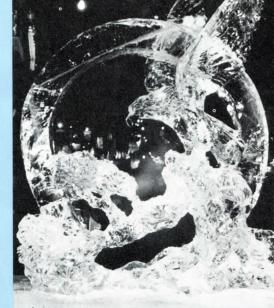




An information centre constructed out of ice.



Pine and Eagle.



Japanese artists competing in an ice sculpting contest.



Ice-Lantern Fair in Harbin

Fireworks exploding over one of Harbin's ice buildings.

Photos by Xie Xiaogeng







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HIGHLIGHTS OF THE WEEK

Premier Zhao Reports to NPC

Premier Zhao Ziyang presents the draft Seventh Five-Year Plan (1986-90) to China's legislative body, the National People's Congress, now in session in Beijing. He discusses the guidelines for the country's economic development and the major goals of the ongoing reforms (p. 5).

Three Cadre Echelon Ensures Policy Continuity

A three cadre echelon system has been introduced recently in both the central and local organizations in China. With top veteran leaders acting as policy-makers and younger, energetic and well-educated cadres at the second and third echelons doing routine Party and government work, China should be able to ensure the continuity of its current policies and achievement of its modernization goals. A pictorial illustrating the work and recreation of these leaders is enclosed (p. 18).

Li Xiannian's Afro-Asian Tour

Marvelling at the stone statue of a Sphinx, both Li Xiannian and Hosni Mubarak were nostalgic about their countries' contribution to civilization and both were determined to forge closer ties for the sake of friendship and peace. Egypt was the Chinese president's third leg of his current five-nation Afro-Asian tour (p. 9).

Beijing's Grace and Antiquity Endures

Beijing has undergone huge amounts of construction in the last few years. In the face of such sudden and extensive growth, many people have begun to worry that Beijing's ancient charm will be lost amid its current growth. But the special report on Beijing indicates that the former feudal dynasty capital should be able to retain its grace and antiquity in the future (p. 16).

Refuting Distortions

• One of our editors comments on the major distortions of two recent *Beijing Review* articles by foreign mass media. He says that while no one is free from errors, deliberate distortion for the sake of sensation-making is a disservice to everyone (p 4).

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NOTES FROM THE EDITORS

A Disservice To Readers

Wang Xingwu

As an editor of a magazine intended primarily for readers abroad, it is always a pleasure to see our news and views reaching out to a wider audience through the foreign mass media. Nevertheless, I am at times disturbed by the way *Beijing Review* articles and reports are misinterpreted or distorted.

A recent case in point is an unsigned piece entitled "Mao Tsetung: From Bad to Verse" published in *Newsweek* (March 17, 1986, p. 14). After charging Mao with a series of "crimes," the author declares: "Now comes evidence that the chairman was also...a plagiarist."

The "evidence" was deduced from *Beijing Review*, (March 3, 1986, p. 27) but the author chose not to quote us as the source, presumably for fear of compromising the conclusion he wanted to make.

Our story was abridged from an article printed in Weekend, a weekly supplement to Nanjing Daily. It described an incident concerning a young university student named Chen Mingyuan who had shown a remarkable talent for poetry. During the chaotic years of the "cultural revolution," some of his poems were mistakenly attributed to Mao and found their way into a "Unpublished entitled book Poems of Chairman Mao." Chen made this discovery and had it reported to Zhou Enlai, who subsequently stopped the circulation of the book. Despite the Premier's statement vindicating Chen of all responsibility in the matter, Lin Biao and Jiang Qing had Chen persecuted and finally put in jail.

Admittedly, our article had a weakness in its lack of relevant background information. That was our fault. But there was not a single hint in our story that the

publication of the book or the injustice done to Chen had any direct connection with Chairman Mao—a fact which did not prevent the *Newsweek* author from drawing his sensational conclusion.

People with some knowledge about China's "cultural revolution" know that hundreds of collections of articles, speeches and poems accredited to Mao were published by various "rebel" organizations in those days, without authorization from any official source. Quite apart from this, Mao's reputation as a leading Chinese poet and his extraordinary talent for classical Chinese poetry have been widely acknowledged in China, even among people most critical of his mistakes. To accuse him of plagiarizing Chen's poetry, therefore, would be as stupid as charging Shakespeare or Milton or Byron with stealing passages from a talented but amateurish writers of their times.

The Newsweek piece brings to mind another major distortion which occurred a few months ago when our magazine carried Ma Ding's essay on the 10 major changes in China's economic research (Beijing Review, Dec. 9, 1985). Soon after its publication, a correspondent of the Jiji News Agency of Japan filed from Beijing a highly sensational report about Ma's article. According to this report, Ma had contended that Capital and other Marxist classics on economics had lost their validity, and that he was in favour of boldly applying the results of contemporary Western economic thinking, such as the Keynesian theory. Ma was also described as liberalization advocating academic research.

The Jiji report was immediately printed in at least two major newspapers in Japan. The Asahi

Shimbun highlighted the story by adding a note to the effect that Ma's article was a sounding balloon floated by some of China's leaders to try out public response. A Chinese-language newspaper in New York, basing itself on the distorted version of Ma's article, wrote a long editorial charging China's economists with "academic utilitarianism" and asserting that they were suffering from "indigestion of things foreign."

In fact, Ma never made any of these statements. His essay, which gave a brief account of many changes that have taken place in recent years in China's study of economics, described a radical change among Chinese economists from their previous dogmatic approach to a more scientific attitude towards contemporary economic theories of the West. While clearly stating his opinion that Western bourgeios economics is in essense vulgar and unscientific, he noted however, that it also possesses certain elements that are practical, reasonable and scientific and that these should not be ignored. He stressed the need to adopt a Marxist stand, viewpoint and method in developing a science of economics for building socialism in the light of China's reality.

I cannot judge how any of the above-mentioned distortions came about. Some of them may have resulted from an ignorance of Chinese affairs. For example, Ma advocated the adoption of Mao's policy of "Letting a hundred flowers blossom, letting a hundred schools of thought contend" in academic research. But in the Jiji dispatch, this was interpreted as "liberalization" which in the media is often a code word for departure from or opposition to Marxism. Anyone who has read Mao's "On the Correct Handling



of Contradictions Among the People," one of his most famous works, can tell the difference.

Many of our readers have proved to be more fair-minded and knowledgeable about China. Yotaro Saito, a Japanese university student for example, sent us a letter pointing out the Jiji distortions and urging us to do something about them. (See Letters, p. 34 of this issue). It is interesting to note that some Japanese publications have also carried comments refuting the same distortions.

In recent years, an increasing amount of good, objective reporting on China has appeared in the foreign mass media. This is of great value in promoting various exchanges as well as the understanding of China by people the world over. As a Chinese journalist, I very much appreciate the work of foreign colleagues who have helped to bring China to the world. Articles such as the two I have just discussed are not that common. I believe such writings are a disservice not only to readers whom they can only confuse and mislead, but also to the writers themselves, as well as the news institutions they represent.

Judging by our own experience, foreign coverage is not an easy thing. We also make errors. But making mistakes through ignorance is one thing; creating sensation through deliberate distortion is quite another.

EVENTS/TRENDS

Optimistic But Not Over-Ambitious, Says Zhao

China will push on with its comprehensive reform, strengthen its economic powers and continue to raise the living standards of its one billion people during the Seventh Five-Year Plan period.

China will strive to lay the ground work for a new type of socialist economic structure with Chinese characteristics the next five years or more, declared Zhao, in his 25,000-word report on the draft Seventh Five-Year Plan (1986-90) during the Fourth Session of the Sixth Conference of the National People's Congress, which opened in Beijing on March 25.

The draft plan provides that the gross value of the country's industrial and agricultural output will increase by 38 percent in five years—reaching 1,677 billion yuan in 1990—with an annual growth rate of 6.7 percent. The gross national product will increase by 44 percent—reaching 1,117 billion yuan in 1900—with an annual growth rate of 7.5 percent.

In setting the economic growth in the draft plan, Zhao said, "We were optimistic but not overambitious," adding that the rate is likely to be exceeded.

Fixing an appropriate rate for economic growth is aimed at promoting the proportionate and efficient advance of the national economy, he explained.

Nine-year compulsory education will be gradually introduced during the five-year period, the Chinese premier noted. About 5 million specialized personnel will be trained by institutes of higher learning, twice the number trained in the previous five years.

The consumption level of urban and rural residents will rise by 27

percent in the 1986-90 period. The draft plan sets the average annual growth rate for the net income of farmers throughout the country at 7 percent, and the growth rate for the wages of workers and staff members at 4 percent.

A crucial issue for the Seventh Five-Year Plan, the premier said, is to set an appropriate scale of investment, readjust the investment pattern in a rational way and raise economic returns on investment. The draft plan sets the total investment in the fixed assets of state-owned enterprises in the next five years at 896 billion yuan, an increase of nearly 70 percent over the previous five-year plan.

There will be a marked increase in the productive capacity of the energy industry and the raw and semi-finished materials industries as well as the capacity of transport and telecommunications with the renovation, expansion and construction of a number of key facilities and the technological transformation of a number of key enterprises. Investment will be increased in agriculture, science and education.

Zhao said that China would expand economic exchanges and trade with other countries, the use of foreign capital and the import of advanced technology in the next five years. The total volume of import and export in 1990 is expected to increase by 40 percent over the 1985 figure.

Implementation of the new fiveyear plan will enable China's economy to function within a new framework, Zhao said. Highlights of the reforms during the period include:

- —Turning a great majority of enterprises by the end of the period into relatively independent economic entities, into socialist commodity producers having full authority for management and full responsibility for their own profits and losses.
- —Promoting economic ties among enterprises and gradually establishing groups of enterprises in different forms and at various levels to rationalize the development of resources, the use of funds and technology and the disposition of productive forces.
- Developing a socialist commodity market by continuing to reduce the varieties and quantities of products under unified state allocation and distribution.
- Developing inter-regional and inter-departmental commodity circulation and establishing new commercial forms combining agriculture, industry and commerce, or agriculture and commerce, or industry and commerce, or commerce in different areas and trades.
- —Expanding the markets for consumer goods and for means of production and gradually establishing a system in which the state sets the prices of a few vital commodities and labour services,

while leaving the rest to a pricing system under state guidance and to market regulation.

— Establishing a new system by which the state will gradually change from direct to indirect control in its management of enterprises.

The premier said that the goal of the reform was to build a socialist economic structure with Chinese characteristics that is unlike the ossified or semi-ossified model of the past and fundament-

ally different from the capitalist models.

He urged all government personnel to improve their style of work and do away with empty rhetoric in favour of practical work while striving to be more efficient. He said government workers should observe discipline and the law, be honest and devoted to official duties. safeguard the interests of the state and society at large, and serve the people wholeheartedly.

CPPCC Active in People's Diplomacy

With the implementation of the policy of peppering up the home economy and opening to the outside world, the Chinese People's Political Consultative Conference has expanded its exchanges with people in other countries.

In a report to the Sixth CPPCC's Fourth Session held on March 24 in the Great Hall of the People, CPPCC Vice-Chairman Cheng Zihua said that over the last three years and more since the Sixth CPPCC's First Session in 1983, the organization had sent 11 delegations to visit foreign countries, and had worked out arrangements with these countries for the exchange of visits. In the intervening years, the CPPCC

National Committee received nine visiting foreign delegations and 1,100 people from 50 countries together with other organizations.

These activities have, by promoting people's diplomacy, that is, exchanges with non-governmental organizations abroad, helped expand the CPPCC's role in China's political life.

CPPCC is an organization for political consultation and democratic supervision in China. Its members include public figures, scientists, professors, scholars and specialists.

Cheng said that in seeking friendship and knowledge and safeguarding world peace, it is necessary to rally the efforts of all quarters. He called on all those

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present at the session to work to expand the CPPCC's friendly exchanges with the outside world. "So long as we work in a down-toearth way according to state policies, I am sure our foreign relations will continue to grow in the days to come," he said. According to him, the CPPCC will send specialized groups abroad for academic exchanges in the future. Saving History. The March 24 CPPCC session also heard a report by Vice-Chairman Yang Chenwu on the work of collecting historical data. According to him, the CPPCC organizations have collected historical data totalling 500 million characters since 1959.

More than 200 types of selected historical data and 100 titles of special data have been published, he said.

Most CPPCC organizations have set up offices in charge of collecting historical data, and 100 types of data books and journals are published every year, he said.

