

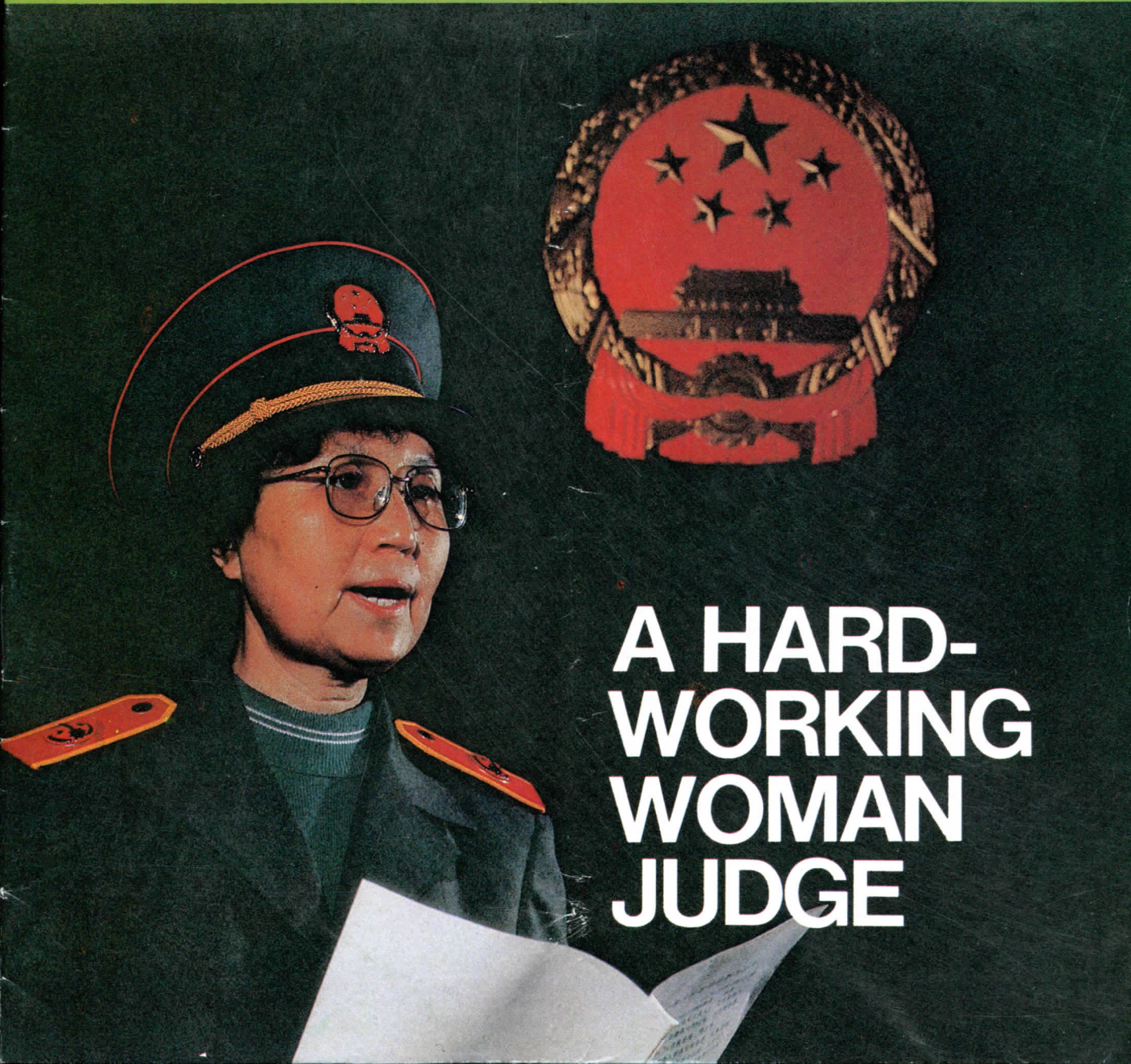
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US "Human Rights Report" Protested



A HARD- WORKING WOMAN JUDGE



A market for Tibetan-style carpets in a Lhasa street.

Photo by Dai jiming



China Protests US 'Human Rights' Charges

□ China's Foreign Ministry has strongly protested charges against the Chinese government made by the US government in its annual "Human Rights Report" (p. 5).

Has Socialism Failed In China?

□ The second essay of a four-part series entitled "Socialism Will Save China" by Wen Di analyses the basis on which China began its socialist construction. The author points to the success of socialism in China which achieved a higher rate of economic growth than did most of the capitalist countries (p. 19).

Stronger Unity Among Nationalities

□ Last year, as disturbances shook some parts of China, stability was maintained in the minority areas because of the good relations among China's nationalities. This is characterized by the equal status of all nationalities, the implementation of the system of regional national autonomy and the effort to bring about a common prosperity for all nationalities. This year, further efforts will be made to prevent divisive activities and turmoil, strengthen the solidarity of all ethnic groups and firmly safeguard the unification of the country and the stability of minority regions (p. 4).

Yawning North-South Gap a Global Concern

□ The continuous polarization between the developed and developing countries has become a global problem affecting the development of the world economy as well as world peace and stability. As all nations are interdependent in contemporary world economic activities, developed countries should make greater efforts to help third world nations overcome their economic difficulties so that balanced development can be maintained (p. 11).

Diligent Women Judges

□ As the Chinese saying goes, women are strong enough to hold up half the sky. True to the spirit, women judges have proved themselves to be hard-working and competent professionals of the judiciary (p. 25).

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Photo by Chen Zonglie	

Unless written by Beijing Review correspondents, the opinions expressed in signed articles do not necessarily reflect the view of the Beijing Review editorial board.

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Strengthening Nationality Unity

by An Zhiguo

In 1989, although there was turmoil in some areas in China and a disturbance and counter-revolutionary rebellion in Beijing, most minority nationality areas remained stable as the normal social order prevailed. Socialist nationality relations of equality, unity and mutual help were thus further consolidated and developed. In the autonomous regions of Inner Mongolia, Xinjiang, Ningxia, Guangxi and Tibet, and in Yunnan, Guizhou and Qinghai provinces, all of which have a large ethnic minority population, business went on as usual. The total value of industrial and agricultural output increased 7.6 percent over 1988, the proportionate value of industrial output rose by 0.2 percentage points, and the value of total retail sales by 2.8 percent.

There are good reasons for the stability of China's minority nationalities and their ability to withstand severe tests. Historically, China has been a united country for several centuries. Thanks to the close political, economic and cultural ties between the Han nationality, the majority of the population, and the various other ethnic groups, very few ethnic minorities live in isolated compact communities. This is the long term, solid historical base by which the nation maintains its unity and the various nationalities live in harmony.

Moreover, for more than a century, the various nationalities suffered from the common tragedy of imperialist aggression, oppression and exploitation. This history of resistance to foreign interference and oppression engendered mutual assistance among nationalities and the sharing of weal and woe in times of adversity; their common revolutionary struggle for liberation enormously strengthened the cohesion of the Chinese people of all nationalities.

Over the past 40 years, the Chinese Communist Party, by combining the basic Marxist theory on nationalities with China's actual conditions, has developed distinctly Chinese methods for resolving any questions regarding the nation's minority nationality population. The most prominent characteristics of the Chinese approach are the following:

—The various nationalities, without exception, are considered equal, regardless of the size of the population or their stage of social development. On this basis, mutual respect, mutual emulation and mutual aid among nationalities are encouraged. This kind of relationship lays a solid, political foundation for nationality unity.

—Proceeding from China's past and present conditions, and by properly integrating the political and

economic factors for each nationality and region, China introduces a system of regional national autonomy. Currently, there are 55 ethnic groups in 157 national autonomous areas, embracing 60 million out of a total 80 million people of national minorities, and a contingent of more than 1.8 million Party or government functionaries of various minority ethnic backgrounds.

—Ethnic unity is closely tied to the social and economic progress within the minority nationality community. Energetic efforts are made to develop the economy, education, science, technology, and culture for minority nationalities, so as to bring about common prosperity and improve the quality of minority peoples. Compared with 1949, the 1988 total value of industrial and agricultural output of the national autonomous areas had increased 20.5 times.

These steps are in accord with the will of the minority peoples and strengthen national solidarity.

Despite progress in the past ten years of reform and opening, some problems in minority nationality areas need to be addressed. Economic development in minority areas still lags behind the nation's average growth rate; hostile forces, both domestic and foreign, continue to be engaged in divisive activities and have repeatedly created disturbances in Lhasa, fabricating rumours about events there to mislead the public; in the process of reform, some policies, laws and regulations did not adequately embody the particular needs of the minority areas; and, in developing resources located in minority areas, insufficient attention has been paid to the benefits to be gained locally by the minority peoples.

This year, the cadres and masses of various nationalities will continue to take a clear-cut stand against divisive activities and turmoil; they will stand for enhanced solidarity among the nationalities, unity of the motherland and stability of minority areas. The various minority areas will continue to improve and rectify the economy and deepen the reform so as to quicken economic and social development. In order to further implement the law of regional national autonomy, China will gradually draw up detailed rules for this purpose. A proper balance will be struck between the need to exploit national resources and to provide local economic benefits. On this basis, China's minority regions and groups will surely continue to make new contributions to the country's modernization and to the further consolidation of the nation's stability and unity. ■



The 12th Session of the Seventh National People's Congress Standing Committee sets the agenda for the Seventh NPC Third Plenary Session, scheduled for March 20.

CUI BAOLIN

NPC Standing Committee Meets

Examination and discussion of a government work report by Chinese Premier Li Peng will be high on the agenda of the Third Session of the Seventh National People's Congress (NPC), scheduled to convene in Beijing on March 20.

The agenda was proposed during a five-day 12th session of the Seventh NPC Standing Committee on February 19-23.

Other items for examination and approval at the forthcoming NPC plenum include a report on the implementation of the plan for economic and social development in 1989 and a plan for 1990; a report on the implementation of the 1989 state budget and a budget for 1990; the draft of the basic law of the Hong Kong Special Administrative Region and two related documents on the flag and emblem of the region, and the Amendments to the Chinese-Foreign Equity Joint Venture Law.

Reports on the work of the NPC Standing Committee, the Supreme People's Court and the

Supreme People's Procuratorate will also be discussed and examined.

During the Seventh NPC Standing Committee's 12th Session, Ji Pengfei, chairman of the Hong Kong Special Administrative Region Basic Law Drafting Committee, explained revisions to the draft of the basic law.

Ji suggested the draft basic law be submitted to the NPC plenary session for further deliberation.

Sun Wanzhong, director of the Legislative Affairs Bureau under the State Council, reported on a draft law on the national flag of the People's Republic of China, and Minister of Railways Li Senmao explained a draft law on railways.

Sun said China's national flag law was intended to safeguard state sovereignty and national dignity, and to encourage patriotism.

At the conclusion of the session, the members approved a law on the protection of military installations, the first piece of

legislation of its kind since New China was founded in 1949. It stipulated that prohibited zones for military use and areas under military control would be designated to coincide with the nature and role of the installations.

The NPC Standing Committee also confirmed 14 people, including the Communist Party's General Secretary Jiang Zemin, as deputies to the National People's Congress. ■

US 'Human Rights' Charges Protested

China's Ministry of Foreign Affairs has lodged a strong protest with the US government for its charges against the Chinese government in its annual "human rights" report.

On February 22, the Chinese ambassador to the United States, Zhu Qizhen, sent a statement on the report, entitled *Country Reports on Human Rights Practices for 1989*, to Robert Kimmitt, US Under-Secretary of State for Political Affairs.

The statement said the US State Department's report, based on rumours and lies, made groundless charges against the Chinese government under the pretext of "human rights problems."

"The Chinese government and people express their utmost indignation at this act which violates the basic norms governing international relations, grossly interferes in China's internal affairs and seriously encroaches upon its sovereignty," the statement said.

It denounced certain anti-China forces in the United States for deep involvement in

the counter-revolutionary rebellion in Beijing last June, as well as the US government for having taken the lead in imposing sanctions against China.

"Even today, when the truth has become known to all, it is again the US government that has flagrantly vilified the Chinese leaders by insisting on putting together guesses and rumours in its 'human rights' report," the statement said.

"The repeated acts of grossly interfering in China's internal affairs by the US government are but a manifestation of out-and-out hegemonism and power politics," the statement said.

It pointed out that the recent armed invasion of Panama by US troops severely violated international law and the independence, sovereignty and territorial integrity of Panama. And it arbitrarily encroached upon and denied the Panamanian people's rights to the exercise of their sovereignty and free decision for their own future, the statement said.

While talking about human rights situations in other countries, the statement added, the US government violated human rights itself.

The Chinese people will never yield to any foreign pressure and they are "firmly resolved to take the road they have chosen for themselves," the statement continued. No country, it added, is in a position to deny the Chinese people such a right.

China will not interfere in the internal affairs of other countries, nor will it, on any account, tolerate any interference in its internal affairs by other countries, the statement said.

At a meeting with Kimmitt, Zhu stressed that since last June the US government, using the "separation of the executive, legislative and judicial powers" as

an excuse, has often tried to shirk its due responsibility for actions taken by some American congress members to undermine Sino-US relations.

But this time, Zhu said, the US government itself has severely damaged Sino-US relations by insisting on slandering and attacking the Chinese government and leaders in its "human rights" report.

He noted that Sino-US relations can only be based on the principles guiding the relations between the two countries as affirmed by the Sino-US joint communiques, especially the principles of mutual respect for sovereignty and territorial integrity and non-interference in each other's internal affairs.

The Chinese government urges the US government to honour its words with deeds and make efforts to put bilateral relations back on the normal track as soon as possible. Otherwise, the ambassador said, the US government will be responsible for all serious consequences that may arise. ■

Draft Hong Kong Basic Law Hailed

The draft law on the Hong Kong Special Administrative Region has won high praise both in Hong Kong and on the mainland since it was approved February 16 at the drafting committee's plenum held in Beijing.

The draft fully reflected the concept of "one country, two systems," and therefore was a legal document "with great historic significance and world impact," said Yi Meihou, a mem-

ber of the National People's Congress Standing Committee.

