October 24, 1983

BEIJING REVIEW
A CHINESE WEEKLY OF NEWS AND VIEWS

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LETTERS

On “de-Maoification”

Nothing is more dull than the meaningless propaganda and criticism concerning “de-Maoification” spread by the commentators in capitalist countries. [See “Myth of de-Maoification shattered” in “Notes From the Editors,” issue No. 30.]

The actual situation is that as a leader of the Communist Party of China today, Mr. Deng Xiaoping has expressed his important views on historical questions concerning the inner-Party struggle (“Suggestions on the Drafting of Resolution on Certain Questions in the History of Our Party Since the Founding of the People’s Republic of China” in issues No. 30 and 31). Also published are his articles such as “The Two-Whatever Policy Does Not Accord With Marxism” (issue No. 33) and “An Important Principle for Handling Relations Between Fraternal Parties” (issue No. 34).

It is indeed true that for a period after the downfall of the gang of four, Mao Zedong and his thought were underestimated and people would not visit his former residences. However, people are not saints and Mao Zedong was also a person. One cannot do nothing but good turns during his entire life. If 60 per cent of the things a person has done are good, we should not regard that person as bad.

The errors made by Mao Zedong in his later years should naturally be criticized. All of us who supported the “proletarian cultural revolution” or who regarded the “revolution” as a mighty trend and gave enormous publicity to it, should examine ourselves closely. Let us leave aside the personal problems. Mao Zedong Thought is indeed the thought guided by Marxism-Leninism and easily accepted by the Chinese people, and it is also the guiding thought of the Chinese Communist Party.

As a person, Mao Zedong also expressed opinions which were subjective and departed from Marxism. Now, these have been criticized and new policies which are different from Mao Zedong’s erroneous views in his later years have been mapped out. These new policies are plunging deeply into all sectors in the country. Those who call this “de-Maoification” level irresponsible criticism which does not accord with reality. Marxism-Leninism and Mao Zedong Thought is a great thought. It is uninterruptedly developing, constantly correcting its mistakes, so as to guide the people on the road of liberation.

Mitsuko Shimizu
Osaka, Japan

The Japanese mass media carried incorrect reports on the question of “de-Maoification” for a period of time. This is an exaggerated response to the negation of the “cultural revolution.” Now such views have disappeared.

China has now become a powerful nation, exerting a tremendous influence on world politics, economics, military affairs and diplomacy. It has demonstrated the superiority of the socialist system to the world. One cannot but admit the meritorious deeds of Chairman Mao. However, history both in the East and West has proved that there are only a few heroes who can maintain their integrity in their later years. The Japanese people had the wrong notion, and thought that because Deng Xiaoping was given the cold shoulder by Chairman Mao they were political opponents. The fact is Deng Xiaoping has said again and again that Chairman Mao’s merits are primary and his errors secondary. Therefore, we Japanese have the greater esteem for Deng Xiaoping.

Kizuo Nishiyama
Hiroshima, Japan

A Turning Point in Chinese History

Zhou Enlai and the Xian Incident

— An Eyewitness Account

by Luo Ruqing, Lu Zhengcao & Wang Bingnan

This booklet records the outbreak, development and peaceful settlement of the Xian Incident, in which Chiang Kai-shek and dozens of his high-ranking officials were detained by two patriotic Kuomintang generals who tried to compel the former to resist Japan. It describes Zhou Enlai’s contribution to the settlement of the incident in the interests of the Chinese nation.

The personal experience of the authors, who were all witnesses to the Xian Incident and suppliers of the first-hand material, make this booklet interesting reading.

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Unhealthy Tendency in Art and Literature

I still find the Beijing Review my most valuable source of information as to the activities going on in China today. Much is being written by American reporters these days, all with the local bias.

At times I seemed from what I read in different sources that China was slipping back into the capitalistic maze. The article in your issue No. 29 “An unhealthy tendency in art and literature” has again reassured me that this is not true. The leaders recognize the dangers lurking in the wings and are taking steps to combat them.

R.A. Dannells
Tucson, AZ, USA
HIGHLIGHTS OF THE WEEK

Wu Xueqian on Sino-US Relations

During his recent visit to the US, the Chinese foreign minister stressed that the United States should refrain from obstructing China in her efforts to reunify Taiwan with the mainland. He predicted that the exchange of visits next spring between leaders of the two countries would give new vitality to the further development of Sino-US relations (p. 7).

Safeguarding Sino-African Friendship

Two Chinese young men who beat up a Burundi student were arrested early this month. Incidents like this stray from the Chinese Government's position on racial questions. Measures have been taken to intensify education in internationalism (p. 4).

Economic Development in Latin America

An in-depth look at the achievements, problems and prospects the countries in this part of the world have in developing their economies (p. 14).

Fifth National Games

At the recent Fifth National Games in Shanghai, a rehearsal for the 1984 World Olympics to be held in Los Angeles, two world records were chalked up. Chinese athletes have now set their sights on even higher goals (p. 19).

The Average Family's Finances

Based on sample surveys conducted in 29 provinces, municipalities and autonomous regions on the mainland, the State Statistical Bureau has released figures detailing incomes and expenditures for households of urban workers and staff members and peasants (p. 22).

Way for China's Economic Development

Tong Dalin, a noted economist, has proposed a theory of "relying on the east and moving to the west" for the development of China's economy (p. 20).

Travelling Art Troupes

To encourage and develop the Ulanmuqi travelling art troupes, who bring songs and dances to China's sparsely populated countryside and pastures, the Ministry of Culture sponsored the first national Ulanmuqi theatrical festival. Some of their artistic contributions are described (p. 28).
NOTES FROM THE EDITORS

Safeguarding Sino-African friendship

On October 8, the Beijing Municipal Public Security Bureau arrested the two culprits who beat up a Burundi student. The five others who joined in the beating were given a disciplinary sanction.

The incident occurred on October 1. At midnight, K.P. Claver, a student at Tianjin University who came to visit Beijing, went to the service desk of the Friendship Hotel to ask for some beer. The attendants at the desk did not have any, and a quarrel ensued. Wu Keshan, De Yongqi and other attendants then beat Claver up and injured him.

At present, more than 500 African students from 35 countries are enrolled at a number of colleges and universities in Shanghai, Beijing, Tianjin, Guangzhou and other cities. Through their hard work and with the concern and support of their colleges and universities, these students have done well in their studies, and their relations with Chinese teachers and students are generally good.

However, some regrettable incidents have occurred in the past. In Shanghai, for instance, such incidents occurred several times last year and early this year. Some young Chinese attendants were cold or rude to African students, unwilling or even refusing to serve them.

This wrong behaviour by a small number of Chinese youths hurt the African students' national pride and injured their friendly feelings towards the Chinese people, leading to quarrels or even fist fights between nationalities. There were also unpleasant incidents which occurred because of misunderstandings and other reasons.

These misdeeds on the part of a few Chinese youths stray from the consistent position of the Chinese Communist Party and Government on racial questions. China has always opposed racial discrimination and maintained that all nationalities are equal, regardless of the colour of their skin, or their country's relative size or wealth. It is an important component of China's foreign policy to strengthen its unity and cooperation with African countries and develop friendly relations between the Chinese and the African peoples.

How could these unpleasant events happen in socialist China?

The answer lies in our historical background. China was once a semi-feudal and semi-colonial country. Many big cities were dominated for a long time by imperialists, and were therefore deeply influenced by some reactionary Western ideologies.

Persistent education by the Party and the government since liberation has reduced these influences, but has not yet eliminated them.

During the "cultural revolution," some young people did not receive proper education, and the bad habits of the old society were easily re-established among them.

The Party Central Committee has been extremely concerned about these incidents. General Secretary of the Party Hu Yaobang issued instructions after such incidents occurred in Shanghai, calling for education in internationalism for all Shanghai citizens so that it will become their guide to action.

The Shanghai municipal government, in compliance with Hu's instructions, has launched a publicity and education campaign among its citizens, particularly among the young people. As a result, relations between nationalities have already improved.

This time, after the Burundi student was beaten up, departments concerned in the capital promptly investigated the case and punished the troublemakers according to law and disciplinary regulations.

The Chinese people treasure their friendship with the African people and resolutely oppose acts which disrupt Sino-African friendship. This is understood by almost all the African people, including African students now studying in China.

The Chinese and African peoples are close friends. As friends, they should respect and understand each other and be united. We believe that through the correct handling of this incident, those unpleasant events will become a thing of the past. Any estrangements between the two peoples will be cleared up and the close friendly relations between the Chinese and the Africans will be further strengthened.
21 key projects finished this year

Twenty-one large and medium-sized projects were put into production during the first eight months of this year — nine more than the corresponding period in 1982.

Most of them are energy and transportation projects urgently needed by the state, including the generating-set installation projects of the Matou and Xiahuayuan Power Plants in Hebei Province, the Majitang Hydropower Station in Hunan Province, the Xiaolongtan Power Plant in Yunnan Province, the Shuangqiao-Huairou double-track laying project in Beijing and some paper mills and sugar refineries.

At the same time, China also finished building 12 single-process projects, two more than in the corresponding period last year.

With these new projects, China has increased its coal production capacity by 2.94 million tons, crude oil by 4.45 million tons, and natural gas by 220 million cubic metres. The generating capacity also rose by 0.732 million kilowatts, port handling capacity went up by 0.55 million tons. There were 543 kilometres railways which were either laid or converted to double tracks in the first eight months of this year.

China is going to complete 890 large and medium-sized projects during the period of the Sixth Five-Year Plan (1981-85).

Early this year, China adopted urgent measures to curtail capital construction projects and limited expenditures to 55.5 billion yuan this year. Many provinces have cancelled thousands of projects, so as to concentrate financial and materials resources on key state projects.

By the end of August, the state annual target for increasing the capacity for iron ore production was met, and the goal for crude oil and new railways was 60 per cent filled. Natural gas and cold storage projects are also well on the way to meeting state targets.

Training course for mayors begins

A training course for mayors and deputy mayors, the first of its kind, opened in Beijing early this month.

The first group of mayors and deputy mayors from 25 provinces, municipalities and autonomous regions will spend two months studying ways of city planning, construction and management which are suited to China's characteristics.

The research course will invite more than 40 experts and scholars to lecture and give academic reports, concentrating on leadership and decision-making, the position and role of city construction in the state's plan for construction and social development, mapping out and implementing city plans, city infrastructure and the modernisation programme, solutions to the urban housing problem, city environmental protection, the urban construction planning system and the management of funds.