Yang said that the CPPCC has co-operated with other departments in compiling data on celebrated people including Xu Beihong, Yang Hucheng, Tan Kah-kee, Deng Baoshan, Deng Yanda, Zhang Zhizhong, Fu Zuoyi, Wei Lihuang and Li Jishen and on the Huangpu Military Academy.

The CPPCC is now preparing a series of books based on personal experiences of former Kuomintang generals, which report most of the major operations fought by Kuomintang troops during the War of Resistance Against Japanese Aggression (1937-45).

Yang said that the CPPCC will organize former industrialists and business people into collecting data relating to foreign trade, finance, banking and sino-foreign joint venture to meet the need of the current economic restructuring.

It will also collect data among compatriots in Hong Kong, Macao and Taiwan as well as Chinese nationals residing abroad, he added.



Rally for Peace Sets Off UN Year

Alarge rally to mark the United Nation's International Year of Peace (IYP) was held in Beijing's Great Hall of the People on March 21.

The rally was the first major event in a series of activities organized by China to celebrate the IYP. "It reflects the Chinese people's profound desire for peace and their determination to close ranks with the people of other countries in maintaining peace," said Premier Zhao Ziyang, the first of six speakers to address the audience of more than 3,500.

Zhao explained China's independent foreign policy of peace and its basic position on the question of peace and disarmament.

"So long as the people of the world keep up their unremitting efforts, they will certainly win peace," he said.

Among those present at the rally were members of the Chinese IYP Organizing committee, diplomatic envoys from around the world, representatives of the United Nations, and foreign experts working in Beijing.

At a UN General Assembly meeting to commemorate its 40th anniversary last October, in which many heads of state government participated, the UN proclaimed 1986 the International Year of Peace in order to reaffirm, by unfolding worldwide activities, the purposes of "saving succeeding generations from the scourge of war" and "maintaining international peace and security" as stipulated in the UN Charter. It called on governments and peoples of all countries to join the United Nations in safeguarding peace and the future of humanity.

Krzysztof Ostrowski, executive member of the UN IYP secretariat, read a message at last week's rally from UN Secretary-General Javier Perez de Cuellar, saying that the support of the Chinese people for the year would be of lasting significance in the realization of the goals for peace as foreseen in the UN Charter.

He noted the world faced many pressing needs, including disarmament, development and the resolution of conflicts concerning human rights and environmental protection.

"Solutions to these problems will be found only with the active concern and common efforts of all countries and people," he added.



Zhao Ziyang addressing the March 21 rally.

Speaking at the rally, Zhou Peiyuan, president of the Chinese People's Association for Peace and Disarmament, called the audience's attention to the danger of nuclear war.

"As a physicist, I know only too well the immense destructive power of today's nuclear weapons. A major calamity would fall upon civilization should a nuclear war break out," he said. The most important steps towards maintaining world peace were to fight against hegemonism, halt the arms race between the superpowers, and remove the threat of nuclear destruction.

Other speakers included Zhang Wenjin, president of the Chinese People's Association for Friendship with Foreign Countries, and Qian Qichen, vice-minister of foreign affairs, and Manfred Kulessa, UN resident coordinator in China.

Among IYP activities planned for this year is an invitation by the All-China Federation of Trade Unions to foreign counterparts to attend a peace forum in April in Beijing, according to Liu Gengyin, secretary-general of the Chinese IYP Organizing Committee. And a symposium on safeguarding world peace will be held jointly by the Chinese Academy of Social Sciences and its Shanghai branch.

To celebrate the year of peace, calligraphy, painting and photography exhibitions — including a Beijing exhibition of paintings by Chinese and foreign children on the theme of peace to be opened in October — will also be held and commemorative stamps and coins will be issued.

by Wang Xianghong

Zhao Meets Soviet Vice-Chairman

Premier Zhao Ziyang said in Beijing on March 18 that the successful meeting of the Sino-Soviet Commission of Economic, Trade, Scientific and Technological Co-operation will serve as an impetus to Sino-Soviet cooperation in these fields.

However, the premier said there had been no substantial progress in political relations between the two countries in recent years, despite the satisfactory growth of their economic, scientific and technological and trade ties.

Zhao made these remarks while meeting visiting Ivan Vasilyevich Arkhipov, first vice-chairman of the Council of Ministers of the Soviet Union who arrived in Beijing on March 15.

Zhao said that the Chinese and Soviet people have a traditional friendship as neighbours. Calling Arhkipov an old friend of the Chinese people, he said, "We feel very pleased every time you come here."

In his reply, Arhkipov expressed the belief that if the two sides could unfailingly carry out the agreements already reached, it would provide an important base for improving relations between the two countries. "We attach great importance to improving the Soviet-Chinese relations. We are for consolidating and developing our present co-operation and expanding our contacts by various means," he added.

A summary of the first meeting of the Sino-Soviet Committee on Economic, Tarde, Scientific and Technological Co-operation was signed in Beijing on March 21. A protocol agreement on the exchange of engineers and technicians was also signed at the same time. Meanwhile, the 28th session of a Sino-Soviet joint commission for navigation on boundary rivers, which opened on March 5, ended in Harbin on March 21.



President Hosni Mubarak greets President Li at Cairo Airport.

CULBAD

Li Visits Egypt in Asian-African Tour

President Li Xiannian left the ancient city of Luxor in upper Egypt on March 21 after a five-day visit to Egypt, and arrived in Mogadishu the same day to begin his fourth leg of his Asian-African tour.

Egypt, the first Arab country to establish diplomatic relations with China, have received a number of visiting Chinese leaders over the years. Among them were Premier Zhou Enlai, who called on Cairo three times during his lifetime, and Premier Zhao Ziyang, who visited the country in 1982 on his 11-nation African trip.

On the second day of Li's visit, Egyptian President Hosni Mubarak, who has visited China three times, accompanied the Chinese President on a visit to the famous Egyptian Pyramids. In front of a Sphinx, guests and hosts looked back on the civilization of mankind—to which the Chinese and Egyptians have made great contributions—and expressed their desire to further develop the friendship and co-operation between the two countries.

Addressing a joint conference of the Egyptian People's Assembly and the Advisory council, Li reiterated the increasing role of the developing countries in maintaining peace and achieving prosperity in the world. "The third world occupies a decisive position, both in keeping world peace and in promoting common progress," he said.

Li pointed out that today's bruising superpower rivalry posed a grave threat to international peace and security and subjected third world countries to enormous suffering. It is, therefore, natural that third world nations were most staunch champions of peace and opponents of war and were most resolute in demanding justice and combating power politics.

Speaking of China's policy towards other third world countries, Li said that China is a developing socialist country that treasures strong ties with other developing countries. "To keep strengthening its unity and cooperation with other third world countries is an important aspect of the independent foreign policy of peace that China pursures," Li said. "China is opposed to hegemonism of all description," he added.

Referring to the Mideast issue, Li reiterated China's firm support for the Palestinian and other Arab people in their struggle to recover their lost territories and to regain their national rights.

During President Li's stay in Egypt, Cairo and Beijing signed an executive programme for cultural co-operation from 1986 to 1988. Under the programme, worked out in accordance with an agreement cultural on operation signed in 1956, the two exchange will visiting delegations in the education, theatre, journalism, and public health fields.

News in Brief

ccording to the State Education Commission. Chinese universities and colleges enrolled 853 handicapped students in 1985, tripling the 1984 figure. The commission indicated that there are 375 schools for the blind, deaf and dumb, or mentally disabled across China. In 1985 these schools enrolled 9,200 students, bringing the total number to 41,700.

Today, about 70 percent of the disabled people in China's large and mediumsized cities are employed.

Beijing has banned the use of historic buildings and sites as movie and television stage settings because of recent damage caused by film crew. The city government instituted measures this month prohibiting filming in and at ancient structures, including tombs, temples and memorial halls. Cultural relics, such as murals, statues, tapestries, scrolls and carved columns are also off limits. A staterun film studio in Beijing was fined for damage to one of the Ming Tombs outside the city during the filming of the Italian-Chinese television series Marco Polo in 1981-82.

An eight-volume dictionary of Chinese characters, the largest ever, will come off the press in part in October. The dictionary has 56,000 entries, which run to 20 million Chinese characters. The entire set will have been completed by 1989.

China & the World

■ Arms Sale to Talwan Opposed. China considers the sale of any type of arms and related technology to Taiwan a direct intervention in the internal affairs of China, according to spokesman of the Foreign Ministry. He said on March 19 that the Chinese government stood for a peaceful settlement of the Taiwan question. "We are always firmly opposed to the sale of any type of arms and the provision of any type of production techarms nology, including atomic weapons to Taiwan, by any country," he said. "It is detrimental to peace in Asia and the stability of the international situation."

■ · Zhao Lashes out at Apartheid. Premier Zhao Ziyang on March 20 denounced the "notorious intransigence" of the South African regime in pursuing its racist policy. He said the Chinese government and people have continually condemned the South African authorities for their policy of apartheid, and unequivocably support the South African people in their struggle for human rights and racial equality.

Zhao made the remarks in a telegramme to Chairman Joseph Garba of the UN Special Committee Against Apartheid on the International Day for the Elimination of Racial Discrimination.

■ Paul Schluter in China. Danish Prime Minister Paul Schluter arrived in Beijing on March 23 for a week long official visit at the invitation of Premier Zhao Ziyang. The two met each other the second day to find they share much in common in world affairs.



Leaders of Democratic Kampuchea being interviewed at the Beijing residence of Prince Norodom Sihanouk (centre).

Sihanouk: Viet Nam Lacks Sincerity

Viet Nam's rejection of the latest proposal for a political solution to the Kampuchean issue (see Beijing Review, No. 12, P. 10) has demonstrated its lack of sincerity, President of Democratic Kampuchea Norodom Sihanouk told Beijing Review and other Chinese reporters in an interview at his Beijing residence on March 20.

Son Sann, Prime Minister of the Coalition Government, and Khieu Samphan, Vice-President of Democratic Kampuchea in charge of foreign affairs, also answered questions at the interview.

Sihanouk said the eight-point proposal put forward by the Coalition Government of Democratic Kampuchea was a fair one, including some new concessions.

Compared with last year, "we have softened our stand in the present proposal, and showed our flexibility in solving the Kampuchean issue," he said.

The new plan suggested, among other things, that the Heng Samrin

faction enter into negotiations with the tripartite Coalition Government of Democratic Kampuchea to set up a quadripartite coalition government.

It also would allow Viet Nam to withdraw its occupying troops from Kampuchea in two phases within a set period of time.

Sihanouk said these were major concessions on former positions that did not give the Heng Samrin regime a role and insisted on an immediate Vietnamese withdrawal. He continued by saying Kampuchea would be recognized "as a neutral state with diplomatic ties with Viet Nam and other countries."

He pointed out that Viet Nam's rejection indicated Hanoi hasn't any "good faith, good will and honesty" towards the issue. "It also showed that Viet Nam is prepared to threaten peace and stability in Southeast Asia and in the world."

He concluded that Kampuchea could "make no more concessions."

Khieu Samphan said the proposal had resulted from a consensus of political opinions and points of view among leaders



YANG LIMING

Double-Decker Shuttle Put Into Service

A most unfamiliar sight here in Beijing is the bright yellow double-decker bus which has been put into trial service as a shuttle between Qianmen and the Summer Palace. While the question of whether such buses might eventually be used extensively as public transport is still unclear, the novelty of the British-made bus has attracted crowds of curious riders. Passengers here are boarding the bus at the Summer Palace.

of Democratic Kampuchea. They had discussed it at the United Nations, in the liberated areas of Kampuchea and in Beijing.

Son Sann said it had "come from our hearts," and was aimed at achieving an early peaceful solution in Kampuchea in accordance with the related UN resolution.

The warm reception of the proposal by the international community indicated that it was the best solution to the crisis, despite Viet Nam's rejection, said Son.

Sihanouk said the rejection had further isolated Viet Nam, and exposed it to even more international condemnation. International comments about the proposal had been fair and favourable to Democratic Kampuchea, and he was satisfied with the comments from China and Southeast Asian leaders.

Son Sann emphasized that the proposal did not mean the armed forces of Democratic Kampuchea had been defeated on the battlefield. "Our soldiers have

penetrated inland and are fighting the Vietnamese invaders everywhere," he said.

Sihanouk refuted the Vietnamese claim that it had destroyed all the military bases of the coalition government, saying "We are still holding some bases inside Kampuchea along the Thai-Kampuchean border."

