

No. 50 December 14, 1981

# BEIJING REVIEW

北京周报

A CHINESE WEEKLY  
OF  
NEWS AND VIEWS

- On Party Style of Work
- New Developments in Kampuchea
- China's Special Economic Zones





## HIGHLIGHTS OF THE WEEK

### Education for National Minorities

#### NPC Session Continues

The deputies focus their discussions on Premier Zhao's report on the work of the government, Minister of Finance Wang Bingqian's report on 1980's final state accounts and the execution of financial estimates for 1981 (p. 5).

#### Marxism and Humanitarianism

Is humanitarianism a bourgeois ideology? Or is it a Marxist principle? A synopsis of the arguments of both sides in the controversy within Chinese theoretical circles (pp. 21-23).

#### Kampuchean Developments

A factual report on recent developments in Kampuchea. The dissolution of the Kampuchean CP, the tripartite talks and the Singapore proposal are covered (p. 10).

#### Special Economic Zones

A leading economist explains the reasons special economic zones have been set up in China. He also explains the nature of both jointly and individually financed enterprises in these zones as well as related policies and measures (pp. 14-17).

Progress and prospects for four such zones are described (pp. 17-21).

#### Enterprises Run by Individuals

Is individual economy a form of capitalist economy? (p. 26).

#### Performing for the Peasants

Well-known Beijing theatrical companies recently toured the countryside where prosperous peasants are calling for more culture and entertainment (p. 8).

Seventy per cent of the school-aged children of the national minorities are learning to read and write (pp. 29-30).

#### Ecological Equilibrium

Shunde County gets rich by improving the traditional farming method to help natural cycle; a natural reserve in Guizhou, virtually untouched by human influences, is found to exemplify primitive ecological relationships (pp. 28-29).



Father and daughter performing for the people.  
Photo by Sun Yi

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### Party Style of Work

**There has been much talk about unhealthy tendencies in the Chinese Communist Party. Can you give me a clear idea of what's really happening?**

In the summer-autumn period of this year, big floods wreaked havoc on the upper reaches of the Changjiang River while simultaneously the water level was surging rapidly along the upper reaches of the Huanghe River. People in both areas conquered the floods with tremendous success. The Communist Party withstood the test and won warm applause from the people throughout the nation for both its leadership and style of work in combating the floods.

Leading members of Party, government and army organizations at various levels as well as several State Council ministers directed the fight from makeshift shelters on top of newly built dykes and dams; grass-roots cadres fought on the frontlines and risked their lives wherever there was danger; countless Party and Youth League members toiled selflessly, rescuing others before their own family members. Facts show that the style of work of both the Party and its leading members is improving, and that the Chinese Communist Party is truly at the people's service and sharing weal and woe with the masses — "friends in need" indeed. From the battle against the floods people see the hope of China.

This is but one example showing that the Party style of work has been improving in the last two years. But much remains

to be done before it equals the style it achieved during the Yanan period of the 30s and 40s or during the early post-liberation days of the 50s. This calls for much more arduous efforts and a much longer time.

The people hold justifiable grudges against the unhealthy tendencies inside the Party and their bad influence on social morality. There has been much talk about this among our foreign friends, too. But the recent fight against the natural calamities shows that the Party is fully capable of bringing its fine style of work to life. Scepticism about the Party's ability to rectify its style of work is groundless.

The majority of the 39 million Party members are good. Only a small number of them are not acting as they should. Some of them indulge in privilege-seeking, some squander government money, some receive bribes or bribe others, some infringe upon the people's interests and even extort money from the masses. All these phenomena have profound historical and social causes.

The 10-year turmoil of the "cultural revolution" brought great harm to our Party with regard to its organization and its style of work. In addition, there are the remnants of feudal ideas and the influence of bourgeois ideology from abroad. Some unqualified people were admitted into the Party, and the revolutionary staunchness of some Party veterans has faded, leaving them unable to withstand the impact of various unhealthy tendencies. All this contributes to the difficulty of rectifying

the Party style of work and reviving its fine traditions.

The Party Central Committee has repeatedly warned that the style of work of a Party in power is a life-and-death matter for the Party. It has worked out a series of rules and regulations and taken effective measures to rectify the style of work. In his report on the government work to the Fourth Session of the Fifth National People's Congress, Premier Zhao Ziyang called for enforcing discipline with regard to work and financial matters and said that stern measures should be taken against those who violate discipline. Party committees of various provinces, municipalities and autonomous regions have taken the lead in curbing the unhealthy tendencies. The Beijing municipal Party committee, for example, in two months effectively stopped the practice of certain cadres feasting themselves at government expense.

We have ample reason to believe that, given the concerted and persistent efforts of the whole Party, the Chinese Communist Party will restore its fine style of work and it will be held in high esteem again among the people.

— Political Editor An Zhiguo





## LETTERS

### Overcoming Difficulties

We are living at a time when one does not hear or read much good news; so, I find the articles in your magazine reporting the solution of the various problems in your country to be very refreshing. For example, it is a pleasure to read about the construction of small hydroelectric plants to provide energy for the rural communities, the harvesting of bountiful crops and increased production in light industry. On the other hand, I do not enjoy the articles relating to political matters and the reprinting of long speeches. The exception to this was the speech of Hu Yaobang which invited Taiwan "to come back into the fold." My personal hope is that some day this will occur.

I am also interested in the progress of China in achieving the four modernizations.

**B.T. Newman**  
Dedham, MA., USA

### The Baoshan Project

I recently heard that the first phase of the construction of Baoshan Iron and Steel Complex will continue. As a Japanese citizen, I am gratified at this news. I am glad Japan can provide assistance and contributions to your country's economic construction. I hope this project will proceed smoothly to completion. At the same time, I sincerely hope that Japan will go on giving vigorous support to and strengthening co-operation with neighbouring countries.

**Taizo Shibahashi**  
Chiba, Japan

### International Reports

Articles on international affairs should be diversified and there should be a turn for every country in the world. Reading them should enable people to acquire a proper understanding of events in

foreign countries and between nations.

**Benaissa Hassan**  
Oran, Algeria

I like very much the article "Prickly Autumn for the US Administration" in issue No. 38. I think you should print more such articles which thoroughly expose and criticize the US government's hostile policies towards workers.

I am also satisfied with three articles on the Palestinian question in the international section of issue No. 34, because they explained in plain language the situation in that region and China's stand on the question.

The series of articles on important historical facts concerning the Sino-Vietnamese relations published in issues Nos. 41, 42 and 44 are also very interesting.

I think that your magazine is not difficult to understand. But, it is true that some articles are dull. An example is the article about the North-South economic dialogue in issue No. 44. You should continue to publish articles that show the exploitation of the third world by Western imperialism and the Soviet Union.

I recommend the international section carry some reports on the independent development of the national economies of the non-aligned countries such as democratic Korea and Algeria, as well as their social progress and achievements.

**Heinz-Gunter Foerster**  
Bielefeld, W. Germany

I must admit that I seldom read these (international) articles. Here in Denmark we have some fairly good newspapers, and therefore I do not need all the information you give. On the other hand I select some particular articles from this section so as to acquaint myself with your opinions on certain issues. Here I would like to say that I want a more explicit characterization of the US, in particular I would be glad to see you frankly calling the USA an imperialist country and not just a power with a wrong foreign policy.

**Hans Chr. Petersen**  
Brabrand, Denmark

### Understanding and Respect

We, the Iranian people, who deeply respect the PRC, are very much interested in getting to know your views on world affairs. I am following with interest the profound social and historic changes taking place in your socialist country. Given the changes which have taken place in China since the downfall of the gang of four, we have gained a fuller and better understanding of Marxism-Leninism. Your analysis of the role of Comrade Mao Zedong has given us a particularly good understanding of the role of great figures in history and the proper role of people's political parties and other social organizations. For example, the relationships between class struggle and productive forces in a socialist country.

I wish you new successes in your great historical cause.

**T.J.**  
Teheran, Iran

### Archaeology, Maxims and Proverbs

I like the column "Culture and Science" most, especially items on archaeology. Personally, I wish you would introduce items which show the wisdom of the Chinese people, such as maxims, admonitions and experiences of life. In journals published in Germany, I often find Chinese proverbs and phrases of unlimited interest. Why cannot I find them in a China-published journal like yours?

**Wilhelm, Greune**  
Lüneburg, W. Germany

### Brief Comments

Reading items in "Events and Trends" enables the readers to understand the problems and the actual condition of China's industry and agriculture as well as the daily life of China's workers and peasants, elders and youngsters, men and women.

Some articles in the column "Articles and Documents" are too long. This may lead to the neglect of some subjects.

I hope you will publish some Chinese classical and modern poems in "Culture and Science."

**Lupascu Bogdan Ion**  
Braila, Romania



## POLITICAL

## Fourth Session of Fifth NPC Continues

Deputies to the Fourth Session of the Fifth National People's Congress on December 2 began panel discussions after two days of plenary meetings. They focused on Premier Zhao Ziyang's report on the work of the government and Minister of Finance Wang Bingqian's report on 1980's final state accounts and the execution of financial estimates for 1981.

The final segment of Premier Zhao's report delivered on December 1 concerned China's Sixth Five-Year Plan (1981-85) now under preparation and the country's economic prospects, the main points of which are as follows:

— A fundamental change for the better in China's finance and economy will be the main target of the Sixth Five-year Plan. During this period, there will be a certain rate of economic growth, although the pace cannot be very fast.

— The speed of economic growth can be increased if a good foundation is laid during this period. The last decade of this century will very likely be a period of vigorous economic development. People of the whole country should work hard in a unified way to increase the gross output of industry and agriculture threefold within 20 years and ensure an improved living standard for the people. These efforts will provide us with a new economic base which will allow China to quickly advance to the ranks of the economically developed countries.

— The 1982 plan calls for an increase of 4 per cent in the total output value of industry and agriculture. Efforts will be made to exceed this figure. The 1981 increase is estimated at around 3 per cent. As for the national income in 1982, an increase of 4 per cent over that of 1981 is also planned.

— Bureaucracy in political life and economic management is a serious obstacle to the development of the national economy. Organization reduction or amalgamation will start with

departments under the State Council and be completed within a limited period of time. These departments should set an example for local governments at all levels.

— Economic legislation and judicial work must be strengthened so as to deal effectively with all kinds of economic crimes. Any government functionary engaged in such criminal activities will be severely punished.

In his report, Minister of Finance Wang Bingqian said that the state budget for 1982 projected revenue at 110,000 million yuan, 3.9 per cent more than this year, and total expenditures at 113,000 million yuan, 4 per cent more than this year's figure. To ensure steady development in the national economy, the budget will show a 3,000 million yuan deficit because some expenditures cannot be further reduced while others will have to be increased.

He said that while state expenditures are expected to be 13,390 million yuan less than last year, an increased amount of money has been spent on culture, education, health work and science. Education costs are expected to rise by 8.1 per cent, health work 7.2 per cent, and science 21.3 per cent, adding up to a total increase of 1,370 million yuan over last year.

During the panel discussions, the deputies unanimously affirmed the government's achievements last year. Xu Dixin, a noted economist, said that it was a remarkable success for China to reduce its financial deficit from 17,000 million yuan in 1979 and 12,750 million yuan

Yuan Weimin (second from right), coach of the Chinese women's volleyball team, chatting with other deputies to the NPC during the recess.







Deputies from the agricultural front.

in 1980 to 2,720 million yuan this year, thereby basically achieving a balance between expenditure and revenue. All this should be attributed to the Party's correct policies and the united efforts of the people throughout the nation. The first 10 months of this year saw an increase of 9,500 million yuan of savings deposits in both urban and rural areas, which indicated that the government enjoyed the trust of the people.