A total of four classes will be offered. Mayors and deputy mayors from 245 cities in China will have the opportunity to attend these classes by turns. The course is sponsored by the Organization Department of the Central Committee of the Communist Party of China, the Ministry of Urban and Rural Construction and Environmental Protection and the China Association for Science and Technology.
Readjusting rural contracted farmland

Renmin Ribao carried a news item in mid-July, saying that some peasants were reluctant to sign contracts to cultivate farmland last spring in Mianyang County, Hubei Province. Incomplete statistics show that 2,900 hectares of farmland were left uncultivated in the county.

The item received widespread attention from people in various circles, especially from the peasants.

A commentary in Renmin Ribao said that the farmland lying waste in Mianyang County served as a signal to rural cadres at all levels. It noted that the production responsibility system has solved the problem of arbitrary directions in production and of egalitarianism in distribution, but it has not settled and cannot solve all the problems of agriculture.

Although the large area of farmland lying waste in Mianyang County is an individual case, it is representative because it indicates that some new commodity producers want to concentrate their efforts on diversified, industrial and sideline productions, and are unwilling to be tied to farming. This is a new problem in the reform of agriculture, the newspaper said.

Investigations indicate that peasants who are unwilling to farm contracted land are mainly from households specializing in industrial and sideline production and households engaging mainly in sidelines; as well as peasants, who are engaged in commune- and brigade-run enterprises. The contracted lands they have returned to the collectives account for 43.3 and 27.8 per cent respectively of the unused farmland. The rest had been assigned to households which lacked labourers or had moved to other places.

Readers have written letters to Renmin Ribao expressing their views on the issue from different angles.

Ming Shiyan, a peasant in Mianyang County, said in his letter that the essence of the problem of farmland not cultivated by the peasants is that some county leaders have not effectively implemented the economic policies of the central authorities. Rather, they feel pressed by the situation to pursue the system of responsibility for production in which payment is linked to household output. They let the peasants share the payment of the communes' old debt while signing contracts with the peasant households. "For instance, one people's commune owed the state 45 million yuan in loans from before the introduction of the responsibility system. But after the farmland was contracted out, the debt was shifted to the peasant households. These households shared the debt, totalling some 1,000 yuan each... Who would like to till contracted farmland?" the letter asked.

Ming also said that apart from the agricultural tax (about 120 yuan a year for each hectare of land) collected by the state, some communes arbitrarily appropriated various expenses from the peasants. If a peasant contracted for a hectare of farmland, he ended up paying various kinds of taxes totalling 700 yuan a year.

Feng Jialin said in his letter, "Some specialized and key households wanted to engage in specialized production and returned their contracted farmland. It is a fair exchange. We should support their action, and their contracted farmland should be readjusted."

It is reported that after the peasants in Mianyang County returned their contracted land, the county Party committee studied possible solutions to the problem, including lightening the economic burden on the peasants and readjusting the contracted farmland. As a result, some peasants returned their farmland and became specialized households, engaging in industry and sideline production; some peasants who were good at farming enlarged their contracted farmland and became specialized households engaging mainly in grain and cotton production.

It is said that cadres in other areas of the country with a similar situation as that in Mianyang County have also respected the opinions of the masses and readjusted the contracted farmland in the light of local conditions.

After investigation and study, the officials in Zhengding County, Hubei Province, have readjusted the scattered plots that were contracted to the peasants in the past. The county Party committee stipulated that the farmland, after readjustment, will not change for five years. At the same time, commune members are permitted to contract less, more, or no farmland, and are encouraged to develop their specialized lines of production. By these measures, both farm production and the contentment of the peasants are ensured.

Cultural activities for the masses

Cultural activities for the masses in cities and industrial and mining enterprises will be enlivened as part of China's effort to build socialist ethics.
The cultural boost was announced in a document issued recently by the Party Central Committee. It is a follow-up to a directive issued in August 1981 on cultural activities for the masses. Previously, the emphasis was on activities in rural areas.

The new document called for the adoption of varied ways and means to attract workers and staff, particularly the young, to healthy and lively cultural and recreational activities.

It urged the public to support the rising mass spare-time reading campaign, lectures on popular science, small exhibitions, sports and other recreational activities.

The document stressed that particular attention should be paid to resisting the influence of various decadent and reactionary ideologies, and overcoming vulgar interests which clash with socialist ethics.

Facilities for the programme, it said, should be incorporated into the overall plan for urban construction. The available places for recreation, including auditoriums, cinemas, clubs and sports grounds of various departments, should be open to the public and used fully. The masses are also encouraged to raise funds for the programme.

China's population development trend

Jiankang Bao (Health Newspaper), organ of the Ministry of Public Health, stated on October 2 that China is moving towards a population pattern of low birth and death rates and low natural growth.

The introduction of an effective population policy and its corresponding measures has, on the basis of keeping a low death rate, brought an end to the pattern of a high birth rate and a high natural growth rate.

The paper recalled that from 1840 to 1949, China's population increased by about only 130 million, averaging 1.19 million a year. With social and economic progress following the nationwide liberation in 1949, a new pattern of high birth rate, low mortality rate and high natural growth rate quickly developed. During the period between 1949 and 1970, the country's population rose by more than 280 million.

Since the 1970s, family planning has been promoted throughout the country. The government's goal is to bring the nation's population within 1.200 million by the end of this century. China's present population is a bit more than 1,000 million.

During the course of the change of its population pattern, China's natural population growth rate dropped from 25.95 per thousand in 1970 to 14.49 per thousand in 1982, with the best record of 11.7 per thousand in 1979, the paper added.

To effectively limit its population growth and meet the needs of the four modernizations, China will draw up regional population plans. The work, which is sponsored by the State Family Planning Commission, will be completed in the next two or three years.

In a recent report on this programme, the State Family Planning Commission said that if the fertility rate can be brought down to 1.7 births for each woman of child-bearing age by 1985, further reduced to 1.5 in 1990 and kept at this figure in the following period, China will surely meet its goal of limiting its population to 1,200 million by the end of this century.

The report said that drawing up regional population plans through investigations and studies are necessary in order to determine the birth rate and ideal population of each region.
and answer such questions as how long the one-child family policy should be promoted and how the problem of the aging of the population should be solved.

The country's planning, economic, statistic, agricultural, meteorological departments and specialists in demography, economics, agriculture and sociology will also take part in the drafting of these regional plans.

**Wu sees ties with US warming**

Sino-US relations have shown signs of developing favourably, said China's Foreign Minister, Wu Xueqian, during his recent five-day visit to the United States. He believes the exchange of visits between leaders of the two countries next spring will give new vitality to the further development of their relations.

Since China and the United States established diplomatic relations in 1979, much progress has been made in political, economic, scientific, technological and cultural relations, Wu said.

But, he went on, it has not been plain sailing, and difficulties and obstacles still exist, the greatest being the Taiwan question.

"We do not ask for US assistance in achieving the reunification of Taiwan with the mainland, but we ask the United States to refrain from obstructing us in our effort," he said.

He also said that the key to promoting the development of Sino-US relations was for both sides to show mutual trust, patience and farsightedness.


On Oct. 11, at a banquet given in his honour by Shultz, Wu said Chinese-United States joint efforts would yield far greater results once any remaining obstacles were removed.

"We have always maintained that ... the crucial thing is to respect each other's sovereignty and territorial integrity, refrain from interference in each other's internal affairs and strictly observe the principles set forth in the Sino-US communiques," Wu said.

Wu also reiterated that China "will, as always, pursue an independent foreign policy, persistently oppose hegemonism and safeguard world peace and work hard to maintain and develop normal relations with all countries on the basis of the Five Principles of Peaceful Co-existence."

He said China, engaged in its modernization programme, hopes to absorb all advances in science, technology and culture, and to learn from the strengths of other nations. "In this connection, a lot can be done between China and the United States."

In their three rounds of talks, Wu and Shultz exchanged views extensively on the world situation, Afghanistan, Kampuchea, the Middle East and Central America. They identified similar points of views on some issues and certain differences on others.

Wu also met with President Reagan on Oct. 11.

After the three-day Washington visit, Wu reviewed Sino-US economic relations at a dinner in Chicago hosted by the local business community on Oct. 13. He pointed out that the United States has become China's third largest trading partner and that opening to the outside world was China's fundamental policy.

Wu welcomed recent "positive factors" in economic and technological co-operation between China and the United States, adding, "We are looking forward to the formal announcement by the US Government on the guidelines governing its technology exports to China and translating them into actual deeds."

**China protests Hanoi's provocations**

The Chinese Foreign Ministry has lodged a strong protest against the numerous recent Vietnamese armed intrusions and other provocations in the Sino-Vietnamese border areas.

In a memorandum presented to the Vietnamese Embassy in Beijing on Oct. 11, the ministry says that from the end of August to the end of September, more than 30 cases of armed provocations and intrusions by Vietnamese troops were reported. More than 2,000 rounds of ammunition were fired into China, killing and wounding a number of Chinese border inhabitants.

The memorandum also says that on Aug. 31, Vietnamese gunboats intercepted two Chinese fishing boats on the high seas in Beibu Gulf, and robbed the Chinese crews of their fisherman-identification papers and many other belongings, and that on Sept. 4 Vietnamese forces fired at two Chinese fishing boats working in the waters off Hongshatou in Fangcheng County, Guangxi Zhuang Autonomous Region.
The memorandum points out that these acts by the Vietnamese troops have disrupted the normal life and production of the Chinese border inhabitants and fishermen and inflicted heavy loss of life and property upon them.

It emphatically points out that the incidents took place at a time when the Vietnamese authorities unilaterally declared the so-called “National Day ceasefire.” This proves once again, the memorandum says, the hypocritical nature of this so-called “ceasefire” and the professed desire of the Vietnamese authorities to improve their country’s relations with China are clearly meant to dupe the world public.

The memorandum demands that the Vietnamese authorities immediately stop their provocative activities. Otherwise, it says, they will be held fully responsible for all the consequences.

Taiwan engineers’ WFEO status altered

The World Federation of Engineering Organizations (WFEO) has decided to convert the status of the Institute of Engineers from China’s Taiwan Province to “affiliated member” from that of “national member.”

The federation, at a plenary session of its ninth general assembly in Nairobi, adopted an amendment to its constitution on Oct. 12 adding affiliated member as a new membership category. The China Association for Science and Technology (CAST) was elected to the WFEO executive committee in 1981, when it sent its first delegation to the eighth general assembly, held in Buenos Aires.

The head of the Chinese delegation, Zhang Wei, told the session that “the name ‘Republic of China’ should no longer appear on any documents or publications of the federation or in its committees, and the wording ‘Taiwan’ should not be used independently.”

The chief delegate from Taiwan, H.C. Yeh, also made a brief remark accepting the status of affiliated member. The delegates from Beijing shook hands with their Taiwan colleagues after the meeting.

