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BEIJING REVIEW

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A CHINESE WEEKLY
OF
NEWS AND VIEWS

- An Experiment in Economic Reform
- How Should Beijing Develop
- South Korean Scene



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An Experiment in Economic Reform

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Hanoi's Tricky New Proposal

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ECONOMIC**Encouraging Competition**

Competition among socialist enterprises is encouraged. This is a new policy adopted in China recently. Since the introduction of reforms in economic structure last year, competition has emerged in many places, adding vitality to economic work.

Leading members of industrial departments in Beijing are unanimous in their praise of competition, the advantages of which are many. Competition, they say, has changed the situation in which people "share food from the same big pot" regardless of whether the enterprises are run well or whether the workers do good or shoddy work.

Now with competition on, enterprises which have lagged behind are doing their best to improve management and raise the quality of products, while

advanced enterprises are determined to do still better. That was why output of industrial products of good quality in Beijing last year was nearly double that of 1978. In the first half of this year, more than 10,000 varieties of new products were successfully trial-produced, surpassing the number for the whole of last year.

In the 44 state-owned electronic instruments and meters enterprises which have instituted the system of retaining part of their profits for expanded reproduction and the improvement of workers' welfare, 26 well-managed ones earned 30 per cent more profits last year than they did in 1978, and the bonuses their workers and staff received were double the amount received by those in enterprises not so well managed.

Poorly managed enterprises which cannot sell their products and suffer loss over a long period will inevitably be eliminated in the course of

competition. This is conducive to the readjustment of the national economy. More than 100 such enterprises have ceased to operate in Beijing, and their personnel, buildings and equipment have been transferred to those enterprises producing goods needed on the market.

Economists hold that, under socialism, there are objective conditions for competition between factories. Recognition of the commodity economy and revival of the market are the external causes of competition, while the internal causes are the growing concern of each factory for its own economic interests and the heightened enthusiasm of the workers after the implementation of the new policy of permitting the factories to retain part of their profits.

Both parties engaged in socialist competition have basically identical interests. Therefore, the competition can and must accept the guidance of the overall state economic plan, thus avoiding anarchism in the development of production.

The loser in the socialist competition will not go bankrupt as in a capitalist country. This is because such competition is not based on diametrically conflicting interests of the enterprises involved, but only brings more benefits for the winners and less for the losers.

How Should Beijing Develop?

What kind of city should Beijing become? This question has aroused widespread interest and attention. Should it be the political, cultural and educational centre of the nation as well as a centre for international ex-



In one of the workshops of the Qingdao Brewery where the famous brand of beer is made. Competition has helped the brewery regain its honour and raise the quality of its beer.

changes? Or should it be developed into an economic centre?

In an article by Commentator on July 11, *Renmin Ribao* said that the answer should be the former. This means there should be a shift in the focus of work in this capital city.

Beijing should resolutely and strictly limit the expansion of heavy industry, the article said, and attention should be diverted to building the capital into a first-rate modern city in public security, social order and moral standards, a city which is beautiful and clean and is the most developed in culture and education in the country, as was outlined in the four-point proposal put forward last May by the Secretariat of the C.P.C. Central Committee. (See p. 15.)

However, some comrades, some leading comrades in particular, do not have a clear understanding of the Secretariat's proposal and are not firm enough in carrying it out. They want to build Beijing into a comprehensive and all-inclusive industrial base in disregard of its characteristics and available conditions.

"In Beijing," *Renmin Ribao* said, "the proportion of heavy industry in the local economy has already surpassed that in Shanghai and Tianjin, two old industrial centres." "This has resulted in a series of problems to the city's environment, supply of water and coal and daily necessities, transport and housing," it added.

In line with political, cultural and educational needs, the article proposed the development on a selective basis of light and textile industries as well as foodstuffs, handicrafts and other industries which use comparatively little water and en-

ergy, involve no great volume of transport and cause little or no pollution.

Priority should be given to the construction of projects related to foreign affairs, housing, public utilities, commercial and service trades as well as tourism. Efforts should also be made to turn the suburban area into a base supplying vegetables and other non-staple foods to the city proper.

Developing Labour-Intensive Trades

Traditional arts and crafts have developed into popular trades in some densely populated rural areas of China. They help the peasants increase their income, as the products are much in demand on the market.

Taizhou Prefecture in east China's Zhejiang Province is one of the major traditional arts and crafts centres in the country. Of the 1.5 million people in its rural areas, about 4,000 are full-time workers in these trades, while over 600,000 make use of their spare time to

do processing work at home for the factories. The prefecture is famous for such products as embroidered silk clothes with exquisite designs, bamboo, wood and stone carvings and scissor-cuts.

The people there also make plaited hats, mats, baskets, curtains, bags and other products for export, using locally grown sisal hemp, Chinese alpine rush and other materials. These goods now account for two-thirds of such articles exported through Shanghai, China's biggest port.

Arts and crafts factories have been set up in every county of this prefecture. Handicraft articles produced last year brought in 100 million yuan, and the total output value of such articles went up by 80 per cent in the first six months of this year as compared with the corresponding period of 1979.

Shantou Prefecture in south China's Guangdong Province is another area where the traditional arts and crafts thrive. Nearly a million women are engaged in drawnwork, a long-standing trade in the locality. The young women, of course,



Women of a rural commune in Shandong Province crocheting. These products have a brisk market both at home and abroad.

also take part in farm work during the busy season.

The drawnwork they produce includes handkerchiefs, tablecloths, pillow-cases, bed-covers and embroidered clothes. With elaborate designs, fine workmanship and well-blended colours, these products sell well in many countries and regions.

In both Taizhou and Shantou Prefectures, there is only one hectare of farmland for every 30 persons in the villages. Arts and crafts, therefore, have provided an adequate outlet for the surplus labour force. In some villages in Shantou Prefecture, women engaged in drawnwork earned on the average 500 yuan each last year.

Some economists are of the opinion that in view of the fact that China has abundant labour power and natural resources but lacks funds and is backward in technology, labour-intensive trades rather than capital-intensive trades should be developed, for they need comparatively little investments but provide employment for a large number of people. Apart from the above-mentioned arts and crafts, other trades such as rough processing of rural sideline products, making and repairing furniture, and the garment, construction and building materials industries should also be developed.

Six-Hour Day for Chinese Coal Miners

The Ministry of Coal Industry has decided to introduce step by step a "four-shift six-hour day" system for underground workers in those coal mines under its direct administration.

For each shift a free meal will be provided.

This will replace the present system of three shifts with eight hours each.

Having been tried out in some coal mines for a year, the new system will be adopted gradually by all coal mining administrations in China. Each will first select one mine for experiment this year so as to gain experience and then popularize the system in two to three years.

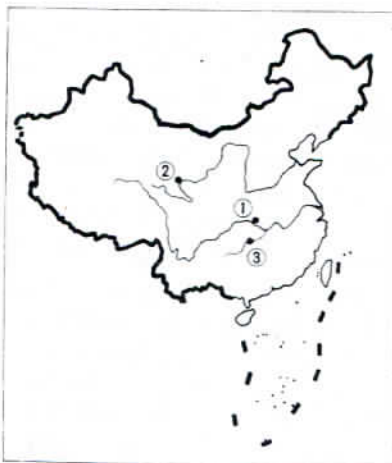
The decision to introduce this reform was taken in accordance with instructions from the Central Committee of the Chinese Communist Party and the State Council, the aim being to protect the health of miners and give them more time for study and recreation.

Speeding Up Building of Hydropower Stations

In the on-going modernization drive, China is taking energetic measures to build more hydroelectric power stations, including some large ones to be built with foreign funds.

In the first six months of this year, 62 per cent of the annual quota for the construction and installation of big and medium-sized hydropower stations have been completed, and 55 per cent of the funds set aside by the central authorities for the construction of these stations have been used.

Eleven large hydroelectric stations, with a total designed capacity of 10.94 million kilowatts, are under construction. They include the Gezhouba project (2.71 million kilowatts) in Hubei Province, the



Longyangxia² station (1.5 million kilowatts) on the upper reaches of the Huanghe River in Qinghai Province, and the Wuqiangxi³ station (1.5 million kilowatts) in Hunan Province.

A number of medium-sized hydropower stations are also being built. These include the Taipingshao station in Liaoning



Construction of the Wujiangdu hydroelectric power station in Guizhou Province (with a capacity of 630,000 kilowatts) is under way.

Province which, with a capacity of 160,000 kilowatts, is scheduled to go into full operation this year, and the Hunanzhen station in Zhejiang Province which has a capacity of 170,000 kilowatts and will be completed in the main this year. The Jinshuitan station, also being built in Zhejiang Province, will have a capacity of 200,000 kilowatts.

Hydroelectric power is China's second largest source of energy, the largest being coal. Total hydropower reserves amount to 680 million kilowatts, of which about 370 million kilowatts can be exploited. At present, however, hydroelectric power stations throughout the country produce only 16.05 million kilowatts.

POLITICAL

Provincial People's Governments Elected

Twenty-nine provinces, municipalities and autonomous regions (not including Taiwan Province) have since last year successively held people's congresses, elected their standing committees and re-established people's governments. This is another major step forward in consolidating the country's political situation of stability and unity.

Replacing the former revolutionary committees with people's governments is a major reform in China's administrative system. Revolutionary committees set up in the Cultural Revolution (1966-76) were interim organs of state power and their members were not elected democratically. Facts have proved that over-concentration of power in the revolutionary committees was not conducive to arousing the

initiative of the masses and giving scope to democracy. The gang of four and its followers took advantage of this to achieve their own ends.

Under the present system, the legislative and administrative organs (standing committees of people's congresses and people's governments) are separated. This enables the people to better exercise their power of running the state and supervising the government, and is conducive to the independent performance of functions by local administrative organs at various levels. This reform will greatly help strengthen socialist democracy and improve China's socialist legal system.

At the people's congresses, the deputies gave full play to democracy, summed up past experience, and worked together to draw up plans for developing the local economy in line with their specific conditions. Measures were also taken to readjust and restructure the economy and other fields of work.

The leading bodies of the various provinces, municipalities and autonomous regions, which have been elected democratically, have the following characteristics:

— Many experienced, veteran cadres who were persecuted by Lin Biao and the gang of four have been elected to the new organs of state power.

— A greater number of specialists and scholars in various fields have been elected to the new leading bodies than at any time before. For instance, Su Buqing, a mathematician and President of Fudan University, is now vice-chairman of the standing committee of the Shanghai municipal people's congress, and jurist Lei

Jieqiong is now a vice-mayor of Beijing.

— Members of democratic parties and patriotic personages have once again been appointed to leading posts in state organs. For example, Zhao Zukang, chairman of the Shanghai branch of the Revolutionary Committee of the Kuomintang, is now a vice-mayor of Shanghai; Zhou Gucheng, a noted historian and chairman of the Shanghai chapter of the Chinese Peasants' and Workers' Democratic Party, is a vice-chairman of the standing committee of the Shanghai municipal people's congress; former Kuomintang general Liao Yu is a vice-chairman of the standing committee of the Jiangsu provincial people's congress; Yi Meihou, a well-known returned overseas Chinese, is a vice-chairman of the standing committee of the Guangdong provincial people's congress; and Lu Jiayi, a famous scientist from Taiwan, is a vice-chairman of the standing committee of the Fujian provincial people's congress.

