BEIJING REVIEW

A CHINESE WEEKLY OF NEWS AND VIEWS

- Upholding 5 Principles of Peaceful Coexistence
- Sichuan: Giant Pandas and Other Treasures
A bird's-eye view of the Dujiang Water Control Complex.

The 320,000-kw turbogenerator in the Longyang Valley Hydropower Station was made by the Dongfang Electrical Machinery Plant in Deyang, Sichuan.

Peasants in Rongchiang County sell surplus grain to the state.

Rolling out cloth in the Sichuan No. 1 Cotton Mill.

An amateur art troupe in Shuangliu County performs for the peasants.

A geologist analyses a rock specimen with a modern instrument made by the Chengdu Electronic Research Institute and the Chengdu Institute of Geology.
HIGHLIGHTS OF THE WEEK

Five Principles of Peaceful Coexistence Hailed

July 18 was the 30th anniversary of the formulation of the Five Principles of Peaceful Coexistence. Premier Zhao Ziyang's speech at the Beijing forum explains the significance of these principles to world peace (p. 16). A companion article by a veteran diplomat elaborates these principles as China's guidelines for handling its relations with other countries (p. 17).

Mozambican President Visits China

President Li Xiannian has told visiting Mozambican President Samora Moises Machel that true peace and stability will be possible in southern Africa only when the South African authorities have made an about-face in their policies of aggression, expansion and racial discrimination (p. 6).

14 Ports to Offer Special Treatment

The State Council has announced that the 14 coastal cities recently opened to the world will offer preferential treatment to investors from Hongkong, Macao, Taiwan and abroad in taxation, the sales of products and other matters (p. 7).

Sichuan — Land of Abundance

A special report describing the current developments in China's most populous province as well as its geographical and historical background. Sichuan, known as the "Land of Abundance," which referred merely to its agriculture, has developed its industry on a solid basis in the 30-odd years since liberation. The ongoing economic reform is also covered (p. 22).

Development of China's Armed Forces

As the 57th anniversary of the founding of the Chinese People's Liberation Army draws near, a guest writer tells of its development from simply an infantry to a combined armed force equipped with modern weaponry. China is endeavouring to raise its self-defence capabilities to meet the conditions of modern warfare (p. 20).
Building Industry — Vanguard in Reform

by JIN QI
Economic Editor

China's current economic reform, which is aimed at enhancing enthusiasm for labour, developing social productivity and improving living standards, has borne fruit in the nation's vast countryside. As the situation in the cities is complicated and reform there involves many problems, ways have been sought and tried out, but so far no breakthrough has been made in any trade. Nevertheless, people have seen an inspiring hope in the reform of the building industry.

Like the reform in the countryside, which has made breakthroughs first in the poor and backward areas, the reform in the cities might make a breakthrough first in the building industry, which presents the most serious problems compared with other industries and trades and needs reform urgently.

The building industry in China is an important trade, which is developing rapidly. It employs about 13 million workers and staff, including 5 million in the countryside, some of whom have begun to contract for construction projects in the cities. In 1983, output value of the building industry accounted for 9 per cent of the country's gross output value. At present, it shoulders capital construction tasks with a total investment of the tune of 65,000 million yuan (about US$32,500 million) a year. On top of this is the task of building 800 million square metres of housing in urban and rural areas. Its tasks are expected to grow heavier in the late 1980s and throughout the 1990s.

For a long time, however, the building industry has been poorly managed. The phenomenon of "everybody eating from the same big pot" was widespread. The industry's labour productivity has been low and waste has been serious. Especially from the 1960s to the early 1980s, projects took longer and longer and costs rose higher and higher. This situation, if not improved, is bound to hinder the country's modernization drive.

By adopting a system of investment responsibility and a system of public bidding, the building industry has been able to arouse enthusiasm for labour, resulting in shorter construction duration, lower costs and high-quality work.

In July 1981, the Shenzhen Special Economic Zone selected construction units to build its international trade centre by calling for tenders. The result was a shorter construction duration, lower costs and high-quality work. The reform has had widespread repercussions in the building industry and spread from Shenzhen to other places. Now, it has been widely adopted throughout the country and satisfactory economic returns have been achieved.

The key task of the present reform of the building industry and capital construction is to institute a system of investment responsibility and a system of public bidding to break monopoly practices and encourage competition. The past practice of designating design and building units through administrative means must be discarded and contracts must be awarded to the best design and building units through public bidding. Within the building units, the egalitarianist tendency in distribution should be overcome and a responsibility system should be introduced to link remuneration with set quotas and to ensure more pay for more work. After investment responsibility contracts are signed, funds saved by early completion of projects should go to the contracting units.

Experience has shown that these are effective methods of encouraging building units to work harder and to arouse the enthusiasm of workers and staff. For instance, investment for the first-phase construction of the Baoshan Iron and Steel Complex in Shanghai, the largest capital construction project at present in China, was increased time and again before a comprehensive investment responsibility system was adopted in 1981. The signing of that contract has enhanced the enthusiasm of various quarters, speeded up construction time and reduced costs. It has not only brought the domestic part of the investment for the whole project under control, but has saved 190 million yuan.

The Handan No. 2 Construction Company in Hebei Province is another example. Since February 1979, the company has undertaken
capital construction projects totaling 160 million yuan in Tangshan which was hit by a destructive earthquake in 1976. Since a responsibility system was introduced and the principle of distribution "to each according to his work" was carried out, all its projects have been first-class in quality, the cost for each square metre of floor space has been 5 yuan less than normal, and the duration of construction has been one-third shorter. Over the past five years, the workers' per-capita income has doubled, reaching 1,242 yuan in 1983. For every yuan the company issues as bonus to its workers and staff, it hands over an additional 4.78 yuan in profits to the state.

Some people think that signing contracts through public bidding is a method prevalent in capitalist countries and is incompatible with a socialist planned economy. This is wrong. Experience has proved that it is a scientific management method. Any scientific management method is an objective law which transcends the nature of society and can be used under both capitalism and socialism. In China, the system of public bidding is carried out under the precondition that the state determines the general investment orientation and key capital construction projects and through economic means in an organized way. Also it is in line with the principles of a planned economy. Moreover, all enterprises which enter tenders are either owned by the state or by the collectives, so labouring people are the beneficiaries.

Preserving World Peace
Premier Zhao Ziyang's "Report on the Work of the Government" in issue No. 24 is good. He talked about preserving world peace, saying "China loves peace, opposes war." His optimistic report made a lasting impression on us. Premier Zhao and our president are the kind of people needed in the world.

Hector Gutierrez V.
Buga Valle, Colombia

Special Reports on Regions
Your special reports on China's administrative regions help us understand the general situation and characteristics in each province, municipality and autonomous region. To preserve them, I have copied each one and bound them up into one volume. It would be more convenient if you could publish them in document form. Could you please give consideration to this?

Toshio Sato
Yamagata, Japan

I enjoy reading your articles introducing China's administrative regions, such as "Shaanxi: Cradle of Chinese Culture and Revolution" (issue No. 8, 1984).

I have been reading your magazine for 12 years. It has changed a great deal since the "cultural revolution" ended.

German Sandino P.
Bogota, Colombia

To have a greater general knowledge of your beautiful country, I would like to see you offer more articles on China's provinces. These articles could introduce each province's history, geography, economy and art, which would help readers understand your nation more profoundly.

Marcel Portela
France

Comment and Suggestion
Your colour cover is very beautiful, but it would be better if there were no advertisements on the back. The cover of issue No. 19 appears to have been cut at a slant and the colour is too light.

I enjoy reading "Highlights of the Week," "Letters," "Events & Trends" and "International," but don't like "Notes From the Editors."

The "Culture & Science" column is unnecessary in a political weekly. In comparison, the articles criticizing enemies of the workers and criminals are necessary. I think you should offer more articles about the role of Mao Zedong.

Sending free copies of Beijing Review to readers who are interested in it may be a good method of extending your distribution. Otherwise it is very difficult for my people to know about it.

Anton Keusch
Vienna, Austria

The contents of your magazine are good but could be better if you offered more information on business prospects around the country and discussed in detail industries that have growth potential.

Your layout and design are acceptable. More space should be devoted to emerging industries and third world news.

To improve your distribution and marketing strategy will require information on what appeals most to your subscribers.

Omar Hadi
Arlington, USA

July 30, 1984
Mozambican President Makes Fifth Visit

Mozambican President Samora Moises Machel has been told that true peace and stability in southern Africa will be possible only when the South African authorities have made an about-face in their policies of aggression, expansion and racial discrimination.

"Only in this way can true peace and stability be realized in southern Africa," said President Li Xiannian at a banquet in Beijing in honour of Samora, who arrived in China on July 17 at Li's invitation for his fifth visit.

Samora, also Chairman of the Frelimo Party, agreed, saying that peace and stability could be realized only when Namibia has won its independence and apartheid been eliminated in South Africa. The Namibian people are fighting for freedom and sovereignty under the leadership of the South West Africa People's Organization (SWAPO).

"The only way to independence for the Namibian people is the thorough implementation of Resolution 435 of the UN Security Council," he added.

Mozambique, which won its independence in June 1975, follows a non-aligned foreign policy, opposing imperialism and colonialism and supporting southern Africans' struggle for liberation.

China established diplomatic relations with Mozambique the day it won independence. The two countries' relations have since kept growing, said Li. "China has always supported the actions taken by Mozambican Government to safeguard the country's independence and security."

Samora said his visit was aimed partly at learning from the Chinese people how to wipe out poverty and progress on one's own strength. The Mozambican Government expects to co-operate with China for ever, he added.

He later met with Premier Zhao Ziyang, and both sides agreed to further develop economic and technological co-operation. An agreement on economic and technical co-operation was signed on July 20, before Samora left for Hangzhou.

"My visit, although short, has been very fruitful," Samora said, adding that he would be carrying Chinese hospitality and fraternity back to his people, along with his satisfaction with the results of this visit.

Wu Meets With Mongolian Official

Foreign Minister Wu Xueqian has told a senior Mongolian official that the broad prospects for relations between China and Mongolia can be developed if both sides are guided by the Five Principles of Peaceful Coexistence.

Speaking on July 19 to a delegation led by D. Yundon, First Vice-Minister of Foreign Affairs of the People's Republic of Mongolia, Wu said the Chinese Government will continue to abide strictly by the Five Principles and is willing to develop economic, trade, technical and cultural ties with Mongolia.

Yundon said his country also wishes to develop border trade and
cultural links with China on the basis of the Five Principles.

Speaking of the recently completed first joint survey of the Sino-Mongolian border, Yundon said Mongolia thought highly of the Chinese co-operative spirit during the survey. Both sides agreed that the 4,600-kilometre border was peaceful.

After the meeting with Wu, Yundon and Vice-Foreign Minister Han Xu signed a protocol regarding the survey.

**News in Brief**

**Li Meets Guyanese Vice-President**. President Li Xiannian and visiting Guyanese Vice-President Bishwaishwar Ramsaroop have both expressed their hopes for promoting friendly co-operation between China and Guyana. The two also exchanged views on international issues during their meeting on July 19.

Ramsaroop, also Member of the People’s National Congress (PNC) Central Executive Committee, and a PNC delegation arrived in Beijing on July 16.

Huang Hua, Member of the CPC Central Committee and Vice-Chairman of the NPC Standing Committee, had friendly talks with the Guyanese visitors.

**Li Meets Madagascar Delegation**. President Li Xiannian has told a delegation from Madagascar that he hopes the two countries will make common progress in agriculture through constant exchanges of experience and by learning from each other to make up for each other’s deficiencies.

The delegation, led by Simon Pierre, Member of the Supreme Revolutionary Council and the Political Bureau of the Madagascan Revolutionary Vanguard, arrived in Beijing on July 3, and later visited Shanghai, Guangzhou and Shenzhen.

"This is my second visit to China," Pierre said, "and I have witnessed great changes, especially in the rural areas, where most peasants have moved into new houses."

Li said, "In the past few years, we have readjusted rural policies, corrected 'Leftist' mistakes and deviation, and carried out socialist principles of distribution more effectively, thus greatly sparking the peasants' enthusiasm. As a result, gratifying changes have taken place in rural areas."

**Wu Meets Polish Vice-Foreign Minister**. Foreign Minister Wu Xueqian and Polish Vice-Foreign Minister Ernest Kucza have expressed their desire to develop co-operation between their countries in various fields. Kucza and his party arrived in Beijing on July 12 on an official goodwill visit at the invitation of Vice-Foreign Minister Qian Qichen and met with Wu on July 14.

