
School Graduates: To the Countryside
"Wei Chi" Chess Match
Fine Arts Exhibitions

"PEKING REVIEW" SUBJECT INDEX (Nos. 27-52, 1977)
Commemorating 84th Anniversary of Chairman Mao's Birth

December 26, 1977 marks the 84th anniversary of the great leader and teacher of the Chinese people Chairman Mao’s birth.

That day on the front page *Renmin Ribao* carried two photos and two essays of Chairman Mao which have not been published before. (See pp. 6 and 7.)

Since December 26, Hold High the Great Banner of Chairman Mao and Advance Triumphant, a large album of paintings put out by the People's Fine Arts Publishing House has been on distribution in Peking.

To mark this occasion the Propaganda Department of the Central Committee of the Communist Party of China and the Ministry of Culture sponsored a large variety of exhibitions and performances which fully reflects the flourishing literature and art in which hundreds of socialist flowers are blooming since the "gang of four" was smashed.

On the same day, the colour documentary *Where Chairman Mao Lived in Chungnahnai*, feature films in colour and scientific and educational films also appeared on screens throughout the country.

Chairman Hua Kuo-feng Greets President Kim Il Sung

Comrade Hua Kuo-feng, Chairman of the Central Committee of the Communist Party of China and Premier of the State Council of the People's Republic of China, sent a message on December 17 to Comrade Kim Il Sung, General Secretary of the Central Committee of the Workers' Party of Korea and President of the Democratic People's Republic of Korea, extending warm congratulations on his re-election as President of the Democratic People's Republic of Korea. The message reads:

"On the occasion of your re-election as President of the Democratic People's Republic of Korea, I wish to extend to you my warmest congratulations on behalf of the Communist Party of China and the Chinese Government and people and in my own name.

"You are the founder of the glorious Korean Workers' Party, the Democratic People's Republic of Korea and the Korean People's Army and the long-tested great leader of the Korean people. Under your wise leadership, the heroic Korean people have in the past half century traversed a brilliant militant course from victory to victory and brought about great and earth-shaking changes. Your re-election as President of the Democratic People's Republic of Korea by the Sixth Supreme People's Assembly of Korea at its first session is another vivid demonstration that you are highly esteemed and fully trusted by the entire Korean people.

"I am sure that your re-election will be a new motive force inspiring the Korean people in their continued progress. I take this opportunity to sincerely wish the Korean people new and greater successes in their socialist revolution and socialist construction and in their struggle for the independent and peaceful reunification of the fatherland. I sincerely hope that the militant friendship and great unity of the Chinese and Korean peoples based on Marxism-Leninism and proletarian internationalism will grow in strength and develop steadily."

Premier Hua Kuo-feng also sent a message on the same day to Comrade Li Jong Ok, extending warm congratulations.
on his election as Premier of the Democratic People's Republic of Korea.

**General Zia-Ul-Haq Visits China**

**GENERAL** Mohammad Zia-Ul-Haq, Chief Martial Law Administrator and Head of the Government of the Islamic Republic of Pakistan, and other distinguished Pakistan guests arrived in Peking on December 16 for an informal friendly visit to China.

On December 18, Chairman Hua met and had a cordial and friendly talk with General Zia-Ul-Haq. Recalling the development of the friendly relations between China and Pakistan, Chairman Hua expressed the confidence that Sino-Pakistan friendship would be further consolidated and strengthened. "We wish Pakistan stability, unity, strength and prosperity," Chairman Hua added.

General Zia-Ul-Haq said that the friendship between thePakistan and Chinese people has stood the test of time and that it has been built on the solid foundation laid by Chairman Mao Tsetung and Premier Chou En-lai. "I am convinced," he said, "that under the able guidance of Chairman Hua, Pakistan-Chinese relations will surely grow from strength to strength."

Vice-Premier Teng Hsiao-ping went on to say that the Chinese people highly admire the Pakistan people for their spirit of defying brute force and daring to struggle. He said: "A Pakistan committed to an independent policy and standing like a rock on the South Asian subcontinent constitutes a major obstacle to hegemonist designs to control South Asia and an important force for peace and stability in this region. At present, the
people of Pakistan are continuing their endeavour to defend their country's independence and sovereignty and build up their country and develop the national economy. We are sure that the Government and people of Pakistan will surmount the difficulties on their way and win new and greater successes.”

General Zia-Ul-Haq said at the banquet: “We share your deep commitment to the strengthening of international peace which can be ensured only by upholding the principles of sovereignty and equality among states, respect for their political independence and territorial integrity and strict non-interference in their internal affairs. The people of Pakistan are equally committed to these principles and are firmly resolved to oppose all attempts to establish positions of pre-eminence or dominance prejudicial to the sovereignty of states.”

“It is our firm conviction,” he went on to say, “that friendship between our two countries will continue to make a significant contribution to the promotion of international peace and to the cause of the struggle of the peoples of the world against the evil forces of colonialism, imperialism, expansionism and hegemonism everywhere.”

He added: “Pakistan remains committed to developing cordial and friendly relations with all its neighbours, on the basis of respect for state sovereignty, political independence, territorial integrity and non-interference in internal affairs.” He pointed out that an early and peaceful resolution of the Jammu and Kashmir issue in accordance with the decisions of the United Nations to which all parties concerned are committed will clear the way for the establishment of a durable peace in South Asia.

At the reciprocal banquet given by General Zia-Ul-Haq, Vice-Premier Teng declared that the Chinese Government and people will continue to give unswerving support to the Pakistan people in their just struggle to safeguard national independence and state sovereignty and in their efforts for the exercise of self-determination by the people of Jammu and Kashmir.

General Zia-Ul-Haq expressed the conviction that in the future the people of Pakistan and China will not only stand by each other but their tested friendship will be further strengthened.

During General Zia-Ul-Haq's stay in Peking, Vice-Premier Teng held talks with him and Vice-Chairman of the Standing Committee of the National People's Congress Teng Ying-chao met him and his wife.

The distinguished Pakistan guests left for home on December 19.

Chairman Hua Meets Deputy Prime Minister Ion Patan

Hua Kuo-feng, Chairman of the Central Committee of the Communist Party of China and Premier of the State Council, met and had a warm and friendly talk on December 21 with Ion Patan, Member of the Executive Political Committee of the Central Committee of the Romanian Communist Party and Deputy Prime Minister and concurrently Minister of Foreign Trade and International Economic Cooperation; Ion Avram, Romanian Minister of Machine Building Industry; and Nicolae Gavrilcsu, Romanian Ambassador to China. During the talk, Chairman Hua said that President Nicolae Ceausescu would be welcome to visit China again.

Also present at the meeting were members of the Romanian Government Trade Delegation led by Comrade Ion Patan and members of the Romanian Government Economic and Technical Delegation led by Comrade Ioan Avram.

The Romanian Government Trade Delegation arrived in Peking on December 17.

The 1978 protocol on goods exchange and payments between the Governments of the People's Republic of China and the Socialist Republic of Romania was signed in Peking on December 21.

Vice-Premier Chen Yung-kuei Visits Kampuchea

Chen Yung-kuei, Member of the Political Bureau of the Central Committee of the Communist Party of China and Vice-Premier of the State Council, left Phnom Penh for home on December 15 after a two-week friendly visit to Democratic Kampuchea.

In his speech at the farewell banquet he gave on the eve of his departure, Vice-Premier Chen praised the great achievements won by the Kampuchean people on all fronts. He noted that the Kampuchean people have made tremendous achievements and rapid progress and

(Continued on p. 9.)
We cannot just follow the beaten track traversed by other countries in the development of technology and trail behind them at a snail’s pace. We must break away from conventions and do our utmost to adopt advanced techniques in order to make China a powerful modern socialist country in not too long a historical period. This is what we mean by a giant stride forward. Is this impossible of attainment? Is this boasting or bragging? Certainly not. It can be done. It is neither boasting nor bragging. We need only review our history to understand this. In our country haven’t we fundamentally overthrown imperialism, feudalism and capitalism, which were seemingly so strong? Starting as we did from “poverty and blankness,” haven’t we scored considerable successes in all fields of socialist revolution and socialist construction after 15 years of endeavour? Haven’t we too exploded an atom bomb? Haven’t we wiped out the stigma of “the sick man of the East” imposed
on us by Westerners? Why can't the proletariat of the East accomplish what the bourgeoisie of the West has been able to? Early this century Dr. Sun Yat-sen, the great Chinese revolutionary and our precursor, said that China would take a giant stride forward. His prediction will certainly come true in the coming decades. This is an inevitable trend no reactionary force can stop.

A LETTER ON FARM MECHANIZATION

MAO TSETUNG

March 12, 1966

Your letter dated March 11 has been received. It is a very good idea that the central planning group send people to Hupeh to discuss with the provincial Party committee its programme for farm mechanization covering five, seven and ten years and have a look at the experimental centres for achieving mechanization through self-reliance. I suggest that the regional bureaus of the Central Committee and the Party committees of the provinces, municipalities and autonomous regions also send their people to Hupeh to join in the study. Seven to ten days will suffice. On their return the local-
ities should draft tentative plans covering five, seven and ten years and spend a few months talking the matter over. Then there will be something for discussion at the working conference to be called some time in August or September this year. If no preparations are made in advance, I am afraid the discussion will get nowhere. The task of mechanization should be performed by the provinces, municipalities and autonomous regions mainly through their own efforts, and the central authorities can only provide some help in materials, etc., for those areas which are deficient, but these things have to be bought with local funds when the central authorities really have reserves for sale. It won't do to start the work on the spur of the moment, with everyone stretching out his hand for help. In the absence of the necessary conditions, it would be better to postpone the matter for a few years. In line with the above principle, those localities where materials (iron and steel), machine tools and farm machines are under state control but are produced locally and where output far exceeds the state targets (say by 100 per cent or more) should be permitted to buy 30 to 50 per cent of that portion above the target for their own use. Unless this practice is established, it will be impossible to bring the initiative of the local authorities into play. To mechanize farming and increase output in agriculture, forestry, animal husbandry, side-lines and fishery, it is necessary to win for the localities some right to the machinery they make. Here some right means the right to share in the above-target portion where it is sufficiently large, but not otherwise. It is not good to concentrate everything in the hands of the central authorities and impose rigid controls. Moreover, mechanization should be linked with getting prepared against war, getting prepared against natural disasters, and doing everything for the people. Otherwise the localities will not go about it with enthusiasm even when the necessary conditions are present. The first point is getting prepared against war, for after all the people and the army must be fed and clad before they can fight, otherwise the rifles and guns will be useless. The second point is getting prepared against natural disasters. It is by no means feasible for the localities to go on for long without reserves of grain, cotton and cooking oil and to depend on other provinces for relief in case of crop failure. The difficulties will be greater still in time of war. And crop failure in limited areas is often unavoidable in any single province. This is still more so when several provinces are considered together. The third point is that the state must not take too much for accumulation but must allow for the fact that even now some of the people have not enough food and very little clothing. Further, it must allow for the need to store reserves among the people against the exigencies of war and natural disaster and, above all, it must allow for the accumulation by the localities of funds for expanded reproduction. Therefore, farm mechanization must be linked with these points before the masses can be mobilized to accomplish the plan for mechanization at a fairly rapid yet steady pace. Soviet agricultural policy has always been at fault; it drains the pond to catch all the fish and alienates the masses. In consequence, the country finds itself in its present straits, the main trouble being that it has long been confined to simple reproduction and is unable even to keep this up in a bad year. For several years we too had the experience of draining the pond to catch all the fish (i.e., higher tax and excessive state purchase of grain) and of being unable to maintain simple reproduction in many areas in lean years. We should at least take warning from this. We have raised the slogan “Be prepared against war, be prepared against natural disasters, and do everything for the people” (the last is also the best way of doing everything for the state, as the old saying goes: when the people are well off, how can the monarch not be?), but whether this slogan will be conscientiously followed for long, I think, is still a problem, and only time will
show if it can be settled. By and large, hasn't agriculture been mechanized in the Soviet Union? Why is it still in an impasse? This is something well worth pondering.

Please weigh the above points and see if they are practicable. Further, as to who from the central planning group should go to Hupeh, it seems Comrades Yu Chiu-li and Lin Hu-chia are the suitable choices. If the regional bureaus of the Central Committee and the Party committees of the provinces, municipalities and autonomous regions are also asked to send people, it seems appropriate that they should each send the secretary in charge of agriculture and a member of the planning commission. Altogether there will be only about 70 people going to have an on-the-spot meeting for seven to ten days. Also please consider if this is practicable.

(Continued from p. 5.)

that their policy of taking agriculture as the foundation is entirely correct.

He pointed out: "These achievements have been made because Kampuchea has got a strong Marxist-Leninist political party which is able to integrate the universal truth of Marxism-Leninism with the revolutionary practice in Kampuchea and formulate a correct line; and because it has so many good cadres, such good people and such a good army." "We are confident," he went on to say, "that under the wise leadership of the Communist Party of Kampuchea, the Kampuchean people will surely make still more brilliant achievements in socialist revolution, socialist construction and national defence."

Von Vet, Member of the Standing Committee of the Central Committee of the Communist Party of Kampuchea and Deputy Prime Minister in Charge of Economy, also spoke at the banquet. He said: "We Kampuchean people are now making efforts in order that we, as masters of the country, can for ever live in dignity on our own land and build a society which corresponds to our own profound aspirations and accords with the road we have chosen." He added: "Our Chinese comrades have seen the determination of the Kampuchean people and the revolutionary army to completely realize their sacred aspirations. To defend, consolidate and develop the fruits of victory of the revolution, and to defend Democratic Kampuchea and safeguard the country's independence, sovereignty and territorial integrity within its present boundaries, Kampuchea will definitely not let itself be reduced to a satellite once again, or slip into a position of losing territories and territorial waters, which was the situation before April 17, 1975."

Deputy Prime Minister Von Vet also praised the revolutionary and militant friendship between the peoples of Kampuchea and China.

Pol Pot, Secretary of the Central Committee of the Communist Party of Kampuchea and Prime Minister of the Government of Democratic Kampuchea, met with Vice-Premier Chen Yung-kuei and personally accompanied him on a tour of many places during his stay in Kampuchea. Comrades Pol Pot, Ieng Sary (Member of the Standing Committee of the Central Committee of the Communist Party of Kampuchea and Deputy Prime Minister in Charge of Foreign Affairs), Von Vet and Chen Yung-kuei picked cotton together with the cooperative members at the foot of Mount Veaychae which is to the west of Battambang and is the cradle of the Kampuchean revolution. It is in the mount that the first shot was fired in the armed struggle waged by the Kampuchean people under the leadership of the Communist Party of Kampuchea. Vice-Premier Chen Yung-kuei's visit to Kampuchea was permeated throughout with an atmosphere of militant unity and joy.

Volume V of "Selected Works of Mao Tsetung" In Russian, French and Spanish

The Russian, French and Spanish editions of Volume V of the Selected Works of Mao Tsetung published by the Foreign Languages Press in de luxe and paperback editions are being distributed at home and abroad.

December 26, 1977
The Two-Road Struggle in the Economic Field During the Transition Period

by Hsueh Mu-chiao

This is the last instalment of an article by the noted economist Hsueh Mu-chiao. The first three instalments appeared in issues Nos. 49, 50 and 51 respectively. — Ed.