A deputy from Tianjin pointed out that Premier Zhao's report did not attach due importance to combating waste. He said that economic waste directly retarded the increase of economic returns.

Many deputies suggested ways to help improve the government's work.

The Fourth Session of the Fifth NPC held a plenary meeting on December 7, during which the deputies heard a work report of the NPC Standing Committee, explanations of several draft laws, work reports of the Supreme People's Court and of the Supreme People's Procuratorate, and an explanation of the draft resolution calling for a nationwide voluntary tree-planting campaign.

## ECONOMIC

### Economic and Technical Co-operation

To hasten its economic construction, the Inner Mongolian Autonomous Region plans to undertake 67 co-operative projects with more technologically and economically advanced provinces and municipalities.

With an area of 1.2 million square kilometres, Inner Mongolia abounds in natural resources such as coal, iron and non-ferrous metals. Its reserves of rare-earth elements rank first in the world. It leads the nation in animal husbandry with 87 million hectares of pastureland. Timber reserves in the 10 million hectares of forests stand at 940 million cubic metres.

But economic development in Inner Mongolia is handicapped by backward local technology. Reliance upon the area's own limited financial and material resources has hampered the rapid exploitation of local natural resources. For this reason, the people's government of the autonomous region decided to co-operate with

other provinces and municipalities.

Beijing, Shanghai and six provinces have jointly invested in a project to open up a vast area of primitive, overgrown forest in Inner Mongolia and to promote the multi-purpose utilization of forestry resources. To maximize use of the region's huge beet crop, the city of Tianjin and two provinces are helping to build and expand three sugar mills with an annual capacity of 20,000 tons each. Other co-operative projects under construction include dairy products processing factories and cattle- and sheep-breeding centres. Investment from the various provinces and municipalities presently total more than 100 million yuan.

In addition, Shanghai, Beijing, Tianjin and some other big cities will provide expertise to Inner Mongolia in such areas as electroplating and spray-painting bicycle parts, foodstuff processing, drug-making, tanning and paper-making.

All of the co-operative projects have been worked out within the framework of state plans and in line with the principle of mutual help and mutual benefit.

This type of inter-regional co-operation is a new phenomenon in China's ongoing drive for economic readjustment and transformation. It is conducive to moving away from economic management which relied mainly on administrative decision-making. In the past, each different government department and locality acted on its own with little or no co-operation or exchange between them. This practice seriously hindered the development of local natural resources and thereby affected overall economic results.



## Food Processing Industry

The China National Association of Food Processing Industry was set up recently. Du Ziduan, Vice-Minister of Agriculture, was elected its president.

An administrative organization, the association has been entrusted by the government to co-ordinate the work of food processing enterprises and map out a unified plan for development. Two of its affiliated organizations, the dairy products and baby food associations, have been set up and preparatory work for another 10 is under way.

Sales of processed food account for about half of the country's total retail sales of consumer goods. In 1980, the total output value of this industry was 56,800 million yuan, a 5.8-fold increase over that of 1952. Despite this rate of growth, the food processing industry still falls behind the increasing needs of the people. The quantity and variety on sale in both the cities and the countryside are insufficient, and quality leaves much to be desired.

The technique of processing

has to be improved. Backwardness in this field is due to the fact that, for a long time, it has not received sufficient attention. As the industry is under the charge of more than a dozen departments, there is no unified planning and co-ordination. In the case of some raw materials, such as grain and milk, the supply is insufficient; in the case of others, such as various kinds of fruit, there is enormous waste resulting from tardy transportation and processing. In addition, there are also the problems of insufficient investment, outdated equipment and backward technology.

In the last few years, the Party and government have repeatedly stressed the importance of developing the food processing industry. The establishment of the said association will help solve these problems.

The State Council has decided to allocate 5 million tons of grain to increase food production. With good harvests for years running and with the steady development of animal husbandry and sideline occupations, the industry is assured of an abundant supply of raw materials. And with the rise in

the income of both urban and rural residents, there will be a large market for processed food. The prospect of the food processing industry in China is bright.

## SOCIAL

### Pay Rise for School Teachers

Nearly 12 million teachers of middle and primary schools got a raise in salary as of October 1, 1981. Most were given a one-grade promotion, while a small number of teachers who had performed outstanding service were given two-grade promotions. Their salaries range from 42 to 120 yuan a month, and a one-grade promotion amounts to 5-12 additional yuan.

One-fifth of China's population of 1,000 million are in middle and primary schools, i.e., an average of one child from each household.

Teachers of middle and primary schools shoulder the heavy responsibility of bringing up a new generation with socialist consciousness, yet their salaries are generally lower than people working in other fields. A raise in pay is, therefore, conducive to an improvement in basic education for the children.

Since the smashing of the gang of four in October 1976, the state has shown great concern for improving the living standard of workers and staff members. In spite of the limited financial resources, the State Council made wage readjustments (including salaries of school teachers) on two occasions—in 1977 and in 1979. After investigations into the

Candies produced by the Huashan Candy Factory in Shanghai have a good market at home and abroad.





salary situation of teachers, the Party Central Committee and the State Council decided that priority should be given this year to further raising their salaries.

School teachers in the rural areas, who are not on the state payroll and therefore not covered by the recent salary readjustment, will receive an average increase of 50 yuan a year, to be paid from the state subsidy.

A small number of workers and staff members in the medical and health departments, outstanding athletes, coaches and physical culture workers, whose salaries used to be as low as the school teachers, also got a pay increase as of October 1 this year.

## Performing for the Peasants

Thirteen well-known theatrical companies in Beijing recently toured the countryside and performed for the peasants in a number of provinces and autonomous regions.

The performing groups, sent by the Dongfang (Oriental) Song and Dance Ensemble, the Central Ballet Theatre, the China Beijing Opera Theatre and others, included celebrated artists of the older generation as well as up-and-coming young performers.

The Dongfang Song and

Dance Ensemble, which specializes in folk songs and dances of various countries, sent out two teams. One gave five performances for the peasants on the outskirts of Beijing, and the other toured the villages south of the Changjiang River.

Several groups from the China Beijing Opera Theatre performed for the peasants in Hebei and Liaoning Provinces.

Sixty members of the Central Ballet Theatre delighted the peasants of Hunan and Guangdong Provinces with performances of an art many of them had not had the chance to see before. Artists of the Central National Music Ensemble visited the villages in Fujian, Henan, Anhui, Zhejiang and Xinjiang.

These troupes were given a rousing welcome wherever they went. In some places, whole villages turned out to watch these performances by the nation's top-notch stage artists.

Meanwhile, many well-known writers, playwrights and poets also went to the rural areas, frontier regions and areas inhabited by minority nationalities to live among the peasants and herdsmen and learn from real life.

China's political and economic situation is getting better and better, especially in the rural areas. With improvement in their livelihood, the peasants wish to see more and better performances, and writers, play-

wrights and poets are eager to portray the changes that have taken place in their lives.

Man's social life is the source of literature and art. While the people provide materials for artistic creation, literary and art workers should serve them and satisfy their cultural needs. Writers and artists should maintain flesh-and-blood ties with the people (the 800 million peasants constitute the vast majority of China's population), and if they should fail to do so, they would not be able to produce good works.

The people need art, but writers and artists need the people even more.

## FOREIGN RELATIONS

### Huang Hua Visits Five West African Countries

Vice-Premier and Minister of Foreign Affairs Huang Hua paid a visit to five West African countries at the invitation of the Governments of Nigeria, Guinea, Mali, Senegal and Ghana.

His visit to these countries, from mid-November to early December, was fruitful and enhanced mutual understanding and friendship.

Huang Hua exchanged views with leaders of these countries on major international issues and bilateral relations and they shared similar or identical views.

- They are all opposed to interference in the internal affairs of a sovereign state or armed aggression by any foreign forces. They are against racism, racial discrimination and foreign control in whatever form in southern Africa, the Middle East and other parts of world.

Performing for commune members in Qinghai Province's Ledu County.





- They expressed support for the Namibian people's struggle for independence, the struggle of the people in South Africa for freedom and emancipation from racist rule, and the Palestinian people's struggle to recover their lost territories and to establish their own state.

- They reached a common stand on the question of North-South economic relations, and pledged to continue their efforts for global negotiations at an early date.

Huang Hua pledged China's firm support for a candidate from the third world countries for the position of UN Secretary-General. He reiterated that the Chinese Government and people unswervingly adhere to the foreign policy formulated by the late Chairman Mao Zedong and Premier Zhou Enlai. They will always share weal and woe with the African countries and people and march forward shoulder to shoulder with them.

**In Nigeria.** Huang Hua held talks with President Shehu Shagari, Vice-President Alex Ekwueme and Minister of Foreign Affairs Ishaya Audu on separate occasions. Huang Hua noted that Nigeria has attached importance to the development of an independent national economy, initiated the establishment of the economic community of West African states and other regional economic organizations, and adhered to a policy of neutrality and non-alignment. He also pointed out that Nigeria has made important contributions to the search for peace and stability in Chad and for Namibia's independence at an early date.

China and Nigeria signed an agreement on cultural co-operation

and another one on long-term trade.

According to the new trade agreement, the two countries will continue to grant each other most favoured nation treatment in imports and exports and will increase the trade volume to achieve a balance in trade. The two sides also agreed to form a joint committee to promote trade.

President Shehu Shagari accepted an invitation to visit China extended to him by Huang Hua on behalf of Premier Zhao Ziyang.

**In Guinea.** Huang Hua exchanged views with President Sekou Toure on the development of friendship and co-operation between China and Guinea and on international issues of common concern. They expressed the hope that co-operation would be increased so that the two countries would make positive contributions to the struggle against imperialism and colonialism.

Huang Hua took part in a mass rally to mark the 11th anniversary of the victory over the foreign mercenary aggression. In his speech at the rally, Huang Hua spoke highly of the glorious tradition of the Guinean people in fighting against imperialism and colonialism. He stressed that African countries, like the other third world countries, have played an increasingly important role in international affairs and are a powerful force in combating power politics and safeguarding world peace.

**In Mali.** Huang Hua held talks with Minister of Foreign Affairs and International Co-operation Alioune Bloudin Beye.

President Moussa Traore received Huang Hua and had a cordial and friendly talk with

him. The President praised the relations of friendship between Mali and China and the friendly co-operation between the two countries.

**In Senegal.** President Abdou Diouf received Huang Hua. They expressed satisfaction with the development of bilateral relations in the past decade since the establishment of diplomatic relations between China and Senegal.

On behalf of Premier Zhao Ziyang, Huang Hua extended an invitation to President Diouf to visit China. President Diouf accepted the invitation.

Huang Hua held talks with Prime Minister Habib Thiam, Minister of State for Foreign Affairs Moustapha Niasse and President of the Economic and Social Committee Magatte Lo on separate occasions. They expressed the hope that co-operation between the two countries in many fields would be strengthened.

**In Ghana.** President Hilla Limann received Huang Hua and Foreign Minister Chinebuah held talks with him. Both sides stressed the importance of developing the national economy. Huang Hua said that, at present, the old international economic order, the control of multi-national companies and inequitable terms of trade are the common problems confronting the developing countries. These problems obstruct their efforts to develop their own economy. Huang Hua stressed the need for the developing countries to form a common strategy to establish a new economic order.

China and Ghana signed a five-year agreement on cultural co-operation.



