

BEIJING REVIEW

北京周報

A CHINESE WEEKLY OF
NEWS AND VIEWS

- China's Goal for 2000 Attainable
- How to Accelerate Industrial Growth



Trend Towards Small Families

LETTERS

Congratulations on the 20th Anniversary of French Edition

Dear friends, I warmly congratulate you on the 20th anniversary of your French edition and hope to read it in the years to come.

From reading your publications, especially your weekly, for more than 10 years, I get to know the progress China has made. In the column "Letters" I read every week the various suggestions for your magazine. As for me, I like it very much, mainly because of its contents.

Your magazine presents very good reports of events in both China and the world. It brings understanding to those who do not know China, and for those who begin to understand, it helps them get a fuller appreciation of China's courage and dauntlessness in the course of its progress. Although the layout of the magazine cannot be neglected, it should be secondary.

I have read on many occasions in your magazine reports about events in Asia, Africa and Europe, some of which were very important but were not even mentioned in our newspapers and magazines.

I like particularly articles describing current developments in China. This is nevertheless the main purpose of your magazine.

I hope to visit your beautiful country in July this year together with some friends in the Sino-Belgium Friendship Association who love China. I will meet again with my dear Chinese friends. I also hope that during my stay in Beijing I can visit your office and enjoy the pleasure of meeting you.

This will be my fourth visit to China since 1978 and I find something new each time.

Antonio Aresu
Hoeilaart, Belgium

Contents and Suggestions

I always read your magazine from cover to cover. I like all of its articles, especially international and documentary articles on the situation in various countries and regions. Your magazine has become my guide to understanding what is justice and what is injustice. What satisfies me most is that China, the most populous and continuously developing country, treats all small and poor countries equally.

The contents are very good. Otherwise, I would be bored and stop reading half way.

I suggest you shorten the documentary articles which occupy more than 20 pages. On the other hand, at least five pages should be given to the "International" column to report important events happening every day.

Can you publish an article on minority nationalities each week this year? In specific terms, you should publish an article on one of the 55 minority nationalities in each issue. The articles should be short and concise.

Gustavo Mora Calvo
San Jose, Costa Rica

China's Space Science and Technology

I like the article "Rapid Growth of China's Space Science" (issue No. 32, 1982) because in it the history of China's space science and technology is presented in a very terse and clear form. The experience China has gained in this field is praiseworthy and commendable. Your launching of different kinds of satellites into orbit is evidence of your highly developed and advanced technology.

Haji Mohammad Saeed
Lahore, Pakistan

Agree With Mr. Rasmussen

In regards to appearance, I agree with the suggestions made by Mr. Reid Rasmussen in issue No. 1, 1983. I have noted with pleasure that you have in the meanwhile made changes in the layout.

Shamsul Alam
Chittagong, Bangladesh

Two Social Systems

Beijing Review appeals to us who are confined in a society far from ideal. Your magazine helps us distinguish a capitalist society from a genuine socialist one.

The editing and selecting are competent. The most interesting column is "Notes From the Editors" with its choice of topics and elaborations. "Events and Trends" and "International" are also valuable.

Hector de Leon
Haverstraw, N.Y., USA

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HIGHLIGHTS OF THE WEEK

Goal for 2000 Attainable

The sixth of the "Chinese-Type Modernization" series examines China's past economic growth and current conditions to show that the goal of quadrupling gross annual output value by the year 2000 is feasible (p. 12).

Accelerating Industrial Growth

China's industrial production, according to well-known economist Sun Yefang, can be rapidly expanded by technical transformation of the existing enterprises. The thesis "the bigger the base figure, the lower the growth rate" is refuted (p. 21).

From Big to Small Families

Analysis of the factors contributing to and inhibiting the trend towards small families. Although the direction is towards the nuclear family, Chinese young couples are still socially and legally obligated to parents (p. 25).

Peasants Learn Techniques

Peasants are eager to learn new techniques. In rural areas lectures, exhibitions and technical books popularizing technical know-how are in great demand (p. 5).

Susumu Nikaido in China

Meeting with the Japanese special envoy, Hu Yaobang, General Secretary of the CPC Central Committee, said that China is pleased with the development of Sino-Japanese friendship and co-operation in the past decade (p. 7).

Economic Gains

January figures of industry and transport are up; actual output of 1982 farm products exceeds original estimates (p. 6).



A day off. Photo by Wang Donghai.

NOTES FROM THE EDITORS

Combating bias against intellectuals

Recently the Chinese press has repeatedly underlined the importance to combat prejudices against intellectuals. Please elaborate on the rationale.

The Chinese Communist Party's policy towards intellectuals is related to the Party's general line. When the correct line holds sway in the Party, intellectuals are usually regarded as having important positions and roles in society.

As early as 1939, the Party Central Committee adopted a decision drafted by Mao Zedong on recruiting large numbers of intellectuals which was implemented effectively in the anti-Japanese base areas.

In the period following liberation, the Party carried out a correct policy towards intellectuals. The Party Central Committee concluded: It is necessary to recruit intellectuals during the revolution and is even more necessary to do so in the period of construction.

At a national conference on the question of intellectuals convened by the Party Central Committee in January 1956, the late Premier Zhou Enlai proclaimed that most of China's intellectuals had become part of the working class and should be relied on in building socialism.

Later, however, the Party committed "Left" mistakes in its guiding ideology. This led to increasingly grave deviations from the correct ways of doing things not only in political and economic fields, but also in the fields of education, science and

culture and on the question of intellectuals. The result: many intellectuals were no longer trusted and some were even subjected to unwarranted attacks.

Such "Left" mistakes were exploited and carried to extremes by conspirators like Lin Biao and Jiang Qing during the "cultural revolution." In their bid for the supreme Party and government leadership, they persecuted large numbers of veteran cadres and in their attempt to deceive the people they instigated a movement against the intellectuals. With the cliché, "the more knowledge one gains, the more reactionary one becomes," they branded Chinese intellectuals the "stinking ninth category," coming after the eight kinds of class enemies: landlords, rich peasants, counter-revolutionaries, bad elements, Rightists, renegades, enemy agents and capitalist-roads.

During those years, large numbers of scholars and experts were sent to the villages to engage in physical labour and many others were forced to give up their specialized work. Moreover, many intellectuals were victimized by frameups and false charges. Some were imprisoned or even hounded to death.

The "cultural revolution" ended with the downfall of the gang of four. Towards the end of 1978, the Party Central Committee reassessed and confirmed its policy towards intellectuals and once again affirmed its con-

clusion that intellectuals are an integral part of the Chinese working class. The new Constitution adopted in 1982 by the National People's Congress clearly stipulates: "In building socialism it is imperative to rely on the workers, peasants and intellectuals." In the past few years the Party and government have done a great deal of work to enhance the political position of intellectuals and improve their working and living conditions.

Despite these improvements, much remains to be done in some departments and regions to thoroughly implement the Party's policy towards intellectuals. Major indications are:

— Although very few people are hostile to intellectuals, they are often treated as outsiders or guests instead of as our comrades. That is to say, there is still a lack of political confidence in intellectuals.

— Quite a few middle-aged intellectuals are burdened with heavy workloads and their working and living conditions are rather poor, but those in charge have not done much to change this situation.

— When it comes to promoting intellectuals to leading posts, some people still raise insignificant complaints to forestall their promotion.

— Other forms of discrimination against intellectuals also occur from time to time. For example, some leaders tend to criticize intellectuals who do a good job in their work while working in their spare time to augment their incomes.

Peasants seek science ardently

The bias against intellectuals stems from the narrow-minded mentality of small producers. In semi-colonial, semi-feudal old China, industry was undeveloped and education backward. A large portion of the Party membership came from the peasantry and handicraft workers. The intellectuals were mostly from landlord or bourgeois families. Proceeding from the erroneous concept of merely taking account of class origin, some Party members saw intellectuals as alien elements and were suspicious of them. Among a number of people the bias against intellectuals was deepened by the fact that intellectuals from the old society often became targets in the many post-liberation political struggles in which the scope of class struggle was enlarged.

This being the case, it is unlikely that prejudices against intellectuals will be eradicated overnight.

Intellectuals, along with science and technology, are indispensable to China's present modernization drive. Combating all forms of bias against them, therefore, will remain an important task for some time to come for the Party in the political and ideological arenas.

— Political Editor
An Zhiguo



Great improvements in rural standards of living since implementing the production responsibility system in 1979 have brought a "science fever" to China's countryside.

The statistics show that about one-fourth of the rural communes have established associations for the popularization of science and technology, the total number of which has increased from 4,000 to more than 15,000 within one year. In line with the needs of production, the peasants learn improved agricultural techniques from lectures, exhibitions, training classes, radio and movies sponsored by the associations.

In many suburban counties, a new-type of fair has emerged which the peasants call "science popularization fairs." These are generally sponsored by the county scientific and technical associations with the participation of people who are familiar with the theory and practice of farming, forestry, animal husbandry, sideline occupations and fishery. They introduce to the peasants applied techniques and answer their questions on

agricultural technology. Many photos of cultivation and management techniques and specimens of plants, plant diseases and insect pests are on display at the fairs. Various kinds of technical information, chemical fertilizers, farm chemicals and improved seeds are sold to the peasants. At the same time, the peasants can also sign technology contracts with the technicians on the spot.

These fairs are well received by the peasants. A "science popularization fair" sponsored by Tonglu County, Zhejiang Province, was attended by 10,000 peasants, who, in spite of heavy rain for three days running, listened to lectures, watched exhibitions and bought books on agrotechniques.

Thirty-three such fairs were organized last year in the suburbs of Tianjin attracting more than 150,000 peasants. In these fairs 34,000 copies of materials on agrotechniques were sold and 350 contracts signed.

The spread of the story "Vying for the god of wealth" in cotton growing Fugou County.



Lei Yangui (second from left), an agrotechnician of Guangji County in Hubei Province, tells visiting cotton-growers how to nurture seedlings.

Henan Province, reflects fully the peasants' desire for scientific knowledge.

In the old society, the peasants thought they would become rich if they invited the "god of wealth" to their homes. Now the technicians are called the "gods of wealth" because they are able to help the peasants raise yields and increase their income quickly.

Liu Fengli, an experienced technician of Fugou County, can double cotton yields wherever he goes to supervise production. To the peasants, he has become the "living god of wealth." Therefore, many production teams vie with each other for the services of the "living god of wealth." For fear of losing him, one team posts a sentry outside after the technician has arrived. Another team welcomes first his wife, saying that the "god of wealth" will certainly come as the "goddess of wealth" is here.