Another member, He Ying, said the draft law was in line with China's national situation, its Constitution, and the common interest and will of compatriots in Hong Kong, Macao and Taiwan and all Chinese both at home and abroad.

A report from Hong Kong quoted Liang Sien, chairman of the 90-year-old Chinese General Chamber of Commerce in Hong Kong, as saying the final version of the draft law conformed to the spirit of the Sino-British joint declaration and was acceptable to his chamber.

Liang made his remarks at a luncheon hosted by the chamber in honour of Zhou Nan, the new director of the Xinhua News Agency Hong Kong Branch.

Liang said he believes the basic law, which is to be finally endorsed by the NPC plenary session scheduled for late March, will be accepted by Hong Kong people from all walks of life.

Eleven leading members in industry, commerce, and education and labour organizations in Hong Kong told the local Chinese newspaper *Ta Kung Pao* that they were satisfied with the final version of Hong Kong's future constitution. It took more than four years for Hong Kong and mainland drafters to complete the draft.

Szeto Fai, honorary president of the Chinese Manufacturers' Association of Hong Kong, said the basic law has stipulated 20 directly elected seats in 1997. This conforms to the pace of democratic development and has taken into consideration the principle of advancing in proper order, he said.

Wen Wei Po, another local Chinese daily newspaper, said that many leading figures from religious, industrial and political

fields in Hong Kong believe the basic law provisions basically reflect the opinions of the overwhelming majority of the Hong Kong people and organizations.

They urged the local people to avoid getting bogged down in endless debates and to earnestly study how to implement the basic law.

Some of them said it is ridiculous to allege that the basic law "has sold out Hong Kong people's interests."

Both newspapers carried editorials, urging the local people to put aside their differences and wholeheartedly build Hong Kong. ■

Putting Leadership In Reliable Hands

Leading bodies of the Party and government at all levels should be strengthened to guarantee that political power be placed firmly in the hands of people loyal to Marxism. This was the consensus at a four-day national meeting of heads of the Party's organization departments of the various provinces, autonomous regions and municipalities.

The meeting, which ended in Beijing on February 19, emphasized that the key to Party building depended on the building of the leading bodies.

Lu Feng, head of the Organization Department of the Party Central Committee, said it was important to select those who are sound politically, morally and professionally for leadership roles in the Party's leading bodies.

In testing and judging a cadre the most important consider-

ations, Lu said, included his performance in implementing the Party's basic line; in adherence to the four cardinal principles of "upholding the socialist road, the leadership of the Party, the people's democratic dictatorship and Marxism-Leninism and Mao Zedong Thought;" in carrying out reform and the open policy; in fighting bourgeois liberalization and building a clean government and serving the people wholeheartedly.

Major Party leaders should be capable of organizational work and good at using and uniting others, he said. They must also be politically strong with clear-cut attitudes.

Speaking of the present leading Party bodies, Lu said that most of them were good, but a few of them still had problems with ideological work.

Those problems showed up in five areas, he said:

- Some cadres were not well-versed in Marxism-Leninism and Mao Zedong Thought;

- Some leading members are given to abusing their power and positions for personal gains, to the great resentment of the public;

- Some Party and government functionaries have held themselves aloft from the masses and do not know what is really going on in reality;

- Implementation of the principle of democratic centralism still leaves much to be desired;

- Lack of unity and coordination is common among leading bodies.

Because the CPC is the party in power, the shortcomings in some cadres' work style and frame of mind were not an individual problem but a problem affecting the image of the entire leadership and the reputation of the Party among the people, Lu said.

Therefore, a leading body with a sound work style and correct ideological line will be steadfast in its political orientation, and full of confidence in the Party's cause, and command the trust and support of the people, he added.

Lu also urged cadres to study Marxist theories in real earnest, build up a clean administration, foster close ties between the Party and the people, and carry out the Party's principle of democratic centralism.

He asked the organization departments to strengthen the system of holding regular democratic meetings in the Party for criticism and self-criticism, and to establish effective ways of communication between the departments and officials so as to render timely help in their work. ■

Mental Counselling: Budding in China

It was almost midnight on January 8 when a young woman in Beijing dialed the phone number 552236 for help.

The woman had been an attendant at a hotel in the city of Changzhou near Shanghai. She said she wanted to commit suicide because she had been cheated and deserted by a young worker with whom she had been infatuated.

She first met the young man a few years earlier in her home town when he travelled there on business. Before long, they fell in love and the woman decided to quit her job and go to Beijing to meet her lover despite strong opposition from her family.

When she arrived, she found

the man was already married and had a four-year-old child.

She said the discovery came like a thunderbolt, sending her into an abyss of hopelessness. Suddenly she was alone. She had no job and could not bring herself to return home, so she had to wander the streets of Beijing.

After leading a precarious life for almost four years, she felt she couldn't take it any more. In desperation, she dialed the phone number, known as "Hot Line of Hope."

She was given an immediate response and for the first time in a long while she was overwhelmed by the warmth of the voice of a fellow citizen on the other end of the line.

Dong Jingwu, an associate researcher of the Beijing Fitness and Beauty Research Centre, had a long conversation with her on the phone that night.

He managed to convince her to visit the centre at her convenience. She promised to follow his advice.

That telephone call was but one of 3,124 calls the centre has received from most parts of China since it opened on July 16, 1989.

The Hot Line of Hope, first of its kind in China, is intended for those people who have psychological problems and need emergency help. Every evening from 6 o'clock to midnight, except on public holidays, there is a volunteer mental health counsellor on call, offering advice on all problems.

The centre's researchers believe that in most cases, a heart-to-heart talk can pacify abnormal moods brought about by a mental crisis. Talking on the telephone has proved to be the best approach because it's direct and saves time. It also protects the privacy of almost all the callers.

According to the centre, of 2,089 calls it received between

July and October last year, 33.8 percent were related to love affairs, involving 421 men and 284 women.

The second largest group of calls, 14.2 percent of the total, involved teenagers and their problems in dealing with adolescence. Family and marriage problems were next, accounting for 11.4 percent.

Callers included professors, students, workers and young people waiting for a job. Young people under the age of 35 made up 88.7 percent of the callers.

Dr. Zhong Youbin, who is a member of the centre, said that all the callers could be classified into three categories: normal people with some mental troubles, people who need psychotherapy and those who need medical treatment. Only people in the first group are the real subjects of psychological counselling.

Another member of the centre, Dr. Xu Yuru, said that counselling for people with mental problems theoretically was designed to help them see the nature, cause and ways to deal with their troubles.

The centre has since last July at least prevented 47 people from committing suicide or murder.

In one case, a worker told a counsellor that he intended to drown his boss's child in a well because his boss refused to give him his monthly bonus of several dozen yuan. The money was withheld because he showed up late for work at the factory. After talking over the phone with a counsellor, the man eventually changed his mind and gave up his intention to commit murder. Two weeks later, he called back again, saying how ridiculous his thought had been.

Without a sound mind, people could not cope with their daily life and work normally, said Sun

Yukun, director of the Beijing Fitness and Beauty Research Centre, adding that they could have a bad influence on society and even do serious harm.

by Li Xingjian

Movies Should Entertain, Educate

Works of art and literature should be entertaining and have aesthetic-value and artistic appeal, but at the same time they should also be educational, a Beijing seminar of film artists was told recently.

Li Ruihuan, a member of the Standing Committee of the Political Bureau of the Chinese Communist Party's Central Committee, told the February 21 seminar that excellent literary works should have a perfect combination of ideological content and artistic quality.

Li noted that films, as a popular art form, are an important means of educating people.

With an annual audience of 16 billion people, Chinese films have played a major role in meeting the people's cultural needs, promoting socialist culture and ethics and maintaining social stability, Li said.

The 100 film artists at the seminar briefed Li on the current situation in the country's film industry and its future prospects. They also discussed their problems.

Li spoke highly of China's achievements in film production over the past decade. But he also pointed to serious problems. Influenced by bourgeois liberalization, for a period of time there had been some confusion as to where Chinese movie industry

should go, he said, and an unhealthy tendency of money worship resulted in the production of dull and low-taste films.

He also said he hoped film artists would pay earnest attention to existing problems and draw lessons from them.

To rejuvenate Chinese films, literature and art, Li said, both the principles of "serving the people and serving socialism" and "letting a hundred flowers blossom and a hundred schools of thought contend" must be implemented. The two principles, he said, are compatible and people should not set them against each other or separate them, he added.

Li further explained that writers can write about history or reality as they like and there are broad prospects for the selection of themes, as long as their creative works do not run counter to the Constitution and law or the four cardinal principles, publicize pornography or advocate feudalism and superstition.

A good environment should be created for artists to devote themselves to their creations, he added.

"Most of our writers, artists and film makers are good and some works have faults which can be corrected," Li said. "As people's understanding develops in depth step by step, so is a piece of artistic work improved gradually."

He pointed out that common misunderstandings cannot be dealt with from a political point of view, nor should they be wilfully written off. Otherwise, Li said, the development of literary creations would be adversely affected.

Film making should be beneficial to socialist modernization and stimulate people to work hard and scale new heights in all fields of endeavour, Li said, but

their themes, subjects, forms and styles should be diversified. ■

China Profits From Imported Expertise

China spent US\$27 billion in the past decade in importing advanced technology and equipment, which have promoted the national economy.

The central government alone purchased 7,000 item items of advanced technology worth US\$15 billion.

The imports have had satisfactory results in capital construction as well as technological renovation and scientific research. About 60 percent of the annual increase in output value in the 1980s was achieved by the use of imported technology.

Earlier, the Chinese government stressed the importance of importing technology for the development of "bottleneck" sectors of the national economy, such as energy, transport and raw materials. The amount of technology imported for these sectors was 43.2 percent of the total, which helped alleviating the existing problems.

In the 1980s, China imported the designs and technology for the manufacture of 300,000- and 600,000-kilowatt thermo-power generators and updated the automatic control system of the four major power grids in east China, north China, northeast China and central China. The nation's installed power generating capacity is now 100 million kilowatts.

For the coal industry, China has imported technology for the manufacture of multipurpose drillers, underground hydraulic-pressure stands, 10-million-ton

opencut mining machinery and safety examination equipment. The new equipment has helped greatly in the mechanization of coal mining.

China also constructed and transformed a number of coal mines with an annual output of 5 million ton, such as Kailuan and Huolinhe, in cooperation with foreign countries.

As well, China has imported advanced telecommunications technology for items such as program controlled telephone exchanges, satellite telecommunication lines as well as all-plastic fibre and optical fibre cables. The imported technology has greatly improved the telecommunications in major cities, especially in coastal economic zones.

Imported technology has also improved operations and production and reduced energy consumption in all sectors of the national economy.

In the machine-building industry, 400 major enterprises across the country have imported advanced foreign technology to transform basic equipment and develop new products.

During the 1980-85 Sixth Five-Year-Plan period, 6000 varieties of new products were turned out. One-quarter of them reached international standards of the time.

The textile, apparel, food and household electrical appliance industries have produced a large quantity of commodities for the market.

Although great achievements have been made in importing technology, there are still some problems, such as overlapped imports, excessive imports of assembly lines and insufficient imports of software technology, especially key technology that can enhance China's ability of self-reliance in production. ■

Human Rights Concern or Power Politics?

by Xin Li

"Human rights" has become a catch phrase these days in the West. The United States, in particular, has assumed the role of world policeman, condemning one country one day for defying human rights and attacking another country another day for violating human rights. Washington also applies sanctions at will against anybody it thinks a "bad guy" by its human rights criteria. It seems that in today's world only the US government respects and protects human rights.

To illuminate this, the US State Department issued a report annually on its appraisal of human rights conditions around the world.

The "Human Rights Report of 1989," released on February 21, attacked China for its quelling of the counter-revolutionary rebellion in Beijing last June and "human rights violations" in Tibet and elsewhere. Based on rumours and lies, the report made groundless charges against the Chinese government on a wide range of issues, all China's internal matters, including its efforts to control the population growth.

Clearly, the "respect and protection" of human rights are but a pretext under which the US government wantonly interferes with other countries' internal affairs and violates their sovereignty.

Sovereignty is the highest right for a country to handle its own internal and external affairs independent of any other country's interference and restrictions. According to the United Nations Charter, all countries enjoy sovereignty and are equal members of the international community. Each nation has the right to choose its own political, social, economic and cultural systems, but at the same time is obliged to respect other countries' sovereignty and national dignity and is barred from intervening in their internal affairs and violating their sovereignty under any pretext or in any manner.

However, the United States, the "most civilized and democratic country in the world," as it calls itself, in open defiance of the recog-

nized international law and norms in international relations, claimed that it had the right to decide who could rule Panama.

Moreover, when all alternatives had been tried and failed, Washington sent at least 20,000 troops to invade the Central American country on December 20, 1989, killing more 500 Panamanians, many of whom were children and old people.

The Panamanian invasion had many precedents in Latin America alone. In August 1926, the United States sent 5,000 marines to Nicaragua to suppress the patriotic armed forces there. In 1954, the United States used its air force to topple the Jacobo Arbenz Guzman government in Guatemala and installed a military junta. In April 1961, it again dispatched more than 1,000 mercenaries to invade Cuba in an attempt to overthrow the just-born Republic of Cuba.

In October 1983, using the coup in Grenada as an excuse, Washington sent troops and invaded the Caribbean island nation.

The Panamanian invasion best shows that the United States was merely after power politics. The excuses it used to invade Panama were totally groundless. To protect the lives of Americans in Panama? To restore the "democratic order" of that country? Or to capture a suspected drug trafficker, Manuel Noriega? Even if these were true, the questions should have been resolved by the Panamanian government in accordance with its own laws. Why should Washington meddle? If such a logic is justified, wouldn't any country in the world have the same right to launch a military invasion against other countries?

Sovereignty is a country's national right. Without sovereignty, human rights are out of the question. And this is precisely why the United Nations General Assembly listed the violation of sovereignty as a major violation of human rights in documents it has already passed. The US government should first learn to recognize and show real respect for this truth before it attempts to teach others how to respect human rights. ■

One characteristic of the world economy in the 1980s was that conditions for the third world countries to develop their economies worsened and the gap between the rich North and the poor South enlarged significantly.

