Many cliff carvings made by nomadic tribes 4,000 years ago can be found on the Ulanqab Grasslands in Inner Mongolia. Many of such carvings, all full of imaginative figures, were done on cliffs and clusters of rocks on mountain peaks in Darhan Muminggan Joint Banner (county). They are valuable resources for studying the social development of the nomadic tribes.

Inner Mongolian archaeologist Gai Shantin (left), who discovered the rock carvings, has trekked a total of 10,000 km to study them.

Some carvings depict cattle. The border between the territories of two ancient tribes is etched in rock.

**SPOTLIGHT**

Ancient Rock Carvings in Inner Mongolia

This carving shows an ancient vehicle used by hunters. Animal figures.
HIGHLIGHTS OF THE WEEK

Education Reform High on Agenda

In his speech at the national education conference, Deng Xiaoping urged the nation to attach greater importance to education (p. 15). The conference passed a resolution on educational reform, which covers funding, developing vocational schools and improving curricula, enrollment and job assigning systems, and encourages competition between colleges (p. 16).

How Does China’s Central Bank Function?

Newly-appointed president of the People’s Bank of China Chen Muhua tells how the state’s leading financial institution exercise overall monetary policy control while remaining flexible on specifics (p. 17).

How Can World Peace Be Safeguarded?

Li Yimang, president of the Chinese Association for International Understanding, said at a recent international forum on world peace in Beijing that the most urgent task that must be undertaken to safeguard world peace is to stop the arms race by the two superpowers. The Chinese people, a long-time peace champion, will continue to make utmost efforts to the end (p. 18).

Peasants Turn to Science for Help

Many educated Chinese peasants have turned to specialized lines of production since the introduction of the contract responsibility system. By adopting scientific farming methods, these specialized households, which have organized themselves into research teams, can obtain far better results than ordinary peasants (p. 22).

Former Defence Minister’s Memoirs

Memoirs of a Chinese Marshal is an absorbing account of Peng Dehuai’s career, from his service in warlord armies to command of the Chinese People’s Volunteers in Korea. Written as his “confession” on orders from his “cultural revolution” interrogators, the volume also includes extracts from Peng’s “letter of 80,000 characters” to the Party Central Committee criticizing the Great Leap Forward (p. 33).
NOTES FROM THE EDITORS

Boosting Medical and Health Projects

by XIN XIANGRONG
Cultural Editor

In a Ministry of Public Health document it approved and transmitted at the end of April, the State Council formulated a series of new policies for the purpose of rallying efforts in every field of endeavour towards speeding the development of medical and health service in China. These policies are necessary because, despite the considerable growth achieved in the past several decades, the country's medical and health facilities still fall short of the needs of its population.

By the end of 1984, there were 198,000 hospitals and related institutions in China — 54 times more than in 1949, the year the People's Republic was founded. During that period the number of doctors, nurses and other health workers rose 7.8 times, to 4.2 million. More than 95 percent of China's townships now have their own hospitals, and 87.2 percent of the country's villages have their own clinics. Pre-liberation China had very few disease-prevention or maternity and child-care institutions, medical colleges and research institutes, but today they have sprung up all over the country. After decades of hard work, China has established an impressive health-care network spanning the length and breadth of its vast territory.

About 100 million government employees and factory workers now enjoy free medical care, in addition to labour-protection and welfare benefits. Their family members can also go to hospitals at half the normal cost.

Plague, cholera and smallpox, once rampant, are now things of the past, while relapsing fever and typhus have been wiped out in most of the country. Snail fever, which used to affect 11 million people and threatened the health of 100 million others in 348 counties, is no longer such a great danger: 10 million of its victims have been cured, and 247 counties have eliminated the snails that spread the disease.

The State Council recently approved a Ministry of Public Health document in which it defined a series of new policies to rally efforts towards speeding up the development of medical and health service.

China has also made some headway in the treatment of other medical problems. In particular, its skills in curing burns and reattaching severed limbs are considered among the most advanced in the world.

The average life expectancy of the Chinese people has risen from 35 years in 1949 to 68 years in 1984.

But when all is said and done, the health-care system is still unable to keep pace with the nation's growing needs. This can be attributed to China's huge population, its weak economic foundation and a shortage of doctors and medical facilities. Health care professionals with college or secondary school education make up only a small segment of China's population — 1.33 per thousand people nationwide — and the country now has only two hospital beds per thousand citizens. Although the incidence of disease has been vastly reduced, the health system must still treat a huge number of patients. Every year, about 15 million people contract one contagious disease or another, and there are still not enough doctors or hospitals to go around.

Despite yearly increases, state allocations for medical and health development are still far too low, accounting for 0.25-0.3 percent of the GNP (although the figure could be larger if allotment for free medical care and labour-protection benefits are included). A somewhat lopsided management system has also hindered the development of China's health-care service.

To boost the development of this undertaking, the government will gradually increase its investment while bringing the expertise of all sectors of the nation into full play.

Among other measures:

- State-owned medical and health institutions, now the mainstay of the health-care system, will be further improved and developed.

Industry, communications and other businesses are now encouraged to run their own hospitals to serve the entire society. Government public health departments will provide technical assistance in this area.

- All medical and health institutes will be given more power in
making their own decisions. The government will allot a fixed amount of funds and put them at the hospitals’ own disposal. A new management system will be introduced under which directors assume full responsibility for the operation of their hospitals, including the power to hire doctors and workers on a contract basis.

- Collective enterprises, which are becoming more and more important in China’s social and economic life, will be encouraged to run hospitals together with urban neighbourhoods, democratic parties and local people’s organizations.

- Individuals, after passing strict examinations, are also allowed to open private clinics. Hospital employees are allowed to practise medicine in their spare time and to keep the money they earn to themselves as long as they fulfil their regular tasks.

- Village clinics will be strengthened to provide more effective care for local residents. Such clinics may be run on a co-operative basis or by individuals, depending on the will of the local people. In underdeveloped areas, local governments may subsidize rural doctors who cannot earn enough to support themselves.

- All hospitals are encouraged to send doctors out to make house calls. They are also required to make their service more accessible to patients by developing home care and extending treatment hours.

All these measures will help bring new growth to China’s medical and health service.

Views on Improvement

Generally speaking, Beijing Review has, as a political and theoretical weekly, fulfilled its task of covering events in China and the world. Therefore, I do not agree with some readers who suggested that it should run articles on Chinese history and philosophy. These subjects are interesting and should be reported. However, as detailed reports of the everyday life in China, they should also be published in China Reconstructs. Otherwise, some articles would be repeated and reports on some subjects would be too brief. I think the best way is to let the three magazines—China Reconstructs, China Pictorial and Beijing Review—keep up their present work, each fulfilling its own tasks.

In view of this division of labour, I think Beijing Review’s centrefold colour pages are a waste. I hope you will instead print the inside front and back covers in colour.

I like very much Deng Xiaoping’s speech, “China Sticks to Socialism.” It clearly shows that Chinese leaders have not turned a blind eye to the danger of capitalist restoration, and are seeking measures to avoid this danger while adopting policies for the present reform. In addition, the achievements made in recent years in agriculture have proved the road of reform is correct.

Heinz-Gunter Foerster
Bielefeld, FRG

A Source of Information

Beijing Review is very interesting. Its reports on world developments provide me with important information in political and economic geography for my study of social sciences.

Subjects Favoured by Italians

I read every article, even the very short ones, published in Beijing Review. I think we Italian readers are most interested in the following subjects:

(1) The lives of China’s young people, as well as their work, education and role in the country’s political life;

(2) The family lives, work and social activities of women;

(3) The situation in Chinese research on handicrafts, medicine, etc.;

(4) China’s public health organizations, organizations for retirees, and current political and economic organizations; and

(5) Literature.

Mario Mammucar
Rome, Italy

Tourism and Folk Art

Your reporting is diversified. So it is very difficult for me to say which column is good and which is not. But I can certainly say that your coverage of tourism and folk art is very interesting.

In addition, your layout is well done, and your comments are fair. The cover should be given a better touch, however.

M. A. Garrido M.
San Marcos, Peru

For obvious reasons, Western culture has a predominant influence in our country. Therefore, we lack understanding of eastern cultures. I am very much interested in reports about other parts of the world which are very important but unfamiliar to me.

A. H. Camargo B.
Armenia-Quindio, Colombia

June 10, 1985
China Slams the Sham

When Tian Xiaowen went into a department store in Shenyang, Liaoning Province, recently, he found the saleswomen busily putting on their lipstick. "Yesterday I lost a workpoint when my manager caught me without makeup," one explained and then went back to chatting with her colleagues, ignoring the growing crowd of dismayed customers.

It seems that the compulsory cosmetics were part of the store's courtesy campaign. But although the manager was diligently looking after his staff's appearance, no one was checking to see whether the customers were getting more than lip service. "They should just give us better service, instead of putting on this show," grumbled Tian.

The problem is a familiar one: sham and petty trickery masking a lack of concern with real results. Sometimes form wins out over content in the minds of minor officials seeking favour from their superiors, as it did in a village in Suining County in Jiangsu Province. The local Party secretary was named a model worker and given a promotion last year after he reported that the village had a per-capita income of 500 yuan, making it one of the richest in the county. Unfortunately, the villagers' income was only 300 yuan each; the Party official had invented the rest to better his position.

In more extreme cases, simple self-aggrandizement can turn to outright fraud, with some of the more ingenious con-artists even turning China's national fascination with science and technology to their own advantage. College entrance examinations are a favourite target of high-tech tricksters like Cheng Yuan, a young woman seeking enrollment in the Northeast Agricultural College in Harbin, Heilongjiang Province. She was recently caught using a pocket walkie-talkie to communicate with her husband, who stationed outside the examination hall with a matching transceiver and a large bagful of textbooks.

This tendency to let ambition override both ethics and honesty has aroused much concern among both government leaders and law-abiding citizens alike. In an article published last month, Li Rui, vice-director of Party Central Committee Organization Department, recalled the late 1950s as a time when exaggeration ruled Chinese official life. During that period, Li wrote, wheat yields often rose by 75 tons per hectare overnight, while ambitious afforestation plans were completed within a few dozen days. Nineteen provinces claimed that they had completely wiped out illiteracy and 12 universities were supposedly set up in a single village as local cadres jockeyed for political advantage.

"By repeating so many old stories, I don't mean to say that things are still the same now. But can we say that we have not been influenced by those events at all?" he asked. China's media have been good at reporting good news, Li added, and some people have become adept in catering to their tastes. "Now that earning a lot of money has become glorious, some areas have been faking reports of 'ten thousand yuan households.' When they hear someone say it is very good to build colleges with local funds rather than state money, schools spring up everywhere regardless of local conditions," he continued. "We should find a way to have our people speak the truth, without falsehood or boasting."

China's top leaders have repeated recently the need to follow the principle of "seeking truth from fact" and eliminate showiness and trickery.

In his speech to a national education conference on May 19, Party Central Advisory Commission Chairman Deng Xiaoping urged officials at all levels to "give fewer empty talks and do more practical work."

"The bad work style of whiling away their time by issuing directives and giving empty talks must be changed," he stressed.

Nowhere were his instructions taken more to heart than in Sima Village, a small town in Hebei Province. Party and government cadres there not long ago sent back an award they had won for dramatically boosting local earnings. The area's actual per-capita income of 506 yuan accidentally became 1,189 yuan when a higher department made a clerical error—making the village a champion in Ningjin County, in which Sima is located. But the Sima cadres returned their plaque: "We would rather be called backward than accept this award under false pretenses," they said.

Coincidentally, Ningjin County became famous for inflating its production figures in 1958. Now, however, its farmers realize they
can no longer feed themselves on proud illusions. "This is 1985, not 1958," said Duan Jingbin, a village leader. "We cannot lie about these things."

Happily shed of their unwanted reward, the villagers were embarrassed to come in for still more praise from their higher-ups—this time not for their oversized income, but for their honesty in reporting the true facts of the matter.

Sino-E. European Ties Furthered

Mutual benefit in economic cooperation has brought China closer relations with the German Democratic Republic (GDR), Poland and Hungary, which Vice-Premier Li Peng visited from May 15 to June 1.

The advanced technology and equipment available in these countries is attractive to China, whose enormous market is in turn interesting to them.

