Vol. 28, No. 19

BEIJING REVIEW

May 13, 1985

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A CHINESE WEEKLY OF NEWS AND VIEWS

A Perspective of South-South Co-operation



INTERNATIONAL YOUTH YEAR

PARTICIPATION

DEVELOPMENT PEACE

PARTICIPATION DEVELOPPEMENT PAIX

PARTICIPACION DESARROLLO PAZ

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Workers in the local wollen sweater mill at their imported knitting machines.



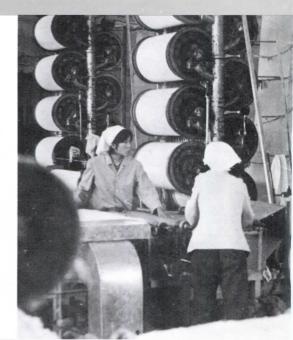
A workshop in the county porcelain factory.



Township Enterprises

Collectively owned township enterprises all over China's countryside have made big headway in recent years. Some of them are shown in these glimpses of Huairou County near Beijing.





A textile workshop.



The Cement Plant.



BEIJING **REVIEW**

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HIGHLIGHTS OF THE WEEK

China Plays Host to Youth Meeting

Hundreds of representatives from the Asia-Pacific region and international organizations are now in China to take part in an Asia-Pacific Region Youth Friendship Meeting as the UN General Assembly designated 1985 as International Youth Year (p. 6).

International Youth Year Marked

During the current International Youth Year, China's IYY organizing committee has sponsored a series of activities. These include developing specialized households by mobilizing young people to teach production techniques, scientific management skills and exchange market information; launching a drive to "dedicate youth to key construction projects"; and implementing a work-study programme among postgraduates, university and middle school students (p. 21).

South-South Co-operation Thriving

As the North-South dialogue remains deadlocked and no quick breakthrough is in sight, third world nations are intensifying efforts to expand co-operation that will benefit economic de elopment. But many obstacles are to be overcome before South-South co-operation yields significant results (p. 16).

US Blocks Trade With Nicaragua

The United States trade embargo may inflict some damage on Nicaragua during a short period of time, but in the long run it will fail (p. 15).

Diving World Cup a "Chinese Show"

Chinese divers showed unusual skill and style when they pocketed six of the seven gold medals at the keenly contested Fourth World Cup Diving Tournament held April 25-28 in Shanghai. But their dominance will surely be challenged by up-and-coming divers from the Soviet Union and other countries (p. 33).

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Teachers' Social Status Improving

by XIN XIANGRONG Cultural Editor

September 10 every year has been designated National Teachers Day, with the approval of the Ninth Meeting of the Standing Committee of the Sixth National People's Congress held in January.

The central government also decided early this year to raise the wages of middle and primary school teachers. The wage standards for teachers will be a little higher than for those with the same education working in other professions. In addition, the state has allocated funds to provide seniority pay. The pay hike is another effort to raise the political and social status of teachers and to improve their living standards.

Last September Chen Yun, a veteran proletarian revolutionary and a member of the Standing Committee of the Political Bureau, pointed out that effective measures must be taken to improve teachers' social status. Teaching should gradually become one of the most respected and admired professions in Chinese society, he said. Chen became concerned when he found that few senior middle school graduates wish to take the examinations to enter teachers' colleges.

To value knowledge, people must first respect those who pass on their knowledge. To cherish talent, people must first see to the educators who train talents. To look to the future, people must first have teachers in mind, teachers who are honoured as the "engineers of human soul" and who lay the foundations for future mansions. It stands to reason that

teachers should be held in respect.

The Chinese people have a timehonoured tradition of respect for educators. In feudal society, every family worshipped teachers, in addition to gods, earthly deities. monarchs and ancestors. Two thousand years ago a scholar named

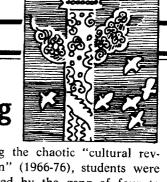
The government's decision to increase the wages of middle and primary school teachers is another effort to raise their political and social status and to improve their living standards.

Xun Zi said, "The state will thrive if it highly values teachers and puts its efforts into education. versely, the state is bound to decline if it looks down upon teachers and ignores education."

Chinese history has proved Xun correct. Those dynasties in which education was valued usually had a more prosperous economy.

Not long after liberation, the leaders of the Ministry of Education and the National Educational Trade Union proclaimed in 1951 that May Day was also Teachers Day. But the result was that teachers received little special attention during the May Day festivities.

Even more regrettable was that under the influence of "left" guidelines, knowledge and talent were not respected as they should be. And this resulted in disrespect for teachers. Teachers, especially those working in middle and primary schools, occupied low political and social status and received poor pay.



During the chaotic "cultural revolution" (1966-76), students were exhorted by the gang of four to criticize "the authority of the teacher." As a result, teachers received even less respect, and few people wanted to be teachers.

Since the end of the "cultural revolution," the state has worked hard to eliminate the influence of "leftist" thinking and to raise the political and social status of school teachers. Some excellent teachers have been chosen as deputies to the National People's Congress or local people's congresses, or as members of the Chinese People's Political Consultative Conference. Those who have made outstanding contributions are recommended for citations and honours. This Spring Festival, special activities were held for teachers in Beijing, Shanghai and other cities. Subsequently, the Municipal Committees of the Communist Youth League in Shanghai, Tianjin and Beijing issued a joint circular calling on all their youngsters to organize various activities showing their respect for school teachers in 1985.

The material lives of teachers are improving. For instance, wages have been raised nationwide in the past few years. In 1983 the state provided 1.5 million square metres of housing for school teachers and staff, more than double the average of the previous five years. Last year more houses were built than in 1983. But there is still much to do to ease the housing shortage.

People believe that a wholesome atmosphere of respect for teachers advocated by the Party and government and supported by society will be restored and prevail.

LETTERS

Lingering Feudalist Ideas

The articles "Humanism Has a Place in China" (No. 6) and "Advantages of Socialist Lifestyle" (No. 9) in "From the Chinese Press" are outstanding. authors clearly analysed the influences of feudalism and bourgeois ideology in present China, and showed that feudalism is the more serious problem in China. The "cultural revolution" opposed bourgeois ideology with so-called revolutionary actions, but actually, it was nothing but feudalism in all its manifestations. This may be compared to the Stalin era in the Soviet Union, when people were used to personality cult, democracy was lacking and the people's freedom was stifled.

Of course, some manifestations of bourgeois ideology did exist during the "cultural revolution," such as anarchism. The emergence of ultra-left cliques aggravated the social turbulence. Students carried on mad hostilities against teachers. It was entirely possible for China to be turned into a technologically backward, autocratic, feudal country.

The articles pertinently explain that remnants of feudalism still linger in the minds of the Chinese people. For instance, some people cruelly laugh at the handicapped and women are discriminated against. During the period of the "cultural revolution," China opposed family planning, as the reactionary forces of the Catholic Church did.

In addition, the articles "How Does China Deal With Divorce?" (No. 5) and "They Also Have the Opportunity" (No. 11) fully show Modernization and Sino-Soviet that Chinese leaders are wise to oppose the influences of feudalism and take from bourgeois hu-

manism what is beneficial to the socialist cause.

I follow with interest the development of China's economy the open policy. must draw lessons from the mistakes of the developed countries (both capitalist and socialist) when you import modern technology. In the Federal Republic of Germany and other countries. people have come to acquire a deeper and deeper understanding of the disastrous consequences for the environment caused by industrialization.

The steam and gas expelled from factories, power stations and motor vehicles are often carcinogenic, and harm people's health. They also poison the air to form acid rain, which destroys the forests, which in turn are vital in controlling soil erosion and floods and keeping the air clean. It is no exaggeration to say that if the plants die, the people will follow. For this reason I deeply admire the project described in "Hetian: Western End of Green Great Wall" (No. 50, 1984). It would really be a pity if these new trees were destroyed by industrial waste gas and steam.

You should consider installing desulphurizing equipment in all power stations and catalytic converters in all automobiles. These can relieve air pollution and make China avoid the mistakes of other countries. I would like to read more about your efforts in this

> Heinz-Gunter Foerster Bielefeld, FRG

Relations

We are following the modernization process very closely. Recent

reports indicate that the standard of living is generally improving in China. We are also pleased to learn that Sino-Soviet relations are on the mend and that they are improving in the interests of mankind. If the three biggest powers on earth have good relations then the world will have everlasting peace.

In addition, we would like to know how the reforms are assisting the rural masses, who make up 80 percent of the population.

> Stephen Isabirye Arizona, USA

Humanitarian Goals Become Reality

Each issue of Beijing Review gives me renewed hope that the humanitarian goals of socialism are becoming a reality. I like the improved pictures and colours. Your modernization programme is an inspiration to everyone. No matter what obstacles you encounter, those of us outside China must hope that you will succeed. Capitalist predictions that you will have to fall backwards are damaging to your public image because they distort your application of the scientific method to achieve fulfilment of your socialist plans.

> Eugene V. Dennett Seattle, USA

Growing Friendship Towards China

The attitude of the mass of Americans towards the People's Republic of China has completely and totally reversed direction within the last five years. There is a great deal of friendship present in the American population towards China today, and anything you can do to increase contact with the broad spectrum of the American population would be of great and immediate benefit.

> Robert J. Nagy Ohio, USA

Youth Encouraged to Become Pioneers

Challenging the traditional idea that living in a city is better than going to the frontier, more than 200 college seniors in Beijing have volunteered to settle in rugged northwest China after graduation this summer. Their declaration came as the country prepared for its May Fourth Youth Day celebration.

The northwest, which includes the Xinjiang and Ningxia autonomous regions and Qinghai, Gansu and Shaanxi provinces, holds 70 percent of China's vital natural resources. The area is also sparsely inhabited, with only 7 percent of the country's population living on one-third of its total territory.

Since the 1950s, urban youths from Beijing, Shanghai and other coastal cities have been going to the region to help unlock its resources. At the same time, however, some have also retreated from the frontier to escape poor living conditions there. It is better to be a soldier in Beijing or Shanghai than a general in Xinjiang, their saying runs. So when the 200 volunteers made "Go to Northwest and Be the Pioneers of the 1980s!" as their slogan, they were given encouragement by average urban residents as well as Party and state leaders.

Among the volunteers was Guo Chengguang, a graduate in economics from Beijing University. "The northwest has superior natural wealth. It needs nothing but manpower and technology, so why not go there?" he asked.

During a May Day meeting with representatives of the voluntary youth land reclamation teams of the 1950s and leading young workers of the 80s, Party General Secretary Hu Yaobang said that Chinese young people should follow the example of the previous two generations and build their country into a powerful socialist nation in the next century.

The first generation fought for the founding of New China in 1949, many sacrificing their lives, Hu said. And the second generation, like the people who worked in the land reclamation teams in remote areas in the 50s, worked hard for China's socialist construction. It is up to the third generation—the young people of today—to carry on the good work and follow that enterprising spirit, said Hu.

At the same meeting, Communist Party Central Committee Secretariat member Hu Qili told the representatives that this is not the time to seek personal happiness, but rather an opportunity to "plant trees and dig wells" for future generations. China will foster a new generation of true Marxists through intense competition with capitalist countries, he added.

Among the representatives was Yang Hua, who led Beijing's volun-

China Plays Host to Youth Meeting

Several hundred representatives and observers from the Asia-Pacific region and international organizations are currently taking part in an Asia-Pacific Region Youth Friendship Meeting being held in China May 10-24. The meeting is one of the International Youth Year (IYY) activities organized by China.

The 34th Session of the United Nations General Assembly, acting on a proposal by Romania. designated 1985 as International Youth Year, with the themes of "participation, development and peace." The aim of the year is to urge the international community to pay more attention to young people, show concern for their development, help them solve their problems, and enable them to effectively participate in and contribute to economic and social development.

The UN decision has been applauded by the Chinese government and China's young people. China established an IYY Organizing Committee made up of 17 government departments and citizen groups to host the current gathering. In addition, China invited observers, from African, Latin-American and European countries and representatives of international organizations to attend.

To promote understanding among young people, said Chinese IYY Organizing Committee Vice-Chairman Li Keqiang, China will host a six-day seminar on the role of youth in peace and development, get-togethers with Chinese youth, a fine arts exhibition entitled "Chinese Youth Forging Ahead," a photo show based on the theme "Happy Youth," art performance and forums. The meeting participants will visit Beijing and 14 other cities, including Xian, Nanjing, Zhengzhou, Guilin, Shanghai, Tianjin, Shenyang and Changzhou. During the visit, Li said, they will be invited to collective wedding ceremonies, birthday parties, peasant trade fairs and tree-plantings.

To mark the occasion, Li added, China will issue a set of commemorative stamps, posters and a commemorative badge.

täry youth land reclamation team to the wilderness of northeast China 30 years ago.