— Minority cadres have been elected to the chairmanship in all the five autonomous regions in the country. Qin Yingji (Zhuang nationality) is now chairman in Guangxi, Ma Yin (Hui nationality) in Ningxia, Tian Bao (Tibetan) in Tibet, Kong Fei (Mongolian) in Inner Mongolia and Ismail Amat (Uygur) in Xinjiang. The proportion of national minority cadres is also bigger than ever before.

— Party and government are now separated. The first secretaries of Party committees in the provinces, municipalities and autonomous regions do not concurrently hold positions as governors or mayors or as chairmen of standing committees of local people's congresses.

The number of local government leaders was also reduced to streamline the organization of leading bodies.

— The number of cadres in the prime of life now holding major leading posts has increased. On the whole, however, there are still too many old cadres. The Party Central Committee has issued the call that measures should be taken to gradually change this situation and elect and appoint younger cadres to leading posts.

Investigating the Causes Of Oil Rig Accident

The oil rig *Bohai No. 2* capsized early on the morning of November 25, 1979, taking a toll of 72 lives. The Tianjin municipal people's procuratorate is presently making a thorough investigation of the causes of this major accident.

The disaster took place in Bohai Bay when the platform, belonging to the offshore oil-drilling bureau under the Ministry of Petroleum Industry, was being towed during a gale from one drilling site to another point 117 nautical miles away. Only two of the 74 persons on board were rescued, and the accident caused a direct loss of more than 37 million yuan. It was the biggest ever accident in China's petroleum industry since the founding of the People's Republic.

The investigation report published in *Renmin Ribao* revealed the following facts:

On November 12 last year, the said bureau decided that the platform should move to a new drilling point. Before departure from the original site, the head of the oil rig radioed the bureau headquarters three times and

made three requests, one of which was that three tugboats be sent to tow the platform to ensure safety and speed. The headquarters, however, decided to send only one 8,000-h.p. tugboat and ignored the other two requests.

On the early morning of November 24, the day of departure, there were warnings of a gale in the area from observatories in Tianjin, Hebei and Shandong. But the headquarters did not give orders that the towing operation be postponed. As a result, the platform was towed away according to schedule. In the wee hours of November 25, gale-force winds rose and pounded the platform, breaking a ventilating duct. Water poured in and the oil rig soon submerged.

Preliminary investigation showed that the towing operation was not carried out according to the instructions laid down by the shipyard that had built the oil rig and the operational rules of the bureau.

After the platform had capsized, the tugboat did not send out SOS signals immediately in accordance with navigation regulations, nor did it determine the bearings of the sunk platform or lower the lifeboats to rescue the shipwrecked people.

Renmin Ribao said that the disaster was not accidental, but was the result of years of neglect of objective laws by the bureau's leadership which disregarded the safety of the workers and issued orders in violation of established regulations. According to incomplete statistics, in the period 1975 to 1979, there were 1,043 offshore accidents in which 105 people died and 114 were seriously injured. The bureau leadership never took

the trouble to draw necessary lessons from these accidents, and even after the latest disaster, it tried hard to cover up the facts and shift the entire responsibility on to the gale and other objective factors.

All other papers in Beijing also reported this accident. *Renmin Ribao* and *Gongren Ribao* published letters from readers strongly demanding that the judicial departments investigate the case to determine the responsibility and deal sternly with those leading members who should be held responsible for this disaster.

FOREIGN RELATIONS

Bangladesh President in Beijing

Bangladesh President Ziaur Rahman paid a state visit to China on July 21-24. The Chinese and Bangladesh Governments signed agreements on loans and civil air transport.

President Ziaur Rahman and Premier Hua Guofeng had a wide-ranging exchange of views and reached complete agreement on major international issues and bilateral relations. They stressed that, to strive for a peaceful international environment in which to develop national reconstruction, China and Bangladesh must strengthen their unity and co-operation and unite with other peace-loving countries and people in resolutely fighting against colonialism, expansionism and hegemonism.

Friendly relations and co-operation between the two countries have developed rapidly in recent years. The two governments have signed agree-

ments on maritime transport, economic and technical co-operation, science and technology, culture and trade. People-to-people contacts have also been on the increase.

The Afghan Question. Premier Hua pointed out that the time for a political settlement of the Afghan question is not yet ripe. The Soviet Union's so-called partial troop withdrawal is a fraud. He stressed: "A genuine settlement of the question is possible only when the Soviet Union unconditionally withdraws all its troops and the Afghan people are left to decide their own destiny."

President Ziaur Rahman reiterated the Bangladesh Government's stand of opposing the invasion and occupation of Afghanistan by foreign troops and strongly demanded that all foreign troops withdraw from that country.

Political Settlement of the Kampuchean Question. Premier Hua said that this is possible only when Viet Nam completely withdraws its occupation troops and the people of Kampuchea can handle their own affairs.

President Ziaur Rahman also said that Bangladesh consistently opposed the presence of foreign troops in Kampuchea.

A South Asian Summit Meeting. Referring to his proposal for holding a South Asian summit meeting, the Bangladesh President expressed his hope that the summit would study the situation in South Asia and the Gulf region so as to safeguard peace and stability in this part of the world. Hua Guofeng reaffirmed that China always supports the efforts of the countries in South Asia to improve their relations on the basis of the Five Principles of Peaceful Coexistence and work

together to oppose external interference and aggression and safeguard security in this region.

Li Xiannian: Copying Will Not Do

In national construction, different countries should take into consideration their own conditions.

This was the common view shared by Li Xiannian, Vice-Chairman of the Central Committee of the Chinese Communist Party and Vice-Premier, and Col. Youssouf Traore, Member of the Central Executive Bureau of the People's Democratic Union and Secretary of Information and Culture of Mali, during their meeting on July 27.

Col. Traore said that through nearly 20 years of revolutionary practice, the Malian people have realized that, to overcome underdevelopment, it is imperative to avoid all forms of over-anxiety for quick results, otherwise the people will have to pay dearly.

Vice-Premier Li gave the Malian guests an account of the socialist revolution and socialist construction undertaken by the Chinese people under the leadership of the Chinese Communist Party in the past 30 years and more.

"Although we have achieved great successes," the Vice-Premier said, "we have also committed many errors and suffered setbacks. Our main errors were being too impetuous and 'Left.' If one wants to run before he can walk steadily, he might fall and break his nose."

He told the guests how the Chinese Communist Party is conscientiously transforming the economic management system by proceeding from the actual

conditions.

Vice-Premier Li stressed: "To do well in national construction, one must never copy the experience of other countries indiscriminately. One must make investigations and seek truth from facts. In this respect we should do a lot of practical work, and never consider it as an empty slogan."

During the meeting, both agreed that the establishment of relations between the Chinese Communist Party and the Malian People's Democratic Union will play a positive role to the strengthening of friendly relations and co-operation between the two peoples.

Soviet-Vietnamese Agreement Illegal

The spokesman of the Chinese Ministry of Foreign Affairs issued a statement on July 21, warning the Soviet Union and Viet Nam against making any attempt to explore and exploit petroleum and natural gas in what they call the "continental shelf of south Viet Nam."

The statement said: "The Chinese side deems it necessary to reiterate: The Xisha and Nansha Islands, like the Dongsha and Zhongsha Islands, have always been a part of China's territory. The People's Republic of China has indisputable sovereignty over these islands and the surrounding sea areas. The resources in these areas naturally belong to China. It is illegal for any country to enter these areas without China's permission to carry out exploration, exploitation and other such activities, and any agreement or contract concluded between other countries for these purposes in the aforesaid areas is null and void."

Behind Hanoi's "Four-Point Proposal"

ON July 17 and 18 a meeting of Vietnamese and Lao foreign ministers was called in the Lao capital of Vientiane by Viet Nam, to which the Heng Samrin regime also sent its representative. Prior to this, another of Viet Nam's clever schemes to split ASEAN had failed and its armed adventure over the Thai-Kampuchean border had been severely censured in most parts of the world. Top Vietnamese Party and government officials thereupon had gone to the Soviet Union to consult "big brother" and had then hurried home and called this meeting in Vientiane. At the meeting the fiction of a threat from China was ritually exorcised and a "four-point proposal" for "easing tension with Thailand" was included in the end-of-meeting joint statement.

The "Four-Point Proposal." The "four-point proposal" in the statement calls for the establishment of a demilitarized zone in the Kampuchean-Thai border area, Kampuchean-Thai cooperation in solving the refugee problem, and removal by Thailand of the refugee camps to areas away from the border. It also states that the Phnom Penh regime is prepared to discuss with international humanitarian organizations their relief programmes. It wants negotiations direct or indirect between Thailand and the Phnom Penh regime.

Thailand flatly rejected the proposal. On the proposed demilitarized zone, Thai Foreign Minister Siddhi Savetsila pointed out that Thailand was not a party to the Kampuchean con-

flict and, therefore, it was unthinkable to even consider turning some part of Thai territory into a demilitarized zone under international supervision. As to the removal of refugee camps away from the frontier, Thai Prime Minister Prem Tinsulanonda put it quite plainly: "Where we accommodate them (refugees) is our own business. We are an independent country, so they must not interfere in our affairs."

In regard to humanitarian aid to the Kampuchean people, the Vietnamese had the gall to propose banning the use of humanitarian aid to "attract" the Kampuchean people out of their own country. Evidently, Kampuchean refugees streaming into Thailand were "attracted" by international relief and not the result of the famine and the slaughter brought about by the Vietnamese occupation of Kampuchea.

Hopefully. The proposal clearly designates the Viet Nam-backed Heng Samrin regime as the other party in the "dialogue." Once Thailand enters into a "dialogue" with the puppet Phnom Penh regime, then Thailand is hooked, conferring de facto recognition on the Heng Samrin regime and Viet Nam's military occupation of Kampuchea. This is one thing Viet Nam hopefully wants to accomplish by its proposal. It is the same Soviet ploy over Afghanistan in an Asian context. Both the Soviet Union's "political solution" for Afghanistan and the Vietnamese proposal concerning Kampuchea are

centred on procuring recognition for the puppet regimes. If their schemes succeed, then it is tantamount to conferring legitimacy on their client states, created by aggression and force of arms, and the world can expect many more Afghanistans and Kampuchees.

Threats Against Thailand. For all the talk about "easing tension," the statement with the four-point proposal which came out of the Vientiane meeting is quite threatening, charging "Thai ruling circles are pursuing a systematic policy of creating tension along the border between the two countries (Thailand and Kampuchea) and encroaching upon Kampuchea's sovereignty and territorial integrity," "brazenly interfering in the internal affairs of Kampuchea" and "intruding into Lao territory."

The statement also declares that the Phnom Penh regime will not let Thailand go "unpunished" for supporting the Kampuchean people. This helps explain why Vietnamese troops recently struck across the Thai-Kampuchean border into Thai territory, the recent belligerence of the Lao authorities and the moving of more troops to the Lao border with Thailand. These are real threats directed against Thailand by an expansionist Viet Nam and they leave Thailand with no alternative but to close its border with Laos to secure its safety.