Li's visit is therefore described by Beijing officials as an event of great significance in enhancing friendly co-operation between China and the three East European countries.

During his tour, Li and his hosts in Berlin, Warsaw and Budapest expressed satisfaction over their bilateral relations and vowed to promote further ties.

GDR. Li's visit, held from May 16-21, came as the two countries are making new progress in strengthening their economic exchanges.

Sino-GDR trade is expected to rise by nearly 55 percent in 1985, and a long-term trade pact is being prepared to ensure its sustained development.

During his stay, Li said that China and the GDR have a bright future in economic, trade and technological co-operation. The Germans also expressed their hope for further ties.

Poland. Li's talks with government leaders in Warsaw from May 21-27 culminated in the signing of a new five-year bilateral trade agreement. According to the pact, China will supply Poland with rice, tea, cotton, silk, ceramics and machine-building equipment, while Poland will export coal mining machinery, coal washing equipment, power stations, trains, automobiles and steel.

Li and his Polish counterpart, Janusz Obodowski, both vowed to seek new channels to promote the construction of each other's countries.

Sino-Polish trade this year is set to rise by 180 percent, a level unprecedented in their history.

Hungary. Li's four-day visit to Hungary also brought the signing of a long-term trade contract for 1988-1990.

Before leaving Budapest, Li said that the agreement signed between China and Poland and Hungary have brought the three countries into a new stage of sustained and stable development in economic and trade relations.

"This is positive progress, and we all hold that there is potential for further development," he added.

Water Pollution: A Growing Threat

China's booming industrial growth has brought its people increased prosperity—and the unwanted, growing threat of serious water pollution.

The vigorous industrial development of the past several decades will undoubtedly be epochal in the country's history. But the boon could become a bane if the pollution goes unchecked.

China ranks 6th worldwide in total water resources, but only 84th in per-capita water supplies. Moreover, its water resources are unevenly distributed, and many places are faced with possible shortages.

Even as the first spring floods dawn in South China, people in Beijing are being urged to use water economically.

And in the rivering south criss-crossed by rivers and canals, pollution could pose a threat for centuries to come. Wuxi, in Jiangsu Province, is now renowned for its
News in Brief

The Red Cross Society of China is ready to discuss "at any time and any place" the reunion of people separated by the Taiwan Straits, said Cui Yuqi, minister of Public Health and newly-elected president of the Chinese Red Cross.

The humanitarian organization will continue to work for the country's modernization and contribute to the strengthening of friendship with Red Cross societies in other countries, Cui added in a gesture towards its counterpart in Taibei.

China will introduce military training in all secondary schools and universities in a bid to build up its reserves. The move comes at a time when the Chinese People's Liberation Army is drastically trimming its regular forces.

The new courses will be mandatory in 52 universities and 102 senior middle schools from September.

University students will have 120 hours of compulsory military training courses in their first two academic years, while senior middle schools will give 72 hours.

Over 45 million people, or one-third of China's total labour force, found jobs from 1979-84. The country is expected to employ 50 million more people between 1986 and 1990, an average of six million annually.

By the end of last year, 32.16 million urban residents were working in collective enterprises, while 3.39 million others were listed as self-employed.

Working Harder

Vocational education is undergoing drastic changes in order to meet the demands of China's modernization drive. Technical and vocational schools are being offered as an encouraging alternative for high school students who fail to find places in universities and have to be retrained for employment.

In Dalian, one of the country's 14 open coastal cities, vocational schools now enrol 20 percent more students than ordinary middle schools. Local leaders and educators think this will help train a skilled labour force able to keep pace with the port city's rapid social and economic growth.

In a bold move, the city government has also ruled that only technical and vocational school grads will certainly mean added financial problems for the country. It is far better to nip the problem in the bud."

Water pollution has already aroused the concern of the Chinese Government. The State Council has acted to check the problem and ban the construction of enterprises which will cause serious pollution in cities and rural areas. And Vice-Premier Li Peng has even vowed to make cleaning up the environment a central issue in coming state policy decisions.

Vocational Schools

The vocational school graduates in Jinzhou City, Liaoning Province, are much sought after by local employers. Since the end of 1979 when the city founded its first vocational training programme, 8,125 students have graduated. Of these, 7,644 are now employed by state-owned or collectively owned enterprises — in sharp contrast to the figure of 30 percent for Jinzhou's untrained young workers.

Another threat to Shanghai's water supply is a new harbour project at Guangang, on the Huangpu River upstream of the municipality. The project, which includes new wharves and a large storage area, will be completed in three years in a bid to ease congestion in Shanghai harbour. However, it will be made necessary by the serious pollution around the city's present water supply centre downstream, where the Huangpu receives a daily input of 5.1 million tons from the city's industrial and residential sewers.

"If the problem cannot be checked, the consequences will be very serious," said a Shanghai specialist visiting Beijing.

Once water supplies become contaminated, herculean efforts and huge amounts of money are needed to repair the damage. The British Government, for example, spent 25 years and 500 million pounds sterling on rejuvenating the River Thames, which was effectively "dead" as a water source for the city of London. But, the Shanghai specialist adds, "China is capital deficient. The money-consuming treatment of polluted urban and rural industries. But most of its waterways, including the historic Grand Canal, are already seriously polluted and will remain so unless prompt action can be taken.

Shanghai, the industrial centre of China, is also threatened by serious pollution. Dianshan Lake, some 50 kilometres west of the city, is the only source of clean water for Shanghai's population of about 10 million. Although it is carefully kept free of industrial effluents, it is now under threat from a sudden boom in tourist and recreation construction — most of its buildings which have not been provided with proper sewage disposal facilities. The city hosts a daily influx of more than 30,000 tourists.

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Students at the Guangzhou Arts and Crafts Vocational School learning the finer points of advertising design under the guidance of their instructor.

or ordinary middle school students who have attended training courses can be employed by state-owned and collectively owned enterprises.

Dalian's more than 60 vocational schools are funded by educational departments, enterprises and individuals. Factories and enterprises are further encouraged to run training programmes in co-operation with colleges in the area.

In Shanghai, a serious shortage of manpower in the service trades will bring a record 24,000 students into vocational schools this year. The figure is 20 percent up over 1984, a municipal official said.

Specialized technical and vocational schools will take in a further 88,000 young people, or 55 percent of all Shanghai students at the senior middle school level.

Over 130 of the east China city's 289 vocational schools are located in urban areas and run in co-operation with more than 40 companies, the official said.

About 70 percent of their 100 or so vocational courses are oriented towards service trades such as tourism, driving, dressmaking and cooking, he added.

Over the past few years, two- or three-year vocational schools have turned out more than 3,000 graduates, of whom 95 percent have qualified for employment in various fields.

Vocational education is also booming in the Xiamen Special Economic Zone in Fujian Province. Since 1980, the SEZ has set up the Lujiang Vocational University and 78 vocational classes in senior middle schools. At the moment, these classes enrol just under 4,000.

The university offers nine specialties including civil engineering, foreign languages, electronics, management and secretarial work.

About half of the 90 workers employed by a foreign-funded telephone manufacturing company in the SEZ are graduates of technical courses.

Blindness afflicts 42 million people world-wide. A further 500 million suffer from diseases or conditions that can cause or contribute to blindness.

China has an estimated 5 million blind people and numerous other suffering from eye diseases, according to Zhang Huirong, a Beijing doctor.

"Blindness and curable eye disea ses are spreading at a rate faster than the world's population growth. Two-thirds of all blindness can be prevented or cured with techniques already known — if only the expertise and the patient can be brought together," an Orbis report said.

The Orbis DC-8 aircraft contains a modern operating theatre complete with laser and microsurgery equipment and educational facilities.

In the past three years, Orbis has carried out missions in more than 50 cities in 36 countries, and treated over 3,000 patients. Some 2,300 doctors have participated in Orbis programmes.

Orbis can treat a mere handful of the millions who desperately need medical attention. However, it can help train local doctors and nurses, who in turn can treat numerous patients, Foot said.

June 10, 1985
Beijing’s Tallest Skyscraper Stands Out

International Mansions, Beijing’s tallest building, towers 101 metres over eastern Chang An Boulevard. The 31-storey skyscraper has 47,741 square metres of office and residential floor-space. Also called the China International Trust and Investment Corporation (CITIC) Building, the newly-completed structure is already renting accommodations to 80 foreign firms.

Children’s Reading Has Wide Range

China has 129 papers and periodicals solely devoted to children, with a total circulation of 50 million, according to the Ministry of Post and Telecommunications.

These publications include 46 newspapers and 83 periodicals and journals devoted to popular science, music, sports, recreation and school book references.

In addition, the number of children’s books has increased rapidly.

According to the latest statistics, the country published more than 900 million copies of 4,090 children’s books in 1984, averaging three copies for each child.

China has about 350 million children up to 14 years old. Their development is now receiving growing attention under the country’s one-child per-family policy.

Earlier a group of 1,200 Beijing children toured Tianjin Port and Bohai Bay to celebrate International Children’s Day.

The tour, sponsored by the China Children’s Fund and the All-China Women’s Federation, both headed by Kang Keqing, was supported by the navy and the ministries of railways and communications, which offered a special train, three ships and the harbour facilities free of charge.

National People’s Congress Vice-Chairman Ngapoi Ngawang Jigme and other senior Party and State officials joined the children, whom they called “China’s flowers.”

China & the World

Panda Logo Sought for Games

Artists from China and throughout Asia have been asked to submit designs for a symbol representing the giant panda, the official mascot of the 11th Asian Games scheduled for Beijing in 1990.

The organizing committee has called for image embodying strength, initiative, friendship and the spirit of morality in sports. It is also soliciting an emblem for the Asian Games which will emphasize unity, friendship, progress and China’s ancient culture. The design must carry the seal of the Asian Olympic Council and bear the words: “11th Asian Games, Beijing, 1990” in both Chinese and English.

Wu on Sino-Indonesian Relations

China’s Foreign Minister Wu Xueqian this month described allegations that China was involved in Indonesia’s “September 30 Movement” of 1965 as not conforming to the historical realities. The Chinese Communist Party had not had any contact with the Indonesian Communist Party for 18 years, he added.

In an interview published on June 1, Wu gave no timetable for the resumption of Sino-Indonesian relations. He said China was prepared to wait if there were difficulties on the Indonesian side, but stressed that China faced no problems in resuming ties.
Korea

Common Desire Links Koreans

After an interval of 12 years, Pyongyang and Seoul resume Red Cross talks on reunifying families separated since the Korean War — a new step towards detente between North and South.

by LIU ZHENGXUE and FENG ZHIYUAN

NORTH and South Korea held their 8th round of Red Cross talks in Seoul on May 28-29 to discuss the problem of reunifying families separated since the 1950-1953 Korean War. Coming on the heels of a meeting for economic talks in Panmunjom on May 17, the new session was a positive move towards detente on the Korean Peninsula.

During the talks, the North Korean delegation called for package discussions of five-previously-agreed agenda items, particularly an initiative on allowing visits between separated families and relatives. The South has agreed in principle to accept the new family reunion proposal.

The leader of the North's delegation, Li Jong Ryul, added that both sides have also agreed to hold a working meeting at Panmunjom on July 15, and to send art troupes headed by their respective Red Cross leaders to celebrations marking the 40th anniversary of Korea's National Liberation.

The accords brought new hope to the 10 million Koreans separated from their kinsmen on both sides of the 38th Parallel. They also breathed new vitality into the talks themselves, which have been in political limbo since they broke down after their seventh session in Seoul in July 1973. The first signs of a thaw came last September, when North Korea offered relief aid for flood victims in the South. With contact once again resumed, Red Cross organizations in Pyongyang and Seoul were able to get the discussions moving again.

An early agreement on reunifying the separated families will go far towards ending more than 30 years of post-war suffering throughout the Korean Peninsula. But perhaps even more significantly, the two sides recently proposed holding talks between their respective parliaments — a move not only conducive to Korea's independent and peaceful reunification, the common desire of all Koreans, but also favourable to defusing current tensions in the divided nation and safeguarding the peace and stability of Northeast Asia and the world.