He said the establishment of joint military and propaganda commissions had further united the three parties in the coalition government.

KAMPUCHEA

Puppet Troops in Revolt

Since the eighth dry season campaign launched by Vietnamese troops in Kampuchea, more mutinies and cases of desertion have come to the surface as the soldiers reconsider their loyalties.

Since last winter, the incidence of desertion and mutiny among the Heng Samrin puppet troops has mounted. Two recent cases are especially significant.

One involved more than 800 soldiers of the 2nd division, stationed in Pursat Province. They clashed with a division of invading Vietnamese troops, seizing two tanks, and causing a number of Vietnamese casualties. The former was later disbanded by the Vietnamese authorities.

The other incident involved a clash between Heng Samrin soldiers stationed in Koh Kong Province and Vietnamese troops. The Kampuchean rebels captured one tank and several Vietnamese vehicles. The mutineers were also dismissed.

These revolts so upset the Vietnamese authorities that they replaced the Heng Samrin soldiers that defended Phnom Penh with Vietnamese troops.

Mutinies among the Heng Samrin puppet troops are everincreasing. They reflect the sharpening contradictions between the Vietnamese invaders and Kampuchean people and are an inevitable result of a war of repression. It also indicates that Heng Samrin puppets have been awakening to the efforts of unity among the Kampucheans and their struggle against Vietnamese intervention.

Hanoi's eighth dry season offensive currently underway is said to be part of a strategy to weaken and eliminate the Democratic Kampuchean resistance forces within two to three years. Viet Nam has been bogged down in Kampuchea since 1978. Its aim

now is to block the Kampuchea-Thailand border, cut off supply lines and clean up the inland resistance.

The Vietnamese troops have forced hundreds of thousands of Kampuchean people into the jungle area between Thailand and Kampuchea to establish a cordon blocking sanitaire passages through. As a result, tens of thousands of civilians have died of hunger, disease and mine explosions. Many of them were the relatives or friends of the Heng Samrin troops. The Vietnamese invaders also have established many strategic "villages" where the villagers are under constant Vietnamese vigilance

order to prevent them from contacting the Kampuchean forces. At the same time, Vietnamese continue to emigrate to the interior of Kampuchea, backed by their government. It has been reported that more than 700,000 Vietnamese immigrants are now in Kampuchea. They have taken some of the countryside by force, causing discontent and unrest among the Kampuchean people.

In contrast, the Kampuchean resistance forces who have moved to the country's interior continue to carry out the policy of uniting the entire nation against the Vietnamese invaders, and the slogan, "Kampucheans do not fight Kampucheans," is being heard more clearly throughout the land

Observers have noted that the widespread mutinies among the Heng Samrin troops seem to act as a kind of deterrent on the Vietnamese invaders whose eighth dry season offensive has been up till now rather limited in scale.

Tang Tianri

OPEC

Oil Price Stablized

A viable oil price agreement was finally reached after several days of heated debate among OPEC ministers.

At its meeting in Geneva, the 13 members of the Organization of Petroleum Exporting Countries (OPEC) and five non-OPEC nations—Angola. Egypt, Malaysia, Mexico and Oman—reached an agreement on March 21 to take all necessary measures to gradually restore crude oil prices to the pre-crisis level of US\$28 a barrel.

The oil production ceiling will be reduced to 1,400 million barrels a day, down from the current 1,700 million barrels a day.

The talks had dragging on since participants began to differ on methods to revive the crumbling oil market.

The conference, which opened on March 16, was convened at a when oil prices had plummeted from about US\$28 to about US\$13 a barrel, since OPEC decided to abandon production ceilings last December. All OPEC member nations suffered huge losses resulting from the steep oil price fall. It has been estimated that the drop of one dollar a barrel reduces OPEC revenues US\$400 million each month. In the long run, lower oil prices would be unbearable even for those oil-rich countries, such as Saudi Arabia and Kuwait.

Britain and Norway, two key oil-pumping nations outside of

OPEC turned down OPEC's invitation for consultation on ways to remedy the flabby oil prices, posing a threat to the organization. Convinced that production cuts would result in the loss of its share of the world oil market, Britain has refused to accept any output reduction proposals. British Chancellor of the Exchequer Nigel Lawson said March 18 that Britain would maintain current production and had no overall interest in keeping oil prices high.

The 13 OPEC member nations had been divided over the resolution of the price crisis. Algeria, Iran and Libya had been calling for an oil output cut to

boost the slumping prices. Prior to the Geneva meeting, Iran was ready to suggest cutting OPEC production for two to four weeks and then cutting the output by 10 million barrels each day. The following oil shortage, in Iran's view, would then force oil prices to climb again. On the other hand, Saudi Arabia, Kuwait and other Gulf oil producers have insisted on a continued price war against Britain and Norway; and they have plunged ahead despite their enormous losses caused by what they have called unacceptable oil prices. The oil price drop was expected to cost the Gulf oil producers about US\$60 billion this year alone.

by Xin Ri

US-SOVIET

Bargaining Turns to Bickering

Despite a chain of proposals and conterproposals between the two superpowers, the nuclear stockpiles continue to grow.

In the last two months, US and Soviet leaders have put forward new suggestions on nuclear disarmament. Yet no breakthroughs have been made as disputes halting the disarmament process continue to mount.

Soviet leader Mikhail Gorbachev's "package plan" of peace and disarmament set forth on January 15 drew up a threetiered timetable of completely eliminating nuclear weapons by the end of the century. Gorbachev's suggestion focused on the first stage consisting of five to eight years, beginning in 1986. Within this period, he said, the Soviet Union and the United States would cut back half of their nuclear weapons capable of striking at each other's territory, limit their nuclear warheads down remove intermediate-range missiles from Europe, and suspend all nuclear

testing. The suggestion also reaffirmed Soviet opposition to the research, testing and deployment of space weapons.

A month later, United States President Ronald Reagan responded to Gorbachev. He called for the elimination of intermediate-range missiles not only from Europe, but from Asia as well. Reagan proposed that the "unbalanced" conventional strength that favours the Soviets should be readjusted and the "regional conflicts" resolved at the same time.

On the reduction of all nuclear weapons by half, Moscow and Washington have different interpretations. According to the Soviet Union, the cutting should be directed to all sorts of nuclear weapons capable of striking at each other's territory, thus focusing on US medium-range missiles based overseas. Washington, in turn, wants to cut only those "strategic" weapons, primarily land-based intercontinental missiles that currently tilt the balance in the Soviets' favour. While Gorbachev talks only of reducing Euro-missiles, Reagan refers to those deployed in Soviet Asia. In addition, the Soviet side, though no longer insisting on the inclusion of British and French missiles, has turned to require these two countries freeze their nuclear stockpiles in the coming 5 to 8 years, adding that the United States should transfer no nuclear weapons to its allies. But on this, neither side was listening.

The United States contends disarmament should be linked with overcoming the imbalance in conventional strength and the settlement of regional conflicts. Moscow rejects this, claiming these preconditions only block the disarmament process.

Gorbachev has urged the United States to reach an agreement on the moratorium on weapons testing as soon as possible, whereas Reagan has continued American testing. According to the Western press, the Soviets want to halt the US testing because they would not like to see further research in its strategic defence initiative programme.

An interesting development in this exchange, however, is that the Soviet Union has now tied the whole issue of disarmament to the Gorbachev-Reagan summit conference. Gorbachev has said a summit would be meaningless unless disarmament and testing agreements could be reached. To this Reagan has responded by threatening that if Gorbachev did not visit the United States as scheduled this summer, he would cancel his planned trip to the Soviet Union in 1987. In the words of US Secretary of State George Schultz, the United States would not back down for the sake of a US-Soviet summit.

by Zhang Junli

FRANCE

Left Meets Right in Paris Leadership

For the first time in the 28-year-history of the Fifth Republic, a Socialist French president will be forced to "cohabit" with a conservative prime minister.

The right-wing French coalition won a slim majority in the parliamentary elections on March 16, ending five years of leftist government in France. As required by the constitution, Socialist President Francois Mitterrand, asked Jacques Chirac, the conservative neo-Gaullist leader to become prime minister, creating the first duo-partisan leadership since Charles de Gaulle founded the Fifth Republic 28 years ago.

On March 20 Chirac announced the composition of the new government, which included a new cabinet of 15 ministers, including himself, eight minister-delegates and 15 secretaries of state. Among the members of the new government, 19 are from the Rally for the Republic Party, whose leader is Chirac, the Union for French Democracy and other right-wing parties have 17 members and two are well-known independents.

The 53-year-old Chirac, who is mayor of Paris and was prime minister under former President Valery Giscard d'Estaing, said his party and the conservative Union for French Democracy would support a joint legislative programme that includes denationalization of industries and banks and sweeping economic reforms.

Observers in Paris said the conservatives' slim victory indicated a new balance of political strength in France, reflecting the public's disappointment with the Socialists' economic and social policies.

However, the Socialists, with 216 assembly seats are still able to give Mitterrand much more room to manoeuvre than if the right had scored a crushing win. The 69-year-old president, with two years

left in his 7-year term, is actually still in a relatively good position to act with the powers endowed by the constitution. He can dismiss Parliament and announce early general elections at will.

Observers in Paris also say that although Mitterrand has appointed a conservative prime minister to head the government, the conservatives will still find it difficult to carry out their policies unhindered due to the tension that is likely to rise between the Socialist president and a rightwing prime minister. France, they say, faces political uncertainty.

The extreme right National Front, which campaigned largely on an anti-immigrant platform, benefited by the new electoral system of proportional representation and for the first time has representatives in the national assembly with 10 percent of the total votes, much higher than was expected.

As a matter of fact, the substantial differences between

the two major political powers are decreasing. Some sources in Paris have used the terms "social democrats" and "liberal conservatives" instead of the leftists and the rightist. Both of them are moving towards the middle.

As a result, the limitation of power for prime minister and president may be adjusted somewhat. The presidents of the Fifth Republic have usually centralized wide power in their own hands. The reason for this is due to the constitution, created in 1958 and tailored for General de Gaulle, and partly because of de Gaulle's personal authority. The so-called reservation powers of the president are not provided by the constitution. Yet the constitution has some articles of flexibility. It both stipulates the president shall be commander of the armed forces and stipulates the government shall have at its disposal the administration and the armed forces. This kind of flexible issues will be the focus of dispution in the

With the end of the legislative elections in France, so begins another campaign—the presidential elections in 1988, a race in which both Mitterrand and Chirac are expected to run.

by Ma Weimin

SINGAPORE

Economic Slump Hits Unemployed

The Singapore economy has had hard times in recent years and unemployment has climbed to more than 4 percent. But reforms are underway as the world's busiest port nation tries to keep up.

Last year Singapore experienced the worst economic recession since its independence more than 20 years ago. The growth rate of the national economy fell from 8.2 percent in 1984 to negative 17 percent. With more than 90,000 people out of work, the unemployment rate went up to 4.1 percent.

Singapore is noted for its

reliance on foreign markets, the United States market in particular. The sluggish American economy in recent years has therefore hurt Singapore badly and the rising wave of protectionism in the West is not helping matters.

Take the manufacturing industry, which is a pillar of the

Singapore economy, for example. Export of manufactured goods makes up 50 percent of its total foreign revenue. But the industry began to slip in 1982 and its growth rate fell by 7.3 percent last year.

The housing industry has been another main stay of the island's economy. In 1984 its output value accounted for 8 percent of the gross domestic product. During 1980 to 1984, its average growth rate was 22 percent, but fell by 14.3 percent last year.

The Singapore economy owed much of its development to foreign investment, which made up two-thirds of the total investment. But last year foreign commitments fell to \$\$1.1 billion (about US\$470 million) as compared with \$\$1.7 billion (about US\$790 million) in 1984.

However, the economic outlook is not altogether gloomy. Transportation, telecommunication, finance, commerce, foreign trade and tourism made some progress in 1985. In terms of 1986 real prices, its transport and telecommunication increased by 3 percent, and finance and commerce were up by 2.6 percent in 1985. Singapore harbour has become the busiest in the world. The well-known Singapore Airline brought in \$\$200 million in profits in 1985. Known for its mild climate and natural beauty, Singapore attracted more than 3 million tourists last year. an increase of 1.3 percent compared to 1984. Therefore, despite the economic recession, Singapore's foreign exchange reserves have continued to mount. By the end of last year, they reached \$\$27.08 billion.