"The torch of plain living and hard struggle should not be extinguished," Yang quoted Hu Yaobang as saying at the meeting. "I agree with Hu. He is just affirming the history of the 1950s and 60s, when many young people went to the frontier. We still need that spirit of hard struggle to help make China a powerful country," said Yang.

Not all agreed, however. Late last month, about 300 former Beijing middle school graduates returned to the capital to stage a sitin demonstration at the municipal government headquarters.

All had been sent to rural villages in Shanxi Province, several hundred kilometres west of Beijing, in the early phases of the 1966-76 "cultural revolution" before being transferred to local industrial enterprises over the past few years. In their appeal to the city authorities, they asked for permission to leave Shanxi and live again in Beijing. The policy of sending educated urban youths to the countryside was a product of the "cultural revolution," and should be thoroughly negated, they charged.

Beijing Mayor Chen Xitong, however, told the demonstrators that the policy had been in force even before the "cultural revolution." It would always be the duty of the capital's young people to go to the countryside, frontier or other undeveloped areas, he said. The demonstrators themselves were wrong for disturbing public order — an action he saw as one result of the pernicious influence of the "cultural revolution."

Most of the demonstrators have

since been persuaded to return to Shanxi.

Stiffer Penalties for Black Money Mart

China will crack down on black market foreign currency dealers in response to recently released State Council regulations banning circulation of foreign currencies. Speculation in foreign exchange certificates (FECs) is also banned.

FECs are special currency notes officially equal in value to the Renminbi. They are generally used by visitors from abroad and foreigners living in China. They are the principal currency for foreigners to use in China.

The regulations are primarily aimed at curbing black market currency speculation and other illegal transactions by government organizations, enterprises and individuals.

Many people from abroad visiting and living in China have been approached by illegal currency traders outside hotels and in shopping districts.

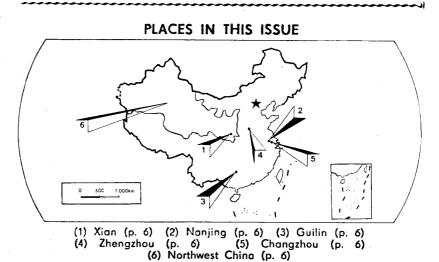
A foreigner working in Beijing recalled being asked seven times to exchange FECs for Renminbi during an hour-long shopping trip in the busy Wangfujing district. "They are not shy at all," he said. "They see a foreign face and shout out, 'change money?' I say no, and they still give me the rate as if to convince me. They'll offer 1.6 or 1.7 yuan of Renminbi for one yuan of FEC. When I still say no, they ask to exchange for American dollars." In Guangzhou the black market exchange rate is said to be two yuan Renminbi for one yuan FEC.

Black market money changers still profit from the transaction. Beijing's black marketeers use the FECs to buy hard-to-get Hongkongmade TV sets and refrigerators in special economic zones at FEC prices which are much lower than the state-set Renminbi rates. They then sell the goods in Beijing at prices several hundred yuan higher than the market prices.

The State Council regulations stress that all illegal foreign currency trading is to be banned and all offences will be punished with fines or confiscation of illegal gains.

The following cases, according to the regulations, will be construed as disrupting financial stability:

• Engaging in foreign exchange operations without prior approval of the State Administration of Exchange Control (SAEC) or on a



NEWS IN BRIEF

China now has nearly 20,000 hectares of farmland producing "clean vegetables." which are grown without the use of chemical fertilizers and insecticides, according to the Ministry of Agriculture, Animal Husbandry and Fisheries. Efforts are being made to develop more "chemical-free" vegetables in 17 provinces and autonomous regions, and those attending a recent national conference on vegetable protection called for a ban on the use of toxic insecticides.

The central government's economic policy has boosted Tibet's economy and brought greater prosperity to the Tibetan people. Per-capita income averaged 317 yuan last year, 101 yuan more than in 1983.

More than 40,000 Tibetan families are now in specialized trades, four times the number in 1983.

Preparations are being made on the mainland for the establisment of direct shipping and trade links with Taiwan, said Qian Yongchang, minister of Communications.

Oian said, "Our ships may go to Taiwan at any time when the Taiwan authorities are willing to accept them. We welcome Taiwan's vessels to come to the mainland and will provide them with all conveniences."



A Marriage With a Solid Foundation

Katsunori Fukai, a Japanese composer and pianist, and his bride, Kimiko Otsuki, decided to take their wedding vows on the Great Wall. Among their guests was the vice-president of the Beijing branch of the Chinese People's Association for Friendship With Foreign Countries, Lu Yu. The couple is the first to marry on the wall.

scale beyond the limits set by the SAEC;

- Issuing foreign currency bonds in China or abroad or accepting loans by domestic organizations from banks or business enterprises abroad or in Hongkong and Macao without prior approval of the State Council or the departments authorized by the State Council;
- Using foreign currency as the monetary unit in settling accounts, contracting loans, making transfers, obtaining mortgages or as a medium of exchange in business transactions, without prior approval of the SAEC;
- Buying and selling FECs or foreign currency without authorization or in any disguised form at rates above those set by the SAEC, or in unlawful operations with a view to buying it cheap and selling at a profit.

Evasion of currency controls by retaining, spending or depositing foreign exchange earnings abroad without prior SAEC authorization is to be punished.

New Regulations For Foreign Banks

New doors have been opened for foreign banks in China's four special economic zones under State Council regulations issued on April 2.

The regulations, which affect Shenzhen. Zhuhai and Shantou in Guangdong Province and Xiamen in Fujian, for the first time allow overseas and joint venture banks to offer a broad range of services to their customers in China. These include underwriting transactions in Renminbi or foreign exchange, trading in stocks and bonds, setting up trust accounts and renting safe deposit boxes. The banks can also open accounts and give overdraft facilities for foreign businesses, and set up personal foreign currency accounts for foreigners, overseas Chinese and Hongkong and Macao residents.

Overseas banks were previously allowed to open representative

offices in China, but not to provide full banking services.

"It's good news for us," said one official at the Hongkong and Shanghai Banking Corporation's office in Beijing, adding that she didn't know when her institution would apply for branches in the special economic zones.

According to the regulations, the banks will also be allowed to handle foreign trade accounts, remittances and investments from other countries in Renminbi or foreign currencies. They may also remit their after-tax profits abroad.

All banks will be licensed by the State Administration of Exchange Control (SAEC) and monitored by local branches of the People's Bank of China.

Colleges Start Design Courses

With the skyrocketing demand for more and better clothing emptying shelves in many stores across the country, several Chinese colleges have begun stitching up what they see as a glaring gap between the fashion industry and the buying public — the growing need for talented designers.

By tailoring their courses to suit manufacturers, the Suzhou and Zhejiang Silk Engineering Colleges, and the Northwest (Xian) and Tianjin Textile Engineering Colleges have become leaders in a ready-to-wear revolution. classes, which began in 1983, are the first ever offered in China. And although clothing sales have nearly doubled in the past six years, from 5.6 billion yuan in 1978 to 10.5 billion yuan in 1984, the garment industry has found itself hard pressed to cope with its own success.

Hu Visits Korea

Chinese Communist Party General Secretary Hu Yaobang paid an unofficial visit to the Democratic People's Republic of Korea at the invitation of his Korean counterpart, Kim Il Sung, May 4-6.

The visit was Hu's third trip to Korea in the past three years. While in Korea, Hu and Kim held talks on developing friendly relations between the two parties, the two countries and the two peoples, as well as a series of important issues of common concern. Hu said the leaders held identical views on all issues.

Hu expressed support for Kim's proposals to realize the self-determined and peaceful reunification of Korea, including the recent one for talks between the parliaments of North and South Koreas.

"The amount, standards, designs and colours of ready-made clothing can't satisfy consumers' demand yet," said Minister of Light Industry Yang Bo. "People still find it difficult to buy good ready-made clothing, or to have their dresses made. This is a big social problem, and it's one we must resolve."

Almost all Chinese clothing designers were once trained in tailor shops. They are now coached in classrooms by experienced teachers, most of them artists. Some have also studied overseas.

The design students take courses in art, psychology, sociology, art history and drawing, in addition to their work in fashion materials, technology, colour and design.

At the Shanghai Textile Industry Institute, the first group of 100 students was enrolled last year after stiff examinations. They are taught by about 30 professors and lecturers and veteran clothing designers hired by the institute.

China's fashion centre, Shanghai, designs more than 20,000 new styles every year. Last year, the city sold 60 million garments on its local market and exported 70 million more.

It also plans to open China's first clothing design college, said

Jiang Huai, president of the Shanghai Textile Industry Institute.

In the meantime, many noted designers have begun taking in students on their own. Beijing's Chen Fumei has trained 30 young fashion artists in her short-term class. All are now back at their drawing boards pondering new lines for the coming season.

Because colleges and schools can take in only a few of the young people who would like to become designers, some potential students have set up independent clothing research centres. One was established by Zeng Sanying, an aspiring dress designer in Guangzhou.

Zeng, who ran her own tailor shop, took in several thousand yuan a month from sales of her Sanying brand fashions. But she was not satisfied with her shop's initial success, so she organized the research centre to scale new heights in clothing design.

No More Pandas to Be Ambassadors

In order to preserve the giant pandas, China will no longer give the rare species to other countries as gifts, said Dong Zhiyong, viceminister of Forestry and vice-president of China's Wildlife Conservation Association.

China has given 23 pandas as gifts to nine countries, including the United States, Japan and Britain.

With its own population estimated at only about 1,000, the giant panda has been listed as an endangered species by the World Wildlife Fund. Despite vigorous efforts made over the last two years, Dong said, the animals are still threatened by a continuing shortage of their staple food, arrow bamboo, which began flowering and withering over a large area in 1983.

According to reports from Sichuan, one of the panda's main habitats, four pandas have been found dead and five others seriously ill since the beginning of this year. One of them died while receiving emergency treatment.

In the Qinling Mountains in Shaanxi, another habitat, local peasants picked up two starving pandas, one of which later died. The survivor aroused experts' interest with its abnormal piebald coat. The black patches usually found around the eyes and on the legs were brown on this particular panda.

According to the ministry's statistics, about 46.8 percent of the 500,000 hectares of bamboo forests, have died after flowering. Dong said the remaining bamboo forests will soon follow suit and die in the next few years. It will take at least 10 years for new bamboo shoots to grow big enough to become panda food.

As spring comes, the danger increases, Dong said, because more arrow bamboo will die after flowering, leaving pandas with a serious food shortage during the mating season.

Already emaciated by hunger, the vulnerable creatures, most of whom live on wooded mountains 2,000 metres above sea level, find it difficult to push through the snow to areas with better food supplies, Dong said.

According to the ministry, rescue workers discovered 32 starving and sick pandas last year. Of these, 21 were nursed back to health and 11 died despite medical care. They also found 38 dead pandas, including seven killed in traps laid for other animals.

"The present situation reminds us that the rescue and protection of the pandas is a long-term task which is far from complete," Dong said.

"If the panda should become extinct because of our negligence we would feel guilty not only to our own future generations, but to all humanity," he added.

With the danger to the pandas' survival becoming a public issue, nationwide publicity campaigns have attracted donations of more than 2 million yuan from both Chinese and friends abroad. The Chinese government has also allocated 5.17 million yuan for the rescue programme, Dong said. He added that it will all be spent on research to find solutions to the food problem and on rescue operations.

Headquarters and nursing farms have been set up in the panda's habitats to rescue sick animals, conduct research, train conservationists and encourage the local people to protect this national treasure.

In some seriously affected areas, mour tain passes have been sealed, fire precautions have been taken, and hunting banned to protect pandas. Five people who were found guilty of killing pandas have been punished.

Around the Globe

China Still Outside ADB

A spokesman for the Chinese Foreign Ministry on May 1 expressed regret that China's membership in the Asian Development Bank (ADB) was not approved during the recent ADB annual meeting. The 18th annual meeting of the ADB board of governors was held April 30 to May 2 in Bangkok, Thailand.

CPC Establishes Ties With Cypriot Socialists

Formal relations between the Chinese Communist Party and the Socialist Party of Cyprus were established May 2 during Beijing talks between. Qian Liren, head of the International Liaison Department of the Chinese CPC Central Committee, and Vassos Lyssarides, president of the Cypriot Socialist Party.

Beijingers Raise Cash For Drought Victims

By the end of April Beijing residents had donated about 400,000 yuan (US\$140,000) to a fund for African drought victims. A citywide fund-raising campaign was inaugurated April 13.

China-Burundi Economic Committee Meeting Opens

The third meeting of the joint committee for economic and technical co-operation and trade between China and Burundi opened in Beijing May 2. Delegates expressed satisfaction with the co-operation achieved in past years and pledged to continue promoting South-South co-operation.

Bonn Summit

No Impressive Results Achieved

The three-day economic summit of seven Western nations fell far short of expectations. Indeed, it was spoiled from the outset by a number of political events.

by XIA ZHIMIAN

A LTHOUGH the widely publicized 11th annual economic summit of seven Western nations ended in Bonn on May 4 as scheduled, the results of the meeting—contrary to expectations—were not at all impressive.

