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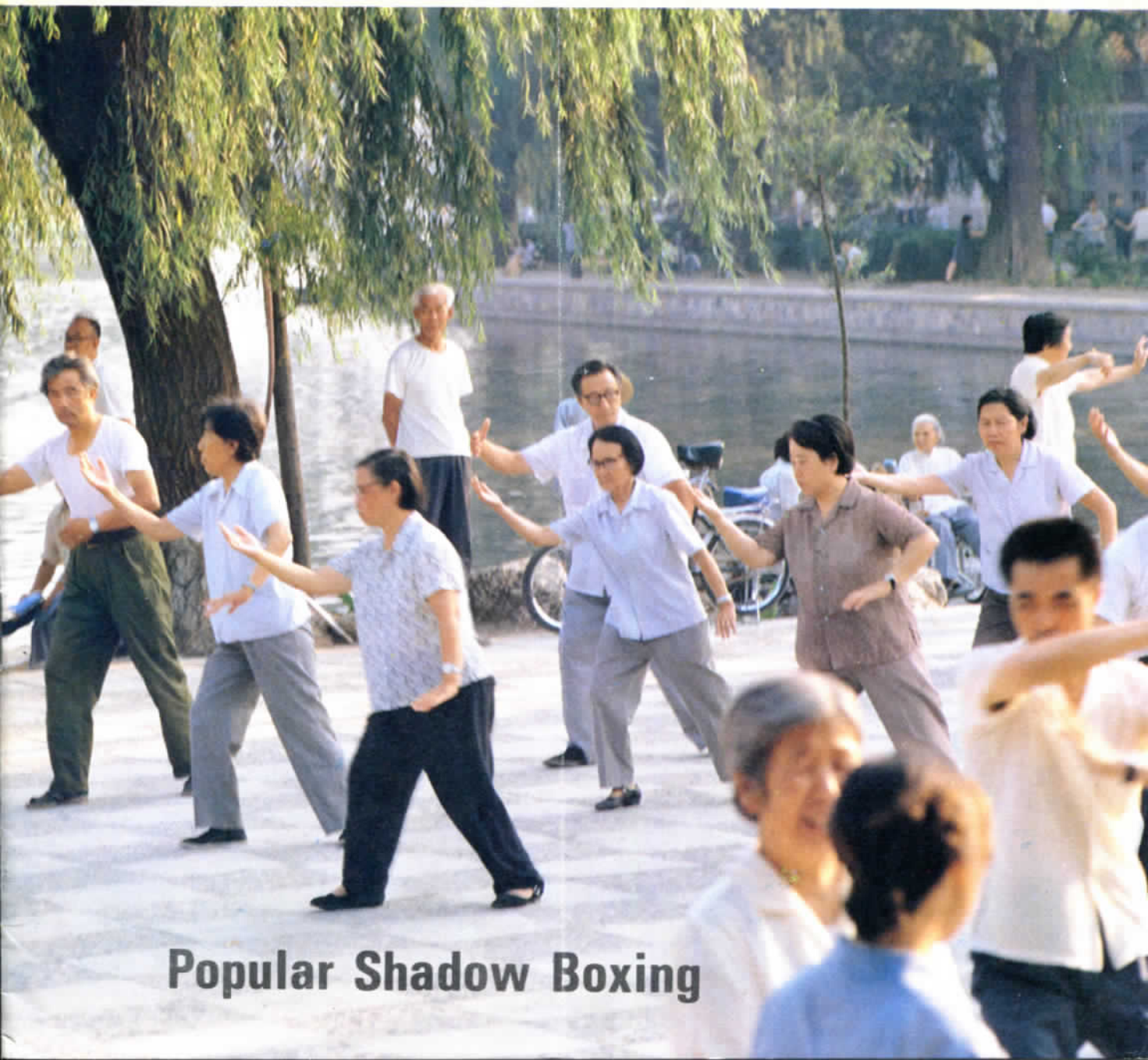
August 27, 1984

BEIJING REVIEW

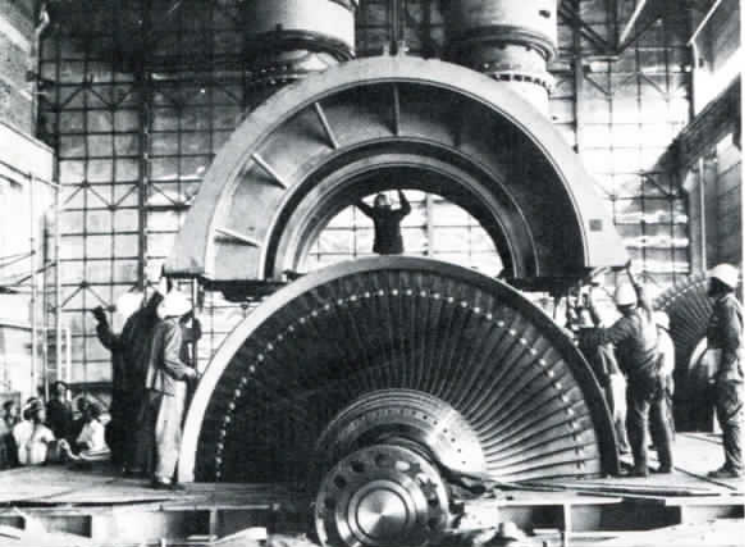
北京周報

A CHINESE WEEKLY OF
NEWS AND VIEWS

- **Strengthening Socialist Legal System**
- **China's Industrial Successes (1949-84)**

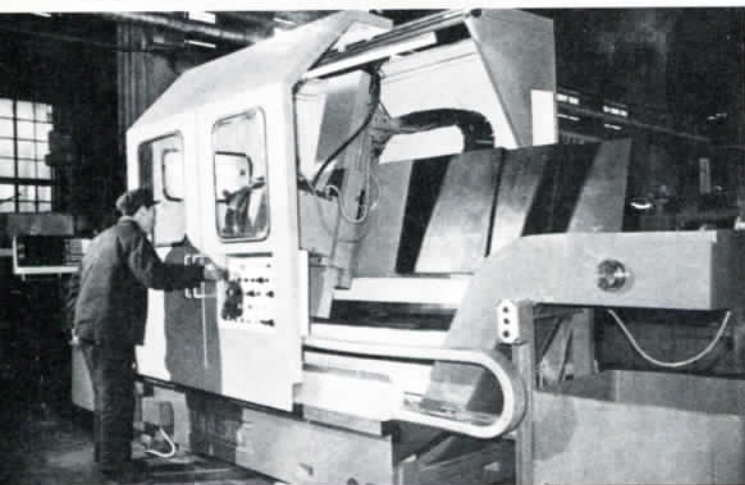


Popular Shadow Boxing

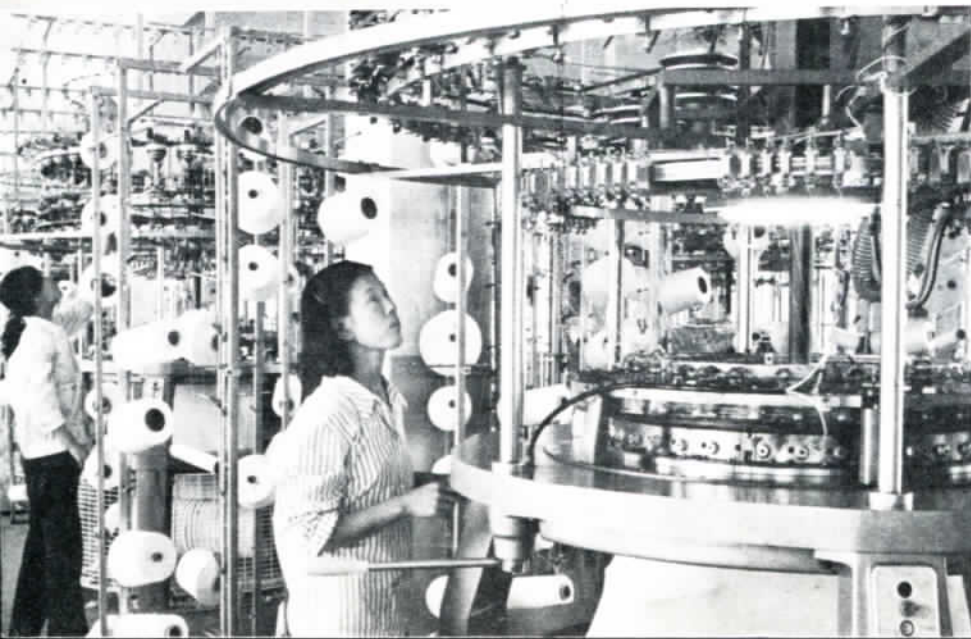


The biggest set of turbo-generators in China, each generator with a capacity of 600,000 kw at the Yuanbaoshan Power Station in Inner Mongolia.

This numerical-control machine tool was made in the Shenyang No. 3 Machine Tools Plant.



The Yingkou No.2 Knitwear Mill in Liaoning Province has raised its productive capacity by using imported equipment.



A view of the Gujiao Mining Area in Shanxi, the biggest coking base area to be completed during the Sixth Five-Year-Plan period.

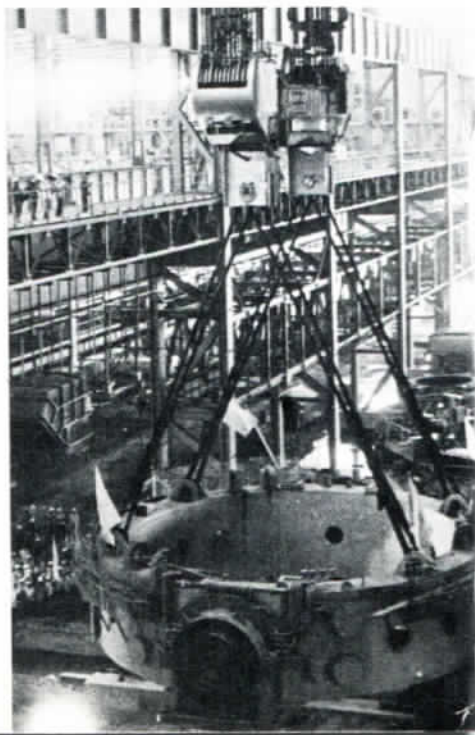


SPOTLIGHT



Workers of the Shengli Oilfield, Shandong Province, dig new wells.

Two 300-ton pure oxygen top-blown converters have been installed in the Baoshan Iron and Steel Complex in Shanghai.



BEIJING REVIEW

Vol. 27, No. 35

August 27, 1984

CONTENTS

NOTES FROM THE EDITORS 4-5

Major Reform Under Way in
Commerce

LETTERS 5

EVENTS & TRENDS 6-11

President Obiang Meets Li, Zhao
Wu's L. American Tour Successful
China-Uganda

Malta Appreciates China's Sup-
port

China Protests US Textile Rule
Taiwan Not Same Issue as Hong-
kong

Taiwan Wrong to Accept Hijackers
Campaign Against Bureaucratism
Crime Crackdown Seen as Effec-
tive

Targets Outlined for Food Industry
Trade Centres Emerge in Cities
Contract Work Abroad Rising
Bumper Harvest of Early Rice

INTERNATIONAL 12-15

Geneva: Bid to Carve up
Seabed Rejected

Mexico: Co-ordinating Population
& Growth

Central America: Relaxation in
a Troubled Region

India: Economy Takes a Turn for
the Better

Importance of Improving China's Legislation 16

China's Industry on the Upswing Charts (centrefold pages) 18

Educational Reform: The Jinling Job-Training College Grows 22

Shadow Boxing Growing in Pop- ularity 24

Hainan — A Treasure Island (7) 27

Geothermal Energy Lights Up Tibet 28

FROM THE CHINESE PRESS 30-31

CULTURE & SCIENCE 32-34

COVER: Morning in Beijing — people
practising "taijiquan."
Photo by Wang Donghai

HIGHLIGHTS OF THE WEEK

Importance of Improving the Legal System

Through a decade of internal turmoil, China has come to see the importance of improving the legal system, which affects whether or not the state can maintain stability and unity and realize socialist modernization. For this reason, everybody is required to know the law and live by it (p. 16).

Industry Moves Forward Steadily

Great achievements have been made in industry over the past 35 years. From 1949-83, industrial output value increased 57 times to make up 55 per cent of gross social products. Since 1978, China has found a new way to develop its economy steadily (p. 18). The centrefold section has charts and figures showing China's economic achievements.

Major Reform in Commerce

The commercial system, established in the late 1950s, no longer suits the present situation, in which commodity production has been developing rapidly, especially in the rural areas. A reform is therefore imperative in order to improve commercial management, the style of operation and service (p. 4).

Equatorial Guinea's President Visits China

Strengthening unity and co-operation with African and other third world countries is a fundamental point of China's foreign policy, President Li Xiannian told Equatorial Guinea's President Teodoro Obiang Nguema Mbasogo, who visited China August 13-21 (p. 6).

Bid to Carve Up Seabed Rejected

The international seabed and its resources are the common heritage of humanity. The agreement signed by a few industrialized nations to extract minerals from the ocean floor is in violation of the UN Law of the Sea Treaty and has been rejected by many representatives at the current Geneva conference (p. 12).

"Taijiquan" — China's Shadow Boxing

Taijiquan, China's ancient martial art known for its elegant movements, beneficial physical effects and unique technique of cloaking strength in gracefulness for attack and defence, is gradually becoming an international sport (p. 24).

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Major Reform Under Way in Commerce

by **WANG DACHENG**
Economic Editor

A reform of the urban commercial system is under way throughout the country, triggered by a State Council circular and a series of related policies issued in July.

This government decision was made at a time when commodity production has been developing rapidly in China, especially in rural areas, and trial reforms have been carried out in urban commerce. It is expected that this decision, when put into practice, will bring about a remarkable improvement in commercial management methods, the style of operation and service.

The present commercial system, established in the late 1950s, is characterized by state monopoly of the purchase and marketing of products. A wholly or partially self-supporting rural economy, the scarcity of commodities and the pursuit of excessive public ownership made it possible for the old commercial system, which was highly centralized and under exclusive operation, to take shape and persist. And it was considered necessary at the time because it guaranteed the supply of daily necessities and that of materials for the construction of key state projects. However, it has shortcomings. It does not stimulate the development of production and consumption.

The rectification of the "Left" mistakes and the policies of opening to the outside world and enlivening the domestic economy have resulted in the rapid develop-

ment of commodity production from 1979-83. Total retail sales rose at an average annual rate of 12.8 per cent for a compounded total of 82.8 per cent after five years, while in the previous 26 years, the average annual increase was only 6.9 per cent. Both value of farm and sideline products for daily use sold in the countryside doubled in the same period.

Although state-owned shops have improved their management and collective and individual shops

A reform of the urban commercial system is under way throughout the country to meet the present situation in which commodity production has been developing rapidly in China, especially in the rural areas.

have registered great progress, certain problems still exist. Distribution channels are sometimes blocked, commercial officialdom is tangled in red tape, and peasants often have difficulties buying and selling goods. All these problems are to be solved in the ongoing reform.

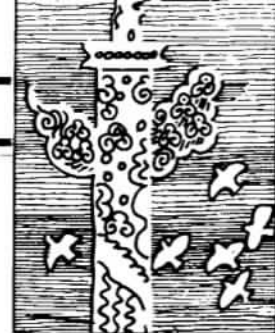
First, commercial administrative organizations should be separated from commercial enterprises, so that the enterprises may have greater decision-making powers and

become vigorous economic units managing their business independently. While playing a leading role in the entire home market, the administrative organizations should manage, supervise and regulate commercial activities by way of policy, plan, decree, pricing, and taxation.

