Some Questions Concerning Party Building
China's Proposal on Disarmament at the UN
HIGHLIGHTS OF THE WEEK

Anniversary of Chinese Communist Party

On the 61st anniversary of the founding of the Chinese Communist Party, Party and state leaders celebrated the occasion with 10,000 veteran cadres and senior members of democratic parties in the capital (p. 5).

A leading member of the Organization Department of the CPC Central Committee answered questions by our correspondent concerning Party building, Party membership, improvement of the Party's style of work and the Party's leading role in socialist construction (pp. 16-20).

Discussions on Economic Questions

A number of theoretical and practical questions related to the readjustment and restructuring of China's national economy have been discussed recently. Differing views put forward by leading Chinese economists are presented in a summary of the discussions (pp. 20-22).

More Consumer Goods for Peasants

"We have to take a fresh look at the rural market which is so vast and divergent," said an official of the Ministry of Light Industry. The rising purchasing power of the peasants has led to greater demand for consumer goods. A seven-day national fair in Changsha in central China showed in a measure the changes in the shopping lists of Chinese peasants today (p. 7).

UN Special Session on Disarmament

At the second special session of the UN General Assembly on disarmament, an increasing number of countries demanded an immediate halt to both nuclear and conventional arms race between the two superpowers which they regarded as a major threat to world peace and security (p. 10).

The Chinese delegation proposed that six principles be adopted to prohibit nuclear weapons and rationally reduce nuclear and conventional armaments so as to safeguard world peace (p. 11).

Book on China's Economic Growth

A collection of eight essays by Chinese economists on major aspects of China's economic growth since liberation and the prospects in the future (p. 28).

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Notes From the Editors

Population Trend

China has a large population but a small amount of arable land. Will the rural population be moved to the urban areas in large numbers in the course of the modernization drive?

In most countries industrial development is accompanied by the rural population moving to the cities. But China cannot follow this example in its modernization.

Although China's urban population has increased since the founding of the People's Republic, its growth, on the whole, has been rather slow. According to the State Statistical Bureau, the population in the cities and towns at the end of 1981 was 134 million (approximately 13.5 per cent of the total population), nearly twice that of 1953, the first year of the First Five-Year Plan. This indicates an average annual increase of 2.23 million, a rate of growth lower than the average growth of urban populations elsewhere in the world. Moreover, 77 per cent of the increase is caused by natural growth and not by the flow of the rural population into the cities.

China will not blindly allow the rural population to flow into the cities. It will carry out the principle of rational distribution of big, medium-sized and small cities and co-ordinated development of both the urban and rural areas. The number and scope of big cities with a population above 500,000 will be controlled. Development will concentrate on medium-sized cities (with a population between 200,000 and 500,000) and small cities (with a population below 200,000), as well as towns and county seats. China will expand all aspects of agriculture, including forestry, animal husbandry, sideline occupations and fishery. Agricultural development, furthermore, will be organically combined with first-stage processing industries. These policies take into consideration China's specific conditions, such as its comparatively backward agriculture, which is nonetheless the foundation of the national economy; the fact that 80 per cent of its population are in the countryside; and the uneven economic development caused by historical factors and variations in natural conditions.

Much discussion and research have been carried out regarding the strategy of urban and rural development in China.

— Economic Editor Jin Qi

The Coalition Government of Democratic Kampuchea

What's your appraisal of the significance of the Coalition Government of Democratic Kampuchea? And what are the prospects of the Kampuchean situation?

More than two months ago, I wrote an article in this column on the tripartite coalition in Kampuchea, in which I expressed the hope that a coalition government would be formed as soon as possible. Now, this hope has come true. It's indeed a joyful event.

The formation of a coalition government represents an important and successful step in uniting all the patriotic Kampuchean forces in the struggle against Vietnamese aggression.

In September last year, the leaders of the three Kampuchean parties signed a joint statement in Singapore expressing their common desire to unite in resisting Vietnamese aggression. Later, they held talks on several occasions to discuss the principles and methods of forming a coalition government. After a tortuous course and repeated consultations, they finally reached an agreement and signed in Kuala Lumpur on June 22 the Declaration on the Formation of a Coalition Government of Democratic Kampuchea.

In the declaration, the three parties not only reiterated their desire to jointly fight against Vietnamese aggression, but also defined the functions of the major leaders in the coalition government, the government structure and its operating principles. The declaration represents an important development following the joint statement in Singapore and the agreement reached between Norodom Sihanouk and Khieu Samphan in Beijing last February.

For four dry seasons and three rainy ones, the patriotic forces in Kampuchea have
LETTERS

The Draft of the Revised Constitution

I was very much impressed with the article "Explanations on the Draft of the Revised Constitution of the People's Republic of China" in issue No. 19, 1982. It seems to me that if the constitution, as stated, is in fact a reality—a living document for the people of China, then my congratulations.

Also, I think you should put your cartoons in more issues, I always enjoy reading them.

H. Cameron Patey
Reseda, CA., USA

More Human Element

Articles on natural wonders like tree planting item in issue No. 22 (May 31, 1982) are fine. Suggest more human element in addition to statistics. For instance, when you print "Minister of Forestry," give readers his name. Where can he be reached by mail? When you write about trees being planted, what kind of trees and for what purpose? Certainly out of the millions of trees, there was more than tung and dates planted. Were some planted for erosion control?—future food?

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Western Europe's "Environmental Movement"

I read "New Developments in Western Europe's 'Environmental Movement'" by Liu Xumin (issue No. 23). In this article the author skilfully describes Western Europe's environmental movement. The author takes a detached point of view. He does not praise or censure this or that clique. It is to be regretted that this is a common way of writing in *Beijing Review*.

Joachim Schulz
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Medical and Art

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Some works of Song Shenglin, Yu Ren, Chu Ming and Yang Mingyi also show how the fine old Chinese buildings beautify the human living space. The Yanan papercuts of Wang Zhanlan, Bai Fenglian, Zhang Peiyun and Gu Yuan ("Art Page," issue No. 4) demonstrate an appreciation of the beauty of all the postures of man and woman, at work, in study, or at rest.

Yuan Yunsheng's sensitive line drawing of a Yunnanese woman with banana leaves in the background ("Art Page," issue No. 18) captures the grace of the human body. His "Palm Tree" is crisp and springy, true to the gigantic while feathery character of the palm.

Chinese art and medicine both are magnificent expression of the Chinese brilliance for enjoying the materials of our world to make mankind comfortable and happy in the natural environment.

Michael W. Corr
Seattle, WA., USA

China News

I am interested in your weekly's "Notes From the Editors" and "Humour in China," but the latter has been seldom carried. I like these columns because the articles provide brief and frank information about the situation in your country; they are revealing and convincing. Another reason why they are valuable is that in the critical comments on the situation in your country made in some articles published by Japanese magazines, there were worrisome points. This fosters my desire to read a Chinese view in these columns.

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Kochi, Japan
**Political**

**Party's Birthday Celebrated**

Numerous activities were held by Party organizations in the capital and elsewhere to celebrate the 61st anniversary of the founding of the Chinese Communist Party (July 1, 1921).

At the capital's Great Hall of the People on June 30, Party and state leaders celebrated the occasion together with 10,000 veteran cadres and senior members of the democratic parties and other patriotic and democratic minded personages who have worked in co-operation with the Communist Party for a long time. Some of the senior cadres joined the revolution during the First Revolutionary Civil War period (1924-27), and others were Red Army soldiers who participated in the 25,000-li Long March. The majority were veterans who devoted themselves to the revolution during the War of Resistance Against Japan (1937-45) and the War of Liberation (1946-49).

Well-known artists in the capital performed at the gathering and wished the participants good health and a long life.

During the week around July 1, some 300,000 Communist Party and Communist Youth League members and other young people in Beijing took part in activities that "bring the Party's warmth to hundreds of thousands of households." They visited and offered free services to families of soldiers, martyrs, widows and the disabled.

On the eve of July 1, the Fujian provincial Party committee held a meeting in Fuzhou to commend 107 advanced Party branches, 71 advanced Party groups and 251 outstanding Party members. Similar activities were carried out in other provinces and municipalities.

In a July 1 editorial, the Party organ Renmin Ribao quoted a remark made by Party Chairman Hu Yaobang last year, saying that achieving modernization is like climbing a high mountain. But no matter how high or precipitous the mountain is, the editorial said, the Chinese Communist Party and the people will overcome all difficulties, ascend to the top and achieve their goal.

The editorial put forward four political guarantees for building up a powerful socialist modernized country.

First, continue restructuring government organizations and comprehensively reform the administrative system to eliminate bureaucracy and raise efficiency.

Second, suppress serious criminal activities in the economic field so as to ensure the smooth development of socialist construction.

Third, to ensure socialist material development, it is necessary to encourage socialist ethics, so that all Chinese citizens will have lofty ideals and moral integrity, discipline and culture.

Lastly, consolidate Party organizations step by step and in a planned way so as to improve and strengthen Party leadership.

**Suppression of Innovator Exposed**

What happens when a worker identifies a technical problem in his plant, works overtime to develop the appropriate skills and knowledge, and finally invents a method to solve it? Is he rewarded and commended? Not always.

For 43-year-old Zhang Jiefeng, in fact, the treatment was just the opposite. Although today he has been promoted to the position of engineer, and the

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*Liu Xiqin (left), former deputy director of the Logistics Department of the PLA Air Force, helps sell vegetables in the street after retirement.*

*July 12, 1982*
Finally the leading organ of the city was called in to remedy the situation. The factory leaders were severely criticized; one was removed from his post, and Zhang was promoted.

Gongren Ribao, organ of the All-China Federation of Trade Unions, said in a recent article, "Some leaders of certain enterprises have gone so far as to discriminate against, suppress and create grave difficulties for talented people who have emerged from among the workers. This is absolutely intolerable!"

Renmin Ribao and some local newspapers also reported this incident and commented on it. The incident has aroused a great deal of attention among the general public because it is not unique. Such phenomena as ignoring the achievements of competent scientific and technical personnel and giving them no support or even attacking them often happen and, in some places and units, are quite serious. The newspapers pointed out that this is an unhealthy tendency which should be remedied without delay.