One must also note that it was Vietnamese troops, not Heng Samrin's men, which fought Thai troops inside Thailand. As if this were not enough to disturb Thailand, a Radio Vientiane broadcast of July 12 accused Thailand of wanting to "legalize

its occupation of vast areas." These "vast areas occupied by Thailand" are actually Thai provinces that Viet Nam has long had its eyes on. This is not news to Thailand. Director of the Information Office of the Supreme Command of the Thai Armed Forces Lieutenant-General Som Khataphan disclosed that "Viet Nam's plan for an Indochina federation embraces Laos and Kampuchea as well as 15 to 16 Thai provinces in eastern and northeastern Thailand."

Vientiane's provocative claims to Thai territory bear an unmistakably Vietnamese accent, which should surprise no one for the ventriloquist is Viet Nam, the little hegemonist in Indochina, and whose next victim appears to be Thailand. Otherwise, why is Hanoi building up its armed forces and stepping up provocations along the Thai-Kampuchean and Thai-Lao borders?

— "Beijing Review" news analyst An Ding

South Pacific

More Pacific and Prosperous

AT the two-day annual meeting of the South Pacific Forum which ended on July 15 in Tarawa, Kiribati (formerly the Gilbert Islands), a South Pacific Regional Trade and Economic Co-operation Agreement was adopted and the New Hebrides, an Anglo-French condominium which has declared independence, was admitted as the 13th full member. The meeting also approved the establishment of

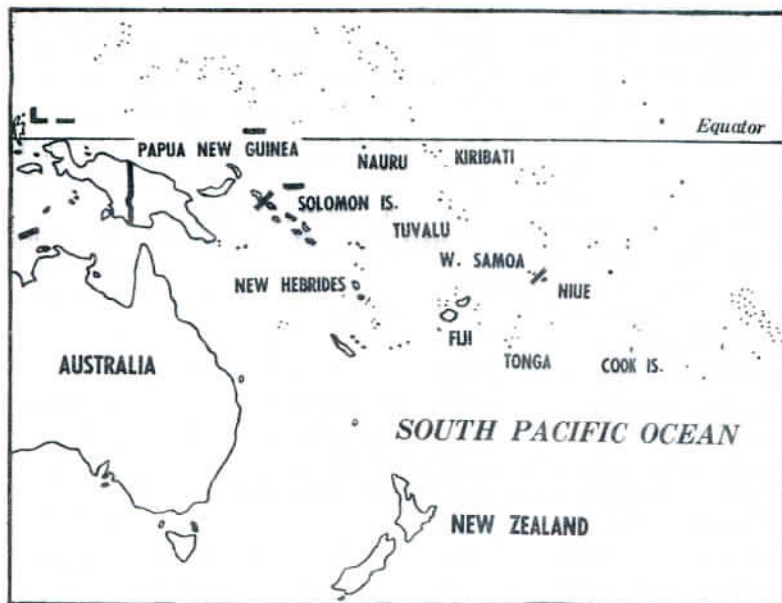
a nuclear-weapon-free zone in the South Pacific initially limited to the land areas.

It was a meeting of nations and peoples of the South Pacific to decide how to strengthen friendship and co-operation among themselves, how to protect their national interests, develop their economies and safeguard their political independence. The meeting has contributed positively to peace and stability in the region.

The forum, which was founded in 1971 as an assembly of the heads of government of the independent and self-governing states of the South Pacific, meets annually or when issues require urgent attention. Since its founding it has set up various bureaus and committees through consultations among its members, such as the South Pacific Bureau for Economic Co-operation and the South Pacific Fisheries Agency, to develop regional co-operation and counter superpower control and plunder. These bodies are responsible for working out and co-ordinating policies and strengthening co-operation among members in trade and economic developments, maritime transport, tourism, education and other issues of common interest. The forum has made remarkable progress in recent years in helping to co-ordinate foreign policies, improve regional co-operation and in checking foreign infiltration and upholding national independence in the region. It has grown into a major political force in the South Pacific.

The South Pacific region which lies athwart the sea and air routes and submarine cables between the Americas and Asia has countless islands spread over a huge ocean expanse. Its strategic importance is not inconsiderable and the United States has long been involved there.

In recent years the Soviet Union has been trying to penetrate and gain a foothold in the region, sending out "science survey ships," "tourist boats" and "fishing boats." It has even openly demanded bases and facilities from some of these countries. The Soviet Pacific Fleet today poses a very real threat as Moscow tries very hard to pro-



ject its presence into this region.

The people of the South Pacific who have been through long years of colonial rule treasure their independence and national sovereignty and are firmly against any foreign power trying to move in. The Soviet attempt to penetrate into their region has not met much success.

The independence movement in this region is developing and unity and co-operation today among these island nations are growing steadily. These South Pacific nations are going to play a greater role in the common struggle against hegemonism.

— "Renmin Ribao"
commentary

position and allow Chun, an avowed admirer of the late Pak Jung Hi, to turn the clock back in south Korea.

Kim Dae Jung's Proposals

As the most popular opposition figure in south Korea, Kim Dae Jung has consistently advocated democratic politics and Korean reunification, which is what the people in south Korea want. He is regarded inside south Korea and abroad as a strong presidential aspirant, which is why Chun Du Hwan sees Kim Dae Jung as an obstacle to his becoming the unchallenged dictator of south Korea.

Koreans remember that in the 1971 "presidential election" in south Korea, Kim Dae Jung had been the principal rival of Pak Jung Hi. Pak was made president after an "election" so transparently crooked that it won Kim Dae Jung more support, prompting Pak Jung Hi to order his Central Intelligence Agency to abduct Kim Dae Jung in August 1973 when Kim was in Japan. Pak's intention was to throw Kim into the sea and then announce that Kim Dae Jung was missing, his "whereabouts unknown." The scheme fell through because of the great outcry the abduction aroused, and Pak was forced to change his plans and put Kim under permanent house arrest.

Now Chun Du Hwan is trying to complete what his mentor could not. Chun's attempt to get rid of his opponent has stirred a strong worldwide reaction. The four Scandinavian countries have jointly urged the south Korean authorities to reconsider. Together with Bonn and Paris they expressed "profound concern" over the arrest

South Korea

Why Chun Wants Kim Out of the Way

KIM Dae Jung and eight other democrats were put on "trial" before an army tribunal "for high treason" by Chun Du Hwan and his associates after suppressing the popular uprising in Kwangju, south Korea.

In Pak Jung Hi's Steps

Chun Du Hwan wants to physically eliminate Kim Dae Jung, not because the latter is guilty of any capital crime. Chun wants Kim out of the way so that he can resuscitate the odious Pak Jung Hi tyranny.

After seizing control of the armed forces, Chun Du Hwan has been doing his best to hold back "the process of democratization." In the process he has made no scruples about revoking his pledges that "the military will stay out of politics" and crushing all opposition to "hastily grab power."

On May 17, Chun Du Hwan clamped down "emergency martial law" in south Korea, arrested all opposition figures

under various pretexts, including Kim Dae Jung. Then he sent in 17,000 troops backed by tanks, armoured vehicles and helicopters to crush the townspeople of Kwangju. After this, Chun Du Hwan set up a "special committee for national security measures" and made himself chairman of its standing committee. The ambitious Chun killed three birds with this one stone: suppressed the masses, removed all political opposition, and seized political power. This puts him well on his way to becoming the ruler in south Korea.

As a foreign newspaper disclosed, Chun Du Hwan put pressure on students and the lawyers defending students arrested for participating in the demonstrations to get their clients to write "confessions" admitting they had been instigated by Kim Dae Jung and then using these as "evidence" to get a death sentence passed on Kim Dae Jung. This is a diabolical move to effectively silence political op-

of Kim Dae Jung and other political figures. A Liaison Committee to Save Kim Dae Jung sprang up in Japan. It sent letters to the Japanese Government, the U.S. Embassy and the south Korean embassy in Japan and urged the United Nations and other international organizations to take up the matter. A mammoth signature campaign to save Kim was launched. People demanded that Chun Du Hwan and company immediately release Kim

Dae Jung and others.

The demand for democracy, freedom and the reunification of their country by the people in south Korea must be answered and Chun Du Hwan and company cannot stop this. If Chun Du Hwan can't read the writing on the wall, he should have no difficulty in recalling what can happen to those who try to stem the tide of democracy.

— Zhou Bizhong

Bolivia

Military Rule Again

BOLIVIA'S military on July 17 seized power following a rebellion by the garrison in the northeastern city of Trinidad which soon spread to La Paz, the capital. Soldiers occupied government buildings and rounded up the interim president, cabinet ministers and leading trade unionists. The next day, Army Commander-in-Chief Luis Garcia Meza was sworn in as the new president at the head of a military cabinet. Thus Bolivia's two-year effort to move forward to a permanent civilian government was frustrated by the country's 189th coup d'etat in 155 years.

This latest coup came just after the nation's June 29 general elections and when the new congress was about to elect a president. The action is seen as a move by the military to prevent congress from electing a "leftist" president in the person of Hernan Siles Suazo, the Democratic and Popular Alliance presidential candidate who again won the most votes. The military "hardliners" who had been watching the development with unease for some time and not liking the idea of going back to the barracks thereupon decided to forestall a popularly elected civilian government being set up.

A communique issued by the armed forces after the coup said almost as much. It charged that the June 29 election was "a fraud" and averred that elections in Bolivia at present cannot be democratic and that



Bolivian President Gueller and the man who deposed her, General Meza.

Chinese Trade Unions Condemn Suppression of Bolivian Trade Unions

A leading member of the All-China Federation of Trade Unions strongly condemned the Bolivian coup authorities for closing down the Trade Union Headquarters, arresting and killing trade union leaders and brutally suppressing the people. He described the recent military coup in Bolivia as "a crude provocation" against the labouring people of Bolivia and other Latin American countries fighting for democracy.

The Chinese trade union leader said this in an interview with Gongren Ribao on July 23.

"The All-China Federation of Trade Unions," he went on, "urges the coup authorities to immediately stop suppressing and persecuting the Bolivian workers and people, release the arrested trade union leaders and other people and respect the people's right to democracy."

"The Chinese workers and trade unions voice their most resolute support to the Bolivian workers and people in their struggle for democracy, freedom, justice and to safeguard their interests," he declared.

any government elected will be weak and incapable of running the country. As a matter of fact, the military high command has been working against the holding of a general election ever since 1978 to head off a return to constitutional rule.

Military Rule. Bolivia has a long history of military juntas and the people were fed up with them. Opposition built up and in 1977 the Banzer military regime, bending before strong public pressure, announced that Bolivia would gradually return to some sort of

democratic political system. The promised return to "constitutional democracy" begun in 1978 has been marked by severe ups and downs. The 1978 general election was a fiasco and ended in violent squabbling among the military and two military coups. In November 1979 Colonel Natusch seized the presidential palace and proclaimed himself president. Sixteen days later, he was forced to step down in the face of stiff opposition from all sectors of the country and the Bolivian congress appointed Lidia Gueiler as interim president. In the last general elections, there was a raft of presidential candidates but as no one received more than half the votes, let alone the necessary two-thirds majority, the president then had to await selection by a joint sitting of the congress and the senate.