Except for East Asia and Southeast Asia, developing countries in South Asia, the Middle East, Black Africa and Latin America all had a lower economic growth rate over the past decade than in the 1970s. Moreover, in many developing countries, the current per capita income is lower than in the early 1980s because their population grew at a greater rate than their economies.

Latin America's national income per capita in 1980 reached US\$2,010, but fell to US\$1,800 in 1988. African countries' national income per capita has dropped by more than 20 percent since 1980.

According to the World Bank statistics, developing countries' investments fell in the past 10 years owing to a drop in revenues. Investments by African countries south of the Sahara dropped to 14.1 percent of gross national product in 1988 from 20.8 percent in 1980, those by Latin American and Caribbean countries to 15.7 percent from 24.2 percent and those by southern African countries to 20.7 percent from 23.1 percent. Only East Asian countries increased their investments, up from 29.4 percent to 33.2 percent.

Owing to the reduction in investments, some important economic sectors of many developing countries have found it difficult to renew their equipment. As a result, economic growth has been slow and the potential for future economic development seriously affected.

However, developed countries of the rich North have maintained economic growth for the

North-South Gap Continues to Widen

by Liu Xin

Owing to the reduction in investment, some important economic sectors of many developing countries have found it difficult to renew their equipment.

past seven years after surviving an economic recession in 1982. These countries' national income per capita rose to US\$14,580 in 1987 from US\$10,650 in 1980, an increase of 40 percent. During the same period, developing countries' national income per capita only rose as high as US\$720 from US\$680, an increase of less than 6 percent. If Asia is excluded, the per capita income of the rest of the developing areas actually fell.

The debt crisis that materialized in 1982 in third world countries and is still continuing has forced international commercial banks to suspend loans to debtor countries. This has made it harder for developing countries to collect funds from the international money market. The International Monetary Fund estimates that in 1981, developing countries obtained a net volume

of US\$131 billion of foreign investment as well as official and private loans, but had received only US\$53 billion in 1989.

During the 1980s, interest rates of Western commercial banks were the highest ever since the Great Depression. This not only magnified the debt burden of debtor countries, but also greatly reduced the foreign exchange revenues of poor countries. At the same time, funds were flowing in large amounts into developed countries. In 1982, the net amount of funds that flooded into developing countries was US\$18.2 billion. But in 1984, the flow of funds was reversed. In 1988, funds that drained out of developing countries in interest and loan payments reached US\$43 billion. However, foreign debts of developing countries rose to US\$1,165 billion that year from US\$831 billion in 1982.

The 1980s also saw a shrinking market for the developing countries' primary products and raw materials as the developed nations made efforts to use new materials and new techniques in industrial production. Moreover, developed countries were making use of every possible opportunity to force down the price of primary products. Statistics show that the price of primary products (excluding petroleum) in the international market in the 1970s increased at an annual average rate of 11.3 percent. But in the 1980s, the price of primary products dropped annually by an

average of 1.37 percent. As a result, the price of manufactured goods in poor countries that depended heavily upon exports of primary products rose annually by an average 4.11 percent in the past decade.

Developed countries have in the past ten years adopted many trade protectionist measures to the detriment of the third nations. They put serious restraints on competitive products from the poorer South countries. For example, they gave third world

countries too low a trade quota for clothes and textiles.

On the one hand, industrialized countries protected their domestic markets by making use of non-tariff barriers, and on the other hand, by providing subsidies, they promoted their own products to occupy other countries' markets. This "superprotectionism" was even

more clearly manifested in the trade of agricultural products—a trade area vital to developing countries.

The third world countries' frustrations in the course of their economic development were also attributable to the improper development strategies and economic policies they followed. For example, Latin American countries relied too heavily on foreign loans for economic development. As for some African countries, they neglected grain production that is of vital importance to their economies and their people's livelihood.

Although many developing countries began to carry out reforms in the 1980s, they have made limited achievements owing to an unfavourable outer economic environment.

Most developed countries adopted an indifferent attitude towards the third world countries' economic predicament. At a UN conference in 1981 in Paris to discuss the problems of the least developed countries, developed countries promised to dedicate 0.15 percent of their annual gross national product to the least developed countries. However, in that same year, Britain dedicated 0.13 percent in aid, a percentage that has since dropped to 0.09. Japan dedicated

0.07 percent, an amount that has remained unchanged, and that of the United States has been 0.03 percent since 1981. The situation is extremely unreasonable.

By the early 1980s, the industrialized countries had succeeded in overcoming the energy crisis. They adopted tougher attitudes towards North-South

relations than in the 1970s. In the Uruguay round of negotiations, their obstinate stand on the problem of agricultural products, textiles and technology transfer led to a deadlock in North-South trade dialogue. Moreover, in the past 10 years, developed countries also made use of their superiority in marketing and technology and large grain supplies to put pressure on developing countries and make them more dependent upon the North.

The continuous widening of the gap between developed and developing countries is a global problem that cannot be ignored. The contemporary world economy has become an all-embracing within which all countries are interdependent. Only a balanced development between the North

and the South can promote the world economy. The rapid development of the use of new materials and new techniques by developed countries and the constant shrinking of the raw materials market does not mean that developed countries will never again have to depend upon developing countries. Developed countries can only rely on developing countries, which are the majority, for a fundamental solution to the problems of merchandise market, fund outlet, and the supplies of raw materials. Any reluctance to help third world countries to overcome their difficulties will result in a drag on the entire world economy, for when developing countries get poorer and fall behind, it is impossible for developed countries themselves to maintain lasting economic growth as well as economic stability.

Peace and development are the two most significant tasks facing the world. The world's progress and development needs a peaceful international environment, and world peace depends on a relatively balanced development of all nations' economies. The sharpening polarization between the North and the South will surely intensify world contradictions and finally damage world peace and stability. This stark reality demonstrates the necessity of setting up a new international economic order that is just, equal and mutually benefiting.

Factors leading to the widening of the gap between the North and the South will be difficult to eliminate in the near future. The economic environment facing developing countries may not change much in the 1990s. However, third world countries are playing an increasingly important role in world politics and South-South co-operation has great potential. So, there is still much hope of success in their future economic development. ■

Factors leading to the widening of the gap between the North and the South will be difficult to eliminate in the near future.

Open Skies Treaty to Be Signed in May

by Yuan Rongsheng

NATO and Warsaw Pact foreign ministers have agreed to sign an open skies treaty on May 12 to allow mutual surveillance flights over their military sites.

The tentative agreement was announced in Ottawa during the open skies conference, held from February 12 to 28. The meeting constituted the first round of the open skies negotiations. The next round will open in Budapest on May 12.

The open skies concept was first proposed by then US President Dwight D. Eisenhower in 1955. Then Soviet leader Nikita Khrushchev considered the proposal an undisguised intelligence plot against his country and rejected it. After 35 years the open skies concept, proposed again by US President George Bush last year, was firmly supported by his NATO allies and was given a favourable response from Warsaw Pact members. Last September, Soviet Foreign Minister Eduard Shevardnadze indicated the Soviet Union was agreeable to attending an open skies conference.

The four points of agreement reached on open skies at the Ottawa meeting were: Minimal restrictions on open skies flights, a quota system to ensure equitable coverage of all participating states, sensors on open skies aircraft capable of operating in all circumstances, and welcoming other countries and especially European countries outside NATO and the Warsaw Pact to join mutual surveillance flights.

However, Canada's External Affairs Minister Joe Clark said some disagreements over the open skies issue remain, including what kind of sensors to install in aircraft for surveillance overflights and how the gathered data will be shared.

NATO says the overflights should be carried out on an alliance-to-alliance basis and the information can only be shared by members of the same bloc. The Soviet Union insists that the two alliances form a joint fleet of aircraft and equipment for such flights and jointly share the data.

Shevardnadze suggested during the February meeting that the open skies concept be expanded to include open seas, open space and open land. But Clark said it was premature for the foreign ministers of the 23 NATO and Warsaw Pact countries who attended the meeting to extend the agreement beyond surveillance flights.

At the Ottawa meeting the foreign ministers also agreed on troop strength in Central Europe. The United States and the Soviet Union have agreed to a sharp reduction in troop strength with each superpower deploying 195,000 soldiers. This will also constitute the total number of Soviet troops stationed on foreign territories in Europe. Under the agreement, the United States could keep up to 30,000 troops elsewhere in Europe, as well as its 195,000 soldiers in Central Europe.

Earlier on January 31, Bush proposed that a ceiling of

195,000 troops for both superpowers be deployed in Central Europe while allowing the United States to station another 30,000 troops elsewhere in Europe. Moscow refused Bush's proposal when US Secretary of State James Baker visited the Soviet Union early in February. But in Ottawa, the Soviet foreign minister made a concession and accepted Bush's proposal. Other members of NATO and the Warsaw Pact immediately supported the proposal.

Although unification of the two German states was not on the meeting's agenda, foreign ministers privately discussed the issue. With Baker's efforts the US "two plus four" formula for German unification was accepted. The two Germanies and the four major powers—the United States, the Soviet Union, France and Britain—reached an agreement to hold meetings to discuss German unification. The process of German unification has two aspects. The two Germanies will begin talks after the March 18 general elections in Democratic Germany. They will discuss political, economic and legal issues of unification. The four powers must be involved when such questions as the status of Berlin and the number of troops of the two military blocs in the two Germanies are discussed.

It is believed that the progress made at the Ottawa conference provided additional impetus to the future US-Soviet disarmament talks. ■

Guidelines Proposed by the Central Committee of The Communist Party of China for Upholding and Improving the System of Multi-Party Co-operation And Political Consultation Under the Leadership of The Communist Party

(December 30, 1989)

The system of multi-party co-operation and political consultation under the leadership of the Communist Party of China (CPC) is a basic political system of China. Mutually uniting and co-operating while supervising each other, the CPC and the democratic parties* dedicate themselves to the great cause of building socialism with Chinese characteristics, of reunifying China and of making the country strong and prosperous.

Such a system of political parties, as practised in China, is a characteristic as well as a strong point of the country's political system. It is fundamentally different from the multi-party or bipartisan system in Western capitalist countries. It also differs from the one-party system practised in some other socialist countries. As a socialist system of political parties which suits China's conditions, it turned out to be a creation effected by integrating Marxism-Leninism with China's revolution and construction. To persist in and improve the system is a major aspect of China's political restructuring. It is essential to consolidating and broadening the patriotic united front, promoting socialist democracy, enhancing the great unity of the people of all nationalities in the country, as well as realizing the general task of the Communist Party and the state.

The system of multi-party co-operation and political consultation under CPC leadership has taken shape and developed in the long years of revolutionary struggle and socialist construction. In the period of the democratic revolution, the democratic parties, co-operating with the CPC in a joint struggle for many years, made a great contribution to victory in the new-democratic revolution and the founding of the People's Republic. After the birth of New China, they participated in the work of the people's government and the Chinese People's Political Consultative Conference (CPPCC). They have played an important role in consolidating the people's democratic dic-

tatorship, facilitating the progress of socialist transformation and furthering the socialist cause, pushing forward the reforms and the opening to the outside world, and working for socialist modernization. Facts show that the democratic parties are close comrades-in-arms of the CPC who have stood together with it through the thick and thin. It has also proved that they are a significant force in China's patriotic united front, a significant force for maintaining the stability and unity of the country and for promoting socialist modernization and China's reunification.

It is the common task of the Communist Party and the democratic parties to persevere in the CPC's basic line for the primary stage of socialism, to rejuvenate the nation by building it up as a modern socialist country that is strong and prosperous, democratic and highly civilized, and to achieve the country's reunification.

China is a socialist country under a people's democratic dictatorship. The CPC is the core of leadership for the cause of socialism and the party in power. The democratic parties are political alliances of some of the socialist workers and some of the patriots who support socialism, with whom these parties maintain their respective ties. They are close friends of the Communist Party, accepting the Party's leadership and working in full co-operation with it for the cause of socialism. They are parties which participate in state and government affairs. China's multi-party co-operation must be led by the CPC and must keep to the four cardinal principles**. This is the political basis for co-operation between the CPC and the democratic parties. The Communist Party's leadership over the democratic parties is political leadership, namely, leadership in terms of political principles, the political orientation and major policies. CPC committees at all levels should strengthen and improve their leadership over the democratic parties, deepen and expand the co-

operation with them, and support their efforts to promote the material affluence and advanced culture and ideology of socialism, to implement the policy of "one country, two systems," and achieve China's reunification.

"Long-term coexistence, mutual supervision, treating each other with all sincerity, and sharing each other weal or woe" — these are the basic principles for co-operation between the CPC and the democratic parties. As the party in power that leads a nation with 1.1 billion people, the CPC has a great need to hear all kinds of opinion and criticism and to accept supervision by the masses. The democratic parties provide an important channel for conveying the opinions of the masses and thus play a major supervisory role. Giving full play to and enhancing the role of the democratic parties in their participation in state and government affairs and in their supervision is of great importance to the strengthening and improvement of CPC leadership, to the development of socialist democracy and politics, to the maintenance of the long-term stability of the country, as well as to reforms and opening to the outside world and China's modernization.

The basic points of the democratic parties' participation in state and government affairs are: joining in the organs of state power; participating in the consultation on the major principles and policies of the state and on the choice of state leaders; participating in the administration of state affairs; and participating in the formulation and implementation of the principles, policies, laws and decrees of the state.

The general principles for enabling the democratic parties to play a supervisory role is, on the basis of the four cardinal principles, to develop democracy, make possible a free airing of views, and encourage and support the democratic parties and people without party affiliations in putting forward their opinions, criticisms and suggestions on the principles and policies of the CPC and the state and on their work in various fields. They are encouraged to say all they know and say it without reserve, and to be brave in upholding their correct opinions.

The CPC and the democratic parties must take the Constitution as their basic code of conduct, and shoulder the responsibility of safeguarding the sanctity of the Constitution and guaranteeing its implementation. The democratic parties enjoy the political freedom, organizational independence and equal legal status within the scope of their rights and duties as stipulated in the Constitution. The CPC supports the democratic parties in their independent administration of internal affairs, helps them improve working conditions,

and backs them up in their various activities and in their action to protect the legitimate interests and reasonable demands of their members and the masses they keep in touch with.