To solve this problem, Liu Fengli signed contracts with a number of production teams to advise them in turn and teach apprentices. At present, he has trained more than 200 apprentices who are welcomed by the peasants as the "little gods of wealth."

Some more far-sighted counties have even paid the colleges to train technicians for them. Jiading County, on the outskirts of Shanghai, has decided to spend 15 million yuan to train 13,680 technicians in the coming eight years, with the co-operation of 28 colleges.

Latest production figures

Good news came from China's industrial and transport enterprises in January. The to-

tal industrial output value in January 1983 reached 47,790 million yuan, a 17.9 per cent increase over the corresponding period in 1982. The output of main industrial products fulfilled or overfulfilled the planned targets.

Energy production also hit a new record in January. The key coal mines turned out 31.3 million tons of coal and electricity output reached 28,660 million kwh, 8.7 per cent and 9.5 per cent increases respectively over the same period in 1982. Crude oil output rose to 8.84 million tons, 0.35 million tons more than planned.

Heavy industrial production also continued to rise. In January the output of such major products as steel, rolled steel, pig iron, iron ore and soda ash surpassed that of last December. Rolled steel output was 2.52 million tons, 16.4 per cent more than the same period last year.

A good situation was also reported in light and electronic industries in January.

Compared with the corresponding period last year, the volume of rail freight and passenger transport went up 9.6 per cent and 1.2 per cent respectively in January. The volume of freight carried by water-

borne transport enterprises directly under the Ministry of Communications rose by 8.4 per cent.

Industry and transport expanded on the basis of rising industrial and agricultural production last year.

A late report estimates that the total output of grain was 344.3 million tons in 1982 and of cotton, 3,369,500 tons, 19.3 million tons and 402,500 tons more than the respective figures for 1981. Oil-bearing crops, sugar cane and beets, cured tobacco, tea and aquatic products all registered big increases in 1982 over the year before.

In addition to big increases in coal, electricity, steel and rolled steel output, 107 big and medium-sized capital construction projects and 100 individual ones were completed and put into operation in 1982. For example, annual production capacity of crude oil increased by 6.34 million tons.

The development of the national economy has improved the living standards in both urban and rural areas. The production of edible oils which were often in short supply has doubled in the last four years. Most Chinese people had an extra 2 kilogrammes each in the



China's biggest gas storage tank is being built in Beijing which will improve fuel supply and reduce urban pollution.

last few months. As the lives of peasants are getting better and better, they have more money to put aside. Credit co-operatives, which account for 81 per cent of the total rural deposits, received 28,200 million yuan of savings deposits from the peasants in 1982, thereby boosting the figure at the end of 1981 by 33 per cent.

Embezzlers executed

Two men were sentenced to death for embezzlement in the southern coastal province of Guangdong in January, the most severe punishment meted out in the past 12 months in the nationwide drive to crack down on economic crimes.

Wang Zhong, who was executed on January 17, had been a Party member since 1947 and deputy director of the public security and judiciary committee under the Party committee of Shantou Prefecture, Guangdong Province. Taking advantage of his position, he had pocketed 69,749 yuan worth of seized smuggled goods and bribes. Under his connivance and influence, smuggling ran wild for a time in Haifeng, the county of which he was in charge.

Li Jingfang, who was executed on January 18 for embezzling a total of 600,000 yuan of bank money on many occasions, had been an accountant of a business office under the Guangdong branch of the China Agricultural Bank.

More than 164,000 criminal cases in the economic field had been investigated in the nation

by last December, according to Wang Congwu, Secretary of the Party's Central Commission for Discipline Inspection. Of these, 54 per cent have been wound up, nearly 30,000 have been sentenced, 5,500 members have been expelled from the Party and 320 million yuan of embezzled funds and goods have been recovered. Impelled by the force of law and the Party policies, 46,700 people with one criminal offence or another have turned themselves in and received lenient treatment.

All this has basically curbed smuggling activities which had run so rampant in some areas, Wang Congwu said. Moreover, this has also consolidated the political situation of stability and unity, improved the Party style and the general mood of society, and facilitated the correct implementation of the Party's policy of opening to the outside world economically.

Airlines institute security rules

The State Council recently issued a comprehensive set of security rules for airlines.

The public notice announced the institution of security in-

spection of all Chinese and foreign passengers, their luggage and carry-on articles, unless specially exempted.

Passengers must pass through doors equipped with metal detectors and their luggage must be X-rayed. Body and luggage searches may be conducted when deemed necessary. Those who refuse inspection will not be allowed to board the plane, the notice said.

The notice strictly prohibits carrying into an airport or on to a plane articles that endanger the flight, including firearms, ammunition and lethal weapons as well as inflammable, highly poisonous or radioactive materials.

China's judicial organs will "severely punish in accordance with law" persons found guilty of using violence or other methods to hijack a plane, or of damaging planes or civil aviation facilities by explosion or other means, the notice added.

The notice also contains rules for guaranteeing security of airports.

Last year, the Ministry of Public Security published a notice specifying some security rules on domestic airlines, following an abortive attempt by five men in late July to hijack a plane from Xian to Shanghai.

Japanese special envoy's visit

Hu Yaobang, General Secretary of the CPC Central Committee, on February 20 told Susumu Nikaido, special envoy of Japanese Prime Minister Yasuhiro Nakasone, that China is

satisfied with the development of Sino-Japanese friendship and co-operation in the past decade.

Hu said that on the question of bilateral relations "we hold that we should look forward.

Though our two countries have different social systems, so long as we adopt a correct attitude, enduring and broadening co-operation between them will not be hampered."

Reaffirming China's policy of developing its relations of friendship and co-operation with Japan, Hu said: "Ours is a socialist system, but we teach our younger generations never to impose our system on others." He said, "We and our future generations will never go in for expansion. China will never seek hegemony. Such is our basic state policy."

Visiting China from February 18 to 21, Nikaido flew to Wuhan to meet Hu after meeting with Premier Zhao Ziyang in Beijing.

Premier Zhao had told the special envoy that the Chinese Government has consistently attached importance to the development of Sino-Japanese friendly relations.

He said: "In the past decade, bilateral relations have been very good. The course is set for the two peoples to live in friendship from generation to generation. I believe that Sino-Japanese relations will become even better in the next decade. The potential is great for the promotion of economic and technical co-operation between our two countries, and there are many things to do in these fields."

Foreign Minister Wu Xueqian and Nikaido had two rounds of talks in Beijing. They exchanged views on further developing Sino-Japanese relations, the present international situation and world issues of common interest.

On Japan's defence, Wu said that it was Japan's own internal

affairs. As an independent and sovereign country, Wu said, Japan is entitled to maintain an armed force for defence against external threats. But such an armed force should be defence-oriented and of appropriate size so it would not constitute a threat to its friendly neighbours.

Referring to the situation in the Korean peninsula, Wu said: "The Democratic People's Republic of Korea has always advocated that the Korean peninsula realize independent and peaceful reunification without any foreign interference. The Chinese Government supports this reasonable goal."

Wu said: "After Prime Minister Nakasone returned to Japan from his visit to south Korea, the Japanese Government stated that Japan would not adopt a hostile policy towards the northern part of Korea and was willing to strengthen contacts with it.

"We hope that the Japanese Government will make efforts through concrete actions favourable to the stability in the peninsula and to the realization of independent and peaceful reunification in Korea."

On February 20, Hu Yaobang met with the Japanese journalists covering Nikaido's visit.

In reply to a question on Sino-Soviet relations, Hu said normalization of relations accords with the fundamental interests of the peoples of China and the Soviet Union as well as those of the people of the whole world.

He said: "It is our sincere desire to resume normal relations with the Soviet Union. I don't agree with the view that

it is difficult to move the piled-up resentment between China and the Soviet Union.

"We hold that the main problem, also the sole problem, to be solved in the normalization of the relations is to remove the obstacles."

Firm support for Palestinian people

Premier Zhao Ziyang sent a message on February 13 to Yasser Arafat, Chairman of the Executive Committee of the Palestine Liberation Organization, to transmit to the Palestine National Council warm congratulations on its 16th session.

The message said: "The emergence and development of the Palestine resistance movement have given expression to the strong aspiration and just demand of the Palestinian people to return to their homeland, to exercise self-determination and establish their own state. This is an irresistible trend of history. Under the leadership of the Palestine Liberation Organization, their sole legal representative, the Palestinian people are now making tremendous new efforts to regain their legitimate national rights after having frustrated the Israeli authorities' scheme to wipe out the Palestinian armed forces last year."

The message stressed: "The Chinese Government and people will, as always, firmly support the Palestinian people in their just struggle for the restoration of national rights, and continue to work for a fair and just settlement of the Palestinian question."

Israel

Begin's political trick

IN its February 8 report on the Beirut massacre of Palestinians, the Israeli Commission of Inquiry admitted Israel's responsibility for the atrocities and recommended that Defence Minister Ariel Sharon either resign or be dismissed.

Give Up a Rook to Save The King

Covering up most of the facts, the report spared no effort to absolve the Begin administration of responsibility for the crimes. However, it could not but conclude that Sharon shared an "indirect" responsibility and Menachem Begin had a "certain degree of responsibility" for the Beirut massacre. After the report was made public, Sharon refused to accept the conclusions and resign. It is reported that Begin also expressed his objection to Sharon's resignation at two special cabinet meetings. However, the report aroused a much greater political storm in Israel than Begin and Sharon had expected.

The Israeli press demanded that the Begin authorities respect the findings of the Commission and the wave of public opinion urging Sharon to resign engulfed Israel. This also led to quarrels and confusion in Israel's political circles, the focus of which was Sharon's resignation. Those members of the dominant Likud bloc who supported Sharon maintained that it was

unreasonable to force him give up his post because he was faithfully pursuing the Begin government's policy. But most argued that Sharon's resignation in response to public pressure would benefit the continuation of the government. Most of the cabinet ministers also advocated implementing the Commission's recommendations and urged Sharon to resign. Finally, Sharon was compelled to do so.

The opposition parties headed by the Labour Party have demanded that both Sharon and Begin resign. The Labour Party thinks that the resignation of Begin and Sharon would weaken the Likud position and help pave the way for the Labour Party's assumption of power. But it realizes that an immediate resignation of the Begin administration would force an



Demonstrators in Tel Aviv demanding the resignation of the Begin cabinet.

early election, in which the Labour Party has no full confidence of victory. At the same time, both Leftist and Rightist organizations held demonstrations displaying their mutual antagonism.