In 1953 and 1954, with the rapid development of our socialist economy and the adoption of the policy of utilization, restriction and transformation with regard to private capitalist economy, the contradiction between the public and private sectors of the national economy became more acute than ever. The Common Programme, which was drawn up in 1949 to serve as a provisional constitution, did not say anything about socialist transformation because we did not want to hit out in all directions and create tension throughout the country.

Socialist Transformation of Capitalist Industry and Commerce

In August 1953, the Party Central Committee formulated the Party’s general line for the transition period* and put forward the task of the socialist transformation of capitalist industry and commerce. In September of the following year, the first Constitution of the People’s Republic was adopted and promulgated by the First National People’s Congress at its first session.

Article 10 of the Constitution said: “The policy of the state towards capitalist industry and commerce is to use, restrict and transform them. The state makes use of the positive sides of capitalist industry and commerce which are beneficial to national welfare and the people’s livelihood, restricts their negative sides which are not beneficial to national welfare and the people’s livelihood, encourages and guides their transformation into various forms of state-capitalist economy, gradually replacing capitalist ownership with ownership by the whole people; and this it does by means of control exercised by administrative organs of state, the leadership given by the state sector of the economy, and supervision by the workers.” The Constitution also stipulated: “The state forbids capitalists to engage in unlawful activities which injure the public interest, disrupt the social-economic order, or undermine the economic plan of the state.” This was our policy towards private industry and commerce at that time.

Private industry could not compete with state-owned industry which was better equipped and more efficiently run and whose workers had greater enthusiasm in production. The goods produced by the latter were better in quality and lower in cost.

The speedy growth of state-owned industry soon resulted in shortage of raw materials. State-owned factories operated in two shifts instead of three in order to save some raw materials for private factories. This in fact meant holding up production in the more advanced sector of the economy to keep the backward sector going, which was quite irrational. The People’s Government therefore suggested that the capitalists renovate their equipment, overhaul their setup and reduce the cost of production. But these capitalists were unwilling

* The time between the founding of the People’s Republic of China and the basic completion of socialist transformation was a period of transition. The Party’s general line or general task for the transition period was basically to accomplish the country’s industrialization and the socialist transformation of agriculture, handicrafts and capitalist industry and commerce over a fairly long period of time.
to make any more investments in this respect. So the state had to provide the funds needed.

At first only a few private enterprises accepted the idea. Among them were the Chiu Ta Salt Company in Tientsin and the Yung Li Chemicals in Nanking, the latter being a chemical fertilizer producer. This took place at a time when the co-operative movement in agriculture was still under way and chemical fertilizer did not have a ready market since the small peasant economy could hardly afford it; the only customer was the state. Yung Li was at that time the only plant in the country producing chemical fertilizer; its expansion must not be delayed in view of its importance in boosting farm production. So we proposed that the state finance its expansion, which was accepted. As a result, production increased by leaps and bounds, bringing in tremendous profits. The capitalists of the firm were beside themselves with joy. When other capitalists saw that they could profit from this arrangement, many also applied for joint state-private ownership.

Immediately after liberation, there already were a few joint state-private enterprises. They were previously partly owned by Kuomintang bureaucrats and war criminals whose shares had been confiscated to become government shares. The joint state-private enterprises that emerged after 1953 were private firms in which the state had made investments. These rapidly increased in number in 1954 and by the end of the year they had come to more than 1,700 with over half a million workers and staff members and an output value exceeding 5,000 million yuan, or one-third of the total industrial output value of all the private and joint state-private enterprises in the country.

At that time, the factories were turned into joint state-private enterprises one by one. Once a private enterprise became jointly-owned, the state generally sent a manager to be in charge of it with the manager representing the private side as his assistant. Thus we gained control not only of the supply of raw materials for these factories and the marketing of their products but their production as well. Therefore, as far as managerial power was concerned, these joint state-private enterprises were no longer half-state and half-private, but “three-fourths socialists in nature, that is, socialism had gained the upper hand in these enterprises. Of course, there were still some enterprises where the capitalists were in charge, but these were very few in number.

State-Private Ownership by Whole Trade

After the change-over to joint state-private enterprises, production developed rapidly and profits multiplied, part of which, of course, went to the capitalists, depending on the amount of shares they had. The workers were not very happy about this. Moreover, contradictions cropped up between those which had become joint state-private enterprises and those which had not, the former being fairly big ones and the latter much smaller. As the state-owned and joint state-private factories began to expand, the small factories found themselves in greater straits than before and could not compete with the others. If they were left to themselves, they would eventually collapse. Therefore, proper arrangements had to be made for them.

Following the publication of Chairman Mao's report On the Co-operative Transformation of Agriculture in 1955, an upsurge in the agricultural co-operative movement took place. The bourgeoisie became even more isolated. Seeing that socialism was an irresistible trend, the capitalists were in a dilemma: Should they accept the socialist transformation of their enterprises or not? If they should refuse, bankruptcy would be their lot; but if they accepted, they would have to hand over their enterprises to the state, which was the last thing they wanted.

It was at this time that Chairman Mao called a meeting of representatives of capitalists, telling them about the law of social development and the objective law of inevitable transition from capitalism to socialism. He exhorted them to take their destiny into their own hands and strive for a bright future by making up their minds to accept the transformation. The Party and state, Chairman Mao told them, would make proper arrangements both politically and in work for industrialists and businessmen who accepted the transformation. He said that the policy of redemption would be adhered to. And he encouraged them to strive to transform them-
selves from exploiters into working people living by their own labour.

Since the capitalists accepted the socialist transformation of their enterprises, the state gave them due compensations. Besides undertaking to pay them a fixed rate of interest on their capital in the joint enterprises for a given period of time, the state gave them jobs with relatively high salaries equivalent to what they had received before. In this way, the capitalists decided to go along with us. In January 1956, capitalists in Peking were the first in the nation to apply en masse for joint state-private ownership by whole trades. Their requests were approved by the state. On the first day of the Spring Festival that year, Peking's industrialists and businessmen, together with several hundred thousand workers and staff of the enterprises, marched to Tien An Men Square to celebrate the occasion amidst the beating of drums and gongs.

Of course, the workers and staff were really happy on this occasion, while the capitalists simulated joy. There was nothing they could do about it, for it was a trend they could not resist. Later, capitalists in Tientsin, Shanghai and other big and medium-sized cities followed suit and applied for joint state-private ownership. By the first half of 1956, private enterprises in all the cities had been transformed into joint state-private enterprises, and a decisive victory was won in the socialist transformation of capitalist industry and commerce.

The emergence of joint ownership in whole trades was different from that in individual enterprises. In the case of the former, the state had to make rational readjustments in a trade, because some factories were relatively advanced, some were backward, some were making profits and some were losing money. It was inconceivable for the state to make investments and expand all the small joint state-private factories regardless of their actual conditions. Many of them had to be merged or even dissolved. Some of the big plants we have today were, in fact, mergers of scores of small private enterprises and have since gradually developed to their present magnitude.

At that time, it was no longer possible to estimate the profits of each of them separately; a unified system of paying dividends had to be worked out. After consultations with the capitalists, the state decided to pay them a fixed rate of interest, 5 per cent per annum, on their shares in the joint enterprises for a period of seven years; at the expiry of the term, the matter would be restudied in the light of existing conditions. Seven years later, it was decided to continue payment for another three years. This ended in 1966 when the Great Cultural Revolution started.

When the private enterprises were transformed separately into joint state-private ones, the capitalists were keen on making more money for their own enterprises, and the relatively advanced factories were unwilling to help the backward ones. This was a great obstacle to all-round readjustment. After the introduction of payment of a fixed rate of interest, the situation changed. The state was now in a position to effect an all-round reshuffle of private industry. This was also the case in commerce. A readjustment was also needed to give better service to the customers. In the interest of the consumers, it was not feasible to merge the stores on a large scale. Many small shops were reorganized into co-operatives with responsibility for their own profits and losses.

Many capitalists were given jobs by the state, either working on the original premises or somewhere else; they were no longer proprietors, but employees of the state. The state had complete control of the enterprises. The capitalists, of course, got their 5 per cent fixed rate of interest every year from the joint enterprises; apart from this, there was really no difference between the joint state-private enterprises and the state-owned ones.

The state paid a 5 per cent fixed rate of interest to the capitalists by way of redemption through which capitalist industry and commerce were transformed into socialist undertakings. This was really a big event.

Thus, 1956 was the year in which a decisive victory was scored in the socialist transformation of the ownership of the means of production. As shown in the table on page 13, by the end of that year, the socialist transformation of agriculture, handicrafts and capitalist industry and commerce had in the main been completed.
Numerous workers were laid off, causing serious difficulties to the state. Later, it was decided to lease a number of factories to the capitalists who, however, refused to have anything to do with them, because they did not believe that proletarian rule could last. So the kind of state capitalism Lenin referred to never did appear in the Soviet Union. This idea of his had, however, come true in China.

The form of state capitalism in our country was a unique one. Factories belonging to the national bourgeoisie were not confiscated; they were transformed step by step through the state placing orders with them for processing and manufacturing goods or for buying their products, through joint state-private ownership in individual enterprises and later in whole trades. In this way, production in these capitalist enterprises actually developed steadily instead of coming to a halt. In the seven years from the founding of New China to the basic completion of the socialist transformation of the capitalist economy, their output value nearly doubled. This not only prevented unemployment but also enabled private industry to continue to turn out products for the peasants and the market. This was of great help to achieving unity with the peasants, promoting agricultural production, bringing prosperity to the market and stabilizing the people's livelihood. Our transformation of the capitalist economy through the form of state capitalism was a success.

**A Great Pioneering Undertaking**

The analysis given above clearly shows:

**ONE.** The transformation of the capitalist economy through the form of state capitalism was a pioneering undertaking in the history of proletarian revolution. Marx and Engels said that after the seizure of state power by the proletariat, the adoption of the policy of redemption towards the capitalists must not be ruled out. (*The Peasant Question in France and Germany.*) They were of the opinion that the proletariat would get off cheapest if it could buy out the whole lot of them. But how to achieve this was still a question, for in their time there was no ready experience to go by in the absence of a proletarian state. Lenin also spoke of the transition to socialism through state capitalism. (*"Left-Wing" Childishness and the Petty-Bourgeois Mentality.*) But the form of state capitalism introduced in the Soviet Union was different from ours.

After the victory of the October Revolution in the Soviet Union, all capitalist factories employing upwards of ten workers were confiscated in a year's time. But the state was unable to operate all of them and many had to close down.
Secondly, we have the powerful People's Liberation Army. Chairman Mao said in 1949 in his On the People's Democratic Dictatorship: "The people have a powerful state apparatus in their hands — there is no need to fear rebellion by the national bourgeoisie."

Thirdly, we confiscated bureaucrat-capital, seized the most important part of modern industry, controlled the economic lifeline and had the power of leadership in our hands. Bureaucrat-capitalist economy made up 80 per cent of the fixed assets of the capitalist economy and had the lion's share of the heavy industry and communications and transport. Private industry was confined mainly to the light industry. The state-owned light industrial factories, though less in number, were equipped with better machinery. Thus the private light industrial factories could not compete with us.

Fourthly, we united with the peasants politically, and forged close ties with them economically so that the bourgeoisie was completely isolated.

But even under such circumstances, it was only after repeated fierce struggles that the capitalists were forced to accept the transformation step by step. The first round was the struggle to stabilize prices. It was a fierce battle in which the bourgeoisie finally threw up the sponge. The second round was the fight against the "three evils" and the "five evils." With the proletariat counterattacking them, the capitalists were on their last legs. They were later revived with help from the People's Government. In 1953 there was another encounter on a smaller scale. It was in this way that the capitalists were forced to accept the transformation of ownership. In 1956, they celebrated the basic completion of the transformation of ownership with drums and gongs in the daytime, but in the evening they and their family members threw themselves into each other's arms and cried their hearts out.

The capitalists would not quit the stage of history of their own accord. In 1957, we had another test of strength with them, namely, the struggle against the bourgeois Rightists. The transformation of the capitalist economy in our country was replete with fierce struggles of all kinds. How could it be said that it was a peaceful transition?

THREE. During the stage of socialism, strategically, we must thoroughly eliminate the bourgeoisie. This is irrevocable. Our aim is to exterminate capitalism. (Mao Tsetung: The Debate on the Co-operative Transformation of Agriculture and the Current Class Struggle, 1955.) But in the course of socialist transformation, our policy towards the national bourgeoisie was one of struggling against and uniting with them.

Chairman Mao said: "There are now two united fronts, two alliances. One is the alliance of the working class and the peasants; this is the foundation. The other is the alliance of the working class and the national bourgeoisie." (Combat Bourgeois Ideas in the Party, 1953.) Towards the national bourgeoisie elements, our policy was to unite, criticize and educate them. As long as they supported the Constitution, were willing to accept socialist transformation step by step through state capitalism, we regarded the contradiction between the proletariat and the national bourgeoisie as a contradiction among the people. By adopting such a policy, we succeeded in turning the majority of the national bourgeoisie from negative factors into positive ones so that they could make some kind of contributions to the recovery and development of the national economy.

Our policy towards the national capitalist economy after the publication of the general line for the transition period in 1953 continued to be one of utilizing, restricting and transforming it and this was written in the 1954 Constitution. When capitalist industry and commerce went into joint ownership by whole trades, the national bourgeoisie was properly looked after politically and economically to encourage them to accept the socialist transformation and transform themselves into working people living by their own labour.

As historical events showed, such a policy helped in the rapid recovery of the productive forces destroyed during the war, and it helped in the rapid development of the socialist economy and also in the transformation of the capitalist economy into a socialist economy in a rather short period of time, thus laying the economic foundation for the thorough elimination of the bourgeoisie. This policy of Chairman Mao's has...
been most successful; it is a great pioneering undertaking in the history of the proletarian revolution.

After we have fully completed the socialist transformation of the capitalist enterprises, the ideological remoulding of the bourgeois elements has yet to be completed. This means that we must carry on the work of uniting, criticizing and educating them. Bourgeois ideology still has considerable influence in society, we must give the whole population socialist education and unceasingly criticize bourgeois ideology. In the period of socialism, when the old bourgeoisie is being exterminated, new bourgeois elements may be engendered. So class struggle has not come to an end.

As Chairman Mao said, throughout the historical period of socialism, there is still the struggle between the proletariat and the bourgeoisie and between the socialist and capitalist roads. This struggle will be protracted and tortuous and at times very sharp. We must follow Chairman Mao's teachings, carry through to the end the continued revolution under the dictatorship of the proletariat, eliminate the bourgeoisie and all other exploiting classes step by step, enable socialism to prevail over capitalism and work for the realization of our lofty aim — communism.

Visiting a P.L.A. Division (IV and V)

Relations Like Fish to Water

by Our Correspondents Chou Nan-hsing and Lo Fu

While visiting the hospital of the division headquarters, we heard an excited "quarrel" going on outside the window. The members of a nearby production brigade had entrusted their leader to present a basket of fresh lichee to the hospital as a gift. The medical workers thanked him and kindly declined. The brigade leader insisted on leaving the fruit there. This gave rise to a friendly argument which finally ended in a "compromise." The hospital accepted, but paid him what the state commercial department had set as the purchasing price of this famous local product.