Singapore has adopted a series of measures to revitalize its economy. One of them is to improve the competitiveness of Singapore-made products by cutting down on production costs. According to the projection of one Singapore economist, some major industries, such as oil refinery and

shipping, will be in the doldrums this year, but transportation. finance, textiles, the clothing industry, commerce, and the

manufacture of sophisticated electronic instruments will pick up somewhat.

by Li Yongming

BRAZIL

Civilian Rule Brings in Results

Brazil has made progress in many fields since the civilian government came to power last year.

Brazil, the largest Latin American country, has achieved some noteworthy successes in the improvement of its national economy, promotion of democracy and development of foreign relations since President Jose Sarney took power one year ago to begin the first civilian rule in 21 years.

In 1985, Brazil's gross national product (GNP) rose by 8.3 percent, the heftiest increase since 1976. Its foreign trade registered a surplus of US\$12.45 billion, next only to Japan and the Federal Republic of Germany. The flourishing business created more than 1.75 million jobs last year.

Meanwhile, the civilian government has made painstaking efforts to consolidate and accelerate the process of democracy throughout the country, which had been rigidly reigned by military rule since 1964.

Last year, the Brazilian government approved a constitutional amendment on direct presidential elections. Last fall 201 mayors in the country were elected through direct balloting, and another election of the constitutional assembly will be held in November.

The new government also passed a resolution that would give voting rights to all citizens older than 18, including those who cannot read or write, during the next general elections. It legalized all political parties, promulgated land reform laws and began a reform of the country's tax system.

President Sarney pursued a foreign policy more flexible than

that of his predecessors. Brazil took an active part in the efforts to seek a reasonable solution to the foreign debt dilemma of the continent. It joined the Lima Group and supported the Contadora Group in striving for a peaceful settlement of conflicts in Central America.

In the past year, the civilian government worked diligently to improve and develop the cooperative relations with its neighbouring countries, and attached importance to the reinforcement of diplomatic ties with a number of African and Asian nations.

Brazil's new civilian government has had to wrestle with many trying problems, economic ones in particular.

The greatest challenge facing the government was runaway inflation, which reached a record high of 233.7 percent last year and continued on an upward trend in the first two months of this year. On February 28, President Sarney announced a package of new measures to fight what he called a "life-or-death" war against inflation. This included the issuance of new currency, the freezing of prices, rents and public service fees, the adjustment of wages and the establishment of securities for the unemployed.

The shadow of US\$104 billion foreign debt is still hovering over the country with no solution in the immediate future. All this, compounded by many other political and social problems, is imposing a heavy burden on the one-year-old civilian rule.

by Tong Qinli

Beijing's Ancient Charm Endures

In the last few years, Beijing has undergone massive amounts of construction of highrises, flyovers and modern residential quarters which once were few in the capital, are now numerous. With such sudden and extensive growth, many have begun to worry that Beijing's special grace and antiquity will be lost in the face of its modernization. This special report on Beijing, today and tomorrow, attempts to answer that question.



LUO HAIPO

by Our Correspondent Jian Chuan

In October 1985 a visiting British correspondent remarked on the changes she recognized in Beijing since her last visit. "After an absence of six years, I found Beijing had entirely changed," she said. "There are now more cars and highrise buildings. Stores are better stocked. People are richer and better dressed. Women even wear makeup. These things were unimaginable six years ago."

Beijing is marching towards modernization and, like the journalist quoted above, many foreign visitors are agape at its swift changes. Each year 2,000 construction projects get off the ground, and the annual area under construction now comes to about 20 million square metres.

However, such large-scale construction has also filled many foreign visitors with concern about the fate of Beijing which was capital for five feudal

dynasties. What, they ask, will happen to its time-worn land-marks, historic buildings and its resonant flavour of the past?

Similar questions have also been asked by the Chinese. Born and raised in Beijing, I have personally witnessed its many changes in the last 36 years since liberation. In the 1950s part of the city walls were dismantled, along with archways that adorned major city streets. At the same time, Beijing widened Changan Boulevard, 10-lane avenue that extends east-west for 10 km. and passes in front of Tian An Men Square. The razing of some structures and the construction of others were aimed at improving the city's traffic capacity. Then came the construction of 10 major buildings on the occasion of the 10th anniversary of the founding of New China. Among these buildings were the Great Hall of the

People, the Museum of Revolutionary History and the Beijing Railway Station, all of which have a strong national flavour in their design, adding a touch of modernity to the capital. Some people did, however, regret these changes. Since the end of the "cultural revolution" (1966-76), and especially since 1980, Beijing's skyline has been changing even more rapidly. With the exception of some gate towers, which were kept as reminders of the "former" Beijing, the inner and outer city walls have all been dismantled brick by brick. In addition, many small, primitive houses have been levelled to make way for highrise apartment buildings. Confronted with all these changes, some people have begun to wonder what the future is for Beijing. Will those edifices that represent national culture be preserved? With this concern in mind. I visited Beijing's planning depart-

ments, where the officials outlined the general plan for the construction and development of Beijing in the near future.

Ancient City in Historic Transition

other countries, Beijing is both ancient and industrial. In 1980, the Central Committee of the Communist Party of China set down the policy for the construction of the city.

Construction Orientation

The Central Committee made it very clear that Beijing should be the centre of politics, culture and international relations, rather than just an economic one. Their insistence on varying Beijing's growth pleased its city planners who had been concerned about the capital being strictly business oriented. According to the directive of the Central Committee, Beijing is to become:

- A model in public security, social order and moral standards for the country and even the world:
- A modern city with a healthy environment, a high standard of cleanliness and good sanitation, and well-preserved cultural relics and sites of historical interest;
- The nation's most developed city in terms of culture, science

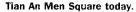
and technology, and the one with the highest educational standards; and

A city with a thriving economy, providing its residents with stability and modern conveniences. In the future, Beijing should switch to emphasizing its tourism, service industry; food processing industry, and high-tech and light industries, instead of its heavy industry.

In the 35 years since liberation in 1949, for a number of complex social reasons, the government concentrated developing on Beijing's economy. Formerly a high-consumption city, Beijing's modern industries were so few that nails, toothpaste and other very ordinary consumer goods had to be brought in from other cities. In the early post-liberation days, efforts were made to "turn the consumer city into a production city."

Tian An Men Square in 1925.





YANG LIMING



The torrent of the so-called "big leap forward," which swept China in 1958, also affected Beijing by encouraging the rapid growth of an assortment of factories. It was then that the slogan was raised to build the ancient city of Beijing into "a production base blessed with a complete array of modern industries." In the following two decades, Beijing pressed ahead along this course, and by early 1980s it had grown into an industrial city second only to Shanghai, with most of its enterprises falling the into category of heavy industry.

Today, the downtown area and its nearby suburbs, with a combined area of 1,282 square kilometres, or 8.1 percent of the total area of the municipality, swell with 64.2 percent of the city's industrial enterprises. These factories share 76.6 percent of the city's workforce, 71.6 percent of the fixed assets and 76.2 percent of the industrial output value. This makeup, which is rarely found abroad, has been both beneficial and harmful, for along with growth has come a population explosion, energy, water and housing shortages, traffic jams and industrial pollution.

Planning and Leadership

In July 1983, the CPC Central Committee and the State Council endorsed the General Plan for the Urban Construction of Beijing, which was worked out on the basis of the plan in the 1950s that was not implemented and with due consideration for the new principles of development. Directives issued along with the approval read in part that the "development of Beijing's construction must be consonant with the needs and nature of the city as the capital and the political and cultural centre of the nation. The construction should create better conditions for the Party Central Committee and the State Council in leading the nation's work and in developing

(Continued on p. 19.)

Three Cadre Echelons Ensure Policy Continuity

by An Zhiguo

Except for being hard at hearing which is compensated for with an auditphone, 82-year-old Deng Xiaoping is in very good health. When asked about the secret of this and his long life, Deng said, "There is no secret. I am always optimistic." Characteristic of that optimism is Deng's remark that he did not fear the fall of the heavens, "because the tall men would hold them up."

When Deng was once praised for his numerous contributions as China's leader, he quipped, "My method of work is to do as little as possible." At one session, Deng said, "I think the current Central Committee is a mature one and has been handling all kinds of problems appropriately. Foreign newspapers stress my role in the work. True, I have a part in it, but most of the work is being done by other comrades. I have offered some advice, but it is the comrades in charge of the day-to-day work who are performing the most arduous tasks and dealing with the individual problems in an orderly fashion."

Like Deng Xiaoping, Li Xiannian, president of the state; Chen Yun, first secretary of the Central Commission for Discipline Inspection; Peng Zhen, chairman of the Standing Committee of the National People's Congress; and Deng Yingchao, chairman of the National Committee of the Chinese People's Political Consultative Conference, are all in their 80s. Although they no longer handle the everyday work of the Party Central Committee and the government, their roles are publicly acknowledged at home and abroad.

The Communist Party of China, founded in 1921, brought up a vast number of experienced, capable and dedicated cadres during the protracted revolutionary struggles. Many of these early leaders, because of their advanced age and waning physical strength, have withdrawn from their leading posts to make room for the younger cadres.

Deng Xiaoping and several other leaders are veteran revolutionaries who enjoy high prestige in and outside the Party and in

China and around the world. It is the common wish of the Chinese people that these leaders remain in good health and stay at the top leadership so that they can continue to play their roles as policy-makers.

Party General Secretary Hu Yaobang, Premier Zhao Ziyang, Vice-Premier Wan Li and other revolutionaries in their 60s and 70s, are now at the second echelon of cadre ranks, acting as a sort of connecting links between the pioncers and the successors of the revolution. Although they are no longer young, they overflow with energy and enthusiasm.

Hu Yaobang has visited 1,500 of China's 2,200 counties. These, of course, include places where he had been before he became General Secretary of the Party Central Committee in 1980. In 1985 alone, he visited 60 counties and cities, most of which were mountainous and underdeveloped areas. Everywhere he went, Hu met the local people and investigated the local conditions; he held discussions with local cadres to find ways to expedite economic reform and improve production. Despite his heavy schedules, Hu has found the time to travel abroad. covering countries in Eastern Europe. Japan, Australia and New Zealand.

As premier of the State Council, Zhao Ziyang has not only made frequent inspection tours of various regions in China where he has delved into local problems, but he has also visited many regions in the world, seeking mutual understanding and friendship between the people of China and other countries. Before he assumed the premiership, Zhao served as first secretary of the Sichuan provincial Party committee, taking charge of the province's work. Under his guidance, Sichuan took the lead in carrying out economic reforms. Zhao, who is adept at solving complex economic problems in line with China's realities, believes that "the economic reforms, opening to the world and invigorating the domestic economy conform to China's conditions and have thus taken deep root among the people and won their enthusiastic support."

Among the 11 members of the Secretariat of the Party Central Committee, Hu Qili, Tian Jiyun, Li Peng, Hao Jianxiu and Wang Zhaoguo are comparatively young. Their ages range from around 40 to 50. A few years ago these five began to show their unusual talent and were chosen as future successors, or cadres of the third echelon.

In 1983, Li Peng and Tian Jiyun were appointed vice-premiers. Last year, Hu Qili, Tian Jiyun, Li Peng, Qiao Shi, Wu Xueqian and Yao Yilin were elected members of the Political Bureau of the Party Central Committee. Their appointments have injected new blood into the leading bodies of the Party Central Committee.

Young, energetic, well-educated and pioneering are the common characteristics of those who were recently promoted to leading positions. They have become used to the often rigorous schedules required of their positions. For instance, when a region in southern Xinjiang was hit by a strong earthquake last August, Hu Qili and Tian Jiyun rushed to the area on August 26 to give direction to the relief work and comfort the victims. The following day, Hu Qili and Li Peng were off to Lhasa, which stands at 3,500 metres above sea level, to take part in the celebrations marking the 20th anniversary of the founding of the Tibet Autonomous Region.

In the past few years, the cooperation between veteran and new cadres has been productive, and the replacement of the older cadres with the younger has proceeded rather smoothly. At present, the succession of leaders and introduction of different echelons are being carried out from the central down to the local organizations. As Chen Yun said, "The orderly system of succession for cadres will ensure that there will be no lack of successors to carry on the Communist Party's cause from generation to generation. We have already achieved successes in this respect and must continue to do this even better in the future.'



A family party held to celebrate the 80th birthday of Deng Xiaoping.

Yang Shaoming

CHINA'S PARTY AND STATE LEADERS AT WORK AND PLAY

Party General Secretary
Hu yaopang, in Uygur
attire presented to him by
local people, posing with
Uygur children during his
inspection tour of the
Xinjiang Uygur Autonomous
Region.