Over the past two years, the Western economies have been on the upturn, although the degree of recovery has varied in individual countries. The conditions for this Bonn summit, then, were better than those in previous years. The session should have mainly discussed economic issues. Instead, it was spoiled by a number of political events that from the outset overshadowed economies.

First, US President Ronald Reagan arrived in Bonn for an official visit to Federal Germany prior to the summit. On his itinerary was a visit to the Bitburg cemetery, where some 50 Nazi SS troops are buried. This caused a mighty uproar in the United States, and criticism also came from other countries.

A second overshadowing event was Reagan's announcement of US economic sanctions against Nicaragua. He made the declaration on the day of his arrival, without consulting the other summit leaders. His conduct was described as "unprecedented" in diplomatic history.

After two days of silence, Federal German Foreign Minister Hans-Dietrich Genscher held a press conference and expressed his country's dissent over the matter. The local press in West Germany described it as "comical" that a major participant in a meeting on free trade would impose a trade embargo on another country.

A third controversy that left a mark on the summit was Reagan's "Star Wars" space weaponry research programme. On March 26, the United States invited its allies to participate in the Strategic Defence Initiative (SDI) research project, but the response was cold and hesitant. The United States had expected some support for the "Star Wars" plan from Bonn, but this never materialized. As the summit's host nation. Federal Germany termed the SDI programme "justified," and attempted to rally the other attending countries behind it. However. French President. Francois Mitterrand announced after the meeting that France would not take part in SDI research.

Economically, the only reasonably significant accomplishment was an agreement to hold a new round of talks within the framework of the General Agreement on Tariffs and Trade (GATT). The summit participants apparently realized that tendencies towards pro-

tectionism could halt the West's economic growth and harm the interests of all countries. But the summit leaders could not decide on a date for the multilateral GATT talks. A compromise statement in the final communique urged that they be held "as soon as possible," adding that "most of us think that this should be in 1986."

France, however, was not enthusiastic about reopening the trade talks. The French are worried that the Common Market farm support system might turn up on the GATT agenda, and that this could harm French farmers. In addition, the French complained that the United States stressed only the issue of free trade and disregarded the strong US dollar's negative effects on trade. They therefore demanded that discussions on Western monetary systems be held at the same time as the GATT talks.

Of course, the summit achieved some results. The seven leaders reached agreement on an evaluation of the world economic situation, and what policies should be adopted. They all agreed that economic recovery could not be stimulated by increased government spending, and they held that restrained monetary and financial policies should be continued to consolidate the progress made in inflation control.

Accordingly, the United States promised to reduce its budget deficits, Japan pledged to open its markets and the West Europeans expressed a determination to speed up their economic development.

Whether these promises will be acted upon remains to be seen.

Labour Faces New Challenges

Western Europe has been disturbed by frequent strikes in the past year, but workers' conditions are not much better. The labour unions of Western Europe are experiencing a difficult time.

by ZHOU TONG and ZHOU KEMING

CHAIN of strikes have been A triggered in Western Europe since last May when 200,000 hardware workers in Federal Germany began a seven-week walkout and gained at least partial recognition of their demand for a 35-hour work week. In France, miners and steel workers staged demonstrations and strikes to oppose government cutbacks and layoffs. In Spain, shipbuilders held similar strikes to protest against a new "Industrial Reform Law." Last October Iceland's civil servants left their offices for almost a month to show their opposition to the government's economic policies and to press their demands for a wage rise. Even in Denmark, where labour troubles are rare, the biggest strike in over a decade occurred in March when negotiators failed to reach agreement on labour's demands for a pay rise and a cut in the work week. But the largest walkout of all was the recently ended yearlong British coal miners' strike, the most violent episode of worker unrest in the country's history, as well as its longest. Recently, Britain's railway workers launched another challenge to the government by demanding a 30 percent wage rise and a work week of 35 hours.

The issues stirring the turmoil are wages, work hours and, above all, employment. The governments of Western Europe are now making large industrial structure adjustments, even as they struggle with economic retrenchment. Their efforts are aimed at helping

them catch up with the United States and Japan in new technology, although one result has been increased unemployment in a region where too many are already out of work. Rapid productivity gains caused by the adoption of advanced technologies have only intensified the problem.

By the end of 1984, some 20 million workers were jobless in Western Europe, with 13 million unemployed in the ten countries of the European Community. Britain's unemployment rate stood at around 12 percent, while Federal Germany's was over 8 percent and France's near 10 percent.

The number of long-term unemployed, too, is rising. Before the 1970s, most workers could find work in less than two or three months and "long unemployment" referred only to those who failed to get a job within half a year. However, the average unemployment period is now 350 days in

France, and eight months in Federal Germany. The long-term unemployed now account for 45 percent of all jobless workers in France, and 40 percent of the total figure in Britain.

A high proportion of these unemployed workers are young people and women. In Western Europe, about 40 percent of the jobless are young, while in Belgium women make up 45 percent of the unemployment total.

In addition, almost all the West European countries have tightened their social welfare regulations since 1983, making it more difficult for jobless workers to get unemployment subsidies and relief. Only about 34 percent of the unemployed in Federal Germany can get unemployment subsidies, while 27 percent are on relief. France has cut its subsidies by 14 percent, leaving more than half of its unemployed beyond the reach of any government aid.

Life is hard now for the labour unions in the developed Western countries, in spite of the past year's wave of strikes. Western Europe's labour movement is, in general, at low tide — first, because of declining trade union membership. In the United States, union participation has fallen by 10 percent since

In London, thousands of workers staged a rally in support of striking coal miners.



the 1950s, while in Japan it now has fallen to 29 percent of the total workforce, a record low since World War II. In Britain, 2 million workers have dropped out of the Trade Union Congress since the beginning of the 1980s. The drop has been caused, at least in part, by the decline of such industries as coal, steel, shipbuilding and textiles in Western Europe. Another reason is the unions' continuing inability to effectively organize white collar workers, service personnel and part-time workers in newly emerging fields including the service trades.

Second, labour unions are suffering from a drop in prestige among workers. Since the mid-1970s, employers have been able to capitalize on a sagging economy and popular fears of unempoyment by adopting a tough

policy towards labour-management negotiations. Meanwhile, the various unions could not reach agreement on some vital issues in dealing with the management. Many unionists now believe that labour's three most significant achievements — the right to collective bargaining, systems of social welfare and full employment — may be in mortal danger as a result of this power shift.

Today, Western Europe's labour movement is experiencing multiple difficulties: On the one hand, it is threatened by increasingly severe problems caused by periodic economic crises; on the other, it must face the challenges posed by the new technological revolution. Its most pressing problem, though, may be reviving the morale of a membership deeply stung by recent setbacks.

Nicaragua

US Trade Ban Blocks Peace Process

The US trade embargo on Nicaragua is another attempt to use power politics to manipulate a tiny country. But in the end this policy will defeat itself.

by YI MING
"Beijing Review" News Analyst

WHEN the US Congress voted down President Ronald Reagan's request to provide US\$14 million this fiscal year for Nicaragua's anti-government forces on April 24, it was seen as a heavy blow for the government's Central American policy.

But Reagan's response a week later was to order a total embargo on US trade with Nicaragua and the suspension of services to the United States by Nicaraguan airlines and ships. It was his way of telling Congress he will pursue his hardline policy with or without its help. It also served as a threat to Nicaraguan President

Daniel Ortega, who had just returned from Moscow, where he signed an economic agreement.

Trade between Nicaragua and the United States has declined since 1981, when Reagan began openly backing the opposition to the newly established government in Managua. According to US Commerce Department figures, in 1984 the United States exported products worth about US\$111.5 million to Nicaragua and imported about US\$57 million from that country, mainly beef, coffee and bananas. This represents only 7.9 percent of Nicaragua's total exports and 15.6 percent of its imports, but the embargo will still damage the country's already unstable economy. A lot of machinery and equipment in Nicaragua was made in the United States, and spare parts will now be hard to get.

The Nicaraguan authorities expected to see some kind of economic sanctions after the aid programme was defeated. US Secretary of State George Schultz had earlier referred to the possibility, and Reagan himself commissioned a study on all political and economic measures possible to undermine the Managuan government and support the rebels. Ortega's trip to the Soviet Union and other East European countries was apparently aimed at securing economic assistance in light of the probabilities.

To lessen its dependence on the United States, the Nicaraguan government has diversified its trade partners, paying special attention to Western Europe and the Comecon nations. Nicaragua is an observer at Comecon and has received Soviet economic aid before. Nevertheless, the Sandinistas had hoped to expand trade ties with the United States as well.

US-Nicaraguan relations are the crux of the instability in Central America. Reagan views the regime in Managua as a regional foothold for the Soviet Union and Cuba, which he sees as a threat to US interests. He has therefore been trying to alter the orientation of the Nicaraguan government since he came to power. His peace proposals contain provisions for negotiations with the rebels and internationally supervised elections, in an attempt to tell the Managuan government how to run the country.

In general, US military aid to the rebels has been a powerful lever. It is only with US aid that the rebels can continue to disrupt the country. According to Washington's calculations, the economic and social upheaval will eventually defeat the Sandinistas. The United States has also conducted military excercises in Nicaragua's neighbouring countries, keeping the threat of armed intervention always imminent. In fact, the fear many Americans have that Reagan may actually send troops to Nicaragua pushed the Congress to reject the president's aid programme.

The embargo is another effective lever. This is not the first US economic blockade against Nicaragua. Because of it, and because of the constant fighting with the US-backed rebels, Nicaragua now has a wartime economy, with all the shortages and price rises that entails. Because they must still prepare for war, development has been stalled.

After the US Congress rejected Reagan's plan, the Sandinistas sent home 100 Cuban military advisors and released 107 political detainees from prison. The government has more than once expressed its willingness to normalize relations with the United States, and it suggested resuming the bilateral negotiations in Manzanillo. Mexico which broke off last February. Nicaragua also promised to sign the peace document worked out by the Contadora Group and to send all remaining foreign advisors home.

But now, under the trade embargo, the talks will, of course, be stalled again. The efforts of the Contadora Group for a peaceful settlement will also be blocked. But as Ortega's warm reception in Eastern Europe showed, Nicaragua need not bend to US blackmail. Being an agricultural country, it may be even easier for Nicaragua to stand on its own.

What disturbs Reagan is Managua's ever-closer relations with Moscow. But the US sanctions leave the Sandinistas no alternative but to turn to the Soviets for aid. In this way, Reagan's policy will defeat itself.

Viet Nam

Bitter Fruit of Aggressive Policy

Ten years after the Vietnamese people's victory against US aggression, the country still has no peace and prosperity. Dragged down by a war they cannot win, the authorities try to shift the blame.

by HUANG YUAN

O N April 30, 1975, the Vietnamese people won their war against US aggression by liberating Saigon (now Ho Chi Minh City), thus reunifying their country. The following day the whole nation celebrated and hoped for a happy, prosperous future.

But the hopes of the Vietnamese people have not been realized. At present, the country's annual average per-capita income is just US\$100. The Vietnamese press admits that the economy has been plagued by insufficient production, heavy financial deficits and an unfavourable balance in foreign trade. The problems have left the Vietnamese people with a hard life and general malnutrition. "The daily calorie intake of the average worker in Viet Nam lasts him only four working hours," according to a Vietnamese publication.

Why do the people still suffer 10 years after their victory? The Vietnamese authorities blame natural disasters and sabotage from China. Both are groundless. The economies of the Association of Southeast Asian Nations (ASEAN) countries, which are in the same region as Viet Nam, have increased an average of 7 percent a year over the past 10 years. Only Viet Nam, with rich resources, fertile land and hard-working people, has been declining.

Viet Nam's economic crisis actually began when it invaded Kampuchea towards the end of 1978. This war, now in its sixth year, has drained the country's labour

power, money and materials. With 50 to 60 percent of its spending wasted on war, how can the country develop production? Had Viet Nam pursued a policy of peace and development, it would have achieved much greater economic progress, given the country's natural resources and the determination of its people.

By blaming China, the Vietnamese authorities tried to take the heavy responsibility off themselves. But China actually offered Viet Nam large amounts of aid during and after the anti-US war. This assistance was suspended only when Viet Nam invaded Kampuchea and began harassing China's borders. Since then, four international financial organizations and 13 countries have also suspended their economic aid to Viet Nam. The Vietnamese authorities are increasingly isolated and their foreign aid is always decreasing because almost no one wishes to back their invasion.

To celebrate the tenth anniversary of the victory, there have been a series of special meetings in Viet Nam. The authorities have availed themselves of these opportunities to attribute their current economic difficulties to natural calamities and to China, trying to shirk their own responsibilities.