On July 13, the two Vice-Foreign Ministers exchanged views on the world situation and further development of bilateral relations. They later signed a consular treaty.

**Special Treatment for Foreign Investors**

The State Council has announced that the 14 coastal cities recently opened to the world, including Dalian, Tianjin, Shanghai and Guangzhou, will have expanded decision-making powers over foreign trade and will offer preferential treatment to foreign investors and investors from Hong Kong, Macao and Taiwan.

The preferential treatment includes the following measures:

- Foreign investors are welcomed to establish joint ventures, cooperative enterprises, or wholly owned enterprises.
- The income tax rate for technology and knowledge-intensive projects or projects with an investment of over US$30 million will be reduced to 15 per cent, with the approval of the Ministry of Finance.
- Customs duty and industrial and commercial consolidated tax will be lifted from production and managerial equipment and building materials imported for use on foreign investments; raw materials, parts and packaging materials imported for making export products; and private vehicles, office equipment and daily necessities imported for foreign staff.

Products for export (excluding state-embargoed export products) will be exempt from customs duty and industrial and commercial consolidated tax.

A certain portion of the products produced with advanced technology and equipment provided by foreign investors will be allowed to be sold in the domestic market. However, tax will be levied on those products made with tax-free imported raw materials.

All projects to be built in these economic zones must be technically advanced. Apart from enjoying preferential treatment, these enterprises will be taxed at 15 per cent. Foreign investors will be exempt from income tax on 10 per cent of the profits they remit to their countries.

The power to examine and approve projects using foreign capital has been delegated to these coastal cities. They also have the right to examine and approve the importing of equipment relevant to the projects, and sending investigation groups abroad, as well as holding talks with
foreign businesses. This is expected to raise efficiency.

In addition, entry and exit formalities for foreigners coming to these cities for study tours and business talks will be simplified for their convenience.

Remedies Urged For Major Rivers

China must solve the problem of flooding on the Huanghe (Yellow) River by the end of this century, with the focus on irrigation, said Vice-Premier Wan Li during his inspection tour of the river with other central leaders in late June and early July.

The Huanghe River is China's next-to-largest river, second only to the Changjiang (Yangtze) River. Many disasters have been caused by the large quantities of silt deposited along its middle and lower reaches as it runs by. Only after the founding of New China in 1949 has attention been paid to the control of the river.

The lower reaches of the Huanghe River are densely populated, and people depend on steady high yields and the development of animal husbandry and forestry for their livelihoods. Because there is little rainfall in the Huanghe River valley, irrigation plays an especially important role in agricultural development. This area also experiences more serious shortages of water for residential use in urban and rural areas and for industrial production than do other regions.

Wan Li called on departments concerned to take the overall situation into consideration and engage in unified planning and management in distributing the water. He also stressed that in the programme for harnessing the Huanghe River some farmland would have to be converted into grassland or forests.

Not long ago, a group carried out a comprehensive survey of uses of the Changjiang River, studying shipping, flood control, electricity generation, aquatic production, industrial distribution and structural reform along the river. The specialists pointed out that the full exploitation and proper utilization of the river occupy a strategic position in China's economic revitalization.

The Changjiang River, the largest in China, is 6,300 kilometres long with a water volume of 960 billion cubic metres and the capacity to store 268 million kw of water energy. But in the past 35 years, for various reasons, China has failed to exploit and utilize the river fully, especially in shipping.

In recent years, leaders in the central government have made quite a few inspections of the Changjiang valley and have put the Changjiang problem high on their agendas.

The recent investigation was sponsored by the Chinese Institute for Economic Research on the Forces of Production, the Federation of Economic Organizations and the Changjiang Navigation Administration. Its members included more than 30 practical workers, specialists and scholars from the State Planning Commission, the State Economic Commission, the Ministry of Water Resources and Electric Power, the Ministry of Railways, the Ministry of Communications, the Ministry of Agriculture, Animal Husbandry and Fisheries, the Chinese Academy of Social Sciences, the Chinese People's University and the academies of social sciences of Sichuan and Hubei Provinces.

Commodity Output Up in Countryside

Casting off the bond of a single-product agricultural economy, China has embarked on the path to a diversified rural economy, embracing farming, sideline occupations, industry and commerce.

About 1.4 million peasants in the suburbs of Shanghai, 50 per cent of its farm labour force, have turned away from the soil to engage in agriculture, forestry, animal husbandry, fishing, township enterprises, service trades, transportation and construction.

As a result, the output of sideline food products by the peasants of Shanghai last year rose dramatically, the production of pork

Vice-Premier Wan Li (second from left) and other leaders inspecting the Longyangxia Hydroelectric Station on the Huanghe River.
having increased 23.5 per cent over 1978 and the output of poultry, eggs and milk and freshwater fish having soared 50 per cent and 160 per cent respectively.

To date, 12 per cent of the industrial output value has come from the 5,000-odd township enterprises. Last year, the 80,000 peasants who turned to the building industry completed a total of 2.84 million square metres of various contracted projects, constituting more than one-third of all the construction acreage completed within the whole municipality. The average annual income of 563 yuan per peasant of Shanghai last year represented an increase of 100 per cent as compared with 1978.

Lixian County in Hebei Province has long been known for its indigenous methods of spinning, weaving and fur processing. In the midst of this general trend towards increasing specialization and commodity production, this county’s traditional industries have made headway. By June of this year, the number of people engaged in the production of acrylic fibre, the processing of fur and the sales of commodities had reached 120,000, accounting for more than 70 per cent of its work force.

Today, Lixian County has more than 19,000 households specialized in the production of acrylics and 600 spinning and weaving associations. In 1983, Lixian County produced a total of 4,200 tons of acrylic fibre, accounting for one-fourth of the national output. Meanwhile, other sideline industries, such as fur processing, have developed rapidly into major countryside industries. Now, 42,000 specialized households (49 per cent of the total peasant households) and 59 specialized villages had come into being. Last year, the value of this county’s industrial output reached 159 million yuan, accounting for 59.2 per cent of its agricultural output value, an 11-fold increase over 1978.

In Anhui Province, 570,000 peasants have turned away from the soil, but have not left their native land. They have flocked into 3,300 townships to set up workshops and open businesses, accelerating trade in commodities. In 1983, retail sales in all the townships in the province rose 84 per cent over 1978.

To varying degrees, every area in the Chinese countryside is now developing commodity production and a diversified economy. This has brought great benefits to the rural economy while also considerably improving the peasants’ standard of living.

The implementation of the production responsibility system has liberated large portions of the labour force from the soil. These people did not become unemployed, but on the contrary, were rapidly transformed into a formidable army of commodity producers. They have also helped strengthen the economic ties between the cities and the countryside, as well as those among the rural areas themselves.

Prices for Textiles Pegged to Quality

The State Council has pegged textile prices to quality, a move aimed at boosting production of blended, synthetic and high-quality cotton fabrics, as well as promoting the development of new varieties and designs.

Under the decision, prices for textiles that have been awarded gold or silver medals by the state or those chosen as high-quality products by the Ministry of Textile Industry or provincial authorities will rise by 5 to 15 per cent.

Depending on production costs, prices for new products, new designs which are in great demand and products requiring sophisticated technology may rise by up to 10 per cent. Prices for slow-selling, old-fashioned products can be cut.

Zhang Tianjin (centre) in Zhejiang Province organized 12 peasant households into a poultry-raising and breeding company.
by 10 per cent and those for inferior products can be reduced to
the point where the manufacturer is making no profit or suffering loss.

Previously prices were unified for the same types of textiles re-
gardless of quality, patterns, work-
manship or market demand. Enterprises were not motivated to im-
prove product quality or design new patterns and products, result-
ing in an overstocking of inferior and old-fashioned products.

Economic Briefs

- National production of crude oil had reached 53.8 million tons by June 25, an increase of 6.1 per cent over the corresponding period last year, and five days ahead of time in fulfilling the quota of the state plan for the first half of the year.

This year, all the oilfields in the country have been economically successful. In comparison with January to May of last year, the country’s industrial output value and tax income have expanded 6.7 per cent and 6.8 per cent respectively.

- The country’s major coal mines had produced 193.1 million tons of coal earmarked for unified distribution by June 26, four days ahead of schedule, up 5.3 per cent over the same period last year; washed coal production and tun-
neling footage quotas of the state plan have been met 15 and 16 days ahead of time respectively.

This year coal mines were assailed by disasters, but outstanding economic results have still been achieved, thanks to a rise in the rate of attendance by 3.5 per cent over the period from January to May of last year. The rise in rate of attendance brought about the production of an extra 5,470,000 tons of coal.

- The country as a whole had generated 177 billion kwh of elec-
tricity by June 25, five days ahead of time in fulfilling the quota for the first half of this year’s state plan and an increase of 7.3 per cent over the corresponding period last year.

- Recently, the 281-km-long electrified railway from Beijing to Qinhuangdao has been completed and begun trial runs. This railway was built to ease the congestion in the transporta-
tion of coal from Shanxi Province. It was expected that by mid-July the railway would be carrying six pairs of freight trains and two pairs of passenger trains every day, with a handling capacity of 18,000 tons of coal, equaling the load of 2,250 trucks.

More Self-Service Markets in Beijing

In 1983, 22 self-service markets were opened in Beijing, and this year more are planned to help busy residents do their shopping. These markets have been well-
received by local shoppers because they provide a wider variety of merchandise. Most of the new markets are located in major shopping areas, where they can serve a greater number of Beijing’s 5 million urban residents.

The city’s first self-service market was opened in 1982 in Zhongguancun which is known as the “Scientific City” in northern Beijing. The largest is on Cuwei Road, a western suburb near a number of government offices.

According to Wang Fushi, an official with the city’s commerce department, the majority of self-

service market shoppers are intellectual workers, office and factory workers and young people attending evening university courses.

A middle-aged teacher said, “The self-service markets charge a little more than smaller stores or

street markets for most items, but offer better quality goods and con-
venience for time-pressed professionals.”

China’s Minister of Commerce, Liu Yi, recently suggested that self-

service markets also be opened in other cities across China, because of their added convenience and efficiency.

Such markets have also been established in Shanghai, Guang-

zhou and other cities.

1.6 Million Take Entrance Exams

In early July, 1.6 million candidates sat for college entrance examinations.

This was 50,000 fewer candidates than last year, but this year the institutions of higher learning plan to accept 450,000 students, 26 per cent of the examinees will be enrolled in colleges of arts and science, compared with 23 per cent last year.

Of these examinees, one million are trying out for science and engineering colleges, 415,000 for liberal arts colleges, 88,000 for foreign languages institutes and schools, and 15,000 for sports universities and schools.

About 200 were from Taiwan Province, and 2,500 from Hong-

kong, Macao and overseas. More than 100,000 were of minority ethnic groups. The number of candidates from Beijing and Tianjin decreased greatly while those from Shanghai increased by 4,000 after young working people were encouraged to take the college entrance exams.

Wealth Enriches Peasant Culture

Since the state’s flexible policies on agriculture were introduced
several years ago, the peasants' cultural life has grown richer. More and more peasants now subscribe to newspapers and magazines, buy books and study at evening and technical schools. Some are buying TV sets, tape recorders and even pianos — rarities in the past — while others are subsidizing schools, small libraries and cultural centres or providing books, magazines, Chinese chess games, playing cards and other entertainment for fellow villagers.

Yang Sixian in Sichuan Province, who got rich by raising long-haired rabbits, used his own money to invite 13 writers and editors to a three-day discussion in his newly built house. Yang, a novel lover, told them how he got rich through hard study and work and what he thought about it. He encouraged these writers to write more good articles and stories about daily life.

Households specializing in cultural undertakings have sprouted in rural areas like mushrooms after a rain — something new for peasants who for generations worked in the fields and have only recently entered industry. The Xus, a peasant family in the formerly poor Chuxian County, Anhui Province, has built a 250-seat cinema in his village. His son is responsible for getting films, his two daughters for showing them and selling tickets and Xu for collecting tickets. Before the cinema was built last year, films were shown in the open. In the first four months of this year, his family earned about 1,000 yuan.

Lu Yuling, 20, has opened a reading room with 2,000 picture books in her village in the same county, which attracts more than 100 nearby children every day.