The CPC and the democratic parties jointly bear the responsibility of defending national security and safeguarding social stability and unity. Political organizations that oppose the four cardinal principles and endanger state power are absolutely not allowed to exist. Such organizations must be banned according to law as soon as they are discovered.

I. Strengthening Co-operation and Consultation Between the CPC and the Democratic Parties

1. The political consultation between the CPC and the democratic parties is an important part of the system of multi-party co-operation and political consultation under the leadership of the CPC. The following main forms of consultation are to be adopted on the basis of the useful experience gained since the founding of the People's Republic:

—The principal leaders of the CPC Central Committee will invite the principal leaders of the democratic parties and representative people without party affiliations to democratic consultations on major principles and policies to be put forth by the CPC Central Committee. Such consultations will generally be held once a year.

—The principal leaders of the CPC Central Committee will invite, at irregular intervals in accordance with the requirements of the situation, the principal leaders of the democratic parties and representative people without party affiliations to high-level heart-to-heart talks, involving a small number of participants, to converse in an unrestrained way, exchange ideas and solicit opinions on issues of common concern.

—The CPC will call meetings of people from the democratic parties and those without party affiliations, briefing them on or exchanging with them information about important matters, reading out major documents, listening to their suggestions on policies, or discussing with them certain specific subjects. Such meetings will generally be held once every two months. Major events will be made known immediately after they occur. The CPC leading group in the National Committee of the CPPCC may be entrusted to chair some of these meetings.

In addition to the above forms of consultation, the democratic parties and people without party affiliations may present written proposals to the CPC Central Committee on major principles and policies of the state and on major issues concern-

ing the modernization programme. They may also make appointments with leaders of the CPC Central Committee.

All these forms also apply in principle to the consultative practices between local committees of the CPC and the local organizations of the democratic parties.

2. Leaders of the CPC committees at various levels must keep in contact with leaders of the democratic parties so that they can become close friends benefitting from each other's frank criticism and can understand and help each other politically and ideologically. Relevant departments of the CPC committees should strengthen co-operation with the democratic parties and enthusiastically support their work. In grassroots units where democratic party groups exist, the CPC committees should often organize forums to listen to the opinions of the democratic parties and bring their initiative into full play. Contradictions may arise between the CPC and the democratic parties in the course of their co-operation in spite of their unity. The contradictions should be correctly resolved through democratic consultation according to the formula of "unity-criticism-unity" and on the basis of the four cardinal principles.

3. The united front work departments of the CPC committees at various levels should assist these committees in maintaining close ties with the democratic parties, sizing up the situation, co-ordinating the relations with them, implementing the principles and policies of the CPC Central Committee, and helping the democratic parties solve concrete problems in their work.

II. Letting the Members of Democratic Parties and People Without Party Affiliations Play a Bigger Role in the People's Congresses

4. The system of people's congresses is the fundamental political system of China. The people's congresses are the organs through which the Chinese people exercise state power. They are also an important institution by which members of the democratic parties and people without party affiliations participate in and discuss state and government affairs and play their supervisory role.

In the capacity of people's representatives in the people's congresses, members of the democratic parties and people without party affiliations who are deputies to the people's congresses play their part in accordance with the Constitution and laws like the Organic Law of the National People's Congress and the National People's Congress Rules of Procedure.

5. It is necessary to ensure that members of the

democratic parties and people without party affiliations constitute an appropriate proportion of the deputies to the National People's Congress (NPC), of the members of the NPC Standing Committee and of the members of the NPC special committees. The special committees can invite members of the democratic parties and people without party affiliations who specialize in relevant fields to serve as advisers.

In the people's congresses at the level of the provinces, the autonomous regions and the municipalities directly under the central government, it is necessary to ensure that members of the democratic parties and people without party affiliations constitute an appropriate proportion of the total number of deputies.

In the people's congresses at the level of cities, prefectures and counties, it is necessary to ensure an appropriate proportion of people without party affiliations, and of members of the democratic parties if there are local organizations of these parties.

6. Members of the CPC leading group in a people's congress should often exchange information, ideas and opinions with members of the democratic parties and people without party affiliations who are in leading posts in the people's congress.

7. When a people's congress or its standing committee establishes a special investigation committee or one of its special committees conducts investigation and study on specific problems, members of the democratic parties and people without party affiliations who are deputies to the people's congresses should be asked to take part, and specialists who belong to the democratic parties or who have no party affiliations may be invited.

III. Recommending Members of the Democratic Parties and People Without Party Affiliations for Leading Posts in Governments and Procuratorial and Judicial Organs at All Levels

8. Members of the democratic parties and people without party affiliations assuming leading posts of the state and government is a major aspect of multi-party co-operation under the leadership of the CPC. Effective measures should be taken to select members of the democratic parties and people without party affiliations for leading posts in the State Council and its ministries and commissions or in local governments at the county level or above or in their departments.

9. Members of the democratic parties and people without party affiliations selected to assume leading governmental posts should have both abil-

ity and political integrity and be revolutionary, young, well-educated and vocationally proficient. Considering the present situation, a certain measure of flexibility may be applied with regard to the age and public service record of people selected from these two sources. The united front work departments and organization departments under the CPC committees and the personnel departments of governments at all levels should examine and train candidates recommended by the democratic parties who meet the requirements for public office appointments.

10. When the State Council and the local governments at various levels convene plenary sessions or relevant meetings to discuss work, they may, if necessary, invite relevant members of the democratic parties and people without party affiliations to be present without voting rights.

Governments at all levels and their departments may invite members of the democratic parties and people without party affiliations to serve as part-time functionaries or advisers or sit on consulting bodies. They may also ask the democratic parties to conduct investigations and make suggestions on certain subjects. Government departments may consult with their counterparts in the democratic parties on professional matters, and organize discussions with relevant democratic parties and solicit their opinions before certain major policy measures are decided upon. Attention should be paid to providing proper niches for members of the democratic parties and people without party affiliations in the government advisory offices so that they can offer some good ideas.

11. Qualified members of the democratic parties and people without party affiliations should be recommended for leading posts in the procuratorial and judicial organs, and a number of qualified people of these two categories who have specialized knowledge should be invited to serve as special supervisors, procurators, auditors or educational inspectors.

People of the above categories may be asked to participate in the investigation of major cases or the review of matters like tax collection organized by government departments in charge of supervision, auditing or industrial and commercial administration.

12. Democratic parties should, in accordance with the policy stipulations of the state, develop in a planned way contact and friendship with compatriots in Taiwan, Hong Kong and Macao, Chinese nationals living abroad and foreigners of Chinese descent, helping to introduce funds, technology and qualified personnel into the country and to develop economic intercourse and scientific, technological, cultural, academic and sports

exchanges between the mainland and Taiwan, Hong Kong and Macao and between China and foreign countries. Relevant departments should provide enthusiastic assistance and guidance for such work.

13. The democratic parties should aim at serving the people and exert a good moral influence on society while offering consulting and other services on economics, science and technology, education, law, medical and health work and cultural matters. The relevant government departments should create the necessary conditions and provide active support for the democratic parties to make more contributions to socialist modernization and the cause of reunification of the motherland.

14. All those working in government departments, Communist Party members or not, are public servants, and must strictly abide by the government regulations, laws and discipline and serve the people heart and soul. Communist Party organizations and members, especially leading cadres, should respect the position and authority of those who are not Communist Party members and establish a good co-operative relationship with them.

IV. Giving a Bigger Role To the Democratic Parties in the CPPCC

15. The CPPCC is the organization of China's patriotic united front. It is also an important organizational form of the multi-party co-operation and political consultation under CPC leadership. The CPPCC should serve as an important forum for various parties, mass organizations and representatives from various circles to work together in unity as they participate in and discuss state and government affairs.

The CPPCC should strengthen political consultation and democratic supervision with regard to major policies of the state, important local affairs, the implementation of policies, laws and decrees, and major issues concerning the people's livelihood and united front work. The Interim Regulations Concerning Political Consultation and Democratic Supervision formulated by the CPPCC National Committee should be implemented conscientiously.

16. At all meetings of the CPPCC, it is necessary to ensure the freedom of the committee members to criticize and voice dissenting opinions.

At these meetings, the democratic parties may speak and put forward motions in the name of their respective parties.

17. It is necessary to guarantee that members of the democratic parties and people without party affiliations make up a certain portion of the mem-

bership of the CPPCC Standing Committee and the CPPCC leadership. There should be people of these two categories in the various special committees of the CPPCC. There should also be a certain number of both serving as full-time leading cadres in CPPCC offices who are assured of powers and responsibilities commensurate with their posts. CPPCC offices should do better work to create conditions for the democratic parties to carry out their activities and remember to arrange for the two categories of people to take part in visits to foreign countries and in international activities.

18. The rights of CPPCC committee members from democratic parties and from among people without party affiliations to go on inspection tours, report offences and take part in investigations and checkups must be respected. The relevant departments should study and handle seriously all their motions and reports on offences and give them a timely response.

19. The CPC and the relevant government departments should establish contact with the CPPCC and the CPPCC special committees related to them so as to bring into play their advisory role in policy-making.

20. In the light of its constitution, the CPPCC should arrange for and encourage its members to study, on a voluntary basis, Marxism-Leninism and Mao Zedong Thought, the principles and policies of the CPC and the state and current political affairs. This will help achieve a unified understanding and enhance unity and co-operation on a common political basis.

V. Supporting the Democratic Parties in Their Efforts to Strengthen Themselves Ideologically and Organizationally

21. To uphold and continually improve the system of multi-party co-operation and political consultation under the leadership of the CPC, the democratic parties should strengthen themselves, particularly their leading bodies at all levels, both ideologically and organizationally.

The older generation of leaders of the democratic parties working at the central and provincial levels have made important contributions to the nation, and it is necessary to continue to turn their influence and resources to good account. At the same time, however, these parties should cultivate and train a good number of middle-aged and young men and women who support the four cardinal principles and the policies of reform and opening to the outside world, who enjoy mass support and who have executive skills, people who can be gradually recruited into the leading bodies. The CPC committees and the relevant departments at all levels should help the demo-

cratic parties carry out the task.

22. The democratic parties should pay attention to improving the quality of their membership. When recruiting members, they should attach importance to their political integrity, stressing both moral standards and talent. While expanding their organizations, the democratic parties should work within the scope and among the people that have been agreed upon through negotiations and should mainly accept those who have some influence among certain types of people in medium-sized and large cities. In case of an overlapping of membership, the question should be settled through consultation between the parties concerned on the basis of the candidate's own choice.

23. The democratic parties should carry forward their fine tradition of self-education and do better ideological and political work among their membership. They should carry out in-depth education among their members in the need to adhere to the four cardinal principles and to oppose bourgeois liberalization, in patriotism and socialism, in the basic conditions of China and in the fine tradition of long-term co-operation between the democratic parties and the CPC.

The central and provincial institutes of socialism, as joint cadre training schools for the democratic parties and people without party affiliations, should be effectively operated. The study of Marxism-Leninism and Mao Zedong Thought should be made a required course. The governments should give such schools earnest support by providing them with teachers and funds.

Any newspaper and periodical published by the democratic parties should adhere to the four cardinal principles and publicize the policies of the state while exhibiting their respective characteristics.

24. The democratic parties should take effective measures to improve their office administration and raise the political quality and professional level of their office staff. They should also exercise better control over the appointment and removal and the transfer of their office staff in accordance with the policies on cadres, the personnel system and the relevant regulations of the state. ■

Notes

* They are: The China Revolutionary Committee of the Kuomintang, the China Democratic League, the China Democratic National Construction Association, the China Association for Promoting Democracy, the Chinese Peasants' and Workers' Democratic Party, the China Chih Kung Tang, the Jiu San Society and the Taiwan Democratic Self-Government League.

** Adherence to the socialist road, Communist Party leadership, the people's democratic dictatorship and Marxism-Leninism and Mao Zedong Thought.

Has Socialism Failed in China?

by Wen Di

This is the second instalment of the article "Socialism Will Save China," the first instalment of which appeared under the same title in Issue No. 9. The third and the fourth instalments will be published under different titles in our next two issues.—Ed.

Those who proposed reintroducing capitalism into China based their argument on the idea that socialism had totally failed in the country. The worry they sometimes showed about the future of China is also based on this arbitrary assertion. Despite the boldness of this assumption, so far no solidly written articles have been provided to back up the idea.

China's opening up to the outside world enabled many young people to see for the first time the almost unbearable differences between the East and the West, a sight which left them both astonished and ashamed. Few, however, seriously analysed the reasons behind the differences. Dominated by feelings rather than by scientific analysis, they used the socialist system as a scapegoat for all inadequacies, believing that if capitalism were re-established all of the nation's problems would be solved. There was no recognition of the fact that if socialism had been the drag on the momentum of the nation's productive forces, it would long ago have lost its reason to exist. Fortunately, socialism has been practised in the Soviet Union and China for decades and so the question of its productive value can be answered with facts and figures. There is no reason for the discus-

sion to dissolve into a theoretical whirlpool of endless disputes.

The USSR

By viewing history from both a vertical and horizontal perspective, one avoids reaching conclusions based solely on his or her personal feelings. Once it is understood that socialism was first established in comparatively poor countries or, as Lenin said, on the relatively weak links of imperialism, no argument concerning the question will be necessary. Even though it is the world's oldest socialist country, however, the Soviet Union still faces a considerable economic gap with the United States. According to figures issued by the Taiwan authorities, the per-capita gross national product (GNP) of the United States and the Soviet Union in 1985 was US\$14,090 and US\$6,350 respectively. Considering the fact that the per-capita income of Russia in 1914, the year World War I broke out, was only one-eighth that of the United States, there is no reason to claim that socialism has held back the development of the Soviet economy.

Prior to the October Revolution in 1917, Russia, in comparison with other European powers, had the most backward productive forces. In 1910, it produced 3

million tons of pig iron and 25 million tons of coal, while Britain turned out 10 million tons of pig iron and 270 million tons of coal, and Germany produced 15 million tons of pig iron and 150 million tons of coal respectively—not to mention the enormous difference in output between Russia and the United States.