The wholesale network is to be simplified. The old three-tier wholesale system (central, provincial and county) will be replaced by wholesale companies in the cities. At the same time urban trade centres are to be established so that diverse and flexible trade can be conducted between the city and countryside and between different localities. (See "Trade Centres Emerge in Cities" on p. 10.) The wholesale company is state-owned and therefore should be the main body of the trade centre.

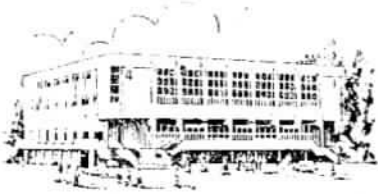
Varying methods are to be taken to improve the management of state-owned retail and catering shops. Large and medium-sized shops will be required to pay taxes instead of turning over all their profits as in the past. The contract responsibility system is to be introduced and reward and punishment are to be given in light of performance. As for small shops, some will remain state-owned while management will be left to a collective, some will be changed into collectively owned enterprises, and others leased to individuals. Experience gained in trial shops shows that this reform has proved to be positive in arousing shop assistants' enthusiasm and increasing the shop's ability to compete.

State-owned commercial enter-



prises have always been in a dominant economic position. Of the total retail sales of social commodities for 1985, state-owned commerce sold 72.1 per cent, collectively owned 16.6 per cent, individuals 6.5 per cent, and peasants selling commodities directly to urban dwellers 4.8 per cent. In the future, all these sectors will develop to varying degrees, but the dominance of publicly owned commerce will remain unchanged.

In evaluating business efficiency, an important criterion is whether a commercial enterprise is working in the interest of the consumers and offering good service, and not simply the amount of business it does and the size of its profits. All shops are called upon to strictly adhere to the state's pricing policy. Even those prices for commodities which are negotiable or can be set by the producers themselves can only float as much as the policy permits. Commodities must be priced according to quality; nobody is allowed to mark them up. Serving the people is always the motto of socialist commerce.



Sun Yat-sen and Cuisine

The article "Sun Yat-sen on Chinese Cuisine" (No. 8, February 20, 1984) reports that Dr. Sun concluded that the diet of the common people in China, based on rice with vegetables and bean curd, complied with the modern principles of science and good health. Dr. Sun particularly emphasized the nutritious value of bean curd.

But the traditional Chinese diet is only one side of the coin. The other, which is no less important, is the conservation of nutrients and the rational utilization of land associated with this diet. The conversion of plant protein into animal protein is extremely wasteful. Under modern conditions, chickens are relatively the most efficient converters of plant protein into animal protein in the form of eggs or meat. Even so, hens only convert 30 per cent of feed protein into egg protein. For broilers, this conversion efficiency is hardly more than 20 per cent, and even less for other livestock. Naturally this is not a matter for concern in the case of plant waste which cannot be used directly for human consumption, or in the case of land which is only suitable for haymaking or pasturing. But it certainly becomes a problem when it is a matter of plants which can also be consumed directly by man, or of land where plants suitable for direct human consumption can be successfully grown. No doubt this will be taken into consideration by those who are concerned with the development of Chinese agriculture, which has up till now met the land utilization requirements I have mentioned.

Without this harmony between the traditional Chinese diet and the rational utilization of land, the Chinese peasants would be in-

capable of supplying good food for 10 people from one hectare of land. In my opinion the development of this harmony and its various components is fundamental to the strength and rise of China and to the desirable modernization of the country.

Sandor Rojki
Budapest, Hungary

An Honest Appraisal

The article "How to Reform Education" in issue No. 18, 1984 convinces me that the article in the *Gaojiao Zhanxian* (Journal of Higher Education) was an honest and accurate appraisal of what is wrong with education in China. I taught in Beijing in 1980-81, and the statement in "How to Reform Education" is consistent with my observations—as consistent as though I had written it myself. I hope school and government officials in China read the assessment in the *Gaojiao Zhanxian* closely.

J.R. LeMaster
Waco, Texas, USA

Print Fine Art Works

The colour cover has made the magazine much more attractive and more appealing to the reader. The inside cover is well laid out too. Could you include some colour pictures on the inside covers as well? For instance, in issue No. 17, a coloured photo of the famous Qinghai goose would have struck more of the reader, especially about an endangered species.

China produces some of the finest paintings in the world. It may be advisable to include one or two coloured copies of them so as to give the readers a better sense of the art works.

Van G. Yang
Appleton, WI., USA

President Obiang Meets Li, Zhao

"Strengthening unity and co-operation with African and other third world countries is a fundamental point of China's foreign policy," President Li Xiannian has told Equatorial Guinea's President Teodoro Obiang Nguema Mbasogo and four of his ministers at a Beijing banquet.

Obiang and his delegation began their first official visit to China on August 13 at Li's invitation.

"We have always stated that all countries, big or small, rich or poor, strong or weak, should be equal in international affairs," Li added.

Li paid tribute to the accomplishment of Obiang's government achieved by giving priority to developing the economy and opening the country to the rest of the world.

Since the establishment of diplomatic relations between China

and Equatorial Guinea, Li said, gratifying progress has been made in developing friendship. Both have enjoyed co-operation in political, economic, trade, health, cultural and other areas.

Obiang said his country's diplomatic policy is based on recognizing the independence, sovereignty and territorial integrity of other countries, not interfering in other countries' internal affairs, and promoting mutual benefit.

Premier Zhao Ziyang and Obiang met on August 14. Obiang said his country greatly values its friendly relations with China and is willing to strengthen and expand economic and technical co-operation based on equality and mutual benefit.

Zhao said that China is also positive about developing bilateral co-operation.

During Obiang's 8-day visit to China, the two governments signed an economic and technical co-operation agreement in Beijing.

Wu's L. American Tour Successful

Foreign Minister Wu Xueqian has said that his tour of Mexico, Venezuela, Argentina and Brazil has achieved the desired ends — to learn from and to promote friendship and co-operation with Latin America.

Wu visited the four Latin American countries from August 1-15. During his four-day stay in Brazil, the last leg of his trip, he met with President Joao Baptista De Oliveira Figueiredo and held talks with Foreign Minister Ramiro Saraiva Guerreiro.

Wu held that friendship between China and Brazil has been further strengthened in recent years and agreements concluded between the two countries during President Figueiredo's visit to China early this year have laid a solid foundation for the development of bilateral relations.

Wu's visit to Brazil took place when China and Brazil were marking the 10th anniversary of the establishment of diplomatic relations between the two countries on August 14. On that day, President Li Xiannian and President Figueiredo exchanged messages of congratulation.

Before leaving Brazil for home, Wu said China has many things in common with the four countries.

President and Madame Li Xiannian meet Equatorial Guinean President Obiang and Mrs. Obiang at the welcoming ceremony.



whether in their views on international issues or in exploring new ways to develop bilateral relations.

"There is a lot that can be done to develop Sino-Latin American economic and technological co-operation and Sino-Latin American friendly relations have broad prospects of development," he added.

This was Wu's first tour of Latin America, during which he signed a cultural co-operation agreement with Argentina and initialled an accord with Brazil on the peaceful use of nuclear energy. He also exchanged notes with Guerreiro on the establishment of Consulates General in Sao Paulo and Shanghai.

On behalf of President Li Xiannian, Wu repeated the invitations to the Presidents of Mexico, Venezuela and Argentina and he himself also invited the Foreign Ministers of the three countries to visit China. "These invitations were all accepted with pleasure," Wu said.

China-Uganda

China supports the independent African countries and opposes the South African authorities' policy of apartheid. Chinese President Li Xiannian told Ugandan Vice-President Paulo Muwanga on August 17. Muwanga was in Beijing for a five-day state visit at the invitation of Vice-President Ulanhu.

Li warmly praised the recent achievements of the Ugandan people, under the leadership of President Apollo Milton Obote. He also formally invited Obote to visit China.

Speaking at a banquet honouring Muwanga, Ulanhu said China would work together with third world countries to oppose power politics, transform the irrational international economic order and promote world peace.

Ulanhu praised the Ugandan people for their efforts to achieve national reconciliation and revitalize their economy. He said, "We are confident that the Ugandan people, imbued with a spirit of hard work, will overcome difficulties in their forward march and continue to score new achievements in reviving and developing their economy and building up their country."

Ulanhu said Muwanga's visit to China is bound to further strengthen mutual understanding and friendship, and make new contributions to the growth of friendly relations and co-operation.

Muwanga said China and Uganda share identical views on many international issues.

He added that the joint efforts of the developing countries should be intensified to realize South-South co-operation and make the developed countries of the North enter into serious dialogue with the developing countries and accept their legitimate demands.

Muwanga added that Uganda followed with great interest China's achievements in agriculture and food production and in diversifying the rural economy.

Malta Appreciates China's Support

Chinese Premier Zhao Ziyang and Maltese Prime Minister Dominic Mintoff talked for three hours on August 19 on international issues, particularly the situation in the Mediterranean region. Sources close to the leaders said that the two reached agreement on most of the issues under review.

Mintoff arrived in Beijing a day earlier, on his way to the Democratic People's Republic of Korea.

"Malta is prepared to strengthen ties with other countries in the area, to strive to solve the existing problems and to maintain the sta-

bility of the region," the Maltese Prime Minister said. He also told Zhao Malta appreciates China's support of the meeting of non-aligned countries in the Mediterranean, scheduled for next month.

Zhao pointed out that changes in the Mediterranean were invariably linked with the rivalry between the two superpowers. "To stabilize the situation there, the Mediterranean countries should close their ranks and oppose intervention by hegemonism."

The two leaders also discussed bilateral relations, especially economic and technical co-operation and trade.

Mintoff said that it was Malta's basic policy to enhance Sino-Maltese friendship. "The Chinese people are long and steadfast friends of Malta. We will do our utmost to develop this friendship and make our relations with China stronger."

Zhao said that the two countries have co-operated fruitfully in the economic and technical fields on the basis of equality and mutual benefit in recent years.

"I'm here to strengthen this co-operation," Mintoff said. "We hope to establish mutually beneficial and much closer economic ties with China."

"There is great potential for economic and technical co-operation between us," Zhao added. "Our two countries can study ways of establishing a stable and sustained mutually beneficial relationship."

China Protests US Textile Rule

Chinese Ambassador to the United States Zhang Wenjin wrote to the US Government on August 15 to protest the "Country of Origin Rules" proposed by the US Customs Service on August

I, saying they would create further difficulties for China's textile exports to the United States.

Zhang said the new rules, to be put into effect on September 7, constitute a clear violation of the bilateral trade agreement and the Multiple Fibre Agreement (MFA).

The new rules stipulate that textile exporters are subject to inspection by the US Customs Service in the country where their goods originate, and that no "transshipment is allowed to fill unused quotas of certain countries."

"These proposals, if made effective, would completely change the rules and the basis for quotas now in existence, which the People's Republic of China relied upon at the time it entered into its bilateral agreement on textile products with the United States," the ambassador wrote.

He said hundreds of factories and about 60,000 jobs would be affected in the southern Chinese provinces alone, which would be a "grievous blow" to China's industry, employment, trade and economic development.

"Under the spirit of the agreement on trade relations between our two countries, the MFA and the textiles agreement, both sides should make every effort to foster the mutual expansion of our reciprocal trade and to attain the harmonious development of such trade," Zhang wrote. "We consistently maintain that mutually acceptable solutions to any problems arising from our bilateral trade should be reached through friendly consultations, instead of unilateral actions."

Zhang said the new regulations would create further problems for China's textile exports to the United States and jeopardize the two countries' mutual interests and trade relations as a whole. It would also depart from normal international trade practices, which certainly damage the healthy

development of international trade.

Zhang concluded, "We wish to avoid any disruption to our trade, but regrettably, no one can be sure that a downward trend in our two-way trade would not develop if the United States does not fulfil its commitments to China under its trade agreement, the MFA and its textile agreement."

Taiwan Not Same Issue as Hongkong

A group of scholars meeting in Beijing to discuss the Taiwan issue and explore ways to advance reunification have been told that the questions of Taiwan and Hongkong are fundamentally different.

Deng Yingchao, Chairman of the National Committee of the Chinese People's Political Consultative Conference, told a meeting of the Taiwan Fellow-Students Association in the Great Hall of the People on August 14 that Taiwan's reunification with the mainland was an internal affair. After reunification, she said, mainland troops would not be dispatched to Taiwan. The question of Hongkong, however, was a matter of regaining sovereignty, she said.

Deng paid tribute to the scholars for the meaningful work they had done towards reunification. Deng praised them for their patriotic enthusiasm and devotion and thanked them for their concern for reunification.

Commenting on the nine-point programme for reunification spelt out by Ye Jianying, former Chairman of the Standing Committee of the National People's Congress, in September 1981, Deng said: "Our pledges that Taiwan's current political and economic system and way of life will remain unchanged after it returns to the motherland are aimed at ensuring the stability of the Taiwan situation in accordance with the local people's desire to

live in peace. We are willing to hold talks with the Taiwan authorities and make joint efforts to contribute to the reunification of the motherland."

In their suggestions about reunification, Taiwan scholars Li Zhefu, Huang Shumin and others, who made a special trip to Beijing from abroad to attend the discussion, held that the economic reform being carried on successfully on the mainland will encourage the Taiwan compatriots greatly and help further reunification. They hoped that exchanges between scholars on the mainland and Taiwan scholars living abroad would be further strengthened.

Taiwan Wrong to Accept Hijackers

A senior official of the Ministry of Public Security recently issued a statement on the Taiwan authorities' acceptance of Zhuo Changren and the five other criminals who hijacked CAAC Airliner No. 296 to south Korea in May last year.

The south Korean authorities, having yielded to the pressure of the Taiwan authorities, released the six hijackers before their sentences expire and allowed them to go to Taiwan, the official said. The Taiwan authorities, after taking them to Taiwan, received them with fanfare, gave them awards and treated them as "heroes."

Zhuo Changren and the five others committed a grave criminal offence by hijacking a civil airliner, the official said. Their crimes were promptly denounced by world public opinions. In accordance with international treaties and the laws of various countries, they should be punished severely, he said.

In addition, the official said, before the hijacking, Zhuo Changren and the other hijackers had already committed serious crimes.

It had been established that Zhuo Changren, Wang Yanda, Jiang Hongjun and An Weijian were guilty of taking part in a conspiracy to poison certain people with sodium cyanide; Jiang Hongjun, An Weijian and Zhuo Changren were guilty of stealing weapons; Zhuo Changren, Wu Yunfei and Wang Yanda were guilty, respectively, of swindling, corruption and accepting bribes, and Gao Dongping was guilty of taking part in certain criminal activities. The Chinese Ministry of Public Security made public the criminal offences of the hijackers through Xinhua News Agency.

The Taiwan authorities' connivance at the hijackers' crimes jeopardizes the security of international travellers. It runs counter to world public opinion, he stressed. The Taiwan authorities now owe the Chinese people another debt, and all the Chinese people are strongly opposed to this act, he added.

We are convinced that justice-upholding personages and the masses of people on Taiwan Island are able to distinguish between good and evil, and between right and wrong, the official concluded.

Campaign Against Bureaucratism

Last February, the China National Chemical Industry Import and Export Corporation and several other units, by unloading shipments of different imported chemicals together, delivered the wrong chemicals to various factories. As a result, the factories had to temporarily stop production, with a total loss of about one million yuan.