Comrade Chang Po-an, deputy head of the hospital, told us: "Nobody knows how many such 'arguments' take place each year. Sometimes a brigade will send us a tub of live fish, another a basket of peanuts. . . ."

Unity Between the Army and the People

In this hilly area the inhabitants have considerable difficulty in getting to a hospital. To ease the situation, the division hospital and the regiments' medical teams help production teams in the vicinity to train barefoot doctors and often send medical groups to go the rounds in the villages.

In a village located near one of the division's regiments, a local school teacher's two-year-old boy accidentally incurred serious burns on his feet last May. Under ordinary circumstances it would have been necessary to amputate both feet in order to save his life. The regiment's medical team rushed there and decided to do everything in its power to avoid such an operation.

Since the patient was too young to be hospitalized, the team's medical workers disinfected the teacher's house and made a bed for the boy. They took turns nursing him and changed the dressings every day. After plastic surgery and careful treatment for 40 days, the boy gradually regained the use of his two feet and recovered completely.

December 26, 1977
Examples like this are too numerous to recount. The peasants in the nearby areas described many incidents showing how the armymen cherish the people and the people in turn support the P.L.A. from the bottom of their hearts. "The army cherishes the people, the people support the army," they say. "The relation of the army to the people is like that of fish to water!"

Extending medical service is only one aspect of the army's links with the masses. For example, each company of a regiment under the division has established regular contacts with the adjacent production teams. Old peasants are invited to report on their personal experiences in the old society and the new. The striking contrast teaches a valuable lesson in class struggle to fighters who have grown up in the new society. Experienced peasants are asked to pass on their farming skills and advise the armymen how to do a good job in farm production. On the other hand, the armymen help the peasants with their sowing and harvesting every year. Kwangtung Province was hit by a prolonged dry spell last spring. In April the regiment worked six days to dig a 1,500-metre-long channel so that three neighbouring production teams could irrigate their paddyfields.

According to the tradition fostered by Chairman Mao, throughout the country during Spring Festival, the local government organizes activities to "support the army and give preferential treatment to the families of the armymen," and the army units do likewise, to "support the government and cherish the people." The local Party and government organs and civilians send representatives to visit the local army units for a friendly discussion, while the army units reciprocate. Get-togethers and theatrical performances are also organized.

If there are shortcomings and mistakes indicating lack of respect on the part of the army for the local Party and government personnel or civilians, or showing lack of concern on the part of the latter for the army, the practice has been to follow Chairman Mao's teaching: "There should be repeated self-criticism before the masses . . . (each side criticizing itself and not the other) in order that these shortcomings and mistakes may be thoroughly corrected." (Spread the Campaigns to Reduce Rent, Increase Production and "Support the Government and Cherish the People" in the Base Areas, 1943.)

Work Teams

As to keeping close ties with the masses, the leading comrades of the division recalled that when our people's army was founded, Chairman Mao explicitly stipulated that it should not confine itself solely to fighting. Apart from fighting, it should take on such important tasks as doing propaganda among the masses, organizing the masses, arming them, helping them to establish revolutionary political power and setting up Party organizations. When the division was fighting in northeast China 30 years ago, it sent work contingents to the rural areas and mines to help the masses establish revolutionary political power, carry out the land reform, organize the local armed forces and set up revolutionary base areas.
During the Great Proletarian Cultural Revolution, the P.L.A. also did extensive mass work. Lin Piao and the "gang of four" instigated antagonisms leading to the use of force between mass organizations with different views. In order to defend the Great Cultural Revolution, the division sent out many propaganda groups to Kwangchow and three counties in its vicinity to explain Chairman Mao's proletarian revolutionary line and policies, and prevent the outbreak of physical combat. These groups patiently clarified the issues to the masses who had been hoodwinked, persuaded young workers who had been influenced by anarchism to go back to their production posts, helped students resume classes and carry out the revolution in education, and promoted unity between mass organizations of different views within a unit.

Since the downfall of the "gang of four" the division has dispatched a number of groups to the surrounding production teams. They help the teams unfold the struggle to expose and criticize the gang and promote the mass movement to learn from the Tachai Brigade, the pace-setter in agriculture. All members of the groups live among the commune members, eat together with them and join them in physical labour.

**Source of Strength**

The leading comrades of the division emphasized the importance of seeing that the people's army always remained at one with the masses. Fifty years ago Chairman Mao vividly compared the relation between the army and the masses to that between fish and water. If the army departs from the masses, it is like a fish out of water. With the support of the masses, it has an inexhaustible source of strength.

Several veteran cadres who fought in the War of Resistance Against Japan (1937-45) recalled their experiences of those years of fighting in central Hopei Province as members of the 16th Regiment, predecessor of the division. At the risk of their lives, the people supplied the army with food grain and fodder, transported ammunition, carried stretchers, built bridges and roads, stood sentry, provided information about the enemy and served as guides.

Once in 1938 a group of wounded soldiers of the 16th Regiment were hiding in a village. The enemy, on learning this, rounded up all the villagers in one place and threatened to kill those who refused to tell the whereabouts of the soldiers. One, two, three... a dozen villagers were killed, but the enemy could not get a word out of the heroic people.

Without such devoted support from the people, the regiment could not have held out on the central Hopei plain. The full mobilization of the people "will create a vast sea in which to drown the enemy, create the conditions that will make up for our inferiority in arms and other things, and create the prerequisites for overcoming every difficulty in the war." (Mao Tsetung: *On Protracted War, 1938.*)

On exhibition in the division's hall of history, there are 11 silk banners which were presented to it by the people's committee of Pyonggang County in Korea during the war to resist U.S. aggression and aid Korea. In praise of how the Chinese People's Volunteers cherished the Korean people, some banners bear the words "Warm concern and sincere assistance" or similar inscriptions. There are also photos showing how the Korean women, in the face of enemy gunfire, transported ammunition and food to the Chinese People's Volunteers and carried away the wounded on stretchers. When the leading comrades of the division recalled these scenes, their voices were fraught with deep feelings for the Korean people.

**Strict Discipline**

The People's Liberation Army is made up of armed workers and peasants who have profound class feelings for all labouring people. Nurtured by Chairman Mao, the army maintains strict discipline which forbids anyone to infringe on the interests of the masses under any circumstances. It is embodied in the famous Three Main Rules of Discipline and Eight Points for Attention. The Three Main Rules of Discipline are: 1. Obey orders in all your actions. 2. Don't take a single needle or piece of thread from the masses. 3. Turn in everything captured. The Eight Points for Attention are:

*December 26, 1977*

A veteran cadre told us the history of the Three Main Rules of Discipline and the Eight Points for Attention. Comrade Mao Tsetung set up the Chingkang Mountains revolutionary base area in 1927. At that time, people ran away at the sight of a soldier because they had long feared and hated the old-type armies at whose hands they suffered all sorts of oppression such as pressganging, looting, beating, cursing, rape and robbery. In order to convince the people that the newborn Workers' and Peasants' Red Army was their own army, its soldiers had to behave in a way entirely different from the old-type armies. But the Red Army in its early stage was not completely free of the old practices. Some infringements on the interests of the masses still occurred.

On account of this, Chairman Mao went deep among the peasants to solicit their opinions and studied the situation among the fighters. On this basis he drew up three main rules of discipline and six points for attention in 1928 which developed later into the Three Main Rules of Discipline and the Eight Points for Attention. In October 1947, Chairman Mao drafted On the Reissue of the Three Main Rules of Discipline and the Eight Points for Attention—Instruction of the General Headquarters of the Chinese People's Liberation Army, which ordered the whole army to carry out "thorough education and strict enforcement." Every P.L.A. fighter is familiar with these rules of discipline and points for attention. They have been set to music and the song is popular with both armymen and civilians.

The division was commended on several occasions for conscientiously implementing the above-mentioned instruction.

The 4th Company of a regiment in the division distinguishes itself in the strict observance of discipline. Its young political instructor Chen Chung related a few episodes to us in this connection. As part of its military training, the company once went on a march. They stopped at the granary of a production brigade for the night and borrowed some straw to make temporary beds. They paid for its use and for the electric lighting the next day when they left. The brigade's puppy, which got familiar with the young fighters, followed the company for 5 kilometres and refused to go back. In the end they dispatched a fighter to take it back. This was a small matter. Since they set strict demands on such small matters, certainly they will not do anything wrong in matters concerning the interests of the people.

The other companies had similar experiences. The 7th Company of the regiment once stayed at an orange orchard overnight while on a march. The fruit was just ripe for picking. When the old man looking after the orchard saw that so many young people were staying there, he assumed that naturally some of them would taste a few oranges. He was surprised the next morning because the oranges were left untouched. The old orchard-keeper was so pleased, he picked a basket of oranges to present to them on their departure.

A fighter told him the following story. During the War of Liberation in the 40s, the P.L.A. fought in northeast China's Chinchow, an apple-growing area. It was autumn time and there was plenty of fruit in the peasant households. But the fighters didn't touch a single apple. Chairman Mao praised them for this: "I was deeply moved when I read about this. Here the fighters themselves were conscious
that not to eat the apples was noble, whereas to eat them would have been ignoble; for the apples belonged to the people. Our discipline rests on such consciousness. It is the result of leadership and education by our Party.” (Speech at the Second Plenary Session of the Eighth Central Committee of the Communist Party of China, 1956.) Finishing his story, the fighter thanked the old man but declined the offer.

When we took leave of the regiment, commune members wearing woven bamboo hats were gathering in rice in the nearby fields under a scorching sun. A comrade from the regiment headquarters told us: “This is our regiment’s rice. As we are busily engaged in other tasks these days, we haven’t enough time to do the harvesting. Without telling us in advance, the commune members came to our help this morning.”

Our army has indeed maintained flesh-and-blood relations with the masses. This is the basic reason why the people’s army is able to overcome the enemy. As early as 1938 Chairman Mao elaborated this point: “The army must become one with the people so that they see it as their own army. Such an army will be invincible.” (On Protracted War.)

A Fighting Force as Well as a Production Corps

DURING our visit to the division, we had a look around its branch farm, a farm run by one of the companies and two small factories run by family members of the cadres. We were deeply impressed by the work in agricultural production, side-occupations and the factories.

Farm Production and Side-Occupations

Besides the general and branch farm run by the division, each of the regiments and companies also has its own farms, devoted mainly to agricultural production and side-occupations. The division and regiment farms also run small factories and workshops to make soy sauce and non-staple food for the army.

The farms of the division are located in two different places. The general one is in Huiyang County, a few dozen kilometres away, and is mainly for growing rice. This year it harvested 1.5 million kilogrammes of rice on more than 200 hectares of land.

The branch farm, located at the foot of Lofu Mountain, specializes in growing vegetables, raises cattle and pigs and runs small factories or workshops. One fine morning just after a rainfall, we paid a visit to this branch farm. Comrade Pi Yang-sheng, its deputy head, greeted us warmly.

He told us all about the farm, then took us to the rice-husking mill. The machine was not operating at the moment; but several soldiers were preparing to set it going. The mill husks 1.5 million kilogrammes of rice annually, most of it for the division, but some for the local people too.

Not far from the mill there is a distillery which produces over 90,000 kilogrammes of spirits annually. The wine dregs, an important by-product, are used for pig-feed. Most of the liquor is purchased by the state trading department, while the remainder is for the division to dispose of.

Leaving the distillery we climbed over a small knoll and made our way through paddy-fields for half an hour until we came to the piggery. The five rows of pigsties were built

December 26, 1977
of cement, bricks and wood, with both surface and underground drainage. The sheds, airy, well-lighted and clean, provide shelter for more than 500 pigs of all sizes. The piggery provides the division with 40,000 kilogrammes of pork yearly.

This branch farm is engaged in vegetable-growing as one of its main jobs and each year provides 80 per cent of the various vegetables needed by the division. In addition, it manages fish ponds covering an area of over six hectares and tends a herd of over 100 head of beef cattle. At festivals it supplies the division with fresh meat and fish.

Family members of the division's cadres run two factories, one making batteries, the other, medicines. In 1966 when Chairman Mao issued the May 7 Directive*, members of the cadres' families were greatly inspired. They made up their minds to take part in productive labour and contribute their share to building socialism. Bit by bit, through hard work they built the two factories.

At the battery factory which we visited we found the family members working busily in a neat workshop. Some were preparing raw material, some charging batteries and others packing the finished product. The work was organized systematically and they went about their duties methodically. The equipment is not up to date, nevertheless this doesn't prevent them from reaching a yearly output of one million good-quality batteries which are welcomed by consumers. The whole output of batteries, estimated to exceed 220,000 yuan in value, is purchased by the state trading departments.

There are 57 workers and staff; four of them coming from the army were assigned to help manage the factory. The rest are members of army cadres' families. These include the wife of the vice-commander of the division, of its vice-political commissar and of its deputy chief of staff. Head of the factory Liu Pei-ying (wife of the division vice-commander) told us that before the factory was set up, the women practically did nothing but housework, stayed at home most of the time and took little interest in current affairs or the world situation. After they built the factory, they began to create wealth for the state; they feel proud of this. They are not only doing their bit for the country but are also tempering themselves at the same time.

The army's major task is to fight, and during peacetime, to keep up military training. But how can they engage in military training, agricultural production and side-occupations all at the same time and do a good job?

Deputy head Comrade Pi gave us a good reply. The relationship between training and production, he said, must be handled correctly.

* On May 7, 1966, Chairman Mao issued this directive: The People's Liberation Army should be a great school. In this school, our army should study politics and military affairs, raise its educational level, and also engage in agriculture and side-occupations and run small or medium-sized factories to make products for its own needs or for exchange with the state against equal values. Our army should also do mass work and participate in the socialist education movement in the factories and the villages. When the socialist education movement is over, it will always find mass work to do so as to be always at one with the masses. Also our army should always be ready to participate in the struggles to criticize and repudiate the bourgeoisie in the cultural revolution. In this way, the army can concurrently engage in study, agriculture, industry and mass work.
and the manpower properly arranged. Take the division's farm for instance. This big farm requires many farmhands working on a year-round basis. Every year we send a battalion of infantrymen to take up farm production. It is replaced by another the next year, and after a number of years its turn will come up again. The army men doing production work have also to undergo military training.

Not so many people are needed for agricultural production and side-occupations on the regiment farms. Every company is required to grow vegetables and raise pigs, or plant a little paddy. The farm work is arranged by the company and carried out by squads mostly in their spare time.

**Carrying Forward the “Nanniwan Spirit”**

Carry on production while fighting is a fine tradition of the People's Liberation Army. This division is also keeping up the tradition.

During the War of Resistance Against Japan (1937–45), and especially in 1941 and 1942, the Japanese aggressors carried out savage mopping-up campaigns, while the Kuomintang reactionaries encircled and blockaded the liberated areas. Our economic and financial situation became extremely critical in these areas and we were down to the bare essentials in food and clothing. What could we do? Chairman Mao called on the whole Party and the whole army to “overcome difficulties by our own efforts.” (Spread the Campaigns to Reduce Rent, Increase Production and “Support the Government and Cherish the People” in the Base Areas.) Responding to Chairman Mao's call, the army unfolded a big production movement.