*Democratic Kampuchea***Alliance Against Viet Nam**

**D**EMOCRATIC Kampuchea called on its army, people and overseas residents to discuss the coalition of the three resistance forces and express their opinions on how to strengthen the country's resistance to the Vietnamese aggression. A communique was released on November 30 by the Permanent Committee of the People's Congress of Kampuchea, the Government of Democratic Kampuchea and the Patriotic and Democratic Front of the Great National Union of Kampuchea. It dealt with the achievements of the tripartite ad hoc committee's talks and the Singapore proposal.

**Tripartite ad Hoc Committee**

The tripartite ad hoc committee was set up on the basis of a four-point statement signed by the leaders (Khieu Samphan, Samdech Norodom Sihanouk and Son Sann) of the three Kampuchean factions on September 4 in Singapore. The committee met in nine sessions in Bangkok between September 13 and November 14 to discuss how to form a coalition government. In the ninth session the three sides while reserving their differences achieved some major agreements, progress based on the first eight sessions. According to the communique released by Democratic Kampuchea, the tripartite ad hoc committee basically agreed on the political principles, the political programmes (internal and external policies), the composition of the Standing Committee of the People's Rep-

resentative Assembly, as well as the structure and the principles of the composition of the coalition government.

The political principles include: No side shall claim all powers of the coalition government to itself; the three sides should be represented in the structure and composition of the government; the cabinet should decide important questions by consensus through consultations; the legitimacy of the institution in Democratic Kampuchea must be maintained during the preparations to form the coalition

government so that there will be no opportunity for Viet Nam and the Soviet Union to question the country's legal status.

"The results attained at the tripartite ad hoc committee," the communique said, "have been rejected by his excellency Son Sann who insists on all the conditions he has put forth." These conditions are that his faction must have the primary position in the coalition and occupy most of the ministerial posts and that leaders of Democratic Kampuchea be "exiled from the country."

**Singapore Proposal**

During their stay in Thailand from November 21 to 24, Singa-

**Kampuchean Communist Party Dissolved**

**T**HE Central Committee of the Communist Party of Kampuchea (CPK) has announced its dissolution.

The December 6 press release of the CPK Central Committee announcing the decision indicated that the former Party's members will continue to fight for the national independence, sovereignty, territorial integrity, peace and neutrality of Democratic Kampuchea by resisting the Le Duan clique aggressors.

The press release also said that the dissolution results from a scrupulous discussion which began in February, 1979 and the decision made at the Congress of the Kampuchean Communist Party on September 3-6, 1981. This was done in order to carry out the political programme of Kampuchea's Patriotic and Democratic Front of the Great National Union, under the present historical conditions in which the Kampuchean people are waging an arduous struggle against the Soviet-backed Vietnamese Le Duan clique, which is attempting to exterminate the Kampuchean nation.

The press release indicated that after the dissolution of the Party, the Government of Democratic Kampuchea will continue to lead the Kampuchean National Army, guerrillas and the Kampuchean people in their fight until all the Vietnamese aggressors are driven out of Kampuchea. The dissolution permits all the patriots to bring their abilities and wisdom into full play and engage in political affairs through various means.



pore Deputy Prime Minister in charge of foreign affairs Sinnathamby Rajaratnam and Foreign Minister Suppiah Dhanabalan put forth a new proposal for the three resistance forces to form a loose coalition government in Kampuchea.

The proposed coalition government would be "comprised of a head of state or a president, a prime minister, a deputy prime minister and three ministers each representing one of the three factions to be responsible for defence co-ordination and for co-ordination of information and propaganda." In the coalition, the proposal said, "each faction maintains its independence and is free to disseminate its own political programme and philosophy." The coalition government would "be concerned only with the sole objective of pursuing the struggle against Vietnamese occupation, after which it will be automatically dissolved to pave the way for the selection of a government through free elections conducted by the United Nations."

The proposal made unnecessary the 10th session of the tripartite ad hoc committee which was scheduled to be held on November 24. A news release issued by the Singapore Em-

bassy in Bangkok said Son Sann accepted in principle Singapore's proposal. The representative of Norodom Sihanouk made it clear that if the other two factions agreed, he would agree as well. The Democratic Kampuchean side said that because the proposal presented new questions and was different from the agreement reached in Bangkok by the tripartite ad hoc committee, it needed time to study the proposal and would respond within two months.

Democratic Kampuchea maintained in its November 30 communique that with regard to any proposal to form a coalition government these points must be upheld: no single side should be allowed to dominate in the power organs; the legitimacy of the institutions of Democratic Kampuchea should not be challenged so no opportunity is created for anyone to question the country's legal status; the achievements of the nine sessions of the tripartite ad hoc committee should be the basis.

Democratic Kampuchea in a circular called on people to discuss the coalition government problem conscientiously and respond this month so that it will be able to make a considered decision.

gested that the decision on Taiwan should be "made in Washington, not . . . in Peking." That is tantamount to saying that in matters concerning Taiwan, which is a territory of China, China is supposed to obey orders from Washington. What undisguised arrogance!

Indeed, there are people in the United States who live in the 1980s, but believe that China's sovereignty is limited and that of the United States is boundless. Their conception of American authority reminds people of Brezhnev's theory of "limited sovereignty" [for countries other than the Soviet Union in the "socialist camp"].

China has never said anything about how the US Government should administer its affairs in, say, Hawaii. So by what right does Washington presume to have the authority to decide on a matter involving Taiwan, which is part of China's territory? Is it simply because the United States is a superpower and has a big nuclear arsenal that some Americans claim the right to unlimited power in affairs on Chinese soil?

### **Alleged "Pressures"**

Sometimes such hegemonic ideas are painted with blinding colours. The above-mentioned "reader" urged the United States not to "capitulate to PRC's pressures." He also claimed that a decision to cancel the proposed arms sales to Taiwan will represent a humiliation for the United States.

How can it be called exerting "pressures" on a foreign country when China, as a sovereign state, refuses to be subdued by the high-handedness of any superpower by firmly defending its territorial integrity? Was it an act of "capitulating" to "pressures" when former US President Richard Nixon signed the

## **United States**

### **Arrogant Anti-China Elements**

CHINA has repeatedly announced its opposition to the proposed sale of US arms to Taiwan. The Chinese media have also consistently refuted arguments put forward to justify arms sales to Taiwan, a position based on the discredited "two Chinas" theory. Nevertheless, some Americans are suggesting that the US Govern-

ment should go ahead with the proposed sale regardless of China's reaction. These Americans are acting like overlords.

#### **Theory of "Boundless Sovereignty"**

A "reader" who recently wrote to *The Washington Post* about this issue is a typical, presumptuous overlord. He sug-



Shanghai Communiqué in 1972? Was former US President Jimmy Carter "capitulating" to "pressures" when he established diplomatic relations with China at the end of 1978?

The actual "pressures" on the US result from its declining power and the difficulties it is experiencing in its attempts to deal with the aggressive offensives of the Soviet Union. This is why the United States desires to develop strategic relations with China, counting on her support in defence of its strategic interests. This decisive policy supports the strategic interests of the United States. Everyone conscious of the best interests of the United States realizes that it is being helped by its present association with

China. The interests of both the Chinese and American peoples can be best served by continued adherence to the principles specified in the Shanghai Communiqué and the agreement on the establishment of diplomatic relations between China and the United States. This obviously precludes selling arms to the Taiwan authorities.

On the other hand, to act upon the will of a small number of arrogant anti-China elements will place the United States in a hegemonic position claiming "boundless sovereignty," which will make it lose face in a big way before the world and damage its fundamental interests.

— *Commentary by Xinhua correspondent*

## US-Israeli "Strategic Co-operation"

### Report From Washington

THE United States is being condemned by some Arab countries and it is now in an awkward position in regard to the Middle East because of the November 30 "memorandum of understanding on strategic co-operation" which it signed with Israel.

The United States actually established a co-operative alliance with Israel long ago. Therefore, the recent agreement on "strategic co-operation" indicates that because of important changes in the international situation — particularly the Middle East — the United States and Israel are no longer in full agreement regarding their strategic goals.

### US Policy Adjustment

In the past, the two countries' strategic co-operation was based

on the United States' use of Israel as "a hatchet man" to protect its interest in the Middle East, while Israel committed aggression and expansion with US blessings.

Pressed by the need to contain the Soviet Union, the United States has begun to change its policy of supporting Israeli aggression against Arab countries. It has also begun to seek better relations with Arab countries. This became particularly clear after the Soviet Union invaded Afghanistan and thereby significantly increased its threat to the Middle East.

Shortly after his inauguration, President Ronald Reagan called for a "strategic consensus" with countries in the Middle East. Apart from its good relations with Egypt and Jordan, the United States has succeeded in

removing domestic objections to this policy. The recent approval of the controversial AWACS deal with Saudi Arabia is an indication of the Reagan administration's successful adjustment of US policy. The United States also displayed interest in the eight-point Middle East peace plan formulated by Saudi Crown Prince Fahd. In addition, the United States has been trying to enlist permission to establish a military presence in some Gulf countries.

### Israeli Worries

The Israelis are obviously worried about this US policy adjustment. In recent months, Israel has increased military provocations against neighbouring countries, attempting to heighten tensions in the Middle East. Israel's desire to sign a "strategic co-operation" pact with the United States represented its effort to prevent the Reagan administration from improving relations with the Arab countries.

During the negotiations, Israel sought to make the pact as substantial as possible in order to establish itself as the United States' most useful and most appreciated security partner in the region. However, the United States, concerned about a negative Arab reaction, sought to generalize the pact. US officials repeatedly signalled to the news media that Israel's demand was too high to be satisfied. Judging from the wording of the "memorandum," the United States seems to have gotten its way.

### Washington's Choice

The Washington Post said in a recent commentary that



Israel's request for such a pact seemed intent on compelling the United States to choose between its Israeli interests and Arab interests, when the basic American policy is to try to pursue them both.

But reality often conflicts with one's wishes. While the Israelis continue to reject conciliation and persist in acting in a hostile manner towards the Arab peoples, the "strategic cooperation" with them will certainly lead to the United States' further alienation from

Arab nations, thus making its "strategic consensus" in the region more difficult to achieve. The predictable result is that the United States will continue to find itself in an awkward position in regard to its competition with the Soviet Union in this vital, strategic region. For the United States, the only reasonable course is to end its partiality for Israel, promote a just settlement of the Middle-East issue and thereby bring about the required "strategic consensus."

— Wu Jin

the problems which have frequently strained relations between the two nations, the Algerians have never stopped supplying France with natural gas.

## France and the Third World

Mitterrand's effort to improve relations between his country and Algeria is obviously consistent with his goal of strengthening French ties with the third world in general and Africa in particular.

"Algeria is playing an important role in the Mediterranean, Arab world, Africa and the third world," says Elysee Palace spokesman Michel Vauzelle.

"Algeria also occupies a particularly important place on the world political scene," he added.

In his speech before the Algerian parliament, Mitterrand said that French-Algerian cooperation will be "exemplary" in regard to the establishment of ties between the industrialized north and the developing south. This is a positive development which should prove conducive to stability in the Middle East and favourable for the maintenance of world peace and the struggle against hegemonism.

Despite these positive factors, the situation remains complex. Although Mitterrand was warmly received in Algeria, certain problems remain. This is particularly true in regard to France's evolving immigrant policies and Algeria's natural gas prices.

— Ke Yuelin

## The Mitterrand Visit

### Report From Algiers

**F**RENCH President Francois Mitterrand's recent visit to Algeria at the invitation of Algerian President Chadli Bendjedid indicates the commitment of each nation to improved relations.

The joint statement issued after the November 30 to December 1 meeting emphasized each nation's intention to making contributions to an improved global economic order and supporting the United Nations' emergency global negotiations.