In fact he eventually developed a method for producing escapement pallets that revolutionized China's wrist-watch industry and increased work efficiency more than 10-fold.

However, at every step of his arduous efforts, Zhang was obstructed and attacked by his leadership. When he did drafting and blueprints in his spare time, they accused him of showing off and working for self-aggrandizement. They deliberately made things difficult for him at work. Even after Zhang's method was tried out with highly satisfactory results, the plant leadership still refused to report his achievements to departments at a higher level. They threw obstacles in the path of technicians from the provincial scientific research department who wanted to meet with Zhang. Later, the scientific commission of Nanchang awarded the worker first prize for scientific and technical achievements, but the plant wouldn't recognize it. When the province's engineering society planned to recruit him as a member, the plant's leadership opposed it. For years, Zhang was disdained and suppressed.
Important factors accounting for this year's good summer harvest in spite of the weather are: scientific farming, improved grain varieties, better techniques and more phosphate-based fertilizers.

Sound policies and the peasants' hard work have also played their part. With the introduction of the responsibility system, the peasants' enthusiasm for production has increased. For example, in Chuxian Prefecture, the first to institute the responsibility system in Anhui Province, 610,000 tons of wheat and barley were harvested this year, 20 per cent more than last year.

According to national statistics up to the end of May, total rapeseed output this summer reached 4 million tons, 6 per cent higher than last year.

More Consumer Goods for The Peasants

The rising purchasing power of China's peasants and the wide range of goods they want to buy caught the industrial and commercial departments unawares, according to officials of the Ministry of Light Industry in a recent interview with reporters.

Ministry officials based this statement on results of a seven-day national fair in April in the city of Changsha in central China, at which 1,000 million yuan worth of transactions were concluded between enterprises under the Ministry of Light Industry and the supply and marketing co-operatives responsible for distributing commodities in the rural areas.

Consumer items in heavy demand ranged from ready-made clothing and leather shoes to bicycles, sewing machines and other industrial durables.

One hundred million yuan worth of ready-made clothing and shoes were ordered at the fair, including terylene-cotton shirts, Western style garments for women, down- and cotton-padded winter wear and leather shoes, particularly those made of pigskin.

Representatives of the rural supply and marketing co-operatives said that peasants are abandoning the tradition of wearing home- and hand-made clothing and shoes, now preferring ready-made clothes and shoes which they feel are better in appearance.

In view of the buying trend in the countryside, rural supply and marketing co-operatives wanted to place orders for 7.25 million bicycles and 5.2 million sewing machines, but the industrial departments at the fair could supply no more than 5 per cent of the demand.

There was also a big demand for inexpensive (less than 50 yuan apiece) wrist-watches of well-known brands. A total of 507,800 watches were sold, including all those less than 50 yuan.

Washing machines and electric fans have also found their way into the rural market. Transactions for more than 50,000 washing machines and an equal number of electric fans were completed at the fair, yet the co-operatives' needs were not satisfied. According to the ministry officials, most of these products were sold to high-income rural areas producing cash crops or having high grain yields.

"We have to take a fresh look at the rural market which is so vast and diversified," one ministry official said.

Minister of Railways Makes Self-Criticism

Three passengers were killed and 143 passengers and four crew members injured in a May 28 railway accident near Shen-
yang. The train derailed when it hit a jack that had been left on the track.

Traffic was interrupted for 20 hours and losses were estimated at 1.7 million yuan.

Two maintenance workers were responsible for the accident. They left their work and went to a nearby place to eat popsicles, apparently forgetting that the jack was still hooked on to the track. They were sentenced to seven and four years of imprisonment.

In a report to the State Council, leaders of the Ministry of Railways requested that they themselves be punished. The State Council decided not to take any disciplinary measures against them in view of the fact that they had just taken up their post after the recent streamlining of government structure.

At a telephone conference to enforce safety measures, Minister of Railways Chen Puru made a self-criticism about the accident. He said that leading cadres of the ministry should be held responsible for this and other mishaps which had caused injuries or heavy economic losses. The root cause, he stressed, lay in their inept leadership, their failure to define strict safety requirements and their superficial style of work.

"I myself should bear the main responsibility," he said. "Although the State Council has decided not to take any disciplinary measure against me, it does not in the least alleviate my guilt."

Addressing the telephone conference on behalf of the Ministry of Railways, Vice-Minister Li Kefei called on all railway workers and staff to conduct careful investigations and examinations so as to eliminate any potential threat to railway safety. He also called for the adoption of a strict system of personal responsibility for every one, from the minister himself to those working at the grass-roots level.

**EDUCATIONAL**

**Postgraduates Conferred Academic Degrees**

The first group of postgraduates have received doctoral and master degrees in China since its new academic degree system was instituted in 1980.

Nine postgraduates studying in institutions of higher learning or scientific research institutes received their doctorates, and 8,562 received their master degrees.

Among those who received master degrees, 6,992, or 81.7 per cent, were trained in colleges and universities, and the rest were trained in research institutes. Their achievements symbolize China's first solid step towards training specialists by relying on its own efforts.

With the development of science and technology, China will train more and more specialists in various fields.

The work of conferring BA degrees is under way. It is expected that the majority of the 160,000 college students who graduated in autumn 1981 and spring 1982 after at least four years of study will get BA degrees.

Acting on the Regulations of the People's Republic of China for Awarding Academic Degrees adopted by the Standing Committee of the National People's Congress in February 1980, the State Council that year established a committee for conferring academic degrees. It also authorized 1,143 instructors of different disciplines in 805 units to tutor doctoral degree candidates and 2,957 units to confer master degrees. At the same time, appraisal committees were formed for 10 disciplines: philosophy, economics, law, education, literature, history, science, engineering, agronomy and medicine.

Three principles govern China's academic degrees system: 1) Candidates for academic degrees should attain the required academic level and be imbued with the desire to serve socialism; 2) they should adhere to the principle of integrating theory with practice; and 3) quality should be put above everything else so that academic degrees will be awarded to those worthy of the title and not conferred haphazardly.

In order to encourage people to become experts through self-study, the regulations stipulate that people with a regular job who have attained a postgraduate educational level and those with equal qualifications may apply for doctorates and master degrees.
MEDICINE

Medicine Sales Up

China's medicine sales reached 4.003 million yuan in the first five months of this year, 16.13 per cent more than in the same period of last year.

The country's total sales of medicine in 1981 was 8.300 million yuan, a 6.8 per cent increase over 1980, and the average annual per-capita spending on medicine rose from 7 yuan in 1979 to 8.37 yuan in 1981.

An official of the State Pharmaceutical Administration attributed the rise in medicine sales to the peasants' increased income, a growing demand for traditional Chinese medicines and an expanded nationwide supply network.

Formerly peasants tended to use indigenous methods to treat ailments, but now they buy prepared medicines instead. Last year, 60 per cent of the country's total sales for medicine were in the rural areas, a 14.5 per cent increase over 1979.

Over the last year, the sales volume of traditional Chinese medicines has rapidly expanded. An increasing number of rural and urban residents are taking traditional medicines for the prevention and treatment of diseases. Peasants in south China consumed over 10 per cent more tonics in 1981 than in 1980.

To facilitate the delivery of medicine, a nationwide supply network has taken shape. According to incomplete statistics, China now has 5,500 pharmaceutical wholesale departments below the county level and over 50,000 drugstores.

FOREIGN RELATIONS

Ye Jianying Accepts Grand Crux Order

Ye Jianying, Chairman of the Standing Committee of the National People's Congress, accepted in Beijing on June 30 an Order of Democracy in the Grade of Extraordinary Grand Crux which was awarded to him by the Camara (House of Representatives) of Colombia.

Zhu Xuefan, Vice-Chairman of the NPC Standing Committee, received the order on behalf of Chairman Ye.

Zamir Eduardo Silva Amin, leader of the Camara Delegation, presented the medal and the certificate to Vice-Chairman Zhu on behalf of President Aurelio Iragorri Hormaza of the Camara.

The Colombian delegation arrived in Beijing on June 29 on a friendly visit.

Vice-Premier Yao Yilin met with the Colombian guests on July 2. The Vice-Premier said: "China and the Latin American countries belong to the third world. We understand and support each other because we have similar experiences. China hopes to strengthen its relations with the Latin American countries. We support their political independence and respect their national sovereignty, and hope their national economy will continue to grow." He expressed the wish that the friendly relations of co-operation between China and Latin American countries will develop in the political, economic and other fields.

Friendly exchanges between China and Colombia have increased steadily since the establishment of diplomatic relations. In mid-June, President of the Colombian Senate Gustavo Dager Chadid paid a friendly visit to China. Premier Zhao Ziyang met with the delegation and had a cordial conversation with all the members. Prior to this, a delegation of the National People's Congress of China paid a visit to Colombia and received a warm welcome.
The UN General Assembly’s Special Session on Disarmament

— Report from the United Nations

Since the Second Special Session of the UN General Assembly on Disarmament opened on June 7, government heads and foreign ministers from numerous countries have made speeches. Meanwhile peace marchers to the UN headquarters from New York, other parts of the United States and several Western countries also expressed strong appeals for peace and disarmament.

This convergence is not accidental. It shows that people are deeply concerned about the current international situation. During the four years since the First Special Session of the UN General Assembly on Disarmament was held in 1978, the global situation has become more turbulent.

In their speeches, representatives of the small and medium-sized countries pointed out that the arms race has escalated, stockpiles of weapons have increased and international security and world peace have been threatened. They also expressed dissatisfaction with the lack of progress in disarmament and the deterioration of the international situation. With gunfire echoing from Afghanistan, Kampuchea, the Persian Gulf, Lebanon and the Malvinas (the Falkland), the UN Special Session, Security Council meetings and emergency UN conferences were convened to deal with pressing problems and urgent issues facing the world. Such a situation is rare in UN history.