The 359th Brigade of the Eighth Route Army, led by Comrade Wang Chen (now Vice-Premier of the State Council), marched to Nanniwan, southeast of Yenan, in 1940 to open up land. At the beginning conditions were extremely harsh. It was a desolate spot without accommodations of any kind. Everybody had to pass the night out in the open; their scanty clothing and bedding could hardly protect them from the cold so the fighters sang and danced around a bonfire.

After several years of arduous work, Nanniwan was transformed. People compared it with the fertile areas south of the Yangtze. As to grain, they not only had more than enough for themselves but handed over a large amount to their leading organ. Besides this they set up small factories for pressing oil and producing textiles, clothing, shoes, paper and other necessities.

The achievements of the 359th Brigade in developing production by self-reliance were outstanding. It became a celebrated model in combating hardships and fighting against Japanese aggression without letup. Since then this sort of spirit has been acclaimed as the “Nanniwan spirit” and has become one of the glorious traditions of the People's Liberation Army.

The 16th Regiment, the predecessor of this division, went to the northern Shensi base area in 1944 to guard the offices of the Party Central Committee on the one hand and on the other hand to launch a big production campaign, with the 359th Brigade as its example. They built thatched cottages and reclaimed land in the vast wilderness. Within only one month, each person reclaimed close to 20 hectares of land on the average. By timely sowing and careful
cultivation they reaped a bumper harvest in the first year, with each person producing an average of more than 500 kilogrammes of millet.

In February 1950, after the victory of the War of Liberation (1945-49), the division was transferred to Peian area, Heilungkiang Province, for training and farm production. Fresh from fighting in the battlefield, they had many difficulties in the new job of reclaiming the land. They braved the elements and fought wild beasts of the forest with the result that they brought more than 3,300 hectares of land under cultivation in less than a half a year. The once uninhabited wilderness was turned into a carpet of crops.

The deputy head of the farm told us: “Although it is peacetime we should still keep alive the Nanniwan tradition and develop it further; we should still heed Chairman Mao’s teaching: “They [the Eighth Route and New Fourth Armies] do a dual job, warfare and production.” (Get Organized!) Especially since 1966 when Chairman Mao issued the May 7 Directive, the whole division from officers to fighters has engaged in agricultural production and side-occupations more conscientiously, and their achievements have become more marked with each passing year.

Maintaining the Fine Qualities of the People’s Army

Finally, when we were saying goodbye to deputy head of the farm Comrade Pi, we praised the division for its outstanding results in production which contributed so much wealth to our country. Pi explained that the wealth created for the country is only one result of the production movement. Another is the fact that our troops have been tempered through taking part in productive labour.

Our commanders and fighters come from the labouring people and have close ties with the people. If they don’t take part in physical labour for a long stretch of time, they will be divorced from the labouring people, and may even begin to feel superior to them. When it comes to picking up tools or a hoe to do some work, cadres and fighters are actually workers and peasants. This helps them to maintain the distinctive character of the working people, and is also one of the reasons why our army has won the love and support of the broad masses.

In this large family of the People’s Liberation Army, cadres and soldiers forge closer relations by working together. Regardless of rank they are all servants of the people. As they sweat together in doing physical labour they are all of one accord in ideas and feelings. Superiors and subordinates find themselves on a more sincere and friendly footing with each other.

The soldiers of a certain regiment of the division told us about many of their experiences while working shoulder to shoulder with cadres. The deeds of Comrade Wang Chang-fu, political instructor of the regiment’s 2nd battalion, during his work with the men moved us particularly. He has been living with the company since May this year. When the soldiers went up the mountain to collect firewood he always joined them, and would chop 30 to 40 kilogrammes at a time and carry it back to the barracks. He shows special concern for the farm production and side-occupations of the company, often returning to the fields after supper to weed or add fertilizer. The soldiers thought highly of him and pronounced him a good leading cadre who is hard-working and able to bear hardships.

A leading comrade of the division made a good point when he said: As long as the people’s army does not divorce itself from physical labour, it will not divorce itself from the masses and will always be at one with them.

This division is not only a unit with a glorious history but also one which is able to persist in continuing the revolution under the dictatorship of the proletariat. At present they are holding high the great banner of Chairman Mao and responding to the call of Chairman Hua and the Military Commission of the Party Central Committee to grasp the key link of class struggle and run the army well. They are continuing to criticize in depth the “gang of four’s” counter-revolutionary revisionist line and at the same time are mobilizing the whole division to unfold a movement of learning from Lei Feng (1940-62, a heroic fighter of the People’s Liberation Army) and from the Hard-Boned 6th Company (a P.I.A. heroic company) so as to speed up the division’s revolutionization and modernization.
Speed Up Agricultural Development

RENMIN RIBAO on December 11 published an editorial calling on the nation to speed up the development of agriculture.

This, the editorial said, is a major issue which is vital to socialist revolution and construction and also a matter of concern among the people of the whole country.

At present, the struggle to expose and criticize the "gang of four" is deepening in the countryside and the mass movement to learn from Tachai in agriculture and build Tachai-type counties throughout the country is going full steam ahead on an unprecedented scale. Despite severe drought and other natural adversities, China reaped a fairly good harvest this year. But owing to interference and sabotage by the "gang of four" over a long period, the growth of farm production was slow and could not keep up with the needs of effecting a great expansion of our national economy as a whole.

In agriculture, our goal for 1980 is the basic mechanization of farm work. One-third of the counties will by that time have been built into Tachai-type counties, with per-hectare yields of grain and industrial crops topping the targets set in the National Programme for Agricultural Development. As for the remaining two-thirds, the output of their main products will also reach the set targets.

In the next three years, the editorial noted, it is planned that the rate of annual increase in total grain output will surpass that of the previous five-year-plan periods; in particular, it will outstrip by far the level of the past few years when the "gang of four" ran amuck.

The key to quickening the pace of agricultural development is to learn from Tachai. We must build Tachai-type counties according to the six criteria set by the national learn-from-Tachai conference in autumn 1975. We must penetratingly criticize the "gang of four" and hit hard at capitalism. Leading cadres at the county, commune and production brigade levels must persist in taking part in collective productive labour, and great efforts must be made to carry out farmland capital construction.

To boost farm production, it is imperative to strengthen Party leadership. Party committees at various levels must tackle in earnest the question of speed in agricultural development and eliminate the causes of tardy progress; they should trace these causes to whatever shortcomings and mistakes in their work or in implementing relevant policies. They must expose contradictions, sum up experiences and draw necessary lessons in the spirit of a rectification campaign and work out plans and measures for accelerating agricultural development.

In conclusion, the editorial called on the whole Party to take immediate action and all trades and professions to give support to agriculture. Next year the state will provide agriculture with a substantial increase in investments and materials and other necessary conditions for its rapid growth.

Make Urban and Rural Commerce a Success

OVER the past 28 years, great achievements have been made in China's commerce. Private commerce has long given way to socialist commerce which now accounts for 99.9 per cent of all transactions and occupies the predominant position in the circulation of commodities. Prices have basically remained stable over the years and the total volume of retail sales in 1976 was 7.7 times that of 1950.

On December 16, Renmin Ribao called in an editorial for further efforts to promote commerce in the cities and countryside.

The editorial pointed out: Socialist commerce serves as a link between industry and agriculture, between urban and rural areas and between producers and consumers. Economically, the alliance between the working class and the peasantry finds expression mainly in urban and rural commerce. It is therefore necessary to expand the production of commod-

December 26, 1977
ities, promote their circulation, organize the market well under a unified plan and make good arrangements for the people's livelihood. All these are of tremendous importance to ensuring the development of the national economy in a planned and proportionate way and at high speed, to consolidating the socialist system under the dictatorship of the proletariat and to realizing the modernization of agriculture, industry, national defence and science and technology.

This year has witnessed a marked upswing in industrial production and a fairly good harvest in agriculture despite severe natural adversities. Science and technology have made a good start towards modernization and culture and education have taken on a new look. There has been a favourable balance between state revenue and expenditure with both registering substantial increases. In commerce, both purchase and sales have increased and the markets in the cities and countryside are flourishing.

There must, however, be a new leap forward in commercial work so as to keep abreast of the upsurge in economic construction and cultural undertakings.

Chairman Hua has issued the call: "Financial and trade departments must also learn from Taching and Tachai." The road taken by Taching and Tachai is one of persisting in continuing the revolution under the dictatorship of the proletariat and building socialism with greater, faster, better and more economical results. Their basic experiences are applicable to urban and rural commerce as well. To make a leap forward, commercial workers must earnestly learn from their revolutionary spirit.

The editorial called on the 10 million workers and staff members in the urban and rural commercial departments and service trades throughout the country to start a revolutionary emulation drive and push the mass movement to learn from Taching and Tachai to a new stage.

Debts of Developing Countries — Product of Imperialist Plunder

INDEBTEDNESS is the main roadblock many third world countries come up against in developing their national economies, a problem that cries out for urgent solution in today’s international economic relations.

Available statistics show that the debts of the developing countries total 200,000 million U.S. dollars. In more ways than one, this puts a heavy strain on the third world countries. Annual payment of principal and interest on external debts generally eats up over 10 per cent of the total foreign exchange income, and in the case of some countries this can be as high as 20-30 per cent. The result is growing balance of payments deficits and a constant search for new loans. Thus the developing countries find themselves embroiled in a vicious circle of contracting new loans to pay off old ones. In the 1967-73 period, they had to divert 50 to 60 per cent of their new loans annually to payment of debts. Some countries could not borrow enough abroad to discharge their liabilities and had to look for other sources. As a result, "back flow of capital" emerged.

The Root Cause

The root cause of these huge debts lies in the exorbitant interest rates at which the developing countries obtain loans from the imperialist powers, the superpowers in particular, which turn to account the debtor countries' economic difficulties caused by imperialist and colonialist plunder and exploitation over a long period.

Since the economic crisis in the capitalist world that began in 1973, the imperialist powers,
the superpowers in particular, have raised the prices of the industrial goods the export of which they have expanded. At the same time, by forcing down the prices of raw materials, restricting imports of primary products, they shift the burden of the economic crisis on to the developing countries. Steep rises in expenditure and reduced income put these countries heavily in the red. The superpowers seize on this opportunity and extend loans to them at usurious interest rates.

Usury in Disguise

In addition, the creditor nations do their best to shorten the period of repayment with the result that many debts fall due simultaneously and thus increase the amount each payment requires. For instance, Latin American countries, which have run up debts to the tune of several ten thousand million U.S. dollars, have to repay half of this in the last three years of the 1970s, and another 30 per cent in the first three years of the 1980s. Furthermore, by extending more loans from private banks under harsher conditions, one superpower intensifies its exploitation by usurious interest rates, greatly increasing the developing countries' difficulties. Consequently, these countries must go on asking for loans.

Loan is a device by which the two superpowers go in for control and intervention. Before extending "loans for development" through its Agency for International Development, the United States, the world's biggest usurer, always makes a strict "examination" of the debtor country's political, social and economic conditions in accordance with the "Foreign Aid Appropriations Bill" and demands that the latter "reform their financial and monetary policies" and "remove the restriction on imports" so as to "create a climate favourable for investment." Over 75 per cent of U.S. loans take the form of commodities, the prices of which are often 15-30 per cent higher than those on the international market. In recent years, many political strings are attached in order to tighten American control and step up interference in the debtor's internal affairs and exert political influence and pressure on the latter.

In the case of the other usurer, the Soviet Union, it demands a high interest rate and short-term payment. Moreover, it insists that the entire sum must be earmarked to purchase Soviet equipment and repaid with the products, to be priced as low as possible, of the enterprises built with Soviet "aid." Thus, Soviet loans turn into an out-and-out instrument of blackmail to keep the developing countries in line. As for the so-called "trade credits" Moscow extends to third world countries, they are nothing but a means by which it tries to peddle its shoddy wares in the third world at prices higher than those on the world market. They are as deceptive as the Soviet "credits for development plan": "aid" in name, but usury in reality.

Once allowing themselves to become debtors, the developing countries will fall into the economic clutches of the superpowers, owing debts that can never be repaid.

Back in 1964, at the First Session of the U.N. Conference on Trade and Development, the developing countries put forward such reasonable proposals as extension of payment terms, lower credit interest rates, no political and economic conditions attached, and no restrictions on the use of loans. They also demanded settlement of the old debts, rearrangement of terms of repayment as well as a revision of interest rates. At the 6th Special Session of the U.N. General Assembly in 1974, they further raised the reasonable demand that debts be written off for those developing countries which had suffered the worst from the shifting of the burden of the economic crisis. But all this failed to materialize because of the obstruction by the superpowers.

Example Set by Third World Oil-Producers

On the question of making a fair and square settlement of debts incurred, the oil-producing countries of the third world have set a fine example. The loans of close to 10,000 million U.S. dollars they have promised those developing countries which do not produce oil are, firstly, interest-free and long-termed. Secondly, they have no political conditions attached. Thirdly, the creditor asks no privileges from the debtor. These loans worked out on the basis of equality, mutual assistance and genuine support contrast strikingly with the two superpowers' usurious exploitation and interference in internal affairs.

December 26, 1977
Beyond all doubt, exploitation and plunder by imperialism, particularly by the superpowers, are at the root of the crushing burdens the developing countries must bear for their enormous debts. As it is, while they persist in seeking an all-round fair solution to the problem at the international negotiating table, the developing countries take still more resolute measures to defend their own economic resources, fight for rational export prices for their raw materials, and oppose the shifting of the burden of economic crisis on to them. Raising themselves by their own boot-straps, they accumulate construction funds through greater efforts at retrenchment and development of their national economies. In so doing they seek to gradually reduce their dependence on foreign loans.

(A commentary by Hsihua Correspondent)

What Motivates “Economic Co-operation”

INADEQUACY in the economic strength is the Achilles’ heel of Soviet social-imperialism in its cut-throat rivalry with U.S. imperialism for world hegemony. To alleviate its economic difficulties, the Soviet Union has in recent years steeply increased its trade with the West and sought enormous credits to finance the import of sophisticated equipment and technology and grain. All this is done by mouthing “materialization of relaxation” and “economic co-operation” and cashing in on the appeasement trend in the West. The Brezhnev clique thus has managed to boost the Soviet economic potential for arms drive and war preparations and strengthen its hand in contending for world domination.

Numerous facts show that all these enormous material benefits from the West have only served to help the Soviet Union keep up the momentum of its rapid military buildup and encourage its aggressive and expansionist pursuits abroad.

Appeasers in the West preach that placating the Soviet Union economically can soften up and ensnare that country and put a spoke in its expansionist wheel abroad. They even claim that such a course of action can change the antagonism existing between the West and the Soviet Union and bring about a relaxation of strained relations. Such appeasement thinking will get the West nowhere and, instead of curbing Soviet expansionism, can only further aggravate the danger of a new war.