One member of the Secretariat of the Algerian Central Committee of the National Liberation Front said Mitterrand's visit represents the beginning of a new era in French-Algerian relations.

Mitterrand, who said that the visit was conducted in a "friendly atmosphere," also indicated that a new era of friendly relations between France and Algeria is at hand.

### Mutual Efforts

Relations between the two

nations have been troubled for some time. Since Algeria won independence in 1962, France and Algeria have had big disputes over the prices of wine, oil and natural gas and immigrants. These conflicts have frequently resulted in strained relations.

The French Socialist Party, which came to power last May, has made significant efforts to improve relations with Algeria. The French Government recently indicated that it will not expel large numbers of Algerian immigrants and that it will permit them to remain in France for longer periods. In addition to establishing a special fund to train immigrants who want to return to Algeria with professional skills, the French Government has returned important documents which the French took with them when they withdrew from Algeria.

These measures have been favourably received in Algeria where the government has begun to initiate correspondingly conciliatory measures. Despite



# China's Special Economic Zones

by Xu Dixin

The Chinese Government has set up four special economic zones. They are located in the cities of Shenzhen, Zhuhai and Shantou of Guangdong Province and the city of Xiamen of Fujian Province (see p.17).

Politically, the special economic zones are based on assurance of China's state sovereignty and governing authority is entirely in China's hands. Economically, they are essentially based on state capitalism.

APPROXIMATELY 300 special economic zones have been established in about 75 countries and regions in the world today (some are called free trading zones, some processing-exporting zones and some tax-free trading zones). Practices vary between countries. Special economic zones are set up when a country delimits a special area where, through exemption of customs duty, it formulates various preferential conditions and provides public facilities so as to attract foreign investors to set up factories whose finished products are mainly for export. Insofar as capitalist social systems are concerned, few problems arise for those countries which set up special economic zones because the characteristics of such zones are essentially compatible with the development of capitalism.

Some people wonder why China, a socialist country, has set up special zones which permit the manoeuvre of foreign capital. They ask: Concessions were eliminated a long time ago, why are a few areas with foreign investment being operated in the manner of concessions? They also want to know whether the four special economic zones represent a revival of the former concessions.

Although important, such concerns are oversimplified and superficial. The situation can be best understood within context of the past and the nation's present state of development. At the end of the 19th century, foreign capital poured into China. This was a result of invasion by imperialist powers which used "gunboat diplomacy" to impose unequal treaties on China

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and infringed upon its state sovereignty. The foreign capital presently being invested in China is not based on "unequal treaties," but on the assurance of China's state sovereignty. The special economic zones do not represent the revival of former concessions because authority over them is entirely in China's hands. Be they joint ventures with Chinese and foreign investments set up in the special zones or enterprises run exclusively by foreign or overseas Chinese capital, they must observe the Chinese Government's decrees and regulations, pay business and income taxes according to provisions and abide by China's labour laws.

Although they represent a minor change in state economic policy, the special economic zones are not in basic conflict with China's socialist economic system. The economy in the special zones encompasses the socialist state economy, the collective economy and the individual economy, but state capitalism has the lion's share. Processing materials for foreign countries, compensatory trade, co-operative enterprises and joint ventures are all state capitalist economic activities. Strictly speaking, the enterprises run by foreign or overseas Chinese capital constitute a kind of capitalist economy, but the activities of such enterprises are subject to control and regulation by the governments of the special zones. As a result, they are special kinds of capitalist enterprises. Lenin clearly said: "State capitalism is capitalism which we shall be able to restrict, the limits of which we shall



be able to fix." This provides us with a theoretical explanation of the nature of the enterprises financed individually in the special zones.

Some people worry that the capitalists will exploit the surplus value of the labourers. It should be admitted that some exploitation does exist in the joint ventures or individually financed enterprises in the special zones. According to China's regulations, joint ventures or enterprises individually financed by foreign capital or overseas Chinese capital can remit their share of profits abroad after they have paid their income tax according to relevant provisions and with the approval of the authorities concerned. The profits remitted abroad and the profits retained for reinvestment in the special zones obviously represent the surplus value of the labourers. But allowing foreign or overseas Chinese capital to gain profits is, in a sense, a policy of redemption (that is, a policy of gradually nationalizing the means of production of the exploiting classes at a certain price).

Shortly after the founding of the People's Republic, the government adopted a redemption policy towards the national bourgeoisie in order to win its co-operation. Now we are employing a redemption policy to win the co-operation of foreign and overseas Chinese capital. This is necessary for the development of the economies of the special zones.

One of the characteristics of special zone economies is the fact that they open the door to foreign countries. Take Shenzhen and Zhuhai for example, their economic ties with Xianggang (Hongkong) and Aomen (Macao) are much closer

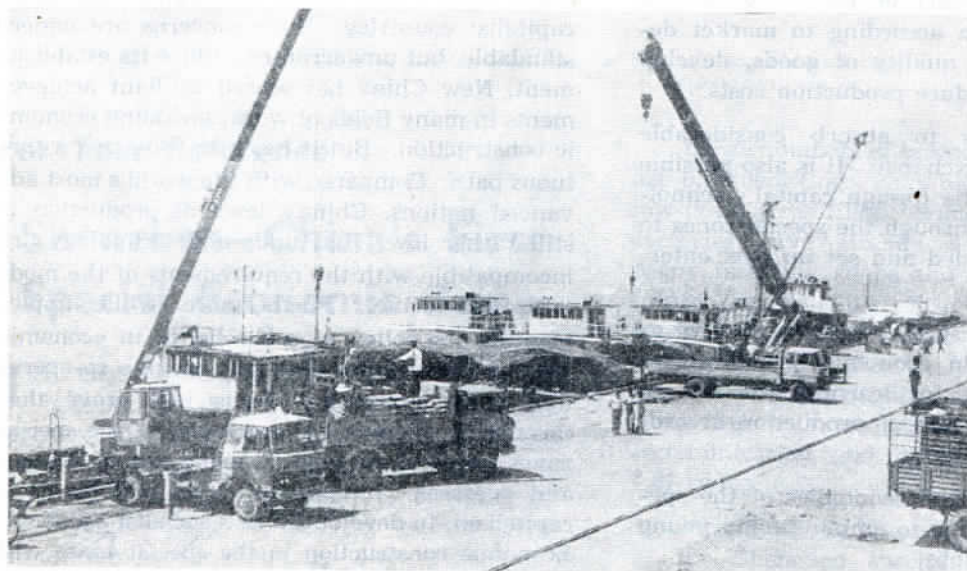
than with the interior. This situation may result in the close relationship and mutual-effect between the role of regulating production according to market demands and the market fluctuations of Xianggang and Aomen. Within the special zones, it cannot be said that the regulation of production by state planning does not exist or does not function. However, if regulation of production by planning is made to cover too large an area, if it becomes the main body of the economy of the special zones, then it will be disadvantageous to absorbing foreign capital and developing the economies of the special zones.

### Special Zones' Functions

Because the special economic zones in Guangdong and Fujian Provinces have only been established for a short period of time, their role has not been brought into full play. The following points address the concerns most frequently expressed regarding their operation:

- They serve as bridges for introducing foreign capital, advanced technology and equipment and as classrooms for training personnel capable of mastering advanced technology. Both in the process of production and circulation, and in the joint ventures with Chinese and foreign investments in the special zones, we can learn the latest techniques and scientific methods of management.

- To develop the national economy and expedite China's enterprise production and management, it is imperative to promote competition between regions, between trades and with-



Newly built harbour in the Shekou industrial area managed by a Xianggang (Hongkong) company.



## Explanatory Notes

### Forms of Chinese and Foreign Economic Co-operation

#### Processing Materials for Foreign Businessmen

In accordance with provisions of the contracts signed by both parties, foreign businessmen are to provide raw, semi-finished and packing materials, or spare parts, accessories, appliances (sometimes China-made materials are used). The foreign businessmen may also provide a part of machines, instruments and other productive equipment, when necessary. Chinese factories are to process these materials into finished products in accordance with the required quality, specifications, designs and sometimes trademarks of foreign businessmen. Service charges will be paid to the Chinese. Money paid for machines and equipment provided by foreign businessmen will, as a rule, be deducted from service charges.

#### Processing Imported Materials

Raw materials will be purchased from international markets with foreign exchange and processed into export products. For example, imported cotton will be processed into textiles for exports.

#### Compensatory Trade

This is a form of trade in which credit, not cash, is used for settling accounts. China will use commodities or services instead of cash to

pay for the equipment and techniques provided by foreign contractors. Generally, the practice of using products manufactured with foreign businessmen's equipment and techniques to pay for imported equipment is called "direct compensation." The practice of paying with other products is called "indirect compensation."

#### Co-operative Enterprises

This is a joint enterprise set up under a contract. Co-operative enterprises or businesses are run in accordance with the principles of equality and mutual benefit. Funds, industrial equipment and materials are generally supplied by foreign businessmen. Land, factory buildings, the labour force and services are provided by China. Rights and obligations of both sides are specified in signed agreements or contracts. A certain portion of the products or profits is distributed to both sides in accordance with the signed agreement. Capital invested and shares are not used as the basis for profit distribution. When contracts for co-operative enterprise expire, the equipment and machines will be turned over to China.

#### Ventures With Chinese and Foreign Capital

The term "joint venture" refers to enterprises or businesses established with investments from two or more countries or regions. They are also called joint stock enterprises. Foreign contractors usually invest equipment and funds. China invests sites, factory buildings, equipment and Renminbi. Because such enterprises are run with joint investments and through joint management, their shareholders hold common responsibility for profits and losses.

in a certain trade. In the development of the economies of the special zones — and during their competition with Xianggang and Aomen — it is possible to win in the competition by learning how to make comparisons regarding the regulation of production according to market demands, improve the quality of goods, develop new products and reduce production costs.

- It is possible to absorb considerable amounts of foreign exchange. It is also possible to transfer part of the foreign capital, technology and equipment through the special zones to other regions concerned and set up new enterprises there.

- The country's special zones can serve as experimental units in economic structural reform and as schools for learning the law of value and the regulation of production according to market demands.

- By developing the economies of the special zones, it is possible to employ many young people waiting for jobs.

Some people wonder why it is necessary, more than 30 years since the founding of the People's Republic, to set up special economic zones. They also wonder whether the special zones signify that China is seeking help from capitalist countries. Such concerns are understandable, but unwarranted. Since its establishment, New China has scored brilliant achievements in many fields of work, including economic construction. But it has also traversed a tortuous path. Compared with the world's most advanced nations, China's level of production is still rather low. Its funds and technology are incompatible with the requirements of the modernization drive. Furthermore, while implementing its policy of self-reliance in economic construction, China does not exclude co-operation with capitalism. Facts will prove that through developing the economies of the special zones, we will be able to make use of foreign and overseas Chinese capital, as well as state capitalism, to develop China's socialist economy. Economic construction in the special zones will



possibly become a special form of supplement to the development of China's socialist economy. The total economies of the special zones will only constitute a very small portion of the national economy. Although the socialist economy will continue to dominate, the role of the special zones must not be overlooked.

### **Policies and Measures**

1. The development of the special economic zones requires emphasis on the word "special." For instance, in opening the door to foreign countries, it is necessary to simplify procedures for entry and exit and make things easy for visitors. In tax rate, it is essential to give preferential treatment to imported goods in customs duties. Tax exemptions for some goods are needed. A portion of the profits gained by foreign financed enterprises is allowed to be remitted abroad.

2. The essence of developing the special economic zones lies in the import of foreign capital; making foreign capital serve China's socialist modernization drive. Given this, the lives of the people residing in the special zones are bound to change. Capitalist ideology is bound to increase. This will require us to devote special attention to the ideological education of people in the special zones. Of course, education and training in science and technology should not be neglected, either.