Foreigners allowed to open businesses

Foreign businessmen may now start up enterprises using their own exclusive investment in China’s coastal areas, where conditions permit.

Wei Yuming, Vice-Minister of Economic Relations and Foreign Trade, said this to a group of foreign business leaders attending the third China-Europe Business Leaders Symposium in Beijing on Oct. 11. He said the move was part of a government decision to further relax policies on absorbing foreign funds.

Chinese-foreign joint ventures may also sell more of their output on the Chinese market — provided the products are in urgent demand by Chinese consumers. In such cases, he added, China will take measures to guarantee profits in foreign exchange.

Wei said that China is making greater efforts to improve economic legislation. It has signed investment protection agreements with Sweden, Romania and the Federal Republic of Germany, and is now discussing similar pacts with France, Norway, Switzerland, Belgium, the United States, Japan and Canada.

China is also preparing laws and regulations on Sino-foreign co-production projects, foreign economic and trade contracts, and enterprises set up exclusively with foreign investment in China.

The board of directors of a Chinese-foreign joint venture is the highest authority in hiring and dismissing workers and in establishing wage scales according to actual jobs, the Chinese vice-minister said. But wages on these ventures are usually higher than those in China’s state-owned enterprises, he added.

Wei said that in the past four years China has established 105 joint ventures with foreign businesses. During the same period, China has absorbed US $13,000 million in foreign funds, of which $5,000 million was direct foreign investment.

UNICEF-Canada cares for Chinese children

The All-China Women’s Federation and the Chinese People’s National Committee in Defence of Children recently re-

(Continued on p. 25.)
Middle East

Arab unity will guarantee success

The turbulent situation in the Middle East has recently gone from bad to worse, with the Palestine Liberation Organization (PLO) plunging into dire straits. People the world over who are really concerned about the Middle East problem are watching the latest developments with great concern.

For decades, the flames of war have been burning in the region. Fuelling these flames has been the stubbornness of the Israeli authorities, who still pursue a policy of aggression and expansion, and the failure to find a just solution to the Palestine problem. The crux of the matter is the all-round restoration of the inalienable and just national rights of the Palestinian people. Otherwise, stability in the region is out of the question.

The PLO is universally recognized as the sole legal representative of the Palestinian people. Since its birth in 1964, the PLO has undergone many twists and met with many frustrations. However, the justness of its cause and its unity against the common enemy have enabled it to develop continuously under complicated situations and win the recognition and support of all countries and people that love peace and uphold justice.

The PLO, already an important force in combating Israeli expansionism, is an indispensable body which cannot be neglected in solving the Middle East problem. Therefore, it is the unshirkable duty of the Palestinian people and the people of all Arab countries to maintain unity within the PLO and strengthen unity between the PLO and the Arab countries.

At present, the Israeli authorities, with superpower support, are most aggressive and arrogant. Confronted by this vicious enemy and pressed by the intense situation, the people of Palestine and other Arab countries should more than ever unite against the common enemy. The key to solving the Middle East problem lies in harmony and unity among Arab countries and within the PLO. This matter is of great concern to the people of the Middle East and the world as a whole. History has proved that this unity is an important guarantee for the solution of the region's problems. The people of Palestine and other Arab countries, who have a glorious tradition of struggle, will certainly remove obstacles, overcome difficulties and open up a new chapter in the annals of the Middle East.

— "Renmin Ribao" Commentary

Israel's Economy

Reaping what they have sown

In the midst of a severe economic crisis, Israel's Finance Minister Yoram Aridor resigned on Oct. 13, only three days after Prime Minister Yitzhak Shamir's new cabinet was approved at a special meeting of the Israeli Knesset.

Aridor's resignation follows an outcry over the new government's financial policies. At its first meeting, Shamir's cabinet devalued the Israeli shekel by 23 per cent and ordered other tough austerity measures. Under these measures, the prices of basic commodities were expected to rise 50 per cent, and the price of fuel 23 per cent. Israelis, fearing an imminent devaluation, packed supermarkets to buy groceries before prices soared.

Public Outcry

Aridor's plan to link the entire Israeli economy to the US dollar, which would have
been legal currency alongside the shekel, met immediate opposition from the general public and politicians of all parties. Fearing the nationwide crisis would spread, Prime Minister Shamir accepted Aridor's resignation and declared his "dollarization" proposal impractical.

The other parties in alliance with Shamir's Herut Party have warned that if Shamir refuses to abandon the tough economic measures, they will withdraw their support from the new cabinet. Shimon Peres, head of the opposition Labour Party, said he would put a no-confidence motion before the Knesset, and trade unions held a two-hour nationwide strike.

On the question of a new finance minister, a split soon appeared in Israel's political circles. Prime Minister Shamir was expected to appoint former Defence Minister Ezer Weizman to replace Aridor. However, the Knesset and most parties opposed Weizman. It was reported on Oct. 17 that Shamir had chosen Yigal Cohen-Orgad, a member of parliament and an economist, from his Herut Party as the new finance minister.

**Root Causes**

Aridor was made the scapegoat for Israel's economic calamity, but it was actually caused by aggressive expansionist policies. The invasion of Lebanon has cost Israel an estimated US$7,000 million, and about $314 million is being spent on Israel's troops now stationed in southern Lebanon. The Israeli authorities have also spent $15,000 million pursuing their colonialist policies in the occupied Arab territories and establishing settlements there.

Thus, Aridor's resignation is just the beginning of the economic and political disaster facing Shamir's cabinet. Even the Israeli press is predicting Shamir's government might collapse under the difficulties of dealing with the serious economic situation.

— Yu Lin

### Nigeria

**Lagos government affirms policies**

**N**igerian President Shehu Shagari said at his swearing-in ceremony in Lagos on Oct. 1 that the improvement of the nation's economy will be his major concern for the next four years. Speaking about foreign policy, the President reaffirmed his stand that Nigeria "will continue to give active support to the Organization of African Unity (OAU) in its fight against colonialism, neocolonialism, racism and apartheid." "We shall intensify the struggle for African unity, for a just and equitable international economic order, and for the achievement of international peace and understanding," he said.

**Reason for Victory**

In the general elections last August, Shagari, who first took office as President in October 1979, won a majority. Besides enjoying the advantage of a ruling position, Shagari's National Party went into the election with the achievements of the past four years under its belt in promoting the nation's economy, maintaining national concord and unity, and holding to a non-aligned policy with Africa as the focus.

Since the 70s, the "oil prosperity" has brought Nigeria huge profits amounting to 10,000 million naira (about US$15,000 million). The Shagari government has built hundreds of big businesses and projects with the oil income. It has also set up departments to deal with oil refining, petro-chemical industries, iron and steel production, car assembly and electric products. Nigeria now has more than 35,000 big, medium and small businesses, and its gross national product reached US$44,500 million in 1982.

However, during the process of developing the national economy, too many large projects were started and at too fast a pace. This resulted in an unbalanced development of the economy and the economic returns were not great. Relying too much on its oil resources, Nigeria neglected its agricultural production and consumer goods, and every year needed to import large amounts of grain. To solve these problems, the Shagari government has adopted measures for the reasonable use of funds, has strengthened the agricultural foundation and has vigorously developed the consumer goods industry, with the aim of becoming self-reliant in agriculture and consumer goods. In 1979 the Nigerian Government launched the "Green Revolution" to rehabilitate and develop agriculture, and has achieved initial success since then. Although grain imports were needed in 1982, the amounts were reduced by 50 per cent from those of the previous year.

Nigeria has more than 250 tribes. Most members of the National Party come from the big Hausa-Fulani tribe in the

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north, but the party has paid much attention to accepting representatives of different tribes into the party. This encouragement of balanced representation coincides with the needs of the country’s future capital development and has removed the feudal divisions which fettered the productive forces. The Chairman of the National Party, Adisa Akinloye, comes from the Yoruba tribe in the west and Vice-President Alex Ekwueme comes from the Ibo tribe in the east.

The Shagari government has also pursued a foreign policy of opposing imperialism, colonialism and South African racism, and of supporting the complete liberation of Africa and African unity and co-operation. It has made a positive contribution to international affairs and to African affairs in particular.

Although Nigeria has a fairly sound political and economic base, the new government is still facing some difficulties and contradictions. These include the financial difficulties resulting from the drop in the price of crude oil and some contradictions among the tribes and political groups. These questions remain to be solved.

—Teng Wenqi

**Lome Convention**

**Developing states talk with EEC**

MINISTERS from the 10 member countries of the European Economic Community (EEC) and 63 African, Caribbean and Pacific states (ACP) have ended their two-day meeting in Luxembourg discussing renewal of the Lome Convention.

The Lome Convention, which was signed in February 1975 and renewed in October 1979, to promote co-operation between the developing countries and the world’s largest trade group.

With the next meeting scheduled for mid-December, it is clear many rounds of difficult negotiations lie ahead before the convention can be renewed in February 1985, when the existing pact expires.

Representatives from Angola and Mozambique attended the meeting for the first time, and if their membership is confirmed, the number of countries belonging to the convention will increase to 75-65 from the ACP and 10 from the EEC. Except for Namibia, all African countries south of the Sahara (except the apartheid regime in South Africa) will then be members of the convention.

Summing up their experience, both sides stressed that ACP countries should strive to be self-sufficient in grain production while embarking on the development of self-reliance. They also stressed that economic aid should go first to the least developed countries and regions, and especially to their rural areas. At the same time, they pointed to the need for co-operation in social and cultural fields, so that various co-operative undertakings between the ACP and the EEC would suit the actual needs.

All this was a step forward, compared with the existing convention. Renewal of the convention is not easy, as major differences continue to divide the two sides.

**Trade Differences**

Trade between the ACP and the EEC has been disadvantageous to the ACP. In recent years, the ACP countries’ exports to the EEC have declined, while their imports from the EEC have grown. In 1980, the developing countries reported a surplus in trade with the EEC, but in 1981 this changed to an unfavourable balance of trade. Therefore, they urged the West European countries to join them in readjusting trade relations between both sides.

Another issue of contention is the amount of economic aid the EEC should provide. In recent years the Western economic crisis has badly affected the economies of the ACP countries, saddling them with swelling foreign debts. Hoping that the negotiations with the EEC will result in the easing of their debt burden, the developing countries have emphasized that the amount of economic assistance is a key issue, and demanded that it should be fixed at an early stage of negotiations. The EEC countries, however, have maintained that the amount of aid given should depend on their own economic recovery.

Beijing Review, No. 43
China admitted to atomic agency

THE People’s Republic of China has been admitted to the International Atomic Energy Agency (IAEA) at its 27th conference in Vienna.

Wang Shu, Ambassador to Austria and head of the Chinese delegation to the Oct. 11 conference, thanked the other member states for supporting China’s membership.