Britain

Towards Better Relations

Since her re-election in 1983, Prime Minister Margaret Thatcher has made sound moves towards improving East-West relations.

by YU CHENGZHI

BRITISH Prime Minister Margaret Thatcher, dubbed the "iron lady" for the tough foreign policies she advocated in her first four years in power, has been steering a different course since her re-election in October 1983. In particular, her new tactic has led to the opening of new dialogues with the Soviet Union and increasingly amiable relations with Eastern Europe.

Mrs. Thatcher gave notice of her intentions when she went to Hungary in February 1984. The trip was her first official visit to an East European country, and a sign of the importance she assigned to improving East-West relations.

In 1984 and 1985, she went to Moscow to attend the funerals of former Soviet leaders Yuri Andropov and Konstantin Chernenko.

At the end of last year, Mrs. Thatcher received a delegation led by Mikhail Gorbachev, then a member of the Soviet Communist Party Politburo, making her the first Western leader to have had direct contact with the new Soviet chief.

Meanwhile, British Foreign Secretary Geoffrey Howe has been dispatched on trips to the Soviet Union, Romania and Hungary. Last month he also travelled to Democratic Germany, Czechoslovakia and Poland, thus becoming the first foreign office official to have toured all the East European countries since World War II.

By Mrs. Thatcher's own account,
however, her two important diplomatic achievements in 1984 were the signing of the Sino-British Joint Declaration on Hongkong, and Britain’s agreement with the European Economic Community (EEC) on its budget return.

The declaration on the future of Hongkong won Britain international praise, and opened a new era of warmer relations with China.

Britain’s budget return from the EEC was also a long-pending problem, and a major cause of disputes among EEC members. The satisfactory settlement of the issue, proclaimed by London’s Financial Times as a “turning point for Europe,” is profoundly important for strengthening the EEC’s unity and improving the British economy.

Meanwhile, Britain has also made headway in its negotiations with Spain on the question of Gibraltar in accordance with a “historic accord” concluded last November. The two nations have further agreed to hold annual talks on the island’s sovereignty.

Dependent on exports for 30 percent of its gross national product, Britain has been hard-hit by declining foreign trade, slow economic recovery and high unemployment. The island nation is thus anxious to strengthen and expand its economic ties with the Soviet Union and Eastern Europe. A successful diplomacy, Mrs. Thatcher believes, will aid this important objective.

US-Soviet

Arms Talks Plod Along

The second round of US-Soviet arms talks opens in Geneva with the focus still on space weapons.

by FANG MIN

The United States and the Soviet Union opened the second round of their arms talks in Geneva on May 30.

At the first round held in March and April, the two sides concentrated on three main issues — strategic nuclear weapons, medium-range nuclear missiles and space arms. But the session was marked more by exchanges of irreconcilable proposals than by any real progress. This trend continued last month, when US Secretary of State George Shultz met Soviet Foreign Minister Andrei Gromyko in Vienna for talks that did little to clear the air. On the key issue of disarmament, in fact, the two countries stand poles apart on a wide range of problems — most notably President Reagan’s proposed “Star Wars” space weapons plan. Moscow has recently called repeatedly for adopting countermeasures if the United States holds firm on the plan. At the negotiating table, the Soviets also insist that an agreement on space armaments is needed before the other two issues can be brought up for discussion. The three items must be linked, according to the Soviet Union. This position seems aimed at forcing the United States to drop its controversial strategic defence initiative, in return for cuts in Moscow’s offensive nuclear missile arsenal. But unless the “Star Wars” programme is dropped, the Soviets say, no agreement will be possible on nuclear disarmament in general.

Washington, for its part, is presenting “Star Wars” as research into new means of defending against nuclear attacks. The plan is not yet a problem for the Geneva talks at its present stage, government lobbyists insist.

Meanwhile, the two nuclear powers are also mounting propaganda campaigns and diplomatic initiatives to earn public support, especially in Western Europe, and strengthen their respective negotiating positions. On April 7, Soviet leader Mikhail Gorbachev called for a moratorium on research, experiments and deployment of offensive space weapons. He also urged a concurrent freeze on the stockpiling of strategic nuclear arms and the deployment of medium-range missiles. Later, on April 25, the Soviet Union further proposed that both sides cut their offensive strategic nuclear forces by one quarter or more, provided the space arms race be prevented. Washington, however, sees the offers as little different from earlier Soviet proposals, and has made no new moves to end the Geneva deadlock.

Paraguay

Democracy and Reform Demanded

Although Paraguay has traditionally been quiet, sharp social contradictions at home and the ending of military rule in some neighbouring countries have brought calls for democratic changes.

by LIU XIAOLU

With the development of the democratic process in South America, appeals for democratization are now being heard in traditionally docile Paraguay.

On May 14 about 5,000 people
rallied in the capital, Asuncion, to protest against the dictatorial 30-year rule of President Alfredo Stroessner's military government. The demonstrators demanded that the army loosen its grip in favour of democratic politics, as has already happened in neighbouring Argentina and Brazil. Earlier, a February 16 rally involving more than 10,000 people and organized by the February Revolutionary Party and other opposition groups accused the Stroessner government of autocratic rule, and expressed its determination to "draw a political outline for a democratic Paraguay."

The Paraguayan democratic movement is at least partly influenced by recent sweeping changes in South American politics, but domestic factors have also played a large role. Ruled by the Stroessner government since 1954, the country has maintained the appearance of peace and stability in spite of sharp internal contradictions. After the coup that brought him to power, Stroessner banned the country's left-wing groups, restricted freedom of the press and association, and persecuted dissidents. As commander-in-chief of the armed forces, he also holds an iron grip on both the military and the ruling Colorado Party, whose members are mainly high-ranking officers. This unchallenged power allows him to exercise dictatorial rule over his 406,752-square-km country and its 3 million to 4 million people. To further consolidate its hold, the military junta in 1970 decreed that anyone criticizing the president, top ministers or judges of the supreme court would be jailed for six years. Faced with growing discontentment and opposition, the military called for national negotiations in 1974, in an attempt to defuse potentially explosive tensions. But soon the military government, on the pretext that students tried to kidnap government officials, made wanton arrests and forced large numbers of people to flee the country.

Some of Paraguay's problems stem from difficulties in agriculture, which is still the leading sector of its economy. Huge tracts are controlled by the 25 major landlords who own 32 percent of the country's farmland, leaving most peasants landless and near- destitute. The military also shields a great number of foreign immigrants including international racketeers, drug dealers, and even Nazi war criminals such as the infamous "Angel of Death," Doctor Joseph Mengele.

In recent years, Paraguay's economic situation has been gloomy. Its foreign debt is US$4 billion, and unemployment has been steady at about 9 percent. Recent serious flooding has also caused a sharp drop in exports, mainly agricultural products.

On the other hand, Paraguay has been influenced by neighbouring Argentina, Brazil and Uruguay, all of which have turned away from military rule in the past two years. Facing this trend towards democracy, the Stroessner government has had to make some gestures, including allowing a number of Colorado Popular Movement members to return from abroad after 25 years in exile. That move, however, did little to ease tensions. In March 1984 the military government ordered the non-party newspaper ABC Color, which criticized the authorities, to close down. The draconian measure prompted Paraguay's anti-military parties and groups to launch their protest rallies, and brought increased demands for democracy.

Canada

Tough Budget Raises Taxes

With the national debt soaking up more and more revenue, the Canadian government is making efforts to reduce its budget deficit.

by XU DEQIAN

In his budget speech to the House of Commons on May 23, Canadian Finance Minister Michael Wilson announced a tough new budget for fiscal 1985-86 that reduces the country's rising deficit by cutting spending and increasing taxes.

The first budget proposed by the Progressive Conservative government since it came to power last September, the plan calls for total revenue of Canadian $71.2 billion, against total expenditures of $105 billion. The proposed deficit of $33.8 billion is $4.4 billion down from fiscal 1984-85.

The budget is aimed at shocking new life into the Canadian economy, now on a slow upturn. The country's gross national product which grew at a rate of 4.7 percent in 1984, rose by only 3.7 percent in the first quarter of this year. Even worse, unemployment has been holding steady at around 11 percent due to insufficient investment in industry.

The government and opposition parties, however, have different opinions on how to deal with the problem. The opposition are calling for increased spending to create more jobs, while the government of Prime Minister Brian Mulroney encourages private enter-
prizes to boost their investment in production in order to increase employment. The government is also targeting a lower budget deficit to help decrease interest rates, which are now running as high as 10 percent.

Canada's other major problem is its steep national debt now approaching $200 billion — a per-capita level second only to Italy among the Western countries. Its interest payments alone soak up one of every $3 government earns.

Reducing that budget bulge, however, will not be easy: The government will not be able to curtail social welfare spending, nor will it cut the defence budget, because of its commitments to the Northern Atlantic Treaty Organization. That leaves administrative costs as the major target for the finance minister's axe.

Raising revenue is also problematic. Will higher taxes on cigarettes, alcohol, gasoline and candy bars — and an income tax hike on Canadians earning salaries of over $40,000 a year — one expected to boost government income by only $200 million, far from enough to make a dent into the national deficit.

Not unexpectedly, the proposed budget has received a mixed welcome. The government has hailed it as just and tough, while the opposition have caustically described it as "tough but unjust," and likely to cause a decrease in employment.

Taking a long-term view, however, economists seem to agree that the deficit-reducing budget is at least a good beginning towards tackling Canada's economic headaches — although it will probably have no immediate effect on either the debt or unemployment. The experts expect that the Canadian economy will grow but at a reduced rate of 3-3.5 percent in the coming year. Interest rates are expected to drop, although unemployment will continue to run at 10-11 percent.

Albania

More Flexible Policies Adopted

After the death of Enver Hoxha, the world waits to see what changes, if any, his successor will bring to Albania.

by JIN LIANGPING

ALBANIAN leader Enver Hoxha died April 11, and two days later politburo member Ramiz Alia was named his successor.

The supreme leader of Albanian Party of Labour for the past 40 years, Hoxha took a tough line in both his domestic and foreign policies.

Alleging that "Albania is the only country that really depends on its own strength to build socialism," he also kept his distance from both the Soviet Union and the United States. Albania would never be reconciled with either of the major powers, he once declared.

His policies looked set to continue under Alia, who, in a speech at the late leader's funeral, stressed that nothing would make Albania depart from Hoxha's line.

In recent years, however, Albania's foreign policies have in fact shown some flexibility. The country emphasizes a good-neighbourly policy in which political and ideological differences do not affect economic and trade relations.

It has established diplomatic ties with France, Austria, Belgium, the Netherlands, Portugal and the Scandinavian countries. Alia has also pledged that he will make efforts to overcome Albania's difficulties with other West European nations, and called for progress in normalizing relations with Yugoslavia.

Albania and Greece last December reached agreements on transport, culture, science and technology, telecommunications and postal service. One month later, the two countries agreed to open their common border, which had been closed since World War II.

Earlier at the end of 1983, Albania and Italy also reopened the ports of Durres and Trieste to each other's ships, giving the Albanians a sea route to Western Europe for the first time in 40 years.

In a further move away from its long isolation, Albania recently finished a new railway line from Shkoder to Hani i Hotit. The line up with Yugoslavia's Titograd-Hani i Hotit Railway in this June, joining the Albanian railway to networks throughout Europe. Both Albania and Yugoslavia have said that their economic exchanges and relations will be greatly improved by the new tie.

Relations between Albania and Turkey have gained strength following the signing of a civil aviation and other protocols last year. Trade relations between Albania and the East European countries also improved to varying degrees.

Albania maintains further trade links with countries that have no diplomatic relations with it, such as the Federal Republic of Germany (FRG) and Britain. When Bavarian leaders visited Albania last August, reports said the two sides discussed the possibility of establishing diplomatic relations between Albania and the FRG.

Albania also restored its trade relations with China in 1983.
The following is the major part of a speech delivered at the national education conference on May 19, 1985. — Ed.

We've said on many occasions that China's economy might approach that of the developed countries by the centenary of the founding of the People's Republic. This prediction is based, among other things, on China's ability to develop education, raise its scientific and technological level and train hundreds of millions of qualified people at all levels and in all spheres of work within this period of time.

The strength and the economic growth of our country is increasingly dependent on the competence of its work force and the quantity and quality of its intellectuals. Given a sound educational system, China, as a nation of 1 billion, can tap its enormous intellectual resources to an extent without precedent. With this advantage, plus the advanced socialist system, we are certain to reach our goal.