The Third World Call. Calls from small and medium-sized countries of the third world for the two superpowers to take the lead in disarmament and stop their hegemonist intervention in other countries have become more common, stronger and clearer. More and more participants of the current special UN session are coming to see that the arms race and global rivalry between the two superpowers are seriously threatening the security of third world countries. This superpower rivalry is focused mainly on the third world. As a Senegalese representative put it, third world countries are becoming direct victims of the global superpower rivalry.

Nuclear and Conventional Disarmament. This session is also characterized by the fact that although people are concerned about the threat of nuclear weapons and consider nuclear disarmament the primary objective, they are paying attention to reductions in conventional weapons as well. Singapore’s Representative Tommy Koh said at the session that “people are being killed every day in wars being fought with conventional arms.” In the view of many third world countries, the conventional military buildup by the two superpowers and a possible conventional war between them constitute a bigger threat to small and medium-sized countries than nuclear war.

Foreign Minister of Belgium Leo Tindemans, speaking on behalf of the European Community, said the UN’s disarmament organs should deal in greater depth with conventional weapons.

Growing concern about the conventional arms race contrasts sharply with the case at the First Special UN Session on Disarmament in 1978. At the first special UN session, many countries laid emphasis on nuclear disarmament by avoiding mentioning conventional disarmament. Some of them even went so far as to assert that discussions on conventional...
The UN: China's Disarmament Proposal

The Chinese delegation at the June 21 Second Special Session of the UN General Assembly on Disarmament submitted a Proposal on Essential Measures for an Immediate Halt to the Arms Race and for Disarmament. The delegation explained its proposal before the UN Ad Hoc Committee on June 29.

The Chinese delegation proposes that the following principles be immediately adopted to prohibit nuclear weapons and rationally reduce nuclear and conventional armaments so as to lessen the danger of war and maintain world peace.

1. Efforts for disarmament cannot be separated from the maintenance of international security. They should be integrated with efforts for maintaining world peace and security.

2. States possessing the largest arsenals should take the lead in reducing their armaments.

3. The reduction of conventional armaments should be carried out in conjunction with that of nuclear armaments so as to help lessen the danger of war.

4. Disarmament measures should be carried out without prejudice or threat to the independence, sovereignty and security of any state.

5. Disarmament agreements should provide for strict and effective measures of international verification.

6. All states are entitled to participate in an equal footing in the deliberations, negotiations and settlement of disarmament issues.

As for measures to implement these principles, China proposes:

1. All nuclear states should reach an agreement on the non-use of nuclear weapons. Pending this, the nuclear states should each undertake unconditionally not to use or threaten to use nuclear weapons against non-nuclear-weapon states or nuclear-weapon-free zones and not to be the first to use nuclear weapons against each other at any time or under any circumstances.

2. The Soviet Union and the United States should cease all nuclear tests, stop the qualitative improvement and manufacture of any kind of nuclear weapons and reduce by 50 per cent their existing nuclear arsenals, including all types of inter-continental, medium-range and other tactical nuclear weapons as well as their means of delivery. Thereafter, all nuclear states should undertake to cease all nuclear tests, stop the qualitative improvement and manufacture of nuclear weapons and reduce their respective nuclear weapons and means of delivery according to a reasonable proportion and procedure to be agreed upon.

3. All states should solemnly undertake not to use conventional forces to commit armed intervention or aggression against or military occupation of any other state. As a first step towards conventional disarmament, all foreign occupation troops must be withdrawn without delay. In the meantime, the Soviet Union and the United States should proceed to substantially reduce their heavy and new-type conventional weapons and equipment, especially those for offensive purposes. After this, the other militarily significant states should join them in reducing their conventional armaments according to a reasonable proportion and procedure to be agreed upon.

4. Chemical weapons and other weapons of mass destruction should be prohibited.

As for verification, China proposes that a verification group be established which includes representatives from all nuclear and non-nuclear-weapons states, for the purpose of carrying out effective verification of the implementation of disarmament measures.

The international verification group should submit reports to the UN General Assembly annually and whenever necessary.

As for negotiations, China proposes that all nuclear and non-nuclear-weapon states are entitled to take part — on an equal footing — in examining and approving all measures for halting the arms race and for disarmament.

disarmament could block efforts for nuclear disarmament.

Superpowers' Recriminations. Faced with the growing disarmament demand, the two superpowers have attacked each other. They have shirked their responsibility for the arms race and have made a gesture of disarmament to hoodwink the public. US President Reagan has put forward a four-point proposal for US-Soviet mutual reductions of nuclear weapons and conventional forces stationed in Europe. The Soviet Union has claimed for a military "balance" between the East and West so as to maintain its edge over the United States. It has also "assumed an obligation not to be the first to use nuclear weapons." The United States has criticized the Soviet Union for conducting missile tests recently while declaring its non-first-use of nuclear weapons policy. Soviet Foreign Minister Andrei Gromyko publicly said that these tests were not unprecedented in scope. He also said the United States has conducted similar tests.

More Attention to China's Stand. The proposal presented by the Chinese delegation at this session has attracted considerable attention from the participating countries. China reiterated that it will not be the first to use nuclear weapons and that it undertakes unconditionally not to use such weapons against non-nuclear states. It also declared that if the two superpowers take the lead in halting the testing, development and production of nuclear weapons and reduce their nuclear weapons by 50 per cent, it is ready
A Prolonged Struggle. After the conclusion of the general debate at the session, scores of non-governmental representatives mounted the platform to make 10-minute speeches. They all favour preventing war and safeguarding peace. This peaceful army, representing millions upon millions of people, has converged into a consensus with the official delegates of small and medium-sized countries who urge disarmament. Their demands sharply contrast with the intensified arms race between the superpowers.

The current problem of world disarmament is actually the struggle between arms expansion and disarmament.

Although the task of world disarmament is extremely important, realization of real disarmament is by no means an easy thing. So it is difficult for the Special Session of the UN General Assembly on Disarmament to achieve an important result. The people in the world have to persevere unrelentingly in their struggle for disarmament.

— You Wei, Wen Fu

PLO Facing Enormous Pressure

The Palestine Liberation Organization (PLO) is under immense pressure because of the military conflict in which it has been engaged during the past month.

Israel's Military Moves. Backed by the United States, Israeli troops flooded into Lebanon on June 4 in an attempt to wipe out the PLO's armed forces in Lebanon. As a result, the PLO's armed forces in southern Lebanon incurred heavy losses and the organization's leaders are now surrounded with their troops in west Beirut and its southern suburb. Israel announced a "ceasefire" with the Palestinian guerrillas in Beirut on June 12, but it has continued its attack with shellings and air raids. Moreover, many are convinced that Israel is preparing to launch another major offensive against the PLO's beleaguered troops.

In the wake of its recent military onslaught, Israel has intensified its collaboration with the United States. On June 29, Israel issued a list of five demands, including insistence that the PLO and its armed Moslem supporters surrender their weapons. Israel also demanded the withdrawal of all PLO personnel from Lebanon. The US has put forth similar suggestions.

Lebanese Attitudes. Since Lebanese Prime Minister Wazzan offered his resignation on June 25, no one has taken the post. As a result, Wazzan is temporarily playing the role of Prime Minister. The Lebanese Government has been paralysed. The newly established National Salvation Committee is also experiencing problems because of the withdrawal of the Moslem National Movement leader, Walid Jumblatt. Therefore, Wazzan and ex-Prime Minister Selim have had to take part in the negotiations with the Palestinians. Although some are attempting to help the PLO maintain a political presence in Beirut, the armed forces of the Lebanese Phalangist Party

Soviet-US talks. Cartoon by Chen Guolin
strongly oppose this. Chamoun, President of the Lebanese Front, which is composed of various Christian parties, publicly declared on July 2 that his organization opposes “all military existence of the Palestine in Lebanon, even only one man.” As a result, Lebanon has been unable to come up with a plan for the PLO which has anything resembling unanimous support.

**Lebanon-PLO Agreement.** As a result of Saudi Arabia’s mediation effort, Lebanon’s Moslem leadership finally agreed to sign an agreement with the PLO. Lebanese President Sarkis has asked the various Lebanese factions to sign the agreement. The main points of the drafted agreement: the PLO’s political presence should be ensured in Beirut; the PLO will retain at least two military battalions in Lebanon, whose location and activities will be decided by the Lebanese military commander; the remainder of the PLO’s troops will go to Jordan, Syria and Egypt and be subordinate to military command headquarters in those countries; the conflicting sides in the Lebanese crisis should ensure the safety of Palestinian citizens residing in Lebanon. The drafted agreement is being studied by the Arab League’s six-member ministerial committee established on June 27 and it is still uncertain as to whether a consensus can be reached regarding its conditions.

**PLO’s Stand.** Opinions differ within the PLO as to how its relationship with Lebanon should be handled. According to a July 2 Lebanese state radio report, an agreement has been reached between PLO leader Yasser Arafat and Lebanese Prime Minister Chafic Wazzan. That agreement reportedly includes the following points: 5,000 PLO soldiers will leave for one or several Arab countries. Two Palestinian battalions with 250 troops each will be formed and stationed in northern Lebanon and the Bekaa valley area. They will be withdrawn after Israeli and Syrian troops leave Lebanese territory. The Israeli troops besieging Beirut should retreat several kilometres to facilitate withdrawal of the PLO soldiers.

In a July 1 speech, the PLO leader in charge of security Abu Ryad said: “We will not leave Lebanon. It is unnecessary.” On the same day, PLO spokesman Mohamoud Labadi said that PLO soldiers in Beirut will “fight to the end.” “We will never accept the demand that we lay down our arms and surrender,” he said.

General Secretary Habash of the Popular Front for the Liberation of Palestine (PLFP) said on July 1: “Arafat has never discussed the departure of the Palestinians with the PLFP.” The PLFP’s stand, he said, is that no matter what pressure may come, the PLO will never conduct a dialogue with the Israelis and Americans; it will only talk with Lebanon and the Lebanese Moslem National Movement. He also said the Palestinians will return to their camps with all their weapons.

On July 1, Yasser Abdarabbo, leader of the Democratic Front for the Liberation of Palestine, made clear to newsmen of his refusal to surrender and withdraw from Beirut.

The struggle has reached a crucial phase. Given the fact that various sides are pressing the PLO to withdraw its armed force from Lebanon, it seems inevitable that a consensus will be reached within the PLO.