It was not until 1928 that the Soviet economy, seriously damaged by World War I and the civil war following the October Revolution, returned to the level of 1913. During the decade between 1928 and 1938, the Soviet Union underwent two five-year plans and quickly narrowed the gap in per-capita industrial output between it and the United States from one-eighth to one-fourth. Moreover, during the 12 years between 1926 and 1938, the output of the Soviet Union's manufacturing industry rose an amazing eight and a half times. During this same time, the economy of the United States suffered from the "Great Depression" from which it required a whole decade to return to the pre-stock market crash days of 1929. There is a consensus now, as well, that the recovery by the United States was due in part to the outbreak of World War II.

Very few of today's young people know that the Soviet economic accomplishment at the time

was a near miraculous event. A Western scholar recently commented that even if one uses conservative estimates, such rapid growth of the Soviet Union's manufacturing industry and national income was unprecedented in the world history of economics. Despite the many mistakes Stalin committed at the time, the rapid development of the Soviet Union during the 1930s is an indisputable fact. Moreover, without such an economic accomplishment, the Soviet army could not have won its decisive victory in the fight against German fascists during World War II. The nation's economic strength was so advanced after the war that, by 1950, it equalled that of Britain and France combined and approached a third that of the United States. The momentum of the Soviet economy finally landed the nation in the position as one of the world's two superpowers.

This remarkable growth of the Soviet economy began to slow down in the 1970s during the latter period of Brezhnev's rule and is now beset, particularly in agriculture, with severe problems, due in part to the nation's gigantic military expenses. The country is now in the midst of reform but whether or not they can extricate themselves from the present difficulties is a question only time will answer. Nevertheless, it is an indisputable fact that in the early stages socialism helped the Soviet Union advance from an underdeveloped country to an industrialized nation.

The current plight of the Soviet economy does not mean, of course, that the US economy lacks problems. One need only look at the government deficit and debt to understand the serious economic problems facing the United States. In 1985, the federal deficit amounted to US\$202.8 billion. It is currently close to US\$3,000 billion and, if



The Jiangcun railroad yard with 75 km of rail, 136 switches and 51 overpasses and culverts services the Hengyang-Guangzhou double-tracked line. It was completed in June 1988.

WEN YUNFU

not reversed, is likely to reach US\$13,000 billion by 2000. This will require annual interest payments of US\$1,500 billion. Other economic difficulties are evident in the difference in living standards between the rich and the poor, the most glaring of all developed countries. One example of the impact this disparity has is the fact that one-third of the poorest Americans have no interest in exercising their right to vote. Although capitalism has been established in the world for more than 300 years, it is clear that it is still facing a variety of problems.

After World War II, rapid scientific and technological development sped economic growth throughout the world. Moreover, the changes in class structure and improved living standards helped ease many of the earlier contradictions of capitalism. Socialism, on the other hand, having entered the world stage for only several dozen years, had to contend with hostile capitalist forces as it tried to develop a society with more lofty ideals. Who can say with certainty, then, that socialism has reached the end of its useful life?

China's Development

Let's examine more closely now the question of whether socialism can save China. China is a developing country. To begin with, the industrial level in 1952 was lower than that of Britain in 1860 and Germany in 1890, and nearly the same as Russia in 1910. In 1952, China was able to produce only 1.35 million tons of steel while Japan's output of steel, by 1938, had already reached 7 million tons. It is very important to make clear China's position when it began its socialist construction.

In his *The Condition of the Working Class in England* published in 1845, Frederick Engels accurately reflected on the miserable life of the British workers. In terms of per-capita industrial output, the country's industrial level in 1952 equalled, at best, that of Britain during the late 18th century industrial revolution. Despite the embarrassment this history of poverty may cause Chinese citizens, it is an undeniable fact. Also undeniable, however, is the fact that this level only occurred in a time when the capitalist society carried out its primitive accumula-

tion of funds. Given such a historical record, the miserable conditions described by Engels are bound to reappear if we allow capitalism to return.

Few young students who know nothing about past starvation and few of their teachers who denigrate China's economic development perhaps out of no ill will know well on what a basis New China began its socialist construction. Some have even forgot the miseries brought to the Chinese people by imperialist aggression since the time of the Opium War. Some, yearning for the highly advanced material civilization of Western and Northern Europe and North America, do not realize that these areas began to accumulate, in part by bloody colonial plunder and unjust wars, their wealth 200 to 300 years ago. Thus, to make an objective and fair appraisal of China's economic development over the past four decades, it is necessary to understand the economic starting point of the People's Republic.

Even among third world countries, China is one with a poor economic foundation. For instance, India already had more than 50,000 km of railways in 1914 while China had only 22,000 km even in 1949. In spite of this gap, figures provided by the World Bank show that the speed of China's belated development was not only higher than that of India but also exceeded the average rate of other developing countries. China's rate of development between 1963 and 1984 was 2-3 percentage points higher than that of India whose rate, in turn, between 1980 and 1985 was able to surpass that of Taiwan and Japan.

China's progress is clear when one compares the two nations' industrial development. According to figures of the US Central Intelligence Agency, the average growth of China's industrial

production between 1965 and 1984 was 8 percentage points higher than that of India. Even during the difficult time of the "cultural revolution" (1966-76), China's growth rate was close to 10 percent, still higher than the under 4 percent growth rate in India. So, even if we take foreign appraisal of China's growth rate with a certain skepticism, there is no reason to claim that socialism has failed. In addition, statistics provided by the World Bank indicate that, except for Japan, between 1950 and 1978 the GNP of industrialized countries generally increased six times while that of China rose more than 16 times. Such growth allowed China's present per-capita GNP to meet the level of Britain and the United States in 1900. In other words, in the past 40 years, China has managed economically what it took Britain more than 100 years. At the very least, we can say that of all nations having a population of more than 100 million, China has registered the quickest rate of development.

It is true, unfortunately, that in the past four decades the Chinese Communist Party made grave mistakes in handling some important political and economic matters and that, without these mistakes, China's development might have been even faster. It is quite unrealistic, however, to expect any nation not to make mistakes in the course of its industrialization, let alone a country such as China, backward and poor with its culture deeply rooted in feudalism,

which began socialism isolated, subject to economic blockade and surrounded by hostile forces.

Taiwan and the Mainland

Does the economic development of Taiwan demonstrate the failure of the mainland's socialism? In terms of per-capita GNP, there is indeed a big gap between the two. According to figures released by Taiwan, the per-capita GNP of the mainland and Taiwan in 1985 was respectively US\$290 and US\$3,142, indicat-



China's first sinter welding rod production line, with an annual output of 5,000 tons, began operation in Jingzhou last August. The products have been approved by product rating authorities in the United States, Norway, the Federal Republic of Germany and the Soviet Union.

ZHENG YONGJI

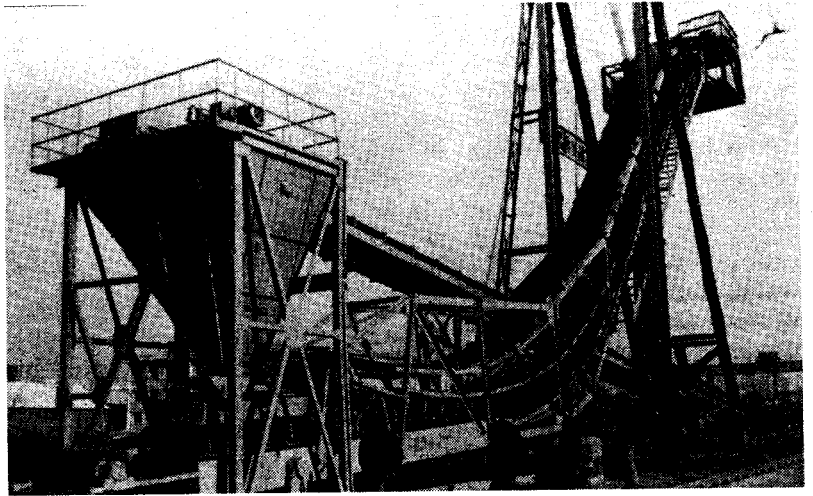
ing that the mainland had only that year reached the economic level of Taiwan in the 1930s.

Taiwan's economic development, however, is the result of many favourable economic conditions not available to the mainland. First, a considerable economic foundation was laid during Japan's 50 years of occupation of Taiwan. In addition to the infras-

structure and facilities such as railways, harbours and schools built by the Japanese, the Japanese even left resources as geological maps which are still of use today. Second, the United States provided a huge amount of economic and military aid. Third, the Kuomintang took a large sum of mainland money to Taiwan when it fled. Fourth, the experiences accumulated by the Kuomintang during its more than two-decade rule in China and the lessons it drew from its failure to efficiently govern. Fifth, the enormous economic benefits brought about by the Korean and Viet Nam wars and the export-oriented economy which the wars stimulated. Sixth, the advantages acquired through participation in the capitalist world's economic system. Seventh, the military protection offered by the United States. Eighth, Taiwan's special geographical location.

Of course, there were still other favourable factors but the ones cited above were not possible for China's mainland because of its huge land area. Thus, because of the difference in conditions between Taiwan and the mainland, it is not accurate to use the success of Taiwan's development as an argument denying the viability of the mainland's socialism. Clearly, even if the Kuomintang had not been overthrown and the mainland had continued the capitalist system, development on the mainland would still not have equalled or surpassed Taiwan. This is further evidenced by the fact that the Kuomintang accomplished nothing during its 22-year rule over the mainland.

A rounded view of the economy in Taiwan and the mainland makes it clear that some of Taiwan's economic indicators are similar to the mainland. Power generation, critical to development, is a case in point. It is



The angled caterpillar conveyor, jointly manufactured by the Shenyang Crane Transport Machinery Plant and the Shenyang Coal Mine Designing Institute, passed a quality evaluation on November 29, 1989. It can hoist materials at inclines ranging from 30 to 60 degrees.

LI YONGHONG

well known that Taiwan's power industry is forging rapidly ahead and that it has constructed a number of nuclear power plants. In 1952, a total of 1.42 billion kwh of electricity were generated in Taiwan, approximately one-fifth of the mainland's 7.3 billion kwh. In 1985, Taiwan generated a total of 52.6 billion kwh of electricity, which was one-eighth of the mainland's output. The output of cement also tumbled from one-sixth to one-11th during the same period.

In the late 1930s, Japan's economic growth had already reached the level of Western powers. Even though the economic level of Taiwan, occupied by Japan at the time, was lower than that of Japan, the figure was still much higher than that of China's mainland. In comparison with Hong Kong, Japan is economically superior, as is Hong Kong to Taiwan and Taiwan to the mainland. This situation took shape in the 1930s and remains unchanged today.

It is evident that just as we cannot expect the Taiwan economy to outstrip that of Japan, one cannot expect China's mainland economy to outpace Taiwan's.

Given the fact that Taiwan's economic level was already 30 years ahead of the mainland's in the 1950s, it is not difficult to understand the marked gap today in their respective economies.

Those without political bias should be able to see Taiwan's economic achievements without negating the great progress made in the mainland in the past 40 years. What is surprising is that some political "elites" are unwilling to squarely face the tremendous changes which have taken place in the mainland.

Views of Western Scholars

Some people have forgot the hard work done by so many workers, farmers and intellectuals over the past four decades. In their eyes, most Chinese love ease, hate work and are given to idling away their time, which led to China's current backward situation. Such bias is further from the truth than ignorance. In comparison, many Western scholars and those who have stayed in China for some time are far more objective; they are amazed at the positive changes which have occurred in China.

Examples are too numerous to mention but we can get some idea of the situation from one scholar who specialized in the study of the rise and decline of the world's major powers. In 1953, he noted, the output of China's manufacturing industry accounted for only 2.3 percent of the world total and its entire industrial output was only 70 percent of Britain's 1900 level. The possibility of prosperity, however, was not hopeless. By 1957, when the First Five-Year Plan ended, the country's industrial output had doubled and, although the "great leap forward" in 1958 and the "cultural revolution" (1966-76) markedly slowed economic development, China's steel output in 1980 reached 37 million tons, far exceeding the output of Britain and France. In 1980, the output of China's manufacturing industry soared from 3.9 percent in 1973 to 5 percent of the world total, a figure approaching that of West Germany. Although there were various problems in the country, it had begun to move in the direction of a truly strong nation and, moreover, had laid the economic foundation for this position.

From 1953 to 1980, this scholar witnesses sustained growth in China's national economy.

Such developments are of historical note because, in the previous more than 200 years, China's national strength had been in a state of continual decline. In 1750, China still could be regarded as a powerful nation, but, after the Opium War in 1840, it was reduced to a weak country which repeatedly ceded territory and paid indemnities to foreign powers. What brought our large country with its huge population and long history to such a humiliating state? The main reason lay in the decline of its national strength, a decline which was gradually reversed only after the founding of the People's Republic of China.

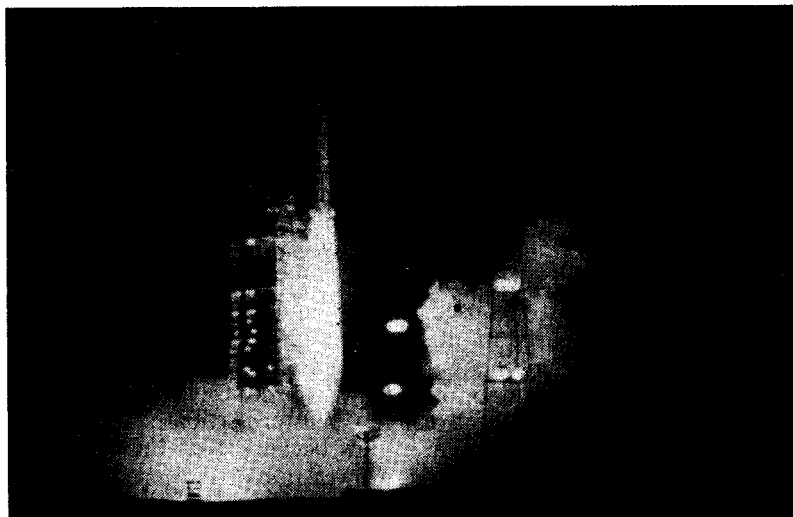
When China exploded its first atom bomb in 1964, people reacted with joy as the news spread. Do the Chinese people like to resort to force and war of aggression? The Chinese people have suffered deeply from imperialism and know clearly that without the ability to defend themselves, there will be no dignity and freedom. This is partly why the Chinese people regard with

disdain those who worship everything foreign and those who fawn on foreigners. This is not because of a backward mentality or xenophobia but because the nation has its national pride of its past and its self-respect and self-confidence based on this national consciousness. The Chinese not only have the will to fight to the last drop of their blood against an enemy but also the ability to stand on their own feet among the family of nations. We firmly believe this nation will have a bright future.

