

BEIJING REVIEW

**Economic Readjustment
Yields Results**



**Chronicle of Events Since
The Last Party Congress**



A CHINESE WEEKLY OF
NEWS AND VIEWS

HIGHLIGHTS OF THE WEEK

NPC Standing Committee Ends Session

The session announced that a session of the National People's Congress will be held in November to examine and approve the Draft Revised Constitution and a report by Premier Zhao Ziyang on the state of the nation (p. 5).

Economic Readjustment: The Initial Results

Remarkable results have been achieved in agriculture, industry, national income, education and science since China began economic readjustment in 1979 to correct the disproportionate development of its national economy. But because some of the old problems still linger, potential danger has not been fundamentally eliminated (p. 13).

Events Since Last Party Congress

A chronology showing the significant changes in the Par-

ty's work and the development of China's socialist cause in the five years between the last and the forthcoming Party Congress (p. 18).

"China Upholds Principle, Plays No 'Card'"

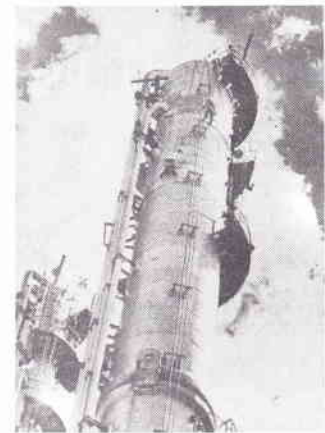
Party Vice-Chairman Deng Xiaoping used these few words to sum up China's guidelines for handling foreign relations when he met with UN Secretary-General Javier Perez de Guellar in Beijing (p. 7).

On the Sino-US Communiqué

While welcoming the easing of the crisis that has threatened Sino-US relations in recent months, a *Renmin Ribao* editorial warns that the clouds hanging over them have not been completely cleared away. It is up to the United States to suit its action to its words and take practical steps to resolve the issue of arms sales to Taiwan (p. 25).

Palestinian Question Calls For Just Solution

With the withdrawal of Palestinian resistance fighters from west Beirut and Israel's continued invasion of Lebanon, a just solution to the Palestinian question has become all the more imperative. The United States' refusal to recognize the legitimate rights of the Palestinian people impedes such a solution (p. 9).



Workers at a petrochemical company doing overhauling work high above the ground.

Photo by Sun Yi

BEIJING REVIEW

Published every Monday by
BEIJING REVIEW
24 Baiwanzhuang Road, Beijing
The People's Republic of China

Vol. 25, No. 35 August 30, 1982

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BEIJING REVIEW (USPS No. 658-110) is published weekly for US\$ 13.50 per year by Beijing Review, 24 Baiwanzhuang Road, Beijing, China. Second-class postage paid at San Francisco, CA. Postmaster: Send address changes to China Books & Periodicals, Inc., 2929 24th Street, San Francisco, CA 94110.

On the Independence of Namibia

Some people consider that the withdrawal of Cuban troops from Angola is a prerequisite for the settlement of the Namibian issue. What is your opinion?

The independence of Namibia and the withdrawal of Cuban troops from Angola are two issues different in nature. They should not be linked up, still less regarded as having cause and effect relationship. Some people are of the opinion that the question of Namibia's independence can be solved only after the Cuban troops are withdrawn from Angola. Some argue that the Cuban troops will be withdrawn only when the threat from South Africa has been eliminated. Such arguments are as meaningless as the endless debate on whether the hen begets the egg or vice versa. They fail to grasp the essence of the issue and will only delay its settlement.

The UN Security Council's Resolution 435 stipulates that Namibia should gain independence by the end of 1978, and there are many other resolutions adopted by the UN General Assembly and the Security Council on Namibia. However, the issue of Namibia's independence remains unsettled to this day. Where does the crux lie?

The crux lies in the fact that the South African authorities have been refusing to carry out the UN resolutions on one pretext or another, and they have never ceased to intensify their suppression of the armed struggle of the South West Africa People's Organization (SWAPO), persecute the Namibian patriots and make armed inroads into the frontline

countries. The South African authorities' obstinate obstruction and sabotage of the Namibian independence movement is the root cause of the whole matter. What accounts for South Africa's overweening colonialist stand? The answer is it is inseparably linked with the support of a certain superpower.

Recently, the South African authorities launched a new large-scale armed incursion into Angola and, with the support of bombers, their troops penetrated more than 200 kilometres into Angolan territory, frenziedly attacking SWAPO's base there, killing large numbers of people and causing heavy losses in property.

This invasion by the South African racist troops was launched at a time when SWAPO had expressed its willingness to sign in New York with the South African authorities a ceasefire agreement on Namibian independence. South Africa launched the attack in the hope of further weakening the armed forces of SWAPO before the signing of the ceasefire agreement and forcing the frontline countries to withhold their support for the struggle of the Namibian people so as to obtain more concessions on the negotiating table and solve the Namibian issue according to their own demands. The ulterior motives of the South African authorities in obstructing the peaceful settlement of Namibian problem is obvious.

But the independence of Namibia is irresistible. In the 16 years since the Namibian people rose up in arms on August 26, 1966 under the

leadership of SWAPO they have grown in strength in spite of the South African authorities' incessant efforts to eliminate them. SWAPO has been recognized by the Organization of African Unity and the United Nations. In 1973, the UN council for Namibia, in an effort to support the Namibian people's just struggle against South Africa's illegal occupation, declared August 26 as Namibia Day. On that day this year, all the justice-upholding nations and people throughout the world undoubtedly voiced their strong indignation against the new crimes committed by South Africa and once again called for an early settlement of the Namibian independence issue.

The Namibian issue has become one of the most pressing questions in the present-day world's decolonization process; it is also the last major issue to be solved before the process of decolonization in Africa is fulfilled. The superpower involved in this issue should follow the tide of historical development, relinquish its support for South Africa and force it to end its illegal rule over Namibia.

As to the Cuban troops stationed in Angola, it is entirely an internal affair of Angola. In my opinion, the Angolan Government will consider whether it is necessary for the Cuban troops to remain on its territory when the South African authorities have ended their illegal occupation of Namibia, when Namibia achieves independence and when the threat of South African aggression has been eliminated.

— *International Editor*
Mu Youlin

LETTERS

"China's Position on Disarmament"

After having marched all day in New York City with my children and grandchildren in a wonderful demonstration of more than 700,000 people (all eager for a peaceful and productive world), it did my heart good to read Huang Hua's speech on June 11 at the Special Session of the UN General Assembly devoted to disarmament, as it was reprinted in *Beijing Review* June 21 (issue No. 25).

China's position on disarmament, as expressed by the foreign minister, is thoughtful and correct. In this troubled world, the sweet voice of reason and love must unite all people of good will and they must prevail or there will be no world to worry about.

Nuclear arms cannot embrace a baby! So let us speak out for the human race and together end the arms race.

H. Rosen
New York, N.Y., USA

"China's Position on Disarmament" (issue No. 25) demonstrates that China itself has a full right to speak and a clear conscience. The proposals are clear-cut and it seems that anyone trying to devalue them is, in fact, unmasking himself. Herein lies the true value of the speech. "Reasons for No Progress in Disarmament" enforces the recognition of the above idea.

"The Two Superpowers' Stance Towards Disarmament" reads a sub-title on page 16, however, the text that follows speaks of one superpower only. So that we get the idea that the threat to China from the north and south is felt—but a bit one-sidedly. It is a fact that the US already conquered Latin America and bullies that continent in a fascist way, as it does everywhere. I agree with you that the Soviet Union is a danger. I also know that the US is worse.

The torture-chambers all over South America, in former Iran, and in South Africa, and in some other places are there to illustrate what the rest of the world, outside the range of the US press knows. The US bullying was a well-known pattern (and still

exists as in the Taiwan issue). This bullying is also going on in Lebanon.

It will be instructive to see whose press will publish the important speech of Huang Hua, and how they will present it. No doubt the reactions will lay bare what we already suppose. However, the speech is not something that can be laid aside—without damaging one's image. So, I am anxiously waiting for a survey of reactions in *Beijing Review*. If you publish the reactions of the world, you will throw a light on the true intentions and thoughts of many bourgeoisie.

J.M. van der Hoeven
Lopik, the Netherlands

The explanation in your issue of June 21 of "China's Position on Disarmament" is forceful and challenging, but it does not mention one important subject. No American wants to start a war. I do not believe that the Russian people themselves want war. But until the Moscow government will consent to mutual inspection of arms, how can they be trusted? Efforts have been made by us over the years to bring the Russians to such an agreement, but they always flatly refuse.

Arthur R. Smith
Kent, CT., USA

Latest Developments in Tibet

I read with great interest the article in the News Roundup section in issue 25 of *Beijing Review*, regarding the latest developments in Tibet.

In the West our picture of Tibet is desolate countryside, isolated and sometimes ruined homesteads, monasteries, and few cattle, and poor vegetation. However, it appears that now some of this is changing. I was most surprised to read that many Tibetans now owned TV sets, wireless sets, tape recorders, more clothes and money to spare. All this has happened since the founding of the People's Republic of China in 1949.

I was interested indeed to read that the Central Government over the last two years has given over 1.04 billion yuan in subsidies,

which does represent 98 per cent of the region's budget, and will increase by 10 per cent annually over the next few years. This goes to show that the Central Government will spare no expense (almost) to ensure that the region will be able to advance into the modern age, which is a far cry from our penny-pinching government of Margaret Thatcher.

I was pleased to notice that the Central Government has compensated many Tibetan peasants whose livestock, land, houses, etc., were confiscated in the 1970s when the prevailing wind of "Leftism" was in charge. However, after the collapse of the Jiang Qing clique and the reactionaries, the new Chinese leadership has expounded more humanitarian ideals, and above all it is imperative that they are kept up.

Graham Freestone
Rushden, Britain

On the Lighter Side

I would like to see more articles about the arts in China. While visiting your country several years ago, I saw such beautiful craftsmanship and feel for the arts both past and present.

Sheri Flagler
Brookline, MA., USA

Your cartoon section is excellent and really gives foreigners a good idea of Chinese views on various issues without having to wade through some of the longer theoretical articles. Also interesting is information on current Chinese literature, performing arts and music.

Meredith Lyon
Los Angeles, CA., USA



POLITICAL

5th Session of 5th NPC to Be Held in November

The Fifth Session of the Fifth National People's Congress will be convened in Beijing in November this year. This was announced by the Standing Committee of the Fifth National People's Congress which recently concluded its five-day 24th Session.

The agenda for the forthcoming session will include examining and discussing the draft of the revised Constitution of the People's Republic of China and hearing a report by Premier Zhao Ziyang on the work of the government.

The 24th Session of the Fifth NPC Standing Committee also adopted:

— A resolution on the state final accounts for 1981, a year in which China's national economy made major progress in the course of readjustment and restructuring. It was also a year in which the nation's financial situation made great improvement and moved from one of huge deficits for several consecutive years to achieving a basic balance between revenue and expenditure. The final accounts show that last year's total revenue was 108,946 million yuan and total expenditure was 111,497 million yuan, with a deficit of 2,551 million yuan;

— The Law of Marine Environmental Protection of the People's Republic of China;

— The Trade Marks Law of the People's Republic of China;

— A decision on China's participation in the Convention Relating to the Status of Ref-

ugees and the Protocol Relating to the Status of Refugees;

— A decision on approving the Consular Treaty of the People's Republic of China and the Socialist Federal Republic of Yugoslavia;

— A resolution on the plan for the restructuring of institutions under the direct administration of the State Council and the plan itself. According to the plan, only 15 of the original 41 institutions will remain under the direct administration of the State Council and the other 26 will be merged into related ministries and commissions.

The session also adopted resolutions on new appointments and removals. Lu Jiaxi was appointed President of the Chinese Academy of Sciences, Ma Hong President of the Chinese Academy of Social Sciences and Mu Qing Director of the Xinhua News Agency.

ECONOMIC

Industrial Economic Results Improved

Figures released by the State Statistical Bureau show that China's industrial enterprises have made tangible achievements in raising their economic results since readjustment of the national economy began in 1979.

— Energy consumption has been reduced. The total amount of energy saved in 1981 was equivalent to 26.5 million tons of standard coal. For every 100 million yuan worth of industrial goods, average energy consumption last year was 5,300 tons less than in 1980.