3. The currency used in the special economic zones is mainly Renminbi (people's currency), the use of foreign currencies is limited to designated areas. Renminbi represents the cur-



Japanese technician passing on technical know-how to a Chinese worker at a joint Sino-Japanese TV company.

rency of the People's Republic of China, but in view of the characteristics of special economic zones, it may prove necessary to issue different currency for them. This is a very complicated problem which calls for further study.

4. It would be impossible for the special zones to develop without the support of China's interior regions. Only when they operate in co-operation with the interior can the special zones gain necessary materials. Of course, such co-operation is based on mutual benefit. And it can be successful only when the special zones produce commodities needed by the interior. This co-operation must be carried out in a planned way. □

### **For Your Reference**

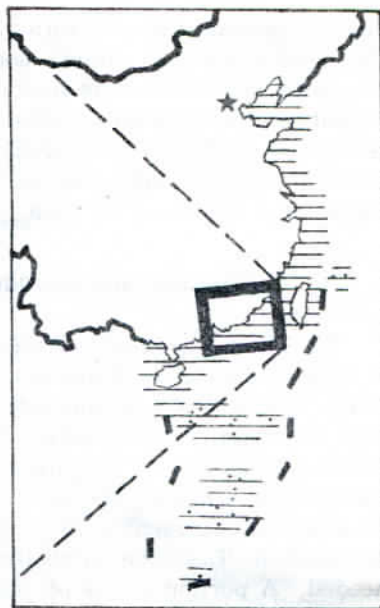
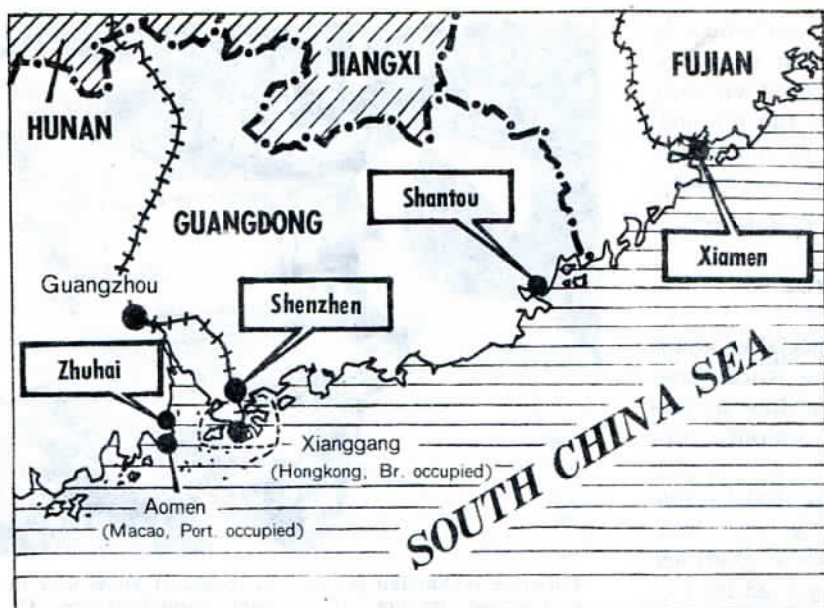
## **Shenzhen—China's First Special Economic Zone**

THE city of Shenzhen in Guangdong Province is being transformed into one of the largest special economic zones in the world. In August last year, the Chinese Government formally approved it as a special economic zone, which will use foreign capital to produce export goods. Major changes have already taken place.

Large numbers of bulldozers and road rollers are busy working. Hills have been levelled and low-lying areas filled. Some recently completed factories have already gone into operation. Many factories, shops and residential units are under construction. Foreign vehicles speed along the new, but unfinished, roads leading to Guangzhou. Numerous billboards have been erected near bus stations and vital communications lines. Construction of water, electricity, communication and navigation projects is in full swing.

According to present plans, the total area of the Shenzhen special economic zone will





cover 327.5 square kilometres (one-sixth of the city). Ninety-eight square kilometres of land will be used for constructing projects, an area two-thirds of the size of Shanghai proper. China's largest industrial city. The special economic zone is to be divided into five sections. The westernmost end is the Shekou industrial area, which has been placed under the administration of the China Commercial Shipping Corporation of the Ministry of Communications. Thirteen factories are to be built there, two of which will be state enterprises run by the corporation. Three have been financed by foreign merchants and eight others will be jointly operated with Chinese and foreign investments. The Shangbu district in the centre of the city is also an industrial area devoted

to electronics, light and textile industries. Another district in the middle of the city is the Luohu commercial area. Plans have been made to build a 20-story International Commercial Centre and a 14-story Luohu Building. Before construction of the two buildings was started and only a few days after an advertisement was published in the newspapers, every floor was rented. A building will be constructed to house the offices of Chinese provinces and cities. Forty-three departments have sent in requests for rented space. The easternmost end of the special economic zone is located on two bays which are to be developed into a tourist area. Another stretch of land will be used for residential quarters. The scenic area near the Shenzhen Reservoir will get a new

overseas Chinese settlement. The special zone will also have an economic management college.

A stream of Xianggang and Aomen businessmen, overseas Chinese businessmen and financial groups from developed countries have come to negotiate the setting up of enterprises. From the beginning of 1978 to the end of last June, agreements were reached on 720 projects. The total sum of investments under contract amounts to 2.4 billion Xianggang dollars (equivalent to about 400 million US dollars). During the initial stage, imported foreign industrial processing was limited to projects

The Luohu commercial area in the Shenzhen Special Economic Zone under construction.





requiring small investments. Since 1980, agreements have been reached on a number of big projects, 35 of which required investments of 10 million Xianggang dollars. Seven others required investments exceeding 100 million Xianggang dollars.

Of the 720 projected projects, 548 have gone into operation. Ninety-five others have started construction, but have not yet begun production.

Agriculture is an important component of the special economic zone. Shenzhen city has 1,600 square kilometres of land in addition to the 327.5 square kilometres planned for the special economic zone. It has approximately 300,000 people engaged in agriculture. Local agriculture will provide vegetables, meat, eggs, fruit, seafood and other sideline products. Efforts will also be made to develop export goods to meet Xianggang's market needs. The zone has set up 20 chicken farms, 2,600 hectares of fish ponds and other production bases.

The economy is developing by leaps and bounds. Gross industrial and agricultural output value has increased by a big margin, amounting to 240 million yuan (about 133 million US dollars), a 20 per cent increase over 1979. Total output value this year is expected to be approximately 280 million yuan (about



New look of Wanzai, Zhuhai special zone.

155.5 million US dollars). Industry had an increased share, 45 per cent in 1980. Financial revenue in 1980 was 56 per cent greater than that of 1979. Financial revenue in the first half of this year was 3.9 times that of the same period in 1980.

## Two Other Special Economic Zones In Guangdong

The Zhuhai special zone, which is located opposite Aomen, has an area of 6.8 square kilometres, 45 per cent of which is devoted to industry, 15 per cent to residences, 5 per cent to scientific research departments and the remainder to parks, schools, medical and health facilities and roads. The primary emphasis is on light and electronics industries as well as other trades which interest foreign businessmen.

Zhuhai city is developing a processing industry with materials from foreign businessmen, compensatory trade and co-operative enterprises. The Xiangzhou Woollen Mill is China's first compensatory trade factory. Between January and November 1980,





Zhuhai city concluded 72 contracts with foreign businessmen. Numerous foreign consortiums and banks have expressed interest in setting up financial branches in the Zhuhai special zone. Some foreign businessmen have indicated that they want to invest in building a glassworks with an annual capacity of 5 million standard boxes of glass, an electronics centre and electrical appliance factories. Some businessmen are prepared to invest one billion each in Xianggang dollars to build two comprehensive construction projects consisting of residences, markets and factories.

The Shantou special zone was the one whose construction was started later than the other two special zones in Guangdong Province. According to the preliminary plan, this special zone comprises two processing districts and four companies: (1) The Longhu processing district, which is located in the southwest section of Longhu village on the outskirts of Shantou city, will eventually encompass 1.6 square kilometres. An area of 0.2 square kilometre has first been marked out for the construction projects; (2) the port area, with a planned total area of 1.7 square kilometres, is located in the south of Longhu village and east of the fishery port, where warehouses are to be built. The port district is responsible for packaging and shipping large numbers of local export goods, including artwork and ceramics; (3) integrated agricultural development company, with a total area of 10 square kilometres covering the outskirts of Shantou and part of Chenghai County. Vegetable, flower, tree, pig, fish, shrimp, chicken, duck and goose exporting bases are to be built here; some small experimental fields and seed-

ing nurseries are planned to be set up first; (4) tourism company incorporates the Mayu Island and part of Chaoyang County as the tourist areas of the special economic zone. Houses and villas for tourists are to be built here; (5) the special economic zone development company; (6) the service company.

Existing enterprises in the urban areas of Shantou which primarily produce export goods can become, after transformation, enterprises of the special zone and enjoy its preferential treatment. Efforts are being devoted to the construction and installation of water and electrical facilities within the special zone.

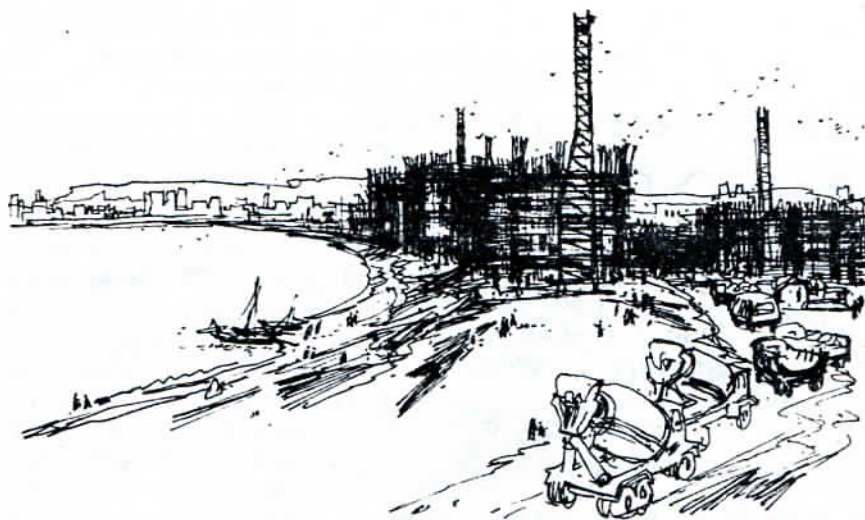
## The Xiamen Special Zone

The construction of the Xiamen special zone in Fujian Province on China's southeast coast was formally approved by the Central Government in October last year.

Xiamen, an island city, covers an area of 1,466 square kilometres, of which Xiamen proper takes up 123 square kilometres. Huli which is part of the special zone occupies an area of 2.5 square kilos.

Xiamen's climate is mild but humid. It has rich resources, a fairly good industrial foundation, natural harbours and good water, land and air transport services. It was one of the first trading ports opened in China during the mid-19th century. About 200,000 overseas Chinese residing abroad and Chinese with foreign citizenship are from Xiamen.


Huli is an exporting-processing industrial district in the Xiamen special economic zone. This district is to be constructed in two stages. During the first stage, efforts are concentrated on the construction of industrial buildings covering 1.1 square kilos, including ground levelling and the installation of water, electricity, transport and communications facilities. Factories (estimated at 160,000 square metres) and residential



The Zhuhai Special Economic Zone's Yinhai village under construction.





 The Guangming Electronics Factory, which will be developed into a comprehensive electronics company.

vestment in Xiamen which primarily produce export goods can enjoy the special zone's preferential treatment.