But the coup put a stop to this. The coup had been brewing among "hardliners" in the armed forces for some time and military commanders had been searching for an opportunity all this year. In April, Army Commander-in-Chief Gen. Ruben Rocha, who was seen as a moderate supporting the move to democratic rule, resigned and Gen. Luis Garcia Meza, a representative "hardliner" in the army, replaced him. The battlelines were drawn, confrontation between coup and counter-coup forces became sharply focused. Commanders-in-Chief of the three services in a joint statement declared that if necessary the armed forces were ready to take over. Following this, army supreme headquarters declared the army in "a state of emergency," and "ready to take appropriate action at the appropriate time." When the June

29 presidential elections drew near, the armed forces demanded that elections be postponed for at least a year to allow time for "a reorganization of the country." This was just one more instance of military meddling to halt the "march towards democratic rule."

Incessant military coups and swift sudden changes of presidents, six changes of presidents in two years, have not helped to improve the political situation or the economy which is already faced with severe problems. The lot of the Bolivian people has gone from bad to worse.

Reaction. The coup has aroused strong and widespread civilian resistance. The National Committee in Defence of Democracy, an umbrella organization consisting of a number of

important political parties and organizations, has called for a nationwide strike. Miners in several major mining centres have taken up arms and so have the peasants.

The coup was not well received outside Bolivia either. A Venezuelan political leader said that it was a crippling blow to democracy on the continent. The Colombian President said that the coup severely damaged the image not only of Bolivia but also the whole of Latin America, countries of the Andean Group in particular. The Government of Ecuador severed diplomatic relations with the Bolivian new regime, and the U.S. State Department announced that the United States was cutting off all military assistance to Bolivia as well as suspending its economic assistance programme.

— Yao Chuntao

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Press Survey

Building a New Beijing

Beijing, China's political centre, is also the hub of its multifarious international activities. What kind of city is Beijing going to be? How will it be developed? These are questions which need going into. In May this year the Secretariat of the C.P.C. Central Committee put forward a four-point proposal concerning development policies for the capital city and it has since struck a responsive chord among municipal authorities and residents. Numerous articles discussing the question have been published in the papers here.

The following is a roundup of the main points. — Ed.

BEIJING is an ancient city with a long history. It has many famous cultural relics and beautiful natural surroundings. Since liberation it has become the national political centre, with relatively well-developed culture and science, and has built up an industrial base of some magnitude.

Its Past and Present

But, due to lack of a construction programme based on the city's specific features and

A corner of green in a new residential district in Beijing.



natural conditions, and also to the ten years of turmoil since 1966, the city has been confronted with problems in recent years, problems unknown in the 1950s. In those years, public order in Beijing was excellent, with few criminal cases; people showed respect for the aged; and children were well looked after. Discipline and order prevailed in public places, and sanitary conditions were so good that Beijing gained a world reputation as a "city without flies."

Chen Kehan, Vice-Chairman of the Standing Committee of the Beijing Municipal People's Congress, in an article carried in *Renmin Ribao* on June 10, summarized the city's existing problems as follows:

(1) Population Problem. In the early years of liberation Beijing had a population of 2.03 million, with 1.65 million living in the urban districts. When in 1958 eight counties of Hebei Province came under the jurisdiction of Beijing Municipality, its population increased to about 6.6 million, the urban population being 3.6 million. By 1979, it had shot up to 8.7 million of which more than 4.95 million lived in the city area. One major cause of the rapid growth of the population in Beijing is the over-extension of industry. Whereas the number of people working in industry in 1949 was only 156,000, it had reached 1.33 million in 1979 (not including those engaged in the building industry, in communications and postal and telecommunications services). As city construction failed to keep up with the large population increase, people have found it more and more difficult to cope with problems of clothing, food, housing and transportation.

(2) Excessive Land Requisition. In 1949 the land occupied by urban buildings amounted to 109

square kilometres but by 1979 it had reached 339. Compared with capital cities in other countries, the proportion of land for industrial use in Beijing is too high. The per-capita area for public green belts is much smaller than in big foreign cities. Large plots of truck gardens on the immediate outskirts were levelled to erect factories and office buildings. This is one of the main reasons why there has been a shortage of vegetables. (Vegetable supplies for big Chinese cities come mainly from their outlying districts, not from faraway places.)



The Miyun Reservoir on the outskirts of Beijing after dusk. Its surrounding areas will be turned into a holiday resort.

(3) Deficient Natural Resources. Beijing's water resources that may be tapped amount to only 4,100 million tons in an ordinary year. The total annual water consumption, however, has reached 4,800 million tons. Eighty-one per cent of the water consumed in the city area is for industrial use. As ground water has been tapped beyond its capacity, the water table in the area is sinking fast year by year, the hardness of the water is increasing and its quality is deteriorating.

Beijing has no iron deposits to speak of, but must be shipped in from a county in Hebei to supply the Shoudu Iron and Steel

Company; and crude oil has to come all the way from Daqing in Heilongjiang and Shengli in Shandong to the Yanshan Petrochemical Complex for making chemical products.

(4) Traffic Jams. Beijing in 1979 had 41.5 times as many motor vehicles as in the early years of liberation; the number of buses (trolleys) is 17.5 times as many and the number of passengers, 70 times. But the mileage of new roads built is only ten times as long. Traffic and city transportation are in a predicament.

(5) Commercial and Service Establishments Few in Number. In 1949 there was an average of 5.66 service workers for every 100 residents, in 1979, 3.64. Thus long queues lining up for some simple daily necessities are common sights.

(6) Education in Poor Shape. Higher education has yet to be restored to its pre-Cultural Revolution level; standards in secondary technical and normal school education have gone down; conditions in middle and primary schools, kindergartens and nurseries are backward. Many primary schools are open to one group of pupils in the morning and to the another in the afternoon; two-thirds of the primary schools have no playgrounds and in many newly built residential areas there are no schools at all. Quite a few nurseries and kindergartens run by neighbourhoods were closed down and converted into workshops. Our teenagers and younger children lack facilities for cultural and sports activities, and libraries are few in number.

(7) Housing Shortage. In the city area, the average floor space per person is 4.57 square metres; more than 200,000 households have very serious housing problems.

C.P.C. Central Committee Secretariat's Four-Point Proposal

BEIJING must become

(1) a model in public security, social order and moral standards for the whole country and one of the best in the world;

(2) a first-rate modern city with a fine environment, high standards of cleanliness and good sanitation;

(3) the nation's most developed city in culture, science and technology, with the highest educational standard in the country; and

(4) a city with a thriving economy, providing its residents with stability in life and all kinds of conveniences.

(8) Deterioration of the Environment. Trees in the countryside have been felled in large numbers and 400 hectares of greens in the city area have been relegated to other uses; large amounts of waste water discharged daily into rivers have contaminated them; large amounts of sulphur dioxide discharged in smoke and fumes from factory chimneys and household stoves have caused serious air pollution.

According to Niu Deming and others of the Beijing Municipal Bureau of City Planning, these problems were immediate consequences of the overproportionate share of heavy industry in its economy, which is as high as 44.5 per cent and exceeds that of Tianjin and Shanghai. Over the last three decades Beijing's heavy industry investments were more than seven times as many as those in light industry, which is inconceivable in foreign capitals. If Beijing's heavy industry is allowed to go on developing, the contradictions are sure to become more acute.

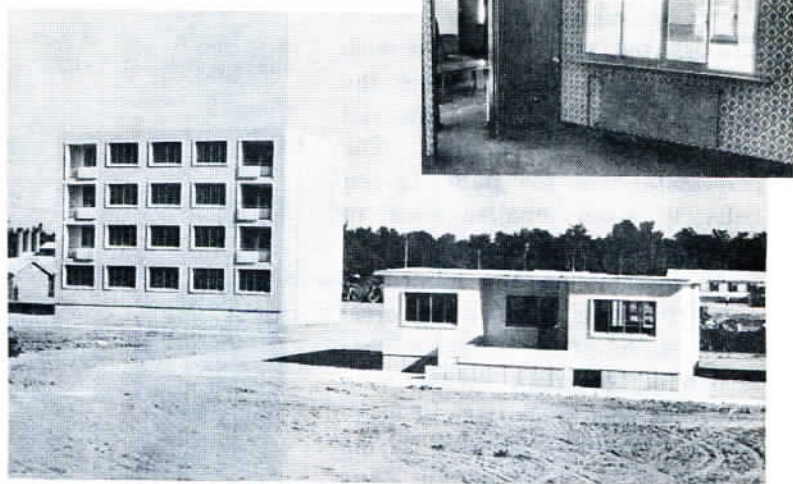
An article by a local inhabitant signed Shi Dong recalled how 20 years ago the former Beijing municipal Party committee in a long-term planning envisaged green belts in the city area taking up 40 per cent of the land area and an average of nine square metres of housing space per head. The planning, however, was dismissed as "revisionist" in the ten catastrophic years. Long-term planning became a scheme on paper and planned city construction was suspended and gave way to mounting anarchism.

The author cited the residential district outside Jianguomen as a case in point. There, due to lack of overall planning, the district is crammed with houses, both multi-storied and one-storied buildings with no space for green belts. Walls crisscross the place, and the roads there are a labyrinth.

Suggestions

Chen Kehan in his article put forward his ideas on how to quickly change the look of the capital:

Strict control over population growth. At no time should the population exceed 10 million.



The exterior and interior of houses built in Beijing with light experimental building materials.

The rate of natural population growth in Beijing as a whole was already reduced to 7.75 per thousand in 1979, and it was 5.8 per thousand in the city area. Family planning will be given continued attention in order to further decrease the rate of natural population growth.

Shift in major investments. The principle of readjusting, restructuring, consolidating and improving the national economy should be implemented in real earnest. The key investments in construction should be gradually shifted from industry to landscaping, public utilities, to science, culture, education, public health, tourism, the service trades and environmental protection. In the next five years, we should concentrate our efforts on building houses, complete with installations needed in people's daily life.

Developing commerce and the service trades. Now that state-owned commerce is in an overwhelmingly dominant position, we should develop collectively owned commerce and service trades and allow individuals to go into business. There should be more commercial and service establishments and more people working in these trades. The quality of service should be improved and the service workers should know better how to serve customers, know the specifications of the goods on sale and learn 'good manners. For this purpose, a number of commercial schools should be established and run well.

Villages in the suburban areas should engage in afforestation in a big way, develop a diversified economy and operate as bases supplying non-staple food. In mountain areas,

(Continued on p. 26.)

*Economic Reform***A "Dragon" of Farming, Industry
And Commerce**

by Our Correspondent Luo Fu

How is China to develop its socialist economy? Measures held "axiomatic" and "sacrosanct" in the past — were they always correct and effective? People in this country are emancipating their minds, and are becoming clearer about the need for reforms in their economic endeavours as they boldly feel their way forward.

At this moment conditions for a radical change in China's economic structure are not yet ripe, but reforms being tried out in many parts of the country have already yielded initial results.