Under these circumstances, Begin had to consent to Sharon's resignation, but retained him as Minister Without Portfolio. This tactic had the double purpose of consoling Sharon and keeping him in the government while also dealing with the current political crisis.

Expansionist Policy Unchanged

Begin's policy is, of course, by no means affected by the change of horses. Immediately after the announcement of Sharon's resignation, Begin claimed that Israel would persevere in carrying out the expansionist policy of establishing settlements in the West Bank and opposing the formation of a Palestinian state. The Israeli press pointed out that Sharon's retention in the cabinet shows that he would keep on playing an important role in influencing Begin's policy. The Western press reported that Moshe Arens, the newly appointed Defence Minister and a noted hawk, is Begin's "confidant" and "one of his staunchest supporters." Arens said recently that Sharon's resignation as Defence Minister does not imply a change in Israel's policy.

Sharon's resignation cannot clear the Begin government of its barbarous crimes. A host of facts have proved that the Israeli authorities were really responsible for planning the massacre. Begin's attempt to use the trick of changing horses to deceive the people to save his

crumbling political situation has not worked.

The current political crisis has still not been resolved. The Israeli people now see more clearly that the Begin policies of aggression and expansion threaten disastrous results.

— *Chen Jichang*

Britain and France

Why they reject Soviet proposal

IN his proposal for the Geneva arms negotiations, Soviet leader Yuri Andropov proposed reducing the number of Soviet European-based SS-20 missiles to 162 — the same number that Britain and France now have in their independent nuclear forces — in return for US cancellation of its new missile deployment. The Soviet Union regards the British and French nuclear arsenals as important components in the European nuclear equation and as a potential part of the NATO forces. Moscow feels it cannot ignore the strategic missiles of the two countries, which are targeted on the Soviet Union and its allies.

However, France and Britain rejected the proposal immediately. Prime Minister Margaret Thatcher said that Britain's strategic missiles could not be included in the US-Soviet arms negotiations at Geneva. French President Francois Mitterrand reiterated France's determination not to allow its nuclear arsenal to become part of US-Soviet negotiations. He said there is no relationship between the Geneva talks and France, and his country will not reduce its nuclear force by a single missile.

Vietnamese Attacks, Threats Futile

CO-OPERATION between Chinese and foreign companies in exploring oil and natural gas on the continental shelf within China's territorial seas is entirely within the scope of Chinese sovereignty and no other country has any right to interfere.

A recent statement by Viet Nam News Agency slanderously attacked Chinese and foreign companies' joint exploration and exploitation of petroleum in the Yingge sea area of the Beibu Gulf as "violating Vietnamese sovereignty." It also said that those foreign companies co-operating with China should bear "all the consequences" arising from their actions. These groundless attacks and threats are based on the expansionist stand of the Vietnamese authorities.

In the "Declaration on the Base Line of Viet Nam's Territorial Waters" issued last November, the Vietnamese authorities claimed as their "territory" not only China's Xisha and Nansha Islands but also a large portion of the Beibu Gulf.

A spokesman of China's Foreign Ministry immediately made a solemn statement, pointing out that "the so-called boundary line in the Beibu Gulf claimed by the Vietnamese Government is illegal and null and void."

In trying to impose its illegal and groundless territorial claims upon China, Hanoi is indulging in rash wilful thinking. If the Vietnamese authorities insist on obstructing China's legal exploration for oil in Chinese territorial waters, they will have to bear the responsibility for any consequences arising therefrom.

The ambitions of the Vietnamese authorities are too reckless and far-fetched. They have not only occupied Kampuchea and taken control of Laos by force, but are also putting their fingers into China's territorial waters and land, and are even coveting the territories of other Southeast Asian countries. The Vietnamese authorities should understand that expansionists will surely eat the bitter fruits of their own acts.

— *Xinhua Commentator*

Both Britain and France took a hard line attitude towards the Soviet proposal because they insist on keeping their nuclear deterrents independent of NATO's control.

Safeguarding Independence

Britain and France are the only European members of NATO which possess nuclear weapons. Most of their missiles are launched from submarines. Britain has four nuclear missile submarines in active service, each of which has 16 "Polaris" missiles. France has five nuclear missile submarines with 16 M-20 missiles each, plus 18 land-based missiles. Together, the two coun-

tries have a total of 162 medium-range missiles.

Because of the fast changing balance of world power, Britain and France have built up independent nuclear deterrent forces for defending their own independence. Both countries regard this as fundamental national policy. A 1964 British White Book on national defence states that the American nuclear umbrella would function only in the event of a US-Soviet nuclear confrontation, and that Britain therefore must possess its own nuclear deterrent.

France began to build up its independent nuclear arsenal after President de Gaulle took

office in 1958. He stressed that only when a country possesses its own nuclear force can it be an independent country and play an important role in world affairs. De Gaulle thus worked to free France from dependence on the United States. Successive French governments have continued de Gaulle's policy. The French Government considers its nuclear deterrent forces as preventative, to keep France, a weak country, from being attacked by larger nations.

Some Western statesmen have pointed out that the reason why Britain and France rejected Moscow's proposal is that they only possess strategic nuclear forces, which have a political character different from that of the two superpowers'. They said Britain and France will not use nuclear weapons to attack other countries. If these two countries accepted the Soviet proposal and agreed to merge their own nuclear arsenals with the US and NATO nuclear systems, they would be abandoning their independent nuclear deterrent policies.

French Prime Minister Pierre Mauroy recently said that France will not allow its independent defence forces to become hostage to the US-Soviet disarmament negotiations without French participation.

The Nature of the Soviet Proposal

Leaders of Britain and France are furious about Moscow's proposal. They said that it is a trick for diverting attention and that the true nature of the proposal is to disguise and consolidate Moscow's nuclear superiority. They believe that agreement on this proposal would mean that NATO would

halt deployment in exchange for a partial Soviet cutback, while Moscow would still possess 162 SS-20 nuclear missiles. Furthermore, they said, British and French missiles are no match for the powerful Soviet SS-20s which are more accurate and have longer effective range than Polaris or M-20 missiles. As each SS-20 missile has three independently targetable warheads, the 162 Soviet SS-20 missiles would have 486 warheads

targeting most cities in Western Europe. Most British and French missiles have a single warhead and the two countries have fewer warheads.

The Soviet Union has not made any concessions on the issue, but has simply brought more complexities to the Geneva arms negotiations by putting forth the proposal to include British and French nuclear missiles.

— Zheng Yuanyuan

France

Nazi war criminal awaits punishment

KLAUS Barbie, former Nazi Gestapo chief, was taken to the Fort Montluc military prison in Lyon, France on February 5. Expelled from Bolivia on February 4, he was arrested by French gendarmerie the next day when he arrived at the airport of Cayenne, French Guyana.

As the Gestapo chief in Lyon during World War II, Barbie gave orders to torture and kill tens of thousands of Jews and French wartime resistance fighters, including national resistance leader Jean Moulin. He was also accused of being responsible for the murder of more than 40 children. Such crimes earned him the nickname "the butcher of Lyon."

Barbie fled to South America in 1944 and has resided in Bolivia since 1951. With forged documents and using the pseudonym Klaus Altmann, he obtained Bolivian citizenship in 1957.

Barbie was detained by Bolivia on January 25 for failing to pay a debt to the state mining

company. But the Bolivian Foreign Minister Mario Velarde Darado said Barbie's long residence in Bolivia was a political incident involving international laws. Both France and West Germany had sought Barbie's extradition but had been turned down by the previous Bolivian Government.

Twice sentenced to death by French courts, Barbie escaped justice for 32 years, but history finally caught up with him — he has now been brought back to the same prison where he had committed heinous crimes.

It is nearly 40 years since Hitler's Third Reich collapsed, yet not all Nazi war criminals have received their deserved punishment. Some are still at large, but an ancient Chinese saying goes: The net of Heaven is far-flung and although it has large meshes, it lets nothing through (meaning that justice has long arms). Barbie's arrest shows that those who perpetrate crimes against humanity will be punished.

— Zhang Wen

*Chinese-Type Modernization (6)***Can the Goal for 2000 Be Reached?**

by Ren Tao and Pang Yongjie

While steadily working for more and better economic results, China will quadruple its gross annual value of industrial and agricultural production in the final 20 years of this century, an average increase rate of 7.2 per cent a year. It has reached this rate in the past, as have some other countries. This goal, which is different from the unattainable "high targets" wrongly set in the past, is based on an assessment of economic and technical conditions and is possible to achieve with some efforts.

THROUGH four years of deliberation and preparation since the end of 1978 when the focus of work was shifted to economic construction for socialist modernization, China has set itself a general economic objective to quadruple the gross annual value of industrial and agricultural production in two decades — from 710 billion yuan in 1980 to 2,800 billion yuan in 2000. At the same time it will steadily work for more and better economic results. To achieve this objective, an average annual increase rate of 7.2 per cent is necessary.

By then, the production technology of the major industrial branches will match the current (late 70s and early 80s) level in economically developed countries. Some fields are expected to reach the advanced world levels by the end of this century. The national economy as a whole will become an independent and comprehensive system embracing all departments and equipped with modern science and technology. This will place China in the front ranks of the world in terms of gross national income and the output of major industrial and agricultural products.

On this basis, the average per-capita national income (not including that from the "ter-

tiary industry") will reach US\$800 annually, taking into account the factor of population growth. People throughout the country can look forward to being comparatively well-off.

Table I
Output of Some Major Products

Item	1980	2000 (estimates)
Standard Coal (million tons)	620	1,200
Steel (million tons)	37	70
Power Generating Equipment (million kw)	4.19	20
Grain (million tons)	320	460
Cotton Yarn (thousand tons)	2,926	5,750
Chemical Fibres (thousand tons)	450	2,500

Some foreign friends doubt that China can accomplish these goals and hope that it would not make mistakes like those that inspired the "great leap forward" and other unattainable "high targets." After an overall analysis, we are convinced that China's objectives are based on realistic assessments.

Historical Analysis

In the history of national economic development since the founding of the People's Republic in 1949, an yearly growth rate of 7.2 per cent in gross annual value of industrial and agricultural production is not high. The average annual growth rate is above 7.2 per cent even if we do not include figures from the three years of economic rehabilitation between 1950 and 1952 when growth rates were fairly high.