This incident of bureaucratic bungling was one of many, which in 1983 alone cost China 1.600 million yuan, according to Finance Minister Wang Bingqian.

The problem is worsened by many employees not caring about bureaucratic bungling and dereliction of duty because it doesn't hit their pocketbooks directly; they tolerate and even forgive serious bureaucratic mistakes which later cause great losses.

In August last year, 3.3 million tons of wheat delivered by the Anyang area in Henan Province to the Maliandao Granary in Beijing were damaged by glass fibre during transportation for a loss of 300,000 yuan. The units and persons involved have been shifting the blame on to one another for nearly a year and the incident is yet to be settled.

Articles in the *Jingji Ribao* (Economic Daily) opposing the dereliction of duty and urging investigations of the incidents have aroused a strong reaction. A reader from the Lanzhou Railway Bureau wrote: "To oppose bureaucratism it is necessary to transform systems and perfect the legal system. We are glad to see grafters and embezzlers punished but we think the punishment given to inept or dishonest bureaucrats who have brought great economic losses to the state is too light."

A reader from Shijiazhuang suggested removing from their posts people who neglect their duty, investigating criminal liability, seeking individual compensation for losses and imprisonment for serious economic losses according to the law concerning the dereliction of duty.

Recently, the Beijing Arts and Crafts Corporation investigated two incidents caused by bureaucratic bungling in subordinate factories and removed from their posts the main leaders involved. The corporation also stipulated measures to avoid similar incidents from happening again. The Beijing Municipal Discipline Inspection Commission issued a circular on this incident and suggested that

some typical incidents be selected for use as public examples in the next few months.

Crime Crackdown Seen as Effective

The Minister of Public Security says public security in China has improved markedly since a crackdown began last September on murderers, thieves, rapists, mobsters and other serious criminals. Liu Fuzhi, in an interview with *Fazhijianshe Zazhi* (Building the Legal System), listed the following achievements:

- The national crime rate has fallen 30 per cent from a year ago to near its lowest level since the founding of New China.

- The public has taken the initiative in combating criminals, turning in more than 70,000 offenders and suspects to the police in the past year. The police also received 1.7 million reports from the public on actual or suspected offences. As well, more than 120,000 offenders turned themselves in to public security units.

- Social order has been greatly improved and people feel more secure.

- Many young offenders have recognized their mistakes and are willing to be rehabilitated.

- The judicial work force has been strengthened. Judicial workers have become more efficient in handling criminal cases and have enhanced their understanding of the law.

Targets Outlined For Food Industry

A 20-year programme for the growth of the food industry calls for a significant increase in the quantity and quality of protein in the national diet. The programme.



Workers at the Shanghai Children Foods Factory packaging candies.

drawn up by the State Economic Commission and approved by the State Council, sees animal protein rising to 20 per cent and soybean protein to 25 per cent of total protein consumed, each up from less than 10 per cent in 1980.

The plan calls for increases ranging from 10 to 20 times in the production of sterilized milk, egg and milk products, soybeans, baby food, beer, soft drinks, meat products, bread and other flour products, fruit and vegetables. Aquatic products are expected to increase six times and production of tea, vegetable oil and processed meat to double.

Under the programme, the food industry will account for 15 per cent of the national industrial output value by the year 2000, compared with 11 per cent in 1980. Manufactured foodstuffs will make up more than 50 per cent of the national diet.

Development of the industry under a unified plan is urged, with the state, collectives and individuals playing their appropriate roles in boosting it. Cities should promote the growth of rural food processing.

The use of foreign funds and

technology will be necessary, as will expanded co-operation with foreign firms. Enterprises of all sizes should be gradually integrated to form a combined management over specialized production, farming, industry and commerce.

The programme also sets growth targets in more than 20 areas in the food processing industry for grain, oils, sugar, poultry, aquatic products, soybeans, pastry, fruit, vegetables, soft drinks, canned foods and candies. In addition, it has worked out plans to improve nutrition, hygiene and quality, exploit natural resources, expand the material base, promote scientific research, renovate technology and train staff.

Trade Centres Emerge in Cities

A new wholesale marketing system is emerging across the country in the current commercial reform.

For a long time, the wholesale marketing of goods was conducted solely through administrative channels at the central, provincial and county levels. Such a departmentalized and exclusive circulation system created great conflicts between industry and commerce, cities and the countryside, various commercial departments, and among regions and governmental

departments. Many high-priced, low-quality products found their way into the circulation channels, while other commodities of better quality were ignored. In the current production boom, more and more of the weaknesses and shortcomings which have been blocking up the circulation system are being exposed.

At the beginning of this year, the first of a series of industrial products trade centres was set up in Chongqing, the economic and commercial hub of the southwest. Within the first four months, the centre received 10,000 visitors from industrial enterprises as well as state-owned, collective and individual commercial businesses, resulting in sales of 15.51 million yuan. The trade centre also held seven exhibitions of goods on behalf of six separate companies, the sales from which brought in more than 233 million yuan.

In Wuhan, Hubei Province, 18 trade centres dealing in industrial goods and agricultural and sideline products, three wholesale markets selling perishable goods and 47 "trade sub-centres" have sprung up, enlivening the region's commodity circulation.

The new trade centres perform a variety of roles, serving to guide and co-ordinate the activities of the industrial and commercial enterprises, whether state-run or collectively and privately owned, and to provide them with

A trade centre in Chengdu, Sichuan Province, which opened this June.



specific services. Under their umbrella, these enterprises and the newly flourishing wholesale markets can bypass the old administrative channels and deal in an unlimited variety of commodities not accommodated by the old system. The means of handling commodities are flexible; trade centres might sell and buy goods for the enterprises, the enterprises might buy and sell goods for themselves but within the network provided by the trade centres, or the two might co-operate in joint business transactions. On behalf of enterprises, the trade centres can also hold exhibitions of goods to be sold or exchanged. The prices of commodities are set according to quality and season through negotiations.

It is evident that the trade centres have a very special role to play in the socialist economic system, reducing the intermediary links in transactions and accelerating the circulation of commodities. They are still firmly within the public ownership system. Trade centres also provide a channel for state commercial administration departments to guide and manage wholesale commerce.

Contract Work Abroad Rising

In the first six months of this year, Chinese construction companies signed contracts worth US \$570 million to undertake projects abroad, an increase of 24 per cent over the same period of 1983.

They also registered a turnover of US\$ 269 million in the first half year, up 48.9 per cent from a year earlier.

Although China began to take on foreign construction projects only a few years ago, its volume of business has increased rapidly and the type of work has diversifi-

ed from simply providing labour to co-operative contracting, individual contracting and general contracting. As well, China has granted loans to countries to enter bids and allowed deferred payment. Last year, the China Construction Engineering Corporation, the largest company of its kind in the country, handled contracts valued at US\$ 245 million, up 89 per cent from a year earlier.

The Chinese companies, by adhering to a policy of "abiding by contracts, guaranteeing quality, seeking low profits and stressing obligations," have acquired a good reputation abroad. For instance, the construction of water mains for Saddam International Airport in Iraq, the first project undertaken in that country by the China Construction Engineering Corporation, was praised for the quality of the work and speed in which the project was completed. Soon afterwards, Iraq signed a contract worth US\$ 175 million with the company for the construction of four dams.

In Macao, the China Construction Engineering Corporation completed the 105-metre-high, 33-storey International Banking Building in about two years, 50 days ahead of schedule. Macao's first glass and aluminium skyscraper, it

is, in effect, an advertisement for the company because of its high quality.

In the first half of this year, the state approved the setting up of six more similar companies, making a total of 48.

Bumper Harvest Of Early Rice

The recently ended harvest of early rice is expected to be more than one million tons higher than the harvest last year, according to preliminary statistics from the Ministry of Agriculture, Animal Husbandry and Fishery. The increase comes despite a 320,000-hectare reduction in the land planted with early rice.

The ministry attributed the good harvest to expanded areas sown with improved seed varieties and to experiments with and the widespread use of high-yield strains in various regions. Acreage sown with hybrid paddy rice increased more than 70 per cent than last year's.

The bumper rice crop follows the recent record harvest of wheat and other summer grains.

Anhui peasants gathering their bumper crop of early rice.



Geneva

Bid to Carve up Seabed Rejected

by LI CHANGJIU

THE summer session of the Second Conference of the Preparatory Commission for the International Seabed Authority and the International Tribunal for the Law of the Sea opened in Geneva on August 13 with the participation of more than 100 countries. The present session will discuss preparations for establishing the International Seabed Authority and the International Tribunal for the Law of the Sea, and work out relevant regulations and procedures.

Before this session, on August 3 the United States, Britain and six other industrialized countries, without consultation with the majority of countries in the world and in defiance of the UN Law of the Sea Convention, signed an agreement to extract seabed minerals. This has aroused widespread concern.

The United States said, in a statement issued after the signing of the agreement, that "the provisional understanding constitutes an agreement among the major industrialized nations with interest in deep seabed mining, and is aimed at avoiding conflicts over deep seabed mine sites, providing for regular consultations with respect to deep seabed mining."

Senior US State Department official Otho Eskin also said the agreement had general application and was not limited to the present mining sites in the Pacific.

It is obvious that the agreement

is against the principle of the UN Law of the Sea Convention that the international seabed and its resources are the common heritage of mankind.

The seabed is rich in minerals. It has an enormous deposit of 3,000,000 million tons of manganese nodule alone, mostly in the Pacific. (Manganese nodules contain more than 40 metals such as iron, manganese, copper, nickel and cobalt.) It is expected that 50 per cent of the world oil supply will come from the deep seabed by the year 2000.

Back in 1967, the UN General Assembly resolved to set up a seabed commission to examine an international system for seabed exploration and exploitation and form an International Seabed Authority in accordance with the proposal by Malta and other countries.

In 1973, the third UN Conference on the Law of the Sea discussed the international seabed problem as a main topic on its agenda. In 1982, more than 130 nations voted to approve the UN Law of the Sea Convention, which affirmed that the international seabed and its resources are the common heritage of mankind, and set down the international system for seabed exploration and exploitation. This was held by the developing countries as a major victory after the prolonged negotiations.

But so far the United States has refused to sign the treaty on the pretext that the provisions on deep seabed mining are "contrary to US policy." It has also refused to take

part in the meetings of the preparatory commission for the International Seabed Authority and the International Tribunal for the Law of the Sea in the past few years.

Furthermore, the United States, while exerting pressure on some nations to prevent them from signing the convention, worked with a few countries to bring forth on September 2, 1982 a provisional accord on the mining of deep seabed multi-metal nodules. By so doing, they attempted to extract minerals from the seabed in defiance of the UN Law of the Sea Convention. In view of the US refusal to sign the Convention, it is not fortuitous that the United States and a few other industrialized nations should have signed an agreement to extract minerals out of the seabed.

However, these actions to carve up the seabed have met with strong opposition from many developing countries. Chilean delegation leader Cristian Maquieira, speaking on behalf of the Group of 77 at the opening meeting of the summer session, denounced as "illegal" and "unacceptable" the "provisional understanding" signed by eight developed nations on the exploitation of international seabed resources. Chinese delegation leader Yan Hongmo also criticized the "provisional understanding" for violating the Law of the Sea Convention. He said, "In disregard of the stipulation of the convention, the provisional understanding attempts to regulate the exploration and exploitation of the resources in the international seabed area by national legislation and reciprocal agreements. It regards the international seabed resources as property that can be disposed of between a few industrialized countries, and thus negates the prin-

principle that the international seabed and its resources are the common heritage of mankind."

He also warned that "such an action will lead to very serious consequences, for the provisional

understanding may become a basis for a separate international arrangement for seabed exploitation in opposition to the convention. It fundamentally undermines the principles defined in the convention."

friendly international co-operation, based on mutual respect for sovereignty, non-interference in each other's internal affairs and equality and mutual benefit. He also said China has never received any direct financial aid from the United States to alleviate its population problem.

Mexico

Co-ordinating Population & Growth

by REN YAN

THE United Nations international conference on population which recently ended in Mexico City adopted two important documents calling for co-ordinated development of population and social and economic policies and further implementation of the world population plan set out in the previous world conference.

The Declaration of Mexico City on Population and Development urged further action on the plan agreed upon in Bucharest in 1974. The Recommendations for Further Implementation of the World Population Plan of Action stressed that every country has the sovereign right to formulate and implement its own population policy.

The conference has not only promoted mutual understanding but also furthered the participants' awareness of the gravity of the population problem. By exchanging the experiences of various countries and analysing the trends of world population development, the representatives from five continents better understood what needs to be done in the future.

However, US delegation head James Buckley expressed a different viewpoint. He said over-population problem is not linked to economic and social development. Instead, if the poorer countries use the principles of a free

economy to make themselves rich, their demographic problems will be solved. Buckley said the population growth in some countries is rapid because these countries have a planned economy. He also threatened to stop US assistance to any organization which allows abortions.

The US position was criticized by many representatives at the conference. Spokesman of the Chinese delegation Shen Guoxiang said although China's policies and principles on population and development have been successful, it has no intention of imposing its ideas and experience on other countries. However, Shen added, "We are not prepared to have others dictate to us how to run our economy. This is a question which concerns a country's social and economic system and fundamental sovereignty."

Shen said international support and assistance are always mutually beneficial. Every country should contribute as much as it can to the international community. "Giving assistance to other countries as a bestowal of favour, or even as an attempt to use financial support to influence and to change other countries' policies, is not genuine support, and we could not possibly agree."

In solving the population problem, Shen said China remains self-reliant. At the same time, it is concerned about developing

The UN population investigation report proves that developing countries cannot carry out effective family planning policies using only economic means. According to the report, in the 1960s the gross national product growth rate in those developing countries with a market economy was 6 per cent, higher than 4.9 per cent in the developed countries. However, the annual growth of per-capita income in the developing countries was 3.3 per cent, 0.5 per cent lower than that of the developed nations. One important reason why the gap between the poor and the rich widened is that the population growth rate in these countries was 2.7 per cent, while in the developed countries it was 1.1 per cent. Therefore, the developing countries must make greater efforts to implement family planning if they are to reap the benefits of their growing economies.

As for Buckley's suggestion that every country adopt the US economic system, the social and economic system each nation adopts is chosen in accordance with its own conditions and sovereignty. And facts have shown that a free economy is not a cure-all. A report issued by the World Population Association in Washington on August 1 states that at present the 12 countries with the highest population growth rates all have free market economies. Their total population growth is half the entire world's growth.

Central America

Relaxation in a Troubled Region

by LIU XIAOLU

SOME remarkable developments have resulted in relaxation in Central America, one of the world's "hot spots."

The US-Nicaraguan dialogue was an outcome of the meeting attended by Mexico, the United States and Nicaragua in Mexico City last November. This June, US Secretary of State George Shultz held talks with Nicaraguan leader Daniel Ortega Saavedra during his visit to Managua. The first round of formal talks between the two nations was held in Mexico on June 25, followed by three rounds of talks.

During their negotiations, both sides discussed the withdrawal of foreign military advisers from the region. Washington's cessation of support for the Nicaraguan anti-government forces and Nicaragua's suspension of aid to El Salvadorian guerrillas. The aim of the talks, they declared, was to reach an agreement on their differences and normalize bilateral relations.

The US-Cuban dialogue drew even more international attention. In late July, Jesse Jackson, contender for Democratic presidential candidate, visited Havana for talks with Cuban President Fidel Castro. This was seen as a turning point in the stalemate between the two countries. Despite the fact that they produced no concrete results, the first talks on immigration held on July 12 in New York have

paved the way for renewed bilateral contacts.