Li Shengnan





Premier Zhao Ziyang often stays up working in his office until midnight. Wang Jingying



President Li Xiannian, a devoted fan of Beijing O_{I} Chatting with actresses after a performance.

Chen Yun, member of the Standing Committee of the Political Bureau of the CPC Central Committee, teaching his granddaughter penmanship at home.

Li Ping





Peng Zhen, chairman of the Standing Committee of the National F Congress, taking a swim during a recent vacation. Xie

Deng Yingchao , chairma Committee of the CPPCC, member of the Secretariat Committee. Hu Qili (middle, front), member of the Secretariat of the CPC Central Committee, chatting with Tibetan people. Liu Jianguo



Wang Xinqing



Vice-Premier Wan Li, an avid tennis player, plays regularly on Sundays.

Li Shengnan







of the National vith Hao Jianxiu, f the CPC Central Li Ping





Vice-Premier Li Peng (middle, front) and Wang Zhaoguo (first, left), member of the Secretariat of the CPC Central Committee, calling on lamas at the Potala Palace in Lhasa.

Liu Jianguo

(Continued from p. 17.)

international exchanges. Beijing should also become a model for the cities across the nation in building up socialist material and spiritual civilizations."

The Party Central Committee also stipulated that a city planning and construction committee be set up, headed by the mayor of Beijing and consisting of leaders of all central departments concerned. The committee set about tackling the following three tasks as directed by Vice-Premier Wan Li at its first meeting.

First, tidying up the city. At that time there were more than 1,600 structures of varying sizes built haphazardly without permission from the city authorities; in

addition, construction materials were piled up and work sheds erected along some streets covering 1,300 hectares. They were all to be cleared up within a specified period of time.

Second, centralization of power in city planning and construction. All departments, including the ministries under the central authorities, must follow the unified plans of the Beijing municipality and abide by the related laws and regulations.

Third, a firm attitude must be taken in tackling key problems so as to ensure the implementation of the general plan for city construction in the capital.

In line with these directives, construction work has been pressing ahead according to plan.

population in Beijing proper has already reached 4.3 million. Though the city is a model of effectiveness in family planning, the population is still growing at a rate of 100,000 a year. By the year 2,000, the population will reach 5.8 million in the city proper, an increase of 1.5 million. Therefore, population control and dispersion have become an important facet of Beijing's urban development.

Measures taken to address these problems include controlling the growth of population and the proliferation of enterprises and institutions, building six satellite towns and encouraging more people to work and settle in them. In the long run, Beijing hopes to export technical forces to its outlying districts as a move to disperse population.

■ Urban Environment. Waste water, waste gas, garbage and noise are considered four major problems of modern cities, and Beijing is no exception. Pollution is very serious in the old city area of 350 square kilometres, or 2 percent of the total area of the city and its suburbs (16,808 square kilometres). This part of the city, where 45 percent of Beijing's total population and 82 percent of the houses are concentrated, accounts for about 80 percent of Beijing's energy consumption. An average of 20 million tons of coal are burnt a year, and close to 1 million tons of waste water are discharged every day. These are the two major sources of pollution in Beijing which have to be dealt with.

In recent years Beijing has done a great deal of work to clean up its environment. About 84 percent of its 15,300 industrial boilers have been redesigned to reduce gas and dust discharges. The city also has set up two smoke-free zones in which residents and businesses are forbidden from emitting certain amounts of smoke. In the meantime, efforts have been made to popularize heating systems other than coal and the use of piped and liquefied gas.

Along with such efforts, more than 900 of the 1,500 pollution

A noise monitoring device by a roadside in Beijing.



Blueprint for New Beijing

The following are among the details about the construction and development orientation of Beijing contained in the General Plan for Urban Construction in Beijing.

General Survey

Scope of the City.According to the plan, the city proper

stretches from Dingfuzhuang in the east to Shijingshan in the west, and from Nanyuan in the south to Qinghe in the north, covering 750 square kilometres (see map). This represents a two-fold increase in area. Because of the land and water resources and ecological factors, the population in this area is to be confined to 4 million.

At present, however, the

sources in the city district have either been transformed and eliminated or moved to the outlying areas. The treatment rate of industrial waste water in Beijing has also been raised from 38 percent to 43 percent, and the rate of industrial water recycled for use now reaches as high as 70 percent. During the Seventh Five-Year Plan (1986-90), Beijing plans to build a plant with a daily capacity of treating 1 million tons of waste water. In addition, during this time, laws and regulations will be

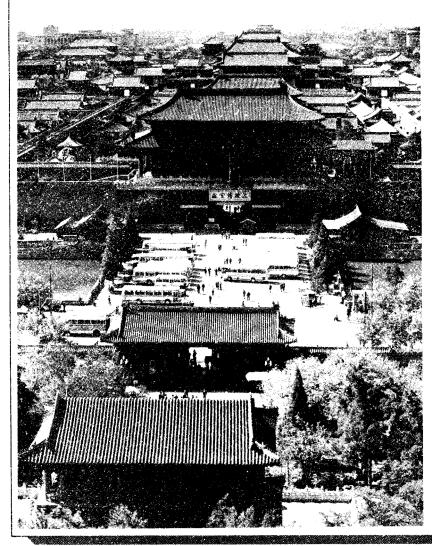
perfected and measures taken to ensure a steady supply of drinking water.

Beijing has also been doing considerable work to alleviate its noise pollution since 1984, the year when all motor vehicles in the city were refitted with low-noise horns and were banned from using them on major streets. Though the number of motor vehicles has increased nearly threefold since 1976, the average noise level has decreased from 76.7 decibels to 69.3 decibels.

(

Buildings of the Forbidden City mark a portion of Beijing's north-south axial line.

XU XIANGJUN



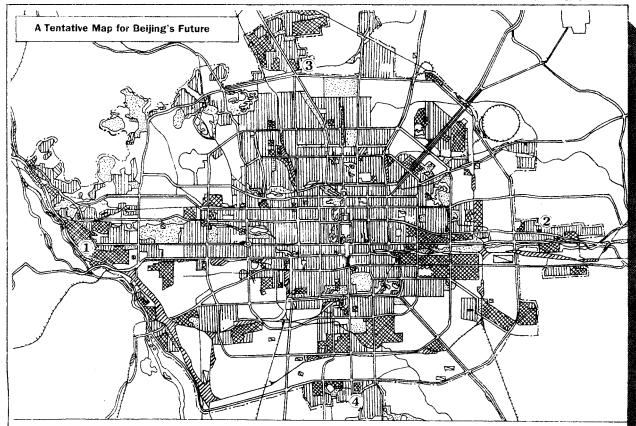
To reduce industrial noise, a number of enterprises were moved out of the city and some other enterprises have been required to use mufflers during peak noise times. The first low-noise residential quarter was built in the southeastern part of Beijing at the end of last year, and construction of more such living quarters is in the works.

From 1981 to 1985, Beijing also planted a total of 5.32 million trees, built more than 4.8 million square metres of lawns and built or expanded 100 street parks and 15 public parks. This has resulted in an additional 615 hectares of greenery. During the greening movement, nine tree-shaded residential areas interspersed with lawns were also built.

By the year 2000, the city's total area covered with grass and trees is expected to climb from its present level of 16.6 percent to 40 percent. In the next 14 years, a number of natural protection zones will be built in the mountainous areas, which teem with animal and plant resources. During that time the Great Wall and the Ming Tombs area on the city's northwestern outskirts, the Summer Palace, Yuanmingyuan Park and Fragrant Hills on the western ourskirts. the Peking Man Site in Zhoukoudian on the southwestern outskirts and four other special areas will be developed into major tourist spots.

example by Layout of the City. The layout of the old city of Beijing was developed on the basis of the Yuan Dynasty (1271-1368) capital. After efforts were made during the Ming (1368-1644) and Qing (1644-1911) Dynasties, Beijing possessed its own unique layout: grid-like streets, traditional quadrangles, the north-south axial roads and the Forbidden City surrounded by inner and outer walls.

The new Beijing shall retain as much of the style and flavour of the former city as possible, but will be centred around Tian An Men Square and from there fan out on both sides of Changan Boulevard,



1. Shijingshan; 2. Dingfuzhuang; 3. Qinghe; 4. Nanyuan.

which will still be flanked by political, economic and foreign affairs buildings. Later, the north-south and the west-east axis roads will also be highlighted and further developed.

In the near future, 16 new zones will be built in and outside the city, and they will be separated by tree belts, vegetable or farm fields, to form a scattered cluster-style layout.

According to the general plan, 20 satellite towns and 100 smaller towns will also be built to accommodate various industries and their workers and staff.

■ Renovation of the Old City. Though the small houses that were built long ago around Beijing's narrow lanes are distinctly Chinese, they lack the modern amenities people today have come to expect in a home. Therefore, efforts have been made in the last few years to rehabilitate these homes and to add some shops and stores in the area for the convenience of people living there.

However, work in these areas has not proceeded as planned and the changes in these homes have been negligible.

Renovating the old city means building modern facilities that work with the old city. Architects are therefore confronted with modernizing Beijing while retaining its antiquity. In renovating the city, which is densely populated, many of its residents will have to be moved and large public facilities will have to be built. By the year 1990, problems such as traffic jams, poor communications and shortages of electricity and water are also expected to be considerably lessened.

While renovating the old part of Beijing, places of historical importance and cultural value will be preserved along with some of the better constructed old quarters.

Housing and Service Facilities. During the Sixth Five-Year Plan period (1981-85). Beijing built 22.30 million square metres

of housing, equivalent to the total newly built floor-space for the presvious 30 years or 1.7 times as much as had been built by the time of liberation in 1949. Despite the growth, however, 20 percent of Beijing's residents only have an average of less than 4 square metres of housing per person. It is expected that by the year 2000 the current situation in which two or three generations are packed into one room will be eliminated, and all of Beijing's residents will have generally more spacious homes equipped with kitchens, bathrooms, balconies and amenities.

In building new houses, consideration will be given to the requirements of residential quarters. Each residential quarter, composed of the about 10,000 households, will include service facilities, lawns and sport fields. During the next five years, Beijing's three major shopping areas will be expanded, and more than 30 medium-sized commercial

and service centres will be built. In addition, a number of cultural, recreational, medical and sports centres with up-to-date facilities will be established to promote the development of the capital's socialist ethics and culture.

■ Urban Traffic. The key to improving Beijing's traffic lies in perfecting the city's communication infrastructure. In the last few vears, efforts have been made to extend and expand a number of major streets and to complete the second and the third round-thecity thoroughfares. The city has also constructed more than 40 flyovers, which have eased traffic congestion considerably.

In the next 10 years and more, another road around Beijing's circumference, nine major radiating roads and 14 sub-radiating streets will be built. To facilitate the city's ever-growing traffic, an expressway network will also be

added.

High-speed trolley-buses and short-distance trains will be introduced to link the city proper with its main satellite towns and scenic sports, more subways will be opened in high-traffic locations. The programme also calls for the expansion of the Shoudu (Capital) Airport and the Beijing-Tianjin-Tanggu Expressway.

Exurbs. Beijing's exurbs comprise 11 county towns and more than a dozen townships. To disperse Beijing's urban population, city officials have planned to expand these towns and townships into more than 20 satellite towns and 260 townships with developed agriculture, industry and commerce, as well as all modern facilities.

The designs for Beijing's satellite towns have been laid with the capital's actual conditions in mind. Unlike Tokyo's suburbs and exurbs, Beijing's will be both residential and commercial. Each satellite town is planned to have a population of 100,000 people. Altogether they are expected to siphon off more than 4 million people from the city proper.

In the near future, Beijing will focus first on the construction of four satellite towns—Huangeun in the southern suburbs, Changping in the northern suburbs, Tongzhen in the eastern suburbs and Yanshan in the southwestern suburbs.

Industrial Readjusting

Although Beijing is China's political and cultural centre, it has also acquired a considerable industrial foundation. Exactly how Beijing will cope with the problems brought about by its growing industry has been the focus of much concern.

Some people insist that the capital's industry should gradually phased out. But many are opposed to this idea, holding that the city's industrial makeup should be readjusted to facilitate the development of the city as a political and cultural centre.