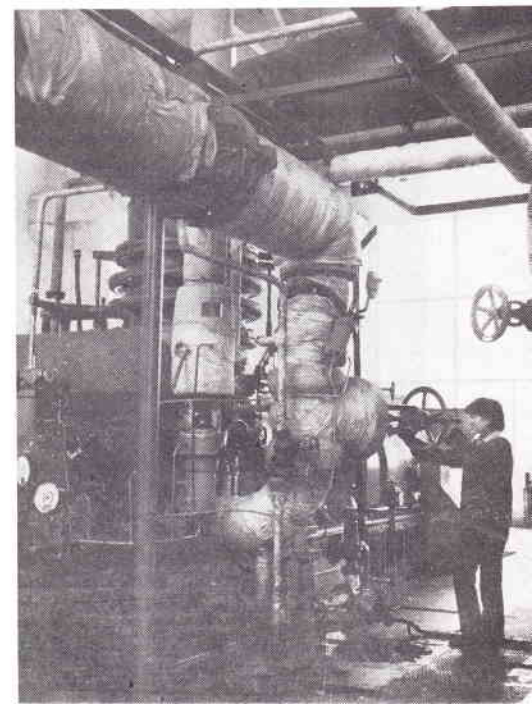
— The quality of products has improved. Of the 78 major products turned out by the country's

key enterprises, the quality of 67 showed improvement last year as compared with 1978. Among them are iron and steel products, coal, cement and cotton textile products.

— In 1981, the average per-capita labour productivity in state enterprises was 11,815 yuan, only 730 yuan more than in 1978. The average annual growth of labour productivity from 1979 to 1981 was 2.2 per cent. The reason for the slow increase was that heavy industrial production dropped in the last few years as a result of reorientation of its service.

— State revenue has increased. In 1981, the industrial enterprises handed over to the state a total of 85,090 million yuan as compared with 84,310 million yuan in 1978. As the localities and enterprises are now entitled to keep part of their profits, they have more financial resources at their own disposal.

The Taicang Chemical Fertilizer Plant in Jiangsu Province refitted a 3,000-kilowatt turbogenerator to make it supply both heat and electricity.



These achievements show that the policy of economic readjustment is correct. But, as a leading member of the State Economic Commission pointed out recently, current economic returns of industrial production are still not satisfactory and there are great potentials for increasing production and practising economy, which should be tapped through restructuring the enterprises and improving their management.

Biggest Saline Region To Be Treated

Treatment to neutralize the saline soil of the Huanghe (Yellow)-Huaihe-Haihe Rivers Plain will soon begin.

Planned as an agricultural centre, it is China's biggest plain and embraces Hebei, Shandong, Henan, Anhui and Jiangsu Provinces as well as most of the outskirts of Beijing and Tianjin. The plain covers an area of 300,000 square kilometres and is inhabited by nearly 200 million people.

The area was historically flood- and drought-ridden. Because of its low altitude and

high water table, evaporation in this area is 3 to 5 times greater than precipitation. After the water evaporates, salt concentrates on the surface of the soil. Of the 18 million hectares of farmland so far reclaimed here, 3.33 million hectares are saline land, accounting for half of the country's total saline land. Its organic substance content averages 0.5 per cent and the average per-hectare grain output is only 1,500 kilogrammes.

Experiments in treating the saline soil in the vast areas of Jiangsu, Shandong, Anhui, Henan and Hebei Provinces began in the 1960s.

In addition, since the founding of New China in 1949, the government has invested 24,000 million yuan (about 13,000 million US dollars) in water conservancy and flood control projects on the Huanghe, Huaihe and Haihe Rivers.

These efforts have transformed this once disaster-ridden area into a major grain, cotton and soyabean production centre in China.

The State Council has decided to use the 60 million US dollars

long-term interest-free loan provided by the World Bank and Chinese funds to neutralize 230,000 hectares of saline land in this region. The principal method will be drainage canals designed to draw off the salt in the soil together with the water.

The project, expected to be completed in 1987, includes digging river courses totalling 70 kilometres and drainage canals extending 11,000 kilometres, building pumping stations with 3,000-hp equipment, sinking 9,600 power-operated wells, installing pumps and other equipment for the existing 2,900 wells, levelling 60,000 hectares of farmland, building or improving 120 kilometres of rural roads and erecting 2,000 kilometres of power transmission lines.

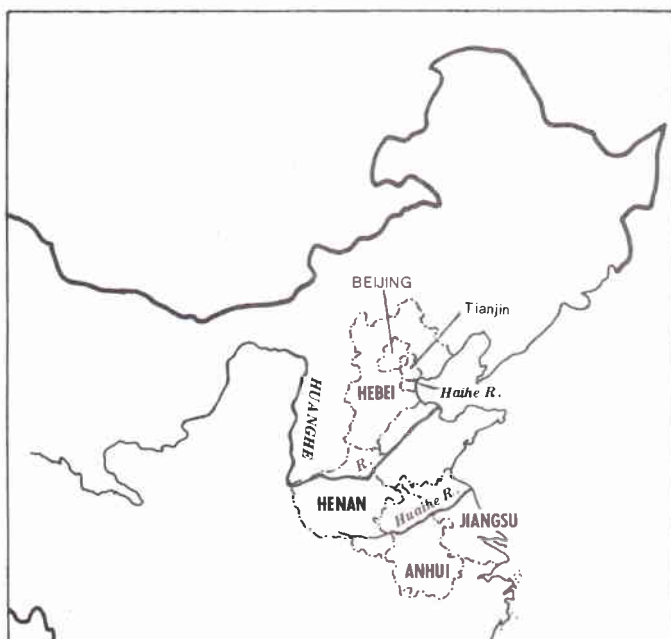
It is estimated that after the saline land is treated, grain output may rise by 44 per cent, output of oil-bearing crops will be quadrupled and cotton production will be increased by 74 per cent. In addition, another 13,000 hectares of forests and 2,000 hectares of orchards will be added. As a result, the average per-capita agricultural net income will be increased by 60 per cent.

SOCIAL

Victory Over Huanghe River Flood

The second largest flood peak of the Huanghe (Yellow) River since the founding of New China has been conquered and the floodwaters emptied into the sea without any mishap. The largest flood peak of the Huanghe occurred in 1958.

The flood was caused by heavy downpours on the middle reaches of the Huanghe River in late July and early August. The rainfall in most places was more



than 200 mm, the heaviest being 768 mm. As a result, the flow through the Huayuankou hydrological station near the city of Zhengzhou reached 15,300 cubic metres per second. The post-liberation record flow was 22,300 cubic metres per second in 1958.

In order to ensure the safety of the lower reaches of the Huanghe River, hundreds of thousands of civilians in Henan and Shandong Provinces and soldiers from the Wuhan and Jinan units of the People's Liberation Army turned out to reinforce the Huanghe River embankments. Leading members of the two provincial governments rushed to the spot to direct the battle against the floodwaters. Under the guidance of the Central Flood Control Headquarters, the civilians and armymen in the two provinces timely diverted the floodwaters into the Dongping Lake flood-detention area in Shandong Province, thereby enabling the waters to flow safely to the Bohai Sea.

While making preparations to divert and detain the floodwaters in the Dongping Lake area, 7,000 people and their domestic animals, poultry and grain were moved to places of safety. No serious losses have been reported on the lower reaches of the river.

According to historical hydrological data, the dykes of the Huanghe River were breached nearly every year in the 20 years before liberation. Whenever the flow surpassed 10,000 cubic metres per second, the dykes were certain to be breached, bringing losses of life and property over an area of 250,000 square kilometres on both banks of the river.

Since 1949, eight flood peaks

(not including this one) had occurred, each with a flow of more than 10,000 cubic metres per second, and on each occasion the dykes had stood firm. The major reason is that the gigantic projects to harness the Huanghe River undertaken since 1949 have played their role in holding back the floodwaters. For more than 30 years in the past, the People's Government has made a total investment of more than 3,000 million yuan to make the Huanghe, which used to be a scourge of China, serve the people. The major projects already completed include: reinforcing the dykes and dams, building flood detention and flood storage reservoirs as well as dredging and widening the river course. Of these, 155 are big and medium-sized reservoirs with a total capacity of 53,600 million cubic metres.

FOREIGN RELATIONS

Chinese Leaders Meet UN Secretary-General

UN Secretary-General Javier Perez de Cuellar paid an official

visit to China in the later half of August.

Strengthening the Unity of Third World Countries. Vice-Chairman Deng Xiaoping met with the Secretary-General on August 21. The Vice-Chairman praised him for his efforts in safeguarding world peace and promoting international co-operation since he assumed office. Deng Xiaoping said: China is aware of its own duty. China has a large population and a low level of development, but it is reliable on two counts: China upholds principles, and what China says counts. It never plays with politics or words, nor does it play "cards." Deng added that as a member of the third world, China will further strengthen its unity and co-operation with the other third world countries in the common fight against hegemonism and in defence of world peace.

Deng Xiaoping pointed out that when the superpowers seek hegemony, the third world countries are the first to suffer. Since World War II, there has been no major war, but minor wars have never stopped. As a matter of fact, there is no peace to talk about. The root cause lies in the fact that the super-

Deng Xiaoping with Javier Perez de Cuellar.



powers are sowing discord, interfering and contending for hegemony.

Javier Perez de Cuellar said that China is loyal to the UN policy of peace and abides by the principles of the UN Charter. "All this fills us with great confidence," he added. "The international tension we are facing is mainly due to the fact that some member states of the UN make light of the UN Charter and refuse to carry out UN resolutions."

UN's Role. On the same day, Premier Zhao Ziyang met with the Secretary-General. Zhao said: "As an important political force, the third world is playing an increasingly great role on the international stage. The situation in which the United Nations was manipulated by the superpowers has been changed." He hoped that the United Nations would play an active role in safeguarding the rights and interests of the third world countries. He also expressed the belief that China and the UN would co-operate in a still better way.

Holding Talks. State Councillor and Foreign Minister Huang Hua held talks with UN Secretary-General Javier Perez de Cuellar on August 20. They exchanged views on many international issues.

Elaborating on the Chinese Government's general policy on foreign affairs, Huang Hua said: "China will never cling to any superpower. China will never play the 'US card' against the Soviet Union or the 'Soviet card' against the United States. We also will not allow anyone to play the 'Chinese card.'"

Welcoming Distinguished Libyan Guests

Jadallah Azouz Altalhi, Secretary of the General People's

Committee of the Socialist People's Libyan Arab Jamahiriya, paid an official visit to China from August 16 to 22.

On the Third World Countries. During his meeting on August 19 with the distinguished Libyan guest, Vice-Chairman Deng Xiaoping said that the third world countries are the main victims of hegemonism and also the main force in opposing hegemonism and safeguarding world peace. He expressed his appreciation of the slogan of South-South co-operation and said that there are broad areas for co-operation among the third world countries.

Altalhi said: "Both Libya and China are third world countries. We are willing to develop friendly relations and co-operation with China, and we also attach importance to co-operation with other third world countries."

The Middle East Situation. At a banquet he gave in honour of the Libyan guests, Premier Zhao Ziyang spoke of the Middle East situation. He said that the Chinese Government and people strongly denounce Israel for trampling on the principles of international law and disregarding United Nations

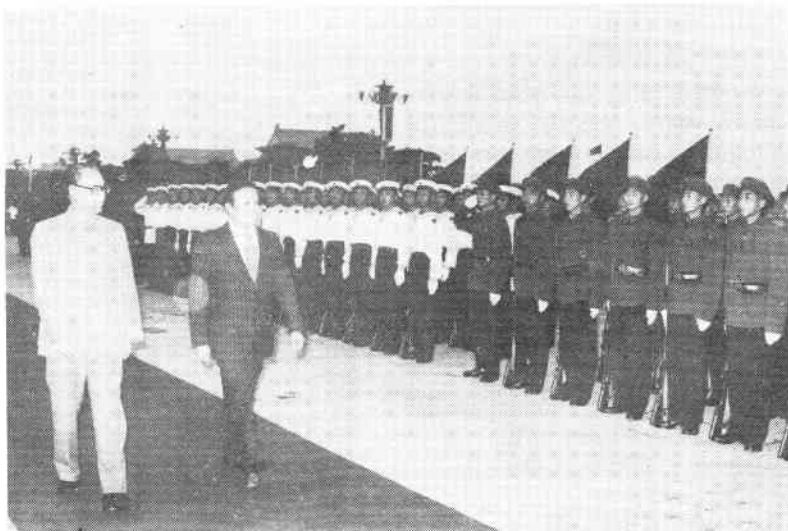
resolutions and for launching an inhuman war against the Lebanese and Palestinian people. China resolutely supports the Lebanese and Palestinian armed forces and people in their just struggle against Israeli aggression.