Castro reaffirmed at July 26 memorial meeting that Cuba will spare no effort to ease the strained situation both close at hand and throughout the world. At the end of July, the two nations resumed the New York talks, during which they expressed the hope to continue their dialogue.

Early this year, the Guatemalan President said he didn't agree with military interference in Central America, and advocated true pluralism in the region. Later, Guatemala further clarified its foreign policy by declaring that it is a supporter of the Contadora Group, which seeks a peaceful resolution to the disputes in Central America, instead of involvement in conflicts in the area.

Costa Rica has time and again reiterated its policy of neutrality.

Even Honduras, a long-time loyal ally of the United States, has shown a tendency towards independence since the change of military leadership at the end of March. Unwilling to let the United States continue to train El Salvadorian troops and Nicaraguan anti-government forces on its soil, it has called for an amendment to the 1954 agreement which allows the United States to establish regional military training centres on its territory. It has, moreover, begun to look for ways to improve its relations with Nicaragua.

These changes in Central America are related with the current situation in the United States and the economic and political cir-

cumstances faced by the concerned countries in the region.

Since its invasion of Grenada, the Reagan administration has achieved some military gains, but has been in a passive position politically. Washington's overbearing policies towards Central America have been strongly criticized both at home and abroad. The White House and Pentagon incurred a serious setback in June when the Senate rejected the government's aid worth of US\$21 million to the Nicaraguan anti-government forces by 88 votes to one. Faced with the election, Reagan then advocated a relaxation of the situation in the area in an attempt to improve his image and strengthen his status in the campaign.

Nicaragua, having long suffered attacks by anti-Sandinista rebels both from north and south and from economic pressures at home, needs to moderate its relations with the United States.

Cuba is willing to break the deadlock as it has actively responded to the peaceful appeals of the Contadora Group, and has indicated its wish for stability in Central America.

Other Central American countries, which have been directly affected by wars in the past few years, have voiced an even stronger desire to maintain security and stability. The efforts made by the Contadora Group conform to the demands of these countries. Mexico, one of the sponsor countries, has played an important role as a peace mediator, striving to ease the situation in the area.

The present tendency towards tranquility in Central America is regarded as a trend for the future. The situation could be further eased if the United States truly respected and supported the peaceful efforts of the Contadora Group, seeking ways to improve bilateral ties through negotiation instead of force.

Economy Takes a Turn for the Better

by LI WENZHENG

SINCE the Indian National Congress Party headed by Mrs. Indira Gandhi returned to power in 1980, industrial and agricultural production has recovered and developed, resulting in a favourable turn in the country's financial position. This stable economic situation will be of benefit to the party in the upcoming general election.

The Indira Gandhi's government was confronted with a truly grim economic situation when it came into office. The year 1979 had seen a severe drought in India resulting in a 15.5 per cent drop in agricultural production. Petroleum import had gone up so much that its cost alone exceeded the gross export value of that year. And the inflation rate had gone up to 23 per cent.

To straighten things out, Indira Gandhi took several significant measures. While maintaining the system of a mixed economy, she relaxed restrictions on private businesses, allowing them to engage in iron and steel production and four other fields of competition, encouraging them to run factories producing goods for export, and providing them with concessions on importing of equipment, use of foreign exchange and procuring of raw and processed materials. The government also sought to draw foreign aid and foreign investment. By relaxing limitations on foreign shareholders and allowing foreign capital to invest in the motor vehicle industry, telecommunications and other large enterprises, it hoped to procure further imports of advanced foreign technology and equipment. In addition, the government strengthened its management and supervision of public businesses, giving

them wider decision-making power and laying stress on the achievement of better economic results. These measures have won appreciation from the national bourgeoisie and support from the international consortium as well.

After two years of such emergency measures, India's economy tided over its crisis and began to take on beginnings of stability.

Agriculture and energy have been two weak sectors in the Indian economy. The government's Sixth Five-Year Plan (April 1980-March 1985) declared that emphasis of the national economy should be shifted onto agriculture, and that investment in agriculture should amount to more than 40 per cent of the nation's planned expenditure. In the 20-Point Programme, promulgated in 1982, eight points out of 20 are related to agriculture. The government encouraged private investment in agriculture, boosted state loans to the rural areas, carried out a pricing policy which backed agricultural production and expanded scientific research. As a consequence of these measures, agricultural production — in particular, that of grain — has increased.

In the year 1983-1984, India's grain yield has reached 144 million tons, only 5 million tons less than the target set in the sixth plan for 1985. This has basically changed India's long-term dependence on imported grain.

Meanwhile, oil production has also improved considerably. In the past India spent an average of US\$4,000 million a year on imported oil. But since 1980 the government has invested a great deal of manpower and material resources in the oil industry. Twenty-eight per cent of the total outlay set down by the sixth plan has been used in oil development,

and with foreign technical assistance, India's oil output has gradually increased. This year's oil output is expected to be 30 million tons, 70 per cent of the domestic demand. The reduction in oil import has saved a large amount of foreign exchange and improved the balance of payment.

Other basic industries, such as electricity, coal and cement, have also managed to eliminate losses and increase profits. Besides, in recent years, overseas remittance has gone up to US\$800 million, about 600 million more than that in 1981. Meantime, the general recovery of the world economy has provided favourable conditions for India to develop its economy.

India's economy has improved over the past four years, but many problems remain. The government has announced that its main economic objective is to end poverty. In reality it is the rich who have benefited. Statistics show that 92 private financial groups control more than half of the total private capital. The gap between the rich and the poor has not been narrowed. And there are 20 million jobless.

India also suffers a shortage of financial resources for expanding production. A factor in this is the heavy burden of internal and external debts, including the payment of principal and interest, which takes off quite a lot from newly raised loans. Another factor is that agriculture, dependent upon the weather to a great extent, is vulnerable to natural calamity. Whenever there is a drop in grain production, there is a need for the importing of grain in large quantities, and as a result, the balance of payment deficit is increased, and funds for developing other branches of the economy reduced.

Lastly, the question of whether India's economy will develop smoothly depends not only on economic and natural factors, but also on political and social factors.

Importance of Improving China's Legislation

Developing socialist democracy and strengthening the legal system directly affects whether or not China can maintain stability and unity and realize socialist modernization smoothly.



by **PENG ZHEN**

Following are excerpts of the speech by Peng Zhen, Chairman of the Standing Committee of the National People's Congress, to the press on April 6, 1984. Subheads are ours. — Ed.

DURING the new historical period, the main task of our Party and the state is, to put it briefly, to realize the four modernizations, develop socialist democracy, improve the socialist legal system and build China into a culturally advanced and highly democratic socialist nation under the guidance of four cardinal principles (that is, following the socialist road, the people's democratic dictatorship, the leadership of the Chinese Communist Party and Marxism-Leninism and Mao Zedong Thought —

Tr.). Developing socialist democracy and strengthening the socialist legal system directly affects whether or not our state can maintain stability and unity, can withstand all dangers and overcome all kinds of difficulties and can realize socialist modernization smoothly.

Profound Lessons

This problem was raised and emphasized at the Third Plenary Session of the 11th Party Central Committee in 1978. In the past, we did not emphasize developing the legal system, because of our poor understanding of its importance. Through the 10 years of internal turmoil, we have become clear-headed and realized that any lawless act as some did during the "cultural revolution" will bring great suffering to the people. We will not tolerate history repeating itself. The legal system must be improved.

The 1978 Third Plenary Session summed up the lesson learnt in this respect. The communique of the session pointed out, "In order to safeguard the people's democracy, it is imperative to strengthen the socialist legal system so that democracy is part of the system and written into the law in such a way as to ensure the stability, continuity and full authority of this democracy and these laws. There must be laws for people to follow, these laws must be observed. Their enforcement must be strict and lawbreakers must be dealt with."

At a working conference of the Party Central Committee held

before the 1978 Third Plenary Session, Comrade Deng Xiaoping emphasized that it was necessary to systematize democracy and write it into unchangeable laws, regardless of changes in leadership or outlook.

Changing Circumstances

In the past several decades we have experienced two different historical periods, the revolutionary war and construction.

During the war, the Party, the army and the masses conscientiously implemented Party policies. When the people were asked to do something they would inquire whether it was Party policy or not. Communications at that time were very poor in rural base areas, which were blocked by enemy troops. But in general, whatever instructions issued by the Party Central Committee to various localities could be summed up as Party policies. With these correct policies we overthrew imperialism, feudalism and bureaucrat-capitalism.

The political organizations in the base areas had their own laws, but they were limited and simple. In the rest of China, the laws were all drawn up in favour of the Kuomintang and the foreign invaders. If we followed these laws, we would not be able to make revolution, because they maintained the rule of imperialism, feudalism and bureaucrat-capitalism. So we had to be lawbreakers then, to oppose the reactionary ruling classes. During this period, a lot of our comrades matured and

developed their own working style suited to that period.

After the founding of New China in 1949, we established a nationwide political power. The changed situation required that we must act according to policy and on this basis gradually establish and strengthen a legal system, and act according to law.

After liberation we set to this work, and adopted the "Common Programme" in 1949. Some called it a set of "strict rules," but in fact it was a provisional constitution, a general rule followed by the people throughout the country. In 1954 we drew up the first official Constitution, under the personal guidance of Comrade Mao Zedong. We also formulated a number of other laws.

But we must admit that for a long time we did pay close attention to this work, but sometimes we slackened our efforts in it and sometimes even stopped it altogether. From this, we have learnt some bitter lessons.

Legislation Is Important

To strengthen the socialist legal system, we must form laws and observe them. Since the 1978 Third Plenary Session we have regarded legislation as very important. In December 1982 the Fifth Session of the Fifth National People's Congress adopted a new Constitution. In the last few years we have also drawn up other important laws, and more necessary ones are being worked out. But our legislation is still limited and imperfect, and our work needs to be improved.

Now we have a set of laws to follow and most people do. But there are still many criminal offences and economic crimes. This indicates that some of our comrades are not familiar with the laws, or are not used to or concerned with doing things according to law. Very often what they do

is inconsistent with the law. This should merit our attention.

Strengthening the socialist legal system is a long-term and arduous task. Without a socialist legal system, consolidation of the Party leadership would be out of the question. We must help people familiarize themselves with the law, conscientiously observe and maintain it, and cultivate the habit of acting according to the law.

Communists' Example

Because there was no nationwide people's political organization during the revolutionary war period, the Communist Party decided everything and Party policies carried the weight of law in the revolutionary ranks, including the army. Certainly, our Party emphasized listening to the opinions of the masses and consulting with them before making decisions. But generally, we just followed Party policies.

Since the founding of New China, conditions have changed. We not only have our Party, but we also have the state power. And while the things our Party and the state want to do are certainly the same in content, they may differ in form. Party policies become state policies through the structure of our government, and are legalized after they are proved correct in practice. But some people are not used to carrying out policies in the form of laws, and think that Party policy alone will do. They are wrong.

The Party leadership is identical and in unity with doing things according to law. The Party has led the people to draw up a constitution and laws; it also encourages them to observe and follow these. The Party Constitution stipulates that Party organizations and members must conduct their activities within the limits permitted by the Constitution and

the laws of the state. This is the lesson we drew from our bitter experience during the "cultural revolution."

All Party members and cadres should set a good example by knowing and observing the law. As long as we adopt correct policies, re-establish and perfect the legal system, legalize the correct policies so that everybody observes the laws, it will never be easy for careerists and conspirators to usurp the power of our Party and the state.

Everyone Should Know The Law

If we ask everybody to observe the law, we must familiarize them with it. This requires us to improve our publicity work. Every person working in the publishing houses, broadcast stations and other media must contribute their efforts.

The young people have not experienced the suffering the older people endured in the old society — the oppression and exploitation by the landlords and capitalists. They also do not receive a systematic education in Marxism-Leninism and in the basic traditions of the Party. What is worse, most of them were greatly influenced by Lin Biao and the gang of four during the "cultural revolution." Therefore, they do not properly understand how important the legal system is. This is the main reason why the crime rate is so high among the young. Obviously, it is important and urgent to educate our young people in patriotism, collectivism, internationalism, communism, dialectical materialism and historical materialism, in the basic principles of following the socialist road, the people's democratic dictatorship, the leadership of the Communist Party, Mao Zedong Thought, and in the legal system. □



1949-1984

ANNIVERSARY SPECIAL

China's Industry on the Upswing

With a political situation of stability, unity and liveliness prevailing throughout the country, the economy is developing steadily, healthily and in a co-ordinated way.



by **LU DONG**

OVER the past 35 years, China has made great achievements in developing its economy. Beginning poor and backward, a situation left from old China, China has built up an independent and fairly comprehensive industrial complex and economic system. Industry, the leading sector of the national economy, has greatly increased its productivity and levels of technology, thus providing increased amounts of sophisticated equipment for itself, agriculture, transportation, defence, science, culture and education.

The total industrial output value, which had increased 57 times by 1983 from 1949, now makes up 55 per cent of gross social products, compared with 25 per cent 35 years ago. This modern in-

The author is Vice-Minister in Charge of the State Economic Commission.

dustrial system has, in turn, laid a solid foundation for modernizing other sectors to build Chinese-style socialism—a target set for the end of this century.

From 1949 to 1952, China recovered its war-ravaged economy and beginning in 1953 carried out a large-scale economic reconstruction to the present day, when it annually produces 507 million tons of coal, 144 million tons of oil, 35.5 million tons of steel and 15.1 million cotton spindles and generates 68.8 million kws. As well, 25,000 kilometres of railways and 252,000 kilometres of highways have been built. China is one of the largest producers of some products in the world. It is the largest

producer of cotton yarn, the third largest of coal, chemical fertilizer and cement, the sixth largest of electricity and the seventh largest of oil.

By 1983, China had 393,000 industrial enterprises, of which 348,000 were independent accounting units, staffed with 51.2 million people, 44.5 per cent of the total workers and staff in China. These units have fixed assets of 539,900 million yuan, about 42.5 times that accumulated in old China in almost a century. Industrial enterprises of socialist ownership account for 99 per cent. Today's scope of production and productivity is considerably larger and higher than that in the early post-liberation days.

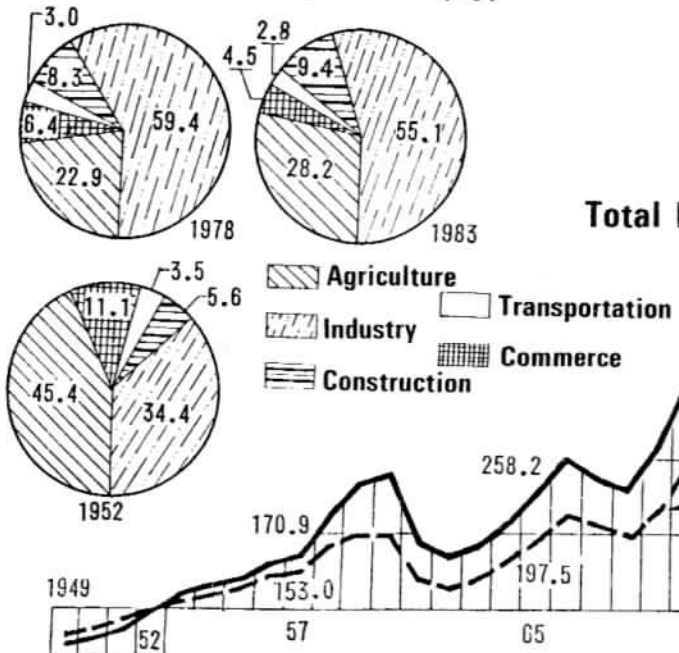
Lu Dong (middle) at Shenzhen.