Currently, among China's 164 industrial branches, Beijing has 149. Last year, the city's total industrial output value amounted to 30.7 billion yuan, second only to Shanghai. The city's output of organic chemical and rubber products now ranks first in China, its output of washing machines, refrigerators and colour TV sets is China's third largest. In the past 36 years, the city has handed over to the state 70 billion vuan in taxes and profits, providing 92 percent of the total expenses needed in its urban

Beijing's east-west axial line — Changan Boulevard.

LUO HAIBO



construction. Unlike Washington and Bonn, whose financial expenditure is covered entirely by the federal government, Beijing relies largely on its own financial resources.

However, the city's industrial structure does require some changes. According to a city official, Beijing's chemical, machine-building, textile and metallurgical industries are the four pillars of its economy; the output value of



CHE CHAO

Workers of the Beijing Yili Bakery and Confectionery packing chocolates.

The bread production line at the Beijing Yili Bakery and Confectionery.

these four industries makes up 60 percent of the city's total. Many of its factories, however, are inefficient and excessive in their use of energy, water, land and transportation and are also guilty of polluting the environment with waste and noise. In addition to stemming their growth, these factories should undergo thorough technological transformations, and those that cause serious pollution should be moved to the suburbs. Given Beijing's solid scientific and technological force, in the future efforts will be made to develop technology- and knowledge-intensive industries, as well as service trades and tourism.

The city official also said that in the next decade or so, Beijing's foodstuffs, electronics, building materials and automotive industries will replace the former four economic pillars. By 2000, the city's total industrial output value is expected to reach 85 billion yuan, with the output value of the four new backbone industries

making up over 50 percent of the city's total.

Achieving this target, however, is not an easy job. Traditional modes of operation and the temptation for profits often result in enterprises that should curb their production refusing any changes. Beijing's urban construction planning and environmental protection departments complain that some polluting factories are required to move out of the city within a set period of time but have so far ignored the deadlines, and the industrial departments in charge of these factories now try to make excuses for the factories' refusals to move. This is a thorny problem crying for solution.

Conserving a Cultural Legacy

As one of China's six ancient capitals, Beijing has the largest number of historical relics and ancient structures of any other city in China, which makes it one of the culturally richest cities in the world. According to a recent survey, there are 7,309 historical sites in Beijing, of which

189 have been listed by the state and the Beijing municipal government as the nation's most important relics. Among the most invaluable of these keys to the past are the ancient structures in the Forbidden City and 130 other old buildings.

In order to let future gener-

ations and the people of the world have a chance to enjoy these historical relics, effective measures for their protection and management have been worked out and are being implemented.

Renovation, Management

The Beijing Cultural Relics Administration Bureau was founded in 1979. Under its direction, many ancient structures that were occupied, ruined or neglected during the "big leap forward" campaign in 1958 and the chaotic "cultural revolution" (1966-76) have been renovated.

During the Sixth Five-Year Plan period, the money Beijing spent on the renovation of cultural relics topped 60 million yuan which is equivalent to the total amount spent in the previous 30 years. Nearly 100 ancient structures, including the Tian An Men Gate, the Palace Museum (Forbidden City) and the Bell Tower, have been renovated, and more than 50 have been opened for the first time to the public.

The Great Wall is the pride of the Chinese nation. In July 1984, six newspapers in Beijing initiated the drive to raise funds to repair the Great Wall. Sections of the Great Wall north of Beijing are favourite tourist spots. The renovation drive received warm response from the people at home and abroad. Deng Xiaoping wrote "Love the Chinese Nation, Repair the Great Wall" to encourage the campaign.

By the end of last year, donations for the Great Wall came to more than 8.5 million yuan from more than 700,000 people at home and abroad. Included were the governments of 25 nations, foreign nationals, foreign citizens of Chinese descent and overseas Chinese. The money has already been used to repair a section of more than 1,000 metres.

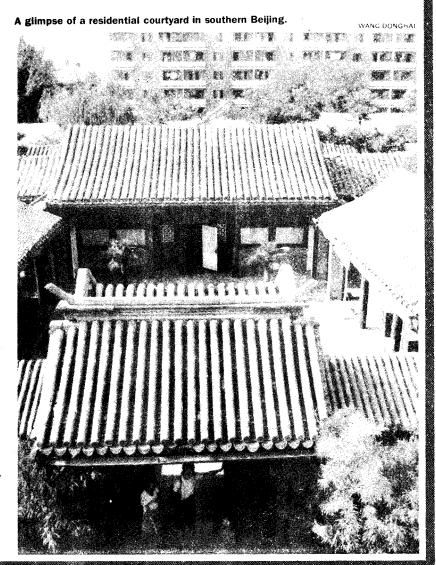
The work to sort out and display cultural relics has been stressed too. Currently, Beijing has only 40 museums, which,

compared to the wealth of relics in Beijing, are far from enough. Many specialists have suggested that the surviving ancient buildings be turned into museums for ancient bells, murals, works of art and architecture. The proposition has won much support, and plans are now under way to convert many of the capital's age-old buildings into museums.

Based on lessons drawn from the anarchic "cultural revolution," since 1981 the city authorities have enacted a series of stipulations to place the protection of cultural relics on the city's legislative agenda. Relevant rules include the provisions for the protection of cultural relics, the provisional stipulations on the management of the sale of cultural relics and the stipulations on fire-proofing ancient structures. The relics protection legislative work will be perfected so that there will be detailed laws to follow and that those who violate the law will be punished.

Building Heights

During its modernization drive, Beijing has been concerned with controlling the shape of its skyline. To protect the aesthetic value of the city's historical structures, the



height of new buildings going up in their vicinity will be controlled.

According to a new stipulation, the areas around the Forbidden City have been limited to lawns and to houses under 9 metres high; the height of buildings can rise gradually as they extend outward, with the higest being 45 metres. Similar methods will be introduced to protect the more than 100 historical sites scattered throughout the suburbs.

courtyard) were built during the Qing Dynasty (1644-1911). An important component of old Beijing, these typically Beijing mini-neighbourhoods are quiet, cozy and convenient. The residents can grow flowers and raise birds in the courtyards, which also serve as communal meeting places for the residents.

Because of the shortage of housing, however, such quadrangles enjoyed by one family are brought new problems to the quadrangles. Since many quadrangles have only one water tap in the courtyard, many of the residents find moving their washing machines out to the tap an unwelcome chore. Also, because quadrangles usually have no central heating, the dust from the coal-burning stoves found in each house has proven harmful to the new colour televisions.

To solve these problems, some people have invested in private plumbing, while others have had central heating and solar energy hot water devices installed.

To suit the tempo of modern life, Siheyuans can no longer remain as they are and should be upgraded. But because most of the Siheyuans have long been out of repair and have accommodated too many people, modernization will be both expensive and difficult. Such being the case, the city plans to keep some of the better-preserved Sihevuans, such as those on the southern side of the Luogu Lane in the Eastern District and those in the No. 1-8 Xisibei Lanes in the Western District. The old houses of some famous Beijing residents will be turned into museums, and the rest will be equipped with modern facilities.



The renovated ancient observatory.

YANG LIMING

To ensure the implementation of the stipulation, the Capital Architectural Art Committee was founded in August 1984. Composed of architects and other specialists, the committee plans and oversees the height, size, style and colour of structures to be built, as well as the effect of certain construction on the areas' greenery and environment. It is expected that a number of new buildings compatible with the style of the ancient city will soon appear in Beijing.

quite few today. The majority are now shared by several families. To cope with the increasing population, almost every family has put up a kitchen in front of their rooms. This has further crowded out the communal courtyard, which exists in name only. Fortunately, neighbourliness still exists, and the tradition of mutual concern in the *Siheyuans* remains unchanged.

With the improvement of living standards, however, the proliferation of modern conveniences has

Traditional Quadrangles

Most of Beijing's Siheyuans (compounds with houses around a



Public Opinion Polls Improve Party Work

"JINGJI RIBAO"

(Economic Daily)

In an effort to apply the advice of the government and form a leadership that was more progressive, younger, better-educated and composed of skilled professionals, the Yanchang city Party committee recently instituted a programme whereby it would evaluate leading cadres and choose their successors through public opinion polls and votes of confidence. This is a practice which should be popularized.

Since the beginning of structural reform in 1982, the Party Central Committee has issued calls to break away from the traditional methods of selecting leaders and follow the mass line. To listen to the public, it is necessary first to have faith in the masses and in the majority opinion. Recent practice as in Yanchang has proved that so long as the leading cadres listen to and act on public opinion in choosing cadres, they will succeed in discovering more dedicated and talented people. to do otherwise is to court difficulties and inefficiency.

To choose and evaluate cadres through public opinion polls is a constructive reform in cadres work that encourages the cadres to trully understand and represent the public and to act in their interest. The modernization programme, which will require strong minds and leadership, can only be well served by a Party leadership shaped by public opinion.

Giving the people a voice in appraising and selecting cadres and in streamlining the leading organizations is also an important step in perfecting and expanding socialist democracy. Just because the Party represents the interests of the people and acts according to the people's will, it should not only formulate policies suited to the people's needs, but it must also create the necessary conditions for the people to voice their opinions.

Letting the people voice their opinions about leading cadres can help strengthen the people's sense of responsibility, build closer relations between the cadres and masses and between the Party and people, and encourage the cadre's sense of accountability to the

people. At the same time, through such a programme people come to value their democratic rights more.

Public opinion polls are also an effective method of supervision over cadres and their work. All cadres, including those who are doing a good job, must accept the public's scrutiny, particularly now as some unhealthy practices have surfaced in the Party. These practices have included favouritism in appointments and indiscriminate use of influence.

Public opinion polls, democratic recommendations and appraisals of cadres, plus organizational supervision can help reduce such unhealthy tendencies.

Some Party organizations and leading cadres are reluctant to follow the mass line in their work, and find the idea of public opinion polls very troublesome. Despite their reluctance, however, public opinion polls have been instrumental recently in sparking noticeable changes and progress in the Party's work.

Though the use of public opinion polls in selecting and evaluating cadres needs to be improved, it is certain such polling will be gradually made an integral part of the cadre system.

Collective Investments Subject to Control

"JINGJI RIBAO"

(Economic Daily)

Beginning this year, collective and individual investments will be incorporated into the overall state plan for fixed assets investments. The move is intended to strengthen the guidance for such investment, control the scale of investments in fixed assets and readjust the investment structure.

Prior to this, the state did not have planned control over collective and individual investments since they made up only a small proportion of social investment. With the diversification of the economy and the development of various economic sectors in recent years, however, investments by collectives and individuals both in cities and in countryside have been increasing.

Since 1982, collective and individual investments have accounted for nearly one-third of the total social investment in fixed assets, making them an important means for expanding reproduction in society. Therefore, to strengthen control over such

investment has become vital to curbing overall investment in fixed assets and readjusting the investment structure.

With regard to the investment activities of the collectives, the state will enact a guidance plan, and the People's Bank of China will control their investment scale through a loan granting system.

To gear the collective and individual investment towards the country's macroeconomic needs, the State Planning Commission stipulates that urban collectives should mainly invest in the service trades and in foodstuff processing and garment industries, as well as in industries that produce small

commodities for daily use and manufacture for exports.

Rural collectives will be required to invest mainly in farm and sideline produce processing and in setting up certain services. In places where the conditions are favourable, rural investors can set up small mines, small hydro-

electric power stations, building material factories and processing industries aimed at exporting.

In terms of individual investments, the State Planning Commission will issue quotas to the various provinces, autonomous regions and municipalities, as well as to some major cities that draw up their own economic plans. The provinces, autonomous regions and municipalities will adopt their own methods of controlling individual investments within those quotas.

The State Planning Commission also requires the collective and individual businesses to control their land use.

Early Education Deserves More Funding

"HENAN DAXUE XUEBAO"

(Henan University Journal)

China's investment in education is smaller than it should be. Moreover, the distribution of the limited amount spent on education was far from rational, a fact that is evidenced in the lopsided distribution of the educational allocations for various kinds of schools.

According to the surveys conducted by the education authori-

ties, in 1984 the state spent an average of 3,357 yuan (about US\$1,100) on every university and college student. The amount spent on every senior middle school student, however, was only 5.8 percent of this figure; on every junior middle school student, only 4.7 percent; and on every primary school pupil, only 1.8 percent. Such a distribution was obviously out of proportion.

Both primary and middle school educations fall under the category of compulsory educ-

ation. Therefore, the state should earmark more money for them. Most developed countries pay considerable attention to the development of their primary and secondary educational systems. According to a comprehensive survey of the United States, Japan, France, the Federal Republic of Germany, Britain and the Soviet Union, in 1970 and 1971, the six countries' allocations for primary education accounted for 46.5 percent of their total investment for education, and that for secondary education, 39.5 percent, while that for higher education, only 14 percent.