Zhao Ziyang pointed out that the Palestinian question is the core of the Middle East issue. Owing to Israeli aggression and the contention between the two superpowers, the question cannot be solved over a long time. The Chinese Government maintains that Israel must withdraw from Arab territories, including Jerusalem, occupied since 1967, and the national rights of the Palestinian people must be restored, including the right to return to their homeland, the right to self-determination and the right to establish a state.

In his speech, Altalhi condemned Israeli Zionism for its barbarous invasion of Lebanon with the support of the United States.

Zhao Ziyang held talks with Altalhi on August 17. They exchanged views on a number of international issues of common interest and on the development of bilateral relations.

Jadallah Azouz Altalhi, accompanied by Premier Zhao, reviews a guard of honour composed of the three services of the Chinese People's Liberation Army.



A Just Solution Is Needed For Palestinian Question

PALESTINIAN resistance fighters began withdrawing from west Beirut on August 21. The first groups of fighters have arrived in the Jordan and Iraq. This means that the over two-month-long military conflict between Israel and Palestine is drawing to a close. But Israel has not ended its invasion of Lebanon and the situation in the Middle East has become more complicated.

Israel's massive invasion of Lebanon was a long-designed action aimed at realizing the "great Israel plan" by force of arms and helping the United States push its strategy of resolving step by step the Middle East issue.

Israel's Objectives. The Israeli authorities have repeatedly stated that the objectives of their invasion of Lebanon were to drive the Palestinian forces out of Beirut and Lebanon, to force the Syrian troops out of Lebanon, and to have a powerful central government set up in Lebanon which would sign a peace treaty with Israel. Working in concert with Israel, the United States has repeatedly stated that all foreign forces should withdraw from Lebanon and a powerful Lebanese government should be established.

The Israeli aggression against Lebanon has made it more imperative to seek a just solution to the Palestinian issue. Most Arab countries agree with Moroccan King Hassan II's proposal for the convocation of an Arab summit to discuss the eight-point Saudi proposal on

the settlement of the Middle East problem. Yasser Arafat, Chairman of the Executive Committee of the Palestine Liberation Organization, has declared that his organization accepts all UN resolutions on the Palestine issue and the proposed mutual recognition between the PLO and Israel. This positive stand of the PLO has created a reasonable basis for a comprehensive and just solution to the Palestinian question.

The United States Still Refuses to Face Reality. What merits attention now is whether the US authorities will face reality and recognize the legitimate rights of the Palestinian people. US Secretary of State George Shultz said: "The legitimate needs and problems of the Palestinian people must be addressed and resolved — urgently and in all their dimensions," and in autonomy talks "representatives of the Palestinians themselves must participate in

the negotiating process." But the United States still refuses to recognize the PLO and insists that the PLO first accept UN Resolution 242 and recognize Israel, as a condition for direct negotiations with the PLO. This position shows that the United States still has no intention of recognizing the legitimate rights of the Palestinian people.

Israel's temporary military superiority has forced the PLO armed forces to withdraw from west Beirut but it cannot solve the Palestinian problem, still less eliminate the revolutionary cause of Palestine. Speaking of the PLO armed forces withdrawal from west Beirut, Yasser Arafat recently pointed out that the PLO forces are the smallest in the Arab world, but they have persisted in fighting. They have resisted Israel-US might for a longer period of time than any of the past Israel-Arab wars. People must look at the Beirut incident from this sense. His words prove the great vitality of the revolutionary cause of Palestine.

— Yu Kaiyuan

US v. Western Europe

Intensified Conflict Over Gas Pipeline

PRESIDENT Reagan's decision in June to prevent the export of petroleum and natural gas equipment to the Soviet Union took the United States' European allies by surprise. The latter met on a number of occasions to express their shock and anger at the White House action, which was deemed detrimental to their vital interests and taken without prior consultation with them.

On August 11, the 10 EEC member states unanimously adopted a strongly worded note to the US Government, accusing it of violating international laws and interfering in the internal affairs of the Common Market. The note requested Washington to retract its decision, which was unacceptable.

Meanwhile, West European countries adopted various meas-

ures to cope with the US ban.

Open Defiance

France. Consistently following an independent policy, France took an openly confrontational attitude towards the US decision. President Mitterrand called the decision "repressive, unfair and dangerous," and truly "a camouflage and protectionism" which seriously sabotaged the "unity" achieved at the Versailles Summit.

France was further riled when the Reagan administration announced its decision to extend the agreement on US grain sales to Moscow. This self-contradictory US policy prompted the French Minister of Agriculture Edith Cresson to say: "Do what I tell you to do, but not what I do — this probably is Reagan's dictum."

French Foreign Minister Claude Cheysson declared that France was determined to go ahead regardless of what the United States said. And on July 22 this determination materialized when the French Government announced that French companies will continue to participate in the Soviet natural gas pipeline construction.

West Germany. As chief US ally in Europe, West Germany, which holds a substantial share in the gas pipeline project, took a slightly different attitude from that of France. While actually taking the French side, Bonn avoided harsh words in expressing its stand. Instead, it sent its Economics Minister to Washington for talks. Chancellor Helmut Schmidt also made a personal visit to the United States, calling it holiday travel. During his talks with President Reagan and other US officials, Schmidt urged Washington to "use restraint" and



explained to them the necessity of his country making the deal with the Soviet Union. Bonn was in effect urging the White House to reverse its decision and resolve what it described as a "family dispute" through internal consultations.

Bonn, nevertheless, issued an export license to General Electric Company, giving material support to West German corporations defying the US ban. Schmidt on July 28 emphasized that the West European countries "unanimously opposed" the US no-export decision and that nothing could stop the natural gas pipeline project.

Britain. Unexpectedly, Britain — the United States' closest ally — also adopted a confrontational position. In her talks with President Reagan on June 23, Prime Minister Margaret Thatcher accused Washington of jeopardizing British interests. Francis Pym, Secretary of State for Foreign Affairs and Commonwealth Affairs, traveled to America next, with the hope of finding a solution to the "very serious" differences between the United States and its European allies. This hope was dashed by the stubborn US attitude. Then on August 2 the British Trade Secretary Lord Cockfield announced that the British Government had told

British firms not to abide by the US decision.

Italy. Another close ally of the United States, Italy also defied the US export ban. The Italian Prime Minister charged that Washington's decision had split the Western alliance. Following a fruitless trip to America by Foreign Minister Emilio Colombo, the Italian Foreign Ministry came out on July 24 with the announcement that the Italian Government would honour its contract with Moscow.

No Quick Solution

As the West European countries were openly defiant to the US will, both sides of the Atlantic were overcast with a threatening cloud. Some Western newspapers said the US-European conflict on the natural gas pipeline issue was the gravest since the establishment of NATO and had reached "a new stage of crisis." American public opinion was concerned that prolonged confrontation would cause rifts in the US-West European alliance which would be difficult to mend. Some observers maintained that the US sanctions would do little harm to the Soviets while causing considerable damage to the North Atlantic alliance.

The US Government, however, has maintained its position, at least so far. President

Reagan said he would not change his mind. Some US officials advocated taking "punitive" actions against those corporations defying Washington's export ban and "dealing with them by law." But the American press expressed doubts about the effectiveness of any such action.

Meanwhile, differences arose within the US ruling group. A House sub-committee, for instance, recently passed a bill demanding lifting the ban. Faced with both domestic and foreign resistance, President Reagan ordered the setting up of a high-ranking group to find a solution to the US-West European dispute.

As for the West European countries, they are seeking help from legal procedures to cope with the threat of US punitive actions. France has already announced that the subsidiaries of

foreign firms in the country and firms with foreign licenses will be obliged to observe French laws first, and only then will consideration be given to laws of other countries. The British Trade Secretary on August 2 declared that Britain will invoke its 1980 Protection of Trading Interests Act, and so circumvent British companies being bound by foreign laws.

The US Government, however, stressed that European subsidiaries and licenses must commit themselves to the rulings stipulated by American export law and written into their contracts with the American companies. So, as *International Herald Tribune* predicted, the US-West European wrangle over the natural gas pipeline issue will become a legal squabble. The prospect of a quick end to this squabble is dim.

— Zhang Yunwen

El Salvador Still in Turmoil

FIGHTING between the guerrillas and government troops in El Salvador continues unabated as contradictions among the various political forces within the government over the question of social reforms grow more acute and open.

Guerrilla Activity

After the March 28 Constituent Assembly election, the Salvadorian authorities tried their best to crush the guerrillas in the hope of stabilizing the political situation at home. But the guerrillas have effectively resisted the government offensives while continuing to harass the establishment by destroying

highways and sabotaging power supply facilities in different areas.

From April to June, government troops launched three large-scale campaigns against the main guerrilla regions in Morazan and Chalatenango.

Aided by warplanes and helicopters, 4,000 government troops on April 24 took part in the first "mopping-up" campaign in Morazan. On June 3, the government sent 3,000 troops on a seven-day campaign to encircle and wipe out the guerrillas in Chalatenango area. Reports claim that government forces killed 600 civilians during this offensive. The third campaign

on June 17 saw 5,000 government troops again attacking the guerrilla area in Morazan Department. It was one of the biggest government offensives in the past three years. Against these three campaigns, the guerrillas of various areas coordinated their actions and used flexible strategy and tactics. Instead of direct confrontation, they resorted to ambushing and attacking small army camps, causing heavy losses to the government troops. Guerrilla sources claim that during the third campaign, they killed 600 and captured 43 government troops.

Government sources confirmed that the guerrillas captured Deputy Defence Minister Adolfo Castillo when they shot down his helicopter.

However, the military and the government repeatedly rejected proposals for negotiations with the guerrillas. Analysts believe that since the government troops failed to wipe out the guerrillas, the United States will have to give more aid to them and bolster up their strength for a new campaign against the guerrillas.

Growing Contradictions

Since the Right-wing forces won the Constituent Assembly's election and control the Assembly and government, contradictions between the various political forces on agrarian and other social reforms have further sharpened. In mid-May, the Assembly suddenly announced suspending the implementation of the agrarian law under the pretext of "protecting production." Thus, agrarian reform, scheduled to be carried out in three stages throughout

the country, had to be halted. This aroused widespread opposition from the poor peasants. A large number of those who received land from the agrarian reform would lose what they got and may become landless labourers again.

Since the March election, the big landlords have one after another returned to their farms and driven out those peasants who had been given land. About 9,600 peasants have already been driven out of their land by early June.

The Christian Democratic Party, which supports agrarian reform, firmly opposed the decision to halt the reform. Therefore, the conflict between the Christian Democratic Party and Right-wing forces has become sharper and recently Christian Democratic Party officials in the government have been kidnapped and murdered by Right-wing terrorists. Statistics show that 16 such persons have been murdered (four of them mayors) since the March election.

The contradictions between the military and the Constituent Assembly have also grown because of the suspension of the agrarian reform. The military has repeatedly declared its support for the reform. As soon as the Assembly decided to stop the agrarian reform, Defence Minister Jose Guillermo Garcia said that the armed forces have always paid great attention to these structural reforms because these reforms were proposed and passed by the military movement on October 15, 1979.

The US Senate Foreign Relations Committee has made restoring agrarian reform and respecting human rights as conditions for continued US aid to El Salvador. A number of US

Congressmen are against giving further aid to the El Salvadorian Government.

Under such powerful pressures, the four Right-wing parties headed by the Nationalist Republican Alliance concluded an agreement on August 3 with the Christian Democratic Party promising to continue carrying out of social reforms including agrarian re-

form. But the differences that have surfaced over the agrarian reform issue are difficult to patch up. It is clear that the conflict between the guerrillas and the government, and the contradictions among the various forces within the government will grow and there will be continued unrest in El Salvador.

—Xin Ping

Panama Makes Headway in Canal Management

PANAMA now enjoys greater economic benefits after gaining much experience in managing the Panama Canal since it recovered its sovereign rights over the waterway three years ago.

August 15 is the 68th anniversary of the opening of the 81-kilometre-long Panama Canal on that day in 1914. The United States had occupied the Canal Zone until October of 1979. The United States and Panama had signed a new canal treaty in 1977 which came into effect at that time. Since then Panama has administered the canal jointly with the United States but will take full control in the year 2000.

Economic Benefits. In the first year of implementing the new Panama Canal Treaty, the Panamanian Government earned 77.6 million balboas (one balboa equals one US dollar). Last year its revenue was 76.9 million balboas and is expected to reach 78.5 million balboas this year. Before the new treaty was signed, the US Government allotted only a few million dollars of the total revenue to Panama each year. In the nine months of the 1981-82 fiscal year passage fees through the

canal amounted to 240-plus million US dollars. In the same period of 1980-81 the figure was 220 million US dollars.