Total Production and National Income

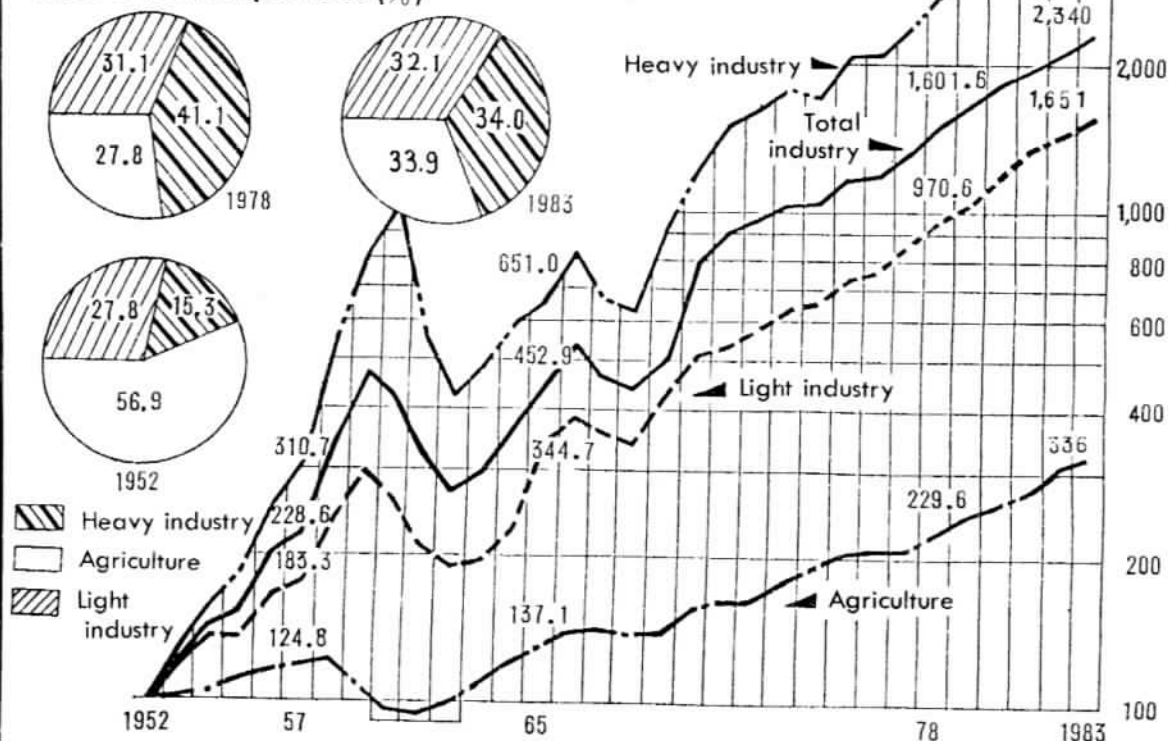
(1952 = 100)

Total Production by Sector (%)

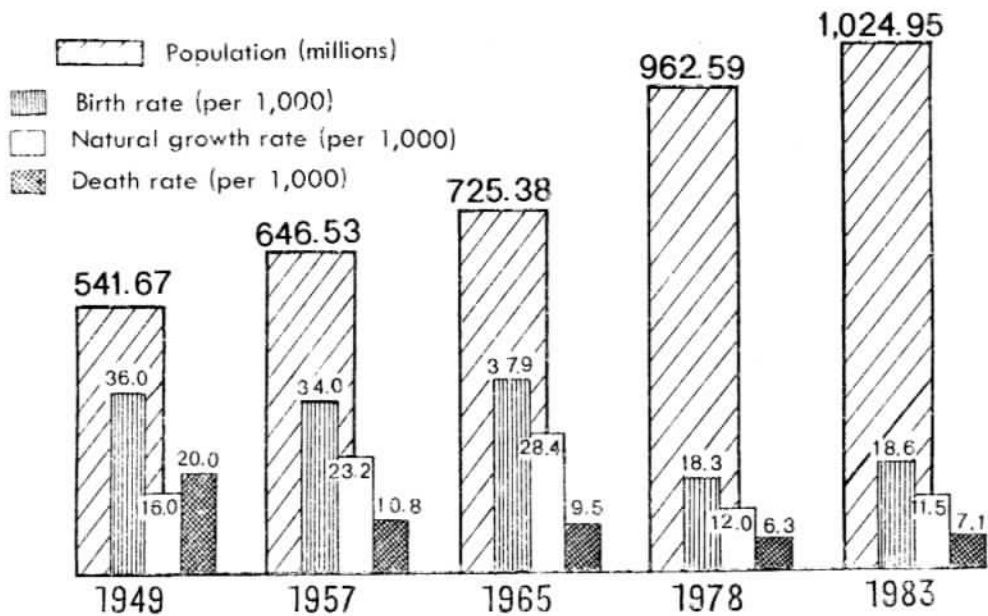


Output Value of Agriculture and Industry

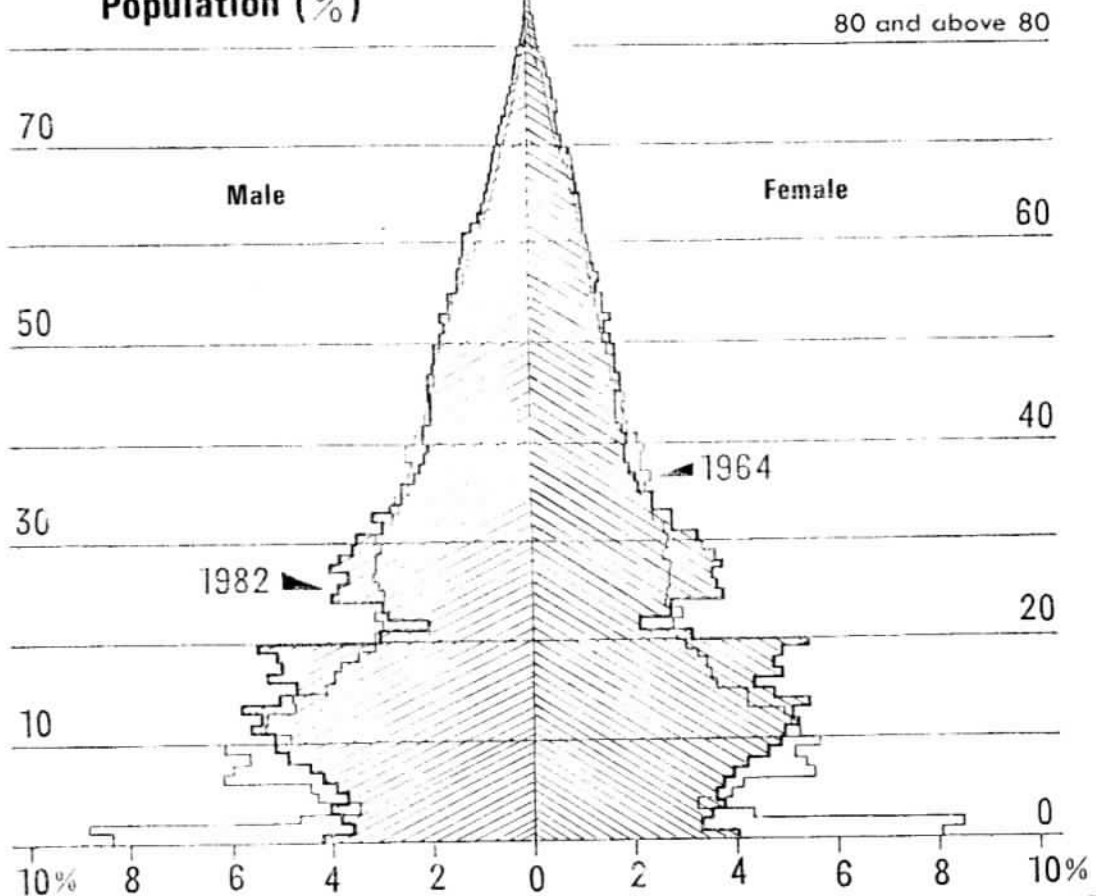
Share of Total Output Value (%)



Population and Natural Population Growth

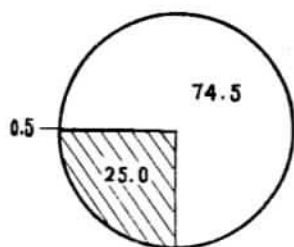


Age Distribution of the Population (%)

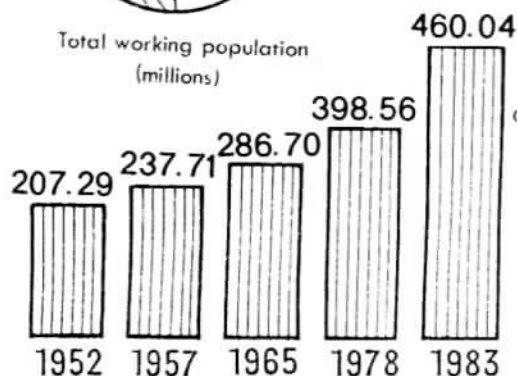


Size and Deployment of Working Population

Employment distribution in 1983 (%)

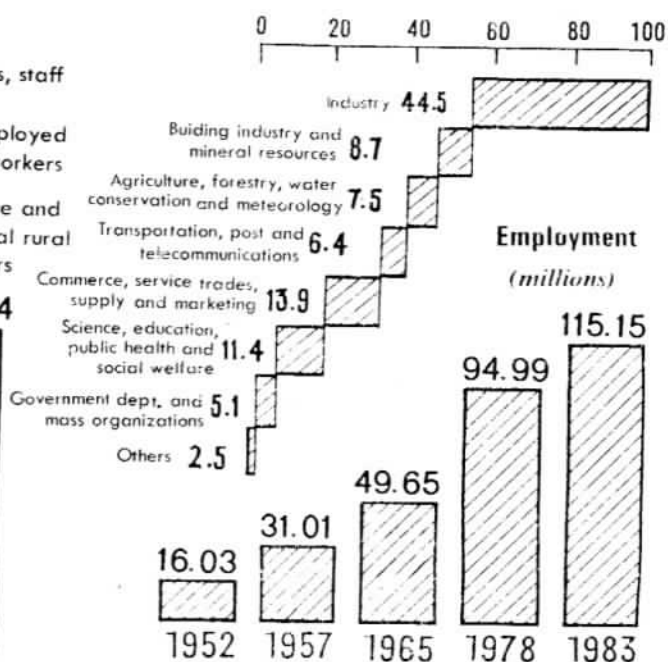


Total working population (millions)

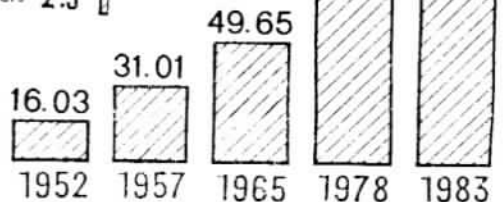


Employment and Composition

employment by sector in 1983 (%)



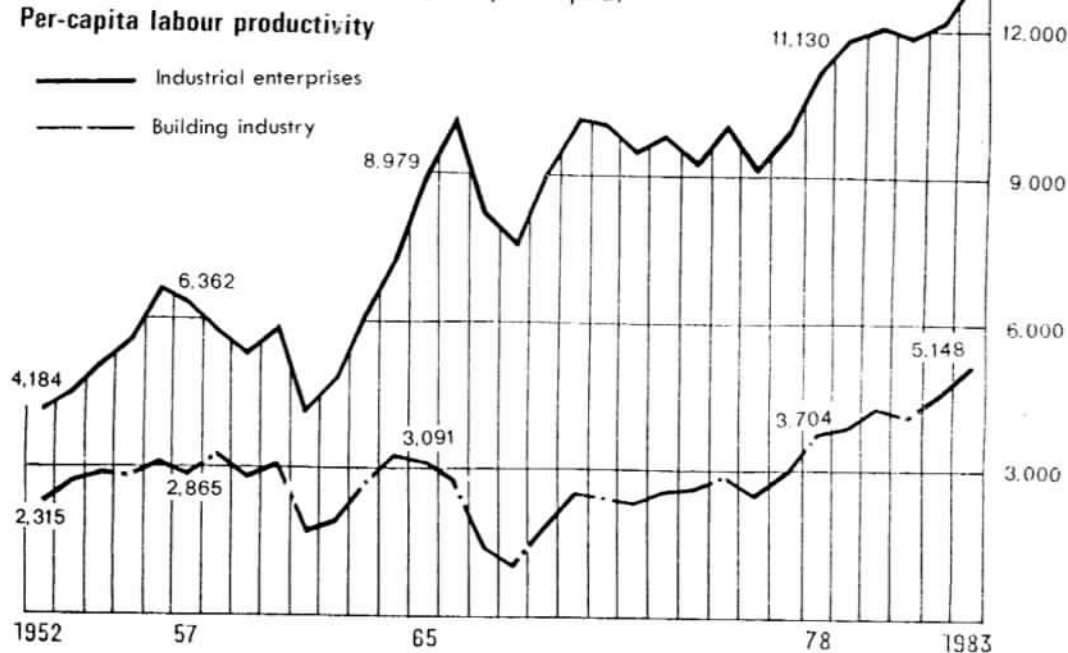
Employment (millions)



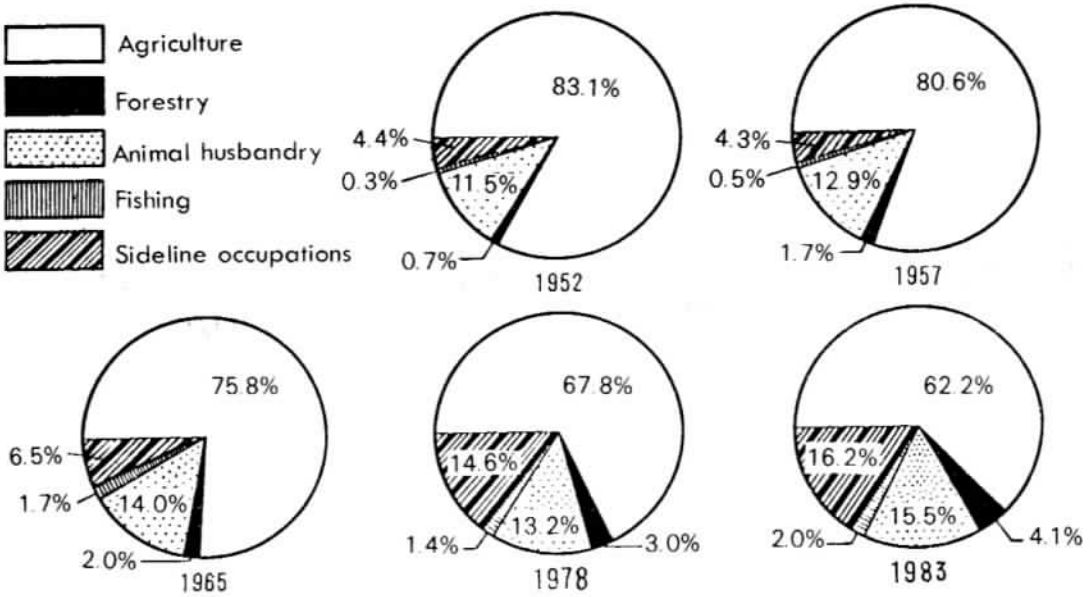
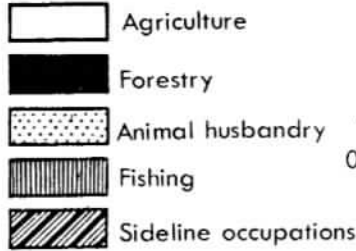
Labour Productivity of State-Owned Industry and Construction