A case in point is that of enterprises integrating farming, industry and commerce on the state farms. This new structure — graphically referred to as "a dragon" — hooks up production, processing and marketing to form an integrated whole.

State Farms Operate at a Loss: Why?

AGRICULTURE in China is made up of two parts: mainly the people's communes, collectively owned and embracing the nation's 800 million peasants, and state farms.

The whole country has over 2,000 big or medium-sized state farms with 4.2 million hectares of farmland and 4.8 million people on their payroll. State farms in our country, with better machinery and equipment than the communes, should have contributed more to the development of agriculture. But what has happened in the last dozen years or more is quite the opposite, with most of our state farms in the red and the state obliged to subsidize them to keep the pot boiling. The immediate cause for this was the

ten years of turmoil in the Cultural Revolution. But the irrational economic structure

and managerial system are other factors which have seriously held back the development of the state farms.

With the preliminary reorganizing of these farms in the last two years, the situation has taken a turn for the better. This can be indicated by the figures below:

- In 1978 state farm and land reclamation departments throughout the country suffered a loss of 90 million yuan;

- Whereas in 1979 they made a profit of 300 million.

Reforms in the economic structure in particular had a lot to do with this phenomenal change.



Every year state farms in the Shihezi reclamation area in Xinjiang sell large amounts of grain to the state.

The Chinese economy is a socialist economy founded on the public ownership of the means of production. Accordingly, it can be regulated through state planning to promote economic development. But at the same time the state plan cannot possibly be made all-inclusive because of the great complexity of economic activities, the more so in a big country like ours.

Restrictions and Restraints

One serious shortcoming of the existing Chinese economic management is over-concentration of power, as enterprises do not have the right to run their own business. The state plan takes care of too many things and exercises an excessively rigid control. This stifles the initiative and creativeness of these enterprises.

Under the present system, emphasis is laid on following directions in the form of administrative orders from above, instead of running things by economic means. Take the state farms in Chongqing for instance. They are placed under the leadership of the Municipal Bureau of State Farms and Land Reclamation, with the Sichuan Provincial Bureau of State Farms and Land Reclamation at its top. As often as not, the leading departments provide state farms with detailed plans on what they should grow and decide the acreage under cultivation. One director of a state farm once complained that he had to seek approval from his superior even for the construction of a public latrine only 20 square metres in size. Needless to say, it would be even more difficult if a state farm wished to open up new branches of production, or to diversify its economy by taking advantage of local conditions and operating according to particular seasons.

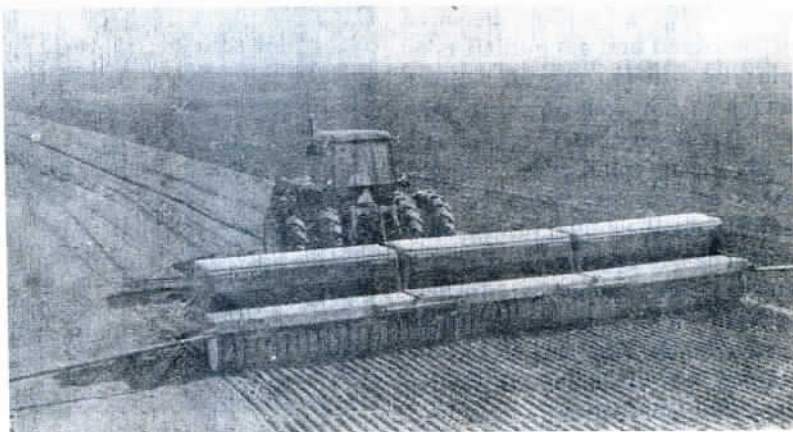
There are almost insurmountable barriers between one economic department and the other. Farming, industry and commerce belong, of course, to different administrative departments—a farm produces, an industrial department handles processing, and marketing is the business of a commercial department. No joint ventures are allowed between units of different types of ownership (a state farm, for instance, is a state enterprise owned by the whole people, whereas the communes around it are collectively owned). And so on and so forth. The result: the inner ties in economic activities are often artificially cut off, giving rise to many abuses. For instance, perishable goods, like fruit and freshwater fish, are left to rot when a disconnection between production and marketing occurs, as the farm is not allowed to process its own produce. So the farms receive no increased income from increased production.

For quite a long time state farms have been allowed to engage only in the production of primary farm produce. The "price scissors" left by the old society in the exchange of industrial goods for farm products has been gradually narrowed in the last 30 years since the founding of the People's Republic,

but to this day it still presents a rather wide gap. Here, let us cite an example in daily life. During the tomato season in Beijing, one can buy five tons of tomatoes at the price of a locally made 12-inch black and white television set. The farm's earnings are insignificant. One state farm director in Chongqing once made a thought-provoking remark: "We belong to a 'third world' in the 'third world.'"

The rural people's communes have similar problems. Although for many years it has been stressed that the communes and production teams should develop a diversified economy, establish small industrial plants and accumulate funds to stimulate agricultural production—and this has been done in some places with marked achievements—the initiative of the peasants as a whole has been stifled by many restrictions and restraints.

Over the last year and more, the state has adopted a series of measures for the countryside to protect the communes' and production teams' right of ownership and self-management. These measures include an increase in the purchasing prices of farm products, encouraging a diversified economy and developing production according to local conditions. These measures have already shown initial



The Friendship Farm in China's northernmost Heilongjiang Province.

results. One marked example is that beginning this year, pork and eggs which for many years were rationed in urban districts are now off ration and in ample supply. In some places, the supply is so abundant that the urban population cannot consume them all (this of course has something to do with our people's limited purchasing power, not a matter of "overproduction") and measures have to be taken to encourage the rural population to eat more pork.

Many restrictions and restraints are still there and so further emphasis should be put on "less rigidity in policy."

"Emancipation of the Mind"

In the last two years, a discussion has been going on in our country on the thesis that "practice is the sole criterion in testing truth." People in all trades and professions are now reassessing old principles and policies according to the yardstick of success or failure over the years. Methods that have been proved outdated or wrong are abolished, especially certain ultra-Left practices that once sounded so revolutionary.

In summing up experience, people on state farms too recognize the necessity of breaking away from irrational restrictions and restraints. It has been pointed out that as early as the 1950s, the state farms in the Xinjiang Uygur Autonomous Region in northwest China already started running business which integrated farming with industry and commerce. They reclaimed 940,000 hectares of land, and established or opened up over 100 industrial plants and mines as well as a large number of shops. Their projects flourished. Why can't this be restored and developed?



Many state farm workers are young middle-school graduates like these in the picture.

Now that the day of our country's isolation from the outside world is over, people are able to broaden their vision and begin drawing on and using the good experience of other countries. Yugoslavia's Beograd Agricultural Combine in Belgrade has aroused tremendous interest.

Thus begins the government-approved experiment in linking up farming, industry and commerce into a single "dragon." In 18 months, altogether 160 such integrated enterprises have been established by state farms in 27 provinces, municipalities and autonomous regions. After months of practice, production has gone up and many farms are making profit.

The Socialist Road

On the face of it, these reforms resemble in some way measures taken in capitalist enterprises where the accent is on economic results and profit, and the market mechanism is used. But, essentially, under China's socialist system, labour power is not allowed to become a commodity, nor is money allowed to become private capital. All the reforms in this country are

taking place under three socialist principles as the preconditions, namely, public ownership of the means of production, abolition of exploitation and distribution according to the amount of work done.

When a farm makes money, the first beneficiary turns out to be the state which gets an increase in tax revenue, next is the farm itself as a collective which succeeds in accumulating more funds for expanding the scale of production and field of operation. Finally, the labourers themselves also receive an increased income. The means of production remain in the hands of the public, not the wealth of any private individual, and herein lies the essential difference from what is practised under capitalism.

Here, regulating production by the market is not exactly the same as introducing a market economy; it is a combination of regulation by planning and regulation by the market with the former playing the main role. It is true these integrated enterprises have been given more rights to handle their own business, but they are free to do so only when they abide by state

policies or decrees and have fulfilled the state plan. This is designed to avoid out-and-out profit-seeking and anarchy in production.

Just the Beginning

The reforms that have taken place in some of our state farms have already demonstrated their vitality and this is only a beginning. Contradictions, however, still exist between the integrated enterprises of farming, industry and commerce on the one hand and the entire economic structure on the other. The ultimate way to resolve them is to reform the economic structure as a whole.

The resistance met in the course of reform comes primarily from ideological inflexibility and the force of habit. In Sichuan Province, when street vendors started selling ice cream made by the Chongqing Integrated Company, an official in charge of cold refreshments in the municipality came along, sat down on top of an ice-cream container, and stopped the sales on the ground that under the old regulations, a farm was not allowed to make ice cream, still less sell it. The dis-



A tea plantation in May.

pute dragged on until a deputy mayor of the city intervened in person. In the interrelations between the various economic departments, there are also numerous problems that need to be studied and solved.

Vice-Premier Zhao Ziyang, one time secretary of the Sichuan provincial Party committee, put down the following principle for guiding economic reform: emancipate the mind, adopt a less rigid policy, and run the economy in a flexible way. "We shall unswervingly keep to this road of reform," he stated recently.

The Chongqing "Dragon" Is the First to Take Off

GREY-HAIRED Wu Yueshan, who is manager of the Changjiang Integrated Farm, Industry and Commerce Company in Chongqing, will be 60 next year. The moment I made his acquaintance, he was heard complaining: "You know, I'd been in charge of the Municipal Bureau of State Farms and Land Reclamation for more than a dozen years. And at the end of every year, farm directors under the bureau

without fail would send in their letters of self-criticism because of the losses their farms had suffered. Based on these letters, I in turn invariably sent in my own letter of self-criticism to my superior together with an application for a state subsidy. Life was just hell!" I wondered if much of the grey in his hair is attributable to all this.

Chongqing on the upper reaches of the longest river in

China, the Changjiang (Yangtze), is a beautiful mountain city and also the largest in China's southwestern province of Sichuan.

Crisis on the Farms

Wu's Changjiang Integrated is the successor to the old municipal bureau of state farm and land reclamation, comprising 22 dairy farms, two specialized companies (one dealing with milk and the other with building), a tea processing plant and a farm machinery works. The whole company has altogether 9,000 people on its payroll, 270 hectares of farm land, another 1,000 hectares of orchards and tea plantations, plus 4,700 hectares of water area for cultivating aquatic products.

Its main business is to produce milk, fruit, tea and freshwater fish and to handle their products. The industrial plants under it are so fast developing that their output value now accounts for three-quarters of the company's total.

Formerly some of these farms were estates owned by landlords or capitalists and were transformed into state enterprises after liberation, while a greater number were built on wasteland, which in-

cluded two deserted airfields, later reclaimed. They are scattered all around the outer suburban areas of the city.

These farms, built up one by one in the 1950s, all had the same rigid managerial system, but in general fulfilled the production tasks which the state had entrusted to them, providing non-staple food for the urban population. Then, in the next 11 years beginning 1966, production plummeted year after year, culminating in a total loss of 24.6 million yuan.