Elaborating China’s stand on the peaceful uses of nuclear energy, Wang said China will rely largely on its own efforts to develop its atomic power sector, but still looks forward to cooperation in the field with other countries, given “mutual respect for sovereignty, equality and mutual benefit and non-interference in internal affairs.”

The IAEA was founded in 1957 as one of 15 special agencies under the United Nations to promote world peace and the peaceful uses of atomic energy. With China’s entry, it has 113 member states.

Wang said China will accept the IAEA statute and fulfill its obligations to the agency, but does not intend that its membership should imply any change in its position on the treaty on the non-proliferation of nuclear weapons. China remains critical of that treaty, which it deems to be discriminatory in nature.

“We respect the desire of a great many non-nuclear weapon states not to test, use, manufacture, produce and acquire nuclear weapons,” he said, but “we cannot go along with any attempt at arbitrary and unilateral widening of the scope of restrictions and controls in the name of strengthening the non-proliferation regime.”

“We believe this practice would not be conducive to the development and worldwide peaceful uses of nuclear energy to the economic and scientific development of various countries, as well as to the peace and security of the world.”

China neither stands for nor encourages the proliferation of nuclear weapons, he said.

He denounced Taiwan’s signing of the non-proliferation treaty in the name of China as “absolutely illegal and null and void.”

He noted that the resolution entitled “Representation of China in the Agency” adopted by the IAEA board of governors on Dec. 9, 1971, explicitly recognizes that the Government of the People’s Republic of China is the only government which has the right to represent China in the IAEA and “requests the chairman and the director-general to take all the actions resulting from this resolution.”

Wang said China expects the IAEA to respect this resolution and take practical actions to re-arrange its relationship on non-proliferation safeguards with Taiwan in such a way as to make it non-governmental.

At the meeting, the West European countries called for a “dialogue” on policies, including the question of “human rights.” This has compounded difficulties in the talks.

The ACP countries are worried that the West European countries will make consideration of their foreign and domestic policies, including the “human rights” issue, prerequisites for providing economic aid. Although they hold that the Lome Convention is not the proper place to settle the human rights question, they agreed to discuss it. But they have insisted that it be discussed in conjunction with the West European countries’ ties with the racist regime in South Africa.

Possibilities Seen

Despite the difficulties, it is widely accepted that an agreement on the renewal of the convention can be achieved after a period of negotiations. Furthermore, the EEC countries, out of their own economic, political and strategic interests, do not want the negotiations to fail. The following aspects sum up their relationship.

Economically, the ACP countries, besides providing a wealth of raw materials and energy for the EEC countries, serve as markets for the EEC’s manufactured products.

Politically, the Lome Convention has closely bound the EEC with the ACP countries, giving the former a greater voice in international affairs.

Strategically, the EEC countries have a stake in the economic development and political stability in the ACP countries, especially those in Africa, which contribute to preventing the two superpowers’ global expansion and maintaining the security of Western Europe.

People have reason, therefore, to expect that a renewed Lome Convention will serve the efforts to set up a new international economic order.

— Lin Jun
Economic Development in Latin America

by Wang Yaozeng

Latin American countries have developed their economies to varying degrees. They are more advanced than the other regions in the third world in their production foundations, and use of resources and technology. However, as their continued dependence on foreign capital and technology renders them vulnerable to Western economic conditions, and as their own socio-economic structures are often fragile, they still face many problems. They are striving for and safeguarding the independence of their economies.

The heavy debt problem some Latin American countries are now experiencing has caused much concern over their economic development. This is a brief analysis of the present state, problems and prospects for the 1980s of Latin American economic development.

Economic Development

Economic development in Latin America has been faster than that of other third world regions. According to the Latin American Economic Commission, the average annual growth rate of Latin American economies was 5.4 per cent from 1950 to 1970, and 6.1 per cent from 1970 to 1980. Calculated according to the value of the US dollar in 1970, the Gross Domestic Production (GDP) of Latin American countries was $60,000 million in 1950, and increased to $332,300 million in 1980, a 5.5-fold increase in 30 years. Per-capita GDP was $785 in 1975, double that of 1950. It went up to $998 in 1981, which was roughly equivalent to that of the member states of the European Community in the 1950s.

The industrialization, modernization and urbanization programmes of some Latin American countries are beginning to take shape now. Latin American industries can supply most of the capital goods needed in the region, and are on their way to becoming the main pillars of the region’s economies. In the 1950s, 95 per cent of Latin America’s exports were primary products, and in the 70s, industrial products accounted for 26 per cent of exports. Because industries in various Latin American countries developed unevenly, while the average annual industrial growth of Brazil, Mexico and Argentina has reached the target of 8 per cent stipulated by the UN Second 10-Year International Developmental Strategy, that of the Latin American region as a whole was only 6.3 per cent in the 60s, and 6.2 per cent in the 70s.

The development of industrial production has changed the economic structures of Latin American countries. The industrial share in the GDP of each country has risen, while that of agriculture has gradually declined. Agriculture accounted for 21.7 per cent in 1945 and dropped to 10.8 per cent in 1980. However, agriculture is still important in Latin America, because most countries still rely on farm and animal products as their main sources of foreign exchange. About 30 per cent of the GDP of Central America and the Caribbean region comes from agriculture. Cotton, coffee, bananas, sugar, cocoa, maize, meat and wool play an important role in the exports of the third world. Agriculture is also important in absorbing labour forces.

Agricultural modernization has progressed throughout the 1970s. Calculated according to land acreage per hectare, the level of agricultural mechanization in Latin America is 50 per cent higher than in the Asian developing countries, five times higher than in Africa, and one-third of the average level of the developed capitalist countries. But in comparison with the development of industrialization, agricultural production in Latin America shows slow development. In the 70s, the average growth of Latin American farm production was about 3.3 per cent. According to the analysis of the Latin American Economic Commission, an annual growth of 4.1 per cent in agricultural pro-
duction and animal husbandry is needed for proper economic development.

Generally speaking, Latin American countries have developed their economies to varying degrees over the past 30 years. They are more advanced than the other regions in the third world in their production foundation, and use of resources and technology. However, as they continue to depend on foreign capital and technology, and as the old international economic order impedes more and more the economic development of Latin America, the economic development and social progress of this region encounter more and more serious difficulties.

Current Problems

A lot of problems exist for Latin American economic development. They tend to fall into two categories.

1. Production development has been uneven, and ill-proportioned, and the backward agriculture has impeded national economic development.

All Latin American countries have invested heavily in economic construction. They hoped these investments would promote economic development through the expansion of “import substitute” industries. While emphasizing rapid industrial development, they failed to give due consideration to the rationalization and proportionate development of their national economies, and neglected to invest in agriculture and to advance agricultural techniques. At the same time, Latin American economies depend greatly on foreign capital for funds and technologies, and the transnational monopoly organizations tried hard to push Latin American economic development along directions best suited to their own interests, thus squeezing out national enterprises, causing dislocation of national economic development, and exacerbating the imbalanced development within industry and between industry and agriculture.

In the course of industrialization, Latin American countries have, for a long time, laid particular stress on producing consumer goods. Although investments were made to diversify industrial production after the 70s, the long-standing problems of uneven industrial development have not been resolved. The creation of new means of production cannot meet the needs of national economic growth.

In agriculture, except for a few large modernized farms, most regions stick to their backward farming methods and land-use systems developed during the colonial period. Rural natural and semi-natural economies constitute a great proportion of the agricultural economy. Most of the land in Latin America is concentrated in the hands of large estate owners, leaving most of the farmers short of arable land, water and funds, and subject to cruel exploitation by estate owners, usurers and intermediate merchants. Extensive cultivation is practised, and farmers are still tilling their land with outdated farm tools. Land and labour power are extremely under-utilized. These irrational relations of production have seriously hindered the development of agricultural production, and further aggravated the uneven development in industry and agriculture.

In recent years, the defects in Latin American economic structures caused by this long-term neglect of agricultural development have been more evident. Agricultural production has not kept pace with population growth and economic development. The average annual increase in spending on agricultural imports (chiefly wheat, edible oil and dairy products) in recent years has been around 5 per cent. At present, only Argentina, Brazil and Uruguay are self-sufficient in agricultural and animal products, having a surplus for export, and are able to provide funds for expanded agricultural production. For various reasons of production organization, investments and pricing policies, other Latin American countries have failed to develop farming and animal husbandry adequately, and have to import food, requiring a great deal of foreign exchange each year.

In addition, the slow development of agricultural production and rapid increase in rural population have caused a rise in rural unemployment and the widening of differences between town and country. Finding it more difficult to live at even minimum levels, large numbers of peasant have moved to the cities. The resulting decrease in the rural labour force has added more difficulties to agricultural production.

In the past 50 years, most of the Latin American countries have introduced land reforms in an attempt to develop the countryside and mitigate increasing social class contradictions. Estate owners were restricted in their land holdings, and governments purchased waste lands to distribute among the peasants. But these reforms, which were not thorough,
progressed slowly and did not bring the expected broad benefits to the peasants.

The Latin American countries' experience in economic development shows that only when both industry and agriculture are modernized and the two sectors are made complementary to each other can the economy have a solid base for steady expansion.

It is worth noting that compared with other developing countries and regions, Latin America has a tremendous potential for agricultural development. At present, Latin America has 172 million hectares of land already cultivated, leaving more than 500 million hectares of arable land in reserve. If the problems existing in the rural socio-economy and production structure can be tackled through reform, and appropriate policies are implemented, then there are bright prospects for agricultural development in Latin America.

2. Many Latin American countries are deep in debt and are experiencing severe financial and banking crises. Their increasing dependence on foreign countries makes them particularly vulnerable to the fluctuations of Western economies.

For a long time, Latin America has been an important source of industrial raw materials and food supplies for the industrialized countries, especially the United States. It has also been a major market for the products and investments of these countries. These conditions of socio-historical development have left Latin American economies in a position where they must rely on the developed nations for funds and technology.

At the end of the 19th century, the United States began making economic inroads into Latin America. During the two world wars, the US strengthened this position. In the 1950s, the transnational corporations of the United States first appeared in the manufacturing industry of Latin American countries with an industrial infrastructure, and made Latin America a big market for US equipment, means of transport and other industrial products. By the end of the 1960s, the US had set up 1,000 industrial enterprises, producing durable consumer goods, intermediate products and capital commodities in Latin America. It also bought up local enterprises and encouraged direct private investment. Up to 1977, American private investments in Latin America had reached $27,000 million, accounting for more than half of all foreign investments in this region, 18.6 per cent of all US investments abroad, and two-thirds of US investments in the developing countries. The reason for this rapid growth in US investment in Latin America is that private investments there earn higher profits than in Western Europe. The average rate of profit for investments in Latin America is 11.8 per cent, compared with 6.7 per cent for Western Europe. Transfers of capital from Western Europe and Japan to Latin America also have steadily increased since the mid-50s. In the 70s, in order to avoid restrictions on foreign capital by local governments, US financial groups began mixing their investment money with the national capital of some Latin American countries. Under the condition that they keep control of the enterprises, subsidiaries of transnational corporations sold 20 to 25 per cent of their shares or bought 10 to 15 per cent of the shares of enterprises set up with national capital. In this way, they could still control the direction in which national enterprises developed.