The authorities also tried to encourage a people demoralized by a protracted, pointless war. Foreign Minister Nguyen Co Thach recently announced that Viet Nam will not withdraw all its troops from Kampuchea until 1995. And at a meeting in Hanoi on April 29 to cele-

brate the 10th anniversary of Saigon's liberation, Communist Party General Secretary Le Duan stated that the war in Kampuchea will continue.

Hanoi's statements and actions show that the authorities stub-

bornly continue their disastrous course, no matter what it costs the Vietnamese people. They obviously refuse to learn the lesson of the past and change their policy. But in the end they will surely eat not the fruits of victory, but of bitterness.

Middle East

US Move Yields Little Progress

At a time when the prospect for Middle East peace negotiations has gained momentum in the Arab world, the United States has also stepped up its efforts to seek a solution to the region's problems.

by RUI YINGJIE

VITED States Assistant Secretary of State Richard Murphy left Cairo April 28 with no major breakthrough in sight after concluding a 16-day Middle East tour, the first major US diplomatic move in more than a year.

Murphy visited Jordan, Israel, Egypt, Iraq, Syria, Saudi Arabia and Lebanon during his return to shuttle diplomacy. His mission, according to the State Department, was to explore the possibilities for direct negotiations between Arabs, including Palestinians, and Israelis.

Reports indicated that Murphy ran into trouble while negotiating exactly who would represent the Palestinians in any such negotiations.

Both the United States and Israel have long resisted direct negotiations with the Palestine Liberation Organization (PLO), citing the PLO's refusal to recognize Israel's right to exist as the reason.

Murphy, during his tour, offered a pair of options on Palestinian representation during peace negotiations:

1) If the PLO insists on having representation in such talks, it should recognize Israel and endorse United Nations Security Council Resolutions 242 and 338, both of which recognize Israel's right to exist;

2) If the PLO chooses not to recoganize Israel, then the Palestinians could be represented by other non-PLO Palestinians who are members of the Palestine National Council.

But according to Israeli newspaper reports, Murphy failed to sell either option to the Arab leaders he met during his whirlwind tour. Observers noted that the two options indicated that the United States still does not recognize the PLO or the legitimate rights of the Palestinians, and Murphy's tour was apparently designed to try and force Arab Palestinians to accept the US stand. They did not.

The US and Israeli objective is to bypass the PLO and allow some Palestinians from the West Bank of the Jordan River to speak for all Palestinians during negotiations. During his tour, Murphy made such a proposal, but his efforts ran into snags.

At a meeting on April 16, 22 Palestinians from the West Bank presented Murphy a memorandum signed by 36 leading Palestinian personalities. The memorandum emphasized that the PLO is the sole, legitimate representative of the Palestinian people and that the United States should negotiate di-

rectly with the PLO. It also called on the United States to stop Israel from expanding Jewish settlements on the West Bank and torturing the Palestinians there.

Prior to his departure, Murphy told reporters at Cairo airport that he was "carrying back new points on the Mideast situation to Washington officials," a possible reference to the Palestinian demands he received.

Israel is now trying to blame Murphy's lack of success on the Arabs. Israeli spokesmen have cited the failure to compromise by Arab leaders as the reason for the stalemate.

But, according to the Arabs, the ball is in the US-Israeli court now, and the Arab stance cannot be changed. They contend that the destiny of the Palestinian people cannot be decided by any group other than the PLO.

The Arab stand has won widespread international support and any attempt to pressure the Arabs into altering their stance is bound to fail.

The United States announced April 26 that Secretary of State George Shultz is to visit Israel, Egypt and Jordan May 10-14 to "seek practical steps that would lead to direct negotiations between Israel and its Arab neighbours."

It is hoped that Murphy's Middle East tour has enabled US leaders to see reality: If the United States does not recognize the PLO and continues to neglect the right of the Palestinian people to self-determination, it will be difficult for US negotiators to accomplish anything in the Middle East.



Developing Countries Step Up Co-operation

South-South co-operation boosts economic development in the developing countries and helps them realize their goal of collective self-reliance. But many obstacles remain to be overcome before such co-operation can be fully carried out.

In the second half of the 1980s, the general trend will be moderate economic growth for the developing countries. No breakthrough in the North-South dialogue is in sight. Third world nations will strengthen their unity and diversify their co-operation.

by WANG HEXING

PACK in the early 1960s, developing countries began setting up organizations for regional economic co-operation, and some raw material producers and exporters banded together to protect their interests. That was the initial stage of South-South co-operation. When the call for "collective self-reliance" was put forward in the early 1970s, the co-operative efforts made rapid progress. And the Arusha Declaration adopted by the Group of 77 in 1979 marked a new era in South-South co-operation.

Entering the 1980s, most developing countries suffered as a result of the Western economic crisis. Seeing no hope for a quick solution to the deadlock in the North-South dialogue, they began making greater efforts to expand trade and economic co-operation among themselves than with developed Western countries.

Achievements

Summing up the experience from their years of national construction, the developing countries have come to realize that they must strive for collective self-reliance. This strategy reflects their common desire to end their dependence on the developed countries and become economically strong through collective efforts. To attain that goal, the developing countries have, over the past 20 years, attempted to promote a broad range of economic and technical co-operation.

In trade, members of regional and sub-regional economic cooperation organizations have offered preferential trade terms to each other, made sure no tariff barriers were erected and unified their customs duties. They have even established free-trade zones and tariff alliances. All these measures have effectively boosted South-South trade, which increased from just over US\$11 billion in 1970 to US\$149 billion in 1980, growing at a rate of almost 30 percent annually. Statistics compiled by the United Nations Conference on Trade and Development show that in 1970 the trade volume between the developing countries (excluding minerals and fuels) made up less than 20 percent of the world's total, but by 1981 the share increased to 32 percent. In 1980 the trade between the third world nations covered 30 percent of their imports and 25 percent of their ex-

In financial matters, the oilexporting countries have made great contributions. Their enormous earnings from the two major oil price hikes in the 1970s have provided a powerful financial foundation for third world cooperation. Over the past decade, the major oil producers established about a dozen state funding organizations and financial bodies for national and multinational development. Between 1973 and 1981, members of the Organization of Petroleum Exporting Countries (OPEC) provided to other developing countries a total of US\$71 billion in financial aid, of which

77 percent were donations and 23 percent were loans. These loans are characterized by long terms (10-35 years), low interest rates 1.5-6 percent) and the absence of restrictions. The oil-producing countries have also concentrated on launching joint ventures with poorer nations so as to help them develop their economies and reduce their debts.

Technologically, South-South cooperation has been somewhat successful. In recent years some of the more advanced developing countries have begun exporting to other third world nations the technology which, originally introduced from industrialized countries, has been adopted to suit the developing world. This "intermediate technology," as it is called, is simple and easy to handle. It is therefore well accepted by other developing countries.

The principal forms of technological co-operation among the developing countries are project designing, technical assistance, consulting services and technician training. Between 1973 and 1977. Argentina designed 33 industrial projects for other Latin American countries. And some 35 percent of India's foreign aid is offered in the form of technical assistance. New Delhi also has dispatched specialists and technicians to those countries receiving its technical aid.

As most developing countries have large populations and plenty of surplus labour while the oilproducing countries in the Middle East are badly in need of manpower, it is natural that several

developing countries have entered labour service contracts, which benefit both sides. Today there are 5.5 million foreign workers and technicians working in the Middle East, most of them Egyptians, Pakistanis and people from other Asian and African coun-The export of labour service has become the main source of foreign funds for many developing countries. Asian countries now earn some US\$6 billion from labour service contracts every year. In the case of Pakistan, the money remitted back home by such labourers accounts for 9 percent of its gross national products, and in Bangladesh and the Philippines, 3-4 percent. Many Middle East countries contend that without foreign workers and technicians, they would not be able to maintain their economic growth rate.

In the field of energy co-operation, Mexico and Venezuela, the two major oil-producing countries in Latin America, agreed in 1980 to supply oil to nine neighbours in Central America and the Caribbean area under preferential terms. And they decided that 30 percent of that oil would be extended as low-interest loans.

Among the member states of the Association of Southeast Asian Nations (ASEAN), Indonesia and Malaysia are oil-exporting countries while the Philippines, Thailand and Singapore must import oil. In view of this, the association laid down the rule that when there are shortages on the world oil market, ASEAN's two oil exporters must supply oil to the other members first. And, conversely, when there is a glut, the oil-importing countries must purchase the surplus oil from the two exporters.

Many developing countries have rich natural resources that have not been exploited due to long colonial rule and limited economic power. Today, they have formed

various organizations to promote regional development, especially those backward areas with ample untapped resources. groups include the Organization for the Development of the Senegal River, the Gambia River Basin Development Organization, the Lake Chad Basin Commission, the Kagera River Basin Organization and others. The Senegal River organization, formed by three West African countries, has decided to build water conservancy works and dig irrigation canals to improve farming conditions along the river. In South America, the countries along the Amazon and the Parana have signed agreements on the joint development of the two rivers. Brazil, Argentina, Uruguay and Paraguay are pooling their efforts to build four large hydropower stations on the Parana River and Rio de la Plata.

In order to avoid overlapping production and competition between member states, many regional economic organizations have tried to set up joint industrial enterprises. Such joint ventures can make full use of each country's strong points, thus raising efficiency. Over the years since its establishment in 1969, the Andean Group in South America has formulated four joint industrial programmes in metal-working machinery, the petrochemical industry, auto manufacturing and steel industry. The metal-working programme includes 268 businesses operated by the group's 128 corporations. The Economic Community of West African States has decided to set up a chemical factory in Senegal to use locally found phosphates in the production of chemical fertilizers. The fertilizers will be supplied to Nigeria, the Ivory Coast and other countries in the community. ASEAN members are co-operating in the construction of large metallurgical and chemical enterprises, whose products will enjoy special preferential trade status.

For most developing countries, however, joint production is still in the initial stage.

Difficulties

It is true that South-South cooperation has come a long way. But one must not be blind to the difficulties and problems that hinder progress.

- 1. Many developing countries take different or outright opposing positions on major international issues because they have different social systems, ideologies and religious beliefs. Some even engage in armed conflict or war as a result of boundary disputes, religious frictions or racial feuds. These clashes have seriously hindered the development of South-South co-operation. The East African Economic Community was dissolved in 1977 because Tanzania and Kenya could not agree on political issues. And due to the different views held by some North African countries on the Western Sahara question, the idea of a Maghreb economic alliance remains a dream.
- 2. Although most developing countries have recognized the importance of South-South co-operation, old traditions keep them from translating this knowledge into concrete action. Some developing countries, for instance, have too much trust in the dazzling technology of the West and do not want to buy goods from the third world, even though these products are cheaper and more suitable to their needs. So the developing countries need to enhance mutual understanding and increase technical exchanges.
- 3. Because each country has its own economic problems, they have different goals and demands. As a result, what is good for one country is often not in the best interests of the region. Measures adopted by some countries to protect their domestic industries often conflict with resolutions passed by

regional organizations. Hence, a problem arises: How can regional considerations be addressed while not ignoring the interests of each member in a regional group? This crucial issue must be resolved if South-South co-operation is to grow stronger.

- 4. Most developing countries are primarily exporters of agricultural and mineral products, while they depend on developed countries for most of the industrial products vital to their domestic economic construction. Developing countries, with their underdeveloped industrial sectors and single-product economies, often produce the same kinds of products, a factor which limits South-South trade. "vertical trade" relationship formed in the past between the suzerain powers and the colonies has not yet changed dramatically. foreign trade facilities, including airlines, communication facilities and banks, are still more suited to the old colonial powers than the newly independent countries. These problems have gravely hampered the development of "crosswise trade" between developing countries.
- 5. Because most developing countries attain much of their capital and know-how from the West, their co-operative efforts are inevitably influenced by the Western financial organizations. stance, the Economic Community of West African States planned to build a telecommunications project at an estimated cost of US\$3.5 billion. But the community was able to provide only US\$5 million, forcing it to borrow the rest from international development institutions and banks. As it has not yet got that money, the project is still on paper. Although the oil producers granted large quantities of assistance to non-oil-producing countries during the 1970s, the sum was far short of the capital needs.
 - 6. The developed countries have

tried hard to maintain and expand their economic interests in the third world. They have aggressively interfered in South-South trade and their multinational corporations have tried to dominate economic activities throughout the developing world.

According to incomplete statistics, multinational corporations have established 21,000 subsidiaries in the third world. With the exception of the oil industry, multinationals dominate the manufacturing, processing and marketing of most commodities. Everything from bauxite, copper and nickel to tobacco and tea are at the mercy of multinational subsidiaries. These corporations have taken advantage of the third world's open trade patterns and have dumped mountains of goods into developing countries to snatch huge profits. Such actions have disrupted co-operative efforts and limited the progress of South-South trade.