Children now in their first year of school will be the new force, after a dozen years of education, for the great endeavours which will usher in the 21st century.

The Party Central Committee has decided to make great efforts to develop education, and to carry it right through from primary to middle school. This is a strategic move. If we fail now to set this task for the whole Party, we will be delaying something truly important and will thus fail to fulfill our historic responsibility.

In the past few years, a growing number of comrades from the central authorities to the localities and rural areas have come to recognize the importance of knowledge, qualified personnel and education. This is a big advance within our Party. On the other hand, a number of our comrades, including some high ranking officials, do not yet fully realize the necessity of developing and re-forming education. They lack a sense of urgency. Some acknowledge the importance of education, but less so when it comes to solving concrete problems.

Isn't it true that we have already acted to shift the focus of the work of the Party and the state to economic construction? That focus should have covered education. Leaders who neglect education are immature leaders, lacking the long view and therefore incapable of leading the modernization programme. Leaders at all levels must pay keen attention to doing as good a job in education as in economic work.

The Party committees and governments at all levels should set strict standards, give fewer empty talks and do more practical work. They should attend to such problems as “How to implement the decision on educational reform in your own area and department”; “How to solve the problem of insufficient school buildings and teaching aids”; “If the funds for schools are not enough, how can we raise them”; “How to improve the food in the canteens for teachers and students”; “How to arrange teacher training”; “How to improve ideological and political work in the schools,” and so on. Leading cadres at all levels of Party committees and governments should go down to the schools regularly, hear the views and opinions of large numbers of teachers and students, ease their worries and solve problems for them.

What is meant by leadership? To lead is to serve. I said a few years ago that I would like to be the head of the logistics department for comrades in educational, scientific and technological institutions. I have the same attitude today. Leading cadres must do more practical work. The bad work style of whiling away their time by issuing directives and giving empty talks must be changed. Every department and area, and cadres with prime responsibility in particular, should pay attention to this problem.

I am optimistic about the growth of education in our country. It is true there are difficulties, but we should also take note of the favourable factors. No matter from what angle we look at it, economic development in the past few years has been rapid. The economy is the foundation. Expansion of the economy will certainly stimulate educational growth.

People in all circles of society have great enthusiasm for running schools, in both the cities and countryside. Many patriotic overseas Chinese have taken the initiative to donate funds to set up schools. Now we have worked out a correct programme (the programme for reform of education — Ed). In these circumstances, if the leaders at all levels make conscientious efforts to take this work in hand, I think it can be done well; there are no grounds for pessimism. Several years of down-to-earth work will create an unprecedented flowering of education for the Chinese nation.
Upgrading Education Through Reform

CHINA will do its utmost to train a large number of able people for its economic and social development.

This constitutes the fundamental goal of the on-going educational reform, according to a decision of the Party Central Committee which was made public on May 29.

The Decision on the Reform of the Educational System urges the country’s educational departments to train millions of skilled workers for all trades and professions.

Unprecedented achievements in education have been registered over the past three decades since the founding to New China. Most of the people who are now the mainstay of the country’s economic construction were brought up during this period.

However, the document says, China’s present educational system, guidelines, curricula and methods are not in keeping with the socialist modernization programme.

Problems

The document lists the following as major problems: Weak elementary education, shortage of schools and qualified teachers, and retarded development of vocational and technical education.

Outdated textbooks and over-specialization in certain faculties also hamper the development of modern science and culture in China.

Besides, over-strict control by relative government departments over schools, particularly over the institutions of higher learning, has stunted their vigour.

The decision says that a nine-year compulsory education will be introduced step by step.

It says China will strive to make junior middle school education universal in the next six years in the cities and coastal areas, and within the next 10 years in the countryside.

Now, because of a shortage of middle school teachers, buildings and other facilities, only about two-thirds of the pupils are able to proceed to junior middle schools.

All local governments should take practical measures to build a stable contingent of qualified teachers in sufficient numbers.

These include principally training of the existing teachers and raising their social status, pay and living conditions.

Teaching

At the same time, the central government will place the responsibility for developing basic education with the local governments and encourage state-owned enterprises, mass organizations and individuals to pool education funds.

The decision says China will work hard to develop pre-school education and special education for the blind, deaf-mutes, the disabled and mentally-retarded children.

Meanwhile, it says China is to encourage more junior middle school graduates to enter technical schools.

Vocational and technical school graduates will have priority in job assignment. Other job seekers will have to take technical tests.

Vocational and technical education are the weakest links in the system, the document adds.

Last year there were only 3.7 million vocational and technical school students, against 45.54 million in ordinary middle schools.

Short-term technical colleges will be set up to take technical school graduates and on-job workers.

The documents also says more administrative powers will be given to universities and colleges in the following aspects:

- Deciding on teaching plans and curricula, and compiling and choosing teaching materials;
- Accepting projects from or cooperation with other social establishments for scientific research and technological development, as well as setting up combines involving teaching, scientific research and production;
- Suggesting appointments and removals of vice-presidents and officials at various levels;
- Disposal of capital construction investment and funds allocated by the state; and
- Developing international exchanges by using their own funds.

Practice

As well as enrolling students according to state quotas, universities and colleges will also admit students sponsored by other establishments and students who provide for their own expenses, abandoning the previous practice that all students had to be enrolled according to the state plan. However, all students will still have to pass entrance examinations.

Students who pay for themselves will seek jobs by themselves.

The present system of state stipends for students at institutions of higher learning will also be reformed and a scholarship system set up, the decision says. All students, except those at teachers’ colleges, those who are to work under very tough conditions after graduation and those who have financial difficulty, will have to pay for tuition, accommodation and miscellaneous expenses.
People's Bank Crucial to Macroeconomics
—An interview with Chen Muhua, state councillor and newly appointed president of the People's Bank of China

Question: As the central bank and the leading financial organization of the state, how can the People's Bank of China exercise control on the whole while being flexible with regard to specific matters in monetary management?

Answer: In September 1983, the State Council designated the People's Bank of China as the country's central bank in an attempt to strengthen the management and comprehensive balance of credit funds and better serve the state's macroeconomic planning. Since then the bank has stopped offering industrial and commercial credits and dealing with savings deposits.

The People's Bank of China provides leadership for and exercises control over China's monetary system. It has 10 major tasks: (1) To study and draw up principles, policies, decrees and basic systems for the country's monetary work, and to take care of their implementation after they are approved; (2) To exercise control over the money supply and to regulate the circulation of currency on the market; (3) To exercise unified control over the interest rates of Renminbi savings deposits and loans and the exchange rate between Renminbi and other currencies; (4) To draft credit plans on behalf of the state and exercise unified management of credit funds; (5) To manage the state's foreign exchange and control gold and silver transactions and reserves; (6) To manage the state treasury; (7) To examine and approve the establishment, closure and merger of monetary institutions; (8) To co-ordinate and audit the transactions of the various monetary institutions; (9) To exercise control over the monetary market; and (10) To take part in international monetary activities on behalf of the Chinese government.

If it does a good job in the above-mentioned six fields, the People's Bank of China can, as the central bank of the state, play a positive role in exercising control over major matters while remaining flexible with regard to minor ones. In his government work report to the Third Session of the Sixth National People's Congress last March, Premier Zhao Ziyang put forward five requirements for improving economic control in light of China's current economic construction. His second requirement has a particularly strong bearing on the work of the bank. According to his requirement, the bank will draw up a unified credit plan and monetary policy, strengthen its regulatory functions, strictly control the total amount of credit funds and currency in circulation, appropriately raise the interest rates of savings deposits and open up more loan sources. As the central bank of the state, we will set limits on the money supply for our branches in various provinces, municipalities and autonomous regions, as well as for the various special banks. The branches and the special banks should never exceed the limits set for them.

We called a national bank conference recently. The conference reviewed the bank's work in the first few months of this year and outlined the tasks for the future. While making efforts to strengthen macroeconomic control by every means, we will adopt various flexible methods to ensure the sustained, stable and co-ordinated development of China's economy.

Q: You say that the central bank and the various special banks will adopt the method of "eating from separate pots." What do you mean?

A: I mean that all the credit funds of the People's Bank of China and the various special banks will be incorporated in a comprehensive state credit plan. The various special banks will adopt independent accounting. The verified working funds and credit funds for various banks will be left at their own disposal. Now a creditor-depositor relationship has been forged between the People's Bank of China and the various special banks. The various special banks and financial institutions should strengthen their cooperation in funds and make up each other's deficits so as to speed up the circulation of funds. Actually, these are concrete methods to ensure control over major matters and flexibility with regard to minor ones. They are put forward in view of the development of the economic situation. As they were just recently introduced, we need to constantly

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sum up our experiences and perfect them.

Q: Some joint-stock economic undertakings have appeared in the country. What is the state policy towards them? Can the shares be sold and bought freely? Is it true that China has restored stock exchange?

A: With the implementation of the policies of opening to the outside world and invigorating the domestic economy, many new things have indeed appeared. They include pooling funds and issuing stocks and bonds. We are now studying these developments. Our general principle is to give support to all things that are beneficial to the economic development. The departments concerned are now drafting regulations on work in this field on the basis of investigations.

At present we have not given consideration to the question as to whether stock shares can be sold and bought freely. The belief abroad that China has restored the stock exchange is not true.

Q: Some foreign banks are planning to set up branch offices in the Shenzhen Special Economic Zone. Will it be possible for them to open branch offices in other places in the future?

A: Last April the State Council promulgated the Regulations Governing Foreign Banks and Joint Chinese-Foreign Banks in Special Economic Zones. By now some foreign banks, including banks from the United States, France and Japan, have applied to set up branches in the special economic zones. Their applications are now being studied.

As we still lack experience in this field, it is far too early for us to permit foreign banks to set up branches in other parts of the country. The branch offices of the Hongkong & Shanghai Banking Corp. and the Chartered Bank in Shanghai are an exception. They were left over from old China and we have not changed the fait accompli.

Relations between Chinese and foreign financial circles are becoming closer. There are 136 foreign representative offices in China. Of them, 72 are based in Beijing.

Q: It is said that China's foreign exchange reserves have dropped. What are the reasons? Will this affect the willingness of foreign businessmen to invest in China and the issuance of credits?

A: Generally speaking, we have a sound control over our foreign exchange reserves. At the end of 1984, they totalled US$14.42 billion, a drop of US$2.25 billion from the US$16.67 billion last September. The major reason is the all-time high level of imports, which are costing us a lot of foreign exchange. We think such a fall in foreign exchange reserves is normal, because it is a reflection of the development of our economic and technological co-operation with other countries.

We welcome foreign investors to play a role in China's construction. The political situation in China is stable. The country's modernization programme is advancing smoothly. Its investment environment is constantly being improved. Regulations governing economic co-operation with other countries are continuously being perfected. And the country has acquired more experience in conducting economic co-operation with other countries. Overseas investors can have confidence in making investment in China.

The People Desire, Safeguard Peace

The Beijing Forum on Safeguarding World Peace, sponsored by the Chinese Association for International Understanding from June 4 to 6, was attended by more than 100 participants from over 50 peace organizations from two dozen countries.

The participants were encouraged to express their views in an atmosphere of mutual respect, and to seek common ground while reserving differences on this vital international issue. Li Yimang, President of the Chinese Association for International Understanding, spoke on the forces, ways and means of safeguarding world peace. His speech reads as follows. — Ed.

The year 1985 marks the 40th anniversary of the conclusion of World War II. Countries in different parts of the world have observed or are observing the occasion in one way or another. People everywhere are reviewing and analysing the experiences and lessons of the past, trying to find ways to prevent the outbreak of a new world war.

Immediately after the conclusion of World War II 40 years ago, people began talking about the danger of a third world war. As things stand, there has since been 40 years of peace. So, the FIRST point I am going to discuss is why postwar peace has been maintained and who the principal forces are for preventing a new world war.