Storing Up Strategic Grain Reserves

Grain shortage has been a chronic illness of the Soviet Union. Eight out of the 13 years since Brezhnev's assumption of power have seen agricultural shortfalls. At the meeting marking the 60th anniversary of the October Revolution, Brezhnev acknowledged that Soviet grain output this year would be 20 million tons less than the planned quota, that is to say, 13 per cent less than the 1976 figure, or 21 to 26 million tons lower than the average annual output of the tenth five-year plan. Livestock-breeding was also affected in many places because of inadequate feed. In the circumstances the Soviet Union had to purchase vast amounts of grain and feed on the world market.

According to official Soviet statistics, Soviet grain import in the 1965-76 period totalled 107 million tons, with over 83 million tons imported between 1972 and 1976. It is estimated that as a result of crop failures this year the Soviet Union must import 20 to 25 million tons of grain in the agricultural year ending September 1978. Meanwhile, it is increasing strategic grain reserves in a big way. U.S. satellite photos, reports say, reveal many large-sized under-
ground granaries in the Soviet Union. The Soviet authorities have decided on a total granary capacity of 30 to 40 million tons to be built and made ready for use during the period of the tenth five-year plan. With the millions of tons of grain supplied by the West, they not only meet current needs but also fill the granaries of strategic reserves. In the calculations of the new tsars who are preparing for a new war, this grain reserves buildup is indispensable.

**Developing War Industry**

For years the Kremlin's all-out drive to expand the war industry has left the Soviet economy in a state of lopsided development—the consumer industries are backward and the growth of production has fallen markedly. According to Western estimates, the technical level in many Soviet enterprises, as compared with the West, generally lags behind 12 to 20 years. So with "economic co-operation" as blandishments Moscow tries as best it can to obtain sophisticated technology and equipment from the West. In 1976, for example, machinery and transport vehicles accounted for well over one-third of the total exports by the Western countries to the Soviet Union. Importation of such equipment is not only conducive to making up Soviet deficiencies but much of it can be made to suit military purposes, or directly put to use for the military industry in the event of war. Take the Kama River Truck Plant built with the help of several Western countries for example. When fully commissioned, it will turn out 150,000 to 200,000 multi-shaft trucks and 250,000 diesel engines annually. In case war breaks out, it can easily be converted to produce tanks, reconnaissance military cars, rocket launchers and military transport vehicles. Some equipment is urgently needed by the Soviet Union to develop its military technology. The U.S. Cyber 73 computer system which is widely used in the United States for military purposes was bought by the Soviet Union last year. This will make the Soviet computer technique leap forward by as much as ten years. What is more, it will help the Soviet Union improve its military research and production. Besides, Moscow is intent on purchasing more sophisticated U.S. computer systems and "CF-6" jet engines with the biggest horsepower and parts and accessories essential to producing items for military purposes. The Soviet Union has also imported other equipment from the West, including an array of items of strategic significance such as rolling equipment for ferrous and non-ferrous metals with an annual capacity of over 6 million tons, complete sets of equipment for chemical industry, large-diameter natural gas pipes with a total length of 5,000 kilometres and large quantities of equipment for the petroleum industry. In 1972-73, the Soviet Union bought from the United States 164 precision grinding machines capable of making precision miniature ball bearings needed for mass production of guidance mechanisms for the multiple independently targetable re-entry vehicles (MIRVs). In short, industrial equipment from the West provides favourable conditions for the Soviet Union to build up its strength both economically and militarily.

**Rearing a Tiger to Devour Oneself**

The Soviet Union is low in funds because of militarization of the national economy. Huge military expenditures have consumed much of the country's resources, and this gives one the impression of a beggar dressing up as a "military giant." Time and again, Moscow went hat in hand to Western countries for large loans to import food grain, technology and equipment and ease the economic difficulties at home. Rough estimates put Soviet debts to Western countries at between 15,000 and 20,000 million U.S. dollars by the end of 1976. By giving Soviet social-imperialism shot after shot in the arm, the Western countries have given the Soviet Union a free hand to concentrate on building up its military strength at a faster tempo and pose a greater threat to the West.

In the past few years, taking advantage of the appeasement trend in some Western circles to mislead the West, the Kremlin's new tsars have done their best to disguise themselves as partners in "economic co-operation" with the Western countries. They are never weary of advertising the benefits Western countries will reap from this co-operation which, they even assert, is "conducive to consolidating universal peace." But the stark reality has laid bare the new tsars' gimmick.

(Continued on p. 32.)
ROUND THE WORLD

BUCHAREST

National Conference of Romanian Party

The Romanian Communist Party held a three-day national conference in Bucharest, December 7-9.

The conference passed supplementary measures for the realization of the programme laid down by the 11th Congress (November 1974), the fulfilment or overfulfilment of the socio-economic development plan for the 1976-80 period and drew up the general guideline for the 1981-85 socio-economic development plan.

General Secretary of the Romanian Communist Party Comrade Nicolae Ceausescu's report at the opening ceremony on the implementation of the 11th Congress' decisions and of the Party's Programme and on future tasks was unanimously adopted at the conference.

Speaking of the achievements in socialist construction in the first two years of the current five-year plan, Comrade Ceausescu said that the annual growth rate of industry averaged 11.6 per cent. In the basic industries, the growth rate in 1976-77 was even more impressive. Grain output in 1976 was close to 20 million tons, the highest in Romanian history, and this year it is almost 18 million tons. Average annual growth rate of agriculture in the first two years was 8.9 per cent. He pointed out that it is imperative to strengthen the Party's leading role in every sector, to firmly pursue the policy of industrialization. One main objective, he said, was to increase grain output in a big way and bring in 1,000 to 1,200 kilogrammes per capita by 1980.

Comrade Ceausescu said that the international situation has become more intense. The danger of new conflicts and wars exists and, therefore, an important task is to strengthen Romania's national defence. "We must never forget for a moment that we have the duty to put into reality the programme for building up a comprehensively developed socialist society, to safeguard the Romanian people's peaceful labour and security and to defend the freedom, independence and sovereignty of our socialist motherland," he said.

The Socialist Republic of Romania, he said, firmly bases its relations with other states on the principles of complete equality of rights, respect for each other's national independence and sovereignty, non-interference in each other's internal affairs and not resort to the use or threat of force.

SECURITY COUNCIL

Mandatory Arms Embargo Against South Africa

The U.N. Security Council on December 9 adopted a resolution on the implementation of the mandatory arms embargo against South Africa. According to its terms, the Security Council will establish a committee composed of all its members to study ways and means to effectively implement the Security Council's November 4 resolution on arms embargo.

The November 4 resolution calls on all states to cease forthwith any provision to South Africa of arms and related material of all types, including the sale or transfer of weapons and ammunition, and stop grants of licensing arrangements for the manufacture or maintenance of the aforementioned; it also urges them to review all existing contractual arrangements with and licences granted to South Africa relating to the manufacture and maintenance of arms and ammunition of all types with a view to terminating them and, refrain from any co-operation with South Africa in the manufacture and development of nuclear weapons.

Oyono, Cameroon Representative and Chairman of the African Group, said that the African countries welcomed the decision on the arms embargo against South Africa. Makatini, Representative of the African National Congress of South Africa, pointed out that the committee must not be taken in by certain big powers, and that the sanctions must be enforced without fail.

Chinese Representative Chen Chu said that China supports the proposal of African states...
on the establishment of a body, such as a committee under the Security Council, to examine and supervise the implementation of the mandatory arms embargo against South Africa. This will be conducive to the implementation of the relevant Security Council’s resolutions, he said. But in the light of historical experience, particularly the experience of the sanctions against Rhodesia, China considers it imperative to urge all U.N. member states and, first and foremost, all permanent members and other member states of the Security Council themselves, to implement those resolutions strictly, in order to have the Security Council’s resolution truly implemented and not reduced to a mere scrap of paper. At the same time, it is imperative to enable the committee to be established to exercise effective supervision over the implementation of the resolution and also to consider the application of economic sanctions against South Africa.

The U.N. General Assembly passed altogether 16 resolutions on South Africa on December 14 and 16. In the resolution on assistance to the national-liberation movement of South Africa, the General Assembly declares that in view of the intransigence of the racist regime and its continued enforcement of the criminal policy of apartheid, the national-liberation movement has an inalienable right to use all effective and appropriate means of its choice to continue its struggle for the seizure of power, including armed struggle.

In the resolution on military and nuclear collaboration with South Africa, the General Assembly calls on all governments to implement, without delay, the Security Council’s resolution on mandatory arms embargo against South Africa.

The resolution on international anti-apartheid year declares the year beginning March 21, 1978 as the international anti-apartheid year. In another resolution, the General Assembly decides that a world conference against apartheid and racial discrimination will be held in Geneva on August 14-25, 1978.

NATO

**Strengthening Defence**

Two NATO winter meetings, one attended by foreign ministers, and the other by defence ministers, were held in Brussels in early December. Both meetings called for beefing up defences in face of the increasing Soviet military threat.

In a report on the balance of forces between NATO and the Warsaw Treaty Organization, Chairman Gundersen of the NATO Military Committee pointed out that “the contradiction between the Soviet Union’s talk of detente and actions in building up its forces” has manifested itself continuously. For NATO, this Norwegian general said, “the continued unfavourable trend in conventional forces, particularly on the two flanks and the seas, causes concern.” On the maritime situation, he spoke of the continuing Soviet naval improvements in quality, capability and quantity and the continuing Soviet effort to obtain access to naval and air facilities in Africa and the Middle East. In case of a crisis, he said, Soviet deployment in the Indian Ocean could have considerable effect on the supply of oil and raw materials to the West.

A communique issued at the foreign ministers’ meeting said that the foundation of the security of the alliance was “the maintenance by the alliance of forces sufficient in quantity and quality to deter aggression, withstand pressure or, if necessary, defend the territorial integrity of the member states.” A communique made at the defence ministers’ meeting said that the ministers endorsed the recent efforts made by member states to increase anti-tank equipment and the levels of certain articles, such as munitions, and called for further strengthening of their defence.

The defence ministers called on the United States not to make any more concessions to the Soviet Union in the current second phase of the SALT talks and on the question of limiting cruise missile range raised by the Soviet Union. A NATO spokesman said that European members of NATO planned to manufacture or buy large numbers of cruise missiles to enhance their own defence.

*December 26, 1977*
ON THE HOME FRONT

Chemical Fertilizer Output Increases

China fulfilled its annual chemical fertilizer production plan 21 days ahead of schedule, with a total output 31.9 per cent higher than the record year of 1975.

This year's production was characterized by an increased output of different varieties, including nitrogenous and phosphate fertilizers and synthetic ammonia. Another feature was that most of the provinces, municipalities and autonomous regions outran last year's output, with eight provinces (including Shantung, Szechuan and Hopei) completing their annual plans 34 to 72 days ahead of schedule. A growing daily output was also a marked trend. Compared with the first quarter, daily output of chemical fertilizers in the second and third quarters rose by 60 per cent while in the fourth quarter, it went up by 70 per cent.

More New Coalfields

A NUMBER of new coalfields were discovered in Liaoning, Heilungkiang, Hopei, Kansu, Fukien, Kiangsi, Kiangsu and Kwangtung Provinces by geological workers this year.

Meanwhile, China has overfulfilled its 1977 plan for coalfield geological prospecting 51 days ahead of schedule. Compared with the corresponding period last year, drilling footage increased markedly and reached an all-time high. This year also saw a constant improvement in the quality of drilling.

School Graduates: To the Countryside

Chien Chieh is a younger of the Korean nationality who settled in a village in the northeast China province of Kirin after finishing school in 1968. Over the years he has persisted in doing scientific experiments to improve farm production. In 1974, the production brigade in which he worked decided to bring a one-hectare hillside plot under irrigation. This involved the building of an electric pumping station to lift the water uphill.

Chien Chieh, exploiting semiconductors' sensitivity to light and temperature, refitted two triodes and made a device to automate the operation of the station. He also made two regulators to control the water level in the irrigated plot and adjust operations to changes in weather.

With this automatic equipment the station works on sunny days or when the field needs water, and shuts off when it is rainy, dark or there is an excess of water in the field. If something goes wrong, it switches off and sends out warning signals.

For city-bred educated youths to go to the countryside was a measure advocated by Chairman Mao during his lifetime. There they work and live together with the poor and lower-middle peasants and are educated by them. This gives them a good chance of being tempered in the rural areas.

These young people can also use the knowledge learnt in school to contribute to the socialist construction in the countryside. Since the start of the Great Cultural Revolution in 1966, there have been large numbers of middle school grad-
uates settling in the villages every year.

In Tientsin, 30,000 middle school graduates have gone to the rural parts of the city, where the communes and production brigades concerned have done an excellent job of preparing for their arrival in terms of living quarters, cooking utensils, farm tools and food grain. Commercial departments, too, have made it convenient for them to obtain what they needed in their work and everyday life.

Leading cadres at various levels in east China's Kiangsu Province and central China's Hupeh Province have taken the lead in sending their sons and daughters to the countryside. This has set a good example for others, and nearly 120,000 youngsters in these two provinces have settled in the countryside this year.

"Weichi" Chess Match

FANG Yi, Member of the Political Bureau of the C.P.C. Central Committee and honorary president of the Chinese Weichi Association, was among the 1,000 and more weichi fans watching a keenly contested match between Nieh Wei-ting, the 1977 national champion, and Wu Sung-sheng, an old-timer at the game. This was one of a series of exhibition matches held last month in Peking. Before this, a national weichi championship was held with 100 or so outstanding players from various parts of the country participating, the youngest of them a nine-year-old.

Weichi, a kind of Chinese chess created and loved by the Chinese labouring people, has a recorded history of over 2,500 years. Theoretically it resembles warfare in many ways and Chairman Mao, in his military writings, often compared warfare to a game of weichi. Many ancient Chinese military strategists and statesmen took a keen interest in the game.

Since the founding of New China, the Party and government have given much attention and encouragement to the game, which in 1956 was listed as one of China's sports items. The late Vice-Premier Chen Yi was a renowned weichi player and honorary president of the Chinese Weichi Association. Under his personal guidance, the game reached a new level of excellence.

Fine Arts Exhibitions

- An exhibition of paintings was held in Taiyuan. It included 100 works created by peasants of the city's suburbs describing how Chairman Hua led the local people in waging armed struggles against the Japanese imperialists and Kuomingtang reactionaries in the 1940s.

In the past year, similar art and photographic exhibitions were held in Hunan Province where Chairman Hua worked for over 20 years, as well as 10 other places which he visited or inspected, including Tibet, Tangshan and Taching. All of them reflect the local people's love for our worthy leader.

- An exhibition of traditional Chinese paintings, oil paintings, graphic art, posters, cartoons and other works of art created by professional or amateur painters of 29 minority nationalities in southwest China was held in Peking after being displayed in some cities of southwest China. These works, portraying various aspects of the minority people's lives, feature the characteristics of each different locality in the distinctive style of the nationality represented.

- An exhibition of landscapes and bird-and-flower paintings, the first of its kind in a decade, was held in Peking. Attracting thousands of visitors every day, it ran for a month. On display were 110 works selected from more than 700 entries, depicting the beautiful landscapes and the flourishing socialist construction in progress throughout China. Veteran artist Pai Hsueh-shih's two-metre wide painting shows the magnificent Great Wall serpentine in mountains, with green fields and newly built factories down in the valley. Birds in Flight created by Wan Yi, a young painter, is a life-like rendering of birds flying over a verdant bamboo grove. A magnificent painting by the noted 70-year-old artist Li Keh-jan portrays the allusions in one of Chairman Mao's poems. The exhibition is being shown in other Chinese cities.