Between 1979 and 1980, Xiamen concluded 103 contracts for processing materials and assembling machines for foreign countries. Service charges amounted to 900,000 US dollars.

Four compensatory trade contracts were signed during the past two years, including eel breeding and a tin can production line in the Xiamen Canned Food Factory. Foreign businessmen have invested more than one million US dollars.

In order to induce foreign capital to transform Xiamen's existing industries and increase exports, 25 factories have been selected as the key units for developing economic cooperation with foreign countries. The agreements include joint ventures with Chinese and foreign investments, co-operative enterprises, processing industry with foreign materials and increasing exports with existing products. When each factory has completed its co-operative plan, the special zone will invite tenders. □

facilities are also under construction. At present, China is financing construction of this special zone, but foreign merchants are welcome to take part in its development. The second stage of the project will encompass an area of about two square kilos.

However, the Xiamen special economic zone is not confined within the 2.5 square kilos. All co-operative enterprises with foreign in-

the key units for developing economic cooperation with foreign countries. The agreements include joint ventures with Chinese and foreign investments, co-operative enterprises, processing industry with foreign materials and increasing exports with existing products. When each factory has completed its co-operative plan, the special zone will invite tenders. □

## Academic Discussion

# Marxism and Humanitarianism

by Li Wen

**F**OR a long period in China, humanitarianism was criticized because it was considered a bourgeois ideology. During the last two years, different opinions have appeared in Chinese theoretical circles regarding this topic. Two controversial views have emerged in the articles published so far by various newspapers and journals.

One view suggests that humanitarianism and Marxism are fundamentally different kinds of ideological systems and that humanitarianism which represents the bourgeois world outlook should not be used by the proletariat as a weapon. The reasons can be summed up as follows:

1) The historical background of the emergence of the word "humanitarianism." It

first appeared after the Renaissance, which evolved in the wake of the emergence of the capitalist mode of production. Therefore, humanitarianism is considered an ideology which was created to serve the needs of the bourgeoisie to develop capitalism.

2) Judged by the basic contents of humanitarianism, it emphasizes man, the value of human beings and human dignity and rights. In examining historical events, its primary focus is on "human nature," which is considered eternal and immutable. The man it refers to is an abstract man above history and classes. This, therefore, is a manifestation of the idealist conception of history.

3) Marxism embodies a proletarian world outlook. Historical materialism was established



by the founders of Marxism during their break with Feurbach's humanism. Marxism links the emancipation of mankind and the liberation of the proletariat with the abolition of all systems of exploitation and the realization of communism. It rejects those notions of historical idealism which hold that human nature is the fundamental criterion to be used for measuring progress.

4) Although Marxists sometimes support humanitarians who use humanitarian slogans in the fight against autocrats and fascists, the differences between the two ideological systems remain. Moreover, this type of political united front does not mean that Marxism contains humanitarianism. There is no united front so far as world outlook is concerned.

5) Those who maintain that humanitarianism is a Marxist principle frequently cite Chinese Communist Party's policies such as "do not ill-treat captives," "heal the wounded, rescue the dying" and "let hostile elements also have some means of living" to prove their point. In fact, the philosophical basis of such policies is not humanitarianism, compassion or any intention of safeguarding the "human dignity" of the enemy, but the Marxist principle that human nature is the summation of all social relations. This means that the nature of a human being is decided by his or her position in social relations. Marxist efforts to solve such social problems as revolution and war are designed to eliminate exploitive and oppressive systems and change man's social position, not eliminate individual people.

A second group of participants in this evolving debate argues that Marxism should include humanitarianism as a component principle. They buttress their opinion with the following points:

1) There are always two explanations about humanitarianism, one is broad and the other narrow. Broad humanitarianism is regarded as a component part of Marxism. It is not derived from the, anti-feudal and anti-theological humanitarianism of the post-Renaissance bourgeoisie of Western Europe.

Proponents of broad humanitarianism who argue for its inclusion in Marxism offer differing rationales. Some hold that this kind of humanitarianism generally refers to the ideas and viewpoints which safeguard the dignity, rights and freedom of human beings, treasure human values and support uncoerced individual development. Because humanitarian thought is

manifest in many different ways and people who embrace it belong to different classes and groupings, it is hard to say that humanitarianism embodies a strict and completely scientific world outlook. Therefore, humanitarianism should probably be considered an unfocused viewpoint and ideological tendency regarding the position, role and future of human beings.

In a word, broad humanitarianism stands for treating human beings as human beings. As such, it is a norm which satisfies the demand of a common perception of human beings (i.e., identical natural property and a certain degree of identical social property). This norm should be applicable in all societies in the form of legal provisions and ethics.

2) Marxism regards solving the problem of human beings as its starting point and central task and the emancipation of mankind as its highest goal. The humanitarian impulse, which considers human values the first priority, is included in the Marxist analysis of the condition and status of the people in capitalist societies as well as future communist societies. This kind of humanitarian spirit is consistent with, and embodied in, the early and mature works of Marx.

3) Marxist humanitarianism differs from traditional humanitarianism, but it does not contradict the theory of class struggle. The fundamental differences between Marxist humanitarianism and traditional humanitarianism lie in: (1) Different approaches. Traditional humanitarianism proceeds from abstract human beings; while Marxist humanitarianism proceeds from real human beings. (2) Different ways, means and results regarding the emancipation of mankind. Although humanitarians tend to reject inhuman societal phenomena, they rely on "reason," "ethical order," "love" and "tolerance" or the emergence of outstanding individuals to realize man's emancipation. Marxist humanitarianism discloses the law of the historical development of humanity through analysing human activities. It also identifies the social causes of inhuman phenomena and the material force and road to achieve the emancipation of mankind. It considers the proletariat to be the material force which will help mankind gain its emancipation. The proletarian revolution and the dictatorship of the proletariat are considered the only road to be taken to accomplish the final abolition of the system of exploitation of man by man and the emancipation of mankind.

This shows that Marxist humanitarianism is harmonious with the Marxist theory of class



struggle. The two constitute a dialectical unity. The proletarian dictatorship and final abolition of the exploitive system create unprecedented conditions for the free development of man, which conforms with the interests of the proletariat and other working people. As for the exploiting classes, they are negated only as

classes. The reform of exploiting elements, which proceeds from revolutionary humanitarianism, is a means used to help them regain their human nature (labour). The Chinese Communist Party's policies support the unity of the class interests of the proletariat and the principles of humanitarianism. □

## Performing Arts

# Chinese Acrobatics and Magic Shows

by Our Correspondent Ling Yang

AS the curtain rises, three larger-than-life sized shaggy orange lions leap on to the stage. Accompanied by the percussion instruments, they jump, crawl, roll, balance on huge globes and shake their spangled manes in anger at two youngsters who tease them with decorated balls. . . .

China's acrobatic shows often begin with the lively lion dance, performed by teams of two acrobats inside each lion costume. During the recent acrobatic season in Beijing, the dance retained its popularity.

This year's season heralded the founding of the first organization of acrobats in Chinese history, the Chinese Acrobats Association. Formed during the equally unprecedented first national acrobats congress (Oct. 28-Nov. 3), the association is under the China Federation of Literary and Art Circles, which sponsors similar associations of writers, musicians, dramatists and film artists.

The 170 acrobats from across China who met to exchange experiences displayed the traditional richness of their art as well as abundant creativity in the performance of new feats.

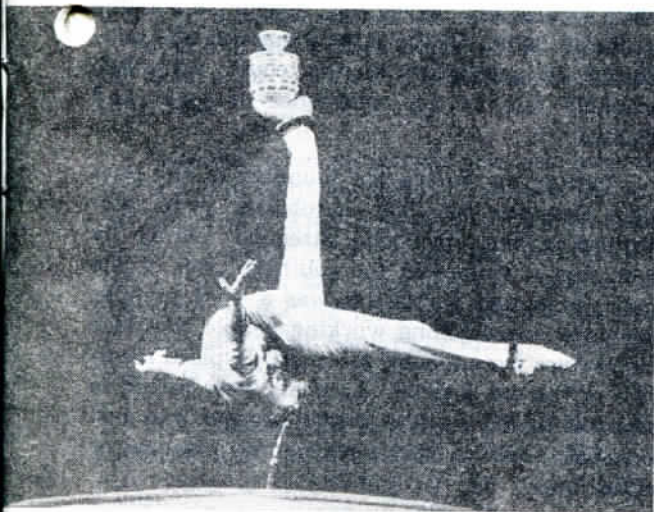
## New Acts Using Old Skills

Some of the newest entries on the acrobatic scene this year were in the art of feet juggling. Two women artists from northeast China deftly twirled fragile silk umbrellas with their feet. Lying on their backs, they manipulated the rims of the delicate parasols with barely visible foot movements. Sometimes they turned the umbrellas to a slow rhythm, sometimes they rotated them like propellers. They kicked the spinning umbrellas high in the air and from one skilful foot to the other. Without missing a beat or harming an umbrella, the partners then tossed their umbrellas to each other, with perfect technique.

In a fascinating display of multiple talents, they performed handstands, turned somersaults and took ballet positions while their feet continued to juggle the umbrellas. The act's mounting crescendo reached its peak when they began to simultaneously juggle rugs with their hands.

The Shanghai artists' offering in the feet juggling field was an act in which one acrobat juggled another acrobat. With superlative skill the juggler lightly tossed his partner in the air and then propelled her on to a seesaw-like spring board whereupon she landed gracefully and rolled forward into a perfect somersault.

A new act from Shandong required one acrobat to lie on his back and support eight piled benches with his feet while his partner per-



A 12-year-old acrobat performing "pagoda of bowls" at the recent acrobatic festival.



formed flexible movements on the uppermost bench.

Two young rope twirlers from Guangzhou were so skilful that their lassos seemed to come alive and breathe. The two youths danced and sprang into difficult acrobatic positions while the three-metre lassos stretched out, drew taut and formed twirling loops around the performers in tune to rhythmic music.

The season also included programmes on ancient themes. Two young women performed in the headdresses and costumes of China's ancient mythological floating Apsaras, ethereal female apparitions painted in Dunhuang murals. The performers struck poses from the ancient dances such as "playing the *pipa* behind the back" while performing extremely difficult acrobatics. Their flawless technique and the elegant music and setting made the audiences feel they were entering a fairy land.

Magicians also offered many new programmes devised with the aid of such modern sciences as optics, electricity, mechanics and chemistry. But audiences were still attracted to the traditional shows with the magician in a Chinese robe pulling jars, bowls full of goldfish and burning basins from unlikely places.

A young magician, hailed as a creator of a new kind of magic show with a uniquely Chinese character, won the audiences' acclaim as he turned his own calligraphy into a painting and then the painting into a frame.

A woman magician delighted spectators with traditional card and ball tricks, including a sleight-on-hand in which she produced green leaves and flowers; a symbol of spring. She ended her performance by shaking herself, whereupon her costume suddenly metamorphosed into a completely different one.

The modern repertoire of Chinese acrobatics not only retains the exquisite traditional skills, but is also growing and changing as the acrobats constantly explore new ideas and expand the range of performance subjects drawn from daily life. At present, audiences throughout the country can be entertained by some 200 acrobatic, circus and high-wire acts and more than 100 different magic shows.

### Ups and Downs

Chinese acrobatics date back 2,500 years. As early as the Spring and Autumn and the Warring States Period (770-221 B.C.), there were games of juggling balls, vocal mimicry and balancing objects on the forehead.

Acrobatics became more sophisticated and developed into a popular court entertainment during the Han Dynasty (206 B.C.-220 A.D.). Called *bai xi* (a hundred entertainments), a typical show generally included circus acts and comic stunts inbetween acrobatic performances.