The Zhang family, also from the county, has organized a troupe of about 12 conjurers, balladeers and story-tellers from among the children and their spouses and his relatives' children. Performances by the troupe, which competes with some local state-run ones, are welcomed in the district.

Raising Funds for Great Wall Repair

A drive that began in early July to raise money to repair sections of the Great Wall north of Beijing, sponsored jointly by five newspapers and the Badaling Special Administration Office, received donations of more than 400,000 yuan in just eight days.

A primary school in Hongguang, Liaoning Province, built with 100,000 yuan from local peasants.

The first donor was Zhou Guangyan, a young flower-seller from Guangxi, who gave 500 yuan. He was joined by calligrapher Liu Bingsen and famous Beijing opera actor Li Wanchun, who donated 1,000 yuan each. Retired cadre Yao Huizi, 81, and his wife, gave 1,000 yuan and Sheng Jianhua, a disabled self-employed photographer from Dongcheng district of Beijing, gave 500 yuan.

A young Beijing school girl wrote the sponsors saying she could donate 20 yuan. “I can save 10 fen a day which my parents give me for daily ice-sucker,” she explained.

To date, the largest donated by an individual has been 3,610 yuan, given on behalf of Liu Kaixin, a worker who died three years ago. Liu, a bachelor, had asked his factory leader to donate his bank savings to the state.

Yan Genghua, a long-distance runner working at the Harbin Medical University, plans to run from Shouhaiguan on the Bohai Sea at the eastern end of the wall to Jiayuguan in Gansu Province at the western end to collect donations.

Donations contributed by units are always more than 5,000 yuan. The Cultural Relics Bureau under the Ministry of Culture donated 100,000 yuan and the Palace Museum in Beijing 50,000 yuan. The bureau also earmarked another 100,000 yuan for a later date.

Individual donors who contribute more than 500 yuan and collective units that give more than 10,000 yuan will be honoured by having their names inscribed on a tablet to be affixed to the Great Wall.

The Great Wall, a symbol of China, is one of the world’s seven major tourist attractions. Unfortunately most sections of the wall around Beijing have been eroded or damaged.
Viet Nam
Domestic Crisis Behind Attack

by HUANG YUAN

On July 12, a division of Vietnamese soldiers launched an attack into part of Malipo County in Yunnan Province — the largest such provocation in years.

Such an action launched by Hanoi was out of its needs both at home and abroad. A Japanese reporter once pointed out that Viet Nam wanted to create a crisis to influence world opinion and at the same time produce a pretext for tighter control at home. His remark hits the nail on the head.

Nine years have passed since the end of the Viet Nam War. But the Vietnamese people have had little respite to rebuild their homeland because of the war of aggression against Kampuchea and the anti-China campaigns. Sustained military actions have eaten up more than half of their country’s income and resulted in economic stagnation and even chaos.

Viet Nam’s economy has sunk into the abyss of crisis since it invaded Kampuchea at the end of 1978. In the past few years, despite an upturn in the output of grains and some other farm products, the country’s national economy remains in a wretched state, because huge amounts of manpower, materials and financial resources are absorbed by the country’s war machine in pursuance of the policies of aggression and expansion. There is an acute shortage of grains. Factories and mines are operating at only 50 per cent of capacity. The total output value of state industry in 1983 was below the 1978 level. The aggregate financial deficit in Viet Nam is approaching 30,000 million Vietnamese dong (about US$3,000 million) and aggregate foreign debt now stands at US$6,000 million. With runaway inflation, skyrocketing prices and depleted foreign exchange reserves, the masses of the people, especially the wage-earners, are eking out a miserable existence.

Le Duan, General Secretary of the Vietnamese Communist Party, had to admit at the end of last year that the state had lost control over production and circulation. Viet Nam is confronted with great difficulties in the areas of production, commodity distribution and circulation, and in people’s daily life, he said.

The Vietnamese people have long endured deep suffering as they sustained for their national independence during the anti-US war. But they could not tolerate year after year the hardship caused by Hanoi’s pursuance of regional hegemonism. They are tired of the invasion of Kampuchea, cherishing the memory of Vietnamese-Chinese friendship in the war years and demanding their government to change its policies of aggression and expansion. There is such a growing feeling of insecurity that even the Vietnamese newspapers have to admit that cadres and farmers now have doubts in their minds.

This state of affairs is an awful threat to the leadership in Hanoi. The Vietnamese authorities had all along attributed their economic difficulties to the Viet Nam War. Now that nine years have passed, such an excuse can no longer fool anybody. Thus, the Vietnamese authorities tried to blame China for “launching a war of destruction against Viet Nam” and “causing serious difficulties to Vietnamese economy” in order to shift the people’s dissatisfaction to China. They told their people not to have confused ideas about China, nor cherish illusions about it.

After launching an armed provocation along the Sino-Vietnamese border this spring, the Vietnamese newspaper Nhan Dan at the end of May tried to create among the people the image of China being a “direct, dangerous foe.” They have even declared that they would defeat China with “the critique of weapons.”

The Vietnamese authorities have raised a hue and cry and acted accordingly.

South Asia
Advancing Regional Co-operation

by ZHONG TAI

A joint communique issued by the foreign ministers of seven South Asian countries urges the active pursuit of the proposals put forward by the 7th Non-Aligned Summit in 1983 and by the Group of 77 at various forums and reaffirmed their resolve to co-operate closely in all relevant forums in seeking appropriate solutions to the problems affecting developing countries.
The ministers, who were at their second meeting of the South Asian Regional Co-operation (SARC) forum from July 10-11, reviewed the current world economic situation and expressed their concern over the deteriorating economic and social conditions in the developing countries. They agreed that without redoubling efforts by the international community — including immediate measures — the goals and targets of the international development strategy under the third UN development decade and a substantial new programme of action for the least developed countries during the period of the 1980s could not be attained.

The meeting, held in Male, Maldives, was attended by the foreign ministers of Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka and the communication minister of Bangladesh. They agreed to recommend the convening of the first summit meeting of South Asian heads of state in Dhaka, Bangladesh, in late 1985.

In May 1980, the late President of Bangladesh Ziaur Rahman suggested to the South Asian leaders that a summit be held to discuss ways of increasing co-operation between their countries, of solving disputes through negotiations and adopting common stances to deal with outside interference. The 900 million people in the seven SARC countries make up one-fifth of the world’s population.

Since 1980, the group’s foreign secretaries have met five times. The declaration adopted last August at the first foreign ministers’ conference outlines the SARC objectives: to promote the welfare of their peoples; to accelerate economic growth, social progress and cultural development in the region; to promote and strengthen collective self-reliance; and to strengthen mutual trust and understanding and promote mutual assistance, so as to strengthen unity and co-operation between developing countries.

The first conference also adopted an integrated programme and made a series of decisions to co-operate in agriculture, rural development, health and population control, telecommunications, posts and transport, science and technology, weather study, sports and culture.

The foreign ministers felt that considerable progress had been achieved in implementing their integrated programme of action since the first SARC meeting.

Co-operation between South Asian countries has developed from governmental to non-governmental levels. A three-day South Asian regional seminar on co-operation in the development of human resources, population policies and manpower and employment policies was held last June. The meeting was sponsored by the Committee on Studies for Co-operation in Development in South Asia and the Centre for Economic Development and Administration of the Tribhuvan University of Nepal.

Development of regional co-operation illustrates the SARC countries’ desire to strengthen their friendship and improve their living conditions. Although historical problems and disputes remain, they face common tasks in developing their economies and cultures and lifting themselves out of poverty and backwardness now that they are independent.

Experience has proved that as long as the South Asian countries persist in the principles guiding their regional co-operation — to enhance the principle of mutual respect for sovereignty and territorial integrity, mutual non-interference in each other’s internal affairs, equality and mutual consultations — disputes between them will be settled and co-operation based on equality and mutual benefit will be developed.

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**Sudan**

**No End Seen to ‘Southern Crisis’**

by LIANG QI

The conflict between the blacks in the south of Sudan and the Arabs in the north has worsened over in the past year. On several occasions, soldiers from the south have mutinied and anti-government guerrillas have resumed activities, occupying some towns and villages in the south, and cutting communications with the north. There have also been strikes and demonstrations.

On April 29, President Gaafar Mohamed Nimeri declared an indefinite state of emergency and martial law, banning all demonstrations, rallies and protest activities. On May 2, he reshuffled the Council of Ministers, dismissing six ministers and the vice-president of the ruling Sudanese Socialist Union. In mid-June, the government initiated activities in the party, government and military to promote loyalty to Nimeri. Western observers, however, note that these measures cannot solve the “southern crisis,” and the political situation in Sudan is still deteriorating.

The south-north conflict is long-standing. It was worsened by the division of the country by Britain at the end of the 19th century, which intensified the religious and cultural differences and con-
tributed to unbalanced economic development. After 1955, it led to open fighting, which continued until 1972, when the central government and representatives from the south signed the Addis Ababa peace accord, giving the three southern provinces a certain degree of autonomy.

The economically backward south has a population of about 4 million blacks, who are either Christian or animists. The Muslim Arabs in the north, who control the central government and are better educated, have a more advanced economy.

In recent years, the Nimeri government has strengthened its leadership over the south. In June 1983, it redivided the south, dismissed the High Executive Council for Southern Sudan and subjected the south to the direct leadership of the central government. At the same time, Nimeri introduced sharia (Islamic law), arousing extreme discontent among the blacks, who took it as a violation of the interests of their religion and as an imposition of Islam. The government also channels water, a valuable resource in a desert-ridden country, from the south to the north and transports oil from the south to refineries in the north. All these grievances have welled up into anti-government action.

The Sudanese situation is complicated by outside interference. Because Sudan refused to join the Arab federation proposal by Libya, its relations with the latter have deteriorated. It is reported that Libya has consistently supported the southern guerrillas. Then last March, a TU-22 bomber raided Omdurman, part of Khartoum, which the Sudanese authorities attributed to Libya. Sudan is also at odds with Ethiopia because it supports the Eritrean Liberation Front of Ethiopia. Last year Ethiopia deployed its troops along the border to exert pressure upon the Sudanese authorities.

The worsening economy has intensified the internal uncertainty in the country. In recent years, the inflation rate has been more than 40 per cent a year and the value of the Sudanese pound has dropped 44 per cent. Markets are sluggish and living standards have tumbled, leading to constant strikes and demonstrations.

Sudan has close relations with Egypt. The two countries have worked out a "charter of integration" for political and economic unification and signed a joint defence pact. In response to an appeal by Sudan and as a token of its hostility to Libya, the United States sent military equipment to Khartoum and two AWAC aircraft to Cairo to monitor Libyan military movements. The Western press noted that the struggle between the Soviet Union, Libya and Ethiopia on the one side and the United States, Egypt and Sudan on the other has aggravated the tension in northeast Africa and complicated the Sudanese political situation.

So the "southern crisis" remains and will probably go on. The army is in no position to defeat the rebel forces quickly. According to the Western press, the antigovernment rebels number 20,000, of which the main force is the "Sudanese People's Liberation Army" with 10,000 well-armed troops. Meanwhile, the crisis has touched off other domestic troubles, which together with the external factors, are hardly likely to calm anxieties.

France
Cabinet Reshuffled to Woo Public

by CHENG TEAN
and WANG FANG

In a move to ease discontent and regain public support, French President Francois Mitterrand has appointed Laurent Fabius as prime minister following the resignation of Pierre Mauroy's government on July 17.

Mitterrand calls the reshuffling, the first since the Left came to power in mid-1981, a necessity in light of France's present situation.

Public opinions said that the reshuffling is the direct result of Mitterrand's shift in his views on a proposed education bill calling for greater state control over private schools, which are largely Roman Catholic. Since last year, the proposed bill has faced mounting criticism from the opposition and Catholic and private schools. After 1.5 million people demonstrated in Paris a month earlier, some opposition Senators put forward a motion in early July demanding a referendum on the bill. Their motion was immediately rejected by the Senate, but on July 12 Mitterrand withdrew the controversial bill and suggested an amendment to the constitution allowing greater use of referendum—a dramatic change, observers said, made to conform to public trends and seen as a strategic retreat. However, differences between Mitterrand and Mauroy's government over the bill led to the mass resignation.