— Zhong Dong

**False Claims to China’s Islands**

— On Vietnamese Foreign Ministry’s white book

THE Vietnamese Foreign Ministry has again released a white book on the Xisha and Nansha Islands, as it did in September 1979, to justify its illegal occupation of some of China’s Nansha Islands and its territorial claim on the Xisha and Nansha Islands of China.

Hanoi again asserts that Viet Nam has exercised sovereignty over the Xisha and Nansha Islands “uninterruptedly” for a very long time. However, what it presents as the legal basis for this claim are those “ancient documentary materials” that long ago were refuted thoroughly by the Chinese Foreign Ministry document issued on January 30, 1980.

**Fallacious Argument**

The white book says that after its occupation of Viet Nam, France exercised “sovereignty” over the Xisha and Nansha Islands in the name of Viet Nam. It is referring to the illegal French occupation of the two archipelagoes in the 1930s. This was an act of aggression by old-line colonialism; such occupation does not establish sovereignty. This is affirmed by international law.

China was the first to discover, exploit and exercise jurisdiction over these islands. There was no country other than China which exercised state power over them prior to the early 1930s. As pointed out in the document of the Chinese Foreign Ministry, in 1921 the then French Premier and Foreign Minister Aristide Briand acknowledged “the im-
possibility in which we currently find ourselves to claim these islands. . . .” The French acting governor general in Indochina likewise conceded in 1929 that “according to reports from various sources, the Parcels (the Xisha Islands) should be regarded as belonging to China.”

Now, the Vietnamese authorities describe the act of French colonialist aggression as exercising “sovereignty” in the name of Viet Nam. This is preposterous. Following this logic, the occupation of vast territories of other countries by the German, Italian and Japanese fascists during World War II would be the legal bases of territorial claims on the occupied countries.

**Historical Record**

The white book of the Vietnamese Foreign Ministry quotes a statement made on September 7, 1951 by Tran Van Huu, leader of the Bao Dai “government” delegation to the San Francisco peace conference, claiming sovereignty over the Xisha and Nansha Islands, and then goes on to say in dead earnest that the Tran statement met with no “protest from any of the representatives of the participating countries.” This is a distortion.

First, China, one of the major powers defeating Japan, was illegally excluded from the San Francisco conference. But on August 15, 1951, the eve of the signing of the peace treaty with Japan, Premier Zhou Enlai made a statement, stressing that the Xisha and Nansha Islands, like the Dongsha and Zhongsha Islands, “are China’s territory.” He said China’s sovereignty over the Xisha and Nansha Islands “is impervious to any influence no matter whether the US-UK drafted peace treaty with Japan mentions or not the ownership of these islands.”

Secondly, the 1951 San Francisco peace conference decided that Japan should renounce the Xisha and Nansha Islands. The leader of the Soviet delegation Andrei Gromyko pointed out at the conference that the Xisha and Nansha Islands are China’s “inalienable territory.”

Thirdly, it is true that the peace treaty with Japan drafted by the United States and Britain did not mention the ownership of these islands after Japan’s renunciation. Yet, in the year after the San Francisco peace treaty with Japan was signed, the 15th map, Southeast Asia, of the *Standard World Atlas*, which was recommended by the signature of the then Japanese Foreign Minister Okazaki Katsumo, marks as part of China all the Xisha and Nansha Islands, which Japan had to renounce as stipulated by the peace treaty, as well as the Dongsha and Zhongsha Islands.

**Recognized Reality**

There used to be no dispute between China and Viet Nam over the ownership of the Xisha and Nansha Islands. For years prior to 1974, Vietnamese official statements and notes, newspapers, periodicals, maps and textbooks all formally recognized these islands as Chinese territory.

In its statement of September 4, 1958, the Chinese Government proclaimed the breadth of the territorial sea of China to be 12 nautical miles and stated explicitly that this provision applies to all territories of China including the Xisha and Nansha Islands.

On September 14 of the same year, Vietnamese Premier Pham Van Dong clearly stated in a note to Premier Zhou Enlai of the Chinese State Council that the Vietnamese Government “recognizes and supports” the statement of the Chinese Government and “respects” this decision. In view of all this and according to international law and practice, there is no justification for the Vietnamese authorities to dispute China’s sovereignty over the Xisha and Nansha Islands, still less to try to seize any one of these islands.

Propelled by expansionist designs, the Vietnamese authorities do not hesitate to distort history and fabricate lies. This does not alter the history and legality of China’s sovereignty over the Xisha and Nansha Islands.

— Xinhua Commentator

**Argentina After Malvinas Ceasefire**

The Malvinas war has resulted in important changes in Argentina’s domestic and external affairs.

One of the most important changes involves a series of alternations in the structure of Argentina’s military government. President Galtieri’s proposal of continued military hostility against Britain was opposed by most army commanders, who favoured ending the war with Britain and solv-
ing the Malvinas issue through diplomatic channels. As a result, Galtieri was forced to resign his posts as president, chief of the Military Junta and commander-in-chief of the army.

**Political Situation**

Commander-in-Chief of the army's First Military Command, Cristina Nicolaides, took the post of commander-in-chief of the army. Air force Commander-in-Chief Basilio Lami Dozo took the post of chief of the Military Junta. The commanders of the three services were initially unable to reach the post of a new president and the term of the new Military Junta. However, on June 22, the army ignored the opposition of the navy and the air force and named retired General Reynaldo Benito Antonio Bignone president. The Junta took the first five months of the year. Argentina exported 10 million tons of grain, the largest amount exported in such a short period in the nation's history. Before January and April, Argentina's imports were down 46 per cent and its exports up 3.4 per cent as compared with the same period of last year. Because of the Malvinas war and the economic sanctions imposed by the United States and the West European Community, Argentina's foreign exchange reserve declined 1,000 million US dollars. Its May financial deficit increased 12 million US dollars. Although Western banks promised to permit Argentina to defer payment of its debts, they have been reluctant to grant new loans. This will result in additional reduction in Argentina's funds.

Economic Problems

During the first five months of this year, Argentina exported 10 million tons of grain, the largest amount exported in such a short period in the nation's history. Between January and April, Argentina's imports were down 46 per cent and its exports up 3.4 per cent as compared with the same period of last year. Because of the Malvinas war and the economic sanctions imposed by the United States and the West European Community, Argentina's foreign exchange reserve declined 1,000 million US dollars. Its May financial deficit increased 12 million US dollars. Although Western banks promised to permit Argentina to defer payment of its debts, they have been reluctant to grant new loans. This will result in additional reduction in Argentina's funds.

Confronted with these difficulties, President Bignone intends to initiate major changes in Argentina's present economic plan. He has said the new government's top priority will be restoring national confidence with a realistic economic plan.

The new economic plan includes stimulating agricultural and industrial production, encouraging support for exports by devaluing the peso, supporting the currency reserve by controlling exchange of foreign currencies, increasing workers' pay to stimulate the economy and mobilize repayment of debts. These measures are expected to conform with the demands of the political parties.

**Foreign Relations**

The Malvinas war has also affected Argentina's relations with other countries. During the war, the United States and Western Europe supported Britain and imposed sanctions upon Argentina, thus seriously jeopardizing their relations with this South American country. It will take them a long time to mend fences. Europe's embargo and the Anglo-US alliance presented Argentina with the need to rethink its relationship with Latin America. During the war, most Latin American countries supported Argentina in its claim of sovereignty over the Malvinas. As a result, President Bignone has said Argentina will strengthen its relations with Latin American and non-aligned countries. As to relations with the United States, he says Argentina will try to readjust. He says Argentina will continue developing economic relations with the Soviet Union, but otherwise it will keep its distance.

Bignone says it will be difficult to reach an agreement with Britain on the Malvinas issue. Nevertheless, Argentina will continue to raise its claim of sovereignty over the Malvinas at every international conference.

— Guan Yanzhong
Some Questions Concerning the Building of the Party

On the occasion of the 61st anniversary of the founding of the Chinese Communist Party, our correspondent interviewed a leading comrade of the Organization Department of the Party Central Committee about readers’ questions concerning the building of the Party. Following is the text of the interview.—Ed.

**Question:** How many members does the Chinese Communist Party have? Will it continue to expand its organization?

**Answer:** The Chinese Communist Party was established in light of the needs of the Chinese people’s revolution. During the 61 years of revolutionary wars and construction in China, the Chinese Communist Party has grown in size and strength. It began with some 50 members and now it has more than 39 million. Along with the development of revolution and socialist construction, it is bound to continue growing and developing.

Q: Who are qualified to be Party members? How about the procedures?

A: The Chinese Communist Party is the vanguard of the Chinese working class, the faithful representative of the interests of the Chinese people of all nationalities, the core of leadership of China’s socialist cause. It uses Marxism-Leninism and Mao Zedong Thought as the guide for action. This characteristic decides that not anyone can be a Party member. Only those who meet the requirements of the Party can be admitted.

Who can apply for Party membership? Any Chinese worker, peasant, soldier, intellectual or any other revolutionary who has reached the age of 18 and who supports the Party programme and accepts the Party Constitution, is willing to join a Party organization, work actively in it, carry out the Party’s decisions and pay membership dues on time, can apply for membership in the Communist Party of China. A Party member should study hard, serve the people wholeheartedly, play an exemplary vanguard role in work, be truthful and honest to the Party, observe Party discipline, put the Party’s interests above everything else, be ready to sacrifice everything he or she has and strive all his or her life for the realization of the communist cause.

Applicants for Party membership must go through the procedure for admission, which includes: An applicant must be recommended by two full Party members who should earnestly brief a Party branch on the applicant, and the applicant must be examined by the Party branch which
members who seriously violate Party discipline can be punished by Party disciplinary measures, including expulsion from the Party. The Party Constitution states that a member whose revolutionary will has degenerated, who refuses to fulfill the duties of Party members and no longer meets the requirements for a Party member and remains unchanged despite repeated education should be persuaded to withdraw from the Party.

Q: How does the Party play its leading role in the period of socialist construction?