In my opinion, many factors have contributed to the maintain-
ance of world peace over the past 40 years. The essential factor, however, is the will of the people. Their unprecedented awakening and, resolute struggle against the policies of aggression and war have played a decisive role. People all over the world, including those of the Soviet Union and the United States, desire peace and oppose war, in particular, nuclear war. This provides a genuine “deterrent.” In addition, the postwar years have witnessed the emergence of many newly independent countries, a number of socialist countries and other peace-loving countries, followed by extensive third world and nonaligned movements that have gradually come into being in the wake of events and changes in the world situation. Playing an increasingly important role in international affairs, they have fundamentally changed the pattern of international relations and the world balance of forces, and have thus become a vital force in checking wars and a basic factor in safeguarding peace. Moreover, in the past decade or two, the two superpowers, the only powers capable of launching a world war, have been locked in a nuclear stalemate. It should be pointed out, however, that the 40 years of postwar peace are not a gift from on high, but the outcome of a protracted struggle waged by all the peace-loving countries and peoples of the world.

Although there has been no world war in the 40 postwar years, local conflicts and armed clashes have occurred continuously. Most of these are caused by the encroachment upon, or the suppression of, the independence of a nation or a country, or by interference in the internal affairs of one country by another. These factors, more often than not, also lead to tension in the international situation as a whole. Therefore, they have aroused deep anxiety among people the world over. People have noted that the superpowers tend to use local wars to extend their spheres of influence, seize strategic points and prepare for a large-scale war. However, thanks to firm resistance by the people of the countries under invasion and thanks to the active support given to them by the countries and peoples of the world that love peace and uphold justice, these local wars have not yet developed into a world war. The peace-loving countries and peoples have inflicted heavy blows and sound lessons on aggressors who have dared to launch wars, and will continue to do so should anyone dare to try this in the future. Facts have shown that whoever attempts to conquer a nation or a country or the world by launching a war, and whoever attempts to impose his ideology and social system on another nation or country by armed force, will land himself in an inextricable predicament or end up in defeat. This is a law governing the course of history.

SECOND, how do we view the most urgent task that must be undertaken to safeguard world peace?

As everyone knows, despite people’s strong opposition, the two countries that possess the largest arsenals in the world continue their rivalry for superiority in the arms race. Now, all land, sea and even outer space are subject to the threat of their nuclear and other new weapons. Indeed, a nuclear war, should it happen one day, would result in the most horrible catastrophe ever known in human history. No one with a good conscience will forget the nuclear holocausts perpetrated 40 years ago at Hiroshima and Nagasaki.

Therefore, we hold that the most urgent task that must be undertaken to safeguard world peace is to stop the arms race by the two superpowers and their rivalry for world hegemony — that is, to eliminate the nuclear threat and prevent a nuclear war. As everyone knows, the two superpowers possess 95 percent of the world’s nuclear weapons, many of which are deployed on the soil of other countries. Consequently, people are justified in demanding that they conduct arms control talks in earnest and reach a genuine agreement on disarmament; that they take the lead in halting the testing, improvement and production of nuclear weapons and space weapons; and that they not only immediately stop deploying nuclear weapons abroad, but drastically reduce their existing stockpiles of nuclear weapons as well. On this basis, all countries with nuclear weapons should hold comprehensive nuclear disarmament negotiations and seek to reach fair and reasonable agreements, so as to gradually realize the total banning and complete destruction of nuclear weapons.

This is a historical duty imposed by all mankind on the nuclear powers, and in which nobody should fail. The first round of arms control talks in Geneva failed to make any headway, and the second round has just started. It is our hope that these talks will not become a smokescreen, as the previous ones did, behind which

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to seek the upper hand by restricting the other side and expanding one's own strength. We support the proposition that nuclear disarmament be carried out in conjunction with conventional disarmament. China will continue to take a positive and responsible attitude and make its due contributions.

THIRD, I wish to deal with the relationship between the implementation of the Five Principles of Peaceful Coexistence and the safeguarding of world peace.

This year is also the 30th anniversary of the Bandung Conference of the Asian and African countries, and many countries have celebrated the occasion. On the basis of the Five Principles of Peaceful Coexistence (i.e., mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence), the Bandung conference put forth the Ten Principles, which have played an active role and strengthened the unity among the third world countries, the establishment of a new type of international relations and the safeguarding of world peace. The 30 years of history have proved that countries, different or not in social system, can live on friendly terms and entertain normal relations with each other and world peace can be maintained, provided that they strictly abide by the Five Principles of Peaceful Coexistence. Otherwise, international relations will be strained or even reduced to confrontation. Clashes and war will occur even between countries with identical social systems. And world peace will thus be upset or disrupted. We have also become aware of the fact that international contradictions or conflicts cannot be resolved by creating spheres of influence or by forming a bloc or an alliance, still less by force of arms and policies of war. The solution lies in the Five Principles of Peaceful Coexistence, in peaceful negotiations. The successful solution of the Hongkong question by China and the United Kingdom has provided new experience in solving problems through friendly consultations.

I believe that, in essence, the Five Principles of Peaceful Coexistence, the Ten Principles of the Bandung conference, the Charter of the United Nations and the basic norms of international law all require mutual respect for sovereignty and territorial integrity, non-interference in each other's internal affairs and opposition to all forms of power politics and interventionist policies. Countless events have demonstrated that our present-day international tensions and the threat of a new world war stem from an intensified superpower arms race and their rivalry for world hegemony. Unless hegemonist policies are opposed, neither world peace nor regional peace, nor any country's own security, can be achieved or maintained. That is why we have always taken "opposition to hegemonism and the safeguarding of world peace" as an integral concept. We support the third world countries and peoples in their just struggle against all outside intervention. Peace movements in some countries have regarded support for this just struggle as an important component of their campaigns. I very much appreciate this, because in resisting foreign intervention people are safeguarding world peace.

FOURTH, I wish to discuss in brief the relationship between peace and development.

The world today is confronted with two major issues: Peace and development. The two questions are closely related to each other. Or, may I put it this way, peace and development provide prerequisites or conditions for each other.

It is true that the escalating arms race and the superpowers' astronomical military spending can stimulate a temporary economic boom, but in the final analysis they will hamper the economic development of their own countries, the improvement of living standards and the welfare of their own people. At the same time, such arms expansion and war preparations are bound to involve, and already have involved, their allies, not only threatening the peace and security of various regions, but also, in the end, slowing down the economic recovery or growth of some of the developed countries, and thus gravely affecting the living standards and employment rate of their people.

China is a developing country, and like the other third world countries, we are deeply concerned with the question of development. The third world countries are in dire need of developing their national economies in order to free themselves from the economic difficulties that face them. Therefore, the countries and peoples of the third world desire peace; a peaceful environment is essential to development. Besides, world peace, stability and economic prosperity cannot be built on a basis of impoverished economies in developing countries. A third world that enjoys ever increasing economic growth will become a powerful factor in promoting world economic prosperity and safeguarding world peace. This has been recognized by more and more people in the world.

So, we stand for promoting North-South dialogue and establishing a new international economic order. It is not only a question of economic development, mutual benefit and co-operation,
but also a basic means of safeguarding world peace. We also agree that the arms race should be stopped for the sake of economic development, and that the money saved by disarmament should be used to improve the living standards in the country concerned and to aid third world countries in developing their economies.

FIFTH, there are different views in the world as to how to assess the peace movements of various countries and what attitude to take towards them. Here, I would like to contribute my personal views.

In recent years, peace movements have flourished in Western Europe, North America, the Pacific and elsewhere. They are unprecedentedly large in scale, great in momentum and varied in content and form. Rising above their political or ideological differences, people in many countries of various social strata, political parties, organizations and religions, and large numbers of young people in particular, have voluntarily engaged in joint activities and joined in a powerful force for peace. The peace movements are so popular in some countries that they are checking, to a certain extent, the arms expansion and war preparations of the superpowers. In a word, the peace movement, which reflects the strong aspiration of the people the world over to safeguard peace, is the largest and most influential international mass movement. No one can neglect or control it; still less can anyone stop it.

I believe that, like other movements, the peace movement is forging ahead, wave upon wave, through twists and turns. Despite the successive deployment of new medium-range nuclear missiles in Europe, the peace movement has not waned; people are analysing their experience in order to build upon it. In the peace movements of various countries, people have persevered in opposing nuclear weapons, nuclear threats and nuclear war. They are resolute in demanding complete and thorough disarmament, particularly nuclear disarmament, and continue to carry out all kinds of domestic and international activities. Many peace organizations and guardians of peace are tenaciously working and fighting in defense of world peace. The Chinese people hold a high opinion of and fully support their devotion to the cause of peace.

It is only natural that peace movements in different countries proceed from their own circumstances and experiences, and advocate different views. I think this should not become an obstacle to relations and exchanges among them. At present, there is an urgent need for these relations and exchanges to be strengthened. I believe that the world peace movement will grow and the cause of safeguarding world peace will be enhanced, as long as we are united on a broad scale under the great banner of opposing arms expansion and war preparations, preventing a nuclear war and safeguarding world peace.

SIXTH, people may be quite interested in the contributions China can make to the cause of world peace, so I wish to give my friends a brief account of it.

The Chinese people, in their hundreds of millions, have always had a profound love for peace and have made unremitting efforts and enormous sacrifices in defense of peace, because they hope that the people of all countries can live and work in peace. Now that the people of China are focusing all their efforts on the modernization programme, they need all the more a lasting, stable and peaceful international environment. We do not want war. We hope no war will break out in the rest of this century, nor in the next century. And of course, it would be best if no war ever came about. Never would we want to see the fruits of our labour devastated in the flames of war. China pursues a policy of independence and will form alliances with no other country. This certainly contributes to the relaxation of world tension and the winning of a lasting world peace. I can make a clear and definite statement that China is a force working to stabilize world peace, not to undermine it. Moreover, with the growth of its economy and its strength, China will make even greater contributions to the safeguarding of world peace.

As is known to all, China has consistently carried out a strict and clear-cut policy concerning nuclear weapons; that is, while developing a minimal number of nuclear weapons to foil the nuclear blackmail of the superpowers, China will never be the first to use nuclear weapons. Nor will we proliferate nuclear weapons or deploy nuclear weapons abroad. China made an open pledge to that effect as early as 1964. In nuclear disarmament, China is not an onlooker, but a promoter. We have constantly put forward practical and reasonable proposals and have always been ready to make our proper contributions. We have reduced conventional arms unilaterally and of our own accord. In recent years, our country has converted military production into civilian production on a large scale and it has, on several occasions, drastically reduced the size and establishment of its army units. We are concentrating all our resources on modernization, and this calls for huge amounts of financial, material and human resources. Therefore, the one billion Chinese people are all supporters of disarmament.

In the past few years, we have attached great importance to carrying out various activities for peace. Last year in Beijing we held a forum on safeguarding world peace attended by representatives from
various sectors in China, and three thousand Japanese youths were invited to a get-together for peace and friendship. This year, our workers, youth, women and people from religious and other circles have invited many foreign friends to China to take part in peace and friendship activities. Last month, some public organizations in China hosted the Peace Boat from Japan and sponsored a “Friendly Gathering of Youth From the Asian-Pacific Region” with “Participation, Development and Peace” as its theme. Besides, in the past few years, we have attended a number of international peace conferences on a people-to-people basis and have established contacts and ties with many peace groups and activists of other countries. All of this has promoted mutual understanding and friendship. In order to further promote various forms of peace activities, the Chinese Association for International Understanding and other people’s organizations have jointly sponsored and established the “Chinese People’s Association for Peace and Disarmament.” We wish to establish contacts and ties with more peace organizations and activists from other countries so as to exchange experience and views and to discuss with them questions of peace, relaxation of international tension and disarmament.

The danger of a world war persists, but the forces opposing such a war are growing. I am convinced that it is possible to prevent a new world war, and that there is hope for maintaining world peace as long as the peace-loving countries and peoples all over the world unite, support each other and persevere in their struggle to keep frustrating the arms expansion and war preparations of the superpowers and their policies of expansion and aggression. To this end, the Chinese people are ready to stand together with the peace-loving people of all countries, avail ourselves of all opportunities to vigorously develop various forms of peace activities and redouble our efforts to make greater contributions to the safeguarding of world peace.

**Péasants Turn to Science for Help**

In issue No. 11 of 1984 we carried an article entitled “Peasants’ Enthusiasm for Science,” reporting that Chinese peasants were eager to acquire general and scientific knowledge after the production responsibility system was introduced. What’s happening now one year later? The following article describes the current situation. — Ed.