Wider Co-operation

During the 1979-82 economic crisis, many developing countries readjusted their economic policies to meet domestic conditions. Though the developing world has now pulled through the most difficult period (the rate of economic growth is expected at 3.5 percent), development will be slower than in the 1970s. Even if the growth rate reaches 5.5 percent during the coming decade, as the World Bank estimates, it will still lag behind the pace of the 70s. Owing to various reasons, economic growth will be moderate in the future. After 20 years of experience, the developing countries now realize they cannot live off economic aid supplied by the developed world, and there is little hope that their problems can be solved by North-South dialogue. This realization has encouraged the developing countries to rely on one another by developing economic and technological co-operation among themselves. In the second half of the 1980s, the world will likely see broader and deeper South-South economic co-operation.

First, the regional economic groups will be readjusted to encourage further development. At the same time, the groups will seek more varied forms of co-operation to encourage flexibility.

Today's regional and sub-regional economic organizations vary in their size and function. In recent years many of these organizations have been overhauled, consolidated, strengthened and expanded.

In 1983 five countries from the Central African Customs Union and three from the Economic Community of the Great Lake Countries joined with Sao Tome and Principe and Equatorial Guinea to found the Economic Community Central of African States. That was a significant step. Tunisia is now suggesting that Northwest African countries establish a Maghreb organization similar to the Gulf Co-operation Council. Such a group would consist of Morocco, Mauritania, Algeria, Tunisia and Libya. According to the "Lagos Plan of Action" adopted by the Organization of African Unity in 1980, sub-regional economic organizations will be set up in Central, Eastern, Southern and Northern Africa by 1990, and by the year 2000 an African Common Market will be established. The African countries are forming their co-operative groups in line with this timetable.

The developing countries are becoming more and more practical and skillful in carrying out South-South economic co-operation. After learning from the experience of the Latin American Free Trade Association, the Latin American Integration Association (founded by 11 Latin American countries in 1980) underscored the importance of bilateral preferential tariffs and

lowering tariffs for third-country imports, depending on the level of development in the member country. These policies are meant to expand the range of economic cooperation and make co-operation more flexible. Observers predict that two-way economic co-operation will remain the mainstay of such groups, with multi-lateral co-operation as a complement. Though some agreements promoting multi-lateral projects may be reached in the 1980s, there is little hope that they will play a major role in the near future.

A second reason the world can expect increased South-South cooperation is that trade, particularly trade in manufactured goods, will increase between developing countries.

Though the major capitalist countries have crawled from the depths of the recent economic crisis, recovery is still slow and uneven. Most capitalist countries will likely face another crisis later in this decade. Therefore, it is not realistic to rely on the economic vigour of the developed countries to fuel the growth of developing countries. Moreover. rivalry for world markets will grow more intense and trade protectionism will become more rampant before the developed countries can get rid of stagflation and come out of the economic doldrums. The developed world cannot absorb all the primary products and manufactured goods exported by the developing countries.

Judging from the situation in the 1970s, trade among the developing countries grow faster than that between developing and developed countries. United Nations statistics show trade between developing countries growing at an annual rate of 26.6 percent between 1970 and 1981. Meanwhile, trade between developing and developed countries grew at a 22.4 percent rate. Recently, the developing

countries have worked hard to settle the problems hampering further growth in South-South trade. The Economic Community of the West African States, for instance, has established a development fund to subsidize those member states who lose import tax income due to the co-operative customs system. More and more developing countries are carrying out reciprocal barter and complimentary trade, as most nations are short of foreign currency. Some countries have begun renovating old foreign trade facilities left behind by the colonialists and building new ones to handle the expected increase in trade. these measures bode well for increased South-South trade in the late 1980s. In addition, the South-South trade structure is also under change. The trade of manufactured goods among developing countries. which made up only 10 percent of the trade value in 1955, had swelled to 45 percent by 1980. Machinery trade rose from 2.5 percent of the trade value to 20 percent. Economic development throughout the third world should promote even more trade in manufactured goods.

The growth of joint ventures and financial co-operation between developing countries constitutes a third reason for optimism about South-South co-operation. 1980, the glutted world oil market has caused oil prices to decline steadily. OPEC's revenues have decreased year by year and the oil countries have been forced to spend capital previously stored in overseas banks. As a result, the normal flow of petrodollars has been reversed. However, oil will remain the mainstay of the world energy market for a long time in the future. International energy researchers foresee a decline in the oil supply between the late 1980s and the year 2000. Oil prices will rise again, and the circulation of petrodollars will resume their normal course. The oil producers, keeping their own interests in mind,

are unable to dramatically increase aid to the non-oil-producing countries. To ensure the security and profitability of their overseas capital, the oil producers have turned to investing in manufacturing enterprises since 1980, and they no longer store vast amounts of money in Western banks. With this change, the oil-producers are increasingly assisting the non-oil countries by establishing joint corporations. Apart from the oil producers, other more prosperous developing countries also are beginning to export capital to establish third world joint ventures.

Most of India's 160 overseas enterprises are joint ventures, and 60 percent of Latin America's overseas investment is used in setting up joint corporations with host countries. Such joint-capital businesses are generally welcomed by the host countries because they are careful not to disrupt the host country's economy. Today, there are some 963 transnational corporations and 1,964 subsidiaries owned by developing countries. The Group of 77 has strongly endorsed the idea of third world transnationals. As developing countries are attaching increasing importance to such joint businesses, they will likely grow into a major means of South-South co-operation in the future.

A fourth reason for the rise of South-South co-operation is the need to co-ordinate the development strategies of the developing countries so as to give full play to the strengths of each nation.

During the 1960s and 1970s, each developing country formulated its own trade and development strategy. These strategies, such as the import-substitution and export-substitution strategy, all were effective to varying degrees in developing the economy, but they also proved to be seriously flawed. Since the mid-1970s, these countries have attempted to readjust

their policies to reduce their trade deficits and broaden their single-product economies. The various regional economic organizations have assisted this process by coordinating regional co-operation to avoid unnecessary competition and to exploit each member nation's economic strengths.

South-South co-operation and independent development efforts can supplement one another. Without economic development in each country. South-South co-operation cannot be strengthened, and without third world co-operation, the growth strategies developed independently in each country will be ineffective. With the rise of the technological revolution, some new industrial countries will concentrate on developing capital- and technology-intensive enterprises. Meanwhile, some other third world countries will try to industrialize by exploiting the opportunity offered by the developed countries which are moving their labour-intensive industries to the developing world. And the least developed countries will adopt multieconomies. South-South ties will allow each country to do what it does best and share its success with other nations in the third world.

The fifth reason for the rise of South-South co-operation is the need for developing countries to adopt joint action on major international economic issues and to promote North-South dialogue.

The serious economic woes experienced throughout the third world at the beginning of the 1980s were rooted in the unjust and unreasonable international economic structure. For years the developing countries have called for the establishment of a new international economic order, but this call has not been answered by the developed countries. Instead, the idea has been opposed and boycotted.

In practice, the developing countries realize that individual nations are too weak to deal with the powerful monopolist capital. They know they have little chance of reforming the present international economic system. So the developing countries must rely on the unity and co-operation of the third world. Experience has shown that when the developing countries unite as one, the developed countries pay close attention to their demands and North-South negotiations make progress. But when differences arise between the developing countries, the developed countries ignore the third world demands and suspend North-South negotiations.

In recent years, high interest rates in the international monetary market have made it impossible for many developing countries to repay their debts. This has touched off a debt crisis that threatens to topple the Western banking system. Although individual debtor nations have repeatedly called for a reduction in interest rates and an extension of repayment schedules, these cries have gone unanswered by the creditor nations. In such a situation, a single country can do The developing countries little. must act jointly in demanding a reduction of high interest rates. Only by doing so can they overcome their difficulties and escape from their heavy debt burden.

Over the past two years, representatives of the Latin American countries have met many times to discuss their debt problems. They have issued the Quito statement, the Cartagena agreement and the M'ar Del Plata document. At these meetings they have decided each country would negotiate with international monetary organizations from a common stand, they have called for direct political dialogue with the creditor nations and they have planned to establish a secretariat to co-ordinate a regional response to the debt problems.

A meeting of African finance ministers and a summit conference of the Organization of African Unity adopted documents addressed at solving foreign debt problems and requesting a meeting between creditor and debtor nations.

Although the Latin American debtor countries have repeatedly stated that they do not want to set up a "club of debtor countries," it is possible for the developing countries to take other joint actions on the debt issue in future. As for other major issues of economic development, the developing countries need to co-ordinate their stands, unify their policies and strengthen their unity to force the developed countries into making compromises and to push forward North-South negotiations.

In view of the third world's limited strength and the obstinate attitude of the developed nations, the North-South stalemate will not be broken during this decade. But if the developing countries unite as one and persist in their struggle, the developed nations may make some compromises. In the coming years the developing countries will strengthen their position through South-South economic co-operation and such co-operation will play an increasingly important role in the struggle for the establishment of a new international economic order.

In summary, after being promoted by both internal and external factors, South-South co-operation will develop in depth during the 1980s. It is a long and gradual process. Because difficulties and barriers which hamper South-South co-operation cannot be completely eliminated, it is natural that such co-operation will have its ups and downs. However, because South-South co-operation conforms to the trend of historic development, it will over time be consolidated and strengthened.

(This article was excerpted from International Studies, No. 1, 1985.)

China Marks International Youth Year

To mark the International Youth Year, China's IYY organizing committee has sponsored a series of activities for the young people in order to accomplish the three goals it has set forth for them.

by WU NAITAO Our Writer

I NTERNATIONAL Youth Year (IYY) activities launched by the United Nations in 1985 have received enthusiastic support from Chinese youth.

China's IYY organizing committee, which was established in April 1984, set forth three tasks for itself: 1) To show concern for young people, promoting social development and progress; 2) To mobilize youth to participate in social activities, utilizing their talent and wisdom; 3) To expand friendly contacts between young people in China and elsewhere in the world, thus making contribu-

Hebei peasant Wang Lifu paints snuff bottles which sell well in Japan and the United States.



tions to maintaining peace in the Asia-Pacific region and throughout the world. To realize these three goals, a series of significant activities have been planned throughout the country.

Specialized Households

About 80 percent of China's 1 billion people live in the country-side. Therefore, the development and progress of society depends largely on rural development.

China's rural economy has long remained at the stage of self-sufficience and commodity production has been low. This partly explains the historical poverty and backwardness of the countryside. Over the past few years, however, rural economic reform has ended the single-track production of grain. Now, in addition to farming, the peasants have embarked upon other forms of production. As a result, more and more natural resources have been utilized, labour productivity has been greatly raised and the rural commodity economy has thrived. Many peasants have become specialized households engaged in commodity production; they raise chickens, breed fish, weave textiles, knit goods and provide transportation. With their creative labour, they have promoted the development of agriculture, forestry, animal husbandry, sideline occupations, fishing, industry, commerce, transportation and the service trades. Among them, households headed by young people constitute a large proportion.

Over the past year many of these young people have organized themselves into groups to share production techniques, to pass

on scientific management skills and to exchange market information. According to incomplete statistics, more than 400,000 young people from all over the country, except for the remote provinces and regions, have taken part in such groups in just two months. By sharing their techniques, experience and development plans, these young people have inspired others.

In hilly Shuangpai County, Hunan Province, there are many mountain springs which can be utilized more fully. After hearing the report of a young man who set up small hydroelectric power stations and earned an annual income of more than 10,000 yuan, more than 50 young people in the county set out to follow his example. Thirty young people in Liujun Township of Huaian County, Jiangsu Province, contracted more than 26 hectares of ponds to breed fish after listening to a report by Liu Shouzheng, a successful fish breeder. The young people also set up an association to share fish breeding information.

Du Erxun, a young man from Tonghua Prefecture in Jilin Province who specializes in raising ginseng, agreed to help some 40 other young people get started. He shared his knowledge and visited their homes to give the tips on raising ginseng.

Similar groups in Fugou County, Henan Province, offered consulting services at the markets. In more than 20 days, they received some 10,000 inquiries and solved more than 300 problems. Zhou Yongde, a young peasant from Honghu County, Hubei Province, was hav-



Construction team leader Wang Zhenhai (second from right) has been cited as a "shock worker of the new Long March" by the Ministry of Water Resources and Electric Power.

ing problems with the fish he raised in his 2-hectare fish pond. He was much annoyed because his fish were dying. Just as he was at a loss what to do, Wang Jihua, a group member specializing in fish breeding, visited his home and examined the fish pond. Wang discovered the cause of the problem and helped Zhou correct it.

Communist Youth League organizations have also supported the development of specialized households headed by young people. For example, the Youth League Committee of Zhucheng County, Shandong Province, established a fungus research society last June to co-ordinate research into growing fungi. The society has since recruited more than 500 households specializing in growing fungus.

According to incomplete statistics from around the nation, there are now more than 11 million specialized households headed by young people, accounting for about 40 percent of the total number of specialized households. These young people are playing a van-

guard role in the modernization, commercialization and specialization of China's agriculture.