From its Latin American investments the United States averaged $1,300 million in profit annually in the first half of the 60s and $2,000 million annually in the later half; it was more than $5,000 million in the first half of the 70s and has continued to increase.

During the early 70s, the capital of the transnational corporations gradually came to exceed the national capital. With each passing day, Latin American economies saturated with foreign capital increasingly depend on developed capitalist nations for funds, technology, pricing and markets.

The makeup and market of Latin American export commodities reflect the reliance Latin American economies have on capitalist countries' markets. Latin America mainly exports food, cotton, wool, petroleum and some mineral ores. Oil earnings account for almost 97 per cent of Venezuela's total exports, and 75 per cent of Mexico's. Two-thirds of Latin American trade is conducted with the United States, Western Europe and Japan. Exports to the United States constitute about one-third of the total exports. Products from transnational corporations account for about one-third of all Latin American exports; they constitute 50 per cent for Central America and the Caribbean region.

At the same time, Latin American states are heavily dependent upon foreign countries in international labour service and invisible trade.
Most trade organizations, such as those of sea 
transportation, insurance, banking and stock ex-
change, are controlled by foreign capital.

The current Western economic crisis will 
certainly affect Latin American economies, 
which so closely rely on foreign countries. 
Western countries shift their crisis to Latin 
America, making its foreign trade conditions 
even worse. In the beginning of the 1980s, the 
severe monetary and banking crisis in Latin 
America has given rise to the most serious in-
fation and currency deflation in 40 years. Much 
national capital has been transferred to the de-
volved capitalist countries, causing a shortage of domestic funds. Latin American countries 
have to rely on expanding exports to get the 
foreign exchange they need to deal with imports 
and investments, make up large deficits in in-
ternational payments and repay the principal 
and interest on their foreign debt. However, 
when the capitalist industrial nations adopted 
protectionist measures, the prices of primary 
products exported to the developing countries 
dropped again and again, while prices of com-
modities exported by industrial countries went 
up. This caused a serious deterioration of the 
Latin American countries' international pay-
ments.

The strategy of crisis-shifting adopted by 
the West has increased the burden of debt on 
Latin American countries in other ways as well. 
In order to restrain domestic inflation, capitalist 
economic powers raised their exchange and 
credit rates, causing an unprecedented rise in in-
ternational banking interest rates and a corres-
dponding reduction in international investments. Unable to borrow from the official sources in 
Western nations, Latin American countries have 
no choice in trying to pay back their debt but 
to ask for aid from international private lenders 
at very harsh terms. In the later half of the 70s, 
more than two-thirds of the foreign debt of 
some Latin American countries was in short-
term, high-interest loans from international pri-
vate banks or business organizations. A very 
small proportion of outstanding loans was from 
oficial organizations, with long repayment 
periods and low interest. These factors have 
made the foreign debt grow faster than the 
export earnings of some Latin American coun-
tries, rendering them barely able to repay their 
foreign debt. In recent years, some Latin 
American countries have only been able to pay 
back the interest on their foreign loans with 
borrowed money. For example, the Mexican 
Government decided that the amount of foreign 
loans in 1981 was $11,000 million, and $10,300 

million in interest on foreign debt must be paid 
in the same year. In 1982, Mexico should have 
paid $12,000 million in interest on foreign debts, 
and it owed $26,800 million if the mature prin-
cipal and interest on foreign debt are added 
together. This is more than Mexico's total ex-
port earnings for that year. In 1982, the total 
profits and interest on foreign investment and 
foreign debt paid by 22 Latin American coun-
tries were more than $34,000 million or about 40 
per cent of their total exports for the same year. 
Acquiring new loans to pay back the old ones 
has rapidly increased the total amount of Latin 
America's foreign debt over the past 10 years. 
It was $17,200 million in 1970, and exceeded 
$270,000 million in 1982, almost 50 per cent of 
the total amount of foreign debt of all the de-
veloping nations. At the same time, inflation 
has risen to an average of 59.8 per cent in 1981, 
and a record 80 per cent in 1982. Thus the Latin 
American countries are beset with severe crises 
of debt, finance and banking.

The introduction of production technology 
has seriously harmed Latin American countries. 
In an attempt to gain more profit, developed 
capitalist countries monopolized new technology 
and business management techniques. They im-
posed all kinds of restrictions and unfair 
transfer terms. These not only made production 
more expensive, but also forced the Latin 
American countries to depend on these monopo-
lies for raw materials and technical services. In 
transferring technology, transnational monopoly 
organizations were mainly interested in in-
filtrating Latin American economies, plundering 
their rich natural resources, and exploiting their 
cheap labour. They introduced into Latin 
America some equipment and techniques which 
were unsuitable to local conditions, thus ag-
graviating its lopsided and dependent economic 
structures.

Some foreign companies transferred chem-
ical, petro-chemical and metallurgical industries 
to Latin America. These industries use a great 
deal of raw materials, energy and labour, and 
produce high levels of air and water pollution. 
While the foreign companies reaped high profits, 
the Latin Americans were left with poverty and 
pollution.

In addition to direct economic infiltration 
and expansion, transnational corporations also 
relied on imperialist politics and military 
strength to exert pressure upon Latin American 
governments and exercise influence over Latin 
American political and economic policies to their 
own benefit. This has aroused strong opposition
among the Latin American people. Now Latin American countries are striving to reduce their dependence on foreign monopoly capital and safeguard their own economic independence and sovereignty.

Prospects

The heavy burden of foreign debt has caused many problems for the economic development of Latin American countries. They must seek new loans and negotiate delayed repayment of foreign debts. They have to accept the harsh conditions of the International Monetary Fund and other international banking organs, cut down domestic public spending, freeze wages and dismiss workers. And all this will make life harder for the people.

In order to earn more foreign exchange, Latin American countries must continue to expand production and export and absorb more foreign investments. But because of Latin America's economic difficulties, developed capitalist countries are reducing their investments in Latin America.

Before the economies of the industrial nations completely recover, Latin American countries will encounter many problems in markets and pricing as they try to expand their exports of primary products. Judging from the present circumstances, Latin American countries will be unable to quickly return to the rapid development they enjoyed in the 60s and 70s.

The problems facing Latin American countries stem from their domestic socio-economic structures and the move by developed capitalist countries to shift their economic crisis to this region. Unless these two issues are resolved, Latin American economies cannot develop in the future.

Internally, it is important for Latin American countries to increase grain production, change the current traditional agricultural system to better meet the needs of the people, co-ordinate development between industry and agriculture and control population growth. In addition, the non-oil-producing countries urgently need to find ways to actively tap their own energy sources, seek new energy sources, and depend less on imports. At the same time, unreasonable distribution of income should be changed and more opportunities for employment created.

Externally, they should gradually reduce dependence on foreign trade, funds and technology. Latin American countries and other third world nations have struggled long and hard to break down the old, irrational international economic order. They demand major changes in the unreasonable terms of foreign trade. They want rational prices for raw materials, the lowering of trade barriers industrial nations have erected against their manufactured goods, revised terms for technical transfers, reform of the international monetary and banking system, and control of transnational corporate activities in Latin America.

The experience of the Latin American countries in their struggle to develop national economies makes it clear that expanded economic and technical corporation between various countries in this region and the developing countries in other regions will be of important strategic significance in the third world economic development and the establishment of a new international economic order. Latin American countries have gained useful experience in their fight against the infiltration of transnational monopoly capital and dependence on developed capitalist countries. In the 1960s, some Latin American countries nationalized some foreign enterprises, and set up various economic community organizations for Latin America, Central America, the Caribbean and the Andean Group. These regional groups have made some progress in developing trade among their members, co-ordinating development plans for industry and agriculture and in regulating foreign investments. The region has benefited greatly from this economic co-operation and experienced a rapid growth of trade, reducing the impact of trade protectionism practised by industrial nations.

Organizations have also been formed, and agreements signed, to strengthen bilateral trade among countries in Central and South America, promote product exchanges and direct trade among state-owned enterprises, and develop post and telecommunications, particularly in the non-coastline continental countries where communications are especially poor. Mexico and Venezuela now provide oil to the countries of Central America and the Caribbean region on preferential terms. In regulating foreign investments, Latin American countries have instituted new laws governing international investments and technical transfers and restricting trade activities of transnational corporations. Some countries in Latin America have worked out a common strategy for re-negotiating their foreign debt. Co-operation measures in technical consultation and training, exchanging scientific
information and providing technical and labour services have been taken.

Latin American countries already have certain foundations in industry and technology, in addition to rich mineral resources and water power, and vast tracts of arable land. They also have great potential for expanding economic and technical co-operation with other third world countries. The recent economic crisis of capitalist countries threatens all the economies of the developing countries, and impels more and more Latin American countries to realize the importance of developing self-reliant, independent national economies. Latin American countries support "South-South co-operation" advocate more co-operation among third world countries in resources, labour power, technologies and funds, and want to develop the economies of various countries within a framework of collective self-reliance.

Nevertheless, because Latin America occupies an important position in the international economy, developed capitalist countries will not abandon their attempts to continue controlling their economies. Transnational monopoly organizations will not slacken their economic infiltration of the region. They will continue trying to use national political differences and the problems left behind by history to obstruct co-operation among countries in Latin America and other countries of the third world. At the very least, they will try to manipulate this co-operation to benefit themselves. In light of this, the Latin American countries will continue to face a difficult and complex task as they strive to develop their national economies in the future.

Sports

Setting Their Sights on Higher Goals

—The 5th National Games in Review

by Our Correspondent Liu Bin

China's Fifth National Games, which ended in Shanghai on October 1, were a prelude to the World Olympics next year. A number of events were altered to conform with Olympic standards, and five more international events were listed for the first time: artistic gymnastics, judo, field hockey, wind surfing and yachting. Two world records were set, along with nine Asian records and 60 national records.