To be sure, deeper reasons for the change existed. In the past three years the ruling Socialist Party has shifted its economic policy from one of stimulation to one of austerity—fighting unemployment to authorizing large-scale dismissals, from promising to increase social welfare to...
considering business’ interests, from a philosophy of a consumer-fueled economy to an investment-fueled economy.

The new austerity policy resulted in some gains at first, including a reduction in the trade deficit, a decline in inflation and slow increase in investment. But at the same time, consumers’ purchasing power dropped and unemployment increased, which created disaffection among the opposition and public. Social conflicts—from traffic blockades by truck drivers to a strike by orderlies to a march on Paris by steelworkers and miners—have occurred so often and on so large a scale this year that the Socialist Party leaders began to worry about the future.

The most important political factor behind the reshuffling was the Left wing’s major setback in the European Parliament elections on June 17. The Socialists and Communists which were leading in the last elections, gained only 32 per cent of the votes compared with 43.8 per cent in 1979, while the opposition won 43 per cent. Even the far Right, which has been silent on the French political stage, made some unpredicted gains. The election results showed that the public were disappointed with the Socialist-Communist coalition. Mitterrand’s decision to reshuffle the government is to provide the new cabinet with motive power for its future action.

During a national tour in early July, Mitterrand said that the government will continue its current policies. Some French newspapers pointed out the newly appointed prime minister will continue the present policies of economic austerity and industrial restructuring, which have been constantly attacked by the Communist Party, which declared it would not join the new cabinet.

Fabius, the 37-year-old Minister of Industry and Research in the Mauroy cabinet and a close aide of Mitterrand’s for over a decade, said on July 17: “It is my strong desire to modernize the country and rally the French people.”

The cabinet change is not expected to alter most of Mitterrand’s policies, but the possibility cannot be ruled out that the new government will readjust economic policies to some extent.

**Lebanon**

**A Big Step Towards National Peace**

By YU KAIYUAN

The success of the Lebanese government’s peace plan for war-torn Beirut has promoted the cause of national reconciliation and brought the Lebanese people hope that the internal turbulence will end permanently and peace and stability will return.

By July 6, only six days after the Security Plan for Greater Beirut had gone into effect, nearly every one of its aims had been realized. The city’s security was in the hands of the regular Lebanese army and for the first time since the factional fighting broke out last September there was a true ceasefire. The “green line” dividing East and West Beirut was abandoned and corridors unifying the city were gradually reopened. The militias stockpiled their heavy arms in supervised depots and were not allowed into the streets armed. As well, the building of barricades and posting of sentries by the militias were banned. By July 10 the port and the airport were open, too.

The plan’s success was a significant achievement for President Amin Gemayel’s government. The cabinet reached an agreement on the restoration of peace, a reorganization of the army and some security measures on June 23. A six-member military committee, established at the cabinet meeting, began to work out the details of the peace plan on June 26.

The latest reconciliation was determined by the balance of strength between the Moslem and Christian communities in the country. The Christians, who formed the majority when the country was founded in 1943, have recognized the political significance of the current Moslem majority and have made compromises. This could be seen clearly from the recent Geneva reconciliation talks and Lausanne conference to the Beirut peace plan.

Syria has also played an important role in the reconciliation. Late last year during the fighting in the hills around Beirut, it gained a say in Lebanon’s affairs through its Moslem allies. But, to oppose Israel, it had to stabilize the Lebanese situation. As well, it has been Syria’s traditional policy to maintain an equilibrium between the Moslems and Christians in Lebanon. So, by persuading the Moslems not to demand too much, Syria managed to improve its relations with the Christians. The action helped to narrow the differences between the two communities.

But many of the problems left by the years of civil war have not been solved. The Beirut peace plan is only the first step towards national peace. The next step is political reform, suggestions for which the cabinet is already preparing. This task will be even more difficult and complex.
Premier Zhao Ziyang on Five Principles

On July 18, more than 250 Chinese experts on world issues, diplomats and other celebrities attended a forum in Beijing to mark the 30th anniversary of the formulation of the Five Principles of Peaceful Coexistence. These principles were initiated by China, India and Burma when the late Premier Zhou Enlai visited those countries in the summer of 1954. Premier Zhao Ziyang attended and made a speech at the forum. The following is the full text of his speech. — Ed.

Thirty years have passed since China and India, and China and Burma initiated the Five Principles of Peaceful Coexistence.

With equality among all sovereign states as the starting point, the Five Principles highly epitomize the basic guidelines that must be observed in handling international relations, and, in the first place, bilateral relations.

Mutual respect for sovereignty and territorial integrity, mutual non-aggression and non-interference in each other’s internal affairs are the basis for establishing normal relations among various countries.

Mutual benefit is an indispensable factor in carrying out exchange and cooperation among countries with normal relations.

Only when these principles are observed can all countries coexist in peace.

The Five Principles are the outcome of the flourishing national independence movement after World War II, marked by the distinct characteristics of that historic trend.

For several centuries, the international community was ruled by the concepts that big and small countries were unequal — the principle of sovereignty could only be applied to the “civilized world,” and war was a “legal means” of foreign policy. The big, powerful and rich bullying the small, weak and poor was a common practice which dominated international relations.

As an alternative to these intolerable concepts and practice, the Five Principles laid a foundation for establishing brand new international relations. These principles embodied New China’s peaceful foreign policy, and reflected the common desires of people all over the world.

Over the past 30 years, the Five Principles have stood up to the test of the changing international situation, shown their great vitality and played an extremely important role in promoting new international relations.

The principles accord with the aim and principles of the United Nations Charter. They were affirmed at the Asian-African Bandung Conference held in 1955 and have, in fact, been accepted by the international community as the basic guideline in handling international relations.

The more than 100 big and small independent countries in the world today have various differences not only in race, language, culture, customs, habits and economic development, but also in ideology and social systems. An important historical question is: how can these countries conduct friendly co-operation and live in harmony? The Five Principles of Peaceful Coexistence have contributed enormously to tackling this problem.

Facts of the past 30 years have proved that if countries with different ideologies and social systems follow the Five Principles of Peaceful Coexistence, good relations of mutual confidence will be established between them, and if the Five Principles are violated, such as violating another country’s integrity and sovereignty, interference with other countries’ internal affairs to benefit oneself at the expense of others, acute confrontation and even conflict may occur between those countries with
the same ideologies and social systems. It has been an irrefutable truth that international co-operation can only be conducted between those standing equal.

The international political situation today is tense and turbulent. The economic situation is unstable, particularly where many third world countries are facing difficult economic conditions. The world is confronted with the following two major issues: one is to maintain peace and the other to promote development. It is the keen desire of people all over the world to develop the economies of their respective countries and to achieve co-prosperity under a peaceful and stable international environment.

The Five Principles of Peaceful Coexistence opposed to hegemonism and power politics on the one hand, and hold that all countries should strengthen their exchanges and co-operation in various fields. China's foreign policy, based on the principles, is to promote peace and develop relations.

As one of the initiators of the Five Principles, China has consistently pursued a peaceful diplomat policy. By faithfully abiding by the Five Principles, China has its relations with many countries, and has solved many historical problems left over from the past with many neighboring countries. China sincerely hopes to establish and develop relations with all countries of the world on the basis of the Five Principles. China also hopes that all the countries will strictly abide by the Five Principles in their inter-relations and resolutely oppose any hegemonist actions in violation of these principles. Only in this way can healthy relations be established between states, international tension be relaxed and world peace be safeguarded.

This is an important, immediate significance of this occasion to mark the 30th anniversary of the formulation of the Five Principles of Peaceful Coexistence and to reiterate these principles today.

**Five Principles Guide China's Diplomacy**

Since the day the Five Principles appeared, they have set themselves against the outmoded practice in the world relations marked by the big, the strong and the rich lording it over the small, the weak and the poor.

by HAN NIANLONG

THREE decades have passed since China, India and Burma initiated the Five Principles of Peaceful Coexistence during the late Premier Zhou Enlai's visit to India and Burma in the summer of 1954. Tested by the turbulent world situation, these principles have become increasingly popular with the people of the world and have been readily accepted by growing numbers of nations. As one of the initiators of the principles, China has written them into its Constitution as its guidelines for handling relations with other countries, and safeguarding these principles in the world arena has become one of its basic state policies.

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July 30, 1984
posed an unequal relationship upon it. On the basis of the Five Principles, we have established diplomatic relations with 129 countries and solved historical problems with a number of neighbours and developed good-neighbour relations with them.

China respects the independence of other countries, and is opposed to efforts by any country to undermine another’s independence. As always, we regard it as our international duty to support the exploited and oppressed nations in their just struggle for independence. The Chinese people, together with the people of the Democratic People’s Republic of Korea, shed their blood in safeguarding their independence, and later did so again with the Vietnamese people in their fight for national salvation. Today, we stand firmly with the people of Kampuchea, Afghanistan, Palestine, Arab countries, southern Africa, central America and the Caribbean in their struggle against foreign invasion and interference.

Regarding conflicts between the third world countries caused by historical factors, China has all along hoped that these countries will head off interference by external forces and seek a reasonable solution through peaceful negotiations and in the spirit of mutual understanding and mutual accommodation.

For a long time, international relations were governed by the law of the jungle, bringing disaster to many nations and the people all over the world. To abolish the old international political order and pave the way for a new one, it is essential that the world community confirm and implement the principles of mutual respect for sovereignty and territorial integrity, of non-aggression and of non-interference in one another’s internal affairs. At present, the threat to these principles comes mainly from the hegemonists. To safeguard world peace and the security of every nation, hegemonism should be resolutely opposed.

The Chinese people have learnt from their historical experience that if they fail to fight head-on against mechanisms intended to dominate the world or a certain region, there will be no end of troubles caused by these widespread mechanisms. As the saying goes, to tolerate evil is to abet it. History has also brought home that a non-aligned policy with the big powers helps China to keep the initiative in its hands in independently combating hegemonism. This is because an alliance with big powers would hinder our effort to reject and oppose hegemonist transgressions and even reduce us to being a pawn in the big powers’ designs against other nations.

Peaceful coexistence does not merely mean staying off one another’s lawn, so to speak. Every country should not only respect each other’s sovereignty and territorial integrity and refrain from invading each other or interfering in each other’s internal affairs; they should also actively promote mutual exchanges in various fields and, in particular, work to foster steadily growing economic co-operation on the basis of equality and mutual benefit. In the meantime, mutual respect for sovereignty and territorial integrity, mutual non-aggression and non-interference in each other’s internal affairs should serve as the political prerequisites for this economic co-operation.

As a developing country, China has shared the lot of other developing countries in the past; today, we have the same task of speeding up the construction of our respective countries. Since the birth of New China, we have never for a moment slackened our efforts to develop relations of friendship and mutual assistance with other developing countries on the basis of equality and mutual benefit. We have aided them to the best of our ability, with no strings attached, and without asking for prerogatives. We never see our aid as one-way handouts; instead we have always regarded this kind of assistance as reciprocal.

During his visit to Africa at the end of 1982 and the beginning of 1983, Premier Zhao Ziyang laid down four principles governing China’s economic and technological co-operation with the other developing countries: “equality and mutual benefit, stress on practical results, diversity of forms and common progress.” These principles are intended to make up for each other’s deficiencies and increase both sides’ ability of self-reliance in promoting economic progress. China stresses that equality and mutual benefit in economic and technological co-operation should be developed not only between China and the other developing countries but also among all the developing countries. It also holds that full account should be given to the varied interests and needs of the developing countries in developing South-South co-operation, so that all participants can best profit from such co-operation and the least developed nations can get preferential provisions to tackle their particular difficulties.

China is also perfectly willing to develop economic and technological co-operation with developed countries and hope to see such ties grow closer and stay long and stable. There is tremendous potential for this co-operation, as many developed countries possess plentiful capital and advanced technology, while China is rich in natural resources and has a great market. The key to such co-operation is for both sides to scrupulously observe the principle of equality and mutual benefit—
all for the purpose of achieving common prosperity.

Over the last few years, China has adopted the economic policy of opening to the outside world, as well as a series of measures to facilitate the utilization of foreign funds, the import of advanced technology and the expansion of foreign trade. It has also set up a number of special economic zones and has decided to apply certain policies formulated for the economic zones to other 14 coastal port cities and Hainan Island. Economically, the door is open to all kinds of countries. In this way, we hope to speed up China's modernization drive and ensure enough profit-making opportunities for foreign investors and businessmen. For that matter, we will unfailingly adhere to the principle of equality and mutual benefit—the guideline for our open economic policy.