A: The Chinese Communist Party is the ruling party. To uphold and improve the leadership of the Party and to steadily raise the Party's militancy is the basic guarantee for our socialist modernization drive and for realizing the reunification of the motherland and defending our country's independence and security. The Party does not exercise leadership by issuing orders or using mandatory administrative means, but by using Marxism-Leninism and Mao Zedong Thought and its correct propositions and actions to educate and influence other organizations and people to conscientiously support the Party, have faith in the Party, accept the leadership of the Party and to work hard for the realization of the Party's propositions.

Specifically speaking, the Party's leading role is exercised through different ways. First, leading organs of the Party must formulate and implement a correct line, principles and policies. Second, through the work of its organizations at different levels, the Party co-ordinates relations in various fields and unites all forces under its line and goals. Third, the Party relies on all its members to play backbone and exemplary roles in political and social life.

Q: Are all the leading posts in government organs, public undertakings and enterprises held by Party members?

A: The Chinese Communist Party is the core of leadership of the Chinese revolution and construction. One of our basic principles is adhering to the Party's leadership. But the Chinese Communist Party is not a party seeking its own gains. It unites with as many non-Party people as possible to carry out the revolution and construction. Therefore, not all leading posts are held by Party members. Party committee posts at various levels and posts in charge of the Party affairs are held by Party members. As to posts (including leading posts) in government organs, public undertakings, enterprises and mass or-
organizations, they can be held by Party members and non-Party personages.

Q: Is the Party still emphasizing the mass line?

A: The mass line is the Party’s basic line for work. Having faith in the masses, relying on the masses and respecting the masses constitute the basic guarantees for carrying out our revolution and construction and winning success in these fields. Our Party has always adhered to the mass line—during the war years and the period of construction after the founding of New China. The Third Plenary Session of the 11th Party Central Committee held in December 1978 decided that there would be no more turbulent political movements. This decision was made for the purpose of shifting the focus of work to the four modernizations. Since construction needs the efforts of the masses, the Party continues to emphasize the mass line.

The Party heeds the opinions of the masses through many channels:

1. Party members working in grass-roots organizations of every trade are acquainted with the opinions of the masses and will forward them to the leading organs of the Party.

2. Cadres of the Party at various levels, including high-ranking ones, often go among the masses, exchange views and discuss problems with them and listen to their opinions. The Party’s important policy decisions are made after consulting with the masses in accordance with Comrade Mao Zedong’s teachings of “from the masses, to the masses” and centralizing the ideas of the masses and persevering and carrying them through among the masses.

3. The Party heeds the opinions and demands of the masses through such mass organizations as the Communist Youth League, trade unions and women’s federations and helps solve their problems.

4. The Party obtains opinions and suggestions from the masses through the delegates to Party congresses and people’s congresses at various levels.

5. The Party pays attention to the people’s letters and visits.

The people have faith in the Party and are concerned with the Party. When they identify problems in the Party’s work or in any members of the Party or when they have suggestions which require the attention of the Party’s leading organs, they write letters to the Party’s leading organs. Letters can be sent to the Party Central Committee or its Chairman. People also visit the Party’s leading organs to submit their opinions and demands. The Party’s leading organs at various levels must conscientiously study and solve problems identified by the people and notify them of the results. At the same time, the Party maintains close ties with various democratic parties in China and listens to their opinions in consultation sessions.

Q: Are leading organs of the Party also being restructured? Are younger cadres being promoted to leading posts in the Party?

A: Restructuring is necessary to eliminate bureaucratism, raise work efficiency, and strengthen and improve the Party’s leadership. At present, apart from the central state organs, the leading organs under the Party Central Committee are being restructured. Organs directly under the Party Central Committee have been working on this since January and much progress had been made by mid-May.

The numbers of bureaus and departments have been cut by 11 per cent and 10 per cent respectively. The total number of staff members has been reduced by 17.3 per cent. Head and deputy heads of each leading body at the ministerial level have been restricted to 3-5 people, a cut of 15.7 per cent. Their average age has been reduced from 64 to 60. Head and
deputy heads at the bureau level are now generally composed of 2-3 people, a cut of 14 per cent. Their average age has been reduced from 58 to 54.

Middle-aged and younger cadres have been promoted to leading bodies. They constitute 13 per cent of the leaders at the ministerial level and 16 per cent at the bureau level. The cultural level of the leading bodies at the ministerial and bureau levels has all been raised. Initial results have been made in lowering the average age of leading comrades. This constitutes a satisfactory step forward towards leading organs composed of revolutionized and better educated cadres with professional knowledge. In the future, we will continue to promote capable middle-aged and younger cadres and do a good job in making arrangements for retired veteran cadres. We will continue the streamlining programme, train cadres in rotation, improve the work methods and efficiency.

Q: Why is emphasis being placed on consolidating the Party's work style at the present time?

A: The Communist Party of China is a ruling party. As Vice-Chairman of the CPC Central Committee Chen Yun pointed out, the style of work of a ruling party is a matter of life-and-death importance.

During the revolutionary war years, everyone who joined the Communist Party was willing to bear hardships, take risks and, if necessary, sacrifice his or her life. Things have changed since the revolution succeeded. The people showed gratitude to us and the bourgeoisie came forward to flatter us. It is very easy for people within our Party to become arrogant and begin to seek pleasure. Some opportunists and careerists may have wormed their way into the Party, taking advantage of the Party's position to line their pockets. The 10 chaotic years of the "cultural revolution" clearly proved that a ruling party would become divorced from the masses if it does not maintain its good style of work and does not follow the principle of democratic centralism. Conspirators and careerists will be active and the Party may face the danger of changing its character and political colour.

After years of efforts, the Party's style of work has begun to take a turn for the better. But this does not mean that a fundamental change has taken place. For instance, an extremely small number of Party cadres doubt the line of the Party Central Committee, with some publicly singing different tunes. A number of Party members have grown individualistic. An extremely small number of them, corrupted by capitalist ideas, have become criminals. Some Party organizations have forfeited their role as fighting bastions.

* Since the Third Plenary Session of the 11th Party Central Committee, the Party has been following a correct line. Its implementation, however, calls for a good Party style of work. Therefore, we urgently need to improve the Party's work style and work for a fundamental turn for the better in this respect.

Q: How will Party members be educated in the future?

A: According to our experience in building up our Party over the past decades, the Party's power does not depend upon the number of members, but the quality of the Party members. We have always emphasized the importance of ideological building to the Party's development. Half of our present members joined the Party after 1966 when the "cultural revolution" began. When Lin Biao and the gang of four were holding sway, inner-Party life was extremely abnormal. These comrades had no chance to receive Party education. They lack the experience of strict Party life. Many of them do not fully understand the basic knowledge of the Party, its rules, discipline, fine traditions and style of work. In the meantime, some of those who joined the Party much earlier have become lax and are not strict with themselves.

At present, our Party is leading the people of all nationalities in building socialist ethics.
and material civilization. The new historical task has set new and higher demands for all Communist Party members. Therefore, strengthening the education of the Party members to raise their political quality becomes a very important task of our Party. In accordance with historical experience and the task confronting us, we will continue to organize the Party members to study Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China, Guiding Principles for Inner-Party Political Life and other documents. Education will be carried out in the following fields.

1. Education in the basic theory of Marxism-Leninism and the four fundamental principles — keeping to the socialist road, the people's democratic dictatorship, Marxism-Leninism and Mao Zedong Thought, and the leadership of the Chinese Communist Party. We should educate Party members to firmly believe in Marxism-Leninism and Mao Zedong Thought and have confidence that the cause of our Party will be victorious.

2. Education in the great communist ideal. We should educate Party members to foster a world outlook of struggling for communism throughout their life, to link this great ideal with their jobs, to heighten their revolutionary spirit, and to contribute their all to the Party's cause.

3. Education in the proletarian Party spirit and basic knowledge of the Party. We should educate members strictly to conduct themselves according to the standards of a Party member, to display exemplary, backbone and linking-the-Party-with-the-masses roles in various fields of work and to strive to be qualified Communist Party members.

4. Education in opposing the ideological corruption of capitalist ideas. It is imperative to help Party members develop a sober understanding of class struggle under the new historical conditions, maintain sharp vigilance and conscientiously resist the corrosion of capitalist ideas and way of life.

Our Party will convene its 12th National Congress this autumn. The reports and resolutions passed at the congress will be the major contents in the education of the Party members for a fairly long period to come.

Discussions on Economic Theory

Agreements and Differences

Chinese economists have discussed a number of theoretical and practical questions related to readjusting and restructuring the national economy. The following is a gist of the discussions on some questions. — Ed.

1. Comprehensive Balance of The National Economy

In the discussions, Chinese economists analysed the causes for China's present economic difficulties and the ways to overcome them. They highly appraised the ideas put forward in the 1950s by Chen Yun, who has long been in charge of financial and economic work in the central authorities. The ideas are: There should be balances in the three fields of finance, credit and material; the scale of construction should be compatible with the nation's resources and the growth of production should keep pace with the increase in the people's standard of living. The argument that some financial deficits can stimulate economic development rather than harming it was rejected.

The consensus was that to restore the equilibrium of the national economy, it is imperative to cut accumulation funds, capital construction investments and expenditures on administration, national defence and some other undertakings. It is also necessary to control the amounts of banknotes in circulation, to readjust the ratio between the production of the means of production and that of consumer goods, to increase consumer-goods production, and re-adjust rationally the production structure and organization structure of enterprises. Only thus can China's economy advance steadily.

Many issues concerning the comprehensive balance of the national economy remained controversial. These included the balances between social production and social needs, between the increase of population and material production and between the productive and non-productive activities. There were also divergent views on how to bring about balances in finance, credit and material.

2. Expanded Reproduction

Economists maintained that to achieve the comprehensive balance of the national economy, China should first properly solve the question
of expanded reproduction. Simultaneously, the relationships between accumulation and consumption, between the various economic sectors and between extensive and intensive expanded reproduction should be well handled.

1) The economists were unanimous that under the socialist system, accumulation should not be increased at the expense of consumption and that China's excessively high accumulation rate should be decreased. But they held different opinions on how to decide the accumulation rate, the basis of deciding the rate and the appropriate rate.