(yuan per-capita)

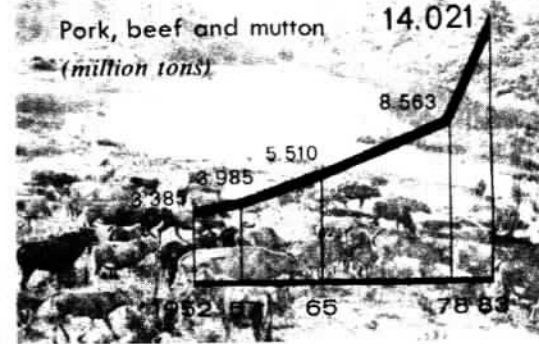
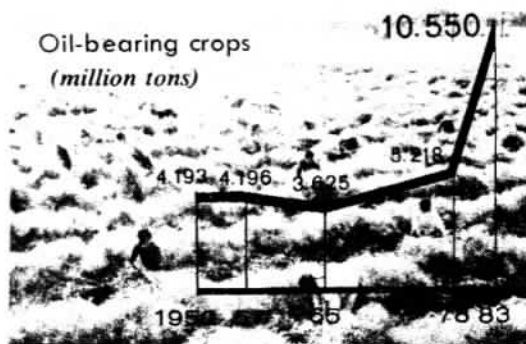
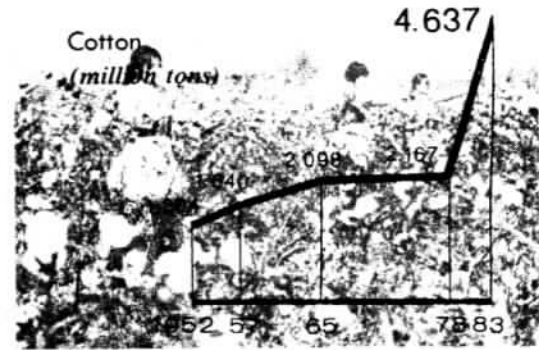
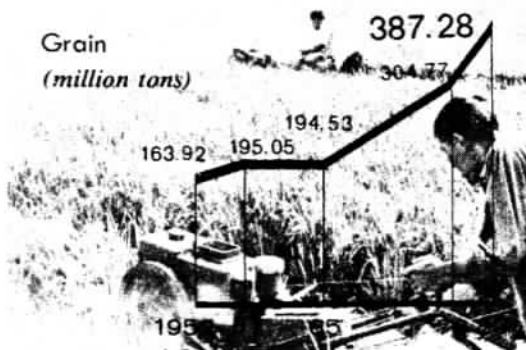
Per-capita labour productivity



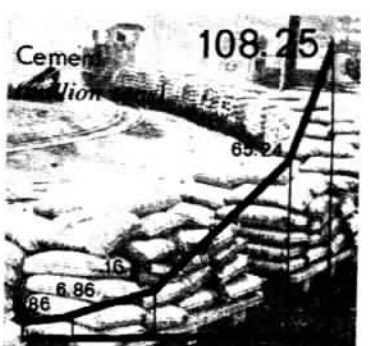
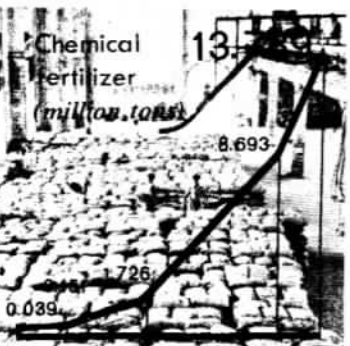
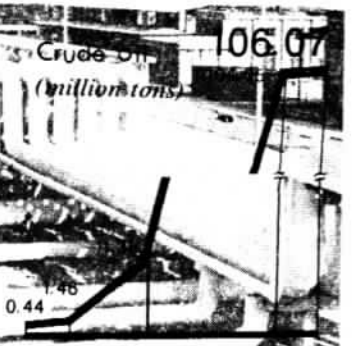
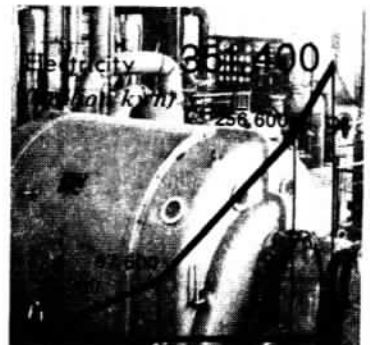
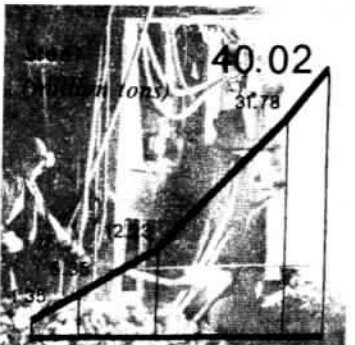
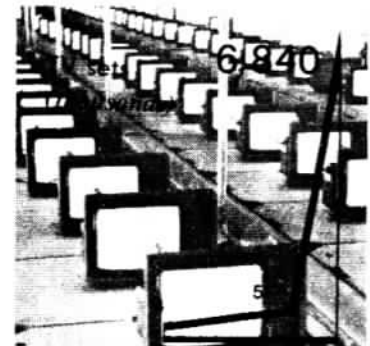
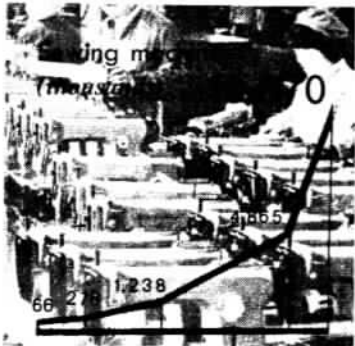
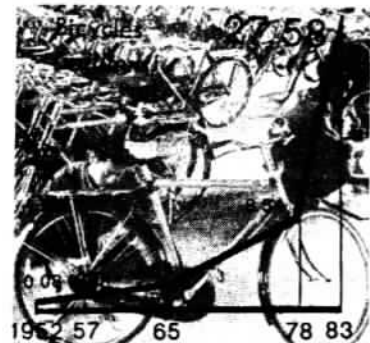
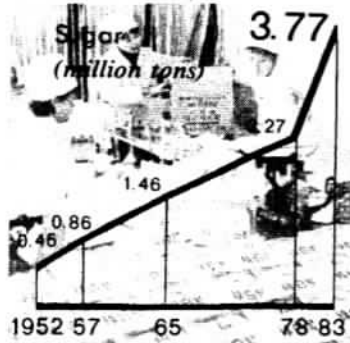
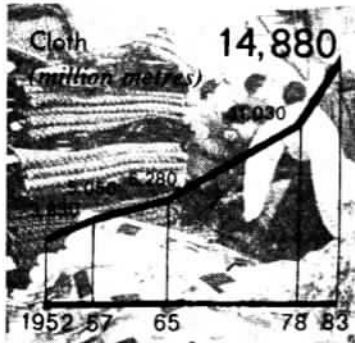
Output Value by Sector



Output of Major Agricultural Products

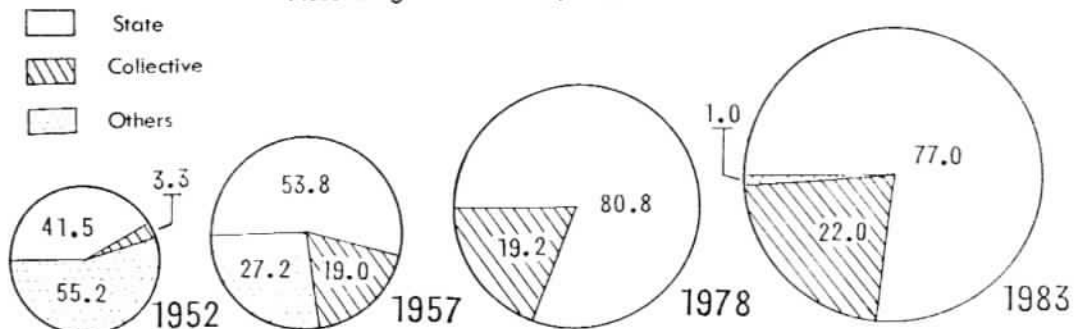


Output of Major Industrial Products

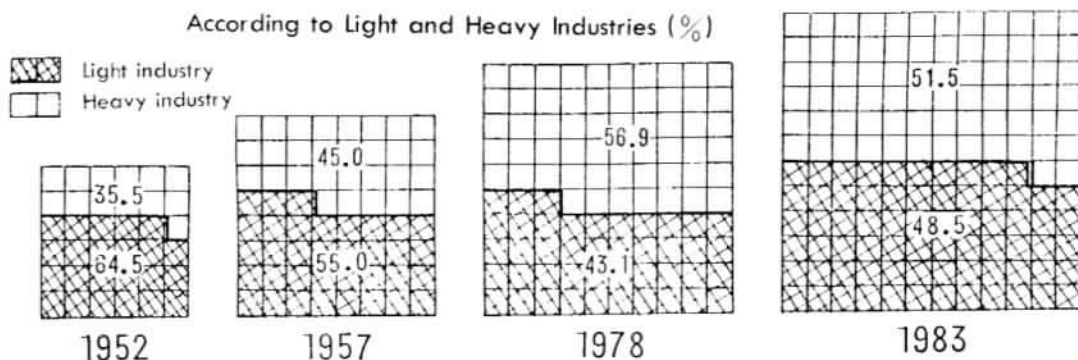


Proportions of Total Industrial Output Value

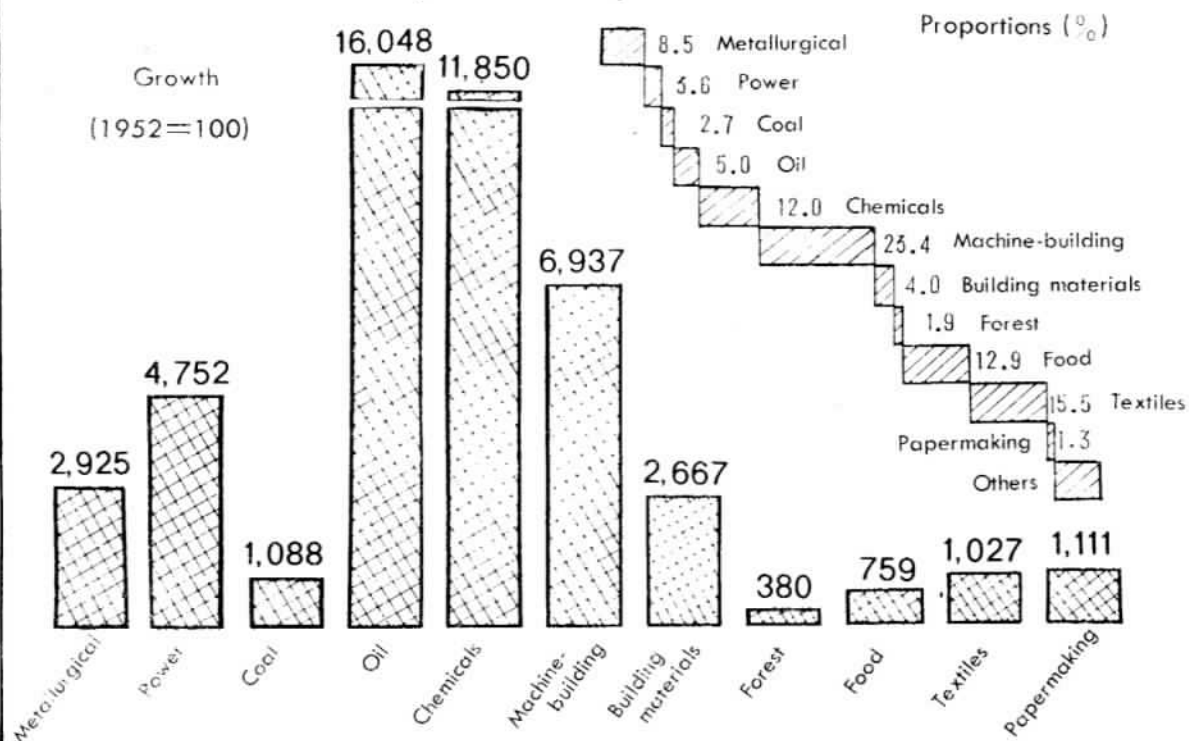
According to Ownership (%)



According to Light and Heavy Industries (%)