Manager Wu sighed: "What were the reasons for these losses? One major cause was the turmoil stirred up in the Cultural Revolution. Another was the old managerial system, which was quite a problem. In those years, our farms were allowed only to turn out primary farm produce, not to process or sell them. The age-old price gap between industrial and agricultural products, with prices of farm products comparatively low, sometimes left us without even enough money to pay our workers and we could only keep things going with subsidies from the state."

As enterprises, Wu added, these farms were not free to run things as they saw fit. Their products were all purchased by state commercial departments for unified sale; plans for production and management were set by higher-level administrative departments on an overall basis without the participation of the farms. When they made a profit, they had to hand it over to the state in full and the state also undertook to cover all losses. Besides, the trend of absolute equalitarianism that prevailed at the time undermined people's enthusiasm for production, be-

cause whether one worked well, poorly or not at all, he got paid just the same. It is no exaggeration to say that our farms then were facing a crisis.

On the Turn

In September 1978, on his way back from a European tour, Party Chairman Hua Guofeng stopped over in Xinjiang in northwest China to inspect state farms in the Shihezi reclamation area. On that occasion he suggested establishing some enterprises integrating farm, industry and commerce on a trial basis. Soon afterwards, a government decision on this matter was made and the Chongqing farms were listed among the experimental projects.

To speed up the development of the farms into integrated enterprises, the government decided to give them additional, long-term loans at a low interest and in the five years up to 1985 these enterprises are "to keep independent accounts, take care of their own profits and losses, neither handing over the profit made nor receiving compensation for their losses."

In this way a start was made in managing enterprises by economic means rather than by the old method of administra-

tive regulations.

The Changjiang Integrated, in turn, holds the specialized companies, farms and units under it responsible for their own profits and losses. A unit which has made a profit as planned, while handing 50 per cent of it over to the company (mainly as funds for the development of the company as a whole), is entitled to keep the other half. As for the profit made outside the plan, it needs only to transfer 20 per cent of it to the company and keeps the rest for itself—for expanded production, its employees' welfare, bonuses and other expenses. This has spurred on the units below to run their business well, producing more and making more money; this has proved to be a boon to all concerned: the state, the collective and the individual.

Over the last year, the company also rearranged its inner economic structure to set up several forms of economic organization integrating farming, industry and commerce. For instance, a company processing and selling milk products was merged with two dairy farms to integrate production with processing and marketing. All farms and processing plants

Before and After Formation of Changjiang Integrated

(In terms of yuan)

	Tax paid to the state	Losses	Profits	Average monthly wage per worker	Average year-end bonus
1976	460,000	3,470,000		40	
1977	700,000	1,460,000		45	
1978	980,000	—	40,000	50	50
1979	1,250,000	—	1,700,000	53	74



One of the 40 kiosks owned by the Chongqing Integrated selling its own products.

under the company now co-operate with each other according to contracts signed between them. Their co-operation is based on the common economic interests and mutual benefit of the productive units concerned. This way of doing things differs from the past when everything was done at the beck and call of the administrative unit above.

Fewer "Middle Men"

Another major reform was to reduce the transactions between the producer and the consumer to a minimum. What was all this about? The point was explained by Chen Yixuan, secretary of the Party committee of the Hongqi Farm, which grows oranges and tangerines.

In the late autumn of 1977 he and Su Muiyi, farm director, found themselves standing before baskets upon baskets of tangerines, not knowing what to do with them. That year their farm had the biggest harvest in ten years — 60,000 kilogrammes of oranges and tangerines as against 20,000 in the previous year. The farm

workers, however, were indifferent, because good harvest notwithstanding, all profit had to go to the department above. What worried the secretary and the director was that state commercial departments were the sole purchasers of these tangerines and the farm itself was not allowed to sell them or to make canned tangerines or orange juice in order to preserve them. If the purchasing station did not send people down in time, the tangerines had to be left there to rot (in that year, one-tenth or over 6,000 kilogrammes of them rotted). When the purchasing agent came, he paid 0.36 yuan for one kilo; the tangerines

were then transferred to the county supply and marketing co-operative for further shipment to the municipal co-operative which in turn distributed them to the district citrus fruit company before they were delivered to the fruit stores for sale. Every transfer involved a few fen (one fen is one-hundredth of a yuan) of commission for each kilo of the fruit. So when it finally reached the hands of customers, the price had gone up to 0.60 yuan (60 fen) per kilo. Usually there were four to five such "middlemen" operating between the producer and the consumer and they are the people who are now being bypassed.

The tangerines, before the reform, partly rotted or suffered damage during such "a long journey." This, plus the miscellaneous expenses for storage and transportation, took up the difference between the purchasing price and the marketing price (24 fen per kilo) and prevented it from going to the farm or its workers or the state coffer in full as profits made by the commercial departments. It was just wasted.

Today, an integrated company is free to market its own products and process them. But this does not mean that the state commercial departments



A 24 h.p. motor boat built by the fishing establishment of the Lake Longevity Farm.

are no longer needed. As explained by Zhang Haiding, the deputy mayor of the Chongqing municipality in charge of finance and trade in the agricultural department, "our state commercial departments will continue to play an important part in purchasing farm and sideline products and in facilitating the exchange of goods between the city and the countryside. However, since China is such a vast and populous country, it is impossible for the commercial departments to take care of each and every product."

Other Reforms

The establishment of the integrated company has paved the way for other related reforms.

Specialized Production. Specialization brings about a marked increase in labour productivity. After the merger of the milk company with two dairy farms, for instance, with the former engaged solely in processing and the latter in cattle breeding, milk output of the two farms in the first quarter of this year increased 20 per cent as compared with the corresponding period last year. The two farms, moreover, transferred 21 workmen whom they now could spare to the milk company, making it possible to resume production at the starch workshop which had suspended production for many years, and to establish a new bakery. The milk company last year made a profit of 770,000 yuan, an 80 per cent increase over that of the previous year. It now supplies 70 per cent of the city's total milk consumption.

Comprehensive Business Operation. Many farms are now linked up by contracts to handle products in a comprehensive way. Take tangerines for instance. Whereas in the



An eatery run by a local state farm. On its menu there are 12 different dishes, two soups and several brands of wine to choose from.

past a farm could only sell fresh tangerines to state commercial departments and often suffered losses, it now can market them itself, keep them in its own storage, or can them while orange peels and pith may also be sold for making traditional Chinese medicine. This makes it possible for a farm to receive an income of 2,200 yuan for every ton of oranges and tangerines canned, with a net profit of 300 yuan per ton, which is several times greater than what it was. Generally, every yuan of tangerines thus processed can realize five to six yuan in output value. In other words, this comprehensive way of doing business has channelled back to the farm a considerable part of the profit derived from the processing and sale of produce, thus boosting the farm workers' enthusiasm for production.

Marketing by the Producer. Today, a farm may market its products in other provinces after it has sold commercial departments the amount required by the state plan. Last year, when the integrated company had just been initiated, there were 28,000 kilogrammes

of *tuo cha* (a brand of Yunnan tea) considered as slow-selling or unmarketable and rejected by the commercial department concerned. Now that the integrated company was in a position to market its own products, it sent its salesmen to other provinces. They found this brand of tea not only popular among herdsmen in the northwest but it also sold briskly in cities in other parts of the country because of its efficacy in reducing blood cholesterol. Its salesmen thus came back with a 20,000 yuan profit, plus more contracts for buying this brand of tea that year.

To date, the Changjiang Integrated has set up 40 outlets of its own all over the city of Chongqing. Some of the farms under it have opened small restaurants each with a dozen or so dinner tables. Because more food is sold with less profit, because business hours of these restaurants are long and because all the ingredients in the dishes are fresh from the farm, they attract many customers.

Right of Self-Management Expanded. Thanks to the measure

allowing it to keep part of the profit it has made, the integrated company over the last three years has saved 3.24 million yuan. Now it is entitled to use its fund effectively according to actual needs and does not have to apply to the organ above for each and every appropriation. The company now spends 73 per cent of the money on expanding production and 26 per cent on awards and bonuses for its workers and staff members.

It now also can use a certain amount of discretion in personnel affairs. In the past when his farm planned to build a fish pond with an area of 2.5 hectares, said Liu Guochun, director of Lake Longevity Farm, it had no work force, so it had to apply for surplus labour force in the city through the Chongqing Municipal Bureau of Labour. But his farm is 130 kilometres away from the city centre and is separated by two hills; few city people would care to come. Now the farm needed only to sign a contract with a nearby production team and peasants were sent over in the slack farm season to build the fish pond

at the cost of 20,000 yuan. Both parties were happy over the arrangements, both benefited.

With more right of self-management, farms can operate according to economic benefits and are no longer obliged to mechanically carry out orders from above. Director Liu said: "There are 100 big and small islands on Lake Longevity, most of them still lying waste. These islands are suitable for growing summer oranges, as we have known all along, but our superiors in the first year told us to grow reeds, in the second, mulberry trees and in succeeding years told us to grow maize, sugar cane, coffee . . . a dozen changes in a dozen years, and without any success. Now we are free to exploit the local conditions properly by growing summer oranges.

Distribution According to Work Done. After the establishment of the integrated company, the farms introduced the practice of "three fixed items and one cash award" to units under them. This means a fixed production task, fixed cost and fixed

amount of income; when the income is larger than the fixed amount, a certain percentage of the surplus can be kept by the unit concerned and if the income falls below the fixed amount, the unit will be penalized on the merit of each case. This is a way of implementing the principle of to each according to his work and rectifying the erroneous tendency towards equalitarianism in the distribution of income.

In the past, no one was interested in the financial and production plans made public by the units concerned. But today they evoke warm discussions at the workers' meetings because they now have a direct bearing on the interests of the unit concerned and every worker there.

Other Possibilities. With the increase of labour productivity, the farms are also exploring other ways to find outlets for their surplus labour power.

The integrated company has brought together all the building workers belonging to various farms, plus the surplus labour force after the restructuring of the farms, to form a company of building contractors for engineering projects. Last year the building company, with 400 workers, completed contracts worth 800,000 yuan and this year, now with a work force of 700, it has signed more contracts with units in other places, worth 4.8 million.

The integrated company now plans to build a hotel near the new Changjiang bridge in Chongqing. More hotel accommodations are needed, as more and more tourists, domestic and foreign, are coming to visit Sichuan, and many people, after touring Chongqing, want to take a boat down the Chang-



An orange orchard on an islet on Lake Longevity. The Lake Longevity Farm now cans its own citrus fruit. (Inset)



Motor vehicle maintenance man Wang Kunming of the Lake Longevity Farm and his family after work.

jiang River through the spectacular Three Gorges.

The consensus is that an

integrated enterprise should continue to stress the development of farming, animal husbandry, fishery and related

processing and marketing business, and not divert farther to other trades, because otherwise it would break away from the original purpose of these enterprises, namely, to reinforce farming.

Helping the Production Teams. Farms and processing shops under the integrated company are beginning to form ties with production teams in the rural areas on the basis of voluntariness and mutual benefit. The former give economic and technical aid to help the latter develop agricultural production.

The Hongqi Farm, for instance, was the first to form a tie with its nearby production teams growing citrus fruit. Peasants, under a signed contract, sell oranges and tangerines to the farm at a price

What They Say

• Tan Qilong (the new secretary of the Sichuan provincial Party committee): "Establishing integrated enterprises of farming, industry and commerce is the orientation for farms all over the country. You people should run them well to set an example for others." He said this at Jinyunshan Farm on the first day of his arrival in Chongqing.