Out of the 32 years, the increase rate was above 7.2 in 22 years and below 7.2 per cent in 10 years.

The authors are staff members of the Economic Research Centre under the State Council.

Table II

% Increases of Gross Value of Industrial and Agricultural Production, 1950-81

Years With More Than 7.2 % Increase

Year	% Increase Over the Previous Year	Year	% Increase Over the Previous Year
1950	23.4	1965	20.4
1951	19.0	1966	17.3
1952	20.9	1969	23.8
1953	14.4	1970	25.7
1954	9.5	1971	12.2
1956	16.5	1973	9.2
1957	7.9	1975	11.9
1958	32.2	1977	10.7
1959	19.5	1978	12.8
1963	9.5	1979	8.5
1964	17.5	1980	7.2

Years With Less Than 7.2 % Increase

Year	% Increase Over the Previous Year	Year	% Increase Over the Previous Year
1955	6.6	1968	-4.2
1960	5.4	1972	4.5
1961	-30.9	1974	1.4
1962	-10.1	1976	1.7
1967	-9.6	1981	4.5

It is true that in two periods China set excessively high targets.

The first one began in 1958, when the "great leap forward" was launched with the goal of doubling steel output in the same year. It lasted for three years and resulted in a seriously disproportionate development of the national economy.

The second began in 1978 with the groundless targets of building "10 big oilfields" by the end of the century and realizing agricultural mechanization by 1980. Although those goals were corrected a year later, they produced some grave results. The excessively high

targets set on both the occasions were impossible to fulfil.

However, the current goals for the national economic growth rate are based on solid investigations and have been achieved before.

The average annual growth rate of China's gross value of industrial and agricultural production from 1950 to 1981 was 9.2 per cent, and it was 8.1 per cent if the three years of economic rehabilitation are excluded. Taking every 20 years as a unit, the average annual growth rate from 1953 to 1972 was 8.4 per cent, and from 1958 to 1977 it was 7.4 per cent.

Therefore, although we suffered two serious setbacks from the "great leap forward" in 1958-60 and the "cultural revolution" in 1966-76, China's average annual growth rate in the two 20-year periods still exceeded 7.2 per cent.

In the 20 years before the end of the century, we will learn from historical lessons and avoid such serious mistakes. So long as the people throughout the country unite as one, it is possible to achieve an average annual growth of 7.2 per cent in the two decades.

We can also cite examples of other countries that quadrupled their gross national product (GNP), or achieved an average annual growth of above 7 per cent in about two decades.



A bumper harvest of a farm of the Xinjiang Production and Construction Corps.

Table III

GNP Growth Rates of Some Countries

Country	GNP (calculated on prices of the same year, billion US dollars)	Time Span (year)	Average Annual Growth (%)	Actual Average Annual Growth (% with inflation deducted)	Actual Total Growth (fold)
Soviet Union	153 (1955)- 866 (1975)	20	9	7.5	4.25
United States	287.1 (1950)- 1,678.1 (1976)	26	7	3.44	2.41
Japan	27 (1956)- 196.9 (1970)	14	15.2	10.4	4.00
West Germany	23.3 (1950)- 450.8 (1976)	26	12	5.4	3.96

For instance, the Soviet Union quadrupled its gross annual value of social products between 1956 and 1975. Japan's GNP was quadrupled in only 14 years from 1957 to 1970. Their average annual growth rates exceeded 7.2 per cent. Because of a higher inflation rate, West Germany's growth took a longer time. However, its GNP achieved an actual 3.96-fold increase in 26 years, nearly quadrupled.

Material Foundation

After 30-odd years of economic construction, China has acquired a fairly solid material foundation. It has nearly every necessary industry, each of a considerable size. It has close to 400,000 industry and transport enterprises with more than 800 billion yuan in fixed assets and working funds. The output of some major industrial products can be compared with that of some economically developed countries in the 1960s. This is the material foundation from which China will carry out economic construction in the last two decades of this century. It is about the same as that of the Soviet Union and Japan in the 1950s when they began to quadruple their GNPs.

Of course, economic growth cannot depend completely on the current material foundation. The amount of possible investment in fixed assets and their effects are both important factors. In the

two decades, China's annual accumulation rate will be somewhat lower than in the past 30 years, but in general it will remain at the level of 25-30 per cent. The utilization of foreign funds will gradually expand. In this way, the state investments in fixed assets will basically meet the needs of key energy and transport construction and of the expansion of all state-owned industry.

In addition, collectively owned industry and agriculture, which do not require state investment, will also have a large accumulation and will also continuously expand investments in fixed assets.

According to initial calculations, the portion of the output value of collectively owned industry in the gross industrial output value will increase from the present 21.3 per cent to 30 per cent by 2000.

Such being the case, the investment in fixed assets needed for quadrupling the gross annual

Table IV

Comparison of the Output of Some Major Products

Country	Annual Output of Major Products	Electricity (billion kwh)	Crude Steel (thousand tons)	Coal (million tons)	Oil (thousand tons)
China	(1980)	300.6	34,480	620	105,950
Soviet Union	(1961)	327.6	70,760	506	166,070
Japan	(1961)	132.0	28,270	59	660
West Germany	(1961)	124.6	33,460	240	6,200

value of industrial and agricultural production in 2000 can be basically ensured.

Industrial Potential

There is great potential for improving the technology and economic results of China's industry.

Table V
Comparison of Energy Utilization Rate

Country Item	China	Japan	United States	Britain
Total Energy Utilization Rate (%)	30	57	51	40
Consumption of Standard Coal in Producing 100 Million US Dollars of National Income (1,000 tons)	325	55	131	31

China's energy utilization rate is approximately 40 per cent lower than economically developed countries and its consumption of standard coal in producing every 100 million US dollars of national income is 2 to 11 times higher.

The reasons for poor economic results are many-sided, including some non-comparable factors. But outdated production technology is an important one.

At present, 30-35 per cent of China's machinery and equipment is at the level of the 60s and 70s, with the remaining more than 60 per cent at the level of the 40s and 50s. Thus half or more of the fixed assets need replacement, which calls for big developments in science and technology.

As a general rule, large-scale replacement of fixed assets is the starting point for an economic upsurge. The Chinese Government has decided to spend the next 10 years to technically transform old enterprises in a planned manner.

Technical efficiency should allow the same amount of primary products such as steel, coal, oil, timber and cotton yarn to double or more than double the current industrial output value.

Take energy for example. In the developed countries, when the GNP increases by 1 per cent, energy needs an increase about 1.2 per cent. But this ratio cannot be applied to China because of its low energy utilization rate.

Even a conservative estimate suggests that it is entirely possible to reduce the energy consumption of each given unit of industrial products by 50 per cent in the 20 years so that when the total output value of industrial production increases 1 per cent, energy consumption only needs to increase 0.5 per cent.

By the end of this century, if China's total energy output is doubled, that is, reaching the target of 1.2 billion tons of standard coal, it will be able to produce 2,800 billion yuan of industrial and agricultural products.

Energy production did not increase but decreased somewhat during the economic readjustment of the past few years. Nonetheless, our gross annual value of industrial and agricultural production still grew at a rate of more than 5 per cent. This was mainly attributed to progress in energy conservation.

Agriculture Still in Ascendant

In the past four years, China has instituted a series of new agricultural policies, especially the production responsibility system with contracts by peasant households as the principal form. Thanks to the new policies, farm production has experienced unprecedented overall growth.

Table VI
Recent Agricultural Growth Rate

	1978	1979	1980	1981
% Increase of Total Agricultural Output Value Over the Previous Year	9.0	8.6	2.7	5.7
Of Which: % Increase of Output Value of Forestry, Animal Husbandry, Sideline Occupations and Fishery	8.0	11.5	10.5	6.3

Create a New Situation, Make New Contributions

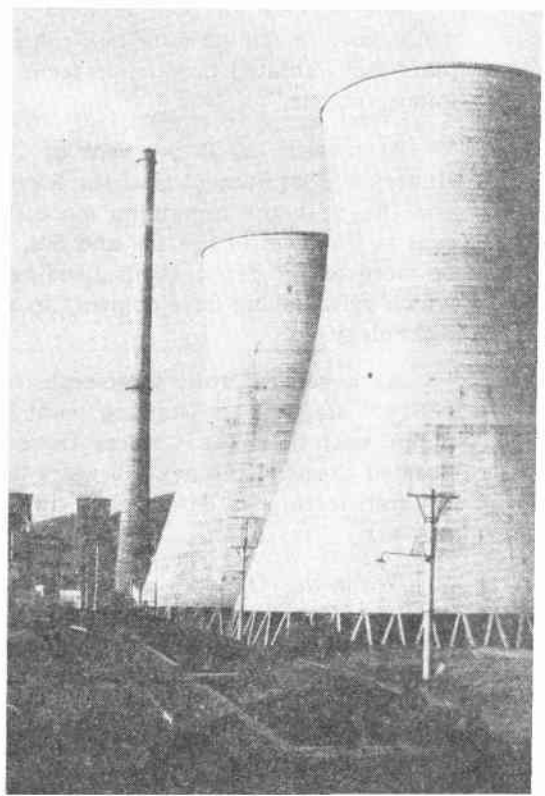


China's 1982 grain output was 344.3 million tons. This grain was sold to the state by the Caijia People's Commune in Jilin Province, averaging 5,000 kg per family.