Drive Highlights Youth Role in Construction

A year ago a drive to "dedicate youth to the key construction projects" was launched at the 123 key construction sites across the country. This drive attracted 1 million young people and more than 7,000 youth construction teams signed up to build the key projects. These projects include oilfields, mines, hydroelectric power stations, railway lines, ports, postal centres and hospitals.

The young people set out to raise construction efficiency. And within a year, they had completed more than 5,000 projects that were crucial to the completion of the key projects. These 5,000 projects were contracted to construction teams dominated by young people.

The practice of contracting projects provided the construction teams with the opportunity to design and build the projects independently. Eight young technicians in

the Daqing Oilfield's design institute undertook 15 major design projects. Design plans for a 10 million yuan cold gas-collecting station were directed by Li Jingjie, a 26-year-old assistant engineer. His team completed the designs six months ahead of schedule, making an extra profit of more than 3 million yuan for the state.

Over the past year, remarkable achievements have been made in the construction drive. Collectives and individuals who have made outstanding contributions have been commended by the Central Committee of the Communist Youth League. The drive will continue this year as one of the major activities in the IYY, and the top 100 youth projects will be chosen for special honours when the drive is over.

Work-Study Gains Popularity

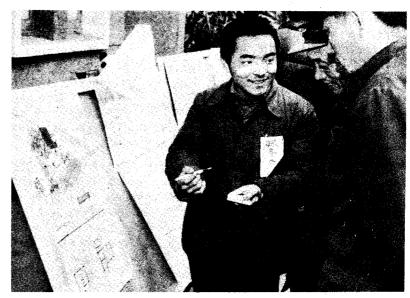
Young people in China are also combining work with study during the IYY. Postgraduates, university and middle school students are supplementing their studies with work experience and passing on knowledge and technical information to the public. The work takes three main forms:

The first and most important form is intellectual labour. dents provide the scientific and technological expertise they learn in school to industry. Students from the Northeast Electric Power College in Jilin City took on tasks such as examining and measuring industrial boilers and caculating their heat efficiency for a local beer factory, an electronic instrument plant and a woollen mill. Previously the beer factory had been imposed daily fines by local environmental protection department because of emissions from its The students, under the guidance of their teachers, soon solved the problem. This alone will save the factory about 30,000 yuan a year. Directed by a teacher, two students

from the chemistry department at Fudan University helped a Shanghai photo film factory solve a technological problem that had remained unsolved for 11 years. Their work will save the factory about 400,000 yuan a year. Most students providing such services are upper-level and postgraduate students from universities. They tackle key research problems, design new projects, develop new technologies, provide consulting services, and help enterprises run technological training classes for their employees.

The second work form is manual labour. Lower-level university students and some middle school students go to work in school rearservice departments and in outside enterprises. They often perform temporary work in warehouses, bus and railway stations, and docks in their spare time.

The third work form is labour service. This kind of work is aimed at providing services for the students themselves. For example, many college and university students have set up their own campus snack counters, cafes, barbershops, laundries, book stalls and other small businesses. This



A Nanjing college student displays his farmhouse designs, which attract peasants interested in building a new home.

has helped improve living conditions for students.

Students throughout China have shown great enthusiasm for work-study programmes. For example, in the two days after a work-study office was established in Shanghai last summer some 10,000 students signed up. In the first six months after the programme's inauguration, 80 percent of the students in the Northeast Electric Power College took part.

Students have welcomed the chance to work while studying for two reasons.

First, they are not satisfied with just book learning. They are more interested in getting broader experience and applying their knowledge to the real world. Second, students want to become more self-supporting and economically independent. By working, they earn some of their expense money, and this reduces the burden on the state and their family.

Rural Young People Change Their Outlook

Reform in recent years brought improvement not only to the material life of the rural youth but also to their mental outlook. They have been ever so confident to make their hometowns prosperous through their own labour.

by LI YIWEN

T HE economic reform in China's countryside, which began in the late 1970s, has brought tremendous changes to the lives of

The author is a deputy director of the department of teaching and research on the theory of youth work under the Central Communist Youth League Institute. the nation's 800 million peasants. These changes are not only reflected in the improvement of their material lives, but also in their new outlook, especially among the young.

Reluctant Farmers

Although liberation made the peasants masters of the land and improved their lives, production in

the rural areas developed slowly and the improvement of living standards fell far short of that in the urban areas. In some places life remained very hard.

The three major reasons for this slow development were low agricultural productivity, improper management which stressed grain production to the neglect of all else, and egalitarianism in distribu-

tion, which viewed differences in income as disreputable. As a result, those who worked harder could not earn more, and their enthusiasm for production was dampened.

Under the circumstances, many young people living in the rural areas dreamt of moving to the cities. They felt very reluctant to be farmers.

Reform Brings Improvement

The rural reform programme first set right the mistakes in management, and encouraged and guided the peasants to achieve diversified development in agriculture, forestry, animal husbandry, sideline occupations, fishing and commodity production. The production responsibility which is mainly based on contracts signed by individual households, has been widely implemented to ensure more pay for more work and abolish egalitarian distribution.

According to a sample survey,

the nationwide per-capita income for peasants was 355 yuan in 1984, an increase of more than 100 per cent over 1978. The growth rate far exceeded that for urban residents. In 1978, for every one yuan a peasant earned, an urban worker earned 2.37 yuan. By 1984 it was down to 1.73 yuan for every rural one yuan earned.

With higher incomes, peasants are buying more. Moderately priced and even very expensive commodities have found their way into the peasant homes. They are also eating less grain and more meat and eggs. Their housing is actually much better than that of city residents.

Rural Prosperity Possible

In general, the rural young people now see that it is possible to change their own lives through hard work. Some have prospered. In Longhai, a county in Fujian Province, for example, 21.5 percent of its specialized households earn 10,000 to 20,000 yuan a year, 33.8

percent earn 5,000 to 10,000 yuan, and 29.2 percent earn 2,000 to 5,000 yuan. About 70 percent of young people in the county are now working in commodity production and sales. This is a basic change from the past, when 80 percent of them grew grain.

The problem is no longer how to get money, but how to spend it. Many of the 3,200 prosperous young families in Wuyi, a county in Hebei Province, did not know how to spend the money they earned because they had never bought anything which wasn't strictly necessary. Given this situation, county leaders had to set up a society to guide purchasing among the young. On October 1, 1984 the society sponsored a fashion show which attracted a crowd of more than 500 young peasants.

Because incomes in some rural areas are now as high as or even higher than in the cities, rural young people in these places are more and more willing to stay and prosper by their own hands. In addition, some unexpected benefits have accrued. Rural enterprises are now recruiting workers from the cities and city girls are marrying young country lads.

Hungry for Science

Most rural young people have come to realize that even with the land at their disposal, they will not prosper without a working knowledge of agricultural science. Many people have started to specialize, and can then share their expertise with their neighbours.

According to incomplete statistics collected at the end of 1984, there were 11 million young specialists in 21 provinces, municipalities and autonomous regions, accounting for about 40 percent of all specialized households in those areas. They are representatives of advanced production in the rural

Saleswomen in rural Lixin County, Anhui Province, travel more than 10 provinces and autonomous regions to market locally made new fashions.





Peasants in Qihe County, Shandong Province, vie with each other to buy information pamphlets on crop cultivation.

areas, effectively promoting specialization and modernization in China's agriculture.

Intelligence Counts

In the past the most important attribute for a youth in the countryside was physical strength. Now intelligence also its role, as a good scientific background can bring substantial economic returns.

Since the introduction of the responsibility system the rural youth have grown increasingly enthusiastic about education. In Fengyang, a county in Anhui Province, an agricultural technology school was established in September 1983. The students had to pay their own tuition fees, yet 500 young people flocked to join a class originally planned for 50.

Four Things to Help

By the end of 1984 the authorities in Xiaoxinzhuang, a village in Hebei Province, had done four things for the young people. First, an agricultural technology school was set up and six specialists were

invited to teach 158 students (85 percent of the youth in the village) about growing vegetables and watermelon, storing fruit and other agricultural techniques. All the students have now mastered one or more skills. Second, a scientific and technological team was organ-The team is composed of young people with special skills who provide scientific and technological services to the villagers. Third, an information centre was set up. In the spring of 1984 some young people in the village went to study at the Beijing Scientific and Technology Development Centre and the Institute of Vegetables. There they learnt much which could be useful for the village's industrial and sideline production and for cultivating crops. The information produced results the same year. Fourth, the village set up a library and bought more than 1,000 books.

Managers Too

As commodity production in the countryside develops, rural young people are no longer just studying agriculture. They are now also learning about industrial and commercial management, in order to meet the needs of agricultural and sideline produce processing and marketing. Many young people have grown into competent managers of village-run enterprises and economic administrators.

Political Vigour

While working hard to learn and prosper, many rural young people are also trying to make political and ideological progress. According to a survey by Communist Youth League branches in 19 production brigades in Dali Prefecture, Yunnan Province, the number of applications to join the Youth League has markedly increased. Another survey of 179 young people in seven brigades in Hunan Province shows that 76 percent of the young people want to join the league.

Prosperity has not shaken this conviction. In Longhai, a county in Fujian Province, 73 percent of the young people in specialized households have joined the Communist Youth League and 70 percent of the league branch secretaries were selected from among prosperous families.

Since 1979 some 20.35 million rural young people have joined the Communist Youth League (accounting for 50 percent of all new league members) and another 433,000 have been accepted into the Communist Party. Obviously, material welfare is not the only concern of these young people.



Intellectuals Are Younger, Better Trained

from "WEN HUI BAO" (Wenhui Daily)

PROFOUND changes are now taking place in the lives of China's intellectuals as their ranks are replenished by a constant flow of younger people, and more and more of them give up pure scholarship for practical research.

Since the founding of the People's Republic in 1949, China has trained 4.38 million university and polytechnical school graduates. Of that total, 2.83 million are under 40 years of age, and graduated between 1966 and 1984. More and more young faces are found among the country's top scientists and technicians. This can perhaps be attributed to the fact that 30,000 of New China's 50,000 postgraduates were trained in the 1980s.

In the meantime, millions of people in their twenties have improved their education by attending night schools, TV and radio colleges, and correspondence courses. In this way, many have become respected professionals, imparting vitality and diversity to the Chinese intellectual scene.

Many Chinese scientists have turned away from purely scholastic pursuits to undertake research projects which serve the needs of society. Economists, for example, are studying concepts that are closely related to the country's policy of opening to the outside world and invigorating its domestic economy.

The open policy has enabled more and more intellectuals to learn new things and update their knowledge. The world technological revolution, the development of China's economic reform, the emer gence of new fields of study, the increasing interflow between different scientific disciplines and the emergence of new methods and concepts—all these will profoundly change what Chinese intellectuals know and want to learn.

Mysterious 'Boat' Coffin in Wuyi

from "WEN HUI BAO" (Wenhui Daily)

W UYI Mountain in Fujian Province is famous for many things: its exotic scenery, the ancient artifacts which dot its slopes and the numerous enchanting tales about it. But what puzzle archaeologists most are the mysterious "boat" coffins perched upon overhanging cliffs along the shore of the Jiuquxi River.

One such coffin is still decernible. For thousands of years it has rested there, defying the wind and sun. Since ancient times people have regarded it as a mysterious treasure. The coffin was carved from an entire nanmu (Phoebe nanmu) tree. The domed lid slopes from the top to the end like the roof of a boat. Hence the name "boat" coffin.

Another such coffin is in the museum of Chongan County. It was originally in a cave set on the steep precipices of Guanyinyan Peak north of Wuyi Mountain, but was pushed off the cliff in the autumn of 1973. A carbon-14 test shows that this coffin dates back to the Xia or Shang Dynasties (21st-11th centuries BC). At that time it was the local custom to place a coffin high on a mountain.

The higher it was, the more respect was shown to the deceased.

How were these enormous boatlike coffins put into caves on such high cliffs 3,000 years ago? Some people believed Wuyi Mountain was probably by the sea at that time. Coffins were carried to the entrance of the caves, then raised a little bit to be put in. Later, as the water receded, the coffins gradually appeared to be higher up the peaks. But this idea has been negated by topography studies, which show that Wuyi Mountain could not have changed so drastitally in just 3,000 to 4,000 years.

Others believe that the occupants of these coffins were slave-owners. "Upon their masters' death, the slaves were forced to risk their lives constructing scaffoldings so that the coffins could be hoisted into their niches. But this view has also been discounted by those who believe the minority ethnic groups in the south were still in tribal societies 3,000 years ago, and therefore no slavery.

So far no consensus has been reached. The age-old mystery still remains.

Revolution on the Dinner Table

from "SHIJIE JINGJI DAOBAO"
(World Economic Herald)

I N China opinions now differ as to whether Western forks and knives are more convenient than chopsticks. But people tend to agree on one thing. Something has got to be done with the Chinese dinner table.