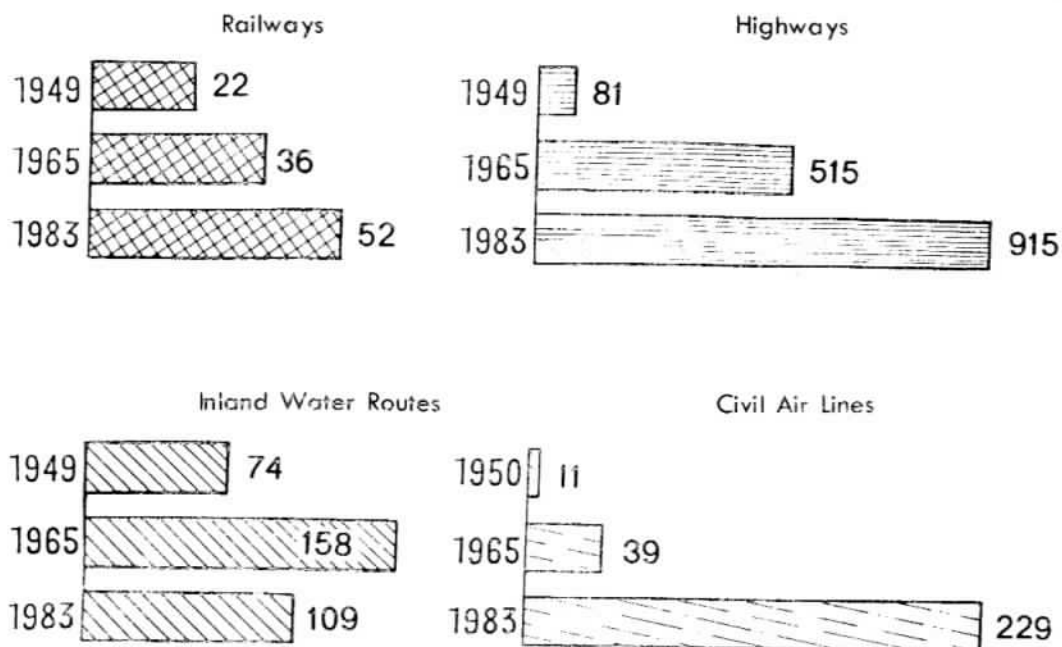


Growth and Output Value by Sector in 1983

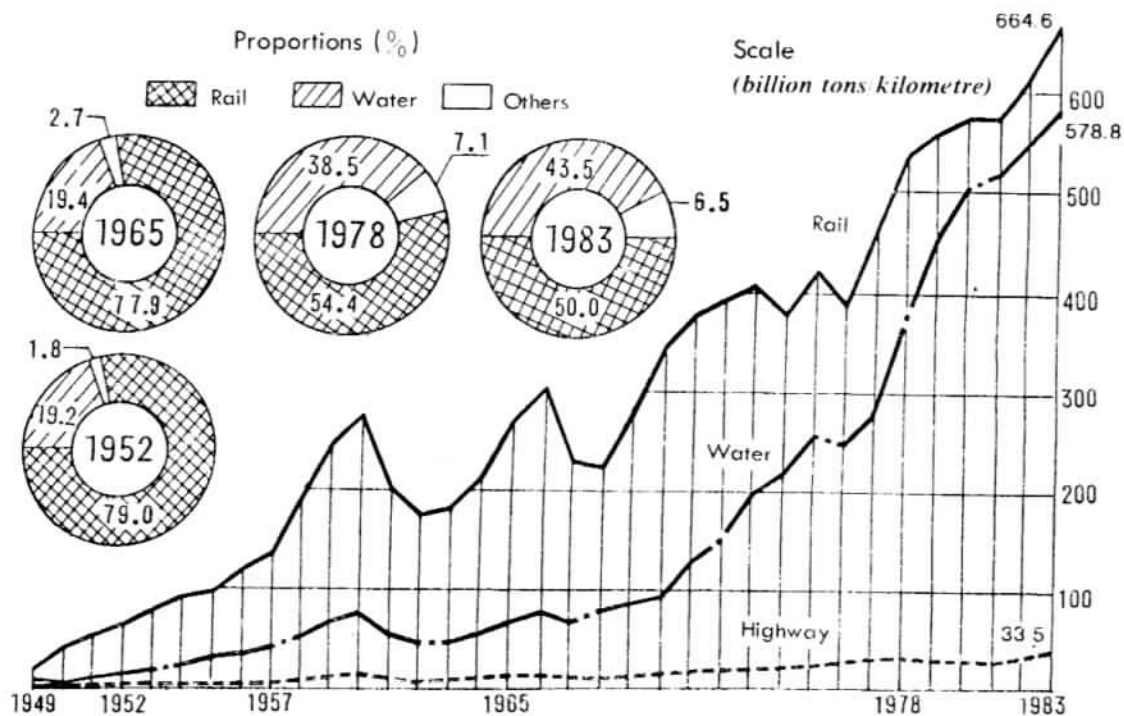


Transportation Infrastructure in Place

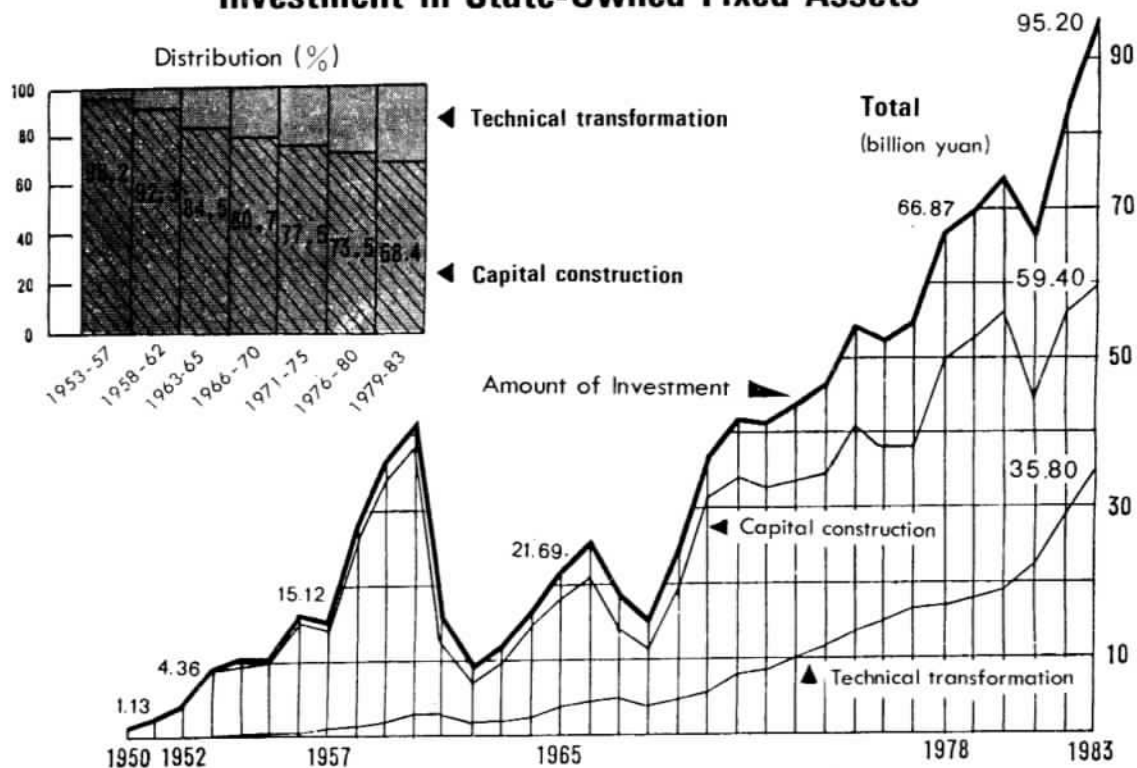
(thousand kilometres)



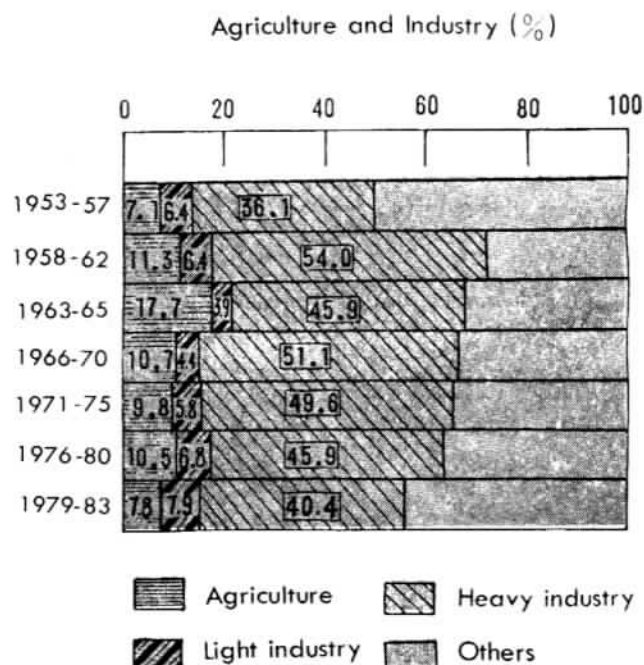
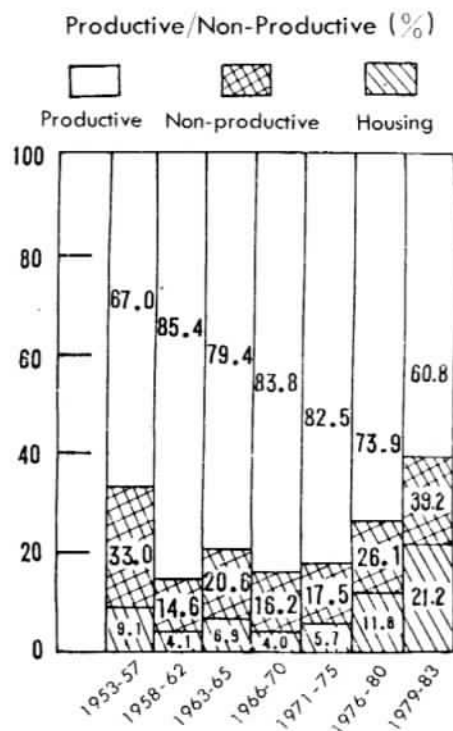
Scale and Proportions of Freight Transportation



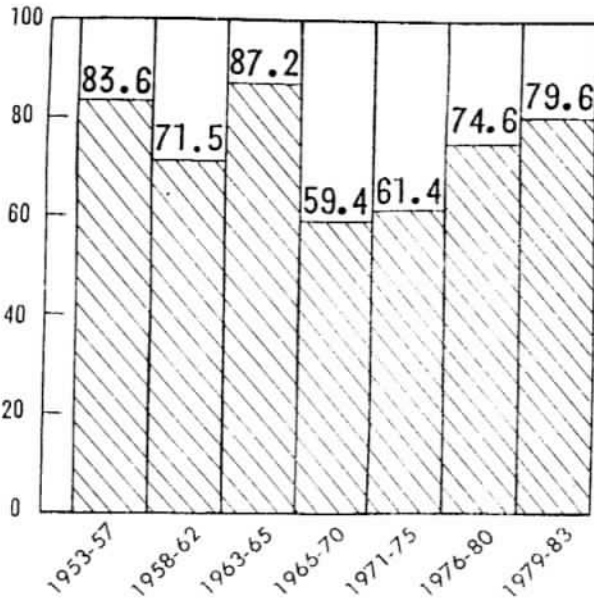
Investment in State-Owned Fixed Assets



Investment in Capital Construction in State-Owned Units



Utilization Rate of Fixed Assets (%)



From 1953-83 there were 3,817 large and medium-sized projects built and put into operation, including:

2,548 industrial projects,

253 agricultural, forestry, water conservation, and meteorological projects, and

507 transport, postal and telecommunications projects.

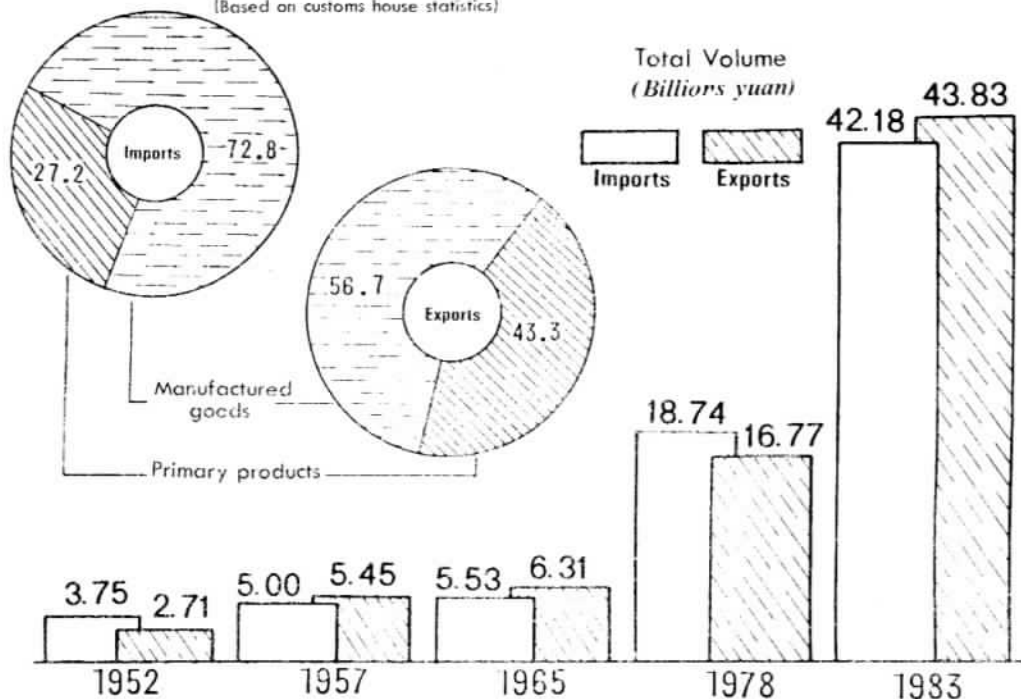
Total Increases in Productive Capacity From 1950-83



Imports and Exports

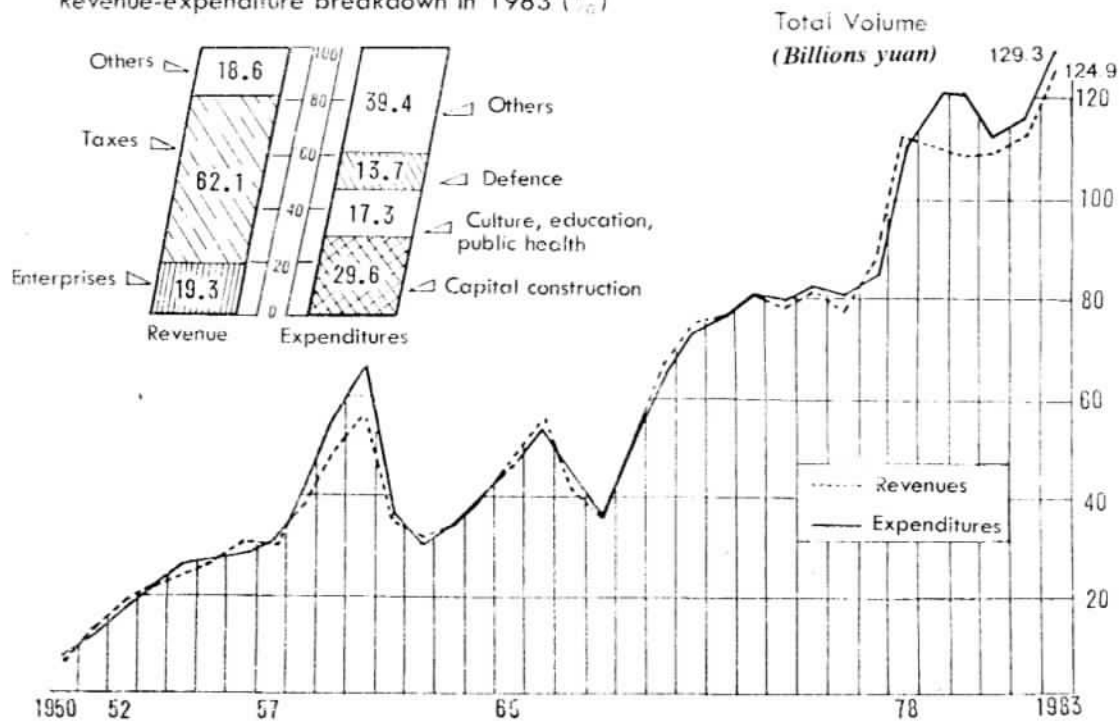
Import-export breakdown in 1983 (%)

(Based on customs house statistics)

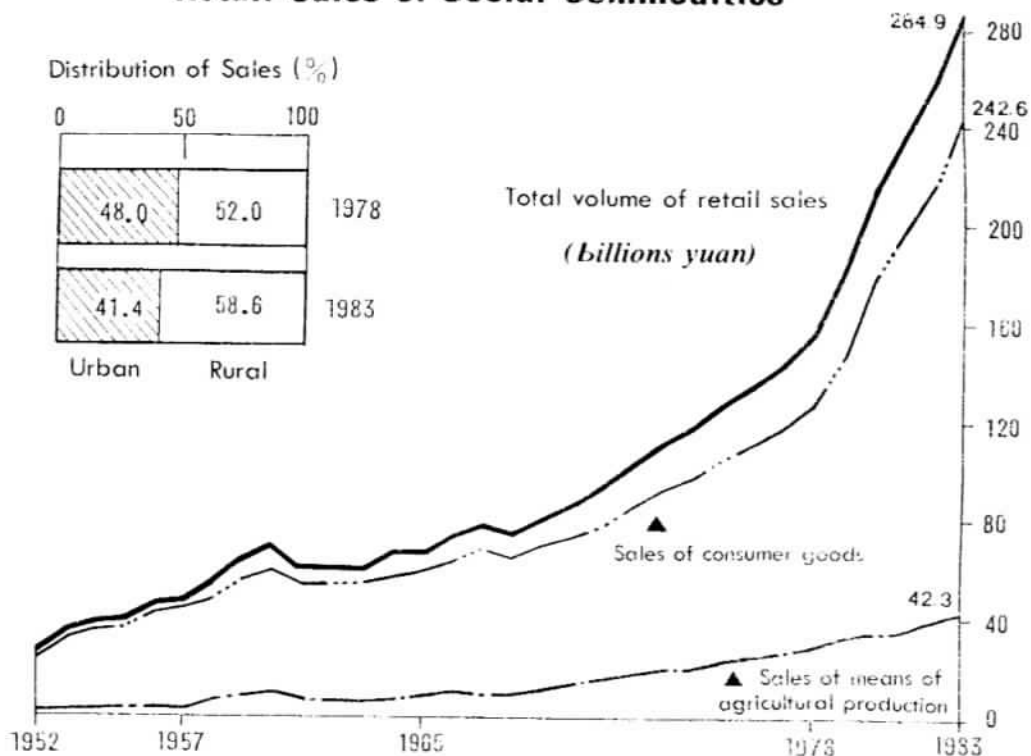


Revenues and Expenditures

Revenue-expenditure breakdown in 1983 (%)