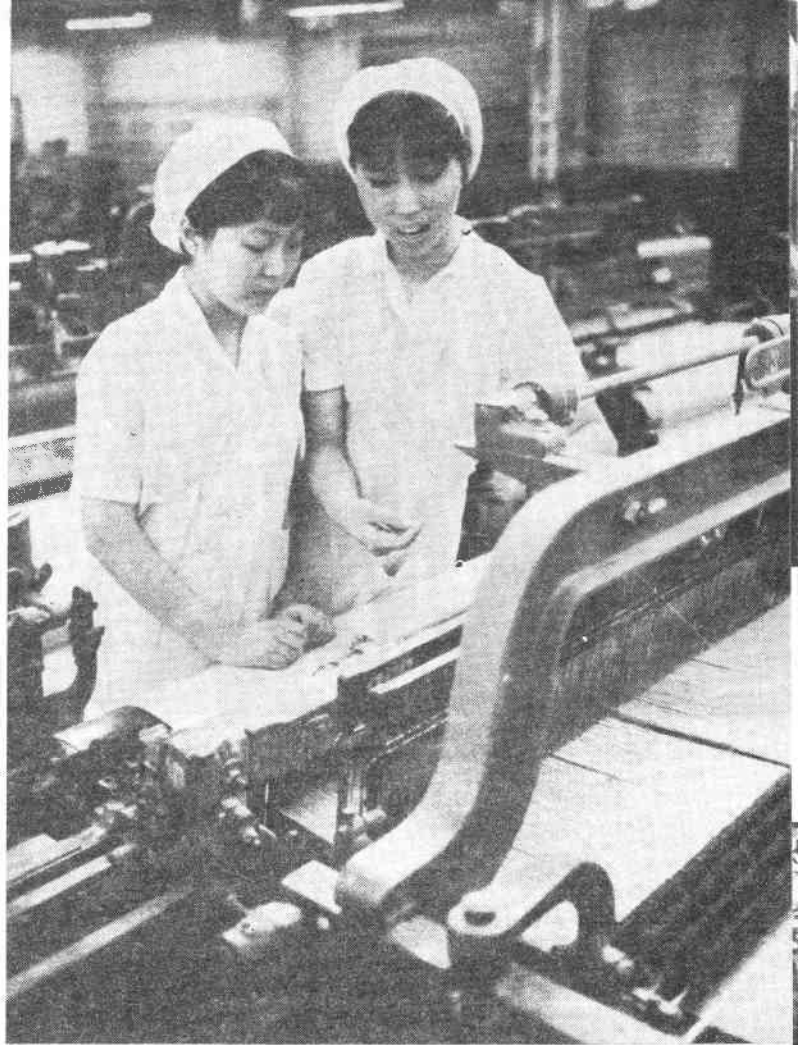
Coal miner Zhang Tongping (left) of Ningxia is one of the million young people who have been cited as "shock workers in the new Long March."

Thermal power plants are going up in areas with rich coal resources. This is the newly completed Huaibei Power Plant in Anhui Province.



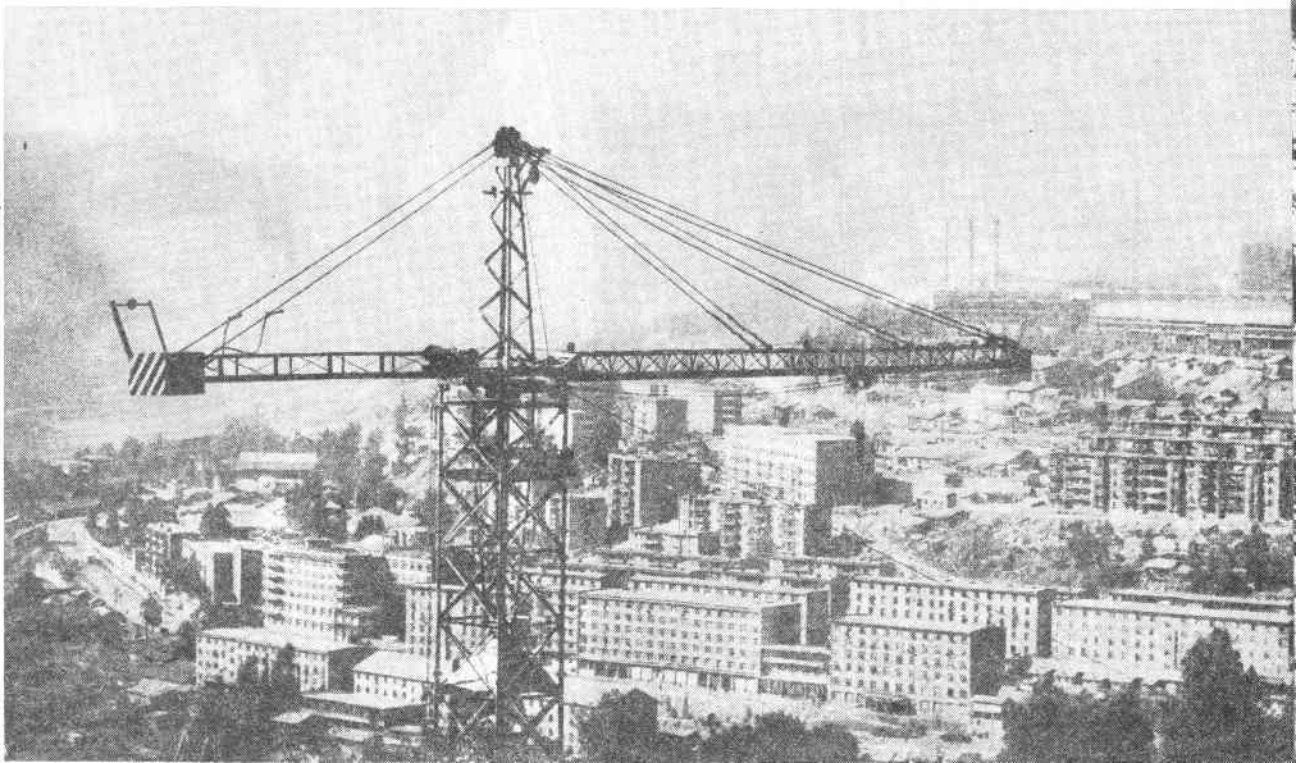


Chen Wu, from Yongji County of Shanxi Province, bought a tractor and now works for peasants at a reasonable pay rate. He earned a net income of 30,000 yuan in the past three years.



Women are playing ever bigger roles in national construction. Zheng Huiqin (right), a model textile worker of Shanghai, discusses cloth production techniques with a co-worker.

To curb the growth of big cities, China is building medium-sized and small cities like Dukou city in Sichuan Province.





Shen Baochang works with several families at his commune in Shaoxing, Zhejiang Province, to raise 6,100 female ducks in nine months on three duck farms.

Customers in a busy Shanghai garment shop admire new styles. Shanghai textile and garment factory workers are renowned for the quality and variety of their products.



The older generation of Chinese intellectuals is devoting itself to the modernization of science and technology. Professor Rong Dushan, a famous Shanghai radiology specialist, and his wife Professor Ren Linfei engrossed in work.



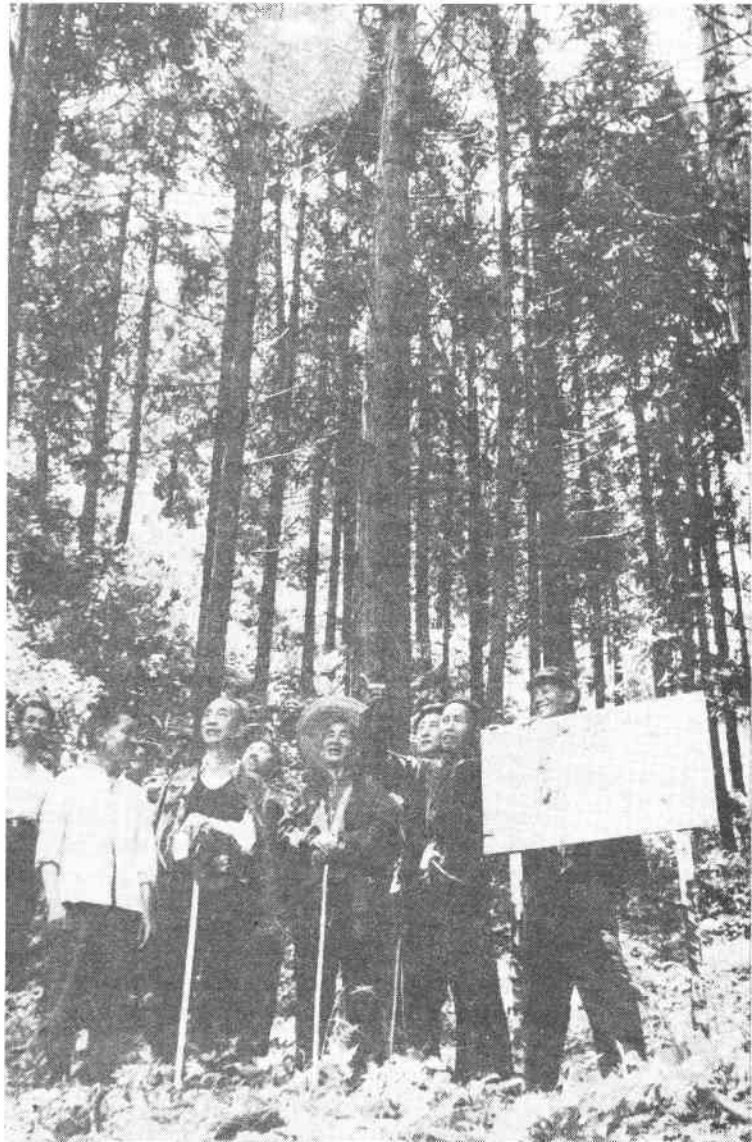
Dai nationality commune members harvest sugar cane in subtropical Luxi County in Yunnan Province.

Members of the theatrical company led by Zhang Guilian (left) of Shenyang apply makeup. In the past two years, it performed for half a million people in factories and in the countryside.



Today peasants read more journals and books. Veteran peasant He Mei (right) of Ninggang County, Jiangxi Province, subscribes to 10 scientific and technical periodicals.

Forestry workers investigate the Miao and Dong Autonomous Prefecture, Guizhou Province, which has become a centre of China's fir production, thanks to local tree-planting and forest protection.



From 1977 to 1981, output value of agriculture increased at an average annual rate of 6.5 per cent, of which the increase of forestry, animal husbandry, sideline occupations and fishery was 9.1 per cent annually. This developmental tendency foretells two things:

First, the total agricultural output value increased more rapidly than the output of major farm products, including grain and cotton. This complies with the universal laws of agricultural development.

From 1953 to 1980, China's annual output of grain increased at an average rate of 2.4 per cent and cotton 1.8 per cent. Simultaneously, the total agricultural output value rose by an annual average of 3.4 per cent.

In the 20-year period, the average annual increase of grain, cotton and other major farm products will be somewhat lower than in the past, but the output value of forestry, animal husbandry, sideline occupations and fishery will increase by a big margin.

Initial estimates predict an increase in the portion of the output value of forestry, animal husbandry, sideline occupations and fishery within the total agricultural output value from 35.7 per cent in 1980 to some 50 per cent in 2000. This jump would accelerate the average annual growth of the total agricultural output value and make it possible to achieve a growth rate of 5-5.5 per cent.