- Traditional Chinese paintings on exhibition in Shanghai were arranged to show the evolution of this school of painting from primitive society up to modern times. The painted pottery of primitive society and prints of wooden-ware decora-
tions from slave society were displayed to help explain the origin of the traditional style of painting. Besides representative replicas of murals, scrolls and paintings on silk, the show also included some originals of different artistic styles which emerged in the dynasties after the fifth century.

- Chinese calligraphy always holds fascination for the Chinese people. Seventy works are now on display in Pekings' Summer Palace. They include a pair of couplets written by Kuo Mo-jo; noted writer Lu Hsun's poems in the handwriting of his younger brother Chou Chien-jen, now 88 years old; and, in veteran artist Wu Tso-jen's calligraphy, a poem Premier Chou En-lai wrote in Japan at the age of 19 expressing his love for the motherland and his great ideal. The show includes works of calligraphy by workers and peasants, and also examples of handwriting done by a boy and a girl (both aged 13) which have aroused the interest of many visitors.

(Continued from p. 27.)

In this connection it is useful to review lessons in history. On the eve of World War II, when Germany embarked upon a course of rearmament and set to plotting a war of aggression, the United States, Britain, France and other countries energetically pushed a policy of appeasement in the economic sphere and gave Germany some bolstering up, in order to gain a breathing space for themselves. In addition to food grain, cotton and crude oil, Berlin was offered huge loans, technology, patent rights and supplies of industrial raw materials, military equipment ranging from plane engines to spare parts. It was a case of rearing a tiger to devour oneself. The United States, Britain, France and other countries had to pay for this heavily. The appeasers of today have provided the superpower, which is more ferocious and greedy than Hitlerite Germany, with more food grain, more advanced technology and larger loans. But they can neither soften the superpower up nor pin it down. On the contrary, they will only whet its expansionist ambitions and precipitate its launching of a new world war.

An increasing number of people in the West are now disturbed by the grave consequences of economic appeasement. Articles in recent issues of the U.S. weekly Human Events pointed to the fact that "U.S.-Soviet trade fuels the Soviet war machine" and that "business deals" with the Soviet Union "entail for the United States and the West significant political or strategic risks" and are "contributions to Soviet military power."

The U.S. press pointed out that Western countries are helping the Soviet Union and some countries in Eastern Europe to revive their economies and expand their already bloated war machines by offering them huge loans with low interest. A newspaper in the West even figuratively said: When the Soviet Union pounces upon the West some day, people in the West would "find" that "guillotines were built by Western contractors and financed by Western banks with the low-interest loans."

— by Hsu Keng-sheng

Peking Review, No. 52
I. DOMESTIC

1. Political Affairs

1) Commemorating First Anniversary of Passing of Chairman Mao; Chairman Mao's Works; Study Chairman Mao's Works

Chairman Hua and Vice-Chairman Yeh Receive Translators of Volume V of "Selected Works of Mao Tsetung" and Others 27 : 3


Imperialism — Revolutionary People's Teacher by Negative Example — Notes on studying Volume V of the "Selected Works of Mao Tsetung" — Tien Tan 27 : 19

Chairman Hua and Vice-Chairman Yeh Meet Foreign Experts Taking Part in Translating Volume V of "Selected Works of Mao Tsetung" 28 : 4

Volume V of "Selected Works of Mao Tsetung" in Minority Languages Distributed 28 : 5

Self-Reliance and Making Foreign Things Serve China — Notes on studying Chairman Mao's "On the Ten Major Relationships" — Lo Yuan-cheng 28 : 9

Intellectuals Are an Important Force in Socialist Revolution and Construction — Notes on studying Chairman Mao's exposition regarding intellectuals in Volume V of the "Selected Works of Mao Tsetung" — Hsiang Chun 28 : 12


Chairman Mao's Letter to the Kiangsi Communist Labour University 33 : 3

Completion of Chairman Mao Memorial Hall 36 : 14

Strive to Learn From Each Other and Don't Stick to the Beaten Track and Be Complacent (December 13, 1963) — Mao Tsetung 37-38 : 5

On the Question of Whether Imperialism and All Reactionaries Are Real Tigers (December 1, 1958) — Mao Tsetung 37-38 : 7

Chairman Hua's Speech — At meeting marking first anniversary of passing of Chairman Mao and inauguration of Chairman Mao Memorial Hall 37-38 : 9

First Anniversary of Passing of Chairman Mao 37-38 : 14

A Great Creation in the History of Proletarian Revolution — In memory of the great leader and teacher Chairman Mao — Lin Chin-jan 37-38 : 24

December 26, 1977
Great Guiding Principle for Socialist Construction — Commemorating the first anniversary of the passing of the great leader and teacher Chairman Mao — the State Planning Commission
Where Chairman Mao Lived in Chungnanhai
A Great Starting Point — Reminiscences of the great leader and teacher Chairman Mao's early revolutionary activities
Reminiscences of Chairman Mao
Reminiscences of Chairman Mao's Life in Northern Shensi
Commemorating 84th Anniversary of Chairman Mao's Birth
China Will Take a Giant Stride Forward (December 13, 1964) — Mao Tsetung
A Letter on Farm Mechanization (March 12, 1966) — Mao Tsetung
Volume V of “Selected Works of Mao Tsetung” in Russian, French and Spanish

2) The Third Plenary Session of the Tenth Central Committee of the Communist Party of China; The 11th National Congress of the Communist Party of China

Communique of the Third Plenary Session of the Tenth Central Committee of the Communist Party of China (Adopted on July 21, 1977)
An Historic Meeting — Editorial by “Renmin Ribao,” “Hongqi” and “Jiefangjun Bao”
The Nation Celebrates Victory
Press Communique of the 11th National Congress of the Communist Party of China (August 18, 1977)
List of the Members of the Presidium of the 11th National Congress of the Communist Party of China
List of the 333 Members and Alternate Members of the 11th Central Committee of the Communist Party of China

Press Communique of the First Plenary Session of the 11th Central Committee of the Communist Party of China (August 19, 1977)
Political Report to the 11th National Congress of the Communist Party of China — Hua Kuo-feng
Resolution of the 11th National Congress of the Communist Party of China on the Political Report
A Great Milestone — Warmly greeting the triumphant close of the 11th Party Congress — Editorial by “Renmin Ribao,” “Hongqi” and “Jiefangjun Bao”
Constitution of the Communist Party of China (Adopted by the 11th National Congress of the Communist Party of China on August 18, 1977)
Report on the Revision of the Party Constitution (Delivered at the 11th National Congress of the Communist Party of China on August 13 and adopted on August 18, 1977) — Yeh Chien-ying
Closing Address at the 11th National Congress of the Communist Party of China (August 18, 1977) — Teng Hsiao-ping
The Nation Celebrates 11th Party Congress
The 11th National Congress of the Communist Party of China Greeted
The 11th National Congress of the Communist Party of China Greeted

3) Reminiscences of Veteran Revolutionaries

In Memory of the Esteemed and Beloved Chairman Chu Teh
Interment of Remains of Martyr Fang Chih-min
Comrade Ho Lung: A Glorious Life — Wang Chen
4) The 50th Anniversary of the Founding of the Chinese People’s Liberation Army

50th Anniversary of Founding of P.L.A. Celebrated 32 : 5
Vice-Chairman Yeh Chien-ying’s Speech at the Grand Rally Celebrating the 50th Anniversary of the Founding of the Chinese People’s Liberation Army 32 : 8
Speed Up the Modernization of National Defence — Editorial by “Renmin Ribao,” “Hongqi” and “Jiefangjun Bao” celebrating 50th anniversary of founding of the P.L.A. 32 : 15
P.L.A. History: The “August 1” Nanchang Uprising 32 : 18
Autumn Harvest Uprising 32 : 20
P.L.A. History: Fifty Glorious, Mili-
tant Years 33 : 20
Canton Uprising 33 : 26
Great Victory for Chairman Mao’s Guideline on War — In commemoration of the 50th anniversary of the founding of the Chinese People’s Liberation Army — Su Yu 34 : 6
Army Theatrical Festival 43 : 30
Visiting a P.L.A. Division (I): Armed Workers and Peasants — Our Correspondents Chou Nan-hsing and Lo Fu 49 : 17
Visiting a P.L.A. Division (II): The Party Commands the Gun — Our Correspondents Chou Nan-hsing and Lo Fu 50 : 18
Visiting a P.L.A. Division (III): The Tradition of Democracy — Our Correspondents Chou Nan-hsing and Lo Fu 51 : 13

5) The 30th Anniversary of the Founding of the Inner Mongolia Autonomous Region

30th Anniversary of the Inner Mongolia Autonomous Region 33 : 33
The Party’s Nationality Policy Shines Over Inner Mongolia — Yu Tai-chung 43 : 15
Background Information: Inner Mongolia Autonomous Region 43 : 20
In Inner Mongolia (I): Driving Back the Deserts — Our Correspondents Kao Yun and Hsiang Jung 44 : 14
In Inner Mongolia (II): A Livestock-Breeding Commune — Our Correspondents Kao Yun and Hsiang Jung 46 : 18
In Inner Mongolia (III): Mongolian Population: From Sharp Decline to Steady Increase — Our Correspondents Kao Yun and Hsiang Jung 47 : 14

6) Criticizing the “Gang of Four”

Plumping for Replacement of Natural Science by Philosophy 27 : 14
Disrupting Relations Between Teachers and Students 27 : 15
In Defence of Truth 28 : 15
Wrecking the Arts and Crafts Industry 28 : 18
Revisionist Attitude Towards Foreign Culture 28 : 19
Struggle in the Building of Workers’ Theoretical Contingents 29 : 25
A Mouthpiece of the Gang 29 : 26
Struggle Over the Question of Newborn Things — the theoretical group of the logistics department of P.L.A. Shenyang Units 30 : 13
An Attempt to Restore Capitalism Under the Signboard of Opposing Restoration — Refuting the "gang of four's" so-called criticism of "On the General Programme for All Work of the Whole Party and Whole Country" — Hsiang Chun

Travelogue (I): Towards Great Order — Our Correspondents Tien San-sung and Chao Yi-ou

(II): Are They Really "Capitalist-Roaders"? — A visit to Hsienyu County, Fukien Province

(III): An Ultra-Right Line — A visit to Wenchow, Chekiang Province

(IV): Downfall of a Newborn Counter-Revolutionary

(V): Why the Three Ups and Downs — A visit to the Kiangsi Tractor Plant

Why Did the "Gang of Four" Attack "The Twenty Points"? — the mass criticism group of the State Planning Commission

Chinese Press Survey: Carry Through the Struggle to Repudiate the "Gang of Four"

Who Is Liang Hsiao?

What Was the Film "Spring Shoot" After?

The Struggle Around the Outline Report on Science and Technology — Chung Ko

Distorting Ancient History to Serve Present Needs — What the "gang of four" did by making use of the criticism of the Confucian school and appraisal of the Legalist school — Chou Wen

Criticizing Eclecticism or Attacking the Theory of Two Points? — Cheng Hang-sheng

Such Was This "Writing Group"

Why Chiang Ching Suppressed the Novel "Red Crag"

7) Others

Chairman Hua and Vice-Chairman Yeh Receive Scientists, Geological Workers and Others

"Officials" Remain Commoners

New Poem by Comrade Yeh Chien-yung

Chairman Hua and Vice-Chairmen Yeh and Teng Receive Delegates to Some National Conferences

Air Raid Tunnels

28th Anniversary of Founding of People's Republic of China

Chairman Hua Kuo-feng's Toast at National Day Reception

Strive to Build a Powerful and Modern Socialist Country — National Day editorial by "Renmin Ribao," "Hongqi" and "Jiefangjun Bao"

Chairman Hua Inspects Mechanized Chicken and Pig Farms

The C.P.C. Central Committee Party School Opens

Decision of C.P.C. Central Committee on Running Well Party Schools at Various Levels (Excerpts) October 5, 1977

At Inauguration of Central Party School:

Chairman Hua's Speech

Vice-Chairman Yeh's Speech

Fifth National People's Congress to Be Convened Next Spring

At 4th Session of Standing Committee of 4th N.P.C.: Chairman Hua Kuo-feng's Speech (October 23, 1977)

Development of China's National Economy

Revive and Carry Forward the Fine Style of Our Party — Nieh Jung-chen

Modernization of National Defence and Building of Technical Force

Mao Tsetung Thought Guides the Revolution in Tibet

Chairman Mao Led Us to a Bright Future

Keep to the Style of Seeking Truth From Facts — Chen Yun

A National Minority County

Chairman Hua's Call for More Electricity

Criticism and Self-Criticism in Newspapers
2. Economic

1) General

Tangshan Prefecture: A Year After the Earthquake 32 : 25
Great Guiding Principle for Socialist Construction — Commemorating the first anniversary of the passing of the great leader and teacher Chairman Mao — the State Planning Commission 39 : 7
All-Out Drive for 100 Days 42 : 24
Development of China’s National Economy 45 : 6
News Roundup: Initial Successes 47 : 9
Chinese Press Survey:
  Speed: A Political Question 47 : 12
The Two-Road Struggle in the Economic Field During the Transition Period — Hsueh Mu-chiao 49 : 4
Kweichow’s New Production Successes 51 : 30

2) Industry and Communications

Wristwatch Industry 27 : 31
All-Round Growth of Industrial Production 29 : 3
Yellow River Highway Bridges 29 : 30
Underground Oil Tank 29 : 31
Record Oil Output 30 : 3
Holanshan Coal Mine Combines Industry With Agriculture 30 : 31
New Railway Station in Changsha 30 : 31
Hsingtai: A Rising Industrial City 30 : 32
Geological Exploration: Achievements and Prospects — Highlights of the national conference of geological departments on learning from Taching — Our Correspondent Hsiang Jung 31 : 16
Paddyfield Machinery 40 : 30
New Coal Shafts 41 : 44
Petroleum Industry Keeps Advancing 41 : 44

Electric Railway Line 41 : 44
More Modern Airports 41 : 44
Why Did the “Gang of Four” Attack “The Twenty Points”? — the mass criticism group of the State Planning Commission 42 : 5
Two New Hydropower Stations 43 : 31
Ministers Go to Frontline of Production 44 : 29
Harbin — Centre of Generating Equipment 46 : 32
Kweilin’s New Railway Station 46 : 32
Kiangsu’s Electronics Industry 49 : 31
An Outstanding Technical Innovator — Criticism and Self-Criticism in Newspapers 51 : 12
Chemical Fertilizer Output Increases 52 : 30
More New Coalfields 52 : 30