• Wu Yueshan (manager of the Changjiang Integrated Company who has been commended by the Ministry of State Farms and Land Reclamation): "To keep this 'dragon' very much alive, there are many things that need to be done, such as putting rules and regulations on a sound basis, democratic management and expanding the scope of operation. Difficulties are many but I have confidence in the endeavour."

• Liu Shunan (director of May First Farm): "I feel that my burden is heavy, now that all farms are to be responsible for their own profits and losses. I am responsible for what wages are paid to 140 workers and staff members. But our farm now also

has to a certain extent the right of self-management. As long as I take the lead in doing a good job, we can surely run it successfully."

• Li Ke (an industrial worker on the farm): "I'm all for the principle of to each according to his work. It arouses the workers' enthusiasm. I earn more when I work more; I'm proud of this because I've also done my part in increasing production."

• Li Bing (farm worker, 20): "I'm new here, earning 35 yuan a month. After the establishment of the integrated company, each unit under it gives out bonuses in different amounts, depending on how successful the business is. This is a break from the old convention under which a farm worker invariably earned less than an industrial worker. I do my work quite well. Last year I got 140 yuan in cash awards; with it I bought a wrist-watch and sent the remaining 40 yuan to my mother."

• Ran Leilei (woman accountant of Lake Longevity Farm): "I have an aversion to red ink; every year in the past, our farm lost money and I always had to

make entries in red. Since last year, I've been using black ink instead and I'm so happy about it!"

• Xia Honghe (woman customer of the Fish Village Restaurant run by Lake Longevity Farm): "I'm an electrician working at the nearby vinylon plant. In the past at lunch-time my children and I had to make do with a cold bun and salt pickles. Now every day at noon I can buy hot rice and dishes at this restaurant to take home. I hope the integrated company will continue to run restaurants like this."

• A peasant living in the vicinity of the Hongqi Farm: "The farm has signed a contract to purchase our oranges and tangerines and it pays us more than the regular price outside. It also sends technicians to help us raise output. This integrated company is fine."

• A clerk working at the citrus fruit purchasing station under the state commercial department of Baxian County: "For 30 years, tangerines could not leave the farm without a paper marked with the stamp of our purchasing station. This 'dragon' has actually made our stamp worthless."



The Lake Longevity Fishery has a research institute. The researchers there take a strong interest in the life cycle of a kind of fish (*Acipenser Sinensis Gray*) known as the "living fossil" which has managed to survive in the last 100 million years and more.

slightly higher than the price paid by the commercial departments.

Last year, in a matter of a

few months, the 50 production teams economically united with the Changjiang Integrated made a gain of 45,000 yuan; thus, by

July this year, the number of production teams joining the economic union had increased to 800 (each with about 200 members).

The union now takes various forms. Both the Changjiang Integrated and production teams may contribute products, capital, manpower, equipment, land, etc., as investment in the joint venture. They operate jointly in production, processing and marketing and each gets its share of profit. Production teams also become stockholders of the company, entitled to elect people to sit on the board of directors, which appoints the manager, decides on the distribution of profit, and maps out production and financial plans. All signs point to the fact that integration of this kind holds great promises in speeding up the nation's agricultural development. □

(Continued from p. 16.)

trees of economic value such as walnut, chestnut and spice should be taken good care of, and more groves cultivated.

Many undertakings should be open to society as a whole. There are 41 hospitals with nearly 10,000 beds belonging to government institutions, units of the armed forces and enterprises open exclusively to their own people; thus the rate of utilization is rather low. Some of these should be made to serve the general public as well. Lorries owned by government institutions and enterprises should be transferred to the municipal transportation company for unified control to raise efficiency in transportation. Various service companies should be established for the maintenance of plumbing systems, doors, windows, furniture and other fixtures.

Niu Deming and others of the City Planning Bureau suggested that more efforts should be made to develop light industry and promote tourism. They pointed out that light industry needs less land space and consumes less water while yielding quicker returns. In 1978 Beijing's

light industry had a 66 per cent share in the volume of its foreign trade, which speaks for the better economic results of the development of this industrial branch.

As an ancient city of culture, Beijing's numerous scenic spots and historical monuments should be turned to good advantage to expand the tourist industry.

Meng Zhiyuan, Deputy Director of the Municipal Bureau of Environmental Protection, stressed anti-pollution. The four main points he suggested are:

(1) Rearranging the industrial layout in the light of the capital's special features. In future, no more new enterprises contaminating the environment should be built.

(2) Developing clean fuel and expanding the area of central heating to reduce air pollution.

(3) Tightening city control over domestic and industrial waste water which should be treated before discharging into rivers or irrigating farmland.

(4) Enforcing the environmental protection law. □

MEDICINE

Early-Stage Liver Cancer

Chinese doctors have found that alpha fetoprotein (AFP) examination is a relatively simple and effective method for the detection of early-stage primary liver cancer. This was backed by findings performed on 5 million of the natural population. Coupled with the use of arteriography, tumour nodules smaller than 5 cm. in diameter have been accurately detected. Early detection, early diagnosis and early surgical treatment combined with administration of traditional Chinese and Western medicine have a favourable effect on long-term survival.

Primary liver cancer is a prevalent cancer in China killing about 100,000 each year, and ranking third in male and fourth in female incidence of cancer. The incidence is five to ten times higher than in Western Europe and North America.

Descriptions similar to liver cancer manifestations can be found in the Chinese medical classic *Nei Jing* (Manual of Internal Medicine), written some 2,000 years ago. Other classics also listed medicinal herbs employed to treat the disease. Before the country's liberation in 1949, very little study was made

on treating primary liver cancer. After 1949 high priority was given to research on combating this disease. Clinical observations were begun in the 50s. In the 60s, China was the first to establish human liver cancer cell lines and records were kept of experience in 130 surgical resections for liver cancer, one-half the world's total at that time. In the early 70s, a summary was made of some 3,000 clinical cases and a map made of the geographic distribution of liver cancer in China based on a retrospective mass survey of mortality in the whole country.

As data from high incidence areas indicate that liver cancers are linked to B-type hepatitis, aflatoxin (fungus toxin) contamination and in the rural areas to contamination of drinking water, appropriate preventive measures were worked out and adopted.

Every effort has been made in China to provide early detection, diagnosis and treatment of liver cancer. Since 1971, repeated experiments have led to the discovery of changes of AFP content in the blood of early-stage patients and criteria have been made for the diagnosis of malignant liver tumours. Over 1,000 cases of liver cancer were detected by AFP examination of

5 million natural population and hepatitis patients, of whom 400 were without any symptoms and signs. Many cases were discovered eight months before symptoms occurred.

Early detection has provided more opportunities for treatment and resection of small liver tumours, with much better results. China has kept more than 100 follow-up cases of resection of small hepatocellular carcinoma, and the 5-year survival rate is a favourable 50 per cent. A number of patients after resection have been back to work for several years.

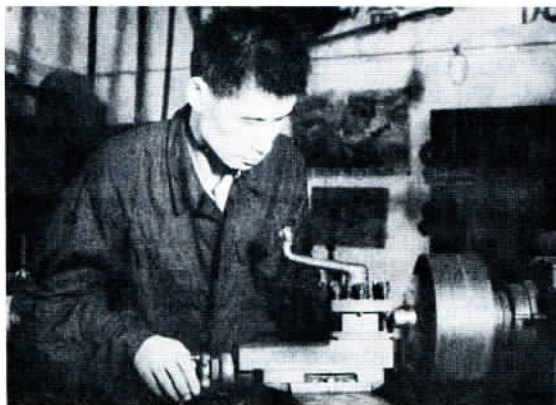
Efforts to further improve the ultimate outcome of surgical resection led, in 1978, to the first "bloodless operation" in China, an operation, with or without hypothermic perfusion, for resection of tumours closely related to large vessels. Cryosurgery for liver cancer using liquid nitrogen (-196° C) is being developed as well as lasers to vaporize the tumour.

CULTURAL RELICS

Protecting Historical Sites

At a recent national conference on protection of cultural relics, a report was made on measures for protecting the 3,000-year-old capital of Lu State near Qufu in Shandong Province.

This capital thrived for almost 800 years during the Zhou Dynasty (11th century-256 B.C.) It covers an area of about 17.5 square kilometres. The present county seat of Qufu, birthplace of Confucius (551-479 B.C.), is in the southwestern part of the capital. In 1961, the State Council listed



An early-stage liver cancer patient working five years after operation. His tumour was detected during a mass screening.

this capital as an important cultural site under special state protection.

It was reported that the city walls, stretching 11.5 kilometres, had 11 gates and were surrounded by moats. Inside the city the foundations of palaces and seven large groups of buildings can be made out, as well as cemeteries, an ancient river course, ten roads, work-sites for smelting iron and casting bronze, and shops for making bone and bronze objects. Surveying done in 1977 and 1978 helped determine the boundaries of the key area under protection.

A projected railway across the old capital will bypass it instead, according to a decision by the Ministry of Railways. A plan for developing Qufu into a bigger tourist city is being revised in the light of surveying results for better protection of the old capital's 15 key spots. In 1979 the State Administrative Bureau of Museums and Archaeological Data approved the boundaries of the protected key area.

Another report was made on the maintenance and restoration of the Buddhist Baoguo Monastery building at Ningpo in Zhejiang Province.

Its main hall, a wooden structure built in 1084 during the Northern Song Dynasty (960-1127), is located on a hill a dozen kilometres west of the city. One of the oldest extant wooden buildings south of the Changjiang River, the spacious hall is a model of ingenious structural engineering. It has double eaves and gigantic decorative brackets.

The monastery underwent extensive repairs in 1975 and is in good condition today. The renovators tried in every possible way to retain the building



The 1,600-year-old Tanzhe Monastery on the outskirts of Beijing is now being renovated.

components typical of the Northern Song period. High polymer chemicals were injected into the wooden beams and pillars to strengthen and preserve them. The wooden components, first treated against termites, were then coated with tong oil mixed with red pigment as a protective agent and also a means of retaining the flavour of antiquity. A bell and drum tower and the celestial guardians hall were also repaired in 1975.

In 1961 the State Council listed 180 monuments and cultural sites for special protection. They include grottoes at Dunhuang in Gansu, Yungang in Shanxi and Longmen in Henan, the stone gate towers of several Han Dynasty tombs in Sichuan Province, Imperial Palaces in Beijing and Shenyang, parks and gardens such as Beihai Park, the Summer Palace in Beijing and ancient gardens in Suzhou, tombs of emperors including those of Qin Shi Huang, founder of the Qin Dynasty (221-207 B.C.), Emperor Wu of the Han Dynasty and Emperor Taizong of the Tang Dynasty, the Ming Tombs and the Eastern and Western Qing Tombs. In addition, there are two important stone monuments recording the history of Yunnan Province.

Offices for supervising maintenance have been set up at

most of these cultural sites. And for a number of them, research institutes and museums have been established.