General Secretary Hu Yaobang said that China's policy of opening to the rest of the world, worked out as a major policy decision and strategic principle after careful deliberations, will remain unchanged for a long time to come. "If there should be any change at all," he said, "it will only be in the direction of greater maturity and perfection, to the greater benefit of reciprocal external economic co-operation in various ways, and not otherwise."

International economic co-operation has been seriously impeded by the prevailing inequitable and irrational world economic order. If the old world political order is characterized by big nations bullying the small and strong nations invading the weak, then in the old international economic order it is the rich bleeding the poor. China firmly supports the developing countries' demand for the establishment of a new world economic order. It was precisely for that purpose that Deng Xiaoping went all the way to attend the Sixth Special Session of the UN General Assembly in 1974 and Premier Zhao Ziyang participated in the Cancun Conference in 1981. We maintain that the existing world economic order should be reformed in line with the principle of equality and mutual benefit. Such reform, once carried out, will help promote the economic growth of the developing nations and the rejuvenation of developed countries as well. It is therefore of great significance economically and politically. China will continue to do its bit for the establishment of a new world economic order predicated on equality and mutual benefit.

The Five Principles of Peaceful Coexistence are inseparably interrelated as an integral whole. Explaining these principles, Premier Zhou Enlai once said that peaceful coexistence could be achieved only when the first four principles—mutual respect for sovereignty and territorial integrity, non-aggression, non-interference in each other's internal affairs, equality and mutual benefit—are adhered to.

For all countries to live together in peace, it is necessary to adhere to these four principles. It is also necessary to oppose the arms race and reduce the chances of another world war. True, there are many "hot spots" in the world today, but the intensifying arms race between the two superpowers—their nuclear arms race in Europe in particular—are the most worrisome, because it poses the greatest challenge to world peace.

An unwavering opponent of the arms race, China champions the reduction of both nuclear and conventional weapons. It holds that the two superpowers, which own over 95 per cent of the world's nuclear weapons, should take the lead in reducing nuclear weapons on a large scale. At present, the most pressing task is to impel the United States and the Soviet Union to stop deploying new nuclear weapons in Europe and the rest of the world and to resume their negotiations on an agreement on a substantial reduction of nuclear arms. Once they have both stopped testing, producing and improving nuclear weapons and reached an agreement on a drastic cut in nuclear arms, an international conference with wide representation may be held for consultations on the reduction of nuclear arms by all nuclear states. By that time, China, as a nuclear state, will honour its due obligations in compliance with related international accords on arms reduction. China has announced that it is against nuclear monopoly, and will not take part in the discriminatory 1968 agreement on the non-proliferation of nuclear arms. But we do not stand for, still less do we practise, nuclear proliferation, and we will never help any other country develop nuclear weapons. It is our hope that arms reduction will move along a continuous, non-stop course until the final goal of overall prohibition and complete destruction of nuclear weapons is attained. It goes without saying that while opposing the threat of a nuclear war, we cannot slacken our vigilance against the real threat posed by conventional wars. We stand unreservedly for the idea that a nuclear arms reduction should go hand in hand with the reduction of conventional arms.

To facilitate peaceful coexistence between all nations, China hopes to see the two superpowers stop their arms race and take steps to ease their relations. "When two elephants fight, the grassland suffers." We should be fully aware of the serious consequences of the superpowers' rivalry. China will join other nations in making fresh efforts for the relaxation of the world tension, including the tension between the two superpowers.

The present-day world is faced with two outstanding tasks—the safeguarding of peace and the encouragement of development.
China shares the common wish of the world's people to boost economic development in a sustained and stable environment of peace. The developing countries, in particular, need to firmly safeguard their hard-won political independence while quickly developing their national economies in an effort to consolidate their political independence with economic independence. The advent and implementation of the Five Principles of Peaceful Coexistence reflect the common aspiration of the people of China and the rest of the world and are therefore suited to the development of the world situation. Herein lies the great vitality of these principles.

Since the day the Five Principles appeared on the stage of history, they have set themselves against the outmoded practice in the world relations characterized by the big, the strong and the rich lording it over the small, the weak and the poor. They have furnished the legal foundation for breaking with the old international order and setting up a new one. The past 30 years and more have proved that the Five Principles are applicable not only to countries under different social systems but also to countries under the same social systems. When these principles are observed, even countries under different social systems can co-operate in a friendly manner with each other; when they are violated, conflicts may ensue between countries under the same social systems.

Today, the Five Principles have become universally recognized basic principles governing international relations and the criteria for distinguishing right from wrong in the world community. All actions in conformity with these principles have been supported and praised, and actions in violation of them have been opposed and censured. All these fully testify to the principles' major significance and role.

China, which initiated and has followed the Five Principles, has scored marked achievements in handling its foreign affairs. After the Third Plenary Session of the 11th Party Central Committee in 1978, we have shifted the stress of our work to the four modernizations and gradually eradicated the influence of the "Left" thinking on China's foreign policy. Upholding the Five Principles, China is working hard to safeguard world peace and fortify friendly co-operation with other countries. We are determined to continue our march forward along the road opened by the Five Principles.

Chinese Army's Weapons and Equipment

by Shi Renyu
Our Guest Writer

August 1, 1984 will be the 57th anniversary of the founding of the Chinese People's Liberation Army (PLA). Now the PLA has become a regular, revolutionary army equipped with modern weaponry.

After political power was seized and the founding of the People's Republic was proclaimed in 1949, the army began shouldering the new tasks of defending the people's political power, taking part in and safeguarding the socialist revolution and construction, realizing the unification of the motherland, and protecting China from imperialist and hegemonist aggression.

China now has a military force made up of the army, the people's military police and the militia. The development of the army can be roughly divided into three stages. First, during the protracted revolutionary war, the infantry was the main fighting force. Second, after the founding of New China, the PLA developed from just an army into a combined military force of an air force, navy, artillery, armoured divisions, engineers, railway corps, signal corps, antichemical warfare corps and strategic missile troops. Third, various groups are now being formed within the army, to make better troops, improve their composition, bring their role into play in both peace and war time and increase combat effectiveness.

With proper organization, the modern weaponry of the PLA will enhance combat strength, as they fight in coordination, reinforce new troops who specialize in technology and strengthen the reserve forces. In short, the army will better able to cope with modern warfare.

From Imitation to Invention

With the development of the national economy and defence science and technology, the weapons and military equipment of the PLA have reached a new level. A modern defence industry has been formed on a solid foundation.

In the early days of New China, weapons and military equipment were not always compatible, and were often quite backward. Old China was a semi-feudal and semi-colonial country with almost no weapons industry, except for a few arsenals turning out poor-quality, outdated light weapons. A great deal of weaponry and military equipment was imported. The people's army equipped itself with captured weapons.

New China's defence industry evolved from some small arsenals in the revolutionary bases during
the war and a few munitions factories left behind from old China. In the early 1950s, China imported a great deal of military equipment from the Soviet Union, and revamped and built up a group of war industries with the support of the Soviet Government under Stalin. These enterprises produced high-calibre guns, tanks, airplanes, warships, radar equipment, antichemical weapons, and communications and engineering equipment, usually imitating the Soviet models.

In the 1960s, when Khrushchev was in power, the Soviet Government tore up agreements and contracts and withdrew its experts, leaving many Chinese industries in confusion, including the national defence industry. Under the circumstances, China stuck to a policy of attaining national prosperity and strength through self-reliance. It put more efforts into technical innovation of weaponry, developing bigger guns, tanks, armour, airplanes, warships and their necessary accessories. Subsequently, the advanced science and technology of jets, electronics, semiconductors and lasers were applied to weapons and equipment, modernizing the ground force. The PLA is also equipped with such modern weapons as long-range radar, large anti-aircraft guns, automatic cannon, heavy and medium tanks, amphibious tanks and radar communications systems. The military equipment used in the engineering and antichemical warfare corps and other technical arms have also considerably improved.

Modernizing Defence Stressed

In the past five years, the ground force has improved tanks and other armoured vehicles to strengthen its ground shock force. It has manufactured long-range guns, automatic cannons and artillery rockets to restrain the opponent’s ground-based firepower. The ground force has also produced various antitank weapons such as missiles, artillery, mines and rocket launchers.

The army is working hard to apply the new technologies of automatic control, lasers, night vision, measuring and testing, special materials and casting to weapons and military equipment. The range, power and mobility of tanks and guns have been improved, and they are better able to destroy or pierce heavy armour.

In 1954, China trial produced its first elementary training airplane and five years later made its first warship. Since then, China has produced supersonic airplanes, bombers, offensive fighters, aerotransports, helicopters, ground-to-air missiles, air-to-air missiles, missile-destroyers, patrol escorts, propeller torpedo boats, high-speed gunboats, submarines and coastal defence missiles.

Relying on its own efforts, China has produced strategic weapons as long- and medium-range nuclear missiles, and tested underwater launching of rocket carriers from submarines. This gives China the strategic nuclear arms necessary to counter an attack from abroad.

Since 1970, China has launched 15 satellites, and acquired the ability to recover them. The 15th satellite was the experimental communications satellite launched in last April, which maintains a fixed position in space. Its development was a breakthrough in China’s carrier rocket technology.

At present, the ground force, the navy and the air force possess a large number of relatively advanced weapons. In general, the army’s combat capability has been strengthened in firepower, attack power, mobility, protection power and quick reaction time. Of course, compared with some developed countries China’s weaponry is still backward, but not in all aspects.

Promoting World Peace

China is a peace-loving socialist country. The Chinese people need a durable and stable peace environment in the world, not only today, but also in the future. The improvement of China’s weaponry is intended to raise its self-defence capabilities to meet the conditions of modern warfare, defend state security, fend off foreign attack, and promote world peace. That is why China stresses the development of conventional weapons.

In order to break the nuclear monopoly and guard against nuclear attack, China only develops small numbers of nuclear arms and other sophisticated weapons. China does not support nuclear proliferation, nor does it engage in such proliferation by helping other countries develop nuclear weapons. China declared long ago that at no time and under no circumstances will China be the first to use nuclear weapons, and it undertakes the commitment not to use nuclear weapons against non-nuclear states.

China supports disarmament and is against the arms race, especially the nuclear arms race. It stands for the complete prohibition and thorough destruction of nuclear, chemical, biological and space weapons, and for a substantial reduction of conventional weapons. China has consistently held that the United States and the Soviet Union, whose nuclear arsenals account for over 95 per cent of the world’s total, should take the lead in drastically cutting back their nuclear weaponry. Only then will it become meaningful for the other nuclear states to participate in nuclear disarmament. China will make unremitting efforts to promote disarmament and world peace.
Sichuan — Land of Abundance

by ZHOU ZHENG
Our Correspondent

SICHUAN, China’s most populous province, has combined its world famous scenic spots with a new wealth in agriculture and industry to become a land of abundance in the southwest.

More than 100 million people make their home on the province's 570,000 square kilometres. Guarded by the Qinghai-Tibet Plateau to the west, the Changjiang (Yangtze) River Gorges to the east, the Qinling Mountain Range to the north and the Yunnan-Guizhou Plateau to the south, Sichuan was in the past almost inaccessible.

In addition to mountains and hills, Sichuan has a vast expanse of grassland and huge stretches of fertile land. It abounds with resources and ideal natural conditions.

However, development of these resources is rather uneven. Ninety-four per cent of the population, 90 per cent of the cultivated land and 95 per cent of industry are concentrated in the eastern part (including Chengdu, Chongqing and the hilly region around the Sichuan basin). The western part (mostly the original Xikang Province), which covers more than one half of the province’s territory and possesses 90 per cent of the mineral resources and 78 per cent of the forest reserves, has only 6 per cent of the population, and remains to be exploited.

People have been taking advantage of Sichuan’s abundance for a very long time. Stone implements dating back 40,000-10,000 years ago have been found there. During the Warring States Period (475-221 B.C.), the two relatively large slave States of Ba and Shu had already been established. During the period of the Three Kingdoms (220-280 A.D.), the State of Shu (221-263) set up its kingdom in Sichuan.

Sichuan is also the home of many ethnic minorities. There are some 3.6 million minority people in the province, including the Yis, Tibetans, Tujias, Miao and Qiangs.

The beautiful land embraces a host of historical sites and scenic spots. Its brocade and satin enjoy fame at home and abroad. Sichuan cuisine is also world-renowned.