2) In regard to "giving priority to developing heavy industry," and taking "steel as the key link" for industry, "grain as the key link" for agriculture, the prevailing opinion was that these are wrong principles. We should not arrange industrial production according to steel output, farm production according to grain output, agricultural and light industrial production according to the growth of heavy industry. Instead, the production of consumer goods should proceed from the people's needs, the production of the means of production should be planned according to the needs of developing consumer goods. Heavy industry must serve agriculture and light industry. In agriculture, China should not solely focus on grain-growing but should attach equal importance to animal husbandry, forestry and fishery. Also due consideration should be given to maintaining an ecological balance.

Opinions differed on how heavy industry should serve agriculture and light industry and how to rapidly develop animal husbandry, forestry and fishery.

The economists agreed that in expanded reproduction, stress should be gradually shifted from the extensive to the intensive way. In socialist economic construction, China should devote its efforts to achieving better economic results and providing the people with as much benefit as possible rather than merely seeking high rates of growth and accumulation.

3. Finance and Money

The discussion of finance focused on how to bring about a balanced budget. The majority opinion was that to solve the financial difficulties, it is necessary to expand production (consumer-goods production in particular), readjust the economic structure, raise the economic results, increase revenues and control government expenditures.

In terms of monetary policy, the major topic was the amount of money in circulation. Most economists held that the amount already exceeds the actual need. However, there were differing views on: How should the normal quantity of money in circulation be calculated? Whether the excessive volume of money in circulation has caused inflation in China? Whether inflation is inevitable under the socialist system?

4. Productive and Non-Productive Labour

In a socialist country, how should the position and role of non-material productive departments — commerce, service trades, culture, education, public health and scientific research — be assessed? What is the way to judge the labour in these fields? These were controversial questions among China's economists. At present, the contention is centred on whether productive labour includes the labour in non-material production and whether the latter creates value.

5. Economic Results

Chinese economists regarded economic results as a key issue for the national economy as a whole. To increase economic results, it is imperative to improve the management of enterprises, readjust the production and economic structure, reform economic management and overcome equalitarianism in distribution. Differences remained on the standards and indices used for appraising economic results and the ways of calculating them.

6. Economic Management

The discussion on the reforms of China's economic management system was only preliminary. How to work out a socialist economic model compatible with China's actual conditions is still a major question facing the Chinese economists and people in the economic field. Related issues calling for early solutions include improvement of the economic responsibility system and the better handling of relationships between planning and market and between the system of economic responsibility and the economic management systems (such as planning, financing, money and pricing).

7. Ownership of the Means of Production and Labour Power

The consensus was that in the present stage of socialism (with socialist public ownership playing the predominant role), various forms
of ownership should exist simultaneously. But further discussions are needed concerning different kinds of joint enterprises, the ownership of enterprises with private investments and the forms of socialist public ownership.

Chinese economists held diverse views on the ownership of labour power in a socialist society. Some argued it should be publicly owned, some held it should be privately owned, and some maintained it should be partly public and partly private. These divergent views all have their adherents.

—From “Jingji Dongtai” (Economic Trends), January issue

US Policy Towards Taiwan (1948-50)

by Zi Zhongyun

Following is the second and concluding part of this article. The first part appeared in our last issue. — Ed.

A Boomerang Policy Decision

GUANGZHOU was liberated in October and Chongqing in November 1949. The Kuomintang government officially moved to Taiwan in December and so did Chiang Kai-shek. There were indications that in the short period from then on to the first months of 1950, US policy-makers did consider another option of policy towards Taiwan. A heated debate had been going on for quite a time in the US ruling circles over the problem of whether to continue to assist Chiang Kai-shek. In March 1949, 50 US Congressmen requested but failed to have the Senate Foreign Relations Committee take immediate action on a $1.5 billion aid-to-China bill introduced by Democratic Senator Macarren. In April, US Congress approved an extension of the 1948 China Aid Act by authorizing the president to use unobligated funds to aid "those areas of China remaining free of Chinese Communist control." In October, the president approved the "Mutual Defence Assistance Act," including a provision to grant Chiang a sum of 75 million dollars. With money available, the US Joint Chiefs of Staff recommended that the United States give the Kuomintang in Taiwan a modest military aid integrated with a stepped-up political, economic, and psychological programme, thinking this might help Chiang to linger out a longer time. The military also suggested that the 7th Task Fleet conduct a special survey of the nature and extent of the military assistance required by Taiwan before working out concrete recommendations.31

This suggestion was rejected by the State Department. Acheson said at a joint meeting of the military group and the State Department on December 29, 1949, that it had to be admitted that the conquest of China by the Communists was due primarily to the collapse of the Kuomintang and that "there is no Chinese basis of resistance to communism." He said: Even if "we can postpone the fall of Formosa for a year, we must ask what price do we pay for this delay. I believe that, first, we will have once more involved US prestige in another failure; moreover, and of greater importance, we will excite and bring upon ourselves the united Chinese hatred of foreigners. Throughout all Asia we would be represented as the supporters of this discredited, decayed Kuomintang government." He added: "It would have to be for a very important strategic purpose that would take an action which would substitute ourselves for the Soviets as the imperialist menace to China." But he did not think Taiwan was that essential for US defence. He called for a long-term view of China and warned: "We are in a position resembling that in which Russia found herself in 1927 when she was driven from China and her influence liquidated. It has taken her 22 years to return to a position of dominant influence and it may similarly take us as long."32

On December 23, the US State Department issued a directive recommending that public opinion be prepared for the possible "fall" of Taiwan. It urged that all materials be used to counter the false impression that Taiwan's retention would save China and its loss seriously damage the interests of the United States and other countries opposing communism. It acknowledged that Taiwan "politically, geographically, and strategically, is part of China," that "politically and militarily it is a strictly Chinese responsibility" and that it is "not strate-
gically important to the United State." It rea-
firmed that "the Cairo Agreement and Potsdam
Declaration and the surrender terms of Septem-
ber 2, 1945, anticipated its return to China" and
suggested avoiding statements that "Formosa's
final status still is to be determined by the Ja-
panese peace treaty." It said that seeking US
bases on Taiwan or taking any similar action
"would accomplish no material good for its Na-
tionalist regime," "would involve the United
States in a long-term venture," would result in
a "possible involvement in open warfare" and
"subject the United States to a violent propa-
ganda barrage and to reaction against our mili-
tarism, imperialism and interference, even from
friendly people, and particularly from Chi-
nese."33

On January 5, 1950, US President Truman
issued a statement, reiterating the provisions in
the Cairo Declaration and the Potsdam Procla-
mation, concerning Taiwan's return to China.
He said: "The United States has no desire to
obtain special rights or privileges, or to es-

tablish military bases on Formosa at this time.
Nor does it have any intention of utilizing its
Armed Forces to interfere in the present situa-
tion. The United States Government will not
pursue a course which will lead to involve-
ment in the civil conflict in China."

He said clearly: "Similarly, the United
States Government will not provide military aid
or advice to Chinese forces on Formosa."35

On January 12, 1950, Acheson made a
speech entitled "Crisis in China" at the National
Press Club where he spoke in defence of US
policy towards China and addressed the problem
of US military security in the Western Pacific.
He drew the United States' defence line north
from the Aleutian Islands through Japan, the
Ryukyu Islands and south to the Philippines,
without mentioning Taiwan.35

So far it can be said that, forced by the gen-
eral trend of events at that time, the opinion
of hands-off in Taiwan prevailed in the US rul-
ing circles. Some top policy-makers fin-
ded that the United States was prepared to
withdraw from the civil war in China.

However, such a change of attitude was
very short-lived and the promise of withdrawal
was never put to practice.

For instance, while the United States de-
clared that it would not continue its support
for Chiang, its embassy moved to Taiwan with
Chiang in late December 1949 all the same,
though it did not send an ambassador. On the
same day (January 5, 1950) when Truman issu-
ed his statement, Acheson, in elaborating this
statement at a press conference, said it was only
at this time that the United States had no
desire to obtain special rights . . . on Taiwan.
He played on the words "at this time" and ad-
ed that in the event when US forces were at-
tacked in the Far East, "the United States must
be completely free to take whatever action in
whatever area is necessary for its own secu-

At the same time, there had all along been
pressure within the US policy-making organs
against the position which had just been pro-
nounced. Some elements in the State Depart-
ment recommended the "neutralization" of Tai-
wan. This was first proposed by John Foster
Dulles, then special adviser to the peace treaty
with Japan, and approved by Deputy Secretary
of State Dean Rusk. On May 30, 1950, Rusk
submitted a memorandum to Acheson recom-
mending that the United States convey "con-
fidence and resolution" instead of weakness re-

As mentioned above, the Pentagon, too, had
their own opinions. Shortly after Truman issu-
ed his statement, US Joint Chiefs of Staff de-
clared that the former war plan providing for
the denial of Taiwan to the Russians in case of
war should remain in effect. MacArthur was
a strong advocate of US intervention in Taiwan.
On May 29 and June 14, he submitted two mem-
ordarums to the Joint Chiefs of Staff and
the Department of the Army, putting forward
for the first time the proposition that in the
event of war, Taiwan would be "an unsinkable
aircraft carrier." At about the same time, Sec-
retary of Defence Louis Johnson suggested
that "the United States make every effort to
keep the Communists out of Formosa even
though this might entail holding Formosa with
the aid of US military forces."38

Meanwhile, there was a pro-Chiang uproar
both in and outside of the Congress, accusing
the US Government of not providing the Ku-
omintang with enough support. This was known
as the "Who lost China" debate. It was also at
that time that Senator Joseph McCarthy made
appearance on the scene and opened a most absurd and reactionary page in the annals of modern US politics. McCarthyism involved a much wider range of problems, US China policy being one of its main targets. These people were small in number: but very outspoken and quite influential for a time.