During the Tang Dynasty (618-907 A.D.), Chinese acrobatic arts gained acclaim for difficult feats of balance and for the mighty strength of performers who would bear heavy properties



Xia Juhua at a 1962 show.

while gracefully executing nearly impossible acrobatic feats. In the later dynasties, the popularity of acrobatics in the court dwindled, probably due to the emergence of plays and dramas.

In Beijing, before the founding of the People's Republic in 1949, acrobatics were performed in the open and attended mainly by poor slum-dwellers in the southern part of the city. Although acrobatics was a very popular spectator sport among working people, acrobats themselves were among the most despised members of the old society. Acrobats were forced to perform terrifying and brutal programmes just to subsist. Some were permanently disabled or killed.

New China brought thorough changes in the social status of acrobats, who are now respected



as artists. Programmes that endanger performers' health are prohibited. Safety measures are provided for thrilling feats high above the ground.

### **Rising From Poverty and Degradation**

The story of Xia Juhua, 44, the newly elected Chairwoman of the Chinese Acrobats Association, is an apt symbol of the social distance acrobats have travelled since the founding of New China.

Because her parents were too poor to support the family, Xia Juhua was sold to a vaudeville troupe when she was only six. She was trained to perform on the "flying trapeze" where she hung by her own pigtails from a bamboo stick suspended several metres above the ground.

Once she fell during a performance while she was climbing a tall ladder on her hands. Although she broke her collarbone, she was forced to perform again before she recuperated. She also doubled as the maid-servant to her boss, but she never had enough food or clothing. The acrobats' life before liberation could only be described as miserable.

After the founding of New China, Xia Juhua joined a city acrobatic troupe which provided a fixed income and free medical treatment. She also learnt how to read and write. Performing is no longer just a means of making a living for her. She now takes pleasure in serving her people, she says.

In the 1950s, she improved the "pagoda of bowls" act, a programme previously limited to male acrobats. Balancing herself on her hands, which in turn were balanced on two sticks atop three stools, she held a stack of 12 bowls on her head while performing complicated flexible-bone feats.

Because of her outstanding artistic achievements and her wholehearted devotion to the people, she was elected a deputy to the National People's Congress, where she has served since 1963. She was also appointed as head of an acrobatic troupe and later as a leading member of the cultural bureau in Wuhan, where her troupe is located.

Her father, once a street performer who supplemented his income as a casual labourer, now leads a stable life as the coach of an acrobatic troupe in the south. He, too, was invited to Beijing for the founding of the Acrobats

### **The First Acrobatic Troupe In Yanan**

At a New Year's Eve party in the early 1940s for army men and civilians in Yanan, the revolutionary base area headquarters, a cook of the Eighth Route Army from Wuyao, a village in north China famous for its acrobatics, gave a show of turning somersaults and other acrobatic feats. Later, when Chairman Mao Zedong learnt this, he suggested the cook have some students.

Hence, the first acrobatic troupe in the revolutionary base area was founded. In addition to some professionals, the troupe also had some amateur performers, including staff of government organizations, soldiers, students, painters, writers and film and stage actors and actresses. Ma Haide (George Hatem), an American doctor, was one of the most enthusiastic members of the troupe. His comic performances were extremely entertaining.

The troupe's varied performances always used whatever properties were handy. A "flying trapeze" was rigged with common items, by hanging swings from the cross beams on the stage. Sometimes they put a board between two trees on which they performed balancing feats. Their programmes also included jumping through burning hoops, human pyramids and magic shows.

Acrobatics brought happiness to the Yanan people, and the revolutionary optimism it displayed is still embodied in today's acrobatic performances and other artistic forms.

Association. Although he is 64, he is known as a hardworking "old ox." He attributes all he enjoys today to the new society.

According to the Acrobats Association, there are 124 acrobatic troupes above the county level throughout the country with a total membership of 12,000. That number is three times greater than 30 years ago just after the People's Republic was established.

Zunong Kuerban, a veteran acrobat from Yengisar County in the Xinjiang Uygur Autonomous Region, northwest China, said at the congress that his 25-member troupe (the smallest in the country) gives 250 performances annually and is greatly welcomed by the local people. Four of his six sons and daughters are now working in acrobatic troupes. Like their colleagues in other parts of the country, they believe that the founding of the Acrobats Association will hasten the expansion and improvement of this exquisite traditional art. □



## Is Individual Economy a Form of Capitalist Economy?

**C**URRENTLY the level of China's socialist productive forces is still relatively low, so it is necessary to appropriately develop individually run enterprises to supplement the state economy and the collective economy, which form the main body of the national economy.

Is this individual-based economy a capitalist economy? In the past, under the influence of "Left" ideology, certain people often mistakenly equated individual economy with capitalist economy.

Although the individual economy we refer to is a commodity economy, it is not a capitalist commodity economy, but a small commodity economy. The two are different in nature and must not be confused.

In China manager of an individually run enterprise can, with the approval of the government, hire one or two assistants, or take on two or three (but not more than five) apprentices for a job that requires highly technical knowledge or special skills.

Even such an individual enterprise is not like a capitalist business, because the manager takes part in the work and, in fact, is the key labourer. The quality of his craftsmanship usually defines how the enterprise is operated and managed. The labour of the assistants is auxiliary. At the same time, the manager is obligated to pass

on technique and skill to the apprentices, which creates a master-apprentice relationship.

Furthermore, contracts are required between managers and auxiliary workers which stipulate the rights and obligations for both sides, including termination dates and payments. The contract must be examined and approved by the local industrial and commercial administrative departments.

Capitalists, however, do not take part in productive labour, their job is to exploit the workers' labour and to profit from the sale of the products the workers produce.

Therefore, it is wrong to equate the individual economy with a capitalist economy.

Some people say that although the individual economy is not a capitalist economy, it is nonetheless small production. They recall that Lenin warned: "Small production engenders capitalism and the bourgeoisie

continuously, daily, hourly, spontaneously, and on a mass scale." Therefore, they doubt the appropriateness of developing the individual economy.

As a matter of fact, it is necessary to analyse the problem of small production in a dialectical and historical way. Lenin put forward his thesis in 1920, when Russia's private economy still held the dominant position. Therefore, his thesis generally cannot be applied to other historical conditions.

By the mid-1950s, China had basically completed the socialist transformation of agriculture, handicrafts and capitalist industries and commerce. Today, China's socialist state and collective enterprises absolutely dominate the national economy. To cover the production gaps, it is necessary to appropriately retain and develop a small number of individual undertakings, strengthen their management and limit their potential negative functions. Such practices will facilitate socialist construction.

(Excerpts from "Renmin Ribao," August 3, 1981)

## A Wise Policy

**I** DON'T believe that a socialist country is afraid of a cobbler," said Giancarlo Pajetta, a member of the leading organ of the Italian Communist Party, who termed China's recent development of small enterprises a "wise policy."

"China has such a powerful collective economy, there is no need to be afraid of the individual economy," he continued, following his investigation of China's economic situation.

He complimented the wisdom of the Chinese Communist



Party and government for having permitted and encouraged the development of some individual enterprises, which supplement the collective economy and to some degree help promote the development of socialist economy. Developing the individual economy will stimulate the market, make things convenient for the people and solve the employment problem for some of the educated youths waiting for jobs. That was what Pajetta learnt during his inspection tour of state shops,

rural fairs and individual industries and commerce.

Comrade Giancarlo Pajetta, a veteran member who joined the Italian Communist Party in the 1920s, visited China's Xian, Wuxi, Suzhou, Beijing and other cities last September.

Before his departure, he told a responsible Chinese comrade: "In Beijing I went to a downtown district where I visited almost every shop. I discovered that there was a rich stock of commodities and the consumers could choose whatever

goods they liked. This is rarely seen in other socialist countries."

Pajetta said that he also saw that the Chinese people were not rich. Although there were a lot of commodities available, people's income did not allow them to buy as many things as they needed. He held that China should now quickly develop its economy and raise the living standards of the people. (Excerpts from Beijing's "Ban-yuetan," [Fortnightly Review], issue No. 20, 1981)

## Changjiang River Valley Also Is Birthplace of Chinese Nation

THE Huanghe (Yellow) River valley is usually regarded as the birthplace of China's ancient civilization. Recently, Chinese historians and archaeologists offered evidence to support a new theory that the Changjiang (Yangtze) River valley also nurtured the early Chinese culture.

Many archaeological findings have confirmed that the cultural relics in western Hubei Province, on the two banks west of the Dongting Lake and the three Changjiang River gorges (Wuxia, Qutang and Xiling) were from a culture that coexisted with the Huanghe River valley culture.

In addition, scientists note that the natural conditions of the Changjiang River valley were

not inferior to those of the Huanghe River valley. Its temperate and humid climate was more beneficial to support-



ing human existence than the dry, windy loess plateau of the

central reaches of the Huanghe River.

China's Neolithic Age cultural sites were found mainly on the middle and upper reaches of the Huanghe River, the central portion of the Changjiang River and the east coastal areas. These locations roughly coincided with the areas, according to ancient Chinese recorded history, which were inhabited and operated by three different tribal cliques — Huaxia, Miaoman and Dongyi.

Through the merger and multiplication of these three cliques, the Chinese nation gradually developed into what it is today. The three cultures were completely merged around the early years of the Han Dynasty, but each made unique contributions to China's origins.

(Excerpts from "Zhong-guo Caimao Bao" [China's Financial and Trade Paper], October 13, 1981)



## ECOLOGY

### *Traditional Recycling Method*

A method of using fish excrement, silkworm chrysalises and droppings to help the natural cycle—for centuries used by peasants in Guangdong Province—has been hailed by Chinese and foreign scientists as a remarkable way to promote agricultural production in densely populated tropical and subtropical river delta areas.

Scientists of the Guangzhou Institute of Geography and the United Nations University in Tokyo have concluded through on-the-spot studies over the past two years that this method yields high results with limited land and water resources.

"To put it in simple language," a spokesperson for the Guangzhou Institute of Geography said, "the peasants in Shunde County plant mulberry trees round fish ponds. They raise silkworms on the trees and feed silkworm chrysalises and droppings to the fish in the ponds. The silt of the ponds which is enriched by the excrement is, in turn, used as fertilizer for the mulberry trees."

A recent innovation to this 400-year-old method is to use sugar cane residue to produce protein- and starch-rich fish feed through fermentation.

Several species of fish are raised in the ponds in Shunde County. Grass carp, which feed on silkworm droppings and chrysalises live near the surface. Big-head and silver carp inhabit the middle reaches and eat plankton, which is enriched by

the excrement of the grass carp. Droppings from big-head and silver carp plus some leftover silkworm chrysalises nourish bottom fish—dace and common carps.

The excrement of the bottom fish decomposes in the silt into ammonia, phosphorus, potassium and other nutrients which are vital to the growth of plants. Peasants dredge the ponds regularly and use the silt to fertilize the mulberry trees and sugar cane. This is an enclosed cycle and can run infinitely. The plants and fish sustain and thrive on one another.

Although rainfall is abundant in this subtropical area, mulberry trees and sugar cane are free from waterlogging, as they grow on the embankments of the ponds which are linked with a well-planned network of drainage ditches.

Maize, beans, peanut, vegetables and fruit trees are interplanted with mulberry trees and sugar cane. As a result, everybody is employed, although farmland averages only one hectare for 25 persons in Shunde County.

Shunde County in the heart of the Zhujiang (Pearl) River delta has a population of nearly 600,000. It has 16,533 hectares of fish ponds and 5,133 hectares of mulberry trees. In addition, the peasants grow 10,400 hectares of sugar cane and 13,333 hectares of rice and other food crops.