It is interesting to note how foreigners appraise China's prospects for economic development. An article published in Britain's *Economist* pointed out that if, between 1985 and 2000, the economies of China and India grow at an average annual rate of 8 percent and 7 percent respectively, and the four European economic powers maintain the average growth rate they had between 1970 and 1982, by 2000, China will far surpass the economies of Italy and Britain, by 2003, West Germany and by 2020 the combined figure of West Germany and France although, compared with the four European powers, the gross national product of China and India now still has room for growth. The article also notes that China has greater potential than India to reach this economic level. Even if after economic rectification China's annual growth rate is kept at a moderate rate of 6 percent, the nation will still be able to catch up with Italy and Britain in the early 21st century.

Socialism Succeeds in China

Some people only see drawbacks in socialism, painting an imaginary picture of the benefits capitalism may bring to China. They can, of course, think what they want to think. But we have



On February 4 this year, China launched its fifth communications satellite with its Long March III carrier rocket. The success once again proves that China's communications rocket technology is qualified to enter the world market.

ZOU YI

already seen the fact—China's socialism is inferior neither to the capitalism of India nor to that of most developing countries. It is a view shared by many Western politicians and scholars. This author firmly believes that socialism can save China, a view based on this reality. China's socialism cannot be said to be very successful for the Chinese people have not created their economic wonder. However, on the whole, China's socialism is initially successful, because it has created a higher economic growth rate than most capitalist countries. China has made more explorations than other countries and, at the same time, made many mistakes, which has provided it with many experiences and lessons. It is highly likely that China's economy will continue to develop steadily and that the country will create its economic wonder within the first 20 to 30 years of the 21st century.

China's affairs should be handled by the Chinese people on the mainland as should any accompanying difficulties. We should rely on our own efforts, our own wisdom and our hard work to catch up with and surpass the world's developed countries. Just as the people of India are proud of their post-independence achievements, the Chinese people have every reason to be proud of the progress scored in the past four decades.

The analyses of China's current situation made by some political "elites" are emotional, one-sided and unrealistic. If they are willing to return to reality and contribute to China's industrialization and modernization, they could provide benefits to both the state and the nation. The People's Republic, however, does have its meritorious workers and true elites—those who have, during the past four decades, quietly put their shoulder to the wheel and created material and spiri-

tual wealth for the country. Without their efforts, it is impossible for China to catch up with and surpass Britain, France and West Germany, nations who had a much higher starting point for economic development, nor would it be possible for China to be able to turn out atom and hydrogen bombs, man-made satellites and intercontinental missiles so quickly, and completely shed itself of the mentality of fear of imperialist powers.

What future contributions, then, will those who, under the aegis of and funded by the world's capitalists, those who have campaigned for rebuilding the system of private ownership, make to China? Their political programme determines their programme of action which is to sabotage China's stability and create disturbance in a bid to seize power in turmoil. What they dislike most is the motherland's steady and rapid economic development. It is still fresh in people's memory that during the "cultural revolution" some people instigated workers "not to work for the erroneous line"—an excuse to disrupt normal production. Today, those who suffer from the "capitalism-mania" go even further, as they are inciting people to undermine production. Some even go so far as to entreat foreign countries to apply severe economic sanctions against China. If the saboteurs once thought it necessary to hold aloft the banner of patriotism, they have since decided it no longer important and cast it away like the fig leaf for which it was used. Now, no expense is spared in hindering economic development if it can advance their temporary political ambitions. They have truly forgot that they are descendants of the Chinese nation.

The rapid development of capitalism after World War II, with Japan taking the lead, is a basic fact. According to US figures,

the annual growth rate of Japan's GNP between 1950 and 1986 was 7 percent, far exceeding the 3.2 percent rate of the United States and 2.4 percent rate of Britain. In 1952, Japan's gross national product was only 33 percent higher than that of Britain. In the 1970s, its GNP jumped to equal the total of Britain and France, or more than 50 percent that of the United States. In a short period of time, Japan's manufacturing industry as a proportion of the world total soared from about 3 percent to 10 percent and thereafter continued to move upward. Only the Soviet Union in the years after 1928 could favourably match this economic wonder.

Japan's economic development after the war, however, had their basis in a series of favourable conditions such as the lack of a military budget. Once these favourable conditions begin to vanish, it is likely that Japan's economic growth rate will slow and approach the average level of other capitalist countries. Although it still leads other major capitalist countries, Japan's economic growth rate has been notably lower than that of China since the late 1970s. There is much in Japan's experience that China can use. Japan did not, for example, blindly copy the United States and, in some ways, the process of its economic development has been entirely different from the United States.

Some people have put forward the specious argument that Japan was on par with China in the 1950s and that the wide gap between Japan and China today is evidence of socialism's drag on China's productive forces. Only a few Western scholars accept this view because even the economic growth rate of Western countries did not match that of Japan. Such comparison is not convincing. Knowledge and funds are needed in any country's econo-

Women Judges: Getting Jobs Done As Well

by Our Staff Reporter Huang Wei

Like most industrious Chinese career women, it is a typical busy day for Kang Guoying, 44, a woman judge. Early in the morning, she first prepares breakfast for her husband and middle school daughter, then hurries to her office by way of public bus. She spends the whole morning drafting a court verdict on the case of an economic dispute involving a Hong Kong businessman.

In the afternoon, she and her clerk meet a witness at Qianmen California Roast Meat Restaurant to investigate the details of the case. By evening, braving the bitter cold, she is on her way home by bus. So far so good, she thinks, and she needs not stay up late in the evening to finish up last minute details.

Kang works for the economic division of the Beijing Intermediate People's Court. There are many women judges such as Kang in China today. Out of the 1,839 judges and assistant judges in Beijing, 461, or 25 per-



Wen Huifang and her husband Wang Jiafu go over some legal problems.

CHEN ZONGLIE

cent, are women.

Diligent and Conscientious

Out of their quest for truth and their wish to serve the people,

many women aspire to work in the judiciary.

Wen Huifang, aged 58, is the only presiding woman judge of the seven divisions of the Supreme People's Court. Wen was

mic development.

Prior to World War II, Japan already had a solid industrial base and was known as a well-educated nation with creativity and cohesion. In 1932, the country had a 3.5 percent share of the world manufacturing industry and the figure rose to 3.8 percent in 1938. Before World War II, Japan's economic strength had already surpassed Italy and outstripped France in terms of major industrial targets.

If Japan had not launched an aggressive war against China it would have surpassed Britain in the late 1940s or early 1950s instead of in the 1960s. In the late 1930s, the Japanese turned out the world's biggest warships and boasted a fleet of 3,000 fighters for the navy. Without such military might, it would not have been possible for it to challenge the United States after its attack on China and all of Southeast Asia. Actually, Japan already

had accomplished its industrialization before World War II. But what level of productive forces had China achieved under the rule of the Kuomintang? Today, in this country which was repeatedly invaded by Japanese imperialists and half of whose territory was once occupied by the enemy, some intellectuals even put forward such fallacious arguments that Japan's economy did not develop until after World War II. This is really outrageous!

(To be continued)



Jiang Ning, an assistant judge at the civil court, listens to a divorce appeal.

QIN XUZH

admitted into the College of Law of Beijing University in 1951, and taught in the university after graduation. In 1979, she was transferred to the Supreme People's Court, and after eight years of work with the civil division, she was promoted to the vice-presiding judge of the Division for Complaints and Petition. The division examines appeals of judicial verdicts made by a party to a lawsuit and responds to letters from the masses. A judge at the division, therefore, is required to have not only practical experience but also a solid knowledge of the science of law.

In recent years, Wen has devoted herself to defending the legitimate rights of women and children. She is now a council member of the Society for Study of Marriage Law, and in this capacity she joined the judicial exchanges between the Supreme People's Court of China and the courts of Australia, Guyana and other countries.

Compared with Wen, a gentle veteran judge, Kang Guoying appears more bold and forceful in her work. In Kang's

division dealing with economic disputes, more than half of all the judges are women.

Kang, in charge of handling economic cases involving foreign and Hong Kong businessmen had this to say about her job: "As a law-enforcement official, I have responsibility on my shoulder. Not only must I maintain the dignity of China's laws, but I must also protect the legitimate rights of foreign parties to a lawsuit."

In 1986, Kang heard the complaint brought by the China National Native Produce and Animal By-product Import and Export Corporation against a Hong Kong businessman. The case involved US\$200,000. When she first received the case, she only had before her as evidence several signed contracts brought by the plaintiff. The accused was in Hong Kong at that time and could not be summoned to court. Moreover, it was difficult for her to obtain other written evidence.

Kang managed to get help from friends of the accused, the Guangzhou Customs House and other concerned departments.

After an investigation, she discovered the person who had handled the goods, the go-between for the contract, and other customers who had business relations with the Hong Kong businessman. She was able to obtain from them much additional evidence. One day when Kang was told that a Singapore businessman who had connections to the case was in Qinhuangdao on business, she immediately took a bus there and located the witness. Her extensive investigations proved that the Hong Kong businessman paid US\$200,000 less than was stated in the contract. The case took her three years. In the more than 10 foreign economic cases handled by Kang Guoying, no party has appealed to the Supreme People's Court because of a refusal to accept the court's verdict.

Kang's emotions on the subject were evident when she said, "Our society provides women with the opportunity to compete with men on an equal footing. It is the same with our court. The problem is how you complete with them."

Patient and Meticulous

A judge is often thought as cold-hearted, stereotyped and overly dignified. It's clear, however, that the role of women in society will do much to change this image. They argue, for example, that most women are patient and meticulous, qualities necessary for being a judge. In addition, women are more considerate. This kind of behaviour helps them do a good job.

Wen once handled a case involving a woman who suffered, though not seriously, from mental disorder. Although some members handling the case were impatient with her, Wen adopted a different tack—chatting with her and being solicitous. Gradually, Wen gained the woman's trust. When her condition improved, she co-operated fully with the judges and lawyers.

Jiang Ning, a 27-year-old assistant judge, does a good job in her handling of divorce cases. Last year, she accepted 83 cases, 62 of which were husband-wife disputes. After mediation, 12 couples were reconciled. According to China's Marriage Law, mediation must be undertaken by a couple appealing for divorce before a court decision is made. As women judges, they can play a special role in the process of mediation. Jiang believes she is more able to understand the real feeling of both sides involved in a dispute about marriage and family life. Early last year, she handled a divorce case brought by a young couple. During mediation, she found the wife blunt and careless in character, paying no heed to the subtle feelings while her husband was sensitive and had a strong sense of self-respect. Contradictions between the two thus occurred. After she spoke out her observations, she suggested

they have a frank and sincere talk. Several days later, they voluntarily withdrew their lawsuit and came to the court to thank Jiang.

Eager to Learn

Wang Wenying, vice president of the Datong Intermediate People's Court, said, "The cost for a woman who want to get a position equal to men is several times that for men. They must be more competent and experienced before they are recognized by society." Although over 40 years old, Wang now studies at the Senior Judges Training Class of the China People's University in Beijing.

China has a number of senior women judges. According to Fan Yu, a lecturer of the China Training Centre for Senior Judges, 10 percent of all the students are women.

Judges and assistant judges in China's courts at various levels, regardless of sex, must pass examinations in judicial theory and practice before they have a chance for promotion. "For women," said Hu Wanru, a presiding woman judge of the Beijing Intermediate People's Court, "this regulation is fair and reasonable. Compared with male judges having the same qualifications and record of service, women judges are of equal caliber in theoretical analysis and work ability. Since 1982, my court has employed 18 women university graduates who enjoy equal treatment with men in opportunity for promotion. Recently four were appointed assistant judges."

Most of the young and promising women judges in China come from grass-roots courts. Under the new conditions of reform and opening, they are more vigorous than the older generation. They study more dili-

gently the judicial knowledge which previously had been ignored, some boldly put forward suggestions for improving the present legal system.

Xiao Yan, a 37-year-old presiding judge, said the reason behind the low efficiency in the trying of cases is that before open hearings, judges spend much time and energy conducting investigations. She believes that trial should be given more attention and energy.

Family Life

Although Liu Yanxia has aged parents-in-law and young son, she is very lucky because her mother-in-law takes care of her son and shares some of household duties. All members in her family are equal and share the family responsibility.

Kind-hearted Wang Wenying feels like a common housewife in her home. "Women bear double responsibility. Take my case for example. In my office, I am deputy president, but at home, I serve both as wife and mother. I must concern myself with all aspects of family life. If I don't, my conscience bothers me. Though my husband always supports me in my work, I always hope to do more for my husband and my children."

An ardent enthusiast in knitting and tailoring, Wang Wenying hops to set up a garment company after she retires. "I wants to show that I can not only bring peace and order to society but can also make it beautiful."

Of all the women mentioned, Wen Huifang appears the most energetic. "I owe half of my success to the support given me by my jurist husband and my family," she said. "I discuss and study many cases together with my husband. This brings us closer and makes us happier." ■

Zhuang Yanlin—President of ACFROC

BANYUETANG
(Fortnightly Forum)

The recently elected chairman of the Fourth Congress of All-China Federation of Returned Overseas Chinese (ACFROC) feels his experiences and that of his family will help him greatly with the task ahead. Zhuang Yanlin, 68, follows in the footsteps of his father, Zhuang Xiquan, the well-known leader of patriotic overseas Chinese.