Behind this hue and cry, there was Communist-phobia, conflict among different interest groups and demagogic attacks by the “outs” on the “ins,” which is common in American politics, as well as activities of agents directly paid by the Kuomintang. But, in the final analysis, what these people advocated did not go beyond the idea of letting the Chinese fight the Chinese with the United States providing money and guns and Chiang Kai-shek providing men. Only, deprived of all sense of reality, they simply ignored the fact that this practice had already gone bankrupt. Like the legendary king who was overwhelmed by the surging tide because he refused to retreat from the seashore, believing himself to be so almighty as capable of ordering an ebb of the sea, these people believed in the almightiness of US dollars and US-made arms, thinking by continuously pouring them down, they could stem the tide of the Chinese revolution.

Amidst this hubbub, Truman ordered the 7th Task Fleet to enter the Taiwan Straits on June 27, 1950, taking advantage of the Korean war. Thus began the history of almost 20 years in which the United States directly used armed forces to prevent the reunification of Chinese territory, which virtually reduced Taiwan to a US protectorate.

Truman’s statement of not interfering in the Taiwan issue and honouring the Cairo Declaration subsequently became a mere scrap of paper. When a British diplomat asked how to deal with the Cairo Declaration, Acheson said it was “merely a lawyer’s point” “not worthy of this discussion.” Truman explained to British Prime Minister Clement Richard Attlee that when the Cairo Declaration was signed, Japan was hostile to the United States but China was not and at that time he did not think China would be hostile to the United States. According to this logic, the principle of respect for state sovereignty and territorial integrity could be changed at any time with the changing situation.

The above-mentioned developments show that, in late 1949 and early 1950 when the Chinese revolution swept over the mainland, the United States, finding that all conceivable means had proved ineffective except sending troops for a large-scale war, was forced to consider temporarily a hands-off policy. But this was done very reluctantly and a reverse was brewing all the time. The outbreak of the Korean war provided it with an excuse, as a US Senator wrote in his diary: “The saving of Formosa was clearly God-guided.”

Ironically, all the bad consequences for the United States Acheson had anticipated and hoped to avoid did happen one by one: The United States tied itself to the discredited Chiang Kai-shek clique and thus lost prestige in the world. It could not escape the responsibility of prolonging the Chinese civil war, interfering in China’s internal affairs and dividing Chinese territory. It made Taiwan an American-created irredentist issue and aroused with its own behaviour the entire Chinese people to the struggle against US imperialism; It lost all room for flexibility in its China policy, found itself in an inextricable position, etc. More important, the continuation of this policy of the United States led to a long period of hostility between the two countries and a tense situation in this region, which was detrimental to the fundamental interests of the two peoples and also seriously jeopardized peace in the Asian-Pacific region and the rest of the world.

US policy towards China during this period is recorded in almost all relevant books published in the United States as a “failure.” One US scholar made an incisive analysis when he pointed out that the key to the failure was the expansionist policy of the United States and its attempt to control China. In the eyes of the United States, he said, “A China not subservient to American interests was a China hostile to American interests.” He also noted the contradiction between Acheson’s warning that the United States should not aid governments lacking public support on the one hand, and his instruction to make absolutely certain that no opportunity be neglected to halt the spread of communism and his support for schemes devised by his subordinates for a separate Taiwan on the other. This scholar pointed out that what Acheson wanted was a puppet more compliant and “cleaner” than Chiang Kai-shek. He did not have any desire to change his approach to New China.

Indeed, the United States policy failed because of its policy-makers’ anachronism. Even in
the mid-20th century they still attempted to continue practising the power politics of the 19th century. They did not regard China as a sovereign state, but as a chip in its contention with the Soviet Union for spheres of influence. They regarded China's territory as their property which they had the right to dispose of at will in disregard of the Chinese people's will. Having only experiences in dealing with the Kuomintang rulers who placed their hope of existence on the United States, they were accustomed to using patronizing and high-handed measures alternately to achieve their goal, and thought they could apply the same to the awakened Chinese people. Many experienced US diplomats and learned scholars of the think-tanks spent their wisdom and talents on trying to find out a clever way to maintain US imperialist privileges in China rather than on learning to go along with the trend of history and treat the Chinese people as equals. Naturally, failure was unavoidable.

Up to the 1970s, a new and great change had taken place in the world situation. US power undeniably declined from its zenith and US leaders found that: "the United States, as compared with that position we found ourselves in immediately after World War II, has a challenge such as we did not even dream of." Gone were the days when the United States could dominate the world, while New China had survived the US blockade and encirclement and gone from strength to strength. Under such circumstances, some realistic US statesmen recognized the necessity to change their policy towards China. It was then that they had to declare: "The United States acknowledges that all Chinese on either side of the Taiwan Straits maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position." Almost seven years later, they finally agreed: "There is only one China and Taiwan is a part of China. and the Government of the People's Republic of China is the sole legitimate government of China." It took the United States rather long to recognize such an obvious fact. Nevertheless, better late than never. It is precisely on this basis that China and the United States established diplomatic relations. However, a promise on paper is not equal to a deed. Almost immediately after the communique on the establishment of diplomatic relations between the two countries was signed, some US politicians raised a hue and cry in the Congress which reminded one of the "Who lost China" debate of 30 years ago. As a result, the "Taiwan Relations Act" came into being, which contradicts the spirit of the principles governing the establishment of diplomatic relations between the two countries. At present, the US Government, while declaring it values US relations with China, says at the same time it wants to abide by the "Taiwan Relations Act," which means that it is unwilling to stop its interference in China's internal affairs. So, US policy towards China is again enmeshed in a dilemma.

Frankly speaking, the fact that there still remains a "Taiwan issue" in the relations between China and the United States is the consequence of imperialistic expansionist policy on the part of United States. To China, it is the aftermath of the century-old history of being subject to foreign aggression and partition. It is inconceivable that the Chinese people, who have paid such high prices for the ending of national humiliation, would tolerate for long the continuation of such a state. But it is conceivable what a difficult situation the United States will find itself in if it clings to its policy which was already discredited in its heyday.

How will Sino-US relations develop in the future depends on whether US policy-makers will awaken to the irresistible law from historical experience, throw off their heavy burden and catch up with the tide of the times.

(This is a slightly abridged translation of an article in "Journal of International Studies," issue No. 3, 1982.)

NOTES
34. Public Papers of the Presidents, Harry Truman, 1950, p. 11.
36. Present at the Creation, p. 357.
39. Uncertain Years, pp. 87-88.
40. Ibid, pp. 88-89.
41. Ibid, pp. 54-55.
A Guide for the Aging

FEI Xiaotong (Fei Hsiao Tung), a noted sociologist, recently published a six-point guide for the aging, which recommends that people of his generation do the following:

1) Keep on learning all your life. Always renew your mental outlook and professional skills and don’t be an obstacle to social advances.

2) Give back to society what you have gained from it. Try your best to hand down your knowledge to the next generation and don’t take this “wealth” to the crematory.

3) Maintain your integrity in your remaining years, so that you will feel at ease and peaceful before you leave the world. There is no flawless jade in the world, but you should not regret what you have done with your life.

4) Keep physically fit so as to live a longer life.

5) Be a good example to your children and grand-

In his article in “China Daily” on May 11, Fei Xiaotong quotes the late President Chou En-lai as having said: “The idea of life is to serve the world; the purpose of death is to serve the world.” Thus, the art of living is to be a good example and to help those around us.

6) Train successors to your cause. History is a track meet where the relay race never ends. You will feel immense joy in joining the race—taking the relay baton from your predecessor and handing it to the next racer.

—“Wen Hui Bao”

Fighting Beijing Dust

DUST to Beijing is what fog is to London.

About three tons of dust fall on each hectare of land in Beijing each year and the relative humidity accordingly drops 1 to 2 per cent annually.

But one hectare of trees can absorb 300-900 kilogrammes of dust annually, release 4,500-7,500 tons of moisture and store 300 tons of water.

Dust from northern China is moved to Beijing through three major “wind gaps.”

Dust originating in the city itself has increased with the uprooting of grass, long wrongly considered a “breeding ground” for insect pests. It is now recognized that ground cover is essential to hold down the soil.

China’s degenerated land accounts for a large part of the country’s territory. More serious, the sands are expanding by 1.35 million hectares a year.

In 1978, the three-norths (north, northeast, northwest) shelter belt project was launched. Its first phase, to be completed by 1985, will cover 5.5 million hectares of land in 385 counties with trees. It will be a first line of defence for Beijing.

New forests as well as water and soil conservation projects on the Yanshan Mountain range will constitute a second defence line. Finally afforestation on the plains around Beijing will compose a third line.

Already 20 per cent of Beijing’s land has been planted with trees, flowers and lawn as measures towards conquering the dust. These are expected to show measurable results in about 10 years’ time.

—“China Daily”
COMMENT

A DECADE ago we were offended when our place (referring to Taiwan—Ed.) was known as a cultural desert. But is it an oasis? It’s difficult to say. The rational way of looking at things is to see the good as well as negative aspects. For instance, our study of subjects relating to the mainland such as Chinese history, literature or even history of natural sciences is poor due to our government’s limitations on the incoming and reading of books from the mainland.

In the past few years, an increasing number of Japanese and Western scholars have visited the mainland and written about its published books. However Taiwan scholars were not familiar with publications on the mainland until they read the foreigners’ works.

In the world today, international competition is stiff in every field, and the study of China is no exception. The academic level of a country is always reflected by who is the first to release publications based on particular resource materials. What a great pity if we are not as competent as foreigners who study China because we have no access to China’s own materials!

— “Zhongguo Luntan” (China Forum), Taipei

PEOPLE

Breakthroughs in Hepatitis (B) Vaccine Research

IMPORTANT new discoveries in hepatitis (B) vaccine research have been attributed to scientist He Baoguang who made the initial breakthrough while she was studying in the United States.

She made further progress after her return to China in July last year.

Forty-nine-year-old He Baoguang is a researcher at the Shanghai Biological Products Research Institute. Beginning in July 1979, at the recommendation of the Ministry of Education, she conducted hepatitis (B) vaccine research under Professors Joseph L. Melnick and Eugene C. Lai at Baylor College of Medicine in Houston, Texas.