The Imperial Mountain Resort of the Qing Dynasty at Chengde in Hebei Province, one of the biggest palace parks in China, has a team of 300 maintenance workers. This 560-hectare park is bigger than Beijing's Palace Museum and Summer Palace combined. It was built between 1703 and 1790.

The main buildings of the Chengde mountain resort, including the "Eight Outer Temples," have been restored to their original splendour. The resort is now open to visitors.

A plan has been worked out for the protection of a tomb constructed in the early years of the Western Han Dynasty (206 B.C.-24 A.D.) for the Prince of Yan. A museum will be built for displaying the cultural relics unearthed there. The prince was buried with five coffins and two outer coffins, the outside one built with over 15,000 rectangular blocks of aromatic cypress wood. The tomb is located in Guogongzhuang Village, 15 kilometres from the city proper of Beijing, where excavation work was carried out from August 1974 to June 1975.

BOOKS

Compendium of China's Student Movement

History of the Student Movement in Beijing University (1919-49)

《北京大学学生运动史 (1919—1949)》

By an editing group of the History Department, Beijing University;

Published by Beijing Publishing House;

Distributed by Beijing Xinhua Bookstore;

Renminbi 0.79 yuan.

This is the first book to be published in China on the Chinese student movement in the new-democratic revolution.

Beijing University, set up in 1898, has a glorious revolutionary tradition and is one of China's oldest universities. At the time of its founding it was called Jingshi College.

Early in 1916, Cai Yuanpei, a well-known educationist, was appointed president of the university. He ushered in a new trend of academic freedom. This gradually developed into the university's tradition of seeking democracy and truth.

Mao Zedong, Li Dazhao and Chen Duxiu, three founders of the Chinese Communist Party, once worked there. In the 1920s the university was an important centre from which the Communist Party (founded in 1921) and the Communist Youth League carried out their activities in north China.

The book, divided into eight chapters, describes the student movement in the university during the 30 years between the May 4th Movement in 1919 and the nationwide liberation in 1949. The first chapter deals

with the May 4th Movement, an important anti-imperialist and anti-feudal movement in Chinese history. The train of events, starting in Beijing University, was set in motion under the impetus of the Russian October Revolution. At that time, the Chinese Communist Party had not been founded, but there were large numbers of intellectuals who had the rudiments of Communist ideology and supported the October Revolution. The movement laid the ideological groundwork and trained large numbers of cadres for the founding of the Communist Party of China.

The book records in detail the course of the May 4th Movement, its historical background and its consequence — the propagation of Marxism in China and the integration of intellectuals with the workers' movement. With the founding of the Chinese Communist Party, the student movement in Beijing University entered a new stage.

The book also describes the subsequent important student movements. Among them are the December 9th Movement in 1935 to fight against Japanese imperialist aggression and for national salvation, the December

1st Movement in 1945 (after the victory of the War of Resistance Against Japan) against civil war and for democracy, and the anti-hunger, anti-civil war movement during the War of Liberation in 1947. Beijing University students were involved in all the large-scale student movements in the 30 years before 1949. So, while describing the student movement at the university, the book also gives a brief account of the student movement in China as a whole. Therefore, although it is about the student movement in one university alone, it is also a description, in miniature, of the countrywide movement.

Throughout the book runs the idea that the student movement is part of the movement of the whole people and, at the same time, organizer of the latter. An upsurge of the student movement inevitably leads to an upsurge of the people's movement. Many of the student activists who emerged in the different historical periods plunged into the fiery struggle for national liberation. Before the nationwide victory, patriotic students never ceased their struggle, and they dealt heavy blows to the Kuomintang reactionaries. In 1947, Comrade Mao Zedong called the student movement in the KMT-dominated areas the "second front."

In preparing the book, the editors made a careful study of various related documents and consulted archives dealing with the suppression of the student movements by the Northern Warlord regime and the Kuomintang government. Visiting many comrades who either led or took part in these movements, they gathered much valuable information not available in documents. After being revised many times the book is off the press at last.



● **China Red Cross Society Revives Its Work**

The China Red Cross Society has revived its branches in 14 provinces and municipalities and in the Guangxi Zhuang Autonomous Region. Its total membership now exceeds one million.

Since the start of the Cultural Revolution in 1966, the society, except for some formal international contacts, had remained virtually inactive for a dozen years. It began to be revived in 1978.

The Beijing Red Cross Society has re-established 174 branches in the city. Over 110,000 society members here are working in factories, schools, street neighbourhoods and communes, giving first aid, popularizing hygienic knowledge and counselling on family planning. They dispense herbal medicines to prevent colds, flu and other seasonal complaints, deliver contraceptive pills and give regular physical check-ups to children and pregnant women. In the residential areas they provide special care for the old, sick and disabled.

A neighbourhood medical station usually has two medical workers recruited mainly from housewives and retired workers, some of whom belong to the society. Gu Wenqing, a society member, saved a young man who had been overcome by gas in his room by the timely application of artificial respiration.

In Beijing's factories and rural production teams the volunteers are generally workers and peasants with some knowledge of first aid. And in each school class there are

three to five society members — students who are interested in medical work.

This year the Beijing Red Cross Society trained 300 members in its regular training courses, and these people are now teaching others.

● **Grapes Abound in Turpan**

The scent of grape blossoms fills the air in early summer in the Turpan area, northwest China. From some vines, clusters of small grapes hang. People can be seen making frames, watering and spreading fertilizer.

Famous for its grapes at home and abroad, Turpan has been designated as an important grape-producing area. This resulted from the effective measures taken by the Xinjiang Uygur Autonomous Region after the Third Plenary Session of the 11th Central Committee of the Chinese Communist Party held in December 1978. Now the policy of paying people according to their work has been implemented conscientiously. The output of grapes in this area last year increased 25 per cent over that of 1978, which was also a rich harvest year. This year, grape vines are growing better than last year. More fertilizer is being used and pruning done meticulously.

A production group of 16 people in Turpan County's Putao commune is in charge of 50 *mu* of grape vines. Last year the average output per *mu* reached 2,914 *jin*, or 2.9 times over the previous year, resulting in an increase in the earnings of a work day from 1.35 yuan in 1978 to 2.5 yuan in 1979.

Another production group in

the same commune is responsible for 17 *mu* of old grape vines. Last year its per-*mu* yield went up from 5,000 *jin* — the target set early last year — to 6,353 *jin*. In accordance with the policy of distribution, the production team concerned awarded the group with 30 per cent of the income earned from the grape output above the production target at the end of 1979. This year the system of production responsibility has been introduced into every production team in the area.

Now, the scientific cultivation of grape vines has drawn greater attention in Turpan. A grape research institute has been set up in Turpan to study grape vines. Scientists and technicians of various nationalities often go to the vineyards to cultivate new varieties of grapes and train technicians for communes and production



Grapes being dried.

People in the News



The Daqing Oilfield has made tremendous contributions to China's socialist construction. But few people know about the prospecting team which supplied the initial but important geological data about the oilfield as well as for the entire Songliao petroleum reservoir. This geological prospecting team was led by **Han Jingxing**.

In the early 50s, Han Jingxing and his team started prospecting the oilfield with rudimentary surveying equipment. They went down the No. 2 Songhua River in a small boat and then went ashore. In the evenings they returned to the boat to study the problems by candlelight and sort out the data they had collected during the daytime. After working along the rim of the Songliao basin for four months, the team under Han Jingxing wrote "A Report on Prospecting Petroleum in the Songliao Basin," which affirmed the stratigraphical sequence and the presence of petroleum.

In February of 1956 Han was given responsibility for technical matters in the No. 2 Brigade for Petroleum Surveying and Prospecting and continued prospecting for oil in the Songliao basin and surrounding areas. Normally this work would have taken a dozen years but Han decided to strive for quicker results.

He made a thorough study of a whole range of technical methods and how they could be effectively implemented in those conditions with his manpower and equipment. As a result of this research, the brigade succeeded in familiarizing itself with the main structural features of the basin in two years. It discovered a number of oil-bearing structures, thus verifying the presence of the Daqing Oilfield and laying a solid foundation for its exploration.

After completing this project, Han continued to devote his energies to the oil industry. In the mid-60s, he worked in the Sichuan basin; in the mid-70s, he came to the plains of north China. He and his colleagues made great contributions to the exploration of the Songliao Oilfield in northeast China and the Shilongchang Oilfield and the Zhongba and Leiyinpu Gasfields in Sichuan Province. In recent years he has served as the chief engineer for the No. 2 Headquarters for Petroleum Surveying and Prospecting and has been recognized throughout China as a model worker.

brigades in spite of high temperatures ranging from 30-40 degrees centigrade and wind-blown sands. Turpan now not only grows many varieties of domestic grapes, but also has introduced several dozen varieties of grapes from abroad.

Liao Kehuang and his wife, Wang Huizhu, have lived in Xinjiang for more than 20 years since they graduated from the Central China Agricultural College in the late 50s. He works at the grape research institute and she in the county's science

commission. By integrating scientific knowledge with the practical experiences they have learnt from veteran peasants, they have made contributions to the development of grape production and have become experts in grape vines.

● **On the Death of Her Grandmother**

The death of her 81-year-old grandmother was a great loss to Tang Ying. Her mother had died when she was three years old; her father, when she was

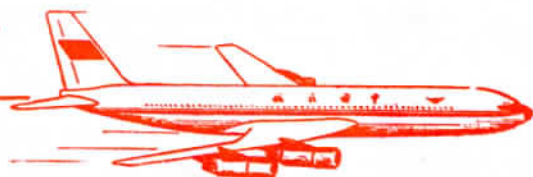
nine. Since that time she had lived with her blind grandmother. They supported themselves with a government subsidy and mutually depended upon one another for their survival. The death of her grandmother left the 19-year-old middle school student quite despondent.

Tang Ying's classmates from Xiangfeng Middle School in Shanghai came to offer their condolences on the day of the death. The school authorities immediately held a meeting to discuss how to help Tang Ying and sent the girl's form master and the school's Communist Youth League committee secretary to call on her. The form master and her classmates organized the funeral service for the grandmother. The students contributed 40 yuan to cover the funeral costs and made wreathes and paper flowers, and the crematorium provided a meeting hall free of charge.

Tang Ying was quite lonely after her grandmother's death. Her fellow students responded by spending the evenings with her. They reviewed lessons together and helped with housework. Meanwhile she received letters of condolence from 281 League members and students and the 18 Communist Youth League branches in the school. One letter read: "Don't grieve too much. We too are your loved ones — your brothers and sisters. You will find happiness living in our big socialist family." Such letters and the many gifts deeply touched Tang Ying.

In response to an article carried in the newspaper *Wen Hui Bao* on how Tang Ying's teachers, classmates and neighbours helped her with the funeral arrangements, some 1,000 letters and some gifts were sent to Tang Ying and the school Party and League organizations.

CAAC



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Every Sunday

TIMETABLE

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08:45	↓ dep. arr. dep. arr.	BEIJING	↑ arr. dep. arr. dep.	(Mon) 09:30
14:00		SHARJAH		21:30
15:00		BAGHDAD		20:30
15:50				(Sun) 17:50

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13:30		KARACHI		23:55
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