Knowledge Gained. When Panama joined the administration of the canal in 1979, it was faced with great difficulty in appointing administrative personnel and technicians. The proportion of Panamanians on the Canal Council has increased from 69 per cent in October of 1979 to 74 per cent in June this year. Most members are skilled and professionally competent. A responsible Panamanian member of the Canal Council said: "We Panamanians have gained a lot of knowledge about the canal" and "this is very valuable wealth for Panama."

Events prove that the Panamanians are well able to manage the canal themselves. They are continuing their efforts to master administrative skills, and the departments of the Panamanian Government concerned recently asked Panamanians to watch closely and learn all technical aspects including transportation and commerce. Panama's education authorities plan to train more canal administration personnel.

—Xin Zhai

Economic Readjustment: Results Since 1979

by Zhang Zhongji, the State Statistical Bureau

China began to readjust the seriously disproportionate development of its national economy in 1979. Since then it has achieved measurable improvements in agriculture, industry, national income, and education and science. Nevertheless, the potential danger to the national economy still remains.

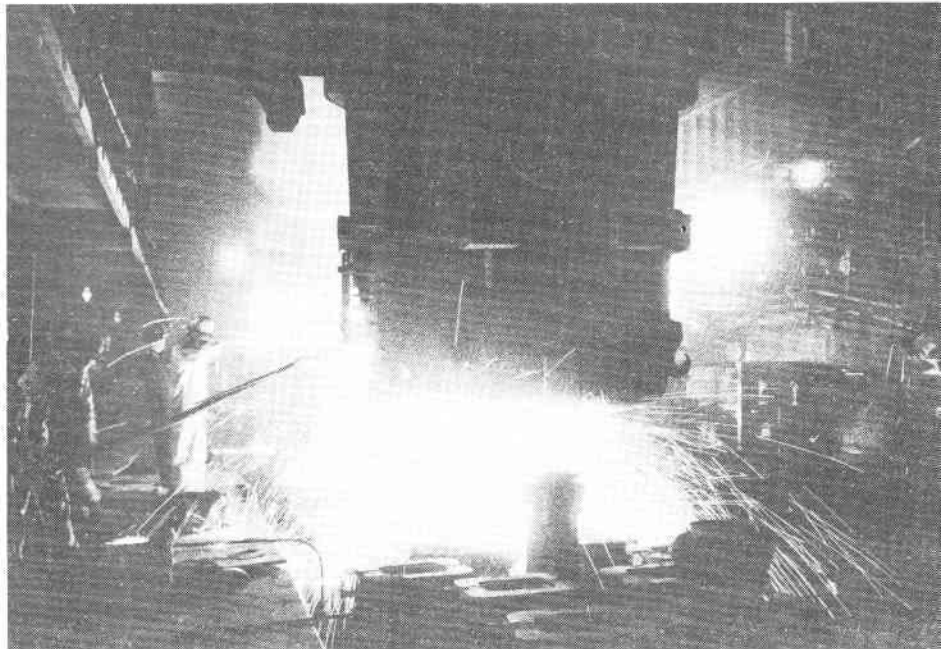
MAJOR achievements have been made in China's economic readjustment work since it adopted the policy of "readjustment, restructuring, consolidation and improvement" in 1979 to steer the national economy clear of a course of gravely lopsided development. The national economy has made the first solid step on a new road of steady development.

Agricultural Structure

China's farm production was long dominated by cultivation, with the stress upon grain production. This single structure of agriculture obstructed the maximum utilization of the labour force and natural resources. However, the structure changed in the 1979-81 period when various forms of the responsibility system were introduced in farm production, the geographical distribution of farm crops was readjusted to suit local conditions, and peasants were encouraged to diversify their economic undertakings. The acreage sown to grain crops was reduced, but the annual grain output surpassed the pre-1978 level in the last three years.

There were also sustained increases in the output of cash crops. In 1981, cotton output was 2,968,000 tons; oil-bearing crops, 10,205,000 tons; sugar crops, 36,028,000 tons; and tea, 343,000 tons. Each was a record high and their increases ranged from 37 to 96 per cent compared with the 1978 figures. The output value of forestry, animal husbandry, fishery and sideline occupations totalled approximately 61,700 million yuan, calculated according to the 1970 constant prices. This represented an increase of 31.1 per cent over that of 1978 and an annual progressive growth of 9.5 per cent.

Fengyang County in Anhui Province, for example, was once a desolate place "plagued by natural adversities nine out of ten years." In 1981, it harvested 300,000 tons of grain and



The Qiqihar Steel Plant has reorientated its service and increased the output of the urgently needed special steel and rolled steel.



The Anshan Iron and Steel Company produces rolled titanium steel, with which the Anshan Bicycle Factory makes high-grade bicycles.

15,500 tons of oil-bearing crops, twice and 6.5 times the 1978 figures; commune members' per-capita income averaged 240 yuan, quadruple the 1978 figure. Fengyang was not alone in experiencing such dramatic changes. Many counties showed similar improvements.

Industrial Structure

The single-minded pursuit of rapid industrial production, centring around the iron and steel industry, resulted in a lopsided ratio between light and heavy industries. In the last three years, light industry has received priority in the following fields — the supply of energy and raw materials, measures to upgrade potential productivity and adopt technical innovations and transformation, capital construction projects, bank loans, foreign exchange and import of new techniques, and transport and communications. This helped light industry grow at a fast pace. The light industrial output value scored an average progressive increase of 14 per cent annually, and its portion in the total industrial output value grew from 42.7 per cent in 1978 to 51.4 per cent in 1981, calculated according to the 1970 constant prices.

Major consumer goods experienced a considerable increase. In the 1978-81 period, the output of TV sets increased 10.4-fold; radios and cameras, 3.5-fold; bicycles, sewing machines, wristwatches and wines, more than doubled. Cotton yarn, cloth, woollen fabrics, sugar, leather shoes and cigarettes each grew between 27 and 42 per cent. In 1981, some 5,000 new light industrial products were trial-

produced and more than 70,000 new varieties and patterns were added, half of which already went into batch production. This greatly improved the supply of commodities on the market.

Heavy Industry: Whom to Serve

Heavy industry, once self-serving, has been revamped in the last three years so as to provide more products for agriculture, light industry, the market, export and the technical transformation of other industries. The metallurgical industry, for example, increased production of badly needed strip steel and steel sheets by 17.3 and 25.7 per cent respectively between 1980 and 1981.

The supply of products that had chronically been in short supply can now roughly keep pace with the demand. These include small rolled steel, welding tubes, materials for steel window frames and materials for steel wire and nails.

The civil machine-building industry developed 1,300 new products in 1981, more than it did in any year in its history, and expanded service for agriculture, sideline occupations, the foodstuffs industry, the production of consumer goods for daily use, the textile industry, commerce, environmental protection and packaging.

The total volume of export of machinery and electrical appliances totalled 1.640 million US dollars, 2.4 times the 1980 figure, and large precision machinery and complete sets of equipment have entered the international market.

The production of small farm machinery and tools and semi-mechanized farm tools has been increased to meet the rising demand. In 1981, these products accounted for around 40 per cent of the total output value of farm machinery industry.

In an effort to turn out products that can be sold easily, the chemical industry has limited the production of tyres for automobiles while expanding the production of tyres for bicycles and hand-pulled carts.

In heavy industry, the product mix has been readjusted. More than 200 small iron plants suffering heavy economic losses due to high energy consumption and poor product quality have been closed down or have switched to make other products. Consolidation and improvement

OUTPUT OF MAJOR INDUSTRIAL AND AGRICULTURAL PRODUCTS SINCE 1978

	<i>unit</i>	1978	1979	1980	1981	<i>increase of 1981 over 1978 (per cent)</i>
Output of major industrial products						
cotton yarn	million tons	2.38	2.64	2.93	3.17	33.2
cotton cloth	million metres	11,030	12,150	13,470	14,270	29.4
machine-made paper and cardboard	million tons	4.39	4.93	5.35	5.40	23.0
sugar	million tons	2.267	2.5	2.571	3.166	39.7
bicycles	million	8.54	10.095	13.02	17.54	105.4
sewing machines	million	4.865	5.868	7.68	10.39	113.6
wristwatches	million	13.511	17.07	22.16	28.72	112.6
TV sets	million	0.517	1.329	2.492	5.394	943.3
coal	million tons	618	635	620	620	0.3
crude oil	million tons	104.05	106.15	105.95	101.22	-2.7
electricity	million kwh	256,600	282,000	300,600	309,300	20.9
steel	million tons	31.78	34.48	37.12	35.6	12.0
timber	million cubic metres	51.62	54.39	53.59	49.42	-4.3
cement	million tons	65.24	73.9	79.86	84	28.8
chemical fertilizers	million tons	8.69	10.65	12.32	12.39	42.6
Output of major agricultural products						
grain	million tons	304.75	332.12	320.52	325.02	6.7
cotton	million tons	2.167	2.207	2.707	2.968	37
oil-bearing crops	million tons	5.218	6.435	7.691	10.205	95.6
sugar cane	million tons	21.117	21.508	22.807	29.668	40.5
beet roots	million tons	2.702	3.106	6.305	6.36	135.4
jute and bluish dogbane	million tons	1.088	1.089	1.098	1.26	15.8
tea	million tons	0.268	0.277	0.304	0.343	28.0
pork, beef and mutton	million tons	8.563	10.624	12.055	12.609	47.2
pigs sold to the market	million head	170.49	187.68	198.61	194.95	14.3
large livestock	million head	93.89	94.59	95.25	97.64	4.0
aquatic products	million tons	4.656	4.305	4.497	4.605	-1.1

of the remaining ones have enabled them to attain higher economic and technical standards and reduce the per-ton production cost for pig iron from 304 yuan in 1978 to 240 yuan in 1981. Losses were reduced from 630 million to 100 million yuan.

A total of 109 small nitrogenous fertilizer factories were closed or switched to other products in 1981. As a result, losses were reduced from 600 million yuan in 1978 to 40 million yuan. Small nitrogenous fertilizer factories in 11 provinces and municipalities have begun to see a profit. Insecticides, dyestuffs and paint have experienced similar achievements during the economic readjustment.

Distribution of National Income

The portion of the accumulation fund in the national income was reduced from 36.5 per cent in 1978 to less than 30 per cent in 1981, while the consumption fund was increased to improve living standards. The state has increased the purchasing prices for farm and sideline products and has reduced some rural taxes, thus adding 52,000 million yuan to peasant incomes. In the cities and towns, 26 million people have been given jobs in the last three years, some workers and staff members have received wage increases and bonus systems have been introduced. As a result, urban incomes rose by 40,500 million yuan.

Per-capita annual net income in the communes was 223 yuan in 1981, according to a government survey, up 89 yuan from the 134 yuan in 1978 and growing at an annual progressive rate of 18.5 per cent. Surveys showed

A new design of houses, devised by the Shenyang Architectural Designing Institute, is well received by peasants on the outskirts of the city.



that urban families of workers and staff members had an average of 463 yuan per capita for living expenses in 1981, which was 46.8 per cent more than the 315 yuan in 1978 — a real increase of 30.8 per cent after adjustment for price increases. In both the urban and rural areas, the percentage of poor families dropped drastically, and citizens' bank savings increased rapidly, totalling 52,300 million yuan towards the end of 1981, 2.5 times the 1978 figure.

Increased private incomes have enabled the residents in the urban and rural areas to purchase more and better food, clothing and other consumer goods. Surveys showed that each rural resident received an average increase of over 100 *jin* (one *jin* equals half a kilogramme) of fine grain in their grain ration between 1978 and 1981. They also more than doubled their consumption of high-grade commodities such as woollen fabrics, silks and satins, woollen yarn, and woollen knitwear in the same period. Living standards have risen in the last few years at a speed and with a scope rarely seen since the founding of the People's Republic.

Investment in Capital Construction

The scale of capital construction was considerably reduced. The number of state-supported big and medium-sized construction projects was cut from 1,624 at the end of 1978 to 663 in 1981. At the same time, investments were reallocated. Of the total investment in capital construction, the portion for heavy industry shrank from 50.9 per cent in 1978 to 40.3 per cent in 1981, while that for light industry increased from 6.1 to 10 per cent. The investment in productive construction (factories, workshops, etc.) decreased from 82.6 per cent to 58.7 per cent while that in non-productive construction projects (housing, theatres, etc.) needed in the people's material and cultural life increased from 17.4 to 41.3 per cent.