Trade Union's Role to Be Stressed

"GONGREN RIBAO"

(Workers' Daily)

The current reform to restructure the economy is a profound social revolution. It touches the interests of various social groups and realigns their inter-relationships. In this process, special attention should be paid to the role of the trade union in regulating and solving contradictions among the workers.

The situation of economic reform is generally good. Nevertheless, not everyone fully understands its significance and necessity for various reasons, such as inadequate knowledge of the policies. When reform affects a certain group's interests, the members become suspicious or even resentful. In addition, policies

need to be perfected in practice. Shortcomings and mistakes are inevitable at first. And this will cause some grievance. What is more, a small number of cadres committed serious mistakes as bureaucrats, or sought personal gains by abusing power. This has also provoked resentment.

If such contradictions are not handled properly, they will intensify, affecting stability and unity.

The trade union is a strong link between the Communist Party and the working class. It is an important channel through which to transmit the Party's guidelines and policies to workers and report their opinions to the Party and government. In this way, it can play an active role in regulating the contradictions mentioned above.

The trade union should be supported when it speaks and acts on behalf of workers and safeguards their legal rights. Currently, the most important thing is to support the trade union in handling distribution problems and other problems that have a direct bearing on workers' interests.

When wage reforms and other distribution programmes are under consideration in enterprises, they must be discussed and passed by the workers' congresses before they go into effect.

The trade union and workers' congress should also be supported in playing their roles in supervising cadres.

When the trade union and workers' congress air their views on the reward and punishment of certain cadres, the higher departments concerned must take them seriously and reply promptly.

Foreign Banks Active in China

n addition to the 44 offices established by foreign banks in 1985 in China, two more have been established by the Bayerische Vereinsbank Aktiengesellschaft of Federal Germany and the Cassa di Risparmio Della Provincie Lombarde of Italy with the approval of the Chinese government. The total number of foreign bank offices in China now stands at 161.

Liu Yuan, an official from the People's Bank of China, told Beijing Review in late March that foreign banks were showing increasing interest in the China market. By the end of 1985, more than 80 foreign banks had 159 | China now, but that is expected to

offices in 10 Chinese cities. He said 40 of the world's 50 leading banks had opened offices in China. Among these are Citi Bank and Bank of America of the United States; the Fuji Bank, the Dai-Ichi Kangyo Bank and Industrial Bank of Japan; and the Banque Nationale de Paris and Credit Lyonnais of France. Japan had the largest number of bank offices in China, with more than 30 in Beijing. The United States and France had the second and third most banks in China.

Foreign bankers are unable to engage in financial activities in change eventually. Foreign banks are now involved in locating loan projects, organizing consortium loans, recommending foreign clients and training Chinese banking personnel.

In April 1985, China instituted the Regulations Governing Foreign Banks and Sino-Foreign Banks in the Special Economic Zones, which provided conditions for foreign bankers to set up branches and start credit business. Today, there are 13 branch banks from France, Britain, the United States, New Zealand and Hong Kong. A Sino-foreign bank operates in Xiamen.

Liu Yuan said conditions were not yet ripe for foreign banks to set up branches outside the special economic zones. He said, however, he was sure China would open its financial market wider after the open policy had been in place longer.

Sino-Brazilian Trade **Expands**

As third world nations, Brazil and China have benefited equally from the development of their bilateral economic cooperation. In recent years Brazilian businesses have become increasingly interested in trading with and investing in China. Carlos A.P. Pardellas, Minister of the Brazilian embassy in China told Beijing Review on March 13 that economic co-operation between Brazil and China should be encouraged.

Pardellas said trade between Brazil and China has grown rapidly since the two countries established diplomatic ties in 1974. He said that growth had been particularly marked in recent years. The total of Sino-Brazilian imports and exports amounted to US\$776 million in 1983, and climbed to US\$800 million in 1984. By 1985 the figure was US\$ 1.41 billion.

China is now one of Brazil's top 10 trading partners, and trade between the two has been basically

Officials from the Overseas Union Bank Ltd., Singapore, opening its Beijing and Shenzhen offices.





balanced. Brazil's main import item from China has been petroleum, which rose to 3 million tons in 1985. Rice and coke have also grown considerably. China's Brazilian imports include rolled steel, which came to 600,000 tons in 1985, pig iron, lorries, timber and chemical fibre.

Pardellas said China's demand for rolled steel would increase with the progress of its modernization drive. He said Brazil was ready to meet this demand. He said as a result bilateral trade should reach



Carlos Pardellas, Minister of the Brazilian embassy in China, during an interview with "Beijing Review."

a new level in 1986.

Both Brazil and China have vast territories and rich resources. Many branches of industries in the two countries are well developed. Therefore, Pardellas said, the development of bilateral economic co-operation is in both nations' national interests. The Brazilian government and business, he said, have long been aware of the benefits of trading with China. Brazilian President Jeao Baptista de Oliverira Figueriredo visited China in 1984, and Chinese Premier Zhao Ziyang returned the visit in 1985. After these important visits, Brazilian businesses paid even more attention to the Chinese

Brazil will hold a large trade exhibition in Beijing from the end March to the beginning of April this year. A delegation of about a dozen of Brazil's leading business people is also expected to visit China in April to study the investment environment. In addition, the two governments are also ready to continue discussions on mutual investment at the second round of meetings of the Brazil-China mixed committee of economic, industrial and technological co-operation, which will also be held in April.

The state-owned Brazilian Petroleum Co., the Bank of Brazil, and the Provate Cotia Company and CHITEC Commercio International Ltd. have set up representative offices in Beijing, while the China National Metals and Minerals Import and Export Corp. and China National Chemicals Import and Export Corp. have opened offices in Brazil.

Investment in Shanghai on Rise

Shanghai approved the establishment of 90 joint ventures in 1985, absorbing US\$760 million in foreign investment, which represents an increase of 2.3 times over 1984 and the sharpest increase since Shanghai became an open city six years ago.

Shanghai now has 160 ventures run with foreign capital. Of these 97 are joint ventures, 61 are cooperative enterprises, and two are solely foreign owned enterprises. The total foreign investment in Shanghai now amounts to US\$1.21 billion. Investments from Hong Kong come to US\$435 million, from the United States, US\$ 367 million, and from Japan, US\$ 207 million.

The majority of the investments in Shanghai go to its 60 industrial projects, many of which are technology-intensive and exportoriented. Shanghai also has 27 hotels, office buildings, trade and exhibition centres involving foreign investment.

During the Seventh Five-Year Plan period (1986-90), Shanghai will use a variety of forms to attract foreign capital on a still larger scale. The major items shall concern

—improvement of the urban environment, transportation and

energy supply;

—development of tourist facilities, and construction of tourist hotels, art and cultural centres, centres for international conferences of science and technology, a TV station, and financial, information and consultancy services;

-- promotion of agricultural technical reform, and farm produce output and its processing;

—reinforcing service trades in the Minhang and Hongqiao open areas, and developing areas in Pudong and Chongming.

Bids to Open for Power Equipment

The China National Technical Import Corp. will soon open its 1986 international bidding for the procurement of construction machinery, building materials and power generating equipment for large power station projects.

The power station projects include the Lubuge hydropower station in Yunnan Province, the Beilungang thermal power station in Zhejiang Province, the Shuikou hydropower station in Fujian Province, the Yantan hydropower station in the Guangxi Zhuang Autonomous Region, and the 500,000 voit power transmission line between the cities of Shanghai and Xuzhou.

The largest project will be the Shuikou station on the Minjiang River. Its first stage of construction will include the installation of generators with a total capacity of 1.4 million kilowatts.

The World Bank will provide loans up to US\$1 billion for these projects. Of this sum, the Shuikou station will involve US\$400 million.

Zhu De and Smedley on Screen

In the Babaoshan Cemetery of Fallen Revolutionaries, located in the western section of Beijing, is the crypt of American journalist Agnes Smedley, whose life was closely tied to the Chinese revolution. The Chinese, who found a friend in Smedley when Western friends were few, will never forget this woman who fought with them and shared their tragedies and triumphs.

To mark the 100th anniversary of the birth of Zhu De, the late Commander-in-Chief of the People's Liberation Army, the Chairman of the People's Republic, the People's Liberation Army's August First Film Studio will release a new feature film entitled *Zhu De and Smedley*, which depicts the friendship between the American journalist and the late commander-in-chief.

During her stay which extended from the late 1920s to the 1940s, Smedley devoted her efforts to the Chinese revolution and established a genuine friendship with Zhu De and other important figures of the Chinese Communist Party. As a journalist, Smedley wrote many reports on the Chinese revolution, and gained a reputation among

the Chinese as a supporter of their revolution. It is that aspect of the woman that the film-makers attempted to present.

Smedley came to China in 1928 as a special correspondent for the German newspaper Frankfort Daily. Upon her arrival Smedley was struck by the poverty, backwardness and misery in China, an Asian nation that has enjoyed a good reputation for its long cultural history.

In 1936 when the Japanese invaded China, Chiang Kai-shek, chairman of the Kuomintang and Commander-in-Chief of the Na-



Minority Dancer Captivates Beijing

Against a mural of the Changbai Mountains, where the Korean Chinese live, a woman in an elaborate Korean costume moves gracefully through a series of traditional Korean dances. Her performance encompasses portrayals of the charms of youth, the indignation of a displaced intellectual, and the mischief of a young boy. The last and the best item, *The Long Drum Dance*, brings the solo to an exhilarating climax.

The dancer, Li Lushun of the Korean minority, performed recently in Beijing. Known for the beauty of its movements, Korean dance has attracted crowds of avid fans in Beijing, many of whom applauded Li's recent dazzling performance. Li's pursuit of her artistic heritage has touched many people. The Long Drum Dance, as choreographed by Li Lushun, is the piece that best typifies Korean dance, and won the top prize in a

Jilin Province dance competition in 1982. That same year, Li published a book on the Long Drum Dance.

Dance experts have commented on Li's dancing saying that the combination of control and passion in her performances reveal her to be a superlative performer.

In addition to dancing, Li is also a prolific choreographer. Besides The Long Drum Dance in 1982, her rendition of Celebrating the Festival also won Li second prize, while the short opera The Fisherman and the Princess took third prize in the Jilin Province dance competition. In the 1984 Jilin Province dance competition, Li's My Native Land and Flying a Kite both took second place, and Xingzhou Mountain City and Ball Tossing won third place. In 1985, Li won the best solo dancer medal in the Korean Autonomous Prefecture dance competition.





tional Revolutionary Army, implemented the policy of nonresistance to the invaders and waged his battle against the Chinese Communist Party. Zhang Xueliang and Yang Hucheng, both senior Kuomintang generals, asked Chiang to halt his fight against the Communists and take up arms against the Japanese. Chiang, however, rejected their proposal. In response Zhang and Yang staged a military coup d'etat in Xian and prevented Chiang from furthering his battle with the Communists. Zhou Enlai went to Xian to mediate the conflict. Finally, Chiang was forced to turn his guns on the Japanese, which meant a peaceful resolution to the Xian Incident. It was Smedley who recounted the story of the coup and Chiang's conciliation for Western readers.

The following spring, Smedley went to Yanan where she was said to have spent the happiest days of her life. She said she deeply cherished the memory of her acquaintance in Yanan with Zhu De, the outstanding military commander born into a peasant family, whose friendliness, simple life-style and intelligence so impressed her. Smedley also learnt a great deal from Zhu in a series of private talks, which prompted her to write.

a book on Zhu De and introduce him to the world. The Great Road: Zhu De's Life and Days was published after Smedley's death.

The mother-son relationship between Smedley and a Chinese boy, was also introduced in the film. As Smedley's orderly, the 10year-old boy was an orphan picked up by the Red Army during its Long March. Smedley, chose to devote a great deal of love and concern to the boy and treated him as she might have her son. In one scene, the boy is preparing bath water for Smedley, who, instead, asks the boy to use the tub for himself. Out of shyness the boy refuses to undress in front of Smedley. Smedley then scolds him affectionately and undresses him herself.

In 1937 when the anti-Japanese war broke out, Smedley went to the front with the army and collected vast material and reports on the various battles. She was said to have told someone that though her material life out on the front was difficult, her spiritual life was remarkable.