**by Li YONGZENG**

Our Correspondent

Since the implementation of rural reforms in 1979, a new breed of successful peasant has become prominent in China’s countryside. Today, a strong back is no guarantee of prosperity—it’s the strong mind that counts most of all.

The reforms have allowed peasants to contract farmland for their crops. They turn over a prearranged portion of the harvest to the state and the collective, but keep the rest to sell as they wish. Hard work, of course, pays off in greater profits. But approaching the farmwork with a scientific attitude—using fertilizers, pesticides, new seed strains and modern planting methods—pays even greater dividends.

Li Xiangling, a young peasant in Shandong Province, became an agricultural technician upon graduation from junior middle school in 1975. By reading many scientific books such as *Crop Cultivation, Breeding Seedlings Through Inheritance* and *Crop Physiology*, he has learnt the rudiments of agricultural science and has gained an advantage over untrained peasants. His family, which includes eight people but only three able-bodied workers, contracts 1.2 hectares of land.

In 1981 Li used 0.3 hectare for an experimental field, on which he planted improved crop varieties and applied chemical fertilizers according to the nitrogen and phosphorus content of the soil. He used scientific watering methods and pesticides. By the end of the year, Li had reaped a total harvest of 4.76 tons of grain, 2.55 tons of wheat in the first crop and 2.21 tons of corn and soybeans in the second, double the average yield.

In 1983 Li tried out other scientific methods on his farmland. He used greenhouses to get plants started earlier and applied plant hormones to encourage faster growth. The methods resulted in a bountiful grain and cotton harvest.

Over the past three years, Li has reaped 30 tons of grain and 1.25 tons of cotton which have earned him a total income of 24,900 yuan. The local peasants call him “cultivation master” and are eager to learn from him.

After most areas implemented the production responsibility system, the government further relaxed agricultural policies by encouraging urban and rural free
Technicians at a peasant-organized research institute in Liaoning Province developing a new variety of vegetables.

markets. Peasants were urged to develop crops and farm products other than grain. Peasants soon began to provide urban residents with more meat, eggs, milk, poultry, vegetables and fruit. Specialized households — providing everything from mushrooms to transportation — multiplied. As production took off, so did the popularization of science and technology. Peasants were no longer satisfied with just learning about scientific methods of growing grain. They wanted to know how to raise chickens, how to breed fish and how to cultivate mushrooms. As a result, experts appeared in a whole array of agricultural fields.

Shi Lei, 19, was idle at home two years ago after graduation from junior middle school in Tie­ling County, Liaoning Province, because he could not continue his schooling due to an eye ailment. Depressed by his lack of work, he read whatever he could find. One day he happened to read Rabbit Breeding, which turned out to be the book that changed his life. He managed to get a 1,000 yuan loan from a bank and purchased seven different kinds of stud rabbits. Rapid results were encouraging. In 1984 Shi invested another 13,000 yuan, which he recouped within four months. His net profit for the year reached an incredible 97,000 yuan.

Shi’s story was spread throughout the country by the mass media. Peasants from all over have sought his guidance and help. Shi received about 100 visitors and 1,000 letters every day. From the more than 100,000 letters he received asking about raising rabbits, he chose 500 typical questions for his own book, which he titled 500 Questions on Rabbit Breeding. The 200,000-word book will soon be published. In April 1984 Shi united with other rabbit breeders to establish the Shi Lei Family Rabbit-Breeding Research Association, an organization designed to exchange information about raising rabbits.

Peasants’ Research Association

As commodity production has developed, many specialized households have organized their own research groups. They choose specialists their leaders and work together to study the latest technology about their chosen speciality.

For example, Li Xiangling, the “cultivation master” in Shandong Province, established a cultivation association and recruited more than 40 members. Shi Lei’s association has 1,300 members from all over the country, varying in size and focus, some associations have a national or provincial influence, while others are based in counties or villages. There are 24,000 such associations in China, according to an incomplete survey.

In Yuanluo Township of Baodi County, on the outskirts of Tianjin, there is a famous research association devoted to cultivating spring onions and garlic. The local peasants have planted garlic for several hundred years. Their garlic is known for its juiciness and stickiness. In fact, it was frequently used by the imperial court in gluing signs of rank on official hats, in mounting paintings and in making silk flowers because of its antiseptic effect. Baodi spring onions were known for their 40-cm-high stalks and their pungent flavour. In the past, both spring onions and garlic were cultivated well throughout the country. However, when “leftist” policymakers ordered farmers to emphasize grain production, only a limited amount of these famous crops were grown.

After the reforms were implemented, peasants went back to growing spring onions and garlic. But due to pests, inefficient planting methods and poor strains, yields were fairly low. Confronting these problems, peasant Chen Guangxing began to experiment with scientific cultivation methods on his own land. In the first year he harvested a huge crop and his fellow villagers flocked to his home for guidance. After answering their questions, Chen decided to write a book about his experiments. In addition to compiling his experimental records, Chen went to the Scientific and Technological Research and Information Institute of Tianjin to gather more information on onion and garlic. 

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Technicians from the Tianjin Aquatic Research Institute help peasants breed fish.

cultivation. But, to his disappointment, he found nothing. Returning home, Chen turned to other experts to fill in the gaps in his knowledge and was able to finish the book.

In the spring of 1983 Chen and 12 other specialized households established their own research society. Their research is oriented towards increasing production. They design their projects according to the problems they encounter, and each member is to carry out a portion of the experiment on his own land and is responsible for keeping records. The compiled data is sent to Chen who analyses the data and determines what should be done. Since its establishment two years ago, the society has carried out seven major experiments, including research on developing improved spring onion and garlic strains and adding hormones to seedlings. They worked out a formula for row spacing of high-stalk spring onions, and to-gether they have produced three books on spring onion and garlic cultivation. The society now has 65 members, who make an average of 43 percent of their agricultural income from growing spring onions and garlic.

Through the society's efforts, the township land devoted to onions and garlic has increased from 206 hectares in 1982 to 600 hectares in 1984. The output value has mounted from 1.2 million yuan to 3.6 million yuan, adding 300 yuan to the per-capita income.

Peasant-organized research associations not only conduct scientific research and popularize new technology, they also provide services to meet the needs of commodity production. The Chicken-Raising Research Association of Longzheng Township in Haian County, Jiangsu Province, is one example.

In the past, local peasants rarely raised more than 20 chickens. They were generally raised for family use and had little commercial value. They fed their chickens scraps or whatever was available without keeping track of the cost. This primitive method was unsuited to large-scale commodity production. In response to the government's call for a diversified economy, many peasants began to raise chickens as a commercial venture. But they met many difficulties, including pestilence, low survival rates, and a lack of feed, money and knowledge. Disturbed by these problems, several chicken raisers banded together to establish a research association. Nine people from the local hatchery, grain station, veterinary station, supply and marketing co-op and credit co-operative formed the board of directors. The board was divided into three groups, which focused on technological guidance, feed research and the prevention and cure of pestilence. The association now provides such services as information transfer, loans, stud roosters, hatching, production and supply of feed, prevention and cure of pestilence, processing and marketing.

Association members have some privileges, such as purchasing stud chickens at a preferential

Huang Shuiguang (right) and Liang Shengdong, two associate research fellows from the Guangdong Agricultural Scientific Research Institute, surveying the growth of a new strain of sugarcane.
price, priority in purchasing mixed feed, pestilence insurance, free technological information and lectures. In return, their obligation includes fulfilling assigned research tasks and paying 1 fen for each stud chicken raised. By combining production, research and marketing services, the association makes life much easier for its members. Its total membership expanded from 115 to 1,215 households in just one year.

The association also invites professors and institute specialists to act as technological consultants. For example, the local breed of chickens gave small eggs in low numbers, thus resulting in low profits for egg farmers. But a consultant from Shanghai introduced a breed of chicken from a foreign country which produces much larger yields. With the consultant’s help, the local farmers are raising chickens that lay 250-280 eggs annually, almost double the 130-150 eggs per bird of the native breed.

With the association’s training and advice, the members have abandoned old, inefficient methods. Some 95 percent of Longzheng’s chickens are now raised for commercial use and each chicken can produce a net annual profit of 10 yuan.

There are more and more such associations organized by peasants themselves with the help of local experts. With practical production skills, some have transformed from purely research-oriented groups into money-making businesses.

“Gods of Wealth”

Without the support and help of specialists and scholars, the success of rural research associations would be impossible.

The government encourages accomplished specialists and scholars to help peasants learn about science and technology. Their efforts have resulted in increased production and a rapid rise in peasant incomes. There is no wonder peasants call such specialists the “gods of wealth.” In traditional Chinese legend, the “god of wealth” is a lucky idol who can bring wealth to people.

Unfortunately, there are not enough “gods of wealth” available in rural China. Scholars and specialists find life in the countryside harder than city life, and their research achievements in the countryside are often not valued highly by their colleagues. For these reasons, those who are willing to serve the peasants are encouraged by the government. The government recently commended several of these altruistic scientists. Two of them, Professor Wang Shuxin from Beijing Agricultural University and Professor Zhang Wencai from Central China Agricultural College, were each rewarded with a prize of 10,000 yuan.

Basing himself on his two-year experience with the team, Wang wrote Raising Chickens for 500 Days, which turned out to be a best-seller with peasants.

Zhang has been teaching and performing research on fruit-tree growing since 1927. He has spent many of his vacations in the countryside surveying fruit trees in order to breed new varieties. In 1939 he succeeded in breeding two orange varieties named No. 20 and No. 26. But he was unable to spread his research results without government funding. He finally got his funding after the founding of New China in 1949. There are now some 37 million trees of No. 20 and No. 26 breed growing in the region. To help peasants grow oranges in the northern part of Hubei Province, Zhang and his colleagues walked 15 km of mountain trails each day to look for wild orange trees. They finally found three on an out-of-the-way mountain, proving that orange trees can survive in the region. Based on that finding, Zhang introduced commercial oranges into the area, and northern Hubei now yields more than 4,000 tons a year. Although he is now in his late 70s, Zhang frequently visits the countryside to give lectures on fruit-tree growing.
Tibetan Students Studying in Beijing

by LI RONGXIA

Our Correspondent

The days of ignorance in Tibet have ended. Today this remote autonomous region has three universities, 60 middle schools and more than 2,000 primary schools giving the children and grandchildren of former slaves a chance to have an education.

Yet there is still much to be done to improve education among the Tibetans. Only a few students from the region have entered the prestigious universities in Beijing, and only about 100 have passed the exams to study in the middle school attached to the Central Institute for Nationalities in the capital.

To help improve their educational foundation, some young Tibetans have moved to Beijing for their secondary school training. With the help of six years in a middle school, 22-year-old Tibetan Baima Ciren has bridged the gap in educational standards.

Making Up Lost Ground

Chen Changyuan, deputy principal at the institute’s middle school, said the backwardness left over from history will continue to handicap Tibet’s educational system for some time. Today more than 30 years after liberation, it is still inferior to Beijing’s system in both teaching quality and classroom conditions.

The institute’s middle school is the only school specially designated for ethnic minority students from all over the country. Administered by the State Nationalities Affairs Commission and the Central Institute for Nationalities, the school evolved from the Mongolian-Tibetan school which has a history of 71 years. The school now has 320 students, of whom 144 are Tibetans. The student body includes representatives of 46 nationalities from 13 provinces, municipalities and autonomous regions.

The school faces a heavy task in training such a wide spectrum of minority nationality students. And it has scored many successes. Most of the graduates have been admitted to universities and colleges, and a few have become cadres back in their hometowns.

As is the case back in Tibet, minority students studying in Beijing receive free food, clothing and boarding. Every student is granted an allowance of 26 yuan per month — including 18 yuan for meals and two yuan for clothes. They also enjoy free medical care. In contrast, in ordinary middle schools most Han students depend on their families to pay their educational expenses.

Poor Educational Foundation

Most of the Tibetans — sons and daughters of peasants and herdsmen. They generally have a poor educational foundation despite the fact that they are primary school graduates. Students from Lhasa approach the level of Beijing students, however, students from rural areas usually know only the Tibetan language. They neither speak nor write Han (Chinese) language, and some know only the simplest mathematics.

Because of their poor foundation, new junior middle school students must begin their studies by learning the Han pinyin phonetic alphabet and basic mathematics. Two teachers who speak the Tibetan language help the young Tibetans with their Chinese studies.