The state invested 29,000 million yuan in housing construction in the last three years and built 223 million square metres of floor space, an average of 74 million square metres each year. Some 18 million people moved into new buildings, and their old housing helped several million others improve their living conditions.



The modern Xianghua Street (above) was built on what used to be a stinking, dirty ditch (below) in Shanghai.

The state support for housing construction in the countryside both through supplying materials and through designing and planning has enabled peasants to rapidly upgrade their homes. In the last few years, commune members built housing with a total floor space of 1,400 million square metres, and their living area averages 10.16 square metres per capita.

To upgrade the people's living conditions, a total of 4,000 million yuan were invested in urban public utilities and urban development in the last three years. In 184 cities, during the period 1978-81, the number of people who had access to tap water increased 22 per cent; the number of buses 32 per cent; the length of city roads 8.2 per cent; the gas supply 65.8 per cent; the length of sewers 16.8 per cent; and the acreage of gardens and afforested areas 38.9 per cent.

While strengthening the state-owned commercial networks, the state has also restored and developed collective commerce. Individual commerce has also grown somewhat. By the

end of 1981, the commercial and service trades (including catering) establishments numbered 3.3 million, employing 16.24 million workers and sales clerks, 73.2 per cent more than in 1978.

Education and Science

China has more and better qualified college students since the college entrance examination system was reinstated in 1977. By the end of 1981, a total of 1.28 million were enrolled in colleges, 48.8 per cent more than in 1978. Meanwhile, an increasing number of students are studying in television and radio colleges, attending secondary vocational and technical schools or spare-time classes.

By the end of 1981, a total of 5.7 million natural scientists and technical personnel were employed by state-owned facilities, 30 per cent more than in 1978. In the last three years, the nation registered 8,490 major achievements in science and technology, and recognized 269 new inventions. Some of the new agricultural achievements, such as hybrid rice, hybrid corn, Lumian (Shandong cotton) No. 1, have reached or approached the advanced world levels. The last couple of years have also seen China successfully launch a carrier rocket into the Pacific and use a single carrier rocket to shoot three satellites into space.

Although the achievements affirm the economic readjustment and the series of policies adopted since 1977, the host of problems left in the past could not all be solved within the short span of three years. To cite two major problems that remain: First, financial deficits stood at 17,000 million and 12,700 million yuan respectively in 1979 and 1980. A basic balance was struck between revenues and expenditures in 1981, but this was achieved under the conditions of curtailed expenditures. Economic results remained low. The retail price index was 10.7 per cent higher in 1981 than in 1978, and non-staple food prices increased 32.1 per cent.

Second, energy production decreased in the last couple of years. In 1981, it remained at the 1978 level and it is estimated that no substantial increase is forthcoming in the next few years.

Both problems will considerably hold back the development of industrial production. The potential danger confronting the national economy has not yet been fundamentally eliminated. □

A Chronicle of Major Events of the Party and State

(Aug. 1977-Aug. 1982)

The 12th National Congress of the Chinese Communist Party will be held on September 1, 1982. We have therefore compiled this chronology to acquaint our readers with the significant changes in the Party's work and the development of the socialist cause in China since the previous Party congress, particularly in the last four years since the Third Plenary Session of the 11th Party Central Committee. — Ed.

1977

• **Aug. 12-18.** The 11th National Congress of the Chinese Communist Party was held in Beijing.

The congress adopted a political report delivered by Hua Guofeng on behalf of the Party Central Committee. The report summed up the struggle which toppled the gang of four in 1976, proclaimed the end of the "cultural revolution" and reiterated that the fundamental task for the Party in the new historical period is to build China into a modern, powerful socialist country by the end of the 20th century.

The 11th Party Congress played an active role in exposing and criticizing the gang of four and in mobilizing the entire Party membership in the drive to build China into a modern, powerful socialist country. However, owing to

the circumscription of the historical conditions of the time and the influence of the mistakes committed by Hua Guofeng, this congress affirmed, instead of correcting, the erroneous theories, policies and slogans of the "cultural revolution," thereby failing to accomplish the task of putting things to rights in theory and in the Party's guidelines.

At the First Plenary Session of the 11th Party Central Committee, Hua Guofeng was elected Chairman of the Party Central Committee and Ye Jianying, Deng Xiaoping, Li Xian-nian and Wang Dongxing were elected Vice-Chairmen of the Party Central Committee.

• **Aug. 30.** Josip Broz Tito, President of the Socialist Federal Republic of Yugoslavia and President of the League of Communists of Yugoslavia, arrived in Beijing on a China visit. The relationship between the Chinese and Yugoslavian Parties was restored and ushered into a new stage of development.

• **Dec. 10.** The Party Central Committee appointed Hu Yaobang Head of the Central Organization Department. Acting on the principle of seeking truth from facts and redressing wrongs wherever discovered, he led the Organization Department staff to redress unjust, false and wrong cases brought about under the guidance of the "Left" thought in the previous years, thereby opening up new vistas for the implementation of Party policies.

President Tito at the Beijing Airport.



1978

• **Feb. 26-Mar. 5.** The First Session of the Fifth National People's Congress was convened in Beijing.

At the session Hua Guofeng delivered a report on the work of the government on behalf of the State Council, in which he set forth the general task for the new period of historical development. The report, which underestimated the seriously disproportionate development of the national economy, called for the construction of 120 large projects, with the result that the state's financial difficulties and the dispro-

portionate development of the national economy were further aggravated.

• **Mar. 18-31.** A national science conference was held.

Speaking at the conference, Deng Xiaoping expounded fundamental Marxist principles on the role of science and technology in social development, pointed out that brain workers in the service of socialism are part of the labouring people and reiterated the necessity of building up a mighty contingent of scientific and technological personnel.

Hua Guofeng made a report to the conference, entitled "Raise the Scientific and Cultural Level of the Entire Chinese Nation."

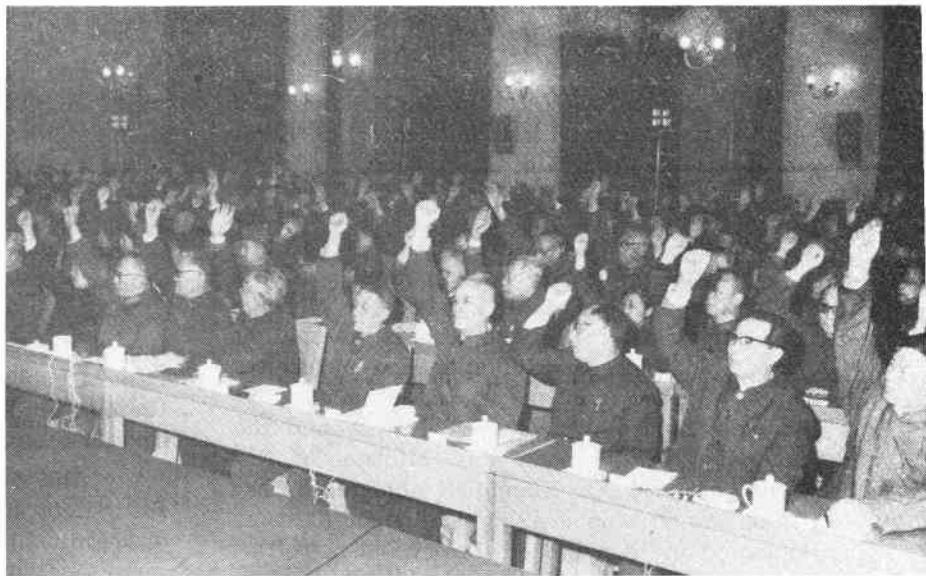
• **Apr. 5.** The Party Central Committee approved the decision to remove the designation from all those who were designated as Rightists (mostly in 1957). This work had been finished by November 1978. The work to redress those who were wrongly branded as "Rightists" was basically accomplished in 1980.

• **May 11.** *Guangming Ribao* published its Special Commentator's article entitled "Practice Is the Sole Criterion for Testing Truth," which touched off a debate on this question. The debate promoted a nationwide movement to emancipate the mind under the guidance of Marxism.

• **Nov. 14.** Upon approval of the Standing Committee of the Political Bureau of the Party Central Committee, the Beijing Municipal Committee of the Communist Party of China declared that the mass actions honouring the memory of Premier Zhou Enlai and denouncing the gang of four at Tian An Men Square during the *Qing Ming* festival (a day in early April for traditional observances in commemoration of the dead — *Tr.*) in 1976 were completely revolutionary (which were once designated as "counter-revolutionary incident" — *Ed.*), and that all those who were persecuted for participation should be exonerated.

• **Dec. 18-22.** The Third Plenary Session of the 11th Party Central Committee was convened in Beijing.

The session began a comprehensive and conscientious correction of the "Left" mistakes committed prior to and during the "cultural



Participants at the Third Plenary Session of the 11th Party Central Committee unanimously adopting the communique of the session.

revolution," thus putting an end to the situation in which the Party moved forward in a zigzagging way in its work after the downfall of the gang of four in October 1976. The session took an important political and economic strategic policy decision, which marked a great turning point of far-reaching significance in the Party's history since the founding of New China.

The session repudiated the erroneous policy of "two whatevers" (namely, "We should resolutely support whatever policy decisions Chairman Mao made and we should unswervingly follow whatever instructions Chairman Mao gave") and affirmed that it was imperative to comprehensively and accurately grasp the scientific system of Mao Zedong Thought; it highly evaluated the discussion on the criterion for testing truth and defined the guiding principle of emancipating the mind and seeking truth from facts; it decided to cease using the slogan "take class struggle as the key link" which was unsuitable for a socialist society and made the strategic policy decision to shift the emphasis of the Party's work to socialist modernization; it called for correcting the serious disproportionality of the national economy and made the decision to speed up agricultural development; it emphasized the task of giving full scope to socialist democracy and strengthening the socialist legal system; and it decided to rescind the Party Central Committee's wrong documents (issued in 1976) on "opposing the Right-deviationist wind to reverse correct verdicts" and on the Tian An Men incident.

The session elected Chen Yun additional Vice-Chairman of the Party Central Committee, Deng Yingchao, Hu Yaobang and Wang Zhen

additional Members of the Political Bureau and elected the Central Discipline Inspection Commission with Chen Yun as its head.

1979

• **Jan. 1.** The Standing Committee of the National People's Congress issued the Message to Compatriots in Taiwan, suggesting that at an early date, transportation and postal services be established and trade and economic exchanges carried out between Taiwan and the mainland. On the same day, Minister of National Defence Xu Xiangqian announced that China would stop shelling Dajinmen (Greater Quemoy) and Xiaojinmen (Lesser Quemoy), Dandan (Tatan), Erdan (Erhtan) and other islands.

• **Jan. 1.** China and the United States officially established diplomatic relations.

• **Jan.** The Party Central Committee decided to remove the designations from landlords and rich peasants. Considering the fact that after China accomplished the land reform and realized agricultural collectivization in the rural areas, and the overwhelming majority of the landlords and rich peasants, after experiencing 20-30 years of reform through labour, became labourers earning their own living, the Party Central Committee decided that the former landlords, rich peasants, counter-revolutionaries and bad elements (excepting the very few who cling to reactionary stands) would no longer be called by their designations and they would be treated the same as members of the rural people's communes.

• **Feb. 17-Mar. 16.** The Vietnamese invaders launched incessant armed provocations and invasions, compelling the Chinese frontier forces to counterattack in self-defence.

• **Mar.** At the suggestion of the Third Plenary Session of the 11th Party Central Committee, the State Council decided to increase the purchasing prices of 18 staple farm and sideline products, including grain, oil-bearing crops, cotton and pigs, by an average of 24.8 per cent. This considerably augmented the peasants' incomes.

• **Mar. 30.** Deng Xiaoping spoke at a national preparatory meeting on theoretical work, emphasizing that in order to achieve the four modernizations, four basic principles should be upheld, namely, the socialist road, the dictatorship of the proletariat, the Communist Party leadership and Marxism-Leninism and Mao Zedong Thought.

• **Apr. 3.** The Seventh Session of the Stand-

ing Committee of the Fifth National People's Congress decided not to extend the Treaty of Friendship, Alliance and Mutual Assistance Between the People's Republic of China and the Union of Soviet Socialist Republics beyond its expiration. On the same day, Huang Hua, Chinese Foreign Minister, met with the Soviet ambassador to China, notifying the Soviet Union of this decision and suggesting that negotiations be held between the two sides on ways to solve the outstanding issues and improve Sino-Soviet relations.