As early as the Warring States Period (475-221 BC), Chinese families were already sharing their meals from communal dishes. Even today, many still find it hard to give up this custom and "go it alone." This stems from tradition, and the Chinese belief that shared activity brings shared sentiment. When a family sits at the table sharing their dinner, the lively atmosphere fills each member with the feeling of being part of a collective.

Sharing from common dishes, however, often causes problems in hygiene, as the chopsticks may help transmit bacteria. Actually, the revolution at the dinner table can be easily accomplished when diners use serving chopsticks and spoons.

What about the Chinese diet? With increased incomes, people

these days are more choosy about what they eat. Grain consumption is declining, while demand for nutritious foods is on the rise.

But the Chinese diet still compares unfavourably with that of the developed countries. While starch and carbohydrate intakes are adequate, the Chinese are eating less protein and fats than people in Japan, the United States and Western Europe.

According to international standards, a person needs a daily intake of 2,400 calories, 75 grammes of protein and 65 grammes of fat. By comparison, the average Chinese now takes in more than 2,700 calories a day. But in 1982, the average per-capita fat intake was only 44 grammes a day. A Beijing urban resident takes only 65 grammes of protein every day in autumn.

giving them three major physical characteristics. The epicanthic fold, a patch of blue pigment on the back and spade-shaped incisors. The small fold in the corner of the eye is formed by the upper eyelid drooping slightly to cover the tear duct. The patch of blue pigment usually appears above the sacrum in infants, and disappears a year or two after birth. The spade-shaped incisors are located in the middle of the upper jaw.

Convicts Excel In Examinations

from "SHANDONG FAZHI BAO"

(Shandong Legal News)

A BOUT 630 convicts serving their terms in the Weifang Reform-Through-Labour Detachment in Shandong Province sat in the provincial machinists' elementary technology examination in 1983 and 1984. They ended up placing the highest among all entrants in total results. In the first year, 93.6 percent passed, and the following year 98.9 percent passed.

These successes are enough to encourage the convicts to study basic knowledge and technology and become useful members of society.

Mass Media Achieve Growth

from "GUANGBO ZHIYOU" (Friend of Radio)

CHINA'S mass media have grown at an unprecedented rate in the last few years. The nation now boasts 1,300 newspapers with a total daily circulation of 116 million, up 78 percent since 1978.

The Xinhua News Agency, which issues bulletins in six languages, has become one of the world's largest news agencies. The Chinese-language China News Service has also found a wide audience overseas.

In each of the past five years, sales of TV sets have risen by 70-105 percent. Chinese families now own 210 million radios, and the Central People's Broadcasting Station beams out programmes in mandarin and five minority languages. Radio Beijing also airs its broadcasts in 38 foreign languages, in addition to Mandarin

and four Chinese local dialects. The station receives 100,000 letters a year from listeners around the world.

The number of journalism research institutes in China has risen to 120, and 2,800 students and postgraduates are studying journalism in 26 colleges and universities.

Three Hallmarks Of the Chinese

from "XINHUA RIBAO" (Xinhua Daily)

A FTER years of research, archaeologists and anthropologists have come to the conclusion that the Chinese are the descendents of four ancient ethnic groups—the Yanhuang, Miaoman, Baiyue and Dongyi. Genes from these peoples can be found in all Chinese ethnic groups,



Chinese Workers Win Acclaim Abroad

The 28,000 Chinese workers who have travelled abroad since 1979 have won a reputation as competent, industrious and speedy labourers.

Fulfilling labour service contracts in some 60 countries and regions, the workers have staffed factories and performed construction. Their ranks have included engineers, designers, accountants, machinists, doctors, cooks, managers, seamen and skilled workers.

In Iraq, for instance, labourers from the China Petroleum Engineering Construction Corp. last month completed their drilling, repair and maintenance projects six months ahead of schedule. Iraq's oil company praised the workers for their skill and efficiency.

China's workers are popular for several reasons. Among them:

— The Chinese workers sent abroad are among the best in the country. Their factories, mines and enterprises have pegged them as core members in production. They are highly disciplined and their work abroad is carefully organized with work groups or workshops as a unit. They are provided room and board, recreation activities and study at their worksites in accordance with their own customs and interests. As a result, they have few contacts with the outside world.

— China boasts more than 100 million workers who have gone through technical training. This provides the contracting companies that undertake projects abroad and labour service companies with more chances to freely choose workers, thereby ensuring that every worker sent abroad is a proficient labourer. Such workers are able to use and maintain the equipment supplied by the host countries.

— Chinese workers are known as industrious, hard-working and plain-living. They are competent at their jobs under any kind of harsh conditions. They work conscientiously and wholeheartedly to fulfil the contracts. They also live in harmony with the local workers

and seek to learn from one

— Abiding by the principle of "honesty, quality, low profit and good faith," Chinese labourers work to boost the national economy of the host countries and also serve as goodwill ambassadors for China. They have passed on their techniques to the local workers and wherever they work, they strictly observe the laws and decrees of the host country and respect the customs of the local people.

Of course, Chinese workers have some weak points. Few know any foreign languages and most are not accustomed to working abroad. They generally return home after working abroad for two to four years.

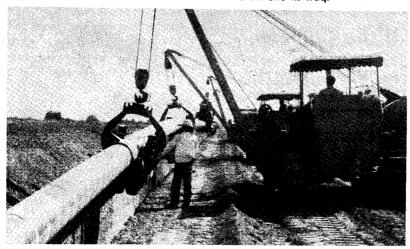
Jinzhou Seeks More Investment

Following the announcement that the entire coast of China will be opened to outside investment and trade, the northeast port city of Jinzhou revealed its plans to attract foreign investment and technology.

Mayor Hu Zhanshan held a press conference last month in Beijing and told reporters that Jinzhou will host a September 5-15 investment symposium for business representatives interested in Jinzhou, a city rich in nonferrous metal and other resources.

Hu announced that 107 projects (53 joint ventures and 54 technology import projects) involving the city's metallurgical, chemical, machinery, building materials, electronics, textile and aquatic industries will be open to foreign cooperation and investment. Hu

Chinese workers at a construction site in Iraq.





Hu Zhanshan at the press conference.

noted that overseas investors will be given preferential tax and customs treatment.

Located in southwestern Liaoning Province, Jinzhou is the region's economic and cultural centre. Covering a total area of 17,800 square kilometres and with a coastline of more than 300 km, Jinzhou faces Dalian, Qingdao and other cities across the Bohai Sea.

The city is served by an extensive transportation network. Railways and highways link the city with other parts of the country, and a new Jinzhou airport will be open by this September. The city will begin building a large commercial harbour in 1986. It has direct telephone and cable connections with other parts of the country and nations abroad.

Jinzhou boasts more than 30 kinds of mineral resources. Its largest reserves include molybdenum, copper, manganese, lead and zinc. The area is also rich in petroleum, coal, bentonite, pearlite, fluorite and marble.

Jinzhou's industrial base is varied, but the petrochemical industry is the most important aspect. The city has more than 2,000 factories and mines which turn out more than 700 key products. Many of its products are used throughout the country.

Jinzhou's agriculture is also fairly developed, and the surrounding area is one of the major grain, cotton and peanut producers in Liaoning Province.

Jinzhou and its suburbs have a population of 4.57 million, providing plenty of labour power. Scientific research and education have made rapid progress. There are 24 research institutions with 72,000 technicians and 85 institutions of higher learning and technical secondary schools.

Jinzhou is an ancient city, and there are many cultural relics and historical sites, including 1,400year-old grottoes, a section of the Great Wall, a beautiful seacoast, hot springs and natural beaches.

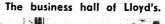
Lloyd's to Train Chinese Specialists

Peter Miller, chairman of Lloyd's, the London-based insurance company, announced at an April 30 press conference in Beijing that Lloyd's will back China's modernization drive with concrete actions.

Miller said that beginning in 1986 Lloyd's will train three specialists for the People's Insurance Company of China (PICC) each year for three consecutive years. The trainees will be chosen by PICC, and Lloyd's will cover all their expenses. During the eightmonth training course, the Chinese will study insurance theory and then select their own specialities and do actual work in the market.

Miller noted that this is one way Lloyd's will strengthen its business relationship with PICC. Both sides are also discussing insurance for the Dayawan nuclear power station in Shenzhen.

Lloyd's and PICC act as each other's agents in making proper and timely arrangements for insurance payments. The premiums paid between the London-based international insurance market, led by Lloyd's, and PICC come to about US\$100 million each year.





Fujian's Ancient Music Still Strong

Music more than 1,000 years old lived once again for Beijing audiences when the colourfully costumed performers of the Quanzhou Folk Music Company of Fujian Province recently brought their ancient instruments to the capital.

The music, known as nanyin (southern music), is sung in southern Fujian dialect. It blends the music of the Tang Dynasty (618-907) central China and Xinjiang and parts of Central Asia with local operas and Buddhist music. Originally performed as court music in the Tang Dynasty capital of Changan, it began spreading southward until it reached what is now Fujian Province along with the migration of northern Chinese people in the course of numerous wars.

Still preserved today are more than 1,000 songs for vocal singing, 16 sets of instrumental music and 48 sets of vocal pieces designed to be performed by singers who sit and accompany themselves on the pipa. Some believe nanyin is the root of the nation's traditional music, a living history of Chinese music. The music is of high artistic and academic value. Nanyin music lives on today in local operas and instrumental works in east China.

In Fujian, there are many nanyin troupes performing the ancient music on a regular basis. It is popular both in the cities and the countryside, and young and old alike know the songs by heart, though some of the words are hard to understand.

Five major musical instruments are used in *nanyin* music — the *pipa*, the *erxian*, the *dongxiao*, clappers and the *sanxian*.

The Tang Dynasty pipa used in nanyin music is smaller than the contemporary stringed guitar-like instrument. When the Tang pipa is played, it reclines in the player's arms rather than being held upright, as is the case with the instrument used today. The playing methods are also different.

The erxian looks at first sight like the erhu, another Chinese two-stringed fiddle, but it is played differently and has a distinctive sound. The erxian still appears in today's Korean orchestra. The sanxian is a similar threestringed plucked instrument.

The dongxiao is a bamboo flute. It is thicker and shorter than the common flute and produces a deeper, more mellow sound. Japanese musicologists have determined that Japan's vertical flute evolved from the dongxiao.

The clappers used in *nanyin* music are simply two pieces of wood played by striking one against the other.

Across the People's Republic, nanyin music has gained popularity with local performance troupes and national companies. In recent years, nanyin philharmonic societies and research societies have been formed one after another. An annual nanyin extravaganza has been held in Quanzhou, nanyin's birthplace, since 1981. The festival has attracted experts and fans from all over China and from abroad.

There are more than 70 nanyin groups in Taiwan, four of which have more than 1,000 members. Hongkong's Nanyin Society is 30 years old this year. The music is also popular in the Philippines, Singapore, Malaysia and Indonesia.

To train more *nanyin* musicians, the China Music Conservatory, which specializes in traditional music, sends teachers and students every year to Quanzhou to study the music style.

The recent *nanyin* performance gave Beijing audiences just a small taste of the elegant, restrained style.



When the curtain rose, the clapper players were standing on stage flanked by dongxiao and pipa players, all dressed in ancient costumes. The scene recreated one found in the Dunhuang Grotto murals in northwest China. In addition to paying their traditional instruments, the artists told ancient stories to the accompaniment of nanyin music.

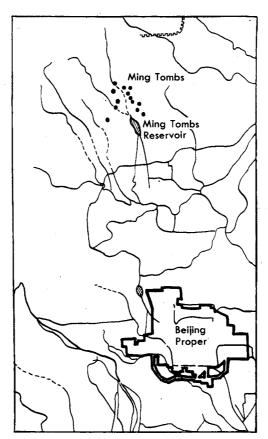
Yearning, a dongxiao solo accompanied by dulcimer, was a song which echoed the longing for people on both sides of the Taiwan Straits to join together again. Step Into the Garden, adapted from a popular nanyin divertimento, described a group of young ladies proceeding into a garden to greet the first greenery of spring. As the melody moved back and forth from light and fleeting to soft and slow, the listeners could envision the young women entering the fragrant garden.

Ming Tombs to Be Protected

Beijing Review recently received a letter from Betty Lehman, an American living in Holtville, California. In her letter, she expressed anxiety that China will build an amusement park near the famed Ming Tombs.

She wrote, "We hope the park would not be in the immediate vicinity of the tombs or near the roads leading to the tombs or the Great Wall. An amusement park would certainly destroy the beauty of the area."

She continued, "The Ming Tombs is one of the most interesting historic sites we remember from our trips to China. Perhaps this plan could be reconsidered, and, if an amusement park is necessary, it could be located where it would not destroy the aesthetic value of the Ming Tombs



or any other place which tourists have come to know and love."

With her fears in mind, a reporter from Beijing Review visited Ke Huanzhang, deputy head of the Beijing Urban Planning Bureau. Ke first expressed his appreciation for the reader's concern and then said she need not worry.