Second, historical experience suggests that rapid agricultural development promotes industry and the national economy as a whole (see table in "Chinese-Type Modernization (2): Its Nature and Characteristics" in issue No. 2, 1983).

This kind of agricultural development in the 20 years will provide industry with grain, raw materials, funds and markets for its products. Coupled with gradual technical renovation and management improvements in the industrial enterprises, agricultural support will allow industry to more than quadruple its output value with an estimated average annual growth rate of 7.5-8 per cent. Thus, the gross value of agricultural and industrial production can achieve an average annual increase of 7.2 per cent.

Some people say that the world economy is now in a period of recession and even countries which have developed quickly are not unaffected. How can China achieve an economic boom on its own?

The economic recession in capitalist countries is caused by shrinking markets. China has

no such problem, because our economic development is mainly based on self-reliance, 90 per cent of our products are marketed domestically and most exported goods also sell well on the home market. If they cannot be exported, they can be marketed at home.

In addition, we can take advantage of international economic recession to introduce more foreign funds and advanced technology to speed up the economic construction at home.

Two Steps

Of course, it will not be easy to quadruple the gross annual value of industrial and agricultural production in 20 years. A considerable period of time is needed to readjust the long-standing irrationalities in industrial structure, product mix and enterprise organization.

Reforming the economic management system of excessive centralization and "everyone eating from the same big pot" involves a wide range of problems. But the reform must be resolutely carried out in a systematic way.

It is also impossible to bring about a fundamental change in the shortage of energy and transport facilities in a short period of time.

Because of insufficient technical forces and funds, it is impossible to immediately launch an all-out attack on important scientific and technological research projects or to technically upgrade all existing enterprises. The urgent ones must come first. Personnel training and management improvements also require time. And a period of hard work is needed to improve economic results.

Because we have considered the problems arising from these weaknesses, we have listed agriculture, energy and transport, education and science as the major targets in our strategy for economic development.

At the same time, we decided to divide development into two steps. In the first decade we will concentrate on solving the above-mentioned problems left over from the past so as to accumulate strength and lay a solid foundation for future development. Therefore, it is impossible for the economy to develop very rapidly.

In the second decade, the pace will be accelerated and a new period of vigorous economic development will be ushered in, so that the national economy as a whole will earn better economic results and develop more quickly and our objective will be successfully realized. □

Expand Industry Through Technical Transformation

by Sun Yefang

- "The bigger the base figure, the lower the growth rate," an erroneous assertion which has prevailed for many years, still influences some people's confidence in China's long-term economic objective.

- To assure the rapid development of our industry, our most important and most realistic method is to carry out technical transformation of existing enterprises.

- Our industry's low depreciation rate for fixed assets is one of the major reasons for the slow progress of enterprise technical transformation. Irrational financial and economic systems should be reformed.

LAST year, China set the goal of quadrupling the gross annual value of industrial and agricultural production by the year 2000.

Some people, both at home and abroad, think this objective, which calls for an annual increase rate of 7.2 per cent, is unrealistic. The concept of "the bigger the base figure, the lower the growth rate" constitutes a major reason for their doubt.

The 7.2 Per Cent Solution

In the 33 years since the founding of the People's Republic (1949-82) our experience has proved that it is not unrealistic to expect a 7.2

The author is one of China's outstanding economists. For biographical details, see p. 23.

per cent annual increase rate of the gross industrial and agricultural output value. China's gross industrial and agricultural output value increased at an annual rate of 8.1 per cent from 1953 to 1981.

To reach the objective of quadrupling our gross annual industrial and agricultural output value, we should rely chiefly on the rapid development of industry. Our country's total industrial output value accounts for around 70 per cent of the gross value of our industrial and agricultural output.

Expediting the development of industry calls for efforts in many fields. Our most important and most realistic current task is to carry out technical transformation of existing enterprises systematically and with priorities, so as to maximize their role. In the past, we mainly relied on building new factories to

A grandson is reading a newspaper to the author who is hospitalized.





Technicians at the gas plant of the Anshan Iron and Steel Company discussing problems of technical transformation by which the plant saved huge amounts of electricity and gas last year.

achieve expanded reproduction. This was necessary during the period when we were establishing the foundation for industrialization. In the days to come, however, we must achieve the goal mainly through technical upgrading. This is a question of tremendous importance.

China now has 400,000 industrial and transport and communication enterprises; more than 380,000 are industrial enterprises. Every year, more than 1,000 large and medium-sized new projects (mainly industrial and transport and communication projects) go into construction, but only around 100 of these are completed and functioning within the year. Although these projects are fairly advanced and have a higher labour productivity, they are only a fraction of the country's enterprises. To increase our industrial output value and raise the growth rate, we need to rely on new enterprises, particularly the large and medium-sized key projects. But stress should be laid on the existing enterprises and their technical transformation and improvement in management.

An Incorrect Viewpoint

In the 1930s, the law that "the bigger the base figure, the lower the growth rate" prevail-

ed in the Soviet Union. People who upheld this viewpoint based their argument on some of the remarks made by Stalin in his "The Results of the First Five-Year Plan." He said, "In studying the rate of increase of output we must not confine our examination to the total percentage of increase—we must also take into account what lies behind each per cent of increase and what is the total amount of the annual increase of output" (*Problems of Leninism*, Foreign Languages Press, Beijing, p. 603). He also said that the increase rate of the Soviet Union's gross industrial output value during the First Five-Year Plan period was lower than during the period of rehabilitation, but that the absolute amount of increase was bigger.

Generally speaking, the rate of industrial development in the Soviet Union decreased over past decades, as did ours in the past 30 years. This further justified the notion that "the bigger the base figure, the lower the growth rate," and made it an excuse for a diminishing economic growth rate.

In fact, this argument is not convincing. It is true that the speed of the Soviet Union's industrial development has declined and the rate of our own industrial development did show the tendency to decrease. This, however, does not constitute a law, although similar phenomena appeared in the two countries with different historical conditions. The causes leading to their reduction in the growth rate are multifarious. One of the main reasons was that the rigid economic and financial systems have restricted technical innovation and transformation of the existing enterprises. As a result, the old enterprises that make up the vast majority of the total enterprises have made little technical progress, their labour productivity has practically remained unchanged and their production has grown slowly or even stayed at the same level. Thus, the increase of productive capacity and growth of the rate of development have to depend on building new enterprises and expanding old enterprises.

Under these circumstances, if the productive capacity of the existing enterprises is used as a denominator and the productive capacity of the newly built or expanded enterprises as a numerator, the more the number of old enterprises increases, the bigger the figure of the denominator becomes. On the other hand, because there is a limit to the national strength, no matter how much a country wants to expand its capital construction, the growth cannot reach a miraculous pace. In other words, the figure

of the numerator can hardly grow faster than that of the denominator. As a result, the value of the whole fraction gradually dwindles and the speed of development slows down.

If we change our existing economic systems and take a new road of industrial development—relying mainly on technical transformation to expand reproduction and maximize the role of the existing enterprises, then our production development will not only rely on a small number of newly built enterprises but also on the technical transformation of the older enterprises which account for the vast majority of enterprises. This will naturally speed up our tempo of development. Generally, the technical transformation of existing enterprises saves

one-third or even more of the cost of building new enterprises, takes less than half of the construction time and uses only 60 per cent of the equipment and materials. The technical transformation of existing enterprises, therefore, provides an important technical and economic guarantee for maintaining a high speed in the development of industry and of the national economy as a whole.

The assertion that “the bigger the base figure, the lower the growth rate” contradicts the facts provided by the history of human society’s production development. During the economic stages of human society, production has grown at increasingly faster rates. Noted Soviet economist, S.G. Stlomelen (1877-1974),

Life-Long Pursuit Of Truth

THE 75-year-old economist Sun Yefang is now adviser to the Chinese Academy of Social Sciences and honorary director of the Institute of Economics under the academy.

Twenty years ago, when “Left” thinking held sway, he was dubbed the “biggest revisionist in China’s economic circles” and repeatedly criticized for a long time. After being dismissed from the post of director of the Economics Institute, he was sent to be “remoulded” on the outskirts of Beijing.

Now, many of his economic views—such as those on achieving maximum economic results with minimum labour consumption, on paying attention to the law of value and profits in a planned economy and on enlarging enterprises’ rights of management—are being accepted by more and more people. This is because the economic views and theories and suggestions for reform he put forward after liberation have been proved correct in recent years. Last November, he published an article entitled “There Are Not Only Political Guarantees But Also Technical and Economic Guarantees for Quadrupling Production in 20 Years” (see excerpts of this article, “Expand Industry Through Technical Transformation,” in this issue). It was commended by Premier Zhao Ziyang and aroused attention in the economic circles.

For 60 years, Sun Yefang has not only consistently applied the Marxist stand, viewpoints and methods in the study of economic theory and made great contributions, but also kept on seeking truth, facing difficulties and reactionary attacks with great courage and without regard for personal risks. He has proved himself an outstanding representative of China’s intellectuals.

In his early years when he studied at Sun Yat-sen University in Moscow, he was attacked by the Wang Ming faction. But he showed no fear of persecution and openly criticized the fallacies of the Trotskyites.

During the “cultural revolution,” he was even more severely persecuted. But he continued to uphold the belief: “Think not of death or fame, the economic views formed through long years of economic research can not be discarded; I must live for the truth.” In the seven years of extremely hard life in prison, without paper or pen, he repeatedly revised in his mind a draft for his million-word work *The Economic Theory of Socialism*.

When he was released from prison in 1975, the first thing he said was: “I will never change my mind, my profession or my viewpoints.”

In their articles, his colleagues, students and friends have given many moving examples of his spirit of uprightness and courage.

In 1964, two theoretical workers in the Economics Institute wrote an article saying that attention should be paid to value and profit, for which they were to be criticized. Sun Yefang said: “The views are mine. The writers should not be criticized.” Then, at a meeting, he elaborated in clearer terms his opinion that socialist enterprises should also pay attention to profit. The two theoretical workers were exonerated. But he was charged with one more “crime.”

In recent years, Sun Yefang has been hospitalized several times with serious illness. He overcame the pain and wrote more than 30 articles on economic reform and readjustment, totaling some 300,000 words.