Although the number of contestants in the Games was relatively small compared with the four previous Games (held in 1959, 1965, 1975 and 1979), remarkable achievements were chalked up. On September 22, Zhu Jianhua, a high jumper from Shanghai, topped his own world record of 2.37 metres, set in Beijing in June during the preliminaries, with a leap of 2.38 metres. And on August 31, weightlifter Wu Shude from the Guangxi Zhuang Autonomous Region set a new record in the 56-kg-class snatch event with a lift of 128 kilogrammes. This is the third record he has bettered since 1980. As well, four athletes equalled world records, one bettered a youth world record, seven broke Asian records, and 64 set new Chinese marks (See table). A heartening situation of reaching for world levels has emerged in the Chinese sports world.

97-Year-Old Competitor

Participating in the finals were 3,697 athletes, including 201 from 23 national minorities. The oldest was a remarkable 97 years old and the youngest 12. A total of 1,268 qualified as Masters of Sports, a designation given to athletes meeting the highest standards. (All 84 gymnasts in the finals were Masters of Sports). With one-third of the finalists younger than 20, the Games saw some promising new faces, especially in the traditionally strong sports. In table tennis, a number of up-and-coming players defeated veteran opponents. Cai Zhenhua, runner-up in the men's singles at the 36th and 37th World Table Tennis Championships (WTTC), was dethroned by 21-year-old Wei Qingguang from the Guangxi Zhuang Autonomous Region. Cao Yanhua, who together with one of her team-mates carried off the
“Dragon Dance,” a scene from the opening ceremony of the Fifth National Games, held at Jiangwan Stadium in Shanghai.

Laurels in the women’s doubles at the 36th WTTC and later dominated the women’s singles at the 37th WTTC, was edged out by Jiao Zhimin, a young hopeful from Heilongjiang Province.

Progress was also made in diving. In the women’s springboard event, the totals attained by the champion and runner-up for difficult movements surpassed those posted by the top-notch divers at the 1982 World Cup. Also in this event, the first six divers all scored more than 200 points, while at the World Cup the highest score was 200. The difficult “207” (3½ backward somersaults), which only three divers outside China can perform, was performed by 11 Chinese divers at the Games.

Other Progress

There was gruelling competition in men’s sprinting. In the 200-metre finals, five runners broke the national record seven times, with the final record set at 21.04 seconds, down from 21.30 seconds.

Swimming is another sport in which Chinese athletes are weak. But at the Games, 16 swimmers bettered the national records in 14 events. In the women’s 800-metre freestyle, the former record of 9 minutes 15 seconds was slashed to 9 minutes 6.24 seconds, an improvement
## New Records at the Fifth National Games

<table>
<thead>
<tr>
<th>Events</th>
<th>Name of Athlete</th>
<th>Date of Record (all in 1983)</th>
<th>New World Record</th>
<th>Former World Record</th>
<th>New Asian Record</th>
<th>Former Asian Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men’s High Jump</td>
<td>Zhu Jianhua</td>
<td>June 11, Sept. 22</td>
<td>2.37 metres</td>
<td>2.36 metres</td>
<td>2.33 metres</td>
<td></td>
</tr>
<tr>
<td>Weightlifting (snatch) 56-kg. category</td>
<td>Wu shude</td>
<td>Aug. 31</td>
<td>128 kg.</td>
<td>127.5 kg.</td>
<td>126.5 kg.</td>
<td></td>
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<tr>
<td>Weightlifting (snatch) 56-kg. category</td>
<td>Lai Running</td>
<td>Aug. 30</td>
<td>Youth record 125.5 kg.</td>
<td>125 kg.</td>
<td>110 kg.</td>
<td></td>
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<tr>
<td>Shooting (free small-bore rifle, 60 shots)</td>
<td>Lin Jicheng</td>
<td>June 7, June 8</td>
<td>Equalled world record of 600 pt.</td>
<td>600 pt.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shooting (free small-bore rifle, 3 x 40 shots)</td>
<td>Lin Jicheng</td>
<td>June 7</td>
<td>Equalled world record of 400 pt.</td>
<td>400 pt.</td>
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<tr>
<td>Women’s Heptathlon (Seven events)</td>
<td>Ye Lianying</td>
<td>Sept. 27</td>
<td>5,666 pt.</td>
<td>5,653 pt.</td>
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</tr>
<tr>
<td>Weightlifting (snatch) 67.5-kg. category</td>
<td>Yao Jingyuan</td>
<td>Sept. 2</td>
<td>140.5 kg.</td>
<td>140 kg.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weightlifting (jerk) 67.5-kg. category</td>
<td>Yao Jingyuan</td>
<td>Sept. 2</td>
<td>177.5 kg.</td>
<td>176 kg.</td>
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<tr>
<td>Total result of weightlifting 67.5-kg.</td>
<td>Yao Jingyuan</td>
<td>Sept. 2</td>
<td>317.5 kg.</td>
<td>315 kg.</td>
<td></td>
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</tr>
<tr>
<td>category</td>
<td>Wu Shude</td>
<td>Aug. 31</td>
<td>275 kg.</td>
<td>270 kg.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

of 8.76 seconds. The former record for the women’s 400-metre individual medley of 5 minutes 9.3 seconds was cut to 5 minutes 2.59 seconds.

Despite the fine efforts and heated competition in the five sports listed for the first time, the athletes in these areas still have a long way to go to catch up with world levels. In artistic gymnastics, however, the Chinese athletes have a rich source in China’s unique classical dances and colourful folk dances. Together with the country’s renowned acrobatic techniques and the traditional wushu (which combines Chinese boxing and swordplay), this background will eventually place Chinese gymnasts in the forefront of world competition.

### Fine Sportsmanship

Throughout the Games, the athletes displayed not only a spirit of perseverance but also fine sportsmanship. During a judo event, a 130-kg wrestler from Liaoning won his match by protecting his opponent after throwing him. He could have easily overpowered the other, but in doing so would have injured him; instead he relied on skill and control of his body. During the women’s 1,500-metre run, an excellent athlete from Shaanxi, who in the past had improved the national records for 1,500 and 3,000 metres, was knocked over by another runner about 200 metres from the finishing line and injured by the spikes on the other runner’s shoes. Ignoring the pain, she quickly picked herself up and headed towards the tape. She lost the race, coming in ninth, but proved her strength of character.

Apart from the medals of honour awarded to athletes who broke world and national records, citations were awarded to those athletes who displayed fine sportsmanship and achieved excellent results. A total of 106 teams were cited for their good sports ethics, along with 1,500 individual athletes and coaches.

October 24, 1983
### Facts and Figures

**Sample Survey of Peasant Household Incomes and Expenditures**

These statistics were published by the State Statistical Bureau this year. The peasant households surveyed were selected from 29 provinces, municipalities and autonomous regions on the mainland. They give a general picture of the incomes and expenditures of peasant households under different economic conditions.

### 1. Basic Conditions of the Households Surveyed

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of households surveyed</td>
<td>6,095</td>
<td>10,282</td>
<td>15,914</td>
<td>18,529</td>
<td>22,775</td>
</tr>
<tr>
<td>Number of people in the households</td>
<td>34,961</td>
<td>58,153</td>
<td>88,090</td>
<td>101,998</td>
<td>124,286</td>
</tr>
<tr>
<td>Average number of people in each household</td>
<td>5.74</td>
<td>5.66</td>
<td>5.54</td>
<td>5.50</td>
<td>5.46</td>
</tr>
<tr>
<td>Average number of labourers in each household</td>
<td>2.27</td>
<td>2.38</td>
<td>2.45</td>
<td>2.53</td>
<td>2.58</td>
</tr>
<tr>
<td>Average number of people supported by each labourer</td>
<td>2.53</td>
<td>2.38</td>
<td>2.26</td>
<td>2.17</td>
<td>2.12</td>
</tr>
<tr>
<td>Average number of new rooms built by each household in the year</td>
<td>0.11</td>
<td>0.22</td>
<td>0.23</td>
<td>0.27</td>
<td>0.29</td>
</tr>
<tr>
<td>Average number of rooms for each household at the end of the year</td>
<td>3.64</td>
<td>3.84</td>
<td>4.06</td>
<td>4.28</td>
<td>4.56</td>
</tr>
<tr>
<td>Average room area for each person at the end of the year (sq. metres)</td>
<td>10.17</td>
<td>11.03</td>
<td>11.59</td>
<td>12.47</td>
<td>13.41</td>
</tr>
</tbody>
</table>

### 2. Average Per-Capita Net Income

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Average per-capita net income (yuan)</td>
<td>133.57</td>
<td>160.17</td>
<td>191.33</td>
<td>223.44</td>
<td>270.11</td>
</tr>
<tr>
<td>From the collective</td>
<td>88.53</td>
<td>101.97</td>
<td>108.37</td>
<td>116.20</td>
<td>140.12</td>
</tr>
<tr>
<td>From domestic sideline production</td>
<td>35.79</td>
<td>44.00</td>
<td>62.55</td>
<td>84.52</td>
<td>102.80</td>
</tr>
<tr>
<td>From other non-borrowing incomes</td>
<td>9.25</td>
<td>14.20</td>
<td>20.41</td>
<td>22.72</td>
<td>27.19</td>
</tr>
<tr>
<td>(2) Percentages (Take the total net income as 100)</td>
<td>66.28</td>
<td>63.66</td>
<td>56.64</td>
<td>52.00</td>
<td>51.87</td>
</tr>
<tr>
<td>From the collective</td>
<td>66.28</td>
<td>63.66</td>
<td>56.64</td>
<td>52.00</td>
<td>51.87</td>
</tr>
<tr>
<td>From the domestic sideline production</td>
<td>26.79</td>
<td>27.47</td>
<td>32.69</td>
<td>37.83</td>
<td>38.06</td>
</tr>
<tr>
<td>From other non-borrowing incomes</td>
<td>6.93</td>
<td>8.87</td>
<td>10.67</td>
<td>10.17</td>
<td>10.07</td>
</tr>
</tbody>
</table>