First, said Ke, a plan to develop the Ming tombs area was drawn up under the principle of protecting cultural relics and their environment. No entertainment complex or other modern amusement park is planned within a 20 sq km area of the Ming Tombs and the Divine Way. Some urgently needed service facilities will be renovated under strict control, and some buildings and public facilities that clash with the cultural relics and environmental beauty in and around the tombs will be moved away to maintain the stately and solemn atmosphere.

Second, the number of tourists visiting the Ming Tombs has in-

creased steadily in recent years, reaching over 4 million in 1984. Since there are not enough sightseeing spots open to the public, such a huge number poses a threat to the safety of the relics and the tourists. So the area around the Ming Tombs Reservoir to the east of the tombs is being considered for tourism development as a way of relieving the pressure on the Valley of the Ming Tombs.

Plans call for the construction of a golf course, an aquarium and other entertainment small attractions along shores of the Ming Tombs Reservoir. Located areas more than km from the closest tomb, the new attractions will not intrude upon the cul-

tural relics and will remain out of the eyesight of tourists visiting the tombs.

The plan will add colour to the Ming Tombs area and aid tourism rather than destroy "the beauty of the area." While the new construction will add entertainment options, it will attract more foreign tourists to the Ming Tombs.

Neolithic Sites Found in Beijing

The remains of two Neolithic villages were recently discovered in Pinggu County, on the eastern outskirts of Beijing. The sites have supplied valuable clues for studying life in north China 6,500 years ago.

The discoveries indicate that farming people lived near Beijing more than 6,000 years ago and

were skillful both in agriculture and pottery making.

The foundations of 10 houses were discovered half-buried at Beiniantou, and archaeologists found several pottery objects at the site. Excavators also found stone axes, chisels and millstones, some of them of exquisite design.

Another site discovered at Shangzhai covers 5,000 square metres. More than 300 pieces of pottery and 200 stone artifacts have been excavated, including a small stone monkey that shows excellent workmanship.

Shaoxing Opera Makes TV Debut

A long time ago a magistrate named Hu Tu ("muddle-headed" in Chinese) found that after three months in office, no one had brought a lawsuit to him. He was puzzled. After discussing the problem with his wife, he hit upon a good idea. "All plaintiffs will be rewarded 1,000 yuan, while those who conceal the facts be punished as the chief offender," said the notice he posted.

A murder case was brought to him immediately. The plaintiff accused a man of murdering his neighbour. Hu Tu suspected something might be going on between the plaintiff and the dead man's wife, so he decided to offer her up for auction. When the plaintiff was the only bidder, he also exposed himself as the murderer.

So goes the story of *Hu Tu Qing Tian* (The Muddle-headed Upright Magistrate), a new Shaoxing Opera adapted for TV by the Zhejiang Shaoxing Opera Troupe and Ningbo TV. This is the first time location filming was used to film a Shaoxing Opera, thus giving it a whole new look.

Shaoxing Opera is one of the



The magistrate Hu Tu (centre).

most influential traditional opera forms in Jiangsu and Zhejiang Provinces. It attracts a wide following with its soft, sweet tunes, and delicate performances. The sentimental sorrow of the opera seems especially to appeal to women, who make up most of its audience and performers.

Since there is such a large ready audience, putting Shaoxing Opera on TV is probably the easiest way to meet the demands of all its fans, especially older women.

There are two schools of thought about shooting traditional Chinese opera on location. One says that simple stage scenery and props can make it easier for the performers to develop their technique. When someone imitates riding a horse in Beijing Opera, they present a set of beautiful movements. Once on a real horse, there is no opportunity for the kinds of expression which audiences come to see. There is also nothing left to the imagination.

The other group, mostly young people, say that when they see natural scenes on the screen, they feel as if they are in the story. They believe location shooting

can create a sense of reality and make the story more natural and colourful in a way the stage cannot match. Well-chosen scenery also adds a splash of colour to the opera.

Shaoxing Opera was established about 70 years ago and now consists of several schools established by veteran artists. Each one has its own style and followers. The television production has tried to bring these schools together in a co-operative effort, so that each sector of the audience can see something it likes.

Hu Tu Qing Tian has some unique features of its own. The characters are introduced using traditional Chinese paintings, and the editing and scene changes are very free and natural, aiding the advancement of the plot.

Perhaps the most important advantage of putting Hu Tu Qing Tian on TV is that it is the first step in bringing Shaoxing Opera to a huge audience. Zhang Ronghua, the programme's director, said more and more TV adaptations of Shaoxing Opera will be broadcast to hundreds of thousands of homes in China.

10,000 Pound Beijing's Streets

Sparked by the worldwide running craze, Beijing held its largest road race to date April 21.

The race attracted 10,624 runners from Beijing and its surrounding counties. Another 23 foreign runners from eight countries participated in the events, which included 5-km, 10-km, and 25-km courses for men and a 5-km race for women.

The race was first suggested by Juan Antonio Samaranch, president of the International Olympic Committee. It was organized by the Beijing Branch of the All-China Federation of Physical Culture and Sports with the support of the International Olympic Committee.

Over the past decade, road races and jogging for fitness have gained popularity all over the world. The running craze has spread from developed countries to developing countries, and every year more than 300 cities around the world hold road races, with at least 100 million runners participating.

Chinese runners made their debut international marathons in 1981. Since then the popularity of running has increased rapidly. Taijiquan and wushu participants now share parks and sidewalks morning joggers. Longdistance runners include workers. students, soldiers and officials. Following the announcement of the April 21 race, thousands of Beijing runners thronged registration stations to enter their names. Runners as young as 13 and as old as 65 signed up to run.

The longest event — the 25-km race — was won by Li Yankun, a 36-year-old fitter at the Beijing No.1 Machine Tool Factory. Li

spends most of his spare time training for long-distance running. A determined runner, he places tough demands on himself during training. He came in first in the Spring Festival Round-the-City Race in 1978 and 1982. According to Li, long-distance running is not only good for the body, but also good for the will.

Liu Chunhua, 14, a student at Miyun County's Second Middle School, took the women's 5-km race in 20 minutes and 51 seconds. Born into a peasant family, the 1.54-metre-tall youngster loves track and field sports. In her spare time, she trains in track events at the Miyun Spare-Time Sports School. Liu also captured the women's 5-km title in the 1985 Spring Festival race.

Chinese Divers Dominate Tournament

When the four-day Fourth World Cup Diving Tournament closed on April 28 in Shanghai, China's divers walked away with all three team titles — the men's, the women's and the mixed team events.

With divers from 14 countries competing, the Chinese also took three of the four major individual championships. Tong Hui and Tan Liangde won the men's platform and men's springboard titles, while Li Yihua took the women's springboard event. The women's platform crown was won by Michelle Mitchell of the United States.

The tournament was the first major diving world championship since the 1984 Olympic Games. Many excellent diters took part in the tournament, including strong competitors from the Soviet Union and the German Democratic Republic, who skipped the Los Angeles Olympics.

In the individual events, the competition was intense. The final standings were up in the air right up until the final dive. Tan won the men's platform title by a nose, receiving only 0.78 of a point more than the second-place finisher.

The tournament showcased a number of up-and-coming divers who performed difficult stunts. Several young competitors from the Soviet Union, which finished second in both the men's and women's team events, distinguished themselves with perfect graceful dives. They will provide a strong challenge to the Chinese divers in the future. American diver Mitchell astonished the audience with extremely difficult feats.

The balanced Chinese squad won six golds, three team and three individual medals, setting a record for world cup diving tournaments. But the Chinese divers did show some weak points and lost their superiority in the women's platform event. Top-notch women's platform divers Zhou Jihong and Chen Xiaoxia chose to master less difficult dives and were unimpressive. Although their movements were graceful, the dives were not powerful enough to meet the competition.

China's men's team is quite strong, but most of its members are getting up in their 20s, too old to form the core of a champion-ship squad. New divers need to be brought along.

Dong Biwu Emphasizes Democracy, Law

Selected Works of Dong Biwu (in Chinese) 《董必武选集》 compiled under the guidance of the Party Literature Research Centre of the CPC Central Committee.

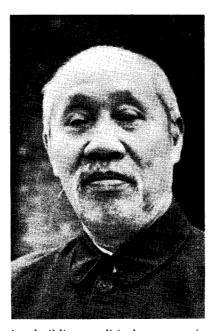
Although the 57 speeches and articles in the Selected Works of Dong Biwu were written between 1926 and 1965, they seem to have special significance today when the development of people's democracy and the importance of a strong legal system are again being stressed.

Dong (1886-1975), one of the founders of the Chinese Communist Party and a former acting chairman of the People's Republic, also emphasized the need for democracy and law in his more than 60 years as a revolutionary.

As the only high-ranking revolutionary leader to hold a Qing Dynasty imperial degree in Chinese classics, Dong argued eloquently for building the people's political power, a strong, viable legal system and a cohesive united front. Dong's works, 22 of which are published for the first time, are part of the treasure enriching Mao Zedong Thought.

"On Questions of New-Democratic Political Power" and "On the Work of Strengthening the People's Congress" are representative of Dong's views on democracy. He pointed out that with the victory of the revolution, the Chinese people won the right to freedom and democracy. But the intangible concept must be guaranteed by a tangible form, which should be institutionalized and legalized.

In China this form is the people's congress. The primary task



in building political power is therefore to establish and then gradually perfect the people's congress. This will ensure that the people can exercise their right as masters of the state to administer state affairs.

Dong emphasized repeatedly that in order to build political power, one must correctly understand the relationship between the Party and the government.

Concerning Marxist legal science, "About the Party's Ideological Work in Politics and Law" and "Perfecting the People's Democratic Legal System to Safeguard Socialist Construction" are perhaps most representative.

In these works, Dong said a strong legal system is an inseparable component of any state, and no country can modernize without one. After seizing power, the workers must immediately establish a fair set of laws to promote and protect socialist construction.

Back in 1956 Dong pointed out that the key to strengthening the legal system is to handle all matters in compliance with the law. Laws must be established and then strictly followed.

Dong said the legal system must be established gradually in light of the actual situation of China. Once established, the laws must be actively publicized so that everyone knows the law and follows it.

Party members and cadres must set the example in being law-abiding, Dong said. If they ignore the law to seek privilege or personal gain, then no matter how high they are and what their other merits may be, they will be held responsible for breaking the law. Those who abuse their power must be severely punished.

Because Dong was an early supporter of Sun Yat-sen and a member of his Tong Meng Hui (the forerunner of the Kuomintang), he was able to help the Communist Party in its negotiations to establish a united front in China. After liberation he maintained that the united front was still important, and worked tirelessly to keep it a fundamental Party policy.

In his speeches and articles he pointed out that the success of the united front bears directly on the success of the Party. He warned Party members to guard against and overcome incorrect ideas, narrow-mindedness and conceit on this matter, and to learn from the wisdom of people outside the Party.

Dong also addressed himself to issues of direct concern to the masses, such as planting trees to improve the environment.

ART PAGE



Baier Ridge on Huangshan (Yellow Mountain).

Chinese Painting by Liu Haisu

Born in Changzhou, Jiangsu Province, Professor Liu Haisu is now president of the Nanjing Institute of Fine Arts. He believes in combining ancient and modern styles, and incoporating Chinese tradition with foreign influences to break down artistic stereotypes. His works have tremendous momentum, clear national identity and a strong sense of their times.

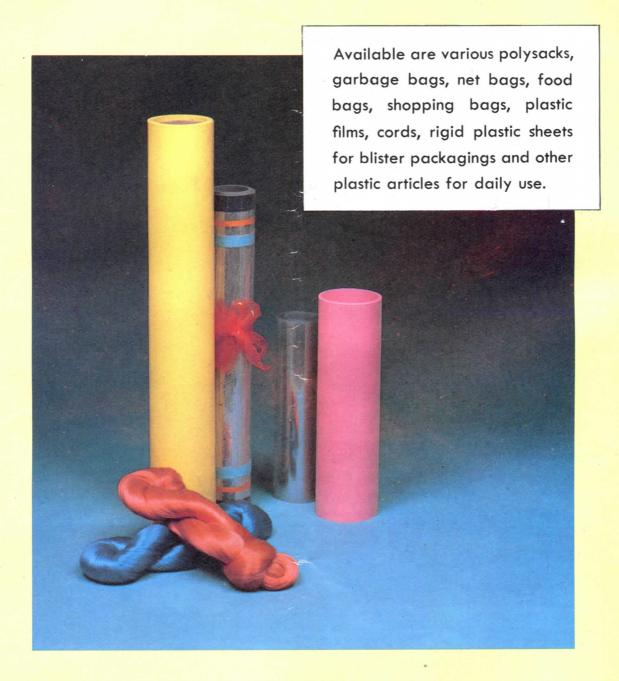


Cuiwei Peak on Huangshan.



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