In order to commend him for his achievements, the Party committee of the Chinese Academy of Social Sciences granted him the title of “model Communist Party member” on December 16, 1982.

made rough estimates of the speed of technological progress and production development in human society. His studies suggest that technological progress in the Stone Age advanced at an average rate of 1-2 per cent every 10,000 years. In the Iron Age, labour productivity, which reflects technological progress, increased at an average rate of nearly 4 per cent in every 100 years. In the steam and electrical eras, in the United States for example, the industrial workers' labour productivity increased at an average annual rate of 1.5-3 per cent during 1870-1949 (*New Times*, No. 47, 1959).

A.I. Notken, another Soviet economist, estimated in his *The Rate and Proportion of Socialist Reproduction* that Britain's total industrial output value increased at an average annual rate of 0.9 per cent during the 80 years between 1700-1780, and that it rose to 2.2-2.5 per cent in the 136 years between 1781-1917.

Therefore, the assertion that "the bigger the base figure, the lower the growth rate" does not conform with the laws governing scientific, technological and production development. It also overlooks the reality that modern science and technology are developing rapidly.

Raise the Depreciation Rate for Fixed Assets

Members of our economic circles hold opposing views on the question of raising the depreciation rate for fixed assets. In my opinion, our existing equipment management system "freezes technology" and shackles the technical transformation of enterprises and must be thoroughly changed. For this purpose, first of all, we must raise our depreciation rate for fixed assets and thus shorten the depreciation period. If the period cannot be immediately reduced to 4-5 years, as in industrially advanced countries, it should at least not surpass 10 years—the cycle of replacement the Western countries attained in the last century.

The relatively low depreciation rate is a fact. Zhou Guanwu, General Manager of the Shoudu (Capital) Iron and Steel Company, has explained: "In the past, each enterprise put aside an annual depreciation fund equivalent to 3.3 per cent of the total value of its fixed assets. In addition, it had to hand over 50 per cent of the fund to the state, so in actuality it ended up with a depreciation fund of 1.65 per cent of its fixed assets. Our company uses much very old equipment, such as the US Ford Company's boilers made in 1918 and outdated steam en-

gines left over by the Qing Dynasty (1644-1911). It will take the company 60 years to replace or transform all its old equipment with such a limited depreciation rate."

But some comrades do not think such a depreciation rate is low, arguing that in the 1978 final state accounts, the depreciation rate of our industrial enterprises' fixed assets averaged 4.1 per cent with a 24-year cycle of replacing equipment. In addition, the state allocations and loans earmarked for replacing the enterprises' fixed assets and their technical transformation actually raised our industrial enterprises' depreciation rate to more than 6 per cent. The depreciation rate of the United States, they added, averaged only around 8 per cent.

I don't think this argument is convincing either. If this were true, the historical development of the capitalist countries must have gone backwards. More than a century ago, the capitalist countries' depreciation rate for fixed assets already had reached 10 per cent. Since then, their production and technology have progressed further, and the science and technology of the world has developed rapidly over the last few decades. To suit this situation, many capitalist countries and enterprises have accelerated their depreciation rate and shortened their equipment service life so as to enhance the competitiveness of their products. It is their common practice to renew their fixed capital in 3-5 or 5-7 years. This provides a material foundation and an explanation for why the cycle of the capitalist world's economic crisis has been shortened to 4-5 years. If these countries' depreciation rate for fixed capital were 8 per cent as claimed, then the cycle for the replacement of their fixed capital would have been 12-13 years and the cycle of economic crisis of the capitalist world would have been extended rather than shortened. This, however, neither conforms to the actual conditions nor the theoretical logic.

I have repeatedly proposed a gradual increase in our enterprises' depreciation rate for fixed assets to 10 per cent, a transitional rate suggested only for the present stage, in consideration of our country's limited financial resources. In the 1990s, after our economy has ushered in a new period of upsurge, our depreciation rate can be raised again.

To gradually bring about the technical transformation of the existing industrial enterprises, the depreciation fund in principle should be controlled and used by the enter-

prises themselves. This will provide our enterprises with necessary financial resources for technical transformation.

Simultaneously, our economic management system should be changed. Our present system has many drawbacks. It tends to encourage enterprises to attach more attention to increasing quantity rather than variety and quality, lay stress on output value and overlook labour productivity and the rate of profits, and emphasize building new enterprises and expansion while neglecting technical renewal and transformation. Unless we introduce fundamental changes in this management system which hinders technical progress, we will see the following phenomenon: When enterprises have money, they will con-

tinue to build new projects or expand old ones instead of replacing and renovating old equipment.

The state must provide guidance and exercise unified control and supervision over the technical transformation of old enterprises. First, the funds earmarked for the technical transformation of old equipment should not be diverted to any other purposes. Second, unified planning and policies should be formulated for the technical transformation of different trades. This will ensure that our technical transformation proceeds by stages in a planned way and under a unified leadership, and at the same time will give due respect to the decision-making rights of the enterprises. □

Urban Family Structures and Their Changes

— A survey of a Tianjin neighbourhood

by Pan Yunkang and Pan Naigu

SOCIOLOGISTS use varying methods and criteria to classify family structures, such as those based on the number of couples in one family, whether one parent is absent, relations between generations (two or more generations), etc. For the convenience of studying these structures, we have borrowed sociological terms from abroad and for the time being classified current Chinese urban families into four categories:-

1. **The nuclear family** consists of a husband and wife and their unmarried children. It includes broken families in which one parent has died or departed.

2. **The lineal family** consists of one or both parents living with a married child and spouse, and their offspring.

3. **The extended family** is made up of parents living with several married children and their offspring.

4. **Others.** This category includes loose

groupings of blood relations which we will not examine in this discussion.

Nuclear or small families are the most stable type, while lineal and extended families tend to be less stable.

Changes in City Family Structures

The family is an historically shaped form of organization. From the first day the family came into being, it has never been a static grouping. Its development generally has been slow and inconspicuous, unlike the development of material production, which is sharply differentiated in each historical period. Still, families have altered throughout history alongside material production.

In the last 100 years or more, China developed from a feudal society to a semi-colonial, semi-feudal society and then to a socialist society, from a small-scale peasant economy to socialist industrialized big production. Such changes could not but influence family structures. A trend emerged, a gradual transition from big to small families, from the lineal and extended families to nuclear families. These

The authors are sociologists.

Form of Residence of Married Women in a Residential Area in Tianjin

Form of Residence After Marriage	Born in or Before 1926		Born 1927-38		Born 1939-50		Born Since 1951	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Live with husband's family	171	64.53	62	38.27	29	23.58	16	26.23
Husband lives with wife's family	5	1.89	0	0	7	5.69	3	4.92
Small families (nuclear)	83	31.32	97	59.88	80	65.04	41	67.21
Husband and wife live separately from each other*	5	1.89	3	1.85	7	5.69	1	1.64
Others	1	0.38	0	0	0	0	0	0
Total	265		162		123		61	

Note: The classification of age groups is roughly based on the periods when marriage and child-birth were at peak levels: 1949 (before liberation), the 1950s (early liberation), 1966 (before the "cultural revolution") and after 1976 (the end of the "cultural revolution.")

* These couples are not separated or divorced but are working at a distance from each other that does not allow a common household.

changes can be charted from the end of the 19th to the early 20th centuries. The above table shows the form of residence of married women in different age groups after marriage in a residential area in Tianjin.

From the table we can see two marked trends. The first is a gradual decline in the number of married women living with their husbands' families. The second is a growth in the number of couples who live separately from their parents. The first trend indicates a decline in the number of big families (which are mainly lineal families), the second trend shows the growing number of small nuclear families.

These trends have historical explanations. Due to imperialist aggression, old China was reduced to a semi-colonial and semi-feudal society. Capitalism spurred the gradual disintegration of the feudal and autarkic natural economy, so families changed accordingly. Among working people, many peasants went bankrupt and became homeless because of the annexation of land by a handful of bureaucrats and landlords.

Landless peasants found it extremely difficult to care for a small family, much less a big one. The impoverished peasants either became farm hands for landlords in other villages or moved into the cities to work in factories owned by capitalists. It was common for peasants to sell their wives or daughters. Those who worked in the cities had to work very hard at little pay. Their living conditions were extremely poor. All these factors made the existence of big families impossible.

Among the exploiting classes, some feudal landlords tried their best to maintain big feudal families in line with the clan system, in order to maintain their own status as "master of the family," and the tradition of "five generations under one roof." But none of them could escape the influence of capitalism. Often they or their children moved to the cities and became capitalists in the burgeoning industrial and commercial trades or government employees. They formed their own small families.

With the development of capitalism in the cities, the bourgeois families were no longer

units directly engaged in production and exploiting others, so there was no need nor possibility of maintaining big families.

Ideologically, the traditional doctrines of Confucius and Mencius were overlaid with liberal moral principles from the West. People embraced concepts like "human rights," "liberty, equality and fraternity" and "emancipation of individual personality" in order to challenge feudal ethics. Such ideas led to changes in views about families. This was mainly manifested in cities, especially among youths. An increasing number of people favoured small families. Unlike the West, however, generally speaking, young people still support their parents. So we may say that this produced a view of families with Chinese characteristics but influenced by the West. This outlook still prevails in China today.

In the socialist New China of the 1980s, urban families are changing from big to small, from lineal (extended) to nuclear families. The great majority (82.9 per cent) of the families in the Tianjin study are nuclear. However, lineal families still exist (see below).

Types of Families in a Tianjin Neighbourhood

Types of Families	Number	Percentage
Nuclear families	375	82.9
Lineal families	69	15.3
Extended families	3	0.7
Others	5	1.1
Total	452	100

This neighbourhood study shows a slight increase in the number of families in which newly weds live with the groom's parents. We think the changes in family structures in cities reflect both the trend from big to small families, and the simultaneous pull towards maintaining big families. Both factors affect the status quo and the future of Chinese families.

The move from big to small families is influenced by the following factors:

1. Family economic problems. In most cases, urban families are no longer production units, but units of consumption. How to distribute the family's income becomes the principal economic challenge to the family. Urban wage-earners mostly work in state-owned or collectively owned enterprises, and their main income

is wages. Thus, the number of family members employed and their rate of pay is directly related to the family's economic situation. The Tianjin investigation delineated two marked changes with regard to the incomes of city families: First, with more family members employed, the father is no longer the lone wage-earner. Secondly, the proportion of employed young people in each family is increasing. In some cases, the proportion of working youth exceeds the number of working adults. Of 106 families in the studied area, 311 persons are employed, on the average three per family. Nearly 60 per cent of these (185) are of the younger generation. The income of the family directly affects its expenditures. The property rights are no longer entirely in the hands of the parents. This inevitably affects the stability of the old family structure.