**Note:** "Income from the collective" refers to the total income the peasants get from the collective, including all incomes from the production teams, production brigades and the communities. Also included in this category is the income the peasants get through signing contracts for collective production with the collective. "Other non-borrowing incomes" refers to cash and things sent back by household members who work in other places, state subsidies for households with difficulties, for labourers working on public projects and for disabled servicemen, etc.
3. Average Per-Capita Living Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Average per-capita living expenditures (yuan)</td>
<td>116.06</td>
<td>134.51</td>
<td>162.21</td>
<td>190.81</td>
<td>220.23</td>
</tr>
<tr>
<td>For consumer goods</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td>78.59</td>
<td>86.03</td>
<td>100.19</td>
<td>113.83</td>
<td>133.20</td>
</tr>
<tr>
<td>Clothing</td>
<td>14.74</td>
<td>17.64</td>
<td>19.99</td>
<td>23.57</td>
<td>24.77</td>
</tr>
<tr>
<td>Fuels</td>
<td>8.28</td>
<td>8.34</td>
<td>9.66</td>
<td>10.59</td>
<td>12.36</td>
</tr>
<tr>
<td>Housing</td>
<td>3.67</td>
<td>7.66</td>
<td>12.80</td>
<td>18.67</td>
<td>22.58</td>
</tr>
<tr>
<td>Articles for daily use</td>
<td>7.62</td>
<td>11.14</td>
<td>15.31</td>
<td>19.51</td>
<td>22.39</td>
</tr>
<tr>
<td>For recreation and services</td>
<td>3.16</td>
<td>3.70</td>
<td>4.26</td>
<td>4.64</td>
<td>4.93</td>
</tr>
<tr>
<td>(2) Percentages (Take the total living expenditures as 100)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For consumer goods</td>
<td>97.28</td>
<td>97.25</td>
<td>97.37</td>
<td>97.57</td>
<td>97.76</td>
</tr>
<tr>
<td>Food</td>
<td>67.71</td>
<td>63.96</td>
<td>61.76</td>
<td>59.66</td>
<td>60.48</td>
</tr>
<tr>
<td>Clothing</td>
<td>12.70</td>
<td>13.12</td>
<td>12.32</td>
<td>12.35</td>
<td>11.25</td>
</tr>
<tr>
<td>Fuels</td>
<td>7.14</td>
<td>6.20</td>
<td>5.96</td>
<td>5.55</td>
<td>5.61</td>
</tr>
<tr>
<td>Housing</td>
<td>3.16</td>
<td>5.69</td>
<td>7.89</td>
<td>9.79</td>
<td>10.25</td>
</tr>
<tr>
<td>Articles for daily use</td>
<td>6.57</td>
<td>8.28</td>
<td>9.44</td>
<td>10.22</td>
<td>10.17</td>
</tr>
<tr>
<td>For recreation and services</td>
<td>2.72</td>
<td>2.75</td>
<td>2.63</td>
<td>2.43</td>
<td>2.24</td>
</tr>
</tbody>
</table>

A Sample Survey of Incomes and Expenses for Urban Workers’ and Staff Members’ Households

Following are statistics from a sample survey by the State Statistical Bureau selected from 29 provinces, municipalities and autonomous regions on the mainland. Since there were no such statistics available between 1965 and 1980, the tables below only give the figures in the last two years.

I. The General Situation of the Households Surveyed

<table>
<thead>
<tr>
<th>Item</th>
<th>1981</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Number of households surveyed</td>
<td>8,715</td>
<td>9,020</td>
</tr>
<tr>
<td>2. Average number of people in each household</td>
<td>4.24</td>
<td>4.14</td>
</tr>
<tr>
<td>3. Average number of people employed in each household</td>
<td>2.39</td>
<td>2.39</td>
</tr>
<tr>
<td>4. Average number of people supported by each employed person (including himself or herself)</td>
<td>1.77</td>
<td>1.73</td>
</tr>
<tr>
<td>5. Average per-capita total monthly income (yuan)</td>
<td>41.70</td>
<td>44.61</td>
</tr>
</tbody>
</table>

October 24, 1983
Income that can be spent on living expenses

% of households according to incomes that can be spent on living expenses:

- 20 yuan or less: 2.05%
- 20 to 25 yuan: 5.46%
- 25 to 35 yuan: 31.81%
- 35 to 50 yuan: 42.29%
- 50 to 60 yuan: 11.90%
- more than 60 yuan: 6.49%

6. Average per-capita monthly living expenses (yuan)

<table>
<thead>
<tr>
<th></th>
<th>1982</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>44.61</td>
<td>41.70</td>
</tr>
<tr>
<td>Expenses</td>
<td>39.25</td>
<td>38.07</td>
</tr>
<tr>
<td></td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Note: Incomes that can be spent on living expenses of workers' and staff members' households are the incomes which can be used for household daily expenses, that is, the total household incomes minus what is used for supporting parents and relatives and giving gifts.

II. The Average Per-Capita Monthly Cash Income and Expenses of Workers' and Staff Members' Households

<table>
<thead>
<tr>
<th></th>
<th>1982</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income</td>
<td>44.61</td>
<td>41.70</td>
</tr>
<tr>
<td>Income that can be spent</td>
<td>38.64</td>
<td>39.25</td>
</tr>
<tr>
<td>Living expenses</td>
<td>39.25</td>
<td>38.07</td>
</tr>
<tr>
<td></td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>(1) Expenditures for buying commodities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foodstuffs</td>
<td>23.02</td>
<td>21.57</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grain</td>
<td>5.06</td>
<td>4.93</td>
</tr>
<tr>
<td>Non-staple foods</td>
<td>12.58</td>
<td>11.69</td>
</tr>
<tr>
<td>Cigarettes, wine, liquor and tea</td>
<td>2.07</td>
<td>1.93</td>
</tr>
<tr>
<td>Clothing</td>
<td>5.64</td>
<td>5.63</td>
</tr>
<tr>
<td>Articles for daily use</td>
<td>3.62</td>
<td>3.64</td>
</tr>
<tr>
<td>Articles for recreation</td>
<td>1.81</td>
<td>2.16</td>
</tr>
<tr>
<td>Books, magazines and newspapers</td>
<td>0.35</td>
<td>0.36</td>
</tr>
<tr>
<td>Medicines and medical articles</td>
<td>0.24</td>
<td>0.23</td>
</tr>
<tr>
<td>Fuel</td>
<td>0.73</td>
<td>0.74</td>
</tr>
<tr>
<td>Houses and building materials</td>
<td>0.17</td>
<td>0.06</td>
</tr>
<tr>
<td>Other commodities</td>
<td>0.43</td>
<td>0.64</td>
</tr>
<tr>
<td>(2) Non-commodity expenses</td>
<td>3.24</td>
<td>3.04</td>
</tr>
<tr>
<td>Rent</td>
<td>0.59</td>
<td>0.53</td>
</tr>
</tbody>
</table>

Beijing Review, No. 43
2) Water and electricity  0.42  0.37  1.07  0.97
3) Gas  0.08  0.07  0.20  0.18
4) Tuition and incidentals  0.23  0.22  0.59  0.58
5) Child-care  0.23  0.23  0.59  0.60
6) Transportation  0.55  0.51  1.40  1.34
7) Post and telecommunications  0.05  0.04  0.13  0.11
8) Culture and recreation  0.20  0.24  0.51  0.63
9) Repairs and service  0.48  0.43  1.22  1.13
10) Medical expenses  0.13  0.12  0.33  0.32
11) Other non-commodity expenses  0.28  0.28  0.71  0.74

III. Average Number of Durable Consumer Goods Owned per 100 Households of Workers and Staff Members

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bicycles</td>
<td>146.65</td>
<td>135.90</td>
<td>10.75</td>
</tr>
<tr>
<td>Sewing machines</td>
<td>73.60</td>
<td>70.41</td>
<td>3.19</td>
</tr>
<tr>
<td>Wrist watches</td>
<td>248.89</td>
<td>240.76</td>
<td>8.13</td>
</tr>
<tr>
<td>Electric fans</td>
<td>53.17</td>
<td>42.62</td>
<td>10.55</td>
</tr>
<tr>
<td>Washing machines</td>
<td>16.09</td>
<td>6.34</td>
<td>9.75</td>
</tr>
<tr>
<td>Refrigerators</td>
<td>0.67</td>
<td>0.22</td>
<td>0.45</td>
</tr>
<tr>
<td>Radios</td>
<td>103.04</td>
<td>100.52</td>
<td>2.52</td>
</tr>
<tr>
<td>TV sets</td>
<td>73.31</td>
<td>57.65</td>
<td>15.66</td>
</tr>
<tr>
<td>Tape recorders</td>
<td>17.99</td>
<td>12.97</td>
<td>5.02</td>
</tr>
<tr>
<td>Cameras</td>
<td>5.57</td>
<td>4.29</td>
<td>1.28</td>
</tr>
</tbody>
</table>

(Continued from p. 9.)

ceived a delegation from the United Nations Children's Fund Canadian Committee (UNICEF-Canada).

The 15-member delegation, headed by Mrs. Gail Smith, Vice-President of UNICEF-Canada, toured a number of cities and rural areas in China from September 12 to 28 to study matters concerning the health care of children and preschool education. The delegation held discussions with the Ministries of Education and Public Health, and visited the co-operative projects run by UNICEF and China, such as the Weaning Food Factory in Shanghai, the Department of Psychology in Hangzhou University in Zhejiang Province and the maternity and child care services in Lintong County of Shaanxi Province. As a member of the delegation noted, the study tour has promoted friendship and understanding between the Chinese and the Canadian peoples.

Most of the delegates were UNICEF volunteers. Among them were Mrs. Greta Timmins, Vice-President of UNICEF Canada, and several leaders of its provincial chapters. Mr. Pierre Racicot, an official from the Canadian International Development Agency (CIDA), also joined the group. Last year, the Canadian UNICEF Committee and CIDA granted cash subsidies to a number of maternity and child care clinics, as well as nurseries and kindergartens in China.

October 24, 1983
OPINION

Way for China's economic development

ADDRESSING the problems of distribution of science, technology and production in China, Tong Dali, Vice-Minister in Charge of the State Commission for Restructuring the Economic System, has proposed a theory of "relying on the east and moving to the west."

Tong holds that China should rely on the better-developed eastern part of the country to gradually expand its economy to the west along the Changjiang, Huanghe and Zhujiang River basin areas. The economy in the northwest and southwest is developing slower than that in the east, but the resources there, particularly in energy, are rich. Unless China can exploit these resources, the realization of four modernizations is out of the question.

In the east there are four major economic areas:

The Changjiang River Delta, centring on Shanghai, consists of Shanghai, Suzhou, Wuxi, Changzhou, Nantong, Hangzhou, Huzhou, Jiaxing, Shaoxing and Ningbo. The State Council has already approved the establishment of an economic zone here, so that Shanghai and the other nine cities in the area can fully play their superior role in the economic life of the country.

The coastal area along the Bohai Sea comprises Dandong, Dalian, Yingkou, Qinhuangdao, Tianjin, Yantai and Qingdao.

The "gold coast" of Fujian and Guangdong Provinces will play a significant role in the world economy when developed.

The Songhua and Liaohe River basin embraces Harbin, Changchun, Shenyang, Anshan, Fushun and Benxi. This area is a centre of heavy industry.

Tong Dali also proposes to "move efforts to the west, along the three rivers."

1. The Changjiang River, from the Changjiang River Delta, the Taihu, Poyang and Dongting Lakes to the Changjiang and Hanshui River basin and western Sichuan plain to Panzhihua. If major efforts are devoted to the development along the Changjiang River, China's economy will reach the half-way mark in its overall development plan. This area has already been exploited, and it is easy to move to the west along this river.