3) Agriculture

Tachai Speeds Up Farm Mechanization 28 : 6
Kelp-Breeding in South China 28 : 31
Electric Pumping Stations in a County 29 : 31
Farm Mechanization in Wusih County — Our Correspondent Chin Chichu (I): New Picture on a Blank Sheet of Paper 31 : 20
(II): Revolutionization in Command of Mechanization 33 : 36
Scientific Farming in Tachai 33 : 47
Erosion Control in Middle Reaches of Yellow River 33 : 48
(III): Freeing Themselves From Heavy Manual Labour by Their Own Efforts 34 : 33
Good Summer Harvest 37-38 : 45
Chairman Hua Inspects Mechanized Chicken and Pig Farms 42 : 4
Northeast Forest Area 42 : 32
In Inner Mongolia: (I) Driving Back the Deserts — Our Correspondents Kao Yun and Hsiang Jung 44 : 14

December 26, 1977
Expanding Rice Output
(II): A Livestock-Breeding Commune
Sprinkler Irrigation
8.8 Tons of Grain Per Hectare
Farmland Construction in Full Swing
Speed Up Agricultural Development

4) Others
Natural Soda Deposits Found in Honan
Looking for Minerals to Aid Agriculture
Two Vice-Premiers on China's Foreign Trade
Air Raid Tunnels
Masses Help Locate Mineral Deposits
Housing Projects in Peking
A County With Modernized Posts and Telecommunications
Development in Surveying and Cartography
Postal and Telecommunications Services
Peasant Survey and Mapping Teams
Wage Increases
Make Urban and Rural Commerce a Success

3. Culture
1) Literature and Art
“The Rising Sun” — A Modern Play
Wrecking the Arts and Crafts Industry
Revisionist Attitude Towards Foreign Culture
New Poem by Comrade Yeh Chien-ying
A Peking Opera Restaged
Vice-Chairman Yeh Chien-ying's Poem
What Was the Film “Spring Shoot” After?
Army Theatrical Festival
Tungfang Song and Dance Ensemble
For October Revolution Anniversary
Newly Off the Press
Martyr Yang Kai-hui on the Stage
Long March Sketches Republished
Fine Arts Exhibitions

2) Medicine and Health, Education and Physical Culture and Sports
Chairman Mao's Letter to the Kiangsi Communist Labour University
Background Information: A New-Type University
Ascending Highest Peak of Tienshan Mountains
Child Health Care
Higher Education: New College Enrolment System
(III): Mongolian Population: From Sharp Decline to Steady Increase — Our Correspondents Kao Yun and Hsiang Jung
Scientific Research in Universities
A Great Debate on the Educational Front — Repudiating the gang of four's “two estimates”

3) Science and Technology
Scientific Research Should Precede Production — A criticism of the “gang of four's” distortions — Chung Ko
Plumping for Replacement of Natural Science by Philosophy
Unveiling the Mysteries of the “Roof of the World”
Scientific Research Speeds Up — Highlights of a work conference of the Chinese Academy of Sciences — Chung Ko
Science and Technology: We Must Catch Up With and Surpass World's Advanced Levels Within This Century — Chien Hsueh-sen
Biological Control of Plant Diseases and Insect Pests
Archaeological Survey of the Yangtze River
New Achievements of Molecular Orbital Theory
Oceanographical Research
Scientific Farming in Tachai
Another Nuclear Test
C.P.C. Central Committee Circular on Holding National Science Conference (September 18, 1977) 40 : 6
Preparatory Meeting for National Science Conference 40 : 11
Vice-Chairman Yeh Chien-ying’s Poem 40 : 12
The Struggle Around the Outline Report on Science and Technology—Chung Ko 44 : 5
Scientific Research Reactivated 44 : 9
Fruitful Scientific Results 44 : 11
National Plan for Developing Basic Sciences 47 : 3
Digital Satellite Ground Station Built 47 : 3
Modernization of National Defence and Building of Technical Force 47 : 12
Use of Humic Acid Materials 47 : 30
Scientific Research in Universities 50 : 30
Archaeological News (Oracle Tortoise Shells; Hsuchia Yao Man; Evidence of Human Activities in Tibet) 50 : 31

4) Others

New Scheme for the Yi Written Language 27 : 31
A Mouthpiece of the Gang 29 : 26
“Weichi” Chess Match 52 : 31

II. INTERNATIONAL

1. General

Helsinki Follow-Up: Preparatory Meeting Starts With a Brawl 27 : 27
News From Friendship Associations 28 : 28
Capitalist Countries: Serious Unemployment Among Youth 28 : 29
Use of Tongue and Use of Fists—Feng Lin 30 : 19
OPEC Returns to the “Single Oil Price”—A commentary by Hsinhua Correspondent 30 : 21
Newsletter: Visit to the Red Sea Coast—Hsinhua Correspondent 30 : 25
Vice-Chairman Teng Attends Closing Ceremony of International Football Tournament 32 : 7
Peking International Football Tournament 32 : 23
Central Europe Force Reduction Talks: Still No Progress 32 : 31
Strike Movements in the United States and Western Europe—Ou Mei 33 : 42
“European Security” Follow-Up Conference: Hurried Ending of Preparatory Session 33 : 46
Meeting With Foreign Delegations 37-38 : 33
European and North American People: Denounce Soviet Invasion of Czechoslovakia 37-38 : 43
Vice-Premiers Teng and Li Meet Foreign Guests 39 : 6
Armed Struggle Briefs 40 : 29
Vice-Premiers Teng and Li Meet Foreign Guests 41 : 13
Vice-Premier Teng Meets Foreign Visitors 44 : 4
Vice-Premiers Teng and Li Meet Foreign Guests 45 : 45
Vice-Chairman Teng and Vice-Premier Li Meet Foreign Visitors 46 : 4
Comrade Keng Piao Meets Foreign Comrades 47 : 3
Third World Countries Unite Against Hegemonism in Economic Sphere 47 : 23
Vice-Chairman Li Hsien-nien and Comrade Keng Piao Meet Foreign Friends 48 : 4
Third World: Joint Action of Coffee Producers 49 : 30
The Munich Tragedy and Contemporary Appeasement—Jen Ku- ping 50 : 6
Vice-Premier Li Meets Foreign Visitors 50 : 27
Debts of Developing Countries—Product of Imperialist Plunder—A commentary by Hsinhua Correspondent 52 : 24
NATO: Strengthening Defence 52 : 29

2. The Theory of the Differentiation of the Three Worlds

Greek Marxist-Leninist Communist Party: Concept of Three Worlds Endorsed 28 : 30
Joint Statement of Two Marxist-Leninist Organizations: Concept of Three Worlds — Proletariat's Powerful Weapon 30 : 28

Greek Revolutionary Communist Movement: Three Worlds Concept — A Blow to Revisionism 32 : 31

Chairman Mao Tsetung Stands on the Pinnacle of History — Excerpts from an article by Comrade E.F. Hill 34 : 38

Three-World Thesis Provides a Correct Orientation for World Proletariat's Struggle — Excerpts from an article in Japanese magazine “Theory and Practice” 36 : 42


Marxist-Leninist Parties of France and the Netherlands: The Three-World Theory Is a Powerful Weapon 44 : 26

Chairman Mao’s Theory of the Differentiation of the Three Worlds Is a Major Contribution to Marxism-Leninism — the Editorial Department of “Renmin Ribao” 45 : 10

Explanatory Notes:

(The “Irish Question,” Poland’s Independence, Wilhelm II, the Suez Canal Incident, the Munich Agreement, the Sonnenfeldt Doctrine) 45 : 41

(Revolutions in Turkey, Persia and China, Anti-Fascist Camp, “International Division of Labour,” “Planned Co-ordination,” “Multilateral Integration,” “Structural Integration,” “International Socialist Ownership,” Spitsbergen Islands, the Bandung Conference) 46 : 25

(Geopolitics, the Second International, the Communist International, the Dollar-Centred International Currency System, Trade War, Currency War, “Manchukuo,” Far Eastern Munich Policy) 47 : 25

(The Uneven Development of Imperialism, the Emir of Afghanistan Held Fast to Monarchy as an Institution, Eight Principles Guiding China’s Economic Aid to Other Countries, Polish People’s Protest Movements, National Wars Were Still Possible in Europe) 48 : 27


The Significance of the Theory of Three Worlds — Excerpts of an article by Kazimierz Mijal, General Secretary of the Central Committee of the Polish Communist Party 51 : 17

3. China and United Nations

At the U.N. Sea Law Conference: China’s Stand on the Question of Exploitation of International Seabed 28 : 22

For Your Reference: Struggle Over Exploitation of International Seabed 28 : 24


Chairman Hua Meets Waldheim 33 : 4

Huang Hua Fetes Waldheim 33 : 6

Lagos: World Conference for Action Against Apartheid 37-38 : 42

U.N.: Combating Desertification 39 : 30

U.N.: Conference on Standardization of Geographical Names 40 : 28

U.N. General Assembly: Speech by Huang Hua, Chairman of Chinese Delegation 41 : 31

4th U.N. Committee: East Timorese People’s Right Reaffirmed 47 : 28

U.N.: Aerial Hijacking Condemned 48 : 29

Restitution of Expropriated Objets d’Art 48 : 29

U.N.: A Resolution on Middle East 49 : 28
U.N., Special Political Committee: Israeli Zionist Crimes Condemned 49 : 29
What Do Moscow-Vaunted "Detente" and "Disarmament" Add Up to? — Excerpts from a speech by Chen Chu, Vice-Chairman of the Chinese Delegation, at the First Committee of the U.N. General Assembly 50 : 22
U.N. Resolutions: Palestine's National Rights Must Be Restored 50 : 28
FAO: Speedy Development of Food Production 51 : 29
Security Council: Mandatory Arms Embargo Against South Africa 52 : 28

4. China's Relations With Other Countries and Regions

1) ASIA
What Sort of Brew Is Begin's "Peace Plan"? — A commentary by Hsinhua Correspondent 33 : 44
ASEAN: Seeking a Zone of Peace and Neutrality 33 : 45
Israel: New Settlements on West Bank of Jordan River 37-38 : 44
Why Does Moscow Attack ASEAN? 39 : 21

Bangladesh
Songs and Dances of Bangladesh 42 : 26
Bangladesh and India: Agreement on Sharing Ganges Water 42 : 29

Burma
Chairman Hua Meets Foreign Guests 39 : 3
President U Ne Win's Visit 39 : 3

Cyprus
Méssage of Condolence on President Makarios' Death 33 : 5

Democratic Kampuchea
Phnom Penh Industrial Development 39 : 31
Kampuchean Party and Government Delegation Visits China 41 : 9

17th Anniversary of Founding of Communist Party of Kampuchea Warmly Greeted 41 : 12
At Banquet in Honour of the Kampuchean Party and Government Delegation:
Chairman Hua Kuo-feng's Speech 41 : 20
Secretary Pol Pot's Speech 41 : 22
The Communist Party of Kampuchea: 17 Militant Years 41 : 46
Growing All the Grain It Needs 42 : 29
Samdech Sihanouk: Letters to Kampuchean Communist Party 45 : 47
For Friendly Relations With Thailand 48 : 29
Vice-Premier Chen Yung-kuei Visits Kampuchea 52 : 5

India
Superpowers' Economic Expansion in India — Chi Shih-ya 27 : 21
President Reddy Greeted 32 : 7
Strong Protest Against Indian Government's Support to Tibetan Rebel Bandits 33 : 7
Bangladesh and India: Agreement on Sharing Ganges Water 42 : 29
Sympathy for Victims of Cyclone in India 50 : 27

Iran
Vice-Chairman Teng Ying-chao Visits Iran 50 : 4

Japan
Soviet-U.S.: Rivalry in Japan 34 : 47
Three-World Thesis Provides a Correct Orientation for World Proletariat's Struggle — Excerpts from an article in Japanese magazine "Theory and Practice" 36 : 42
No Long-Term Fishery Agreement With Soviet Union 44 : 28
Soviet Bait to Attract Japanese Capital — A commentary by Hsinhua Correspondent 47 : 22

December 26, 1977
Korea
Splendid Victory of a Heroic People — "Renmin Ribao" editorial 27 : 17
5th Anniversary of North-South Joint Statement: Korean People's Struggle for Reunification of Their Country — Ya Ping 29 : 14
16th Anniversary of China-Korea Treaty 30 : 4
Vice-Chairman Teng Meets Korean Ambassador 33 : 5
29th Anniversary of the Democratic People's Republic of Korea 37-38 : 32
Chairman Hua Kuo-feng Greets President Kim Il Sung 52 : 3

Kuwait
U.S. Oil Company Taken Over 40 : 28

Laos
Greeting National Day of Laos 50 : 4

Lebanon
Lebanon Reconstructs — Shen Chitse 50 : 26

Malaysia
Malayan Communist Party: Road of Seizing Power 27 : 26

Maldives
What Lies Behind the Soviet Intention to Take Lease of Gan? — Ou Mei 46 : 23

Nepal
Congratulatory Message to Prime Minister Bista 39 : 6

Pakistan
Armed Forces Take Over Administration 29 : 28
General Zia-Ul-Haq Visits China 52 : 4

Palestine
Chairman Hua Meets Zimbabwean and Palestinian Delegations 28 : 3
Palestine Revolutionary Delegation Visits China 28 : 5
Iron Will of Palestinian People — A commentary by Hsinhua Correspondent 28 : 21
Accepted as ECWA Member 32 : 32
U.S.-Israeli Working Paper Rejected 44 : 26
Palestinian People Cannot Be Deprived of Their National Rights — A commentary by Hsinhua Correspondent 45 : 44
U.N. Resolutions: Palestine's National Rights Must Be Restored 50 : 28

Sri Lanka
Prime Minister Jayewardene Congratulated 32 : 7
Chairman Hua Meets Foreign Guests 45 : 3

Thailand
12th Anniversary of People's Armed Struggle 34 : 46
Chairman Hua Meets F.R.G. and Thai Guests 43 : 3
Democratic Kampuchea: For Friendly Relations With Thailand 48 : 29
35th Anniversary of Communist Party of Thailand Greeted 50 : 3

Viet Nam
Vietnamese National Music Ensemble in China 32 : 28
Chairman Hua Meets Chairman Truong Chinh and Special Assistant Chona 36 : 6
National Day of Socialist Republic of Viet Nam 37-38 : 32
Greeting Viet Nam's Entry Into U.N. 40 : 4
Vietnamese Party and Government Delegation Visits China 48 : 3
At the Banquet in Honour of the Vietnamese Party and Government Delegation: Comrade Hua Kuo-feng's Speech (Excerpts) 48 : 5
Comrade Le Duan's Speech (Excerpts) 48 : 6

Peking Review, No. 52
Yemen Arab Republic

Condolences on Chairman Al-Hamdi's Death 43 : 5

2) AFRICA

Greeting 14th Summit Conference of O.A.U. 28 : 5
Solidarity in Struggle, Advance in Victory — Greeting the successful conclusion of the 14th summit conference of the O.A.U. — “Renmin Ribao” editorial 29 : 11
Newsletter: Tazam Railway in Its First Year — Hsinhua Correspondent 31 : 27
African Countries: Small and Medium-Sized Industries on the Increase 31 : 30
Africa: Murder of Biko Condemned 41 : 47
Facts on File: A Record of Soviet Defeats in Africa 48 : 24

Angola

Calamity Brought on by Moscow and Its Mercenaries 37-38 : 42
Resistance to Occupation by Soviet Mercenaries 40 : 28
Angola After Two Years — Fei Chou 48 : 25

Azania (South Africa)