• **Apr. 5-28.** At a working conference, the Party Central Committee set forth the principle of "readjusting, restructuring, consolidating and improving" the national economy.

• **June 17-July 1.** The Second Session of the Fifth National People's Congress was convened in Beijing. The session discussed and endorsed the Report on the Work of Government and adopted the decision on shifting the emphasis of work to the four modernizations and confirmed the principle of "readjusting, restructuring, consolidating and improving" the national economy.

The session adopted the Criminal Law of the People's Republic of China, the Law of Criminal Procedures of the People's Republic of China, the Law of the People's Republic of China Governing Joint Ventures With Chinese and Foreign Investment and four other laws.

• **July.** The Party Central Committee and the State Council approved the series of special policies and flexible measures to be adopted by Guangdong and Fujian Provinces in their economic activities with foreign countries. In the same month, the central authorities also approved the establishment of four special economic zones in these two provinces.

• **Sept. 25-28.** The Fourth Plenary Session of the 11th Party Central Committee was held in Beijing. The session adopted the Decision of the Central Committee of the Communist Party of China on Some Questions Concerning the Acceleration of Agricultural Development and elected Zhao Ziyang and Peng Zhen additional Political Bureau Members.

1980

• **Feb. 23-29.** The Fifth Plenary Session of the 11th Party Central Committee was held in Beijing. It decided to re-establish the Secretariat of the Central Committee, elected Hu Yaobang General Secretary of the Central Committee and Hu Yaobang and Zhao Ziyang to the

Standing Committee of the Political Bureau, adopted the Guiding Principles for Inner-Party Political Life and a resolution on completely rehabilitating the late former Vice-Chairman of the Party Central Committee and Chairman of the People's Republic of China Liu Shaoqi, and approved the resignations of Wang Dongxing and three others from their leading Party and state posts.

• **Apr. 14-22.** The delegation of the Central Committee of the Italian Communist Party led by General Secretary Enrico Berlinguer visited China. Relations between the Chinese and Italian Parties were restored. Following this, the Communist Parties of Spain, Greece, France and the Netherlands sent delegations to visit China. In turn, the Chinese Communist Party sent delegations to visit these countries or attend their Party congresses.

• **May 18-21.** China successfully launched its first carrier rocket to the destined area in the Pacific Ocean.

• **May.** The Party Central Committee released the Summary of a Discussion on the Work in Tibet which put forward eight principles, including drawing up policies according to actual local conditions and actively training cadres of Tibetan nationality, so as to solve the problems in the national relations and the national minority economy caused by the sabotage of the Lin Biao and Jiang Qing counter-revolutionary cliques.

• **Aug. 2** The Party Central Committee held the national working conference on employment which called for a flexible policy on employment. Under the government's overall planning and guidance, the new policy combines the recommendation of jobs by labour departments with individuals finding jobs for themselves or individuals organizing themselves on a voluntary basis to do any work they prefer. From 1979 to 1981, a total of 26 million people throughout the country became employed.

• **Aug. 30-Sept. 10.** The Third Session of the Fifth National People's Congress was held in Beijing. It discussed problems concerning the formulation of a long-term plan for developing the national economy and continuing the economic reform and adopted the Nationality Law, the revised Marriage Law, Income Tax Law on Joint Ventures With Chinese and Foreign Investment and Individual Income Tax Law of the People's Republic of China. It decided that Hua Guofeng would no longer hold the post of Premier of the State Council and that Zhao Ziyang would take over the post, and ap-

proved the resignations of a number of revolutionaries of the older generation as Vice-Premiers of the State Council and Vice-Chairmen of the Standing Committee of the National People's Congress.

• **Sept. 2.** The State Council approved popularizing the work of enlarging the decision-making powers of enterprises to all the state-owned industrial enterprises as of 1981.

• **Sept. 14.** The Party Central Committee called a meeting of the first Party secretaries of all the provinces, municipalities and autonomous regions which discussed the problems of strengthening and perfecting the system of responsibility in agricultural production. On September 27, the Party Central Committee circulated the summary of the meeting's discussions throughout the country.

• **Oct.** The Party Central Committee voted to posthumously expel from the Party Kang Sheng, former Vice-Chairman of the Central Committee and Vice-Chairman of the NPC Standing Committee, and Xie Fuzhi, former Member of the Political Bureau of the Central Committee and Vice-Premier of the State Council, and to rescind the speeches delivered at their memorial ceremonies. Kang and Xie directly participated in the counter-revolutionary plots of Lin Biao, Jiang Qing and company to usurp supreme leadership of the Party and the state during the "cultural revolution" and committed grave crimes.

• **Nov. 20-Dec. 29.** A Special Court under the Supreme People's Court was held to try the 10 principal culprits of the Lin Biao and Jiang Qing counter-revolutionary cliques. Final judgment on them was passed on January 25, 1981.

1981

• **Jan. 4.** A cofferdam on the Changjiang (Yangtze) River was successfully completed at the Gezhouba key water conservancy project, the largest of its kind in China. On June 15, ships for the first time successfully passed through the Gezhouba ship locks. This multi-purpose water conservancy project also includes power generation, flood control and improved navigation facilities. Railway lines and a highway will cross the top of the dam.

• **May 15.** The Political Bureau of the CPC Central Committee voted to accept Soong-Ching Ling as a full member of the Chinese Communist Party. The following day, the Standing Committee of the National People's Congress conferred on her the title of Honorary Chairman



A cofferdam being completed across the Changjiang River at Gezhouba where a water-conservancy key project is under construction.

of the People's Republic of China. On May 29 Soong Ching Ling died of illness; people of all nationalities throughout the country mourned her death.

• **June 27-29.** The Sixth Plenary Session of the 11th Party Central Committee held in Beijing unanimously approved the Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China, thus completing the historic task of putting things to rights and rectifying the Party's guiding thought.

The session also re-elected the principal leading members of the Central Committee and elected new ones. Hu Yaobang was elected Chairman of the Party Central Committee, and Deng Xiaoping, Chairman of the Military Commission of the Central Committee. The new Standing Committee of the Political Bureau of the Central Committee includes Chairman Hu Yaobang and Vice-Chairmen Ye Jianying, Deng Xiaoping, Zhao Ziyang, Li Xiannian, Chen Yun and Hua Guofeng.

• **July 13.** The Party Central Committee and the State Council promulgated the Provisional Regulations Concerning Congresses of Workers and Staff Members in State-Owned Industrial Enterprises. The regulations include detailed stipulations on worker and staff participation in enterprise management and constitute a major step towards the legalization and institutionalization of democratic management in enterprises.

• **Aug. 3-8.** The Propaganda Department of the Party Central Committee called a national meeting on ideological work.

Chairman Hu Yaobang made an important speech on strengthening Party leadership over ideological work and putting an end to weak and lax leadership.

The meeting stressed that criticism and self-criticism should be practised earnestly in order to overcome erroneous tendencies as quickly as possible. Of particular concern were tendencies to depart from the socialist road, evade Party leadership and advocate bourgeois liberalization, tendencies which must

be criticized and fought in a correct manner.

• **Sept. 3.** At the 20th Session of the Standing Committee of the Fifth National People's Congress, Minister of Civil Affairs Cheng Zihua announced that direct elections at the county level across the country had begun in the latter half of 1980. By August 1981, of the nation's 2,756 county-level units, 2,368 had held such elections, thus promoting the country's socialist democracy and legal system and strengthening the building of the people's political power.

• **Sept. 20.** China successfully launched a group of three space-physics experiment satellites with a single carrier rocket, thus becoming the fourth to send multiple satellites into space with a single rocket, after the United States, the Soviet Union and the European Space Agency.

• **Sept.** The Chinese People's Liberation Army Beijing Units and the Air Force carried out military exercises in north China under modern conditions, thus demonstrating the progress that has been made towards the building of a modernized revolutionary army.

• **Sept. 30.** In an interview with a Xinhua correspondent, Ye Jianying, Chairman of the Standing Committee of the National People's Congress, elaborated on his nine-point proposal on the return of Taiwan to the motherland and thereby accomplishing peaceful reunification. He proposed that talks be held between the Communist Party of China and the Kuomintang

of China on a reciprocal basis, so as to bring about a third co-operation between the two parties and thus jointly accomplish the great cause of national reunification.

• **Oct. 9.** People of all walks of life in the capital held a grand rally in commemoration of the 70th anniversary of the Revolution of 1911. Hu Yaobang, Chairman of the Party Central Committee, stated in his speech that China now faces three great tasks: to achieve the four modernizations, to defend world peace and to fulfil the great cause of reunification of the motherland. In his capacity as a leading member of the Communist Party, he invited Mr. Chiang Ching-kuo and other Kuomintang Party, government and military personages and people from all walks of life in Taiwan to visit the mainland.

• **Nov. 30-Dec. 14.** In a report on the work of the government at the Fourth Session of the Fifth National People's Congress in Beijing, Premier Zhao Ziyang set forth 10 principles for China's economic construction; he emphasized the need to blaze a new trail that would lead to the development of the economy at a realistic rate and with better economic results and more benefits for the people. He also announced the State Council's decision to restructure the administration. Approved at the session were the Law Governing Economic Contracts and the Law Governing Income Taxes of Foreign Enterprises.

1982

• **Jan. 1.** The Party Central Committee released the Summary of the National Conference on Rural Work held in Beijing in October 1981. The summary reported that more than 90 per cent of the country's production teams have adopted some form of the responsibility system and stressed that China's agriculture must adhere to the road of socialist collectivization. For a long time to come, public ownership of land and other basic means of production will not change, nor will the responsibility system which is practised in the collective economy.

• **Jan.** The Party Central Committee and the State Council announced that an all-round reorganization of state-owned industrial enter-



Comrades Hu Yaobang (right) and Deng Xiaoping during a break at the Sixth Plenary Session of the 11th Party Central Committee.

prises would be carried out systematically and in a planned way over the next several years.

• **Feb. 20-Mar. 4.** In a speech at the National Conference on Industrial and Transport Work, Premier Zhao Ziyang stressed the need for adhering to the open policy towards foreign countries and the policy to enliven the domestic economy, while at the same time strengthening the planned economy so as to co-ordinate all national economic activities. In industry, emphasis should be shifted to economic results rather than production value, which had been overstressed for many years.

• **Feb. 22-Mar. 8.** The 22nd Session of the Standing Committee of the Fifth National People's Congress adopted the decision on the severe punishment of criminals who have done great damage to the state economy; approved in principle the State Council's plan for restructuring; passed the Law of Civil Procedures of the People's Republic of China (Draft); and on pardoning and releasing all former Kuomintang Party, government and military personnel and special agents below the county and regimental levels still held in custody.

• **Mar.** The "National Socialist Ethics Month" campaign spread across the country. It was a continuation of the activities proposed by the All-China Federation of Trade Unions, the Central Committee of the Communist Youth League and seven other units, involving the five "stresses" (on decorum, manners, hygiene, discipline and morals) and four "points of beauty" (of mind, language, behaviour and environment). This was regarded as a signif-

icant beginning in the drive to promote socialist ethics.

• **Mar.** Figures from the State Statistical Bureau showed a remarkable improvement in urban and rural people's standard of living. During 1978-81, the per-capita annual income in the rural areas rose by 67.3 per cent and the per-capita annual urban income by 25.7 per cent. Funds from the state for increasing urban incomes and otherwise improving the standard of living in these three years amounted to 140,000 million yuan, or 31 per cent of state revenues, the largest percentage used for such purposes since the founding of the People's Republic.

• **Apr. 14.** A Foreign Ministry spokesman lodged a strong protest against the US Government's decision to sell military-related spare parts worth US \$60 million to Taiwan. Continued US arms sales to Taiwan is a violation of the principles of the Sino-US Joint Communiqué on the Establishment of Diplomatic Relations and a gross interference in China's internal affairs.

The two governments then entered into a long period of negotiations on the issue.

• **Apr. 19.** During his talks with Joao Bernardo Vieira, Head of State and Chairman of the Revolutionary Council of Guinea-Bissau, Premier Zhao Ziyang emphasized the three basic principles of China's foreign policy: Strengthening unity and co-operation with the third world, opposing hegemonism, and safeguarding world peace.

• **Apr. 26.** Premier Zhao Ziyang announced that the restructuring of organs under the State Council had been completed, the original 52 ministries and commissions having been reduced

to 41 and the cadres at the ministerial and commission level having been cut by 67 per cent.

• **Apr. 27.** The draft of the revised Constitution of the People's Republic of China adopted by the 23rd Session of the Standing Committee of the Fifth National People's Congress was made public for discussion by people of all nationalities in the country.