Upon arriving in Chengdu, the provincial capital, I met my old schoolmate whose family had moved to Sichuan 20 years ago. She said, “Now we feel that we are really living in the land of plenty.” Vegetables and meat in the market are abundant and inexpensive, and people prefer to buy fresh vegetables and unfrozen meat. Rice is the staple food, and there is plenty of that as well.

I am both familiar and unfamiliar with Sichuan. I lived in Chengdu during the War of Resistance Against Japan (1937-45). On my way to school, I often saw many lean, haggard children picking food from the rubbish heap with their dirty hands. It was
virtually impossible for ordinary people to eat meat and fish, except on festival days. They frequently just ate chilies and pickled vegetables. Now all this has changed.

Nurturing 100 Million People

OLD peasants in the Sichuan countryside used to describe how they were exploited by landlords for generations. After liberation, homes and land were redistributed, and they now enjoy a much better life. There is no need to worry about food and clothing.

The climate of Sichuan is warm and humid. They say dogs bark at the sun because it's such a rare sight in that misty region. Most places are unsuited to planting two rice crops. Yet during the "cultural revolution," peasants were forced by the cadres to do so. The result was a big reduction in output. Sichuan, which had always had surplus grain, had to buy 600,000 tons of maize, sorghum and yams from northeastern and eastern China in 1976.

Current Premier Zhao Ziyang was in charge of the overall work of Sichuan Province in 1975. After investigation, he discovered the problems in planting two rice crops. He advised planting semi-rice instead, and let the peasants choose the appropriate cultivation techniques themselves. Agriculture began to revive after one or two years, and the saying "If you want more food, look for Ziyang" became popular.

Taking the natural conditions into account, a number of measures were adopted to invigorate Sichuan's rural economy. It was one of the first provinces in China to institute the production responsibility system based on the households. It was also among the first to separate government administration from the commune's economic management. In 1980 Xianyang township in Guanghan County was the first to replace the 20-year-old people's communes with a township government and an agricultural company. Sichuan was also one of the first provinces to set up an enterprise combining industry, commerce and agriculture.

Now cadres and peasants in the countryside want to discuss the present and the future, instead of talking about the past. They hope people will come to Sichuan, to see with their own eyes the benefits reform has brought.

I visited the counties of Qionglai, Guanghan, Wenjiang, Guanxian, Wenchuan and Dazu where the crops were doing very well and the rape was in full bloom. Most of the peasants were working meticulously in the rice seedling beds. I was told that every household is planting cross-bred rice. The improved variety can raise output by 20 to 30 per cent.

The rural economic structure is also changing. Besides planting crops, peasants are also setting up a number of small factories, making bricks and tiles, cement, artificial marble, wine, paper, chemical fertilizers and processing food. In recent years, the number of county and town businesses has increased by 20 per cent annually. In 1983 the agricultural output value of Guanghan County was 200 million yuan, and industrial output value was about 190 million yuan. But in 1984, industry will account for 52 per cent of the total output value.

The changes in housing in the most prosperous counties are striking. The countryside of the Chengdu Plain has always been very poetic. Its centuries-old tiny bridges, flowing water, bamboo groves and small huts still dot the landscape. But many huts of the old days have been replaced by multi-storey buildings.

In Heihutan Village of Qionglai County, I visited several new peasant houses. Their spacious living rooms are filled with comfortable furniture. Under the lavatory is a methane-distilling pit. Every bathroom has a bathtub and shower. The kitchen is bright with white glazed tiles, and a pond and fountain grace the courtyard. I couldn't help recalling the song written by the great poet Du Fu (712-770 A.D.), Thatched Cottage Unroofed by Autumn Wind. It reads: "How to obtain a spacious mansion with thousands of rooms, to serve as a great shelter for all shivering scholars to be filled with joy?" His wish has come true today.

Mt. Qingcheng.

July 30, 1984
In the spring, 60 per cent of the water flows into the inner stream for farmland irrigation. In the summer rainy season, 60 per cent of the water automatically discharges into the outer stream. An engineer said, “In ancient times China had many water conservancy projects, but only the Dujiangyan is still in use 2,000 years later. This is really a miracle.” Experts believe this is due to its scientific design and good administration including timely repairs.

Of course, a good water conservancy project by itself was not enough to lift the people of the Chengdu Plain out of their poverty. In the old society, nearly 80 per cent of the cultivated land was concentrated in the hands of the landlords and rich peasants, who constituted only 10 per cent of the population. In addition, from 1912 through 1935, over 480 big and small wars broke out among the warlords in the province. In 1935 the feudal land tax in some places had already been levied in advance to the beginning of the 21st century.

Having been out of repair for a long time, the actual irrigated area of Dujiangyan on the eve of liberation in 1949 was greatly reduced from the 200,000 hectares it watered at the end of the Qing Dynasty (1910).

Since the establishment of New China in 1949, this irrigation system has been greatly expanded. Several large-scale water storage projects have been built, and the irrigated area has expanded to 600,000 hectares in 27 counties and towns.

Dujiangyan is only 55 kilometres from the city of Chengdu, but it is 230 metres higher. The big drop is not only beneficial to gravity irrigation, but also to generating hydroelectric power. Five hundred and thirty medium and small hydroelectric power stations have been built, with a
combined installed capacity of nearly 90,000 kilowatts, or 27 per cent of the exploitable amount in the area. There are still more projects under planning and construction. In fact, Chengdu will become the site of an experimental project on the comprehensive use of electricity, and the ancient irrigation system will play its due role.

Specialized Households Develop Commodities

Following the popularization of the responsibility system, households specializing in one kind of production have emerged in the countryside. Some grow grain, others raise pigs, hens or fish, and still others grow fruit, vegetables or flowers, make clothing or process food. Some households engage in commerce or transportation. They have generally mastered the techniques of their speciality, are good business people, and stress quality and high productivity. The emergence of specialized households has promoted the development of the rural commodity economy, because they develop rapidly not only in the economically advanced regions, but also in the relatively backward areas.

In March 1983, a specialized household forum was convened in Wenjiang County. Only 5.6 per cent of the peasant households were specialists then, but the figure had increased to 11.6 per cent by the end of the year.

The increase in the number of specialized households poses no danger to the output of grain. In 1978, Sichuan produced 31.4 million tons of grain. This increased to 40 million tons in 1983. In Qionglai County alone there are more than 300 specialized grain households, using small farm machinery for intensive cultivation. Some households sold the state 10 tons of grain a year.

At a teahouse in Wenjiang County, I met Zhang Wenkang, better known as the Tomato King.

Tourist Resort

SCENIC spots and historical sites can be found everywhere in Sichuan. There are 13 nature reserves which are home to rare birds and animals and exotic flowers and trees. Recently archaeologists have excavated many dinosaur fossils in 30 different sites in Zigong.

Four Scenic Wonders. The 3,100-metre-high Mount Emei to the southwest of Chengdu is described as a “beauty under heaven.” Its slopes are carpeted with rare flowers and trees. The numerous cliffs, valleys, streams and waterfalls compete for beauty, and the natural charm is enhanced by the many magnificent Buddhist temples built on the mountain slopes.

Mount Qingcheng, set against the Snow Mountain and overlooking Dujiangyan, an ancient irrigation system, is covered with deep woods parted by quiet trails. Called the “secluded spot under heaven,” Qingcheng is a famous resort of the Daoists.

Dujiang, the starting point of a boat trip through the Three Gorges on the Changjiang, is a mountain pass as narrow as a gate. There, the charging waves of the Changjiang, breaking on the rocks, roar like lions. A legend says that during the ancient wars, the defenders blocked the way of enemy vessels using just an iron chain. Therefore, people call Kuimen the “strategic pass under heaven.”

The fourth scenic wonder is Mount Jianmeng in northern Sichuan. Its 72 peaks rise one above the other. In the distance they look like swords piercing the blue sky. Close up, each peak is different. In his poem, “Jianmeng,” another noted Tang Dynasty poet Du Fu wrote, “One man could hold the pass against a million,” to describe how difficult access was. It has come to be called a “natural barrier under heaven.”

Historical Sites. Sichuan is known for many of its historical sites.

In Chengdu, the Wuhou Temple was built in honour of Zhuge Liang, Prime Minister of the ancient State of Shu, who personified wisdom in Chinese legends. Built 1,300 years ago, the temple is enclosed by red walls and shaded by towering cypresses. It contains many tablets and the statues of Zhuge Liang and Liu Bei, Emperor of the State of Shu.

In the city’s western suburbs stands the thatched cottage of Du Fu, one of the greatest Tang Dynasty poets. In 759, compelled by poverty and misfortune, Du Fu and his family moved to the outskirts of the city. During the few years he lived in this humble cottage, he wrote 240 poems.

Sansu Temple in Meishan County was the home of Su Xun and his two sons, Su Shi and Su Zhe, great men of letters from the Northern Song Dynasty (960-1127).

The 71-metre-high statue of Buddha in Leshan is the largest of its kind in the world today. Sitting at the confluence of the Dadu, Qingyi and Minjiang Rivers, the sculpture looks just like a hill from a distance. It was completed in 803, after 90 years of efforts.

Also worth visiting are the more than 1,000-year-old tomb of Wang Jian, Emperor of an earlier State of Shu, and the Wangjiang (Overlooking the River) Pavilion, built in memory of the Tang Dynasty poetess Xue Tao.

The Dazu Grottoes, which are less known to the public because they were impossible to reach in the past, are now becoming an appealing tourist attraction. (See “Masterpieces of Late Grotto Art,” p. 33.)
He and two teachers from the local agricultural school were answering questions raised by peasants.

Zhang, 37, has only a primary school education. He learns while working and has mastered the technique of growing tomatoes. In order to grow more, he reads books entitled "On Growing Vegetables" and "Prevention and Control of Plant Diseases and Insect Pests." He has also consulted with experts and professors of the provincial scientific academy and the Shenyang Agricultural College. In 1983, Zhang harvested 10,650 kilogrammes of tomatoes from each mu (one-fifteenth of a hectare) he planted. He has also written a book entitled "Techniques of Cultivating Tomatoes."

Zhang is responsible for the technical guidance of 41 households planting tomatoes. He gives them the fine strains and pesticides, charging 20 yuan for each mu.

Zhang earned 10,000 yuan from his tomatoes in 1982, and 8,000 yuan in 1983. As he popularizes his techniques, output rises while prices drop. He said, "Though my personal income has dropped a little, the income of the villagers has increased and I find this gratifying."

Guan Jicheng, 28, specializes in raising hens. A senior middle school graduate, he has developed his own improved variety in the past two years. When all the families in the village were building new homes, Guan first built an incubation room and bought a hatching machine. He said, "The foundation of a new home is ready. Since the countryside is changing rapidly, I am not in a hurry to follow the others. If I build a new home now, maybe a few years later I'll find it is not so modern."

There are some counties which have both specialized households and specialized villages. For example, in Guanghui Village of Guanghan County, only 0.8 mu of cultivated land is available for each person. Besides tilling the land, 41 of the 49 households make ropes. Seventy per cent of the surplus labour force in the village is involved in this industry. Their total output last year reached 510,000 yuan, an average of 10,000 yuan for every household. This has changed the face of poverty and backwardness into modern prosperity.

Controlling the Population Increase

The most important factor accounting for Sichuan's prosperity has been the simultaneous increase in agricultural and industrial production and decrease in population.

The population of Sichuan Prov-

New peasant homes.
ince rose to 83.42 million in 1970 from 57.3 million in 1949. The rapid increase prompted serious concern. After much publicity and education in the last few years, the birth rate has dropped from 20 per thousand in the 1970s to below 10 per thousand today.

Jiang Yi, director of the provincial birth control committee, said, "We have achieved success through constant publicity and education. Contraceptive measures have also been carried out, and professional cadres have been working in the grass-roots units all year round."

"We often tell the people that as the population increases, the average cultivated land for each person will decrease accordingly," he continued. "If the increase in population is not strictly controlled, it will be a drag on the four modernizations and will affect the people's livelihood. Although a few persons want more children, the majority take the interests of the whole into account."

**Future Industrial Base**

In the past, the term "land of abundance" merely referred to Sichuan's agricultural development. Its industry was almost nonexistent. Today, after more than 30 years of efforts since liberation and particularly after the large-scale capital construction in the 1960s, a solid foundation has been laid for its industry and the province is on its way to a tremendous industrial base.