Tibetan students are diligent. They spend almost all of their time on their studies. Even during their free time they are often thinking of their lessons.

Within their first year, most students equal the mathematics and Han language standards of the Beijing primary school students. Once they catch up, they begin in the second year to study regular junior middle school courses. The junior middle school studies take three years and are followed by three years in senior middle school.

After a period of study, most young Tibetans feel a heavy responsibility to help bring an end to the backwardness back home in Tibet.

Chen, the deputy principal, said these students have achieved great progress in the past few years.

When entering school, Baima Ciren could speak only his native Tibetan. But now he does exceptionally well in his studies and has been tabbed a model student — ideologically, intellectually and physically. He has visited several Beijing middle schools to deliver speeches in his fluent Chinese. He has also published an article in the national magazine People’s Education.

Siqu Duoji, another Tibetan student, won third place in an essay contest that attracted middle school students from 17 provinces and municipalities.

Future College Students

Duo Qiong, a class monitor, said that he has learnt how to think over matters and has developed his own views while studying in Beijing.

The overwhelming majority of the Tibetan students want to take the college entrance examination.

(Continued on p. 32.)

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Care for the Urban Pensioners

from "GUANGMING RIBAO" (Guangming Daily)

THE issue of care for the elderly is attracting more and more attention worldwide. How is this question viewed in China? The following is an analysis of the present situation and lives of China's urban pensioners.

Economic Support. Most of China's urban elderly live with their grown children. At present, the usual economic arrangement can roughly be divided into five types:

1) Parental management. The children give all or part of their monthly incomes to their parents, who pool it with all or part of their own incomes to support the whole family. Most families with unmarried grown children adopt this type of arrangement.

2) Semi-joint management. Married children who live with their parents give part of their monthly incomes to the parents, who plan the overall budget for basic household expenditures. Other costs such as for clothes, books and newspapers are paid by family members separately. Sometimes the members pool their money to buy expensive goods such as a colour TV set or refrigerator. This type of arrangement is convenient for both old and young.

3) Parental support. The children and parents live together, and the latter pay all household expenses. This is usually the case with small families in which the parents have higher incomes.

4) Management by the children. The parents give part or all of their incomes to their married children, and let them run the household. This method is practiced in families where the parents are in advanced age or have little or no income.

5) Separate management. Although the married children live with their parents, their expenses are kept separate. The children may also give their parents some money every month. This is usually the practice in large families in which several married children live with their parents, or families in which the parents and children don't get along well.

Care in Life. According to one survey of retired Shanghai residents, the elderly usually take care of chores such as minding their grandchildren, shopping, washing, cooking and cleaning. These families usually live comfortable lives.

Spiritual Life. As people age, so do their social positions change. Former labourers who create wealth to retirees requiring support from all areas of society. As a result, the elderly may fall prey to feelings of inferiority and loneliness. At the same time, they may resent their changing situation and make increased demands for respect. These conflicting mental states can be soothed only by the satisfaction that comes from a warm family life. In harmonious families, the young always try to understand the elders' feelings and show concern for them. They often have talks with them on holidays, after meals or before bedtime, support them and help them take part in activities such as travel, physical exercise and social welfare work so that the elderly can maintain contact with society.

Over the past few years, various undertakings serving the aged have been initiated to pass some of the burden of care for the elderly from the family to society. As China's economy develops and its insurance system is gradually extended, more and more old people will be able to support themselves. Family economic support for the elderly will then be replaced by the support of society.

Feelings of loneliness and insecurity in the aged, a problem found difficult to solve abroad, is not so conspicuous an issue in China, where old people keep in close touch with all sectors of the society. The happiness of the elderly is embodied in their warm and peaceful lives, the realization of their personal wishes, and the gratification of their personal interests. This requires concern and support from the family and the society in general. Different types of old people have different spiritual problems. Those with low educational levels hope that their descendants will respect their say in household arrangements, tell them news from outside and get together with them on holidays. Those who have special skills wish to continue to achieve more in their own fields; and those who are interested in social work take great pride in their service to society.

Problems of Intellectuals

from "XUEXI YU YANJIU" (Study and Research)

SOME facts about China's intellectuals are easily seen — foremost that they are few in number in spite of the country's huge population. According to a UNESCO
survey of 114 countries, China ranked second from last in the number of college graduates per 10,000 persons.

The country's census in 1982, showed that although six million Chinese had bachelors' degrees, 230 million more were illiterate or semi-literate. This lopsided state of affairs is both cultural and geographical; the developed areas along China's coast have promoted education widely, while 70 percent of the people in outlying provinces and regions such as Tibet are illiterate.

Another salient fact is the surprising lack of top-ranked intellectuals. According to some statistics, the United States has more than 600,000 university professors while the Soviet Union has 300,000 and China merely 30,000 — most of them elderly. The members of the General Assembly of the Chinese Academy of Sciences, for example, average 70 years of age; even worse, that average is made up of a pitiful number of fifty years olds against a considerable proportion of octogenarians. Some of them barely able to manage their daily lives.

These problems are the result of China's unique historical and social conditions. Before 1911, the imperial civil service examinations were aimed at recruiting officials, not encouraging real intellectual development. True intellectuals had no social standing of any consequence, and indeed were looked down upon. This historical ghost still haunts today's China, and is the reason for the low status given intellectuals.

Contemporary China was a country of small-peasant economy. Its commodity production was underdeveloped, and society was little affected by science and technology even backward as they were. Blind to the great importance of modern science and technology to economic development, people even concluded that intellectuals were parasites living off the workers and peasants. This led to even more problems for intellectuals.

The turmoil of the 10-year "cultural revolution" particularly weakened and shattered China's small corps of intellectuals, leaving a generation-wide intellectual vacuum and causing uncountable loss. Driven by a love of science, many intellectuals have worked silently and alone for many years. But no professional titles have ever been granted to them, and their salaries are lower than those of physical labourers of the same generation.

**Views on Science And Technology**

**from "QINGDAO RIBAO"**

(Science and Technology News)

PROFESSOR Yang Chen Ning, a Chinese-American, shared the Nobel Prize for physics with Tsung Dao Lee in 1957. He recently gave his views on Chinese science and technology policies.

On the relationship between the study of basic science and theory and economic construction, Yang holds that China should fix the amount the government will provide to support the study of basic science and theory before deciding the scale and number of research projects. This will help break up the endless policy debates which often drone on over extremely miner issues. Judged by the profit of the whole nation, it is wise that the funds for basic studies will not be increased from five to ten years, because China's average national income at present is very low.

Yang thinks that China should mobilize all its resources to solve that problem. In many parts of China, people still live hard lives; academics should bear in mind and cease trying to exploit futuristic projects. The most important and difficult thing for a country to do is to develop its economy. This task takes dozens of years.

Yang stresses that China's primary goal is quadrupling its annual gross national output by the end of this century. From now on, the country's slogan should be "production first, production first, and again production first."

**China Enjoys Top Rice Seed Resources**

CHINA is the world's richest country in terms of rice seed resources. The nation has collected and preserved some 40,000 types of rice seeds. Of the total, local rice varieties account for 77 percent; high-quality rice, fragrant rice and bright purple rice account for 10 percent; and new varieties and foreign imports account for the other 13 percent.

There are also many varieties of wild rice growing in 140 counties in Guangdong, Yunnan, Fujian and other provinces. Most of the wild rice is of good quality. Some is fit for consumption and some can be used for medical purpose or in breeding rice hybrids that will be more resistant to blight and other crop diseases.
More Funds Fuel Power Projects

China's power industry will actively seek foreign investment, advanced technology and management expertise to overcome its major problems — inadequate funding and outdated equipment.

Overseas investments in hydropower construction will mainly come as medium- and long-term and low-interest loans or buyers' credits offered by foreign governments and international financial organizations. The industry will also open its doors to direct investment in joint ventures and co-operative enterprises.

Funding has already been granted by the World Bank, the Overseas Co-operative Fund of Japan and the Kuwait Fund for Arab Economic Development, which together extended US$1 billion to China in 1984. Two more contracts will soon be signed on loans totalling US$400 million.

Future hydropower construction will focus on the middle and lower reaches of the Changjiang (Yangtze) River, the upper reaches of the Huanghe (Yellow) River and the Hongshui River valley. Preparations are already under way on the development of the three Changjiang River gorges, as well as several other projects. The Longyangxia, Gezhouba, Ertan, Baishan and Tianshengqiao power stations will also go into service by the turn of the century. By the year 2000, China plans to build 17 1-million kw hydropower stations. The installed capacity of the hydropower stations planned for the three gorges on the Changjiang River is expected to reach 13 million kw.

Alternative energy sources will also come in for their share of attention. Work began recently on a 1.8 million kw nuclear station in Guangdong Province, a project jointly funded by the Ministry of Water Resources and Electric Power and investors in Hong Kong. By the end of the century, a number of nuclear stations will also be built in east and northeast China.

Only a small percentage of China's foreign capital has gone to finance new power projects. As construction progresses, more overseas investment will be needed to fuel this vital industry.

Xinjiang Opens Doors to Investors

"Xinjiang is rich in oil and natural gas deposits. It has verified reserves of 1.5 billion tons, which indicates that it will probably become China's most promising area for onshore oil production," Ismayil Aymat, chairman of the Xinjiang Uygur Autonomous Region, said at a news briefing in Beijing.

"The autonomous region is also rich in low-ash, low-sulphur coal, with reserves of 1.6 billion tons, and has water power resources equal to the annual flow of the Huanghe (Yellow), Huai and Haihe rivers put together. Its hydropower potential is estimated at 9.04 million kw, but only 1.7 percent has so far been utilized," Aymat said.

Of China's 147 known minerals, 115 have been discovered in Xinjiang. The region boasts reserves of iron, manganese, aluminium, beryllium, lithium, niobium, tantalum, muscovite and crystal.

Covering 1.6 million square kilometres, Xinjiang is the largest autonomous region in China and accounts for one-sixth of the country's total land mass.

In order to speed up its construction and promote economic and technological co-operation with
other countries, the regional government will step up both imports and exports while seeking more foreign funds and advanced technology. Xinjiang will hold a commodity sales exhibition in Hongkong in August, and will take part in the Izmir International Fair in Turkey later this year. It will also hold a foreign trade symposium in Urumqi, the regional capital, from August 20.

The region will select 83 projects for co-operation with foreign investors and businessmen from Hongkong and Macao at the symposium. These will cover textiles, foodstuffs, chemicals, machinery, building materials, non-ferrous metals, animal husbandry, tourism and public utilities.

To offset limitations including its remote location and long transport line, Xinjiang will offer foreign investors:

1. Greater decision-making powers for foreign-funded enterprises. They will enjoy more autonomy in manpower, finance, materials, production and supply and marketing;

2. Low-priced local raw materials and fuel for joint ventures, co-operative enterprises or foreign-owned enterprises;

3. Low land rental fees of one yuan to 50 yuan per square metre for joint ventures or foreign-owned enterprises. Land fees will be lowered further, or waived altogether, for projects in agriculture, animal husbandry, water conservancy and some other areas;

4. Low charges for labour;

5. Extended time limits for joint ventures. Some will have terms five to ten years longer than those offered in the interior and coastal areas; and

6. Part of the products of joint ventures, co-operative enterprises and foreign-owned enterprises are allowed to be sold on the domestic market. A larger proportion of these products can be arranged for the home market in light of the circumstances, and local foreign trade departments will help market another portion of these products abroad.

Bulgaria Holds Exhibition

A Bulgarian machine-building exhibition was held from May 20 to 30 in the national agricultural exhibition centre in Beijing. On display were computers, electronic instruments, machine products, measuring instruments, and freezing and packaging equipment brought by 15 organizations and enterprises under the Bulgarian Ministry of Machine-Building. A symposium on 13 technologies was also held.

Vice-Premier Tian Jiyun said at the opening ceremony that the exhibition will help promote economic and technological exchanges and co-operation between China and Bulgaria.

According to the 1984 Sino-Bulgarian trade agreement, Bulgaria will export food processing equipment, hoists, transport facilities and electronic equipment to China. Contracts for 50 percent of the planned exports have been signed.