On May 4, the 23rd Session of the Fifth NPC Standing Committee resolved that Wan Li and Yao Yilin should remain Vice-Premiers of the State Council while Yu Qiuli and nine others were appointed State Councillors.

Departments directly under the Party Central Committee were also restructured, with a list of newly appointed departmental leaders published on May 15.

• **May 31-June 5.** During an official visit to Japan, Premier Zhao Ziyang put forward three principles for the promotion of economic relations between China and Japan: They should be developed on the basis of peaceful and friendly ties, of equality and mutual benefit and should be lasting and stable. These principles received active response from Prime Minister Suzuki and the Japanese Government.

• **June 7.** During a meeting with Henk Hoekstra, Chairman of the Communist Party of the Netherlands, Chairman Hu Yaobang of the Party Central Committee stressed that in relations with parties in other countries, the Chinese Communist Party adheres to the principles of independence, full equality, mutual respect and non-interference in each other's internal affairs.

• **June 18.** While meeting with an Egyptian journalists' delegation, Vice-Premier Wan Li reiterated the three basic principles of China's open policy towards foreign countries: First, self-reliance is the main factor. China's imports of advanced technology is aimed at increasing self-reliance ability and developing her own economy. Second, economic, trade, scientific and technological co-operation with foreign countries is conducted on the basis of equality and mutual benefit. And third, foreign influences incompatible with China's conditions and social and moral values will be resisted by educating the people and raising their political consciousness.

• **July 1.** The third nationwide census, the largest ever undertaken in the world, started and enumeration was basically completed by July 10. Complete analysis of the data will require more than two years.

• **July 24.** Liao Chengzhi, in a personal letter to Mr. Chiang Ching-kuo, urged peaceful



A group of national model workers discussing the newly promulgated draft of the revised Constitution.

negotiations between the Kuomintang and the Chinese Communist Party leading to reunification of the country. To that end he offered to visit Taiwan to talk with Chiang Ching-kuo and others.

• **Aug. 5.** Vice-Minister of Foreign Affairs Wu Xueqian, meeting with the Japanese Ambassador to China, once again demanded that the Japanese Government rectify the distortion of history — describing the Japanese invasion of China as an “advance” — introduced into Japanese textbooks in the course of censorship by the Ministry of Education. Vice-Minister Wu said that whether or not to recognize the history of Japanese militarist aggression against China was a major question of principle in the development of Sino-Japanese relations. Also during this period, Chinese press circles and members of the public lodged protests against this action of Japan’s Ministry of Education.

• **Aug. 6.** The Seventh Plenary Session of the 11th Party Central Committee announced

that the 12th National Party Congress would be convened on September 1 this year. The session examined and adopted a report of the Party Central Committee to the 12th National Party Congress and the draft of the revised Constitution of the Communist Party of China, and approved letters of greeting to Comrades Liu Bocheng and Cai Chang who have relinquished leading Party and government posts because of advanced age and ill health.

• **Aug. 17.** The Governments of China and the United States issued a joint communique on gradually reducing and finally resolving the issue of US arms sales to Taiwan.

A Chinese Foreign Ministry spokesman on the same day pointed out that the agreement between the two governments is only a beginning of the settlement of the issue and that the important thing is the earnest implementation of relevant provisions of the joint communique. □

The United States Should Strictly Observe Agreement

“Renmin Ribao” published an editorial on August 18 on the Sino-US Joint Communique of August 17. Excerpts of the editorial, entitled “Stick to Agreement, Remove Obstacles,” follow. — Ed.

THE Governments of China and the United States on August 17 issued a joint communique, declaring that the two sides reached an agreement on gradually reducing and finally resolving the issue of US arms sales to Taiwan. Thus, the crisis which had threatened Sino-US relations in recent months has been eased. This is to be welcomed.

China and the United States in their joint communique reaffirmed the fundamental principles governing Sino-US relations as defined in the Shanghai Communique and the Joint Communique on the Establishment of Diplomatic Relations, namely, “respect for each other’s sovereignty and territorial integrity and non-interference in each other’s internal affairs.” They also stressed that these are still the guiding principles on all aspects of bilateral relations. This, of course, includes the issue of US arms sales to Taiwan. The present question

is the US should suit its action to its words, and take practical steps to solve the issue of arms sales to Taiwan.

On the question of US arms sales to Taiwan, China’s stand has been consistent and explicit. That is, United States’ arms sales to Taiwan constitute an act of infringement of China’s sovereignty, which we resolutely oppose; at the same time, taking into consideration historical factors and proceeding from actual conditions, China agrees that the United States, starting from the precondition that it truly respects China’s sovereignty, will gradually reduce and finally stop its arms sales to Taiwan. In the joint communique, the US side has made three promises: One, its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China; two, it intends gradually to reduce its sale of arms to Taiwan; three, this process of arms sales reduction will lead, over a period of time, to a final resolution of the issue. The United States has also declared: “It does not seek to carry out a long-term policy of arms sales to Taiwan,” “the

United States acknowledges China's consistent position regarding the thorough settlement of this issue." All these are the least the United States should do.

Taiwan is China's territory, and it is purely China's internal affairs as to in what way the Taiwan problem should be resolved. The United States has no right to ask China to make any commitment on the way in which the Taiwan problem should be settled, still less to demand settlement of the Taiwan problem by peaceful means as a precondition to the cessation of US arms sales to Taiwan, since it would constitute an interference in China's internal affairs to do so. China is striving for the return of Taiwan to the motherland through peaceful means. We have made tremendous efforts in recent years for the peaceful reunification of the motherland. The US Government has expressed its understanding and appreciation of China's policy of striving to solve the Taiwan problem peacefully. This being the case, the United States should stop its arms sales to Taiwan as soon as possible and cease to obstruct China's efforts for a peaceful settlement of the Taiwan problem.

The publication of the Sino-US joint communique has served to break the stalemate between the two countries on the issue of US arms sales to Taiwan, but this does not mean that the issue has been completely settled. The clouds hanging over Sino-US relations have not been completely cleared away. The United States has made several promises, but what it will actually do in future remains to be seen. It is our hope that the US Government will truly live up to its promises by honestly and not perfunctorily

reducing its arms sales to Taiwan, and, as the United States itself has promised, do its best to adopt measures and create conditions for the problem to be resolved thoroughly at an early date, instead of delaying its settlement under any excuses.

It must also be pointed out that the fundamental obstacle in the way of the development of Sino-US relations remains to be the "Taiwan Relations Act" of the United States. This so-called act entirely contradicts the principles of the Joint Communique on the Establishment of Diplomatic Relations Between China and the United States. Should the policy-makers in Washington insist on handling the relations between the two countries according to this internal law, Sino-US relations, instead of being further developed, will certainly face yet another grave crisis.

The normalization of Sino-US relations is hard won. It had traversed a rugged road. The Chinese Government and people hope and have been striving consistently for their furtherance, because we believe these relations are not only in conformity with the fundamental interests of the two countries but also conducive to the maintenance of world peace and stability. But the keeping, consolidation and development of Sino-US relations are not dependent on China's efforts alone. If the United States genuinely cherishes its relations with China, it should act accordingly by strictly adhering to the principles of the Joint Communique on the Establishment of Diplomatic Relations Between the Two Countries and fulfilling its promises made in this joint communique. □

Conclusions Confirmed by History

— Some legal aspects regarding Japan's distortion of history in textbooks

by Chen Tiqiang

THE Japanese Education Ministry's distortion of historical facts to prettify Japanese militarist aggression when it examined and approved school textbooks has roused great indignation among the Chinese people. It also has been severely criticized by people in all countries that had been victims of Japanese aggression and by righteous public opinion in Japan.

This distortion of history in the textbooks involves a number of legal questions. Among

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them are: What is a war of aggression? Was Japan's war against China from 1931-45 a "war of aggression"? What is the nature of the Nanjing Massacre according to international law? and Is China interfering in Japan's internal affairs when it asks Japan to rectify the errors in the textbooks?

Nature of Japan's War Against China

First of all, the question of the nature of Japan's war against China is a fundamental issue.

For 14 years, from the time Japan created the September 18 Incident in 1931 to Japan's surrender on August 15, 1945, Japanese troops had invaded, occupied and devastated vast areas of Chinese territory. They killed more than 10 million people and plundered and destroyed an enormous amount of Chinese property. The war was provoked by Japan and fought on Chinese soil. Japan's objective in launching the war was to subjugate China and realize its evil intention of establishing its hegemony over Asia. That Japan had committed aggression against China is a historical fact solemnly and justly confirmed by numerous international documents. This verdict is an iron-clad one and cannot be denied.

The Assembly of the League of Nations on February 24, 1933, adopted a report which found that Japanese military operations at Shenyang and other places in the northeastern provinces of China after the September 18 Incident were operations which the Assembly "cannot regard as measures of self-defence," "nor can the military measures of Japan as a whole developed in the course of the dispute, be regarded as measures of self-defence."

In a declaration of January 1, 1942, the United Nations declared that the Allies "are engaged in a common struggle against savage and brutal forces seeking to subjugate the world."

In the Cairo Declaration of December 1, 1943, China, the United States and Britain declared: "The three great Allies are fighting to restrain and punish the aggression of Japan."

In the Potsdam Proclamation of July 26, 1945, China, the United States and Britain called upon Japan "to proclaim now the unconditional surrender of all the Japanese armed forces" and that "the terms of the Cairo Declaration shall be carried out."

When Japan signed the instrument of unconditional surrender on September 2, 1945, and undertook to "carry out the provisions of the Potsdam Declaration in good faith," it had in fact accepted the verdict that it had committed aggression. The attempt by some people in Japan today to reverse the verdict is therefore absolutely impermissible.

There has long been stipulations in international law that put Japan's war against China as being aggressive in nature. Article 10 of the Covenant of the League of Nations, adopted in 1919, states: Members of the League "undertake to respect and preserve as against external aggression the territorial integrity and existing

political independence of all members of the League." Obviously, this means that any war which violated the territorial integrity and political independence of a League member was illegal and the other League members had the obligation to defend the victim of attack from such "external aggression."

Article 1 of the Anti-War Pact of Paris concluded on August 27, 1928, stipulates that the signatory countries to the pact "renounce . . . recourse to war as an instrument of national policy." The Judgment of the International Military Tribunal for the Far East, pronounced on November 12, 1948, pointed out that a war in violation of the Paris pact is illegal by international law and that "those who plan and wage such a war with its inevitable and terrible consequences are committing a crime in doing so." Thus, it is clear that wars of aggression had already been prohibited by international law before Japan launched its war of aggression. The Japanese Government, therefore, had launched its war of aggression against China wittingly and deliberately with full knowledge of its legal significance.

After World War II, the legal stipulations prohibiting wars of aggression became even more explicit. Article 2, Paragraph 4 of the Charter of the United Nations clearly states: "All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations."

On December 14, 1974, the UN General Assembly adopted a "Definition of Aggression" which states that aggression is "the use of armed force by a State against the sovereignty, territorial integrity or political independence of another State, or in any other manner inconsistent with the Charter of the United Nations, as set out in this definition." Therefore, Japan's war against China is an out-and-out war of aggression. If it is not considered as a war of aggression, then there is no such thing as a war of aggression in the world.

In 1972 when China and Japan established diplomatic relations, Japan expressed in the China-Japan Joint Statement that "the Japanese side is keenly aware of Japan's responsibility for causing enormous damages in the past to the Chinese people through war and deeply reproaches itself." The 1978 Sino-Japanese Treaty of Peace and Friendship states: "The principles enunciated in the Joint Statement should be strictly observed." What has the Japanese Gov-

ernment got to "reproach itself" for? Naturally, it reproaches itself for its crime of aggression. If there was no aggression, then there is nothing for it to reproach itself about. Today, the Japanese Government, on the one hand, says it "will not change its stand of being keenly aware of Japan's responsibility for the past war and of deeply reproaching itself as expressed in the Japan-China Joint Statement." But, on the other hand, the Japanese Government's Education Ministry completely denies the fact that Japan had committed aggression against China. Isn't the Japanese Government contradicting itself?

Nanjing Massacre

The Nanjing Massacre was barbarous violence of a magnitude seldom seen in the history of the human race. The Tokyo International Military Tribunal for the Far East gave an accurate and detailed description of it. It found that "before the fall of Nanking (Nanjing), Chinese forces withdrew and the occupation was of a defenceless city." The number of defenceless Chinese civilians massacred by the Japanese troops in Nanjing totalled more than 200,000 and bodies buried by burial teams alone amounted to 155,000. Wholesale killings and lootings during the massacre lasted six to seven weeks after the fall of Nanjing. All these were the findings of the tribunal after inspecting and examining un rebuttable evidence. However, a high official in the Japanese Government has said: "It is still hard to say immediately on the basis of the judgment whether it is a historical fact." This is an attempt to completely negate the Tokyo trials of war criminals.