In old China, about 70 per cent of the nation's industry was along the coast. Since the founding of New China, however, to redistribute industry and to facilitate defence preparations, China has made great efforts to build factories inland and Sichuan has become a focus of this campaign.

**Rich Natural Resources**

Sichuan abounds with precious mineral resources. A large-scale geological survey has already found 134 types of mineral deposits in the province, and the reserves of 78 of them have been verified. Of these, the reserves of vanadium, titanium, cobalt, strontium, gallium, Glauber's salt and fluorite rank first in China and the reserves of iron, manganese, nickel, mica, magnetite and seven other minerals rank second in the country.

The mineral deposits here are also quite concentrated, and many are multi-element deposits. The vanadium-titanium-iron mine in Panzhihua is an outstanding example.

Currently, the lack of electricity, coal and natural gas leaves the province short of energy. But it has plenty of water resources which can be used for hydroelectric power.

There are 1,300 rivers and streams in Sichuan, of which 276 cover a drainage area of more than 500 square kilometres each. The combined resources of the Changjiang (Yangtze), Jinsha, Yalong, Dadu and Minjiang Rivers represent a hydroelectric potential of one-fourth of the country's total, of which 90 million kw is exploitable. More than a score of large hydropower stations, with a generating capacity of 1 million kw each, can be built here, in addition to many smaller ones. The hydroelectric potential which has already been exploited accounts for only 2-3 per cent of the province's total.

Developing hydroelectric power requires a one-time investment with quick returns and low production costs. Many families in the Wolong Nature Reserve region now use electricity for heating and cooking — the result of the success of small hydropower stations.

**Easy Access**

In ancient times, Sichuan was almost inaccessible. One could reach it either from Shaanxi through plank roads built along the face of cliffs, or by wooden boats from Hubei, passing through reefs hidden under the rapids of the Three Gorges. Li Bai, the

![A small hydroelectric power station.](image)
famous poet of the Tang Dynasty (618-907), wrote, “It is easier to climb Heaven than take the Sichuan road.” This situation remained basically the same until liberation, when there were still no railways in the province.

Today, through more than 30 years of efforts, Sichuan is criss-crossed by 5 trunk railways and 14 feeder lines, 4,621 kilometres of highways linking all counties and more than 8,100 kilometres of inland river courses. In addition, civil air service links the province with more than 10 provinces and autonomous regions throughout the country.

Although transportation and communications have greatly im-

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**Home of Giant Pandas**

**Wolong**, the biggest nature reserve in Sichuan, is the home of the giant pandas. It covers more than 200,000 hectares in the mountains and valleys between the Sichuan Basin and the Qinghai-Tibet Plateau.

With a complicated natural environment and a high mountain ecosystem, the reserve is extremely rich in animal and plant life. There are at least 3,000 varieties of vegetation.

In addition to giant pandas, the reserve is also the home of rhesus monkeys, cloud leopards, sambars, civets and other southern animals, as well as cold-resistant plateau animals such as takins, lynxes and white-lipped deer. In 1979, Wolong joined the World Man and Biosphere (MAB) network of protected areas. In 1980, the reserve reached an agreement with the World Wildlife Fund to found an international giant panda research centre there.

**Wuyi Post.** A giant panda observation post has been set up on a mountain, 2,500 metres above sea level. It got the name of 五 (fifty-one) because it is 51 steps away from the nearest spring water. The scientists working there have already identified more than 100 giant pandas living in the area. They put collars with transmitters on five giant pandas, so that they can trace their whereabouts and study their activities. Through wireless transmissions and following the animals on foot, they found that 80 per cent of the giant pandas in the reserve have moved from the Sisarun-dinara fangiana bamboo groves 2,600-3,200 metres above sea level to the Fargesia spathacea bamboo groves less than 2,600 metres above sea level.

Qin Zisheng, a botanist in her early 50s, came in 1982 to study the biocology of bamboo. Together with some foreign experts sent by the World Wildlife Fund, they have taken samples of more than 150 kinds of bamboo on the slopes 2,300-3,400 metres above sea level, and collected numerous data through careful observations and recording.

Bamboo blossoms about once every 50 years. After flowering, it bears seeds and dies. Qin and her colleagues found out that different kinds of bamboo bloom at different times. Thus different kinds of bamboo seeds can be sown on mountain slopes of similar altitude. In the long run, this may help solve the problem of the shortage of food for the giant pandas when the bamboo dies.

Last autumn, Qin sowed some seeds in flower pots. Now they are about 20-mm high. This convinced her that artificial planting is possible.

**Feeding Station.** Near the international giant panda research centre there is a well designed feeding station which accommodates seven pandas. Each panda has its own two-room apartment and a courtyard in which to play and take a walk.

Whenever Qing Qing, a four-and-half-year old female panda, is scolded for doing something wrong, she keeps turning somersaults to please people. She was taken in and trained when she was only a baby. Now the scientists need not give her anaesthesia when making different kinds of medical tests, which is of great value in their research work.

Ba Si, another female panda, was saved by some peasants when she fell into the water, half-starved. She was later sent to the feeding station. Under the careful nursing of the breeders her weight has increased by more than 10kg. But, compared with others, she looks dull and listless. She is still recovering from her trauma.

**Relief Work.** Many Chinese and foreign experts have devoted themselves to saving giant pandas, which are on the brink of extinction. Hu Jingchu, associate professor at the Nanchong Teachers' College, has been engaged in this work for more than 10 years.

He thought that in addition to pooling efforts to protect the environment, planting bamboo and using other methods, it is particularly important to do a good job of publicity. Everybody, old and young, should know that giant pandas are not only the treasure of China, but are also living fossils and the common wealth of people all over the world.

Cadres of the reserve have proven the importance of informing the masses. They have the local people's active support and participation in collecting bamboo seeds, planting the seeds on large stretches of mountain slopes, turning farmland back into bamboo groves and stopping their hunting. In the past winter and spring, the local people have sown 2,500 kilograms of bamboo seeds.

To prevent hunters from accidentally injuring rare animals and ruining plants, within three years the reserve's cadres plan to move all the more than 200 hunters and other residents out of the reserve.

By the end of May this year, 12 starving giant pandas had been rescued, five did not respond to medical treatment and another seven were found dead in the wilderness.

According to scientists, it will take about 10 years for the bamboo to be mature enough to feed the giant pandas. Obviously, the relief work will be long and costly.
proved, they still leave much to be desired. The constant shortage of railroad cars, docks and cargo ships often leave the abundant produce piled up in the warehouses.

**Good Foundation**

China's inland industry grew in the 1960s-1970s. Sichuan now has several fairly complete branches of industry, including metallurgical, machinery, electric power, coal mining, electronic, chemical, light and textile industries. The products include rolled steel, heavy machinery, generators, chemical raw materials, motor vehicles and airplanes. The province's industrial fixed assets now rank second only to Liaoning Province. Many of its products have won national prizes and some have filled in gaps in their fields of production. Currently many enterprises are undergoing reforms to maximize the use of their equipment, improve their management and increase productivity.

The Chengdu Seamless Steel Tubing Mill, which was founded in the 1960s, now produces 4,260 types and specifications of tubes for Chinese-made airplanes, ships, boilers and oil wells. The experimental telecommunications satellite China launched recently also used the plant's tubes and flanges.

In recent years, the Dongfang Dynamos Plant in Deyang city has attracted the interest of both domestic and foreign clients. The two 170,000-kw low-pressure turbines it produced for the Gezhouba Hydropower Station on the middle reaches of the Changjiang River are among the biggest of their kind in the world. They have been working well since they were installed three years ago. The 320,000-kw mixed flow turbine generator which is being installed at the Longyang Gorge Hydropower Station, on the upper reaches of the Huanghe (Yellow) River, was also made by this plant.

Currently, the plant is preparing to build a 500,000-kw generator for the Ertan Hydropower Station on the upper reaches of the Yalong River. It also plans to provide equipment for the Three Gorges Hydropower Station, which is still in the planning stage.

Its neighbour, the No. 2 Heavy-Duty Machinery Plant, began production in the early 1970s. The complete sets of large rolling mills, forging presses and castings it produces are in great demand at home. The plant also made the eight stainless steel vanes (weighing 42 tons each) for the above-mentioned two 170,000-kw turbine generators produced by the Dongfang Dynamos Plant. In addition, the No. 2 Plant makes autoclaves used for growing artificial crystals for airplanes and electronic products, superhigh-pressure equipment for nuclear power stations, and front axle crank shaft production lines for motor vehicles works.

Sichuan has a revolutionary tradition, and in the late 1970s initiated the reform of granting more decision-making powers to enterprises. Chongqing, a major city, is now undergoing a comprehensive reform to become a major economic centre. This will help the economy in all of southwestern China to prosper.
Funds Needed for Energy Projects

from "SHIJIE JINGJI DAOBAO"
(World Economic Herald)

THE director of the Chinese Energy Research Association predicts that the funds to be used by China to expand energy sources and reduce energy expenditures from now till the end of the century will be equal to the total investment in China's economy from 1952-80.

"Gathering such a huge sum of money in the dozen years ahead," said Lin Hanxiong, "will be of the utmost importance to all energy departments."

Lin suggested that all provinces make energy exploitation and fund-raising a priority. For instance, the areas on the east coast, where energy is in short supply, could invest in those energy-rich areas, opening cooperative enterprises which would combine construction of energy plants with manufacture of energy-intensive products.

Lin said that the positive factors of local units should be brought into full play, such as distributing products rationally. Only those units which make investments should expect profits, and the policy of calculating output value should be implemented.

The energy-short east coast has a potential of 13 million kilowatts of hydroelectricity, which, if harnessed, Lin said, will in turn profit the investing units, as it can be used as a target excluded from the state plan. Even large power stations can be built jointly by local and central units.

Lin also stressed making best use of the energy industry's capability for accumulating investment funds, setting up a massive energy generating system, and establishing state funds for energy-related construction projects. If necessary, shares in energy projects should be sold to encourage peasants to invest.

Lin noted that the energy industry can attract and absorb foreign investment, therefore bond issues in special energy projects can be sold at home and abroad.

Plan for Taming the Huanghe River

from "LIAOWANG"
(Observation)

A PROFESSOR has a plan which, if put into effect, would transform the silt-ridden Huanghe (Yellow) River, which has risen so high as to virtually become "bankless," into a regular, deep-channelled river whose flooding could be permanently controlled.

Hou Guoben, a professor at the Shandong Institute of Oceanography, believes that the solution to preventing disastrous floods on the Huanghe, known as "China's Sorrow," is to remove the silt. Studies show that the river moves 1,200 million tons of sediment each year, part of which flows into the Bohai Sea, the remainder is deposited on the riverbed, raising its height.

For example, the 900-kilometre-long riverbed from Zhengzhou in Henan Province down to the mouth, which is rising 10 cm every year, has already been 10 to 20 metres above the ground. To prevent flooding, Shandong and Henan Provinces have to organize hundreds of thousands of people every year to elevate and reinforce dykes and dams. As a result, huge sums of money and manpower have to be expended to maintain control while the rising riverbed continues to threaten industrial and agricultural production and people's life along the banks.

Hou suggested that the riverbed at the mouth be lowered by dredging away silt. This would allow accumulated silt in the middle and lower reaches to wash away.

Hou estimates that if 300 million cubic metres of silt are dredged at the mouth, the river course will become stable. If 500 million cubic metres are dug out, the dykes in Shandong will be out of danger, and if 700 million cubic metres are dug out, the flood-prevention projects along the middle and lower reaches will not have to be reinforced. Eventually, the 6,000 million cubic metres of silt in that section will wash away in 30 years and the danger of "China's Sorrow" will become a memory.

Hou lists economic gains to be had by following the great change. First, of course, the threat of flooding will be eliminated. Second, the saline-alkaline soil along the middle and lower reaches will be changed into fertile farmland. Third, the river will be open to navigation as far up as Zhengzhou.

In his blueprint, Hou also stresses planting grass and trees on the upper reaches to prevent soil erosion.
Artist's Children Inherit His Talents

from "GONGREN RIBAO"
(Workers' Daily)

The children of the late celebrated painter Liu Jiyou, who was often heard telling them, "My works belong to China, not to you," have inherited an even greater legacy—his talents and love of art.

The family's tradition of fine arts began with Liu's father, Liu Kuling, who encouraged his son to surpass him and create his own style. In the same way, Liu taught his three children not to follow the older generation blindly, but try to demonstrate their individual intelligence.