Extensive employment among young people has made them independent of their parents (this is true of both men and women). If each partner in a young married couple is working, they can live independently and support themselves. Older people who have worked hard all their lives to support their families and to bring up their children now hope to spend their remaining years in peace and tranquility. If their children become independent after marriage, the family burden will be lightened and the older people can lead a better life. So generally speaking, the parents also favour married children live separately.

2. The problems of inter-personal relations — relationships among family members.

Obviously the simplest relationship involves only two people, so a husband and wife living alone together has the smallest number of relations. The complexity of relationships grows exponentially with each addition of a family member so the most complicated inter-personal relations are those in a family including several generations with lineal and collateral relatives.

The malady of old big families lay in the relationships among the members. Not only were there relations among the father, mother, husband, wife, sons and daughters, but also relations between wives of brothers, uncles and nephews. . . . Therefore family disputes were frequent. The bigger the family, the more frequent the disputes, so many families lived precariously. To maintain harmony in the family so that members could get along peacefully often meant breaking up the family into smaller units.

We must point out that the relationships between mothers-in-law and daughters-in-law are a prominent factor in inter-personal relations in urban families. After liberation, the higher status of women in society led to changes in families. Women, especially young women, gained not only political but economic equality with men because they began to work outside of their homes. Once they have jobs and permanent incomes, they have more right to speak at home and power to dispose of family property. The mother-in-law, mainly occupied with household chores, hopes to keep control over her big family, but the daughter-in-law, mainly occupied in social labour, hopes to organize her independent small family. The two parties sometimes come into conflict, often involving the father-in-law, husband or even the younger generation, resulting in strained relations among all family members or even the disruption of the family. Conflicts between mothers-in-law and daughters-in-law have been the main inter-personal contradiction leading to the dissolution of big families.

3. Generation gap. This is expressed in the different ideas, dispositions, values, interests of two generations. The reasons for such a gap are both physiological and social. Because of age differences, elderly people generally prefer less vigorous activity than young people. Older people are generally conservative and practical, while younger ones like to break away from set rules and are more idealistic. The two have different interests and preferences. Socially they have different experiences. Take the current lineal families as an example. The parents (or fathers- and mothers-in-law) are mostly over 50, and the sons- and daughters-in-law are around or under 30. The older people have lived in two societies — dark old China and bright New China. By comparing the two societies, they are able to analyse in a more comprehensive way the achievements and problems of the present society. Young people who grew up in New China have less experience and often are unable to correctly appraise some of society's problems. Either they think that everything is good or that everything is bad. They become elated or despondent easily. Furthermore, in the past few years, Western bourgeois ways of life have spread to China through various channels, and have affected some young people. Therefore in looking at life, work and society, the two generations have different views, resulting in estrangement between them and even disruptions of families.



Returning from a village fair.

4. The mentality of young people hoping for independence. Psychological studies show that the mentality of adolescence is significantly different from that of children. This is first of all due to physiological factors that is physical maturity and a rapid increase of height and weight. The earliest expression of such mentality is the desire for social recognition. At home, they "rebel" against their parents and seek independence. They wish to make decisions about their own affairs and to be economically independent.

We interviewed all the young workers in a collectively owned factory run by a Tianjin neighbourhood. Of the 85 young workers, 52 (61 per cent) said that their aim in working was to have some income, so that they wouldn't have to be supported by their parents. This clearly shows their will for independence. By the time they become economically independent and reach marriageable age, each naturally hopes to organize a nuclear family in which what they say counts. In the eyes of young people, the value of big families is rapidly decreasing. These are factors accounting for the dwindling in family

size. This demand mainly comes from the younger generation.

On the other hand, there also exist forces in cities for the maintenance of big families. This can be seen in the following:

1. Chinese tradition and the new socialist moral code. Feudal families had many negative elements but one positive aspect was the belief that the two generations were responsible for each other. This coincides with the actual needs of present-day society and avoids the serious social problems of Europe and North America where elderly people have no one to look after and must spend their later years in solitude. Of course, today we don't approach the question from the feudal ethics of the "father is benevolent" and the "son is filial." We advocate the new socialist morality of "respecting the old and loving the young." The Constitution stipulates that children have a duty to support their parents. At present China is emphasizing the "five stresses and four points of beauty" (stress on decorum, manners, hygiene, discipline and morals, and beautification of mind, language, behaviour and environment). It is also promoting "five-good families."* These all build up strong public opinion that children are duty-bound to support their parents, and help promote harmony between generations. They are objective factors for the maintenance of big families.

2. Economic problems can be a catalyst for splitting big families, but can also be a factor in maintaining a big family. In cities, some old people must be supported by their children because they have little or no income. As for the younger generation, even though they are economically independent, their income is generally low. After having a child, some couples hope to get some allowances from their parents who have higher salaries. Both partners in most young couples are wage-earners. Both the burden of housework, which results from the low level of socialization in this field, and the difficulty of finding kindergarten space for small children contribute to couples' desire to have their parents look after their child and help with chores. In some cases, several married children vie with one another for the right to live with the old parents. These are factors that

*The "five goods" are: good in work and study; good in implementing state policies and being law-abiding; good family and neighbourhood relations; good in family planning and educating children; good in doing away with old customs and habits and good in manners and behaviour.

make it both possible and necessary for big families to exist.

3. Mentality of elderly people. Parents usually have deep feelings for their children. After working hard all their lives, they don't like to have all their children living away from them. Weighing the actual situation and the inter-personal relations, they often want one to live with them, so that they will be well taken care of when they are weak or sick and also get some mental comfort. Emotionally, parents often wish to have closer relations with their children. Their affection for married children might not be as deep as when the latter were in their childhood, but often they have deep affection for their grandchildren. The affection between grandparents and grandchildren is another indirect factor for the maintenance of big families.

4. Housing problems. At present, housing in cities is still far from meeting demand though efforts have been made to solve the problem over the past few years. Some young couples are forced to live with their parents because they can't find housing elsewhere. The Tianjin survey shows that elderly people usually live in more spacious homes than their married children, so some young couples prefer to stay with their parents. This is another factor for maintaining big families.

We have discussed two opposing factors and forces causing both the trend towards changing from big to small families and the maintenance of big families. These two forces sometimes offset each other, but on the whole, the first force is stronger than the second. In big families, the development from lineal to nuclear family is an irreversible trend. However, lineal families will not soon disappear. They still have vitality and will continue to exist to some extent. Today, China has very few extended families in the cities (only 0.6 per cent in the residential area we investigated). From any point of view, there is little reason for such families' existence, and they are rapidly disappearing, or are being transformed into lineal or nuclear families. Our nuclear families are increasing in number, but unlike in Europe and North America, the young couples in China are still socially duty-bound and legally obliged to look after their parents. Some call such families "compromise families" and have expressed their support. We think such an understanding is practical.

(A slightly abridged translation of an article from "Tianjin Social Science," issue No. 3, 1982.)

ACROBATICS

Chinese win gold medals

A group of Chinese acrobats headed by Xia Juhua, a famous acrobat herself, won gold medals for the three numbers they presented at the 6th Circus of Tomorrow Festival in Paris January 13-18.

The most thrilling of these three items was plate-spinning by six girls from the Hangzhou Acrobatic Troupe. In the bright sunshine, six peacocks show off their colourful feathers; suddenly they turn into flowers, attracting a swarm of swirling butterflies—spinning plates. Wu Min, one of the plate-spinners, makes the impossible possible: while setting 12 plates spinning atop one-metre-long rods held in both hands, between her teeth she holds fast a steel frame, on which another young actress, spinning three plates in

each hand, bends over to pick up a bouquet of flowers with her mouth. The performance lasts only a dozen minutes, yet to the Parisians, it seems an eternity, with all the plates poised so securely atop sticks in the hands of the six girls. At last, Wu Min brings the house down when she breaks all the 12 plates on the floor to show that they are all solid porcelain.

Plate-spinning in China dates back to the Han Dynasty (206 B.C.-220 A.D.). It reached new heights after liberation and the performance became an increasingly demanding task. Wu Min began learning the skills when she was 10; today, at 24, she is the only one in China who can spin 12 plates at a time while doing other stunts.

The second prize-winning number was juggling by Wang Hong, a 17-year-old from the Heilongjiang Acrobatic Troupe. She can spin an umbrella with one leg while juggling another umbrella with the other leg. She is so skilful in juggling that she is capable of kicking two

rosy carpets at a time so that they weave patterns that keep constantly changing in the air. Standing on her hands she can still use her feet to play deftly without seeing the carpets.

The third gold-winning item is bowl-topping on a unicycle. Gao Jing, a member of the Shenyang Acrobatic Troupe, appears onstage riding a unicycle more than two metres high. One of his legs is lined, from knee to foot, with five enamel bowls with bottoms and tops up alternately. In one stroke of his leg, he can land all the bowls one on top of another on his head. Then, he tosses a tiny lid on to a teapot. The teapot slightly tilted, pours a trickle of water into the bowls, to the roaring laughter of the house.

The bi-annual Circus of Tomorrow Festival is for contestants below 25 years old. Participants in the Sixth Festival came from 18 countries. Of the 45 numbers performed, five won gold medals. The other two golds went to Mongolian judo players and a US juggler.

Plate-spinning.

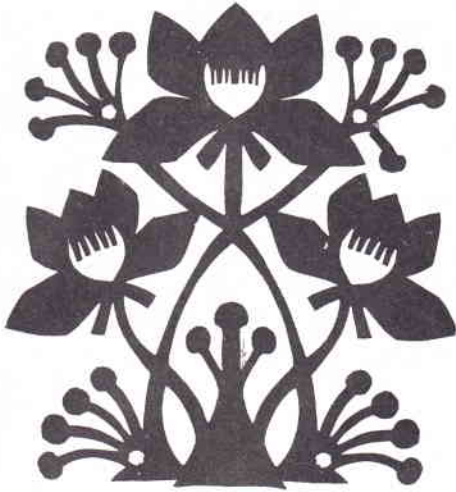


Carpet-juggling.



Bowl-topping on a unicycle.





*Papercuts by Shen
Peinong*

Shen Peinong, born in 1934 in Hohhot, Inner Mongolia, was crippled by illness in childhood. He taught himself the art of papercutting. His creations harmoniously combine skill and primitiveness, thus yielding natural artistic expressions.



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