During her two years of study in the United States, she adopted new research methods, which led to her discoveries. The joint research institute of three US companies offered to hire her at a salary much higher than her Chinese pay. But when she thought of the hepatitis and liver cancer patients in China, she decided to return and continue her research in China.

“What I have achieved belongs to the motherland that raised me. I want to bring happiness to the people of my land,” she said. An employee of a Houston radio isotope company remarked: “With your noble conduct, you have left in our country a very good impression of your country.”

He Baoguang is a 1956 graduate of the Shenyang Medical College in northeast China. She began to do research on the prevention of hepatitis in 1973. In 1977 she received an award from the National Science Congress. When she was studying in Houston, she worked from 7 a.m. to 12 p.m. in the laboratory. “I had to do four years’ work in two years,” she said.

After returning to China, she spent all her time on research. “When I returned from the United States, I felt I had simply changed one laboratory for another.” Fully confident, she is striving for new achievements.

— Xinhua News Agency

Call From Taiwan

July 12, 1982
Books

China's Economy: 
Retrospects Illuminate Prospects

China's Search for Economic Growth (in English)

Written by Xu Dixin and others, 
Translated by Andrew Watson, 
Published by New World Press, Beijing, 
Distributed abroad by China Publications Centre, P.O. Box 399, Beijing, China, 
Price: Hardback RMB 2.50 yuan, Paperback RMB 1.40 yuan.

China's socialist economy came into being after the overthrow of imperialism, feudalism and bureaucrat-capitalism and has advanced on a zigzag path. China's Search for Economic Growth, a collection of essays by leading Chinese economists, introduces and analyses post-liberation economic experiences and economic prospects. It is a valuable reference for all interested in China's development.

This book is composed of seven papers given at a conference on "Alternative Strategies for Economic Development" held at Wingspread, Racine, Wisconsin, USA in late 1980 and "Transformation of China's Economy," an essay written after the conference by Xu Dixin, Vice-President of the Chinese Academy of Social Sciences. These essays are a well-organized, integral whole, presenting an overview of China's economic development.

A wide range of issues is covered, including such topics as the balance between industry and agriculture during economic growth, the relationship between accumulation and consumption, the relationship between economic development and income distribution, the nature of socialist modernization, the function of the planned management, the size of industrial enterprise operation, the choice of technology, the employment situation, etc.

In reviewing China's economic growth over the last 30 years, the authors analyse the experiences, both positive and negative, by presenting theory laced with concrete examples and facts and figures. Based on their analyses, the authors put forward thought-provoking views regarding China's economic prospects.

These economists realize that the establishment of socialist relations of production does not mean that the problem of the development of production has been solved. They warn against using the method of struggle to handle problems arising from development of the productive forces. It is of paramount importance to handle appropriately the relations among different branches in the socialist economy while developing productive forces. Simultaneously, the relationship between accumulation and consumption must be handled carefully.

The writers maintain that in the course of large-scale economic construction, the accumulation funds can be increased and the accumulation rate raised only on the precondition that the people's standard of living is also gradually improved. The rate of accumulation must not exceed the economic ability of the state. Efforts must be made to raise the results of accumulation, while the distribution of the accumulation funds must be co-ordinated and rationalized.

The principle of "to each according to his work" must be followed in the distribution of the means of consumption to the working people. The writers say that in correctly implementing this principle, China should oppose developing a big wage differential and also egalitarianism, especially combating the latter at the present time. The steady increase of national income is a precondition for the implementation of the principle of "to each according to his work."

The writers hold that to carry out socialist modernization it is essential to proceed from the actual situation in China and to adhere to the principle of relying mainly on China's own efforts while seeking foreign assistance as an auxiliary. To import advanced technology from developed countries, it is essential to develop foreign trade, but foreign trade must take the development of home industrial and agricultural production as its basis.

The authors write that the planned economy based on the public ownership of means of production is an essential characteristic of a socialist economy. Since there still exists commodity production and exchange in a socialist economy, the system of integrating compulsory plans and targets with suggested plans and targets is advocated.

The fundamental way to solve the employment problem is to develop production and construction. This should be coupled with control of population growth and economic restructuring which will diversify the channels for finding employment, and create conditions to change the present employment system in which only the state

(Continued on p. 30.)
EXHIBITION

Relics From Minority Nationalities

Relics from China's national minorities are being exhibited in Beijing for the first time, thus popularizing knowledge about various minorities' cultures and social developments.

Visitors can see how the Oroqen nationality of northeast China traditionally lived. A Xianren pillar, a tent made of birch bark and animal skins, cooking utensils of birch bark and the bedding of animal skins are on display. Customarily, the entire family gathered for dinner around a fire built in the middle of the tent.

A matriarchal family courtyard of Yunnan's Naxi nationality is also featured at the exhibition. The Naxi continued to practise their matriarchal social customs until the 1956 democratic reform. Their courtyards contained four two-story wooden buildings. The main building was for older women and children. Two were for the younger women and the other was for the lamas. Their large families were headed by an elder woman and men and women did not marry. Men rather visited at night, leaving the next morning.

People of the Yi nationality in Sichuan's Liangshan Mountain area had a slave agricultural society prior to 1956. The slave-owners launched wars to plunder manpower and property. To illustrate this aspect of Yi society, a suit of armour, weapons, a quiver and arm protectors are exhibited.

Before liberation the Dai people of Yunnan Province mainly grew rice utilizing an intricate irrigation system, but they had a slave social system. Their elegant costume, embroidery, silveryware and lacquered bamboo ware—all products of slaves—are presented. Also displayed is a locally famous religious book written in the Dai language on papyrus (paper reed).

Relics from the Tibetan nationality are distinctive. On display are a wall carpet depicting a Tibetan man blowing a conch, a gilded milk pot, a bronze jar with dragon design, a cup in the shape of a bull horn and a long-necked vase with flower patterns. In addition, there are a pestle made in the Yongle reign (1403-24) of the Ming Dynasty unearthed in Tibet, a bronze cymbal made in the Xuande reign (1426-35) of the Ming Dynasty and weights made in the Kangxi reign (1662-1722) of the Qing Dynasty—all illustrating Tibet's early relations with the central court.

Elegant costumes, jewellery, musical instruments, lacquerware and handicrafts which reveal the age-old cultures of minority nationalities are exhibited. The primitive picture on the leather face of a wooden drum
of the Li nationality is simple as well as forceful. The 17th-century paintings on leather depict the houses, carts and people of the Gaoshan nationality in Taiwan Province. An exquisite Koran of Xinjiang's Uygur nationality is smaller than a matchbox and is accompanied by a round magnifying glass set into the book cover.

China has 55 national minorities which comprise 6 per cent of the country's total population and occupy 50-60 per cent of China's territory.

CULTURAL RELICS

Ancient Drums Exhibited

An exhibition of 125 ancient Chinese bronze drums opened last April at Beijing's Cultural Palace of Nationalities.

Among the drums exhibited, some are from the 8th century B.C., the earliest so far discovered. The early bronze drums are carved on the inside; the designs on later ones appear on the outer surface. They probably evolved from the *fu*, an ancient Chinese bronze cauldron, which men might have turned over and used as a percussion instrument.

In China drums were cast in brass until the early 20th century at the end of the Qing Dynasty. Today bronze drums are still used at festivals of nine minority nationalities.

China has a collection of about 1,400 ancient bronze drums, of which most were discovered in Guangdong, Guangxi, Yunnan, Guizhou, Sichuan and Hunan in southern China. Bronze drums have also been found in some Southeast Asian countries thus confirming the friendly exchange in ancient times between the peoples of China and southeast Asia.

Most of the drum faces have a sun design in the centre surrounded by figures of men, birds, warriors on horseback, frogs, oxen, lotuses or tortoises.

The largest bronze drum so far discovered in China is included in the exhibit. Unearthed at Beiliu, Guangxi, it has a diameter of 1.65 metres and weighs 300 kilogrammes.

Bronze drums were traditionally played at sacrifices, feasts and celebrations and, in wartime, to command the actions of warriors. They were sometimes included among the burial objects of nobles and slave-owners. Later, holidays, social gatherings and funerals might have also become occasions for playing drums.

SPORTS

Men's Volleyball Invitational Tournament

The Chinese team swept past the Brazilian team 3 : 1 in the last match to win the 1982 China International Men's Volleyball Invitational Tournament.

This was a precious victory for the Chinese team which had fallen victims to Brazil 1 : 3 in the World Cup last year.

Over 18,000 people packed Shanghai Gymnasium on July 4 to watch this return match, the climax of eight days of competitions.

China won the first game 15:9, gave up the second 12:15, then triumphed 15:7. Fast attacking and frequent changes in strategy made the hard-fought fourth game a spectators' delight. China's men proved their maturity by winning the decisive game 15:8 to capture the championship.

A closing ceremony was held after competitions. Wang Daohan, mayor of Shanghai, Du Qian, chairman of the organizing committee, and Zhang Zhihual, president of the Chinese Volleyball Association, presented cups and medals to the top finishers: China, Brazil and the United States. The fourth to tenth placings are: Japan, the Shanghai team, Yugoslavia, Canada, the Chinese Youth team, France and the Jiangsu team.

(Continued from p. 28.)

assigns jobs. Further it will permit workers to transfer from place to place in a rational way.

The book is one of the New World Press' "China Studies Series." It is superbly translated by Andrew Watson of the University of Adelaide, who has published many works on China's economy. As acknowledged by the editors, the translator provided valuable suggestions as to the presentation for foreign readers.

The book includes charts, a glossary and an index.

As China's economy is developing quickly this book is not completely up-to-date. However, articles in the book will help readers understand the present restructure of China's economy and the reforms made in the management system.

— Zhu Tiezhen
Fu Hengxue's Woodcuts

Born in Shaanxi Province's Pucheng County in 1933, Fu Hengxue is a 1964 graduate of the Central Academy of Fine Arts.

Drawing his subject matter from daily life, his woodcuts are simple and enchanting. He employs different cutting methods to create a variety of compositions, including techniques based on the Shaanxi Province folk art of paper-cutting and on stone relief drawings of the Han Dynasty.

Dawn in a Forest Area.

A Deer Farm.

The Trees Are Taller Than I Am.
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