The movie also tells of a Christmas party Zhu De's wife arranged for Smedley in Yanan. For the party, Zhu De did the cooking himself and gave Smedley a scarf as a Christmas present. Smedley is said to have kept that

scarf always as a memento of that day and of her time in Yanan.

A turning point in Smedley's life came when an officer was shot on the battlefield trying to protect her. When she heard the officer was operated on without anaesthesia, Smedley became even more devoted to China's anti-Japanese war; she raised money and generously donated medicine to China and succeeded in persuading Dr. Bethune of Canada and Dr. Kotnis of India to do rescue work on the battlefield.

In 1949 when the People's Republic of China was founded, Smedley, who was oblivious of the threats of strident anti-Communism in the United States, continued to write enthusiastically of China's revolution and donated her payment for the articles to the construction of New China.

Smedley died in 1950 in London. In accordance with her dying wish, her casket was sent to China the next year. Zhu De personally went to the airport to receive it and wrote the inscription on her gravestone. A memorial meeting for her death was held in China.

As Rewi Alley said: "She was no saint, but a very human person, who tried to grasp the great challenges of her day and do her best to meet them regardless of all else."

SPORTS 皮趾大多刀尽汉外片到两个方风户新绿木二月

Volley Coach Gets a Move On

After only one year as head coach of China's national women's volleyball team, Deng Ruozeng, probably the most widely known sports coach in China, brought the team to victory by winning the fourth consecutive gold in the Fourth World Cup Tournament held in Japan last November.

min's resignation from the position and his promotion to the vice-minister of the State Sports and Physical Culture Commission in November 1984, volleyball coaches across the country began to tussle for the seat. At the end of 1984, China's association for volleyball coaches held a meeting in Zhengzhou,



Coach Deng working on strategy with his players.

XU XIANGJUN

Volleyball might not be as exciting to foreign sports fans as football or soccer. But the case is different in China, where soccer is confined to Asian competition and its women's basketball team has experienced severe ups and downs in the last few years. It's not an exaggeration to say that when a live volleyball game is shown on TV, the city streets become deserted, leaving security personnel idle.

Therefore, leading up the women's volleyball is a coveted position. Since the State Sports and Physical Culture Commission declared former coach Yuan Wei-

capital of Henan Province, to elect the coach. Deng Ruozeng, then 48, beat out all his rivals with his perfect qualifications. During his election speech, he analysed the situation facing the women's team and its tasks and put out a "godouble" plan. One was to win the Fourth World Cup, the other was to consolidate the team.

Deng was Yuan's aide for years, although Deng's sports career spans back further than Yuan's. He was an all-round spiker and setter on China's national men's team in the late '50s and the early '60s. His wife, Cai Xiqin, also was

a veteran player on the national team. Although she was reluctant at the beginning to let Deng become the head coach of the women's volleyball team, which might mean too much for a man of his age, she resigned herself to the benefit of the team, to the growth of China's volleyball movement.

Deng is regarded by some of his colleagues as an all-round sports genius, displayed both in his training techniques and personal self-control. Besides volleyball training, he often leads his players through basketball, table-tennis, water polo, badminton, softball and even football. Deng holds this crisscross training is more efficient to improve physical condition and enhance reflexes and agility.

Deng has a variety of hobbies. Reading literary works and detective stories is at the top of a list that also includes hunting, fishing and cycling. He has a large cache of tales about planes, trains and sailing, which he shares with his players en route to competitions, which he cannot share with his only son who is mentally disabled because of epilepsy.

Although he set examples by his own deeds while training, never for a minute did he think of his own gain or loss when the team won. He would only smile when volleyball fans grumbled about unfairness towards him, as he always put the team first.

Deng is a strict coach, there are no discounts in his class. Liang Yan, an ace player from Sichuan, once had a weak fisted serve. Deng drew up a special plan for her and now, after months of practice, Liang's full-swing serves have become direct killers.

Another challenge facing Deng is the turnover of young players. Lang Ping, 26, captain and ace spiker of the team, was recently assigned as Deng's aide since she will soon retire because of her age and injuries. Keeping the team at its current world status is no easy job for Deng.

Ancient Chinese Thought in English

A New Account of Talks of the World, a little-known book published in the United States in 1976, deserves attention as it is the only compilation of ancient Chinese short stories translated into English. The translator, Richard B. Mather, an American sinologist and professor in the East Asia Department of Minnesota University, said he tried to retain the original concepts, style and imagery of the ancient stories, personal essays and discussions dating back to the Jin Dynasty (281-420).

The 726-page book, which took the translator 18 years to complete, is considered to be of great significance to Western sinologists and historians. It contains talks and anecdotes by and about more than 620 literary and official figures in the Jin

Dynasty.

In translator's note, Professor Mather said the concepts and images portrayed through the stories were not all that mysterious. He believes the anecdotes and talks by the Jin figures, as well as their temperament and desires, were common in most societies and therefore easily understood.

Mather said that in his translation he sometimes had to go against English idiomatic expression and rhythm, but that he did not revert to "free" translation — expressing idea similar to author's intentionbecause he believed it would have affected the original imagery.

To Western readers who want an easy read, such as the popular book A Thousand and One Nights, Talks is not the ideal choice. It is a scholarly work to help readers understand the language of Chinese literature. Chinese readers today will also find it useful to compare with the Chinese edition, and the French edition published in 1974. Mather put much more into the book than pure translation. Just one example of his supplemental research is contemporary theories in astronomy to elaborate on the reliability of chronicles described in one piece, Talks.

In addition, the book is distinguished by its layout and appendixes. Mather's translation and exhaustive notes, both of have absorbed many Chinese editions of the book, are arranged in different columns, so that readers will find convenient to refer to. Mather also adds notes between brackets at the end of each anecdote to indicate if the same anecdotes can found in other books.

Biographical notes, a glossary of terms and official titles, abbreviations, a bibliography and index are included as appendixes. It must be noted that several points of translation are open to question. Also, it would have been quite helpful to the reader if the book contained an appendix of the powerful families that are involthe stories. in generational figures had much to do with China's social make-up at that time, as family political power and heredity was a major manifestation of China's feudal politics in the 3rd and 4th centuries.

Tang Yiming

Tang Dynasty Stories Retold

Tang Dynasty Stories, one of the Panda Book Series, was recently published in English by Chinese Literature Press.

Written during the Dynasty (618-907), these stories form a notable part of early Chinese fiction and are as significant as Tang poetry. The prosperity of the Tang Dynasty with its rapid development in agriculture, handicrafts and commerce supplied a rich materials for complex social life, the background of these stories. Since the authors were consciously writing fiction, they produced something more imaginative than the earlier Chinese tales of the supernatural or anecdotes of famous men. The middle period of the Tang Dynasty—the 8th and early 9th centuries—was the heyday of this form of story.

A Seguel to 'A Dream of **Red Mansions' Appears**

A Sequel to "A Dream of Red Mansions," the first modern continuation of this work, has recently been published by the Shanxi People's Publishing House. Writer Zhang Zixian has added another 30 chapters to Cao Xuegin's 18th century classic, basing his work on the original 80 chapters and on research by past and present scholars.

Pu Yi's Life After Leaving The Forbidden City

Pu Yi's Life After Leaving the Forbidden City, a book on the life of the last Qing Dynasty emperor Pu Yi after he was friven from the throne in 1911, has been published by the Literary and Historical Memoirs Publishing House.

The book, which contains many valuable photos, consists reminiscences by various members of the Aisin Gioro family.

Much Ado About Mr Ma

Beijing Review, December 10, 1985 (English and French edition, December 9, 1985—Ed.) published Ma Ding's article "Ten Major Changes in China's Study of Economics." It was reported promptly in Japan's Asahi Shimbun under the title "Capital Has Lost Validity—Application of Contemporary EconomicTheories Favoured." In both headline and content, this report completely distorted Ma Ding's article. Please read the following:

Asahi Shimbun: Marxist classics have lost their validity; Ma was in favour of applying the results of contemporary Western economic thinking; he stood for liberalization in academic research.

Ma Ding's article:

l) In China, Marxism is for socialist construction; *Capital* is for analysing capitalism (the only difference was in application, the author did not say *Capital* had lost its validity);

2) Modern Western bourgeois economics is in essence vulgar, unscientific, and should be analysed from an approach as adopted by Marx, Engels and Lenin;

3) For the uniformity between economic science and economic policy, economists ought to air their opinions and views freely.

Asahi Shimbun also misinterpreted the views of Ma Ding by saying he had discussed the limitations of Marxism. But the author never said anything like this. On the contrary, the article maintained that one should adopt a Marxist stand to invigorate the study of economics.

Editors of the *Beijing Review*, your article has been distorted. I hope you ask *Asahi Shimbun* for a suitable solution.

Yotaro Saito Sakura, Japan

The Taiwan Question

Beijing Review issue No. 5 published the article "Taiwan

—Tugging at Chinese Heartstrings" and discussed the issue in its "Notes From the Editors" column. I was touched with the front cover of that issue and this article.

Though I am very young, I do understand some of the stress caused by the separation that exists between the mainland and Taiwan. Some of my uncles are studying in Taiwan. They often come back to Madagascar for holidays. Their influence made me adopt a hostile attitude towards the mainland and thought that Taiwan was correct, and politics and economics on the mainland were not suitable. How absurd! Last year I was in my final year at a French middle school and learned something about Chinese history and geography, which changed my outlook on China.

I sincerely hope the mainland and Taiwan improve their relations. This is also the wish of hundreds of millions of Chinese. Why should Chinese on both sides of the straits continue past sufferings and sacrifices? If this situation were changed soon it would be advantage to both sides, not only politically but economically. It would also be an advantage to reunification of separated families, including the author's. From the viewpoint of the whole world, China's reunification would be a great event. I think the "one country, two systems" policy would be a suitable solution.

> Chan Wing-Hong Farafangana, Madagascar

After reading "Taiwan—Tugging at Chinese Heartstrings" and "Formula for China's reunification" as well as "Deng Xiaoping on One Country, Two Systems" and "Ye Jianying on Policy for Peaceful Reunification" in *Beijing Review* issue No. 5, I earnestly hope the mainland and Taiwan will be able to reunite as

soon as possible. I know that compatriots on both sides hope for reunification and believe the concept of "one country, two systems" is feasible.

The peaceful solution of the Hong Kong question will be an example of this. I think the United States, Japan and all friends of China should do their utmost to help solve this problem. I sincerely hope the mainland and Taiwan will be reunified soon.

Toshio Sato Yamagata, Japan

Focus on Aeronautics

I enjoyed immensely reading your excellent article "Aeronautics Industry Takes Off" in *Beijing Review* January 27, 1986. It was an appetizer that made me want more.

It was reassuring to read that your next five-year plan will put greater emphasis on this important industry. Having a focus is vital, its importance can never be overstated.

Thus far, China's technological modernization has seemed erratic in many areas, spreading in all directions like an amorphous lump of jelly. It's like stalled bus. The passengers, eager to get it moving again, push and pull in all directions. The end result is the bus remaining in one place and running the risk of being torn apart.

Having a direction is absolutely essential. An excellent example of this is the point in the article in which Chinese engineers develop a plate heating pressure machine in two years, despite the scepticism of the French engineers. It shows the scientists were able to channel their energies and show their potential brilliance and talent.

Better direction and focus will always bring out the best and the next five years will see enormous strides and advances made in the aeronautics industry.

> Winston C. Kam Toronto, Canada

ART PAGE



By the River Bank.

Traditional Chinese Paintings by Jiang Wenzhan

Jiang Wenzhan, born in 1940 in Shandong Province, teaches at the Xian Academy of Fine Arts of Shaanxi Province. Jiang is expert in illustrations of flowers and birds. His work, a blend of the old and new, is characterized by expression and movement.

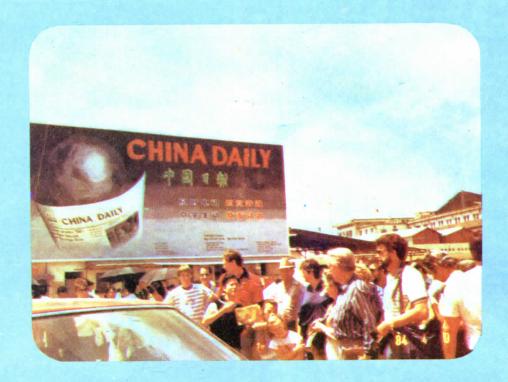


Little Birds.



Lotus.

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