Last year, peasants harvested 1.87 tons of silkworm cocoons from each hectare of mulberry trees, three times as much as the Taihu Lake area in Jiangsu Province, China's famous silkworm cocoon producing centre.

The county also produced more than one quarter of the province's fresh water fish. Per-capita income for Shunde peasants was 280 yuan last year, compared to the provincial average of 103 yuan.

### *Natural Reserve in Guizhou*

Early this summer 46 Chinese professors and scientists immersed themselves in the study of primitive ecological area reminiscent of the Galapagos Islands when Charles Darwin first found them.

Today when the world's environment is rapidly deteriorating, Fanjing Mountain in Guizhou Province, southwest China, is an example of virtually untouched subtropical forest in ecological equilibrium. Plants and animals of the Tertiary and Quaternary periods (70 to 2 million years ago) continue to thrive there much like their ancient predecessors. A great variety of animals, plants and micro-organisms live and die in a natural cycle, interdependent, in an environment which is almost free from human pollution.

The scientific investigators spent more than a month on the mountain, 2,494 metres above sea level. They examined and analysed 2,380 specimens and 370 samples, concluding that their study will be a significant contribution to understanding all aspects of subtropical zones.

Three distinct fauna areas converge on Fanjing Mountain—central south China, southeast China and south China. As a result, animals native to all three live in the reserve.



## For Your Reference

### Natural Reserves in China

TO preserve natural environments and rare species of Wildlife, 72 natural reserves have been established in China. They cover a total area of 1.7 million hectares, or 0.17 per cent of China's territory. It is planned that the number of natural reserves will be increased to 300 by 1985. Some of the major natural reserves in China are:

**Changbai Mountain Natural Reserve.** Set up in 1960, covering an expanse of 210,000 hectares and situated in northeast China's Jilin Province, it is a comprehensive reserve. Located in China's temperate zone, it has four environs at different altitudes. Over 1,300 species of plants, 100 precious medicinal herbs and 300 kinds of terrestrial vertebrates are found there. Rare animals — north-east China tigers, sika deer, sables, lynx and leopards inhabit this reserve. Red pine (*Pinus koraiensis*), other pines such as *Pinus sylvestris* var *fylyvestrifolmis* and *Larix olgensis*, are among the precious trees there.

**Dinghushan Natural Reserve.** Established in 1956, covering an area of 1,200 hectares in Guangdong Province, it is a treasure-house of species native to south China. It has over 2,000 higher plant species and a 270-hectare natural forest over 400 years old. It is a typical example of evergreen broadleaf forests in subtropical monsoon regions.

**Wolong Natural Reserve.** Set up in 1963, covering 200,000 hectares in Sichuan Province, it is a place where rare giant pandas roam. Its ecology is an example of southwest China's mountain forests.

**Wuyi Mountain Natural Reserve.** Established in 1979, covering an area of 56,600 hectares in Fujian Province, it is the largest virgin forest in eastern China's subtropical coastal area.

Fanjing Mountain is the sole habitat of the Guizhou golden monkey, which, like the giant panda, dates back to the Quaternary period, and is almost non-existent in other parts of the world; even fossils have not been found elsewhere. Its discovery in Fanjing may prove invaluable to the study of ancient animals and their natural environment.

Another rare bird sighted on the mountain, mandarin duck, is generally found in Siberia, Korea, Hokkaido and northeast China's Heilongjiang Province. The existence of the bird in southwest China suggests a new understanding of its environmental needs. The Fanjing giant salamander at 32 kilos is three times larger than those in other habitats, which weigh less than 10 kilos.

So far 57 kinds of animals and 200 kinds of birds have been discovered. Eighteen are listed as protected rare animals and divided into three categories, with the first considered most rare. Among those categorized as most rare are the Guizhou golden monkey, the Francois monkey and the south China tiger.

Animals in the second most rare category are the mandarin duck, the Chinese trogon, the white-crowned long-tailed pheasant, the giant salamander, the Assamese macaque, the Rhesus macaque, the stump-tailed macaque and the clouded leopard.

The third category includes the wood lynx, the tufted deer, the serow, the Chinese pangolin, the golden pheasant, the

Chinese copper pheasant and the silver pheasant.

Plants flourish in this "kingdom of the forest." Six hundred medicinal herbs, and more than 300 perennial plants of 130 genera were found by the scientists. The mountain is the natural environment for 13 of the world's 15 known floras (plant categories divided by location or historical period). Not represented are floras from dry Central Asia or from the Mediterranean, which has wet, warm winters and dry, hot summers.

Groves of several hundred beautiful, luxuriant dove trees blanket Fanjing Mountain. The tree is non-existent elsewhere, even in fossil form, like the Guizhou golden monkey. *Emmenopterys henryi oliv* which is also found in Fanjing is in the first category of protected rare plants; *Toona sureni*, *Phoebe nanmu* and *Dalbergia hainensis* are among the second category.

Fanjing is also the home territory for groves of the mountain evergreen *Buxus microphylla* var *sinica*, rarely seen in other parts of China. Rare medicinal herbs such as *Gastrodia elata*, *Eucommia ulmoides*, *Paris polyphylla* and *Coptis chinensis* were also found by the expedition.

## EDUCATION

### Better Schooling For the National Minorities

Education is key to the development of the sparsely populated regions inhabited by 55 minority nationalities, according to the Chinese Government.

Last year, as part of an ongoing drive to upgrade the educa-



tional level of China's 55 million people (6 per cent of China's population) who are not of the majority Han nationality, the Ministry of Education set up a special department for the education of national minorities.

More than 30 of the minority nationalities have their own spoken languages and 20 among those have written languages as well. In order to strengthen and popularize these written languages, the government has

1,000 boarding schools in these areas in recent years.

In areas shared by several different nationalities, state funds have been appropriated to open special classes and schools where each of the nationalities' habits and customs are respected. In schools shared by Han and Hui nationalities, for example, Muslim dining rooms are provided for the Hui students who also are allowed to take holidays from

However, development of education varies from nationality to nationality. For instance, middle schools are quite common in the Yanbian Korean Autonomous Prefecture in Jilin Province, while some minorities in more remote regions have not yet popularized primary school education.

The Chinese Government is developing an overall plan to upgrade the education of minority nationalities so that eventually universal education will be possible.



A middle school for Mongolian children.

established a number of publishing houses specifically to print textbooks in minority languages.

However, the educational system is unable to provide enough textbooks or teachers in each minority language. To amend this situation, a number of teachers training schools and new teacher-training courses for national minorities have been established.

China's minorities inhabit rugged mountainous and grassland areas. The terrain is a deterrent to primary-school aged children who must cover long distances to attend school. As a result, the governments at various levels have established

school to celebrate their own traditional festivals.

The state takes into consideration that college students of minority nationalities have particular difficulties because they must be good in both the Han language and their own. Qinghua, Beijing and other universities have been asked to open remedial classes for the newly enrolled students of national minorities. Last year saw institutions of higher learning enrol 12,325 students of minority nationalities.

Today, 9.7 million, a full 70 per cent of the national minorities' school-aged children are receiving an education. This is 10 times the number in 1951.

## MEDICINE

### Peptide C Synthesized

Scientists from the Shanghai Institute of Biochemistry have synthesized Peptide C of human pro-insulin, an inorganic active material that exists in human blood serum, for the first time in China.

Since 1979, the institute and the navy general hospital have been developing a radioactive immunological technique for assaying the activity of Peptide C in the body. (Peptide C averages 0.000000001 grammes per ml. of human blood serum.) This technique is the latest method of diagnosing diabetes and other diseases.

In the last year, seven hospitals and medical research institutes in Shanghai and Beijing have used this method on 1,000 persons. The results are reported to be accurate.

China is the fourth country to synthesize Peptide C and utilize this technique.

These achievements will aid further research into metabolism of carbohydrates and the function of insulin, a biologically active protein that exists in the pancreas of the mammal.



## Books

### Children's Stories

#### The Magic Flute and Other Children's Stories (in English)

Edited by modern Chinese writers Ye Shengtao, Ye Junjian and others,

Published by New World Press, Beijing, China,

Pages: 167, illustrated,

Price: Paperback, RMB 1.50 yuan; hardcover, RMB 2.60 yuan,

Distributed abroad by Guoji Shudian (China Publications Centre), P.O. Box 399, Beijing, China.

This collection of children's stories by 20 modern Chinese authors combines lively characters and fast action with strong moral themes that both entertain and educate. Characters range from magical dragons, fairy peacocks and talking animals to kings, landlords, shepherd boys and fishermen. Mystical beasts and traditional Chinese settings are used to present stories with themes that reflect the moral values of China's new socialist society.

In *The Wild Grapes*, the White Goose Maiden goes in search of magical grapes that will cure her blindness. After many trials, she finds the grapes, restores her sight and is offered a life of wealth and ease by an old mountain fairy. She refuses to stay despite all efforts to make her change her mind and takes a basketful of the grapes back to her village, using them to restore the sight of all who are blind and suffering. This spirit of selfless service of others is also revealed in *The Peacock With the Fiery Tail* in which the little peacock gradually gives away all his beautiful plumes to

help the poor and needy. He is repaid when the fairy peacock rewards him with a magnificent, new, fiery plumage.

Ye Shengtao's story *The Emperor's New Clothes*—a continuation of Hans Christian Andersen's classic—is particularly interesting. Written in 1930 when China was still under the rule of the Kuomintang, it goes beyond the scope of a mere children's story by making a veiled but sharp attack against the Kuomintang's brutal treatment of all opposition to its corrupt government. In the story the Emperor realizes he is naked, but continues to insist that he is clothed. Anyone who dares to point out the truth is executed. As time passes the Emperor becomes more and more intolerant until he orders the execution of anyone who speaks or laughs in his presence. Prophecically, the story ends with the downfall of the Emperor as the masses rise up against him and even his guards and ministers side with the people.

Other stories like *Three Proud Kittens*, *The Magic Gloves* and *Little Wild Goose Rejoins His Flock* show children the value of practice and manual labour, the need to respect and learn from those older and more experienced than themselves and the need for courage in the face of adversity. No story is without its clear moral message.

In a preface to the volume, the well-known translator and writer of children's stories Ye Junjian briefly traces the history of children's stories from their oral beginning through to modern times. Referring to the historical background, he shows how social and political developments were reflected in the

style and content of contemporary children's literature. In the feudal society, only the Confucian classics favoured by the ruling class were taught to youngsters, and children's stories, as a kind of folk literature, were usually not printed in book form and thus remained very much restricted to word of mouth. The exceptions he mentions, *Travel to the West* and *Water Margin*, cannot really be considered children's stories in the usual sense.

Only after the New Cultural Movement was launched on May 4, 1919 did children's literature begin to develop. With the encouragement of Lu Xun, writers began to tackle the problem of educating the young through "delightful and inspiring" stories. After the victory of the Communist-led revolution in 1949 this trend continued, but the values that writers sought to teach the young changed to match the values of the new socialist China. This is reflected in the stories of this volume. Its writers seek "to educate young readers in a new thinking, new concepts of morality and new ideals and try to broaden their knowledge and vision so that they will grow up to be useful and worthy members of the new society."

The translator Xu Mengxiong has done a good job. Apart from the occasional use of words that might be thought a little too difficult for children (omniscience, kaleidoscopic) his writing is living and fluid. The book is attractively bound, clearly printed and each story is generously illustrated with amusing sketches.

This is a book for imaginative children and all those interested in the development of Chinese children's literature.

—R.A. Roberts





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