In childhood, they were encouraged to scribble freely. As they grew older, they were guided in acquiring an appreciation of different styles and taught to distinguish between various techniques from Shi Tao (1642-1718) to the Dutch master Rembrandt (1606-69). Slowly, almost imperceptibly, the children absorbed the spirit of these works.

Liu Jiyou never spoiled his children, still less allowing them to gain advantage by trickery. Liu thought that since they cared for fine arts, they should take pains to practise. Whenever he was free, he had them do life-drawings at the zoo. Liu Qiang, one of his daughters, keeps up the habit of drawing in the zoo though she graduated from the Central Institute of Fine Arts. His son, Liu Nan, has observed animals for so long that he can even imitate the way they drink.

Although it is possible for a painter to make money or a name for himself through his works, it is well-known in artistic circles that Liu never took advantage of his skills to seek personal gains and fame. Nor did he allow his children to do so. In recent years, making new achievements, never resting on their laurels. Like their father, their greatest wish is not to make money but to develop their skills.

In May 1982, When an exhibition of their works was showing at the Nanjing Museum, someone wired to offer 150,000 yuan for the complete collection. They immediately turned it down.

Projection Teams Bring Happiness

from "ZHONGGUO QINGNIAN BAO"
(Chinese Youth News)

The foot of Mt. Hengshan in Hunan Province echoes with the laughter of 62 peasant-organized film projection teams, who work hard to bring happiness to local villagers.

As peasants have prospered in recent years, they have had a strong desire for a richer cultural and recreational life. One way of celebrating a happy event—even the birth of a piglet—is to have a film shown in one's yard.

To satisfy this thirst for cultures, self-organized film projection teams have mushroomed. Aside from showing films, they offer clapper talks or ballad singings created by themselves, singing praises of the Party's policy. They also show peasants new technology, say, how to drive and maintain their tractors.

Under the guidance of the County Film Publication and Projection Company, these teams have adapted science films for slide shows, which are more suitable for the circumstances and are well received by the peasants, especially the youth.

Aided by the Township Cultural Station, some of them paint slides to popularize, for instance, the importance of family planning and the genetic dangers of close relatives marrying. They gave four thousand more shows in 1983 than in 1982.

Now, the local projection teams have become influential in the district, paralleling the development of the state-run teams.
Review of Great Wall Cup Tournament

The yearly Great Wall Cup International Football Tournament, known as the Beijing International Invitational Football Games before 1982, created a wave of excitement in Beijing and other big cities.

Though the SV Waldhof Mannheim team of Federal Germany edged the defending champion the China national A team by one goal in the latest game which took place a few days ago, this match nevertheless left an indelible impression on the Chinese players and their fans.

The 12-day battles from June 19-30 were hectic experiences for soccer fans in Beijing, Shanghai, Tianjin and Guangzhou. An audience numbering over 100,000 flocked into sports stadium everyday. It was no coincidence that this tournament attracted such unusually sizeable audiences, as it had been ranked one of this year's top tournaments by the World Soccer Association, second only to the World Cup and Olympic Soccer games. The 16 participating teams came from 11 countries in Europe, North America, Africa and Asia.

The performance of every team was a real eye-opener for the Chinese fans. The Canadian national team, which has already qualified for the Los Angeles Games, was characterized by the big stature of its players, excellent stamina, skill at long-distance shooting and effective passing work, and fierce, dense defending. The tall and energetic Polish national youth team, serious contender for the next World Cup Tournament, was quick in shifting defence and offence and displayed much fortitude. The Algerian Olympic team and the India national team are renowned for their fine, smooth technique and firm control of the ball. The United States team, Nigeria national team, the Club Athletique Bizertin team of Tunisia and the Sarajevo Railway Workers' team from Yugoslavia all performed solidly as well.

The SV Waldhof Mannheim of Federal Germany was regarded as the strongest by experts. These seasoned professionals displayed both a clear sense of rhythm in their offence and a tight defence, and their all-out attack was very impressive. In these past six matches they lost only one goal and scored a total of 16.

The host audience paid close attention to the performance of the China A team, which had had to swallow the bitter pill of losing by only one goal both in the entrance matches of the 12th World Cup and in the preliminaries of the Los Angeles Games last year. However, this year the team's fortunes seem to have taken a turn for the better. At the beginning of the year, they beat the Argentine national team in the Nehru Cup in India, former World Cup champion, creating a sensation in international soccer circles. In this year's Great Wall Tournament, they scored 2:1 against Algeria, 2:0 against India, 3:2 against Tianjin and 5:1 against Canada.

The victory over Canada was brought with much significance. The Chinese players had long feared the European style of fierce and rough conflict. Facing their big Canadian opponents, the Chinese team made good use of their speed and deft footwork to carry off the trophy. However, they themselves felt that the real significance of this win lay not in their sizeable margin of victory, but rather in the fact that they had overcome their phobia of Europeans and had gained the confidence to engage these once seemingly unbeatable foes. The Beijing
press commented that this trophy marked a turning point in Chinese football.

After the Sino-Canadian match, the coach of the Federal German team commented that this was the most brilliant match he had ever seen in China. Even though his team had walked off with the gold cup, he still maintained that the China A team had played progressively better as the tournament had drawn to a close, and was deeply impressed by their surprise attack.

One thing which this tournament made clear was that after suffering numerous setbacks and undergoing a thorough reshuffling, the China A team is well on its way to becoming the first-ranking team in Asia and has already taken a great stride towards attaining the world-class level.

Masterpieces of Late Grotto Art

The 50,000 stone statues in Dazu County in southeast Sichuan are considered masterpieces of late Chinese grotto art*. Dating back 700 to 1,000 years, the statues represent a high level of architectural achievement in support, lighting, perspective and drainage. The themes of the rock carvings reflect the varied influences of Taoism, Confucianism and particularly Buddhism.

One instance is the bust of the reclining Sakyamuni on Baoding Hill, which is said to be one of the 10 largest Buddhist sculptures in China. Near the Buddha’s head, a clear spring gurgles down from the mountain all year round. To drain the water, the artisans carved nine dragons of different sizes on the adjacent rock formations, so that the water flowed from the dragon’s mouths, spraying on the figure of a baby. These carvings, known as Nine Dragons Bathing the Prince, depict a scene from the Buddha’s life shortly after his birth.

Herding the Water Buffalos, on a 30-metre stone cliff, was designed to run with the curves of the terrain. Its 10 water buffalos and 10 herdsmen are shown in a deep forest. Some buffalos are running, others grazing. One herdsman is playing a flute. Down a rock a stream is flowing, from which a mighty stone buffalo is drinking. Off to the side, a buffalo boy is lying on the ground. The carvings tell the story of how believers mastered Buddhism and became true Buddhists.

The universal appeal of human kindness is another theme. A series of 11 carvings illustrate parental love: a couple praying the Buddha for a baby, the young mother becoming pregnant and giving birth, the mother nursing the child until it has grown up.

Hell, depicts a young girl at the crack of dawn with her chickens. Two chickens are struggling with a worm, the others are looking down from the roost, craning their necks. The girl is absorbed in delight, a sweet smile playing on her face. But according to Buddhism, the girl is committing a sin by raising chickens that are to be eventually killed by others — thus she is bound for hell.

There are numerous statues of the Thousand-Hand Guanyin all over China, but only the Guanyin in Dazu has actually more than 1,000 hands — 1,007 to be precise. The hands, covering 80 square metres of stone, are carved in a pattern like a peacock’s tail unfurling. Some are holding musical instruments, writing brushes, tools and daily articles while others clasp amulets. In the centre of every palm there is an eye — the vast number of eyes and hands symbolize diligence and wisdom.

There are many reasons for the existence of so many well-kept stone carvings in Dazu. During the late Tang and Southern Song Dynasties, the situation in Sichuan was relative stable. China’s economy was flourishing in the south while the north part of the country was torn by war and strife. So the rich in the south wished to pray for protection, and the poor for blessings for the next life. Many famed poets and skilled craftsmen flocked to Sichuan, and leading citizens backed religious activities. Thanks to the isolation of these areas in Sichuan, the carvings were well-kept.

Since 1949, China, to protect and study its cultural heritage, has established special organizations and earmarked funds to build a long covered corridor for the carvings on Beishan Hill and had greatly improved the drainage to protect the carvings from erosion. On Baoding Hill, stairs and railings have been built for the convenience of tourists, whose numbers increase every year.

*In the history of China’s Grotto art, sculptures before the Northern and Southern Dynasties (420-589) are regarded as the early period, those in Sui (581-618) and Tang Dynasties (615-907) as the middle period, and those at the end of Tang and Song Dynasties (960-1279) as the late period.

July 30, 1984
In Search of China’s Bronze Age

A new “old” book by an American scholar and printed by the Joint Publishing Company of Beijing is bringing Chinese readers up to date on foreign research on the Bronze Age in this country as well as promoting academic exchanges.

*The Bronze Age of China* is actually translation of 13 academic papers by Professor K. C. Chang, chairman of the anthropology department at Harvard University, previously published in Chinese and foreign journals between 1962 and 1981. Collected in one volume, they form an inherent presentation of Chang’s view that the three earliest dynasties in Chinese history—the Xia, Shang and Zhou, extending over the 21st-3rd centuries BC—had enough in common socially and technologically to be seen as a unified “Bronze Age,” despite the political ups and downs.

Several of the papers, including the one delivered at Yale University in 1979 from which the book gets its title, are “general discussions of the main characteristics of the culture and society” of the period. Others deal with specific subjects in depth. By the end of the book, Chang has covered the period thoroughly, touching on tribes, cities, the monarchy, religious ceremonies, customs, diet, trade and ancient industrial techniques, tracing the connecting strands in all three dynasties.

He especially devotes attention to the ancient bronze vessels with their unique designs and delicate details, which are recognized as being among the world’s greatest art treasures. He also compares the definition of “Bronze Age” held by foreign scholars with that held by Chinese scholars.

Chang is no stranger to China, having visited the country several times for research and to tour archaeological excavations. Over the years, he has also kept up with advances made by Chinese scholars and recent archaeological findings.

*The Bronze Age of China* has been called a valuable addition to the research into the three early dynasties and their cultural legacy.

The book, which has illustrations and charts, costs 1.45 yuan (RMB).

News in Brief

- The readers’ service centre of the Peace Book Co. Ltd. commenced business in Hongkong on June 15. Specializing in the sale of books in foreign languages published on the mainland but also dealing in books published in Hongkong and foreign countries, this corporation is a joint venture established by some natives of Hongkong together with the China International Book Trading Corporation (Guoji Shudian). Its main business services include the publication, distribution, printing and joint publication of books. Its establishment will further the co-operation between China’s interior provinces and Hongkong as well as between China and other countries in the publication and distribution of books, while also promoting cultural exchange and mutual understanding between the peoples of different countries.

The readers’ service centre is located in 98 Granville Road, Tsimshatsui East, H.K.

- The memoirs of a group of veteran revolutionaries who served in the Chinese Workers’ and Peasants’ Red Army will be soon published. *A Difficult Route—Recollections of Members of the Fourth Front Army of the Chinese Workers’ and Peasants’ Red Army* was edited by the memoir writing group of the Beijing Units of the Chinese People’s Liberation Army, and will be published by the People’s Publishing House.

The Fourth Front Army was founded during the Second Revolutionary Civil War (1927-37). Under the leadership of the Communist Party, it fought courageously against formidable enemies and succeeded in establishing the Hubei-Henan-Anhui and Sichuan-Shaanxi Revolutionary Base Areas, making a great contribution to the victory of the Chinese Revolution.

The book includes 91 essays, totalling 700,000 Chinese characters, which individually relate first-hand accounts of the wartime experiences of 83 veteran revolutionaries who formerly served in the Fourth Front Army.

Li Xiannian, the President of the People’s Republic of China, wrote the foreword of the book.

Xu Xiangqian, Vice-Chairman of the Military Commission of the Party Central Committee, contributed the calligraphy for the title of the book and also contributed an essay entitled “The Fighting Style of the Fourth Front Army.”
Traditional Chinese Paintings
by Li Decai

Born in 1943 in Tongliao City, Inner Mongolia, Li Decai is now an art designer for the Central Nationalities Song and Dance Ensemble. A self-taught painter, Li specializes in orchids, bamboo, plums, pines and rocks.