Zhuang Yanlin was born into an overseas Chinese family. His father, a native of Xiamen, Fujian Province, once lived in Malaysia and Singapore. In 1911, he donated money for the democratic revolution led by Dr. Sun Yat-sen and later decided to devote his life to the education of overseas Chinese.

Zhuang Yanlin returned to China when he was 14 years old. After the founding of New China in 1949, he served successively as secretary of the Fujian People's Committee, secretary of the Communist Party Committee of Jingjiang County, director of the General Office of the China International Economic Liaison Commission, deputy director of the National Tourism Administration, deputy director of the Office of Overseas Chinese under the State Council, and director of the China Overseas Travel Service.

Zhuang, whose hair has turned grey, is somewhat of a celebrity in China. He can be seen in the early morning hours in all seasons wearing a T-shirt and shorts running through the streets. In the winter he dons his swimming trunks and heads to the nearest lake for a dip. Zhuang has swum nearly all the famous rivers and lakes in China, from Yuyuantan Lake in

Beijing to Shenshuiwan in Hainan Island and from the Heavenly Lake in the icy Tianshan Mountains to the Lhasa River of the Tibetan Plateau.

Many Chinese who live outside China have a strong love for their motherland. And many have made major contributions to the construction of their villages and country.

"Because of my family's influence and through my own experiences, I have special feelings for the overseas Chinese," said Zhuang. "I truly hope to serve them whole-heartedly."

He noted that the success of attracting foreign capital when China begun to implement the policy of reform and opening to the outside world is partly because of the great help of overseas Chinese and foreign citizens of Chinese origin. However, he said that communication and cooperation with overseas Chinese should be strengthened.

Zhuang's work in China for overseas Chinese is aimed at perfecting organizations dealing with overseas Chinese, helping overseas Chinese build careers in business, increase communication and serve the needs of overseas Chinese. He also hopes to improve ACFROC's voice and participation in politics, and to protect the legal rights of overseas Chinese and their family members by law.

(No.1, 1990)

Aged Find Joy in Streets

ZHONGGUO RIBAO
(China Daily)

It is still winter in Beijing, but elderly residents have already come out to the roadsides and street corners to revive

the pleasures they had before winter came.

Playing chess or cards, walking with their birdcages or gathering for a talk is what these senior citizens most like to do.

An official from the Municipal Working Committee for Retired Folk said they make do with their roadside recreations because Beijing has too few cultural centres for them.

In the Chongwen District of southern Beijing, for instance, one such centre must serve about 70,000 senior citizens.

The official said that while there are 1.03 million people above the age of 60, there are only 2,100 cultural centres. They can accommodate only about 50,000 people, but most of them are not designed for senior citizens.

He said recreational activities for the retired should be the responsibility of all society. His committee will try to open more centres for them.

(February 15, 1990)

Major Changes in Lankao County

JINGJI RIBAO
(Economic Daily)

Ten years ago, it was a well-known fact that Lankao County in Henan Province was a very poor county. Between 1958 and 1978, people there had spent 21.47 million yuan in state relief funds. However, great changes have taken place in the county since the beginning of economic reform in 1978.

In the last ten years, Lankao farmers sold 235 million kg of surplus grain to the state. They have deposited a total of 68 million yuan in the bank, and 98 percent of them have built new houses and 30 percent own television sets. The total industrial output value of the county has

increased 5.4 times, and the total agricultural output value 2.4 times. Cotton production went up 15.8 times, and that of soybeans 13.6 times. Grain output has increased 50 percent. And the net income of each farmer has increased 6.7 times.

The poorest village in Lankao County ten years ago was Yangshanzhai. It was nicknamed "beggars' village" because every family had members out begging. Not one of the 1,000 people in the village had a tile-roofed house. But now, there are rows of new houses with tile-roofs, herds of cattle kept in barns and many TV antennas can be seen throughout the village.

Jin Xizhen, an elderly farmer, who fled from famine and went begging before China's liberation, said happily in his new house that his family is expected to earn more than 1,000 yuan per person this year. The family already has stored more than 2,000 kg of peanuts, 400 kg of dates, 550 kg of wheat, 600 kg of maize and several bags of beans.

(January 1, 1990)

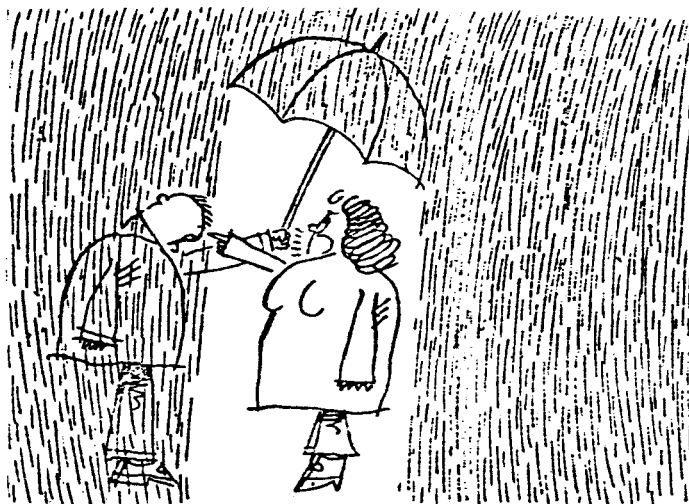
Beijing Targets For Environment

ZHONGGUO RIBAO
(China Daily)

The Beijing municipal government has set new targets for environmental protection this year, according to a meeting on the city's environmental protection which was held in Beijing.

The city plans to tackle the 3,700 pollution sources in the vicinity of the 38 stadiums and gymnasiums to be used for the forthcoming Asian Games before the end of June.

There are plans to bring the exhaust emissions of 250,000 cars to within the limits set by the city.



ZHAN FAWEN

Fifty factories and workshops which are producing large quantities of waste water, waste gas and noise are to be brought under control, and the city will also step up the control of stoves and bring smog under control.

The capital made progress in environmental protection in 1989. About 1,600 pollution sources near the stadiums and gymnasiums to be used for the Asian Games were tackled. Twenty-three low-noise areas were set up. The emissions of 40,000 cars were brought within the standard.

(February 15, 1990)

More Public Baths Needed

ZHONGGUO RIBAO
(China Daily)

Beijing needs more public bath houses.

The city has 39 public bathing places but these cannot cope with the demand which is particularly high in winter, the paper reported.

It said only 11 public bath houses remained of the 27 in use in the 1950s in the city's Xuanwu District, adding that this was the general trend throughout

Beijing.

The Hufanglu bath house, the paper reported, was designed to take about 190 customers a day but the number who want to use it can be as high as 30,000 a day in winter. So the bath house has been forced to limit the amount of time each person can spend there.

But some measures have been taken to remedy the situation. The city government lent 5 million yuan (US\$1.06 million) towards the cost of new boilers in 1986.

The 11 bath houses have received 16.40 million customers since 1984.

Many bath houses have started providing other services such as the sale of hot and cold drinks and some have converted their pools into hotel rooms to survive.

Moreover, two health-keeping bath houses have been set up in the district. One, called the "Qinghua," has a sauna and a water-powered pulse massage pool; and another named "Shoushiquan" provides water boiled with a Chinese medical ore called "Maifanshi." The latter, the first of its kind in Beijing, was praised as a "break-through."

(February 17, 1989)

Foreign Arbitration Makes Headway

The China International Economic and Trade Arbitration Commission (CIETAC) and the China Maritime Arbitration Commission handled more than 250 cases in 1989, a rise of nearly 40 percent over the previous year. The number of cases resulting in final resolution grew by 50 percent, reaching 160, which provided effective, timely protection of the lawful rights of both Chinese and foreign litigants.

Although most cases involved Chinese and foreign complainants, some were between foreign litigants. The arbitration commissions handled these cases in a just and timely manner, to the satisfaction of the parties.

Courts in France, Hong Kong and some other places have, by compulsory means, carried out decisions that were made by the two Chinese commissions but the parties involved refused to comply with. This has become possible because China is a member of the United Nations Convention on the Recognition and Endorsement of Foreign Arbitration Awards in 1987.

As well as expanding ties with their foreign counterparts, the two Chinese commissions have also increased contacts with counterparts in Taiwan, thus paving the way for settling business and trade disputes across the Taiwan Strait.

Beginning in 1989, the two commissions enacted new rules to go by in conducting arbitration proceedings and hired new arbitrators, including eight from Hong Kong and Macao and six from foreign countries.

CIETAC Vice-Chairman Xiao Zhiming said that his organization had established a branch commission in the Shenzhen

Special Economic Zone, and that a Shanghai branch was expected to be established this year.

Xiao pledged to improve the quality and speed of his commission's work so as to deliver quick and just settlements of international business disputes and protect the lawful rights of litigants. ■

Yantai Calls for Co-operation

The Shandong city of Yantai, one of China's 14 open coastal cities, seeks economic and technical co-operation with foreign countries in more than 140 new projects. This was announced at the Shandong Foreign Trade Symposium for 1990 held in Qingdao, Shandong Province on February 15-29.

With high technology, short lead time, and good returns, the projects involve silk, leather, machinery and electrical equipment, textile, building materials and light industry. Feasibility studies have been conducted for these projects.

To promote the development of economic and technological co-operation with foreign countries, Deputy Mayor Liu Guodong said, co-operation with foreign countries in the future will focus on the following projects:

- Projects capable of improving Yantai's working environment, in particular the supply of heat, power, communications and raw materials.

- Updating old enterprises with advanced foreign technology and management expertise. More than 10,000 enterprises in the city are expected to be opened to foreign involvement

by way of establishing Sino-foreign joint ventures, co-operative management or leasing and contracting out to foreign businessmen.

- Establishing wholly foreign-owned enterprises. The city plans to sell a group of enterprises to foreign businessmen under preferential terms.

- Establishing high-tech and export-oriented projects. Yantai plans to establish "a science and technology garden" in the Economic and Technological Development Zone and contract it out to foreign investors for development.

- Construction projects with short lead time and high economic returns.

- Conducting intensive processing and assembling for foreign clients or doing compensatory trade with them by making use of the more than 50,000 township enterprises' manpower and equipment.

By the end last year, the city shared 166 projects with partners from Japan, the United States, France and Thailand as well as Hong Kong. ■

News in Brief

- The Ministry of Foreign Economic Relations and Trade announced that China had approved the establishment of 5,784 foreign-funded enterprises in 1989, including 3,663 joint ventures, 1,179 co-operative enterprises, 932 wholly foreign-owned enterprises and 10 co-operative development enterprises, a drop in number of 2.7 percent from 1988. The negotiated value was US\$5.6 billion, an increase of 5.6 percent. However, the US\$3.3 billion, already processed into China, represents

a 4.1 percent increase. Of this figure, more than 90 percent are production projects. The number of foreign-funded projects using more than US\$100 million was more than any previous year, and the number of newly approved wholly foreign-owned enterprises exceeded the previous total. Joint ventures, co-operative enterprises and wholly foreign-owned enterprises exported US\$3.59 billion products, more than double the 1988 figure of US\$1.75 billion.

In 1989, China signed US\$4.8 billion worth of credit agreements with foreign countries, a 51 percent drop from 1988. Actually, US\$5.9 billion in credit processed into China, representing a 9 percent drop.

● Representatives from nearly 100 institutions and enterprises, including Beijing municipal government departments, departments in charge of foreign economic relations and trade, export enterprises and foreign-funded enterprises, will participate in the Beijing Foreign Economic and Trade Symposium to be held at the Beijing International Exhibition Centre on March 5-14. The exhibition area will be more than 9,000 square metres, 1.5 times as big as last year. In addition, more than 1,400 companies and enterprises from Hong Kong, Macao, the United States, Canada, Japan, European Economic Community, and some East European countries are also expected to attend the meeting.

On display will be high-tech products, machinery and electrical, light industrial products and textiles.

At the meeting, talks about technological co-operation, introduction of foreign funds and bidding for construction of public facilities will be held with foreign businessmen. ■

US\$8.3 Billion From Exports of Machinery & Electrical Products

According to the State Council office in charge of machinery and electrical products exports, China exported US\$8.31 billion machinery and electrical products in 1989, an increase of 35.1 percent over 1988. A breakdown indicates that US\$1.21 billion was earned from metal products, a 19.8 percent increase; US\$4.32 billion from machinery and electrical equipment, instruments and meters, up 40.7 percent; and US\$2.58 billion by processing and assembling supplied materials, an increase of 33.2 percent.

While the total export volume of machinery and electrical products increased by a big margin, the mix of the products changed for the better. The Customs House of China announced that the proportion of machinery, electrical equipment, instruments and meters in the total export increased from 40 percent in 1988 to 52 percent while that of metal products declined.

The export value of 19 products each exceeded US\$100 million. The export of TV sets, radio-cassette recorders, hand-and machine-used tools, and hardware each topped US\$300 million. Metal-processing machine tools and electronic parts respectively surpassed US\$200 million.

China now has 1,280 enterprises manufacturing machinery and electrical products for export. Statistics of 13 provinces and municipalities indicate that at least 50 enterprises were US\$10 million exporters, and 11 provinces and cities were US\$100 million exporters, with Guangdong Prov-

ince leading the way, earning US\$1.38 billion last year.

China's export of machinery and electrical products is expected to continue to increase in 1990. In order to further im-



The Changcheng Chunhua Electrical Appliances Group Co. in Suzhou Province, China's largest producer and seller of electrical fans and vacuum cleaners, earned about US\$10 million in foreign exchange in 1988 and has recently set up a joint venture in Malaysia. Here, General Manager Zhang Genxing (right) and Deputy General Manager Yang Dechang (middle) check the quality of vacuum cleaners.

DAI JIMING

prove the quality of products, China's commodities inspection authorities have issued quality licences for 62 products and decided to conduct required inspection for another 78. ■

Confucius On Stage in Beijing

The great Chinese philosopher and educator Confucius was born more than 2,500 years ago but a modern play about his life was well received recently by Beijing audiences.

Confucius: The Commoner, performed by the Drama Troupe of Shandong Province, puts less emphasis on Confucius' contributions as an official of the State of Lu (part of present-day Shandong Province) than on exploring his character.