Jiangsu Lining For Export

The Nantong-Hymo Co. Ltd., the first Chinese factory producing synthetic lining for export, went into operation last month. It will help end China's dependence on importing synthetic lining used for making medium- and high-grade garments, especially those intended for export.

Located in Nantong, Jiangsu Province, the Sino-Japanese joint venture is financed by the Nantong Handicrafts, Garments, Headwear and Footwear Company, the China International Trust and Investment Corp. and the Hymo Industrial Co. Ltd. of Japan. Its production plans call for 10 million metres of synthetic lining in its first year of operation, with equal amounts to be sold in China and overseas. The plant's output will reach 30 million metres in its second year of business, with 70 percent to be marketed in other countries.

NEWS IN BRIEF

The China Fuli Company is now holding talks with Gakken Science Kits of Japan on the purchase of electrical audio-visual aids for middle and primary schools.
CULTURE AND SCIENCE

Lao She Masterpiece on Television

The streets of Beijing, normally crowded with shoppers and strollers on a warm spring evening, clear earlier than usual each Sunday as local residents hurry home to tune in a television masterpiece — Chinese writer Lao She's epic drama, Four Generations Under One Roof.

By the internationally-acclaimed author of Camel Xiangzi (Rickshaw Boy) and Teahouse, Four Generations has broad appeal for Beijing residents. Set in Small Sheepfold Alley, the narrow lane that was once Lao She's home, the 28-episode serial traces the lives of 17 neighbouring families during the bitter years following the Japanese occupation of the city in 1937. Its huge cast of characters centres on the Qi's, a middle-class extended family—the Four Generations of the title—whose numerous members span the full range of local life. They also cover a wide political spectrum, with responses ranging from patriotism to passivity and outright treachery in the face of the Japanese invasion of China.

Based on the trilogy, Apprehension, Ignoble Existence and Famine, written while Lao She was in the United States in the early 1940s, Four Generations presented numerous problems for its producers at the Beijing Television Studio. Foremost, of course, was the near-herculean task of condensing the original novels, with their sprawling cast, into a clear, comprehensible screenplay. But recreating the Beijing of the late 1930s and early 1940s also proved to be no mean feat, since many neighbourhoods had changed beyond all recognition since the founding of New China. Small Sheepfold Alley, in particular, was not what it used to be and thus had to be entirely recreated with the help of Hu Jieqing, Lao She's 79-year-old widow and a key advisor on the project.

The series also had the advice of a large number of older Beijing residents: the former barbers, rickshaw pullers, actresses and undertakers whose capacious memories provided the details needed to
make its costumes and settings faithful to their historical period.

Although the series will run for many weeks, Hu believes it has already had a large impact on its television audience, especially younger viewers who had no experience of the capital's former customs and hard times. To explain its dramatic appeal, she quotes the lines of a poem Lao She wrote nearly 45 years ago:

"We will take up our pens... Inscribing the heroic deeds, victorious creeds. 
In the pages of history 
To make all generations remain, lofty."

Four Generations Under One Roof is now being shown to mark the 40th anniversary of the end of World War II. It has been translated into English, Japanese, French and Romanian.

Lao She wrote 16 novels, over 70 short stories and 36 plays and librettos between the 1920s and his death in 1966.

**Concert Marks Russian Composer**

A concert was held in Beijing last month to commemorate the 90th birthday of Russian composer Aaron Avshalomov.

Avshalomov (1894-1964) was born in a small town near the mouth of the Heilongjiang River, on the Sino-Soviet border. Deeply influenced by Chinese folk songs and the stylized arias of Beijing opera, he honed his skills in composition at the Zurich Conservatory in Switzerland before moving to Shanghai, where he lived for more than a dozen years.

During that period, he produced a large body of works reflecting the special features of ancient Chinese music — its scale, melody and rhythm. Many were based on folk tales and legends, including operas on the lives of the Goddess of Mercy and the famous beauty Yang Yuhuan, an imperial concubine of the Tang Dynasty. Avshalomov also composed a song for Mei Lanfang, the modern master of Beijing opera.

Among the pieces played at the Beijing concert were a choral interpretation of the legend of Meng Jiangnu — a Chinese woman who sacrificed her life for her husband who died while building the Great Wall — vocal solos based on the poems of Tang dynasty poet Li Bai, and nocturnes for the Erhu, a two-stringed Chinese violin. Also featured were selections from Avshalomov's *Beijing Lane*, a symphonic poem memorializing life in the ancient Chinese capital.

Commenting on one of his dance dramas in the '50s, one newspaper said, "We see that much timber and expressive power has been instilled into Chinese music..." And the composer responded, "I'm sure a generation of talented Chinese composers will soon come to the fore, bringing Chinese music to the rest of the world."

Avshalomov's great esteem for the Chinese cultural tradition is worth affirming. Today, an increasing number of people in the world have taken to traditional Chinese music. Ever more new creations are welcomed by the audiences. For example, Liang Shanbo and Zhu Yingtai, a violin concerto describing a legendary love story, and the caprice *Great Wall*, a Western-style composition played on *Erhu* with the accompaniment of a traditional instruments orchestra. They all reflect the combination of the cream of Chinese and Western traditional art.

These achievements suggest to people the great potential of the development of Chinese art. In addition to the valuable references and nutrition of foreign art, the artists can draw inexhaustible nutrition from the vast sea of traditional Chinese art.

Although not the first Western musician to draw inspiration from the East, Avshalomov was one of the most successful in adapting European techniques to Chinese cultural traditions. This achievement helps explain why, within a month following special concerts marking the 300th birthdays of the musical giants, Bach and Handel, and the 145th anniversary of the birth of Tchaikovsky, Beijing has also commemorated Aaron Avshalomov — a foreign composer who valued and understood the Chinese cultural legacy.
Peng’s Memoirs Chronicle His Rise, Fall

Memoirs of a Chinese Marshal
(in English and Japanese)

Written by: Marshal Peng Dehuai
Published by: Foreign Languages Press

Distributed by: China International Book Trading Corp. (Guoji Shudian)

Memoirs of a Chinese Marshal is an absorbing first-hand account of an important slice of Chinese history. It covers Peng’s career from service in China’s warlord armies to command of the Chinese People’s Volunteers in Korea.

Peng was born in 1898 into a struggling farm family in Xiangtan County, Hunan Province. He saw his baby brother die of malnutrition, family land and possessions sold to buy food, and family members forced to beg from neighbours. The begging sickened him and he went out at the age of 10 to do odd jobs that would bring in money for food.

By age 13 he was a child labourer in a coal pit, not only doing dangerous work 12 and 13 hours a day but getting cheated out of half his pay by the pit owner.

Of these years he writes: “The appalling poverty I experienced in my childhood and youth tempered me. In later years I often recalled the plight of my childhood with a view to preventing myself from becoming corrupt and forgetting the hard life of the poor.”

Joining warlord troops meant that after deductions, he would have up to 3.50 silver dollars to send home; so he signed up in March of 1916, not yet 18, in the Sixth Regiment of the Hunan Army Second Division.

Peng’s unit fought its way through see-saw campaigns and back-country skirmishes with other warlord forces, two things happened. Battles took their toll, and young Peng’s natural ability started him up the command ladder, first as a squad leader, then as head of a platoon. At the same time, he began to catch on to an overriding political reality: No matter how the battles went, the warlords and landlords always seemed to win and the soldiers and peasants always seemed to lose.

Peng saw this turned around during a protest over back pay. When the arrears reached almost two years, soldier representatives organized a protest and a march and came away with a compromise settlement. Peng writes: “When soldiers become conscious of what they are doing and are organized, they constitute a mighty force. The experience helped me to set up soldiers’ committees and institute...”
soldiers' self-government in later years."

His first step in this direction was the organization of Save-the-Poor Committee, an idea which he carried with him into the Hunan Officers' Academy and expanded when he returned to the Sixth Regiment as a company commander. Starting out with five members and a four-point charter, the committee became an underground source that provided ideas and leaders for the Soldiers' Committee movement which led directly to the Pingjiang Uprising in 1928, according to Peng.

By this time he was a regimental commander, had joined the Communist Party and had an underground Party organization ready to act when three key officers who were Party members faced exposure and arrest. Once again, the back pay issue was a catalyst and the revolt liberated the town of Pingjiang, freed students and revolutionaries from jail, and started Peng on the road to being a Red Army commander.

After Pingjiang, Peng's units gathered strength and momentum, smashing Kuomintang counterattacks and fighting their way, as the Fifth Red Army, to join up with the Fourth Red Army and Mao Zedong in the Jinggang Mountains at the Hunan-Jiangxi border area. That was the beginning; there were many days of battle and many years of struggle ahead. As a Red Army commander, Peng fought Kuomintang reactionaries to a standoff in four central provinces; directed a key breakthrough at Zunyi during the Long March; was Eighth Route Army Deputy Commander against the Japanese; was Commander-in-Chief of the First Field Army that liberated Northwest China; and was commander of the Chinese People's Volunteers that defeated the invading US troops in Korea.

At a session of the Political Bureau of the Central Committee of the Communist Party in Lushan in July 1959, Peng became convinced that there were serious flaws in production figures and programme implementations in the Great Leap Forward reports. With characteristic directness, he decided a letter of criticism on the Great Leap Forward practices to Chairman Mao would straighten out the problems, and he literally dashed off the letter, starting it one evening after supper and delivering it the next morning to Mao. His life was never the same afterwards.

He lost his position, was exiled from Party membership and was put under virtual house arrest until 1965, when he was considered by Mao to be rehabilitated. Assigned then to a post in Sichuan Province as deputy chief for national defence construction in Southwest China, he was called back in 1966 and ground up in the mill of the "cultural revolution."

Peng denied wrongdoing and defied his persecutors through beatings, deprivation and over 130 interrogations to die a martyr's death in November 1974. The Third Plenary session of the 11th Central Committee of the Party, held in 1978, re-examined his case, reversed the judgment, exonerated him of all charges and reaffirmed his contributions to the Chinese revolution.

_Memoirs of a Chinese Marshal_ not only documents Peng's role in the building of modern China but is also a reference work of considerable value relating to military actions and the Red Army's beginnings in the 1920s and 1930s. More than 400 of the book's 523 pages focus on this period. Peng's writing is rich in anecdotes: marches, battles, river crossings, retreats, ambushes, espionage, assassinations, executions, betrayals and plots. The development of soldiers' rights groups and the growth of Party membership from an underground network into a victorious Red Army are detailed with names, dates, places and incidents.

Supplementing Peng's narrative is a photo section, campaign maps, a 10-page introduction and a preface by Yang Shangkun, one of Peng's comrades-in-arms who is now vice-chairman of the Military Commission of the Communist Party Central Committee. Appendices include the text of Peng's 1959 letter of criticism to Mao and excerpts from a 1965 conversation with Mao.

— Rick Shanor

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**ENGLISH BOOKS AVAILABLE**

**LIGHT AND SHADOW ALONG A GREAT ROAD**

Translated by Rewi Alley

This is an anthology of 431 poems by 388 contemporary Chinese poets, including almost all the poetic themes and styles characteristic of the past 60 years.

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The authors describe in detail the conventions and unique artistry of this traditional Chinese theatrical form. Much of the book is devoted to introducing Peking Opera to the West.

A German edition is also available.

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In this book the author conveys first-hand accounts of the highly ritualized lifestyle in an aristocratic house that survived the collapse of a dozen dynasties purely by virtue of its link with Confucius.

**BEIJING OLD AND NEW**

by Zhou Shachen

In this richly illustrate book the author gives a comprehensive introduction of Beijing's history, legends, architecture, historical relics and places of scenic beauty. Illustrations in color.

_Published by New World Press, Beijing, China_

_Distributed by China International Book Trading Corporation (Guoji Shudian) P.O. Box 399, Beijing, China_
Papercuts

by Peasant Zhang Yujie

Influenced by folk papercuts from her childhood, Zhang Yujie began to teach herself the skill while still a young girl. Exaggerated and lively, her works are bold and beautiful.

Zhang was born in 1939 in Qianyang County, Shaanxi Province.
Blue Sky Toothpaste, produced by the Tianjin Toothpaste Factory, is a refreshing way to brush your teeth and fight tooth decay. The spearmint flavour keeps your breath fresh for hours. It was awarded the state gold medal for fine quality in 1981.