Africa: Murder of Biko Condemned 41 : 47
Vorster Regime’s New Atrocity Condemned 44 : 4
Vorster Regime’s Atrocities Protested 45 : 46
The Indomitable People of Soweto — Fei Chou 47 : 20
Vorster Regime: Electoral Farce 50 : 29
Sham Independence for Bophuthatswana 51 : 28

Cameroon

President Ahidjo Visits China 42 : 3

December 26, 1977

At the Banquet in Honour of President Ahidjo:
Vice-Premier Li Hsien-nien’s Speech (Excerpts) 42 : 14
President Ahidjo’s Speech (Excerpts) 42 : 15

Djibouti

Greeting Djibouti’s Independence 27 : 4

Egypt

No New Treaty With the Soviet Union 31 : 29
Stops Cotton Exports to Soviet Union 35 : 64
Reschedules Military Debt 41 : 46
President Sadat Visits Israel 49 : 28
Closing Soviet Cultural Centres, and Consulates 51 : 28

Equatorial Guinea

Chairman Hua Meets Foreign Guests 40 : 3
President Masie’s Visit 40 : 3
At the Banquet in Honour of President Masie:
Vice-Premier Li Hsien-nien’s Speech (Excerpts) 40 : 18
President Masie’s Speech (Excerpts) 40 : 19

Ethiopia

Physical Cultural Exchanges Between Ethiopia and China 46 : 29

Madagascar

Chinese Exhibition in Madagascar 28 : 27

Mozambique

Chairman Hua Meets Foreign Guests 39 : 3
Mozambican Government Delegation 39 : 5

The Niger

President Kountche Visits China 39 : 5
At the Banquet in Honour of President Kountche:
Vice-Premier Li Hsien-nien’s Speech (Excerpts) 39 : 18
President Seyni Kountche’s Speech (Excerpts) 39 : 19
Chairman Hua Meets Foreign Guests 40 : 3

43
Sao Tome and Principe
Vice-Premier Li Meets Prime Minister Miguel Trovoada 34 : 4
Sao Tome and Principe Grows Rice 51 : 27

Sierra Leone
Surgery at Home in Sierra Leone 32 : 28

Somalia
Chairman Hua Meets Vice-President Ismail 27 : 3
Women Road-Builders 46 : 28
No Stooge to Anyone 46 : 30
Somalia Deals a Heavy Blow at Soviet Hegemonism — A commentary by Hsinhua Correspondent 47 : 19
Somali People's New Awakening 48 : 22

The Sudan
Vigilance Against Social-Neocolonialism 28 : 29
Wad Medani-Gadaref Highway 32 : 29

Tanzania
Tanzanian-Chinese Joint Shipping Company 28 : 27

Zaire
Greeting President Mobutu 51 : 3

Zambia
Chairman Hua Meets Chairman Truong Chinh and Special Assistant Chona 36 : 6

Zimbabwe
Zimbabwe Friendship Delegation 27 : 4
Chairman Hua Meets Zimbabwean and Palestinian Delegations 28 : 3
War Exploits by People's Army 31 : 29
Racist Smith Regime: "General Election" Fraud 32 : 32
Serious Economic Crisis 39 : 31
Rhodesian Invaders Resisted 51 : 28

3) LATIN AMERICA
Caribbean Countries: Agriculture Developing Apace 29 : 28
Santiago Declaration: 25th Anniversary 35 : 63

Argentina
Soviet Fishing Fleet's Intrusion Into Territorial Waters Protested 42 : 30

Brazil
Four Military Agreements With U.S. Annulled 41 : 47

Colombia
Successive Workers' Strikes 44 : 27

Cuba
U.S.A.-Cuba: Improving Relations 44 : 28

Panama
Panama-U.S. Canal Talks: Major Progress Achieved 30 : 28
Panama-U.S.A.: Agreement in Principle on a New Canal Treaty 34 : 46
New Canal Treaty — Panamanian People's Victory — A commentary by Hsinhua Correspondent 37-38 : 34
For Your Reference: The Panama Canal and the Panama Canal Treaty 37-38 : 35

Puerto Rico
Win Independence Through Armed Struggle 47 : 28

St. Lucia
Renewed Determination for Independence 31 : 30

Trinidad and Tobago
Effective Use of Oil Revenue 39 : 30

Venezuela
Steady Development of Oil Industry 50 : 29

Peking Review, No. 52
4) NORTH AMERICA

Bermuda

Against Execution of Political Prisoners 51 : 29

Canada


U.S.A.

U.S. Communist Party (M-L): Founding Proclaimed 27 : 26
Vice-Premier Li Hsien-nien on Sino-American Relations 29 : 3
Panama-U.S. Canal Talks: Major Progress Achieved 30 : 28
Chairman Hua Meets Delegation of Central Committee of U.S. Communist Party (M-L) 31 : 14
Economic Notes: The Biggest Trade Deficit in U.S. History — Ku Chin 34 : 44
Panama-U.S.A.: Agreement in Principle on a New Canal Treaty 34 : 46
Vance’s Middle East Tour 34 : 47
Chairman Hua Meets U.S. Secretary of State Vance 36 : 7
Chairman Hua and Vice-Chairman Teng Meet Dr. Yang Chen-ning 38 : 7
U.S. Secretary of State Vance Visits China 36 : 7
Chairman Hua Meets Professor Chao Chung Ting 37-38 : 31
Vice-Chairman Teng Meets Professors Man-chiang Niu and Chao Chung Ting 37-38 : 31
U.S. Delegation of Associated Press Executives and Directors 37-38 : 32
New Canal Treaty — Panamanian People’s Victory — A commentary by Hsinhua Correspondent 37-38 : 34

December 26, 1977

New U.S. Trend of Appeasement Meets Opposition — Ou Mei 40 : 21
New Skullduggery by Super-Merchants of Death — Kan Chun 40 : 22
Kuwait: U.S. Oil Company Taken Over 40 : 28
Brazil: Four Military Agreements With U.S. Annulled 41 : 47
Vice-Chairman Teng Meets American Scientists 42 : 4
Superpowers’ Arms Expansion and War Preparations 42 : 25
Joint Statement on Middle East Question: Product of U.S.-Soviet Rivalry 43 : 28
U.S.A.-Cuba: Improving Relations 44 : 28
U.S.S.R.-U.S.A.: Contention in Outer Space Gathers Momentum 44 : 31
New SALT Agreement: A Fraud 45 : 46
Shulman’s Appeasement Policy 47 : 29
Soviet-U.S. Behind-the-Scenes Dealing Over the Indian Ocean — A commentary by Hsinhua Correspondent 50 : 24
Soviet-U.S. Nuclear Talks: An Analysis — Chang Hua 51 : 21

5) EUROPE

E.E.C.: Customs Union Completed 29 : 29
C.M.E.A.: Soviet Union Tightens the Screws on East European Countries — Ho Hsing 34 : 41

Belgium

Joint Statement of Two Marxist-Leninist Organizations: Concept of Three Worlds — Proletariat’s Powerful Weapon 30 : 28
Chairman Hua Meets Belgian and Danish Comrades 34 : 3

Britain

“Revolution”: The Central Task Is to Establish a Revolutionary Communist Party 29 : 27
Revolutionary Communist League
Founded
Chairman Hua Meets Former British Prime Minister Heath 44 : 3
Harder Life for Working People 44 : 27

Bulgaria
Seeking Solutions to Soviet-Caused Economic Difficulties 28 : 30
Chinese University Sportsmen in Sofia 42 : 28

Denmark
Chairman Hua Meets Belgian and Danish Comrades 34 : 3

Federal Republic of Germany
Communist Party of Germany: Second Congress 35 : 63
Chairman Hua Meets F.R.G. and Thai Guests 43 : 3
Vice-Chancellor Genscher Visits China 43 : 4
Soviet Expansionists Demand Internationalization of Main-Danube Canal — A commentary by Hsinhua Correspondent 44 : 24

France
Brezhnev Visits Paris: France Refuses to Drop New Strategy 27 : 28
Chinese Goodwill Military Delegation Visits France and Romania 41 : 14
M-L Parties of France and the Netherlands: The Three-World Theory Is a Powerful Weapon 44 : 26

German Democratic Republic
Berlin: “Russians Out!” 43 : 29

Greece
Greek Marxist-Leninist Communist Party: Concept of Three Worlds Endorsed 28 : 30

Greek Revolutionary Communist Movement: Three Worlds Concept — A Blow to Revisionism 32 : 31

Hungary
Hungarians Like Chinese Pavilion 46 : 29

Iceland
Visitor From Iceland 51 : 26

Italy
Delegation of Italian Socialist Revolution Party 28 : 11
Industrial Production Stagnated 46 : 30

Malta
Prime Minister Mintoff Visits China 46 : 3
At the Banquet in Honour of Prime Minister Mintoff: Vice-Premier Li Hsien-nien’s Speech (Excerpts) 46 : 8
Prime Minister Mintoff’s Speech (Excerpts) 46 : 9
Dry Dock in Malta 51 : 26

The Netherlands
Joint Statement of Two Marxist-Leninist Organizations: Concept of Three Worlds — Proletariat’s Powerful Weapon 30 : 28
Netherlands Marxist-Leninist Party Delegation 31 : 15
M-L Parties of France and the Netherlands: The Three-World Theory Is a Powerful Weapon 44 : 26

Poland
The Significance of the Theory of Three Worlds — Excerpts of an article by Kazimierz Mijal, General Secretary of the Central Committee of the Polish Communist Party 51 : 17

Romania
The Romanian Folk Song and Dance Ensemble “Muresul” 28 : 27
Chairman Hua Meets Niculescu
41 : 13
Chinese Goodwill Military Delegation Visits France and Romania
41 : 14
Chairman Hua Meets Deputy Prime Minister Ion Patan
52 : 5
Bucharest: National Conference of Romanian Party
52 : 28

Soviet Union

Another Instance of Maritime Hegemonism — Why the U.S.S.R. announced a 200-mile fishing zone
27 : 23
For Your Reference: Soviet Fishery and Fishing Fleets
27 : 24
Brezhnev Visits Paris: France Refuses to Drop New Strategy
27 : 28
Switzerland: Soviet Spy Sentenced
27 : 28
Soviet Contention for Straits
28 : 25

Soviet Social-Imperialism — Most Dangerous Source of World War
29 : 4

Clumsy Performance — A commentary by Hsinhua Correspondent
30 : 22

Commentaries:
The “BAM” Secret
30 : 23
Fantastic Statement About Arms Race
30 : 24
The “Shchekino System” Fizzles Out
30 : 27

U.S.S.R.-U.S.A.: Another Row Over Limitation of Strategic Nuclear Weapons
30 : 29

Egypt: No New Treaty With the Soviet Union
31 : 29

C.M.E.A.: Soviet Union Tightens the Screws on East European Countries — Ho Hsing
34 : 41

Soviet-Japanese Interim Fishery Agreement: Why Are the Fishery Overlords Satisfied? — A commentary by Hsinhua Correspondent
34 : 43

Egypt: Stops Cotton Exports to Soviet Union
35 : 64

“Peaceful Construction” or Militarization of the National Economy? —

A commentary by Hsinhua Correspondent
37-38 : 36

European and North American People: Denounce Soviet Invasion of Czechoslovakia
37-38 : 43

Moscow: Opposes Spain’s Entry Into E.E.C.
37-38 : 43

Why Does Moscow Attack ASEAN? — Ou Mei
39 : 21

Egypt: Reschedules Military Debt
41 : 46

Superpowers’ Arms Expansion and War Preparations
42 : 25

Argentina: Soviet Fishing Fleet’s Intrusion Into Territorial Waters Protested
42 : 30

“Polar Bear” Prowls in the Arctic — Wu Chun
43 : 25

Why Do the Soviet Revisionists Try to Reverse the Verdict on Bakunin? — A commentary by Hsinhua Correspondent
43 : 27

Joint Statement on Middle East Question: Product of U.S.-Soviet Rivalry
43 : 28

Soviet Expansionists Demand Internationalization of Main-Danube Canal — A commentary by Hsinhua Correspondent
44 : 24

Japan: No Long-Term Fishery Agreement With Soviet Union
44 : 28

U.S.S.R.-U.S.A.: Contention in Outer Space Gathers Momentum
44 : 31

New SALT Agreement: A Fraud
45 : 46

60th Anniversary of October Socialist Revolution Greeted
46 : 4

The Banner of the October Revolution Is Invincible — Editorial by “Renmin Ribao,” “Hongqi” and “Jiefangjun Bao”
46 : 5

What Lies Behind the Soviet Intention to Take Lease of Gan? — Ou Mei
46 : 23

December 26, 1977
Soviet Bait to Attract Japanese Capital — A commentary by Hsinhua Correspondent  47 : 22

Intensified Economic Infiltration Abroad  47 : 29

Soviet Social-Colonialism Stands Exposed — Hsing Hua  49 : 21

What Do Moscow-Vaunted “Detente” and “Disarmament” Add Up to? — Excerpts from a speech by Chen Chu, Vice-Chairman of the Chinese Delegation, at the First Committee of the U.N. General Assembly  50 : 22

Soviet-U.S. Behind-the-Scenes Dealing Over the Indian Ocean — A commentary by Hsinhua Correspondent  50 : 24

Hegemonism Denounced  51 : 3

Soviet-U.S. Nuclear Talks: An Analysis — Chang Hua  51 : 21

“Joint Investment Projects” — A New Soviet Gimmick to Plunder East European Countries  51 : 23

What Motivates “Economic Co-operation” — Hsu Keng-sheng  52 : 26

Spain

Chinese Pavilion at Valencia Fair  32 : 29

Moscow: Opposes Spain’s Entry Into E.E.C.  37-38 : 43

Spanish Workers’ Revolutionary Organization: First National Congress  43 : 29

Economic Difficulties  48 : 30

Sweden

Delegation of “Gnistan”  32 : 7

Switzerland

Soviet Spy Sentenced  27 : 28

Yugoslavia

Expanding Economic Co-operation With Developing Countries  34 : 47

President Tito in Peking
At the Banquet in Honour of President Tito:
Chairman Hua Kuo-feng’s Speech  36 : 8
President Tito’s Speech  36 : 10
President Tito Concludes China Visit  37-38 : 29

Zagreb: 40th Anniversary of Founding of Communist Party of Croatia  42 : 30

Chinese Agricultural Delegation in Yugoslavia  46 : 28

Greeting Yugoslavia’s National Day  49 : 3

Ringleader of Anti-Yugoslav Clique Arrested  49 : 30

“Xue Hai”  51 : 27

6) OCEANIA

Australia

Strikes  27 : 27

Chairman Mao Tsetung Stands on the Pinnacle of History — Excerpts from an article by Comrade E.F. Hill  34 : 38

Delegation of National People’s Congress in Australia  40 : 5


Australian Fauna (Specimens) Exhibition  51 : 27

New Zealand

Delegation of National People’s Congress Visits New Zealand  41 : 14

Chairman Hua Meets Foreign Guests  45 : 3

Deputy Prime Minister Talboys Visits China  45-46 : 3

Rewi Alley’s 80th Birthday  50 : 5

Papua New Guinea

Visit to a Newborn Island Country  42 : 26

Western Samoa

Unforgettable Impression  32 : 29