2. The Huanghe River. Along this river are the Weihe River plain and the Great Bend of the Huanghe River, the coal mining centre of Shanxi Province, and China's four big power stations on the upper reaches of the river.

3. The Zhujiang River, passing through Guangxi to Yunnan and Guizhou Provinces; Guangxi has rich water resources.

In addition, Tibet, Xinjiang and Inner Mongolia are all rich in resources. The future will be bright if these areas are exploited.

"Shijie Jingji Daobao" (World Economic Herald)
Educated peasants earn more

A survey, done by the Sichuan Statistical Bureau, of incomes and living conditions of 80 peasant households in the provincial Xinjin County shows that peasants with a higher educational level earn more than those with a lower educational level. Peasants with higher education level had economic advantages:

Their basic income was higher. In 1982 the average per-capita net income of the peasants with a senior middle school education was 409.89 yuan, 25.21 per cent more than junior middle school graduates (327.35 yuan) and 43.19 per cent more than primary school graduates (285.56 yuan).

Their income increased more quickly. In the last four years, the average annual per-capita net income of the senior middle school graduates increased 2.84 times, compared with only 2.1 and 1.94 times for peasants with a junior middle and primary school education, respectively.

They earned money in a greater variety of ways. Peasants graduated from junior and senior middle schools engaged in comparatively large-scale fish, poultry and livestock breeding and in cash crop cultivation. But, to the contrary, the primary school graduates generally took on the production only of traditional items.

They achieved good economic results. In 1982, the total income created by each peasant with a senior middle school education was 788.26 yuan, 24.49 per cent higher than that created by a junior middle school graduate, and 24.78 per cent higher than that by a primary school graduate. According to a survey of 40 peasant households, peasants graduated from senior and junior middle school got back 4.53 yuan for each yuan invested, while primary school graduates got only 3.86 yuan in returns.

They had higher living standards. The peasants with a higher educational level spent less money on food and more on their clothing and living conditions than those with a lower educational level.

—“Sichuan Ribao”
(Sichuan Daily)

Peasants devote money to running schools

Now that the peasants in Henan Province are earning more money, they are contributing a great deal to running local schools. Individual peasants have supplied 230 million yuan, about two-thirds of the total cost, since 1978. The rest is contributed by the communes and brigades. In the past, all the school desks and chairs were made of brick, and the pupils were dirtied with mud and clay. But today, the school buildings are tall, with wooden desks and chairs which are clean and bright. Surrounding trees give a pleasant shade and flowers fill the air with fragrance.

With the implementation of the production responsibility system in rural areas, Henan peasants are competing to study and use scientific skills. Farm production has developed rapidly, and the people's standard of living has improved notably. The average annual per-capita income of peasants in the province rose to 224 yuan in 1982, compared with 70 yuan in 1978. From their own experiences, the peasants came to realize the importance of mastering scientific and general knowledge. That is why they have devoted their own money to running schools. The Zhoukou area in the province is one example. Individual peasants supplied 73.25 million yuan in the last five years, 80 per cent of the total needed to build school houses.

The peasants' financial help to run schools in Henan Province is purely voluntary, and not based on compulsion or apportionment. For instance, Sun Genzhang from the He Ping brigade in Chang'e County has earned 5,000 yuan annually from his farm and sideline production for the past few years. Last year he contributed 2,000 yuan and 70,000 bricks to a school run by his brigade. He also made 100 desks for the school last spring. He says, "If I were not educated, I couldn't get rich so quickly. Now, since our country is still poor, it is not correct to rely only on the country to run schools for our children."

—“Guangming Ribao”
(Guangming Daily)
PERFORMANCE

Travelling art troupes

Travelling art troupes have sprung up throughout the country since China's first 12-member travelling troupe appeared on the grasslands of Sundi You Banner, Inner Mongolia, in 1957.

The local herdsmen call this kind of art troupe Ulanmuqi, which means red cultural working team or red art light cavalry in Mongolian. Its members not only perform songs and dances and show slides for herdsmen to teach them about Marxism-Leninism, and Mao Zedong Thought, and the Party's principles and policies, but also bring them books and picture albums to raise their cultural level. Sometimes, they even offer haircutting and laundry services. This type of flexible, multi-purpose art troupe is well suited to the vast, sparsely populated countryside and pastureland.

In order to encourage and develop the travelling art troupes, the State Nationality Affairs Commission and the Ministry of Culture jointly sponsored the first national theatrical festival of 16 Ulanmuqi-style art troupes from frontier areas, pasturelands and mountain villages. The participating artists represented 29 nationalities, including the Han, Mongolian, Tibetan, Hui and Uygur. They performed in Beijing's Cultural Palace of Nationalities and the People's Theatre in September.

A travelling art troupe usually has about 20 members, each of whom is "an expert in one thing and good at many." They either sing and dance, or play two or three instruments, or combine all three skills.

At the recent theatrical festival, Saren a dancer from Otog Banner, performed a traditional Mongolian dance. With several bowls balanced on her head, she spun and whirled, her arms outstretched and her shoulders shaking. In another programme she played a three-stringed instrument, and joined the chorus in yet another. Saren and her friends were selected to perform in Beijing from among over 2,000 artists in Ulanmuqi troupes in Inner Mongolia.

Because most of the artists are young people from the countryside and grass-roots units, some are not especially gifted with artistic talents. But they have studied their craft so hard that their performances were acclaimed by the Beijing audiences.

Yaheyjesi, a pipa player, is one of the few minority nationality artists who has received higher education and professional training. She studied pipa for four years in the Central Institute for Nationalities. Before she finished her studies, a voice teacher discovered she also had talent as a singer. As a result, she received a period of vocal training. After graduation, she gave up a chance to join a professional art troupe and set her mind to serving her native people—the Yugurs living in the western part of Gansu Province. In Beijing, she not only played pipa, but also sang many popular Yugur folk songs. Her beautiful voice and her sincerity deeply impressed the audiences.

Pounding Glutinous Rice Cake, a pas de deux staged by an art troupe from Longlin, Guangxi Zhuang Autonomous Region, portrays the happy scene of a Zhuang nationality couple preparing rice cakes on New Year's eve (the Zhuang people generally eat glutinous rice cakes on festivals). Through a series of exaggerated and gracefully shaped movements, the dance vividly reflects the
happy life of the Zhuang people, as sweet as the cakes.

Asking for Flower Knitted Belts, a luseng dance, has been adapted from a traditional folk dance by a Miao nationality travelling art troupe from Guizhou Province. Luseng is a reed-pipe instrument popular among the Miao people. While blowing their luseng, young male dancers perform a series of humorous and complex movements indicating that they want to get flower knitted belts from the girls they love. In Miao areas, if a girl gives a boy a flower belt she has knitted herself, it means she is willing to marry him.

These excellent performances are not intended to be staged in theatres, but only in small village spaces or the open air. Also represented at the national theatrical festival was a Korean nationality travelling art troupe from Longjing County, Jilin Province. This troupe is called Kangtou, which means that its members give their performances in individual families for invalids or old people. If necessary, they even perform before just two or three people who are otherwise unable to attend their performances. Apart from songs and dances, they also present ballads and short plays. In 1982 alone, they toured 1,200 kilometres and gave a total of 274 performances to an audience of 153,000 in 238 production brigades.

**MUSIC**

**Ah Bing—a name to remember**

The late blind musician Hua Yanjun was honoured at a concert and academic forum last August in Beijing, to mark the 90th anniversary of his birth.

The folk musician, known to most Chinese as “Blind Ah Bing,” kept alive the traditions of Chinese music. He was known especially for his truthful expressions of life, and the music he composed was impassioned and compelling.

Ah Bing was a Taoist when he was young. He became a street singer and musician after he lost his sight at the age of 35. His life was one of hardship from then on. It was not until liberation that this poverty-stricken musician was able to have some security in his life.

In the summer of 1950, shortly after the founding of the People's Republic, Professor Yang Yinliu of the Beijing Traditional Music Research Institute went to Wuxi, Ah Bing's hometown in Jiangsu Province, to record his music. Before recording, Ah Bing practised for three days, although he had given up playing for several years because of his poor health. In all, six of his compositions were recorded; three for erhu (a two-stringed violin) and three for pipa (a plucked string instrument). Although the virtuoso had a repertoire of about 200 more pieces, before the professor could record more Ah Bing died of tuberculosis in December 1950, at the age of 57.

The six recorded pieces were presented at the Beijing concert. One of his most famous compositions is *Moon Over a Fountain*, a solo for erhu. It was performed by an excellent musician from east China. With its distinct melody, the music expresses many subtle changes and implicit feelings. The piece was also played separately with traditional instruments and Western stringed instruments, giving an entirely different effect.

An unaccompanied choral arrangement based on this famous music greatly surprised the audience, because it was performed by about 50 primary and middle school students. Some felt they were too young to understand the subtle implications and artistic style of *Fountain*, and thought it would have been better interpreted by a mixed adult chorus.

The erhu solo *Hearing the Wind in the Pines* tells the
said Ah Bing had inherited and developed China’s traditional style of folk music. People find they never tire of hearing it. However, judged by the standards of the 1980s, his music is not perfect. What makes it so moving is that Ah Bing knew how to express his feelings in melody, developing his own unique style which incorporated traditional and folk music, Professor Lan said.

Six papers read at the forum dealt with the problem of how to understand the music Moon Over a Fountain. They disagreed with the idea that this music just describes a piece of scenery. Rather, they believed the music recorded his feelings towards the hardship in his life, his struggle against the darkness and his expectations for the future. This key question, yet unsolved, remains to be further discussed.

Living as he did, when times were hard for the working people, Ah Bing was also a just-minded musician. Three papers at the forum dealt with Ah Bing as a musician of the people. He sang ballads satirizing social evils, corrupt officials and the crime of Japanese aggression. He praised the Chinese people’s resistance against the Japanese invaders. For this he was persecuted by local thugs, but he never yielded to any threats.

More than a hundred people took part in the forum, which helped further the understanding of the blind musician and his artistic life. The name of Ah Bing will long be remembered in China.

—L.Y.

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A Glimpse of the Fifth National Games

Zhu Jianhua gives his coach Hu Pengfei a warm hug after breaking the world record for high jumping.

Li Ning, the individual all-round champion in men's gymnastics, going through his routine on the rings.

Chen Xiaoxia, who captured the titles of women's all-round diving and platform diving, treads towards the water.

The ace spiker Lang Ping leaps into the air for a powerful smash in the women's volleyball finals.

Jiao Zhimin, champion in women's table tennis singles, is poised for her opponent's return.

Li Yingzi, who equalled the world record of 387 points in the women's air pistol event, is a study in concentration as she takes aim.
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