The Nanjing Massacre is a serious violation of the laws and customs of war. At the time of the outbreak of Japan's war against China, both China and Japan were parties to the 1899 Hague Convention respecting the laws and customs of war on land. The "Regulations Respecting the Laws and Customs of War on Land" appended to the Convention prohibits attack or bombardment of towns, villages, habitations or buildings which are not defended; prohibits pillage of a town or place even when taken by assault; prohibits pillage of occupied territories; the occupying forces should respect individual lives and property, etc. Japan clearly was well aware of these regulations but had wilfully disregarded them.

Internal Affairs?

Normally to examine and approve the textbooks of a country is a matter of domestic concern of that country alone. But as the contents

that Japan screened dealt with the history of other countries and Japan's relations with other countries, and as they affect the peace and security of the world, and go against the international commitments Japan had made to other countries, it becomes an entirely different matter. Those countries that are affected naturally have the right to ask Japan to rectify the errors and to honour the commitments it has made.

Japan's distortion of the history of its war against China is an insult to the Chinese nation and an attempt to pave the way for militarism which jeopardizes international security and world peace. It also negates the commitments Japan has pledged itself to uphold in the instrument of Japan's surrender, the 1972 China-Japan Joint Statement and other documents. All these are serious international issues which are of vital interest to China. They are certainly not matters of domestic concern of Japan alone.

The above analysis clearly shows that before Japan launched its war of aggression against China in 1931, international law had a clear concept of what constitutes a "war of aggression." As time went on, this concept became clearer and more concrete. International law regulations prohibiting barbarous means of warfare are also sufficiently clear. In order to push forward its militarist policies, Japan had deliberately violated the Covenant of the League of Nations and the Paris pact and launched a war of aggression. After its defeat, Japan deeply reproached itself for its war crimes and expressed its willingness to abandon its wild ambitions of conquest and aggression. In these circumstances, the Chinese people, for the sake of friendship between the people of China and Japan, renounced their demand for war indemnities and worked for good-neighbourly and friendly relations with the Japanese people for all generations to come. Japan's admission of its crime of aggression was the basis for the establishment of diplomatic relations between China and Japan. The Chinese people fervently hope that the Japanese Government can sincerely draw a lesson from history and realize the brutality, evilness and shamefulness of wars of aggression, and that it would honour its promises, carry out its international commitments and not shake the political and legal foundations on which diplomatic relations between China and Japan was built, for the sake of world peace and the peace of the Japanese people as well as the friendship between the Chinese and Japanese peoples for generation after generation. □

CINEMA

New Film Recalls Tragic Consequences of Aggressive War

Co-produced by China's Beijing Film Studio and Japan's Toko Tokuma Co. Ltd., the movie *An Unfinished Game of Go* will be shown in Beijing and Tokyo around the time of the 37th anniversary of the victory in the War of Resistance Against Japan.

Taking the aggressive war against China launched by Japanese militarists as its background, the film depicts the lives and sufferings of two families, one Chinese, the other Japanese. While commemorating the profound friendship between the peoples of China and Japan, it has a strong message: The war brought disasters and miseries to both sides.

The Story

In 1924, in Beijing, Kuang Yishan, the "king of go in southern China," meets Rinsaku Matsunami, a noted Japanese player. Respecting each other's abilities, they sit down for a friendly game (see picture

1), but are interrupted by a group of men sent by a Chinese warlord to harass Kuang. Kuang is released, but there is no chance to finish the game.

Matsunami, about to leave, offers to take back to Japan as his pupil Kuang's promising young son Aming. The boy is too young, Kuang protests. But over the next six years Kuang recognizes that conditions in China will not let his son develop his talents. Selling his house and other property for travel expenses, he sends the boy to Japan.

There Matsunami takes Aming into his own household and works earnestly to improve the boy's skills. As they grow to adulthood Aming and Matsunami's daughter Tomoe fall in love (see picture 2).

Upon hearing the news that his compatriots are being slaughtered and his motherland looted by Japanese invaders, Aming indignantly decides to return home and take part in the struggle against the Japanese forces. He is persuaded by Matsunami and Tomoe to postpone his return until he has made a name for himself so that his protests would have more

impact. After hard study he wins the title of *Tensei* (the top position in Japanese go). The Japanese authorities try to force him to become a Japanese citizen, and he is closely watched after refusing to do so. Matsunami is threatened with death for protesting this injustice.

Aming and Tomoe, now married and with a daughter, decide to flee to China. Matsunami asks a Japanese officer for help, never dreaming that he would betray them, and Aming is trapped and killed. Tomoe, loving Aming more than her own life, loses her reason and later dies pitifully calling for her dead husband. Matsunami, though over age, is forcefully recruited into the army and sent to China, where he witnesses atrocities and himself suffers many miseries.

Meanwhile, Kuang Yishan has become a homeless wanderer as his wife and daughter have been shot by Japanese troops (see picture 3).

Following the victory over the Japanese aggressors in 1945, Kuang Yishan goes to Japan to search for his son and is heartbroken to learn that Aming is dead. Given false information



1



2



by some military policemen, Kuang blames Matsunami for the boy's death and swears vengeance. At the same time, Matsunami is attempting to drown his sorrows in wine, filled with guilt for his innocent but disastrous error which resulted in the death of Aming and his experiences in China. Nevertheless, the two men do not meet.

After the founding of New China in 1949, Matsunami, accompanied by his granddaughter (the daughter of Aming and Tomoe) visits China as an adviser to a Japanese *go* team. He carries with him the ashes of his daughter and son-in-law. There he and Kuang Yishan come face to face at last. Their serious misunderstandings are cleared away and their friendship restored. On the Great Wall, looking forward to a brighter future, the two *go* players resume their unfinished game.

People Involved in the Film

A draft contract on the co-production of this film was signed in 1979 when the famous Chinese cinema artist Zhao Dan visited Japan. The common desire of the Chinese and Japanese cinema workers has been

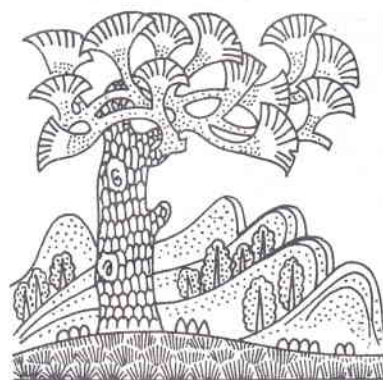
to recall the past in unforgettable terms. The historic lesson to be learnt is that aggressive wars must never recur. The film also celebrates the deep bonds and common suffering of ordinary Chinese and Japanese people and expresses the hope that Sino-Japanese friendship will last from generation to generation.

Zhao Dan himself planned to play the role of Kuang Yishan, but after his sudden death the part was taken by Sun Daolin, another celebrated actor. Sun's performance is realistic and deeply moving. Kuang's wife is acted by Huang Zongying, Zhao Dan's widow and herself a noted actress and writer. Though saddened that she could no longer work with her husband, she has triumphantly brought to life the image of this unfortunate woman.

The major role of Matsunami is brilliantly played by Rentaro Mikuni, a distinguished Japanese actor who has been featured in more than 300 films. To do this movie, he declined more lucrative parts. As he has said, "This war brought disaster to the peoples of our two countries. All the more should we treasure the peace obtained un- easily."

While shooting the scenes in which Matsunami meets Kuang Yishan in China after liberation, Mikuni himself decided that he should kneel at Kuang's feet (see picture 4). He explained afterward, "I share the experience of the role. Though we were obliged to take part in the war and we ourselves were also victims, our country did great harm to others. With the gesture of kneeling I meant to express my regret and atonement."

Yoshiko Mida, who plays Matsunami's sister Shinobu, is also a well-known Japanese actress. She looks upon this performance as a good chance to build better understanding with the Chinese people. Tomoe is acted by Misa Konno, a new young star of Japanese cinema.



ART PAGE

Traditional Chinese Paintings by Yu Zhixue

Yu Zhixue, who was born in 1935 in Taidong County, Heilongjiang Province, began depicting winter snow scenes in 1960. After two decades of painstaking experimentation, he received recognition for his distinctive style in traditional Chinese painting. His works, which incorporate traditional and creative skills, have won enthusiastic acclaim at art shows held in China and other countries.

Yu Zhixue now works at the Heilongjiang People's Publishing House as an art editor. He is also a member of the Chinese Artists' Association and deputy general secretary of the Institute of Calligraphy and Painting of Heilongjiang.



The Thaw.



Spring Is on the Way.



Snow-Clad Pines.

On September 11, 1982

Radio Peking

celebrates its 35th Anniversary

Special Birthday programmes during the week:

- "REMINISCENCES" — Radio Peking staffers chat about the past 35 years
- "WHAT OUR LISTENERS SAY" — Words from Radio Peking listeners
- "LISTENER'S CHOICE" — Listeners' favourite music selections from the past 35 years

The exact dates for these programmes will be announced on the air.

	GMT	Local Standard Time	Metre Bands	kHz
NORTH AMERICA (EAST COAST)	00:00-01:00	19:00-20:00 (E.S.T.)	25, 19	11650, 15120, 15520
	01:00-02:00	20:00-21:00 (E.S.T.)	25, 19	11650, 15120, 15520
	02:00-03:00	21:00-22:00 (E.S.T.)	25, 19	11650, 15120,
	12:00-13:00	07:00-08:00 (E.S.T.)	30	9820
NORTH AMERICA (WEST COAST)	03:00-04:00	19:00-20:00 (P.S.T.)	25, 19	11650, 15120, 15520
	04:00-05:00	20:00-21:00 (P.S.T.)	25, 19	11650, 15120
THE SOUTH PACIFIC	08:30-09:30	18:30-19:30 (Aust. S.T.)	30, 25, 19, 16	9860, 11600, 15435
		20:30-21:30 (N.Z.S.T.)		11763
	09:30-10:30	19:30-20:30 (Aust. S.T.)	30, 25, 19, 16	98460, 11600, 15435
		21:30-22:30 (N.Z.S.T.)		17765
SOUTHEAST ASIA	12:00-13:00	19:00-20:00 (Western Indonesia, Bangkok)	25, 19	11600, 15280, 17700
		19:30-20:30 (Singapore)	16	
		20:00-21:00 (Ho Chi Minh City, Manila)		
		18:30-19:30 (Rangoon)		
	13:00-14:00	20:00-21:00 (Western Indonesia, Bangkok)	25, 19	11600, 15280, 17700
		20:30-21:30 (Singapore)	16	
	21:00-22:00 (Ho Chi Minh City, Manila)			
	19:30-20:30 (Rangoon)			
SOUTH ASIA	14:00-15:00	19:30-20:30 (Delhi, Colombo)	25, 19	11600, 15165
		19:00-20:00 (Rawalpindi)		
		20:00-21:00 (Dacca)		
		19:40-20:40 (Kathmandu)		
15:00-16:00	20:30-21:30 (Delhi, Colombo)	25, 19	11600, 15165	
	20:00-21:00 (Rawalpindi)			
	21:00-22:00 (Dacca)			
	20:40-21:40 (Kathmandu)			
EAST AND SOUTH AFRICA	16:00-17:00	18:00-19:00 (Cape Town, Salisbury)	25, 19	11600, 15165
	17:00-18:00	19:00-20:00 (Dar-es-Salaam)	25, 19	11600, 15165
		19:00-20:00 (Cape Town, Salisbury)		
	20:00-21:00 (Dar-es-Salaam)		9470,	
WEST AND NORTH AFRICA	19:30-20:30	18:45-19:45 (Monrovia)	40, 31, 26	7480, 9440, 11515
		19:30-20:30 (Accra, Freetown)		
		20:30-21:30 (Lagos)		
	20:30-21:30	21:30-22:30 (Cairo)	40, 31, 26	7480, 9440, 11515
		19:45-20:45 (Monrovia)		
		20:30-21:30 (Accra, Freetown)		
	21:30-22:30 (Lagos)			
	22:30-23:30 (Cairo)			
EUROPE	19:00-20:00			6860, 9860
	21:00-22:00			6860, 9860

北京周报英文版第三十五期(一九八二年八月三十日出版) 邮政代号二一九二二·北京市期刊登记证七三三三