He is portrayed as a kind-hearted man of integrity, morality and insight who lived a Spartan life, had an insatiable desire to learn, and taught with tireless zeal.

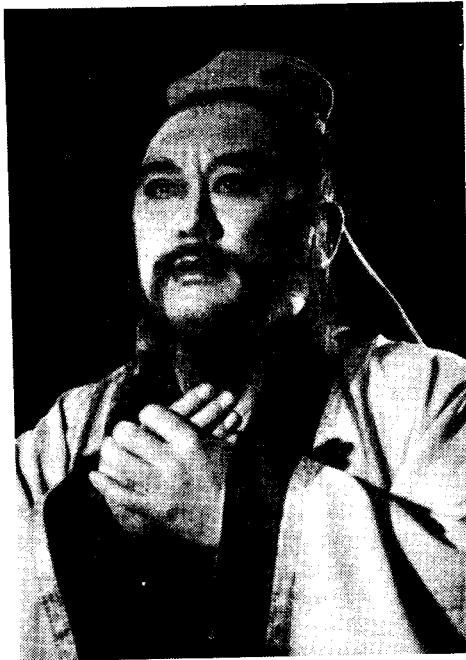
The drama, characterized by a vivid portrayal of the protagonist, covers several important episodes in the life of Confucius (551-479 BC). He lived mostly during the Spring and Autumn Period, when China was divided into feuding states and the people suffered from the chaos caused by frequent wars.

Confucius, saddened by this widespread suffering, hoped to save society with his philosophy of benevolence and morality. He left his hometown of Lu (now Qufu) in Shandong Province and began a famous trek to the various states, trying to persuade the rulers of the value of his ideas.

He was never able, however, to apply his theories in the dozens of states he travelled in a decade or so. He was very much discouraged. In his later years, he returned to Lu and applied himself to collating ancient books and teaching his disciples.

Xue Zhongrui, deputy director of the Drama Troupe of Shandong Province, played the role of Confucius. He prepared himself by reading Confucian classics

and books about the period in which Confucius lived, including *The Analects of Confucius*, *Records of the Historian* and *Stories About Confucius*. He also devoted much time to study the historical background of the



Xue Zhongrui as Confucius.

WANG WEI

Spring and Autumn Period and the customs and rituals of the State of Lu. This research, plus Xue's 30 years of experience as an actor, gave his characterization a rich, realistic quality.

"We must eliminate selfish ideas and personal considerations," Confucius tells his disciples in one scene. "Resist corruption; be upright but not stiff; be pointed but not harmful; be honest but not without scruple; be bright but not dazzling."

The actor delivered these honest but philosophic words straight to the heart of audiences with a bold, vigorous delivery.

Whether facing kings or beau-

tiful woman, whether being accorded a courteous reception or being refused, Xue faithfully displayed Confucius' modest, courteous and upright manner.

The most moving scenes are those showing Confucius and his disciples suffering from hunger and cold on their way home after the failure of his mission, and when he is writing *Spring and Autumn Annals* back in Lu.

By this time, Confucius resembles an old pine at sunset, bent but still strong. Xue's bearing makes it clear that Confucius would adhere to his chosen course and leave a record of his teachings for later generations.

In playing the role of Confucius, Xue borrowed certain actions and language from traditional Chinese opera, used here appropriately to good artistic effect.

The staging and set design also contained special characteristics. The curtain rose on a historical tableau: the chaos of war just ended, bodies lying everywhere and the smoke from gunpowder rising in the air. This drew audiences quick-

ly into the turbulent historical era and presented a background for Confucius' later activities, including his thirst for order and peace.

Shandong is the home province of Confucius and the Drama Troupe of Shandong Province first staged this drama on the 2,540th anniversary of his birth. It has been performed in Shandong about 50 times and was featured at the Second Art Festival of Shandong Province, where it won seven awards, including ones for the script, acting, set design and costumes. In Beijing, the Chinese Modern Drama Research Institute issued

an "Excellent Performance Prize" to the cast of *Confucius: The Commoner*.

The Drama Troupe of Shandong Province was founded 37 years ago and now has more than 130 members. A proponent of realism, it has staged dozens of ancient and modern Chinese and foreign dramas. Prior to *Confucius: The Commoner*, it had

shown the modern dramas *Decisive Battle* (1978), *Ups and Downs* (1979), *Sudan and Emperor* (1983) and *Fate* (1986) in Beijing.

It is reported that the Ministry of Culture is now making arrangements to have the troupe perform *Confucius: The Commoner* in Japan.

by Feng Jing

First National Piano Competition

China's first national piano competition was held recently in Beijing under the auspices of the Ministry of Culture. Previous competitions had been sponsored jointly by piano manufacturers and music conservatories.

The 23 competitors, aged between 18 and 35 and from more than 10 provinces and municipalities, consisted mostly of students or young teachers from provincial or municipal music conservatories and music departments of teacher-training colleges.

Performers from the Central Conservatory of Music in Beijing, Qin Rong, Cui Honggen, Zhang Zuoquan, Li Xing and Guo Xiang, swept the top five places. Li Zhe of the Shenyang Conservatory of Music finished sixth.

In order to encourage the creation and performance of Chinese piano music, the organizing committee also awarded prizes for performances of Chinese works, which were won by Zhang Zuoquan, Li Xing and Qin Rong. Another three competitors were given encouraging awards for taking part in the contest.

A variety of works encompassing different styles were made compulsory in order to test the technical and artistic ability of the competitors. The fact that regions where piano skills were

previously rather low, such as Shenyang, Tianjin and Wuhan, were able to send representatives to the competition was an indication of the increased popularity of the piano and the resulting improvement in skills.

Eighteen-year-old Qin Rong, the first-prize winner, was recognized as an outstanding player with a high level of technical ability and musical understanding. Her playing is fluent, impressive and dynamic.

Although the piano was introduced to China about 100 years ago, China only began to train its pianists after the founding of the People's Republic in 1949. During the 1950s a group of outstanding pianists, including Liu Shikun, Yin Chengzong, Gu Shengying, Li Mingqiang, Zhou Guangren, Bao Huiqiao, Hong Teng and Li Qifang rose to prominence. All won prizes at major international competitions.

The "cultural revolution" (1966-76), however, halted international exchanges and piano playing was discouraged. Only in the 1980s have exchanges resumed, resulting in the creation of a new group of outstanding young pianists: Zhu Daming, Li Jian, Qin Yingming, Du Ningwu, Wei Danwen, Kun Xiangdong and Pan Xun. They have won prizes at major competitions in the United States, France,

Australia, the Soviet Union, Chile and Spain.

As the standard of performance in China has increased over the past 10 years, more and more pianos have found their way into the homes of average families. Many Chinese children now study piano and this has helped to improve the overall standard of playing and the development of skilled performers. Compared to international standards, however, Chinese pianists still have a long way to go.

The fact that the top five finishers in the competition were students of the Central Conservatory of Music in Beijing was an indication of the strength of that institution. Established in 1950, the Central Conservatory now has seven departments, including an attached primary and middle school, with 214 teachers and over 600 students.

The strong Shanghai Conservatory of Music did not send players to the competition. Some experts believe that if it had, the list of winners would have been different and the overall standard would have been raised. It was noted that relatively few talented players emerged in the competition and that while many participants could perform some pieces with technical skill, their understanding of the music was not deep. This revealed a flaw in current teaching methods.

"Piano playing requires an integrated approach. Henceforth, we must pay greater attention to this in training students," said Zhou Guangren of the Central Conservatory, one of China's best pianists and piano teachers.

Some experts suggested that the government should hold a national piano competition every two years in order to raise the level of playing and teaching and to improve the quality of compositions for piano.

by Feng Jing

China Rich in Heritage of Economic Theories

by Tan Min

The English edition of *A Concise History of Chinese Economics* by Hu Jichuang, a well-known Chinese specialist on economic history, has recently come off the press. Published by the Foreign Languages Press, it is distributed at home and abroad by the China International Book Trading Corp., Beijing.

The book is a condensed version of Hu's three-volume *History of Chinese Economics*. A brief explanation of the philosophies behind the development of Chinese economics over the past 3,000 years from the 11th century BC to 1919, the book is divided into three parts: the economic thought of the period before the founding of the Qin Dynasty in 221 BC; the earlier period of the feudal landlord economy from the 2nd century BC to the 9th century, and the later period of feudal landlord economy from the 11th century to 1919.

Although China's achievement in science, technology and philosophy has long been world-famous, the nation's accomplishment in economic theory is still little known to the West. As a matter of fact, the contribution of ancient China to economics was no less brilliant than its achievements in philosophy and other fields. This book is designed to give Western readers a new outlook on the ancient Chinese economics.

The author's profound knowledge of the theoretical development of the world economy has enabled him to provide an objective evaluation of the development of Chinese economics. He points out that, like ancient Greece, the pre-Qin period was a time when economic thought flourished and many theories and economic ideas similar to those in the West appeared. The Confucianists who advocated universal brotherhood believed that property should be owned by the public and that ever-

yone should be properly provided for, an idea quite similar to Plato's communism. The difference is that, unlike Plato's idea, slavery and communization of wives were not included in Confucian doctrine. However, in addition to their emphasis on division of labour, both schools spoke of the distinction between the concepts of use value and exchange value and both used shoes as examples for analysis. Quite a few of the ideas unknown in ancient Greece had already appeared in China by the pre-Qin period. For example, the "sun's black spots" theory, quite similar to that of the 12-year cycle of agricultural economy based on the revolution of Jupiter, did not appear until the late 19th century in the West. Another pre-Qin example, the idea that luxurious consumption increases employment resembles the thoughts of William Petty of the 17th century and of John Keynes of the 20th century.

During the 1,000 years following the establishment of the Qin Dynasty or about the time of ancient Rome and the Dark Age, although feudal dynasties were frequently replaced one after another and traditional culture developed slowly, some new economic thoughts were emerging in China. They include measures to adjust the market price, the concept of cost accounting, analysis of relationship between a currency's buying power and the level of prices, the principle of keeping expenditure within income limits, establishment of commercial information networks, independence of financial auditing, indication of currency circulation speed, influence of inflation, management of paper currency circulation, and so on. All of these were almost nonexistent in the West.

After the 17th century, while Western capitalism and its theoretical basis developed rapidly, the

stubborn feudalist rule held up the development of Chinese economic thought. Among the few new ideas emerging in this period was the distinction of land rents in the city and the countryside, an idea which resembles the modern concept of income tax. Also, a population theory, very similar to that of Thomas Malthus, appeared five years before his arrival on the scene.

The book makes a unique and profound analysis of ancient documents. Although Guan Zhong's "Light-Heavy" theory has been in existence for over 2,000 years, no one has been able to properly explain it. Hu, for the first time, however, gives the reader a clear systematic explanation.

At the book's conclusion, the author brings up an interesting topic. Although Chinese economic thought has all along developed independently, it did have an impact on the 18th century French agronomists. Some French and Japanese scholars have also mentioned this, but no clear proof has been provided. If this impact did exist, and was quite profound, these Chinese economic thoughts and Western classical economics have a previously unknown relation. The author is now guiding a Ph.D student in research on the subject. There are indications that the influence of Chinese economic thought on the agronomists was much greater than that of the traditional Western economic theory.

If the book has any failings, it is that the historical material was all from the mid-1960s. New material from the past two decades found by other scholars and by the author was not included. Nevertheless, the content of this book is sufficiently brilliant and rich enough for Western economic scholars who know little about ancient Chinese economic thought. ■

Portrait of a Man.

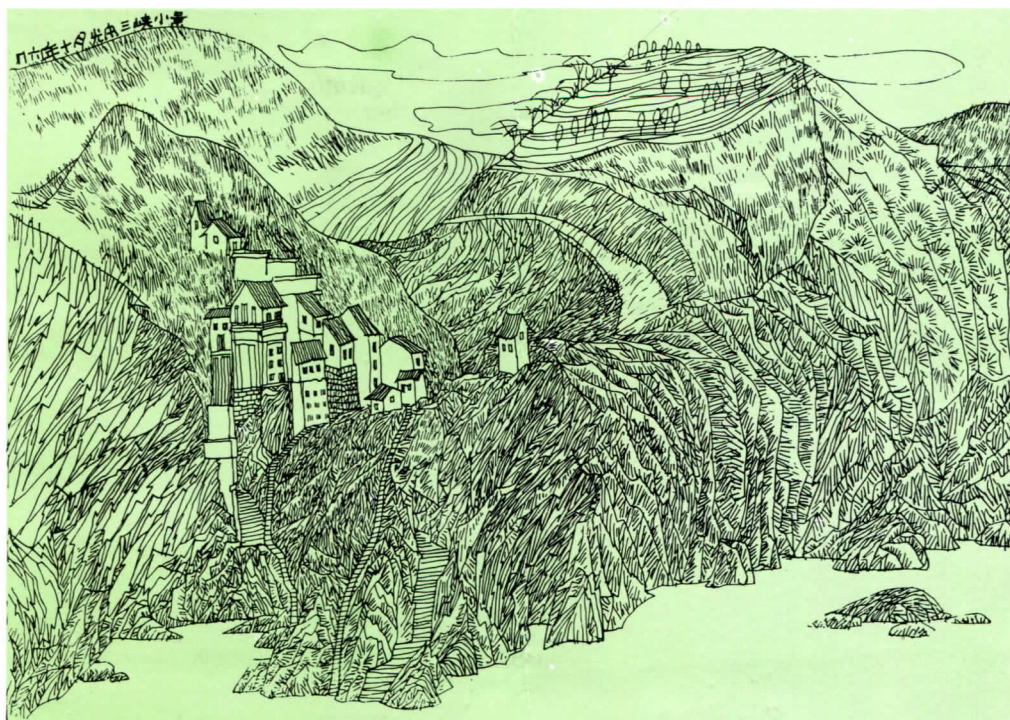


Sketches by Pan Guangwu

Pan Guangwu, born in Sichuan Province in 1948, now works for the Company of Arts and Crafts in Wanxian County, Sichuan Province. A fine artist, Pan does both Chinese and Western paintings. His sketches include:



A Girl.



The Three Gorges of the Changjiang (Yangtze) River.

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