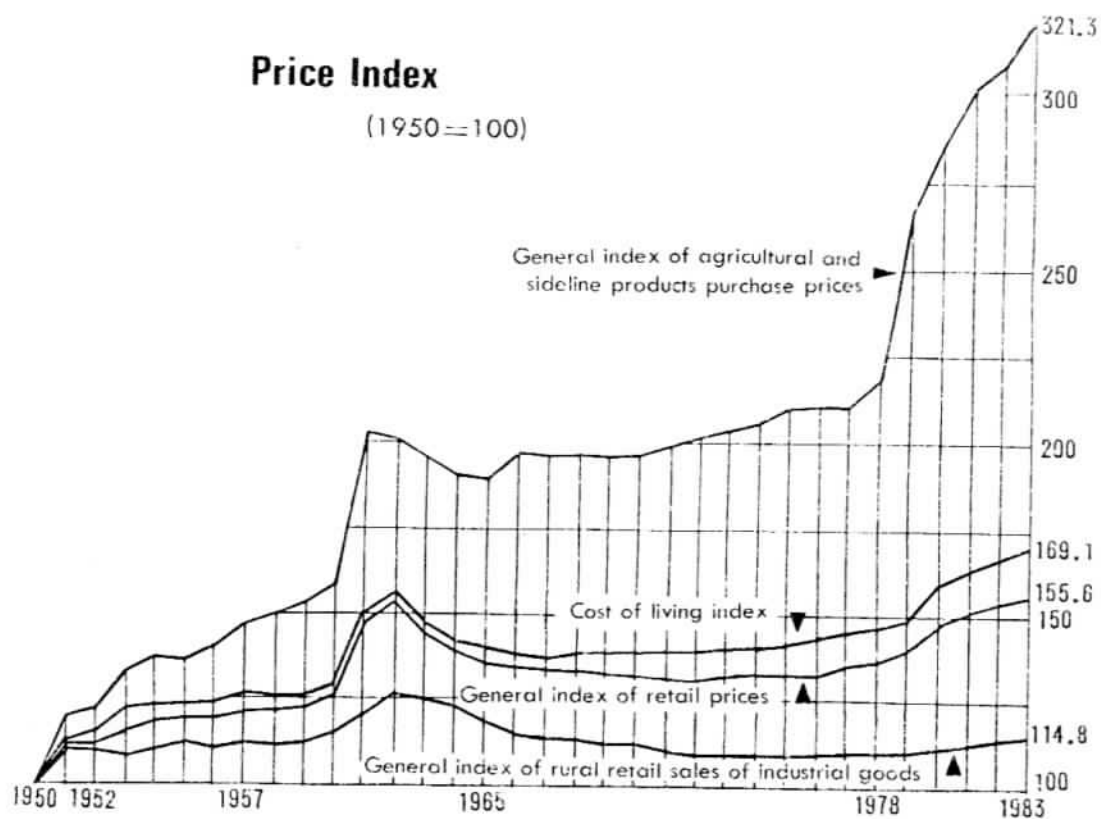


Retail Sales of Social Commodities

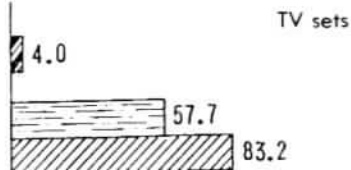
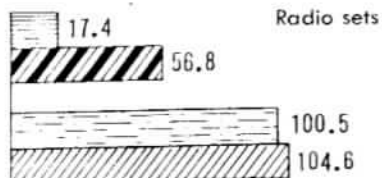
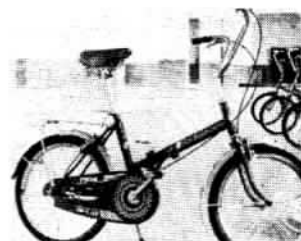
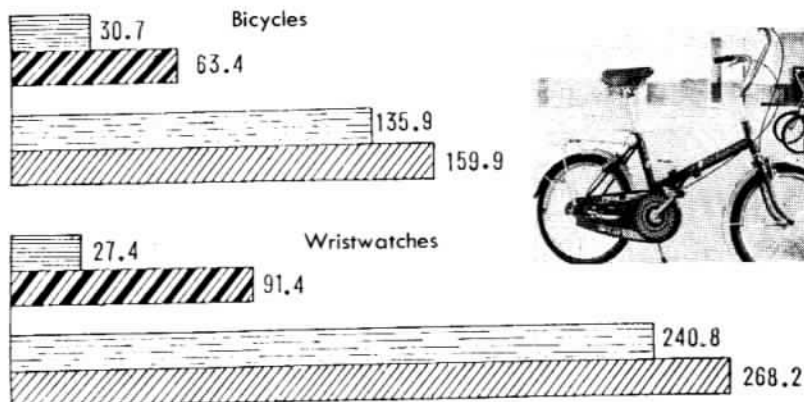
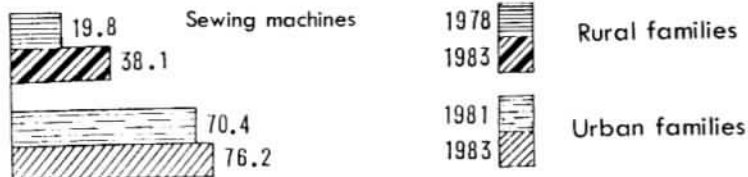


Price Index

(1950=100)



Major Durable Consumer Goods Per 100 Families



Total floor space of urban apartment houses
(in units owned by the whole people)



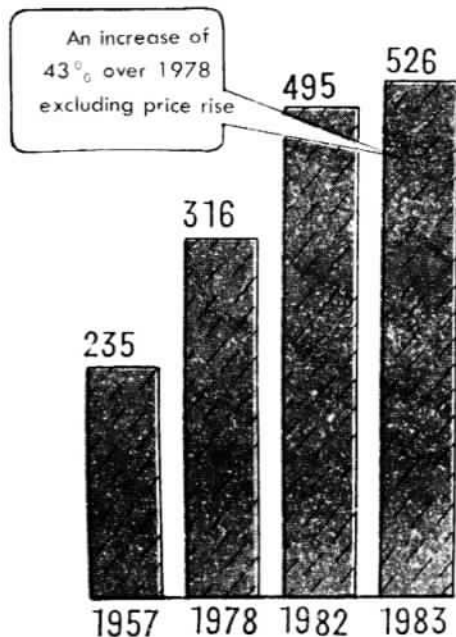
Housing built by peasants



Income and Expenditures of Urban Families

(Average Annual Per Capita)

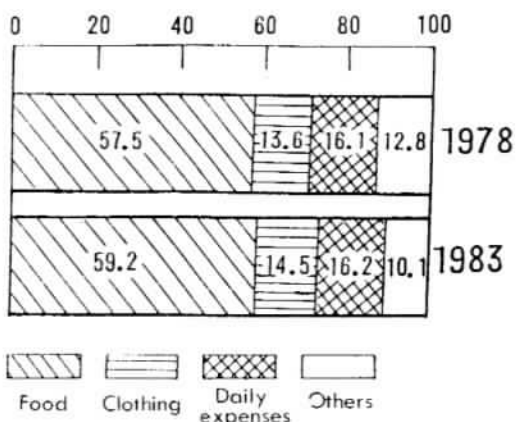
Income (yuan)



Persons supported by every wage-earner

3.29 in 1957
2.06 in 1978
1.71 in 1983

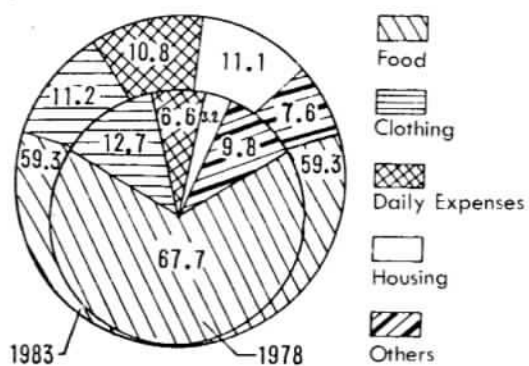
Breakdown of expenditures (%)



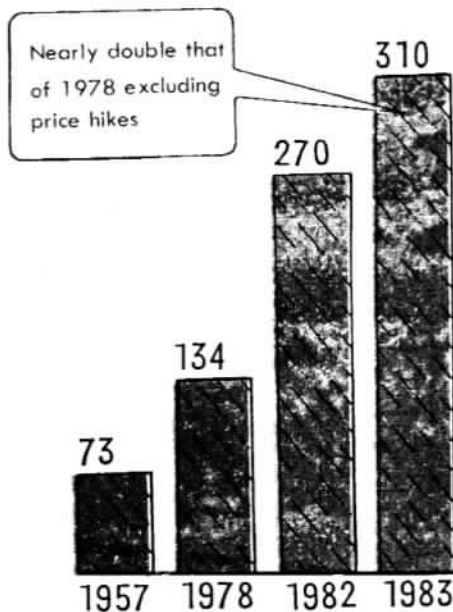
Income and Expenditures of Rural Families

(Average Annual Per Capita)

breakdown of expenditures (%)



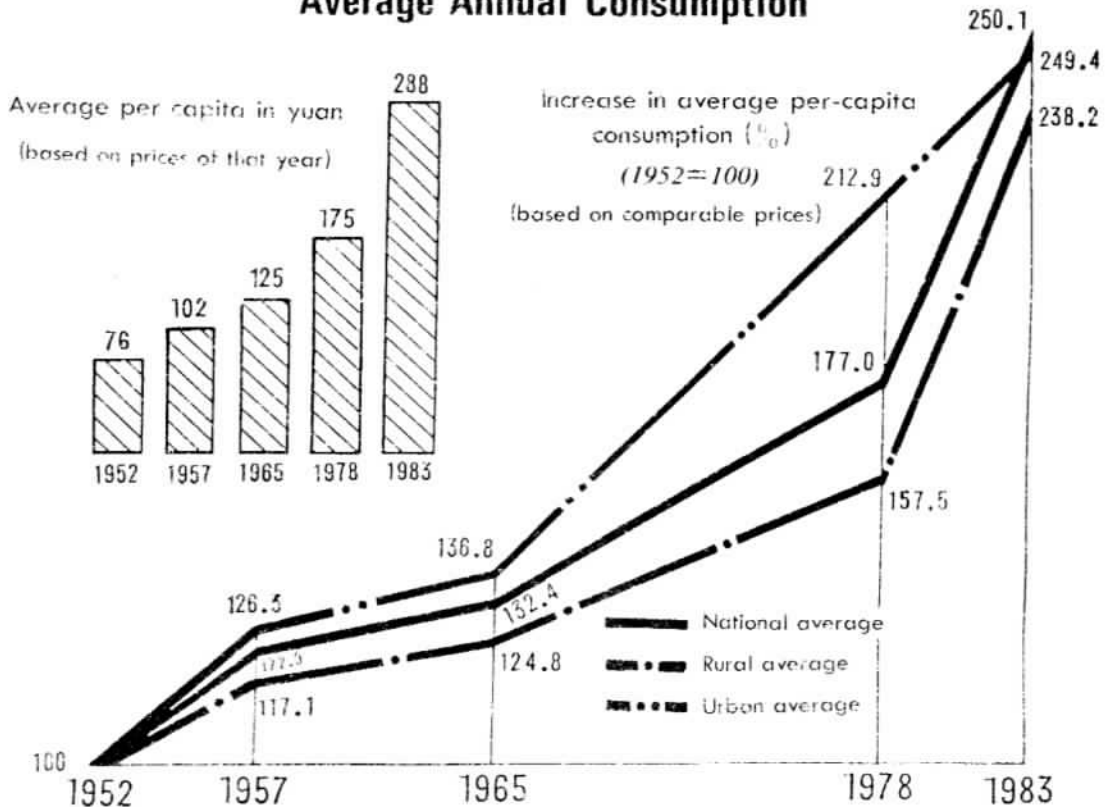
Net income (yuan)



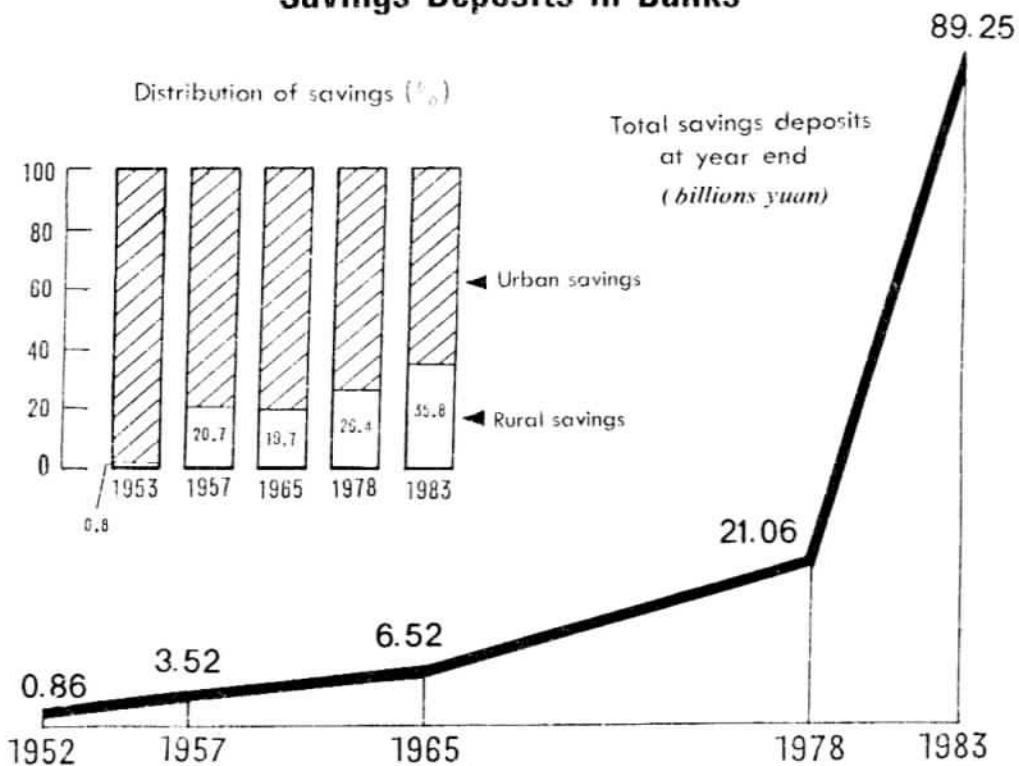
Proportion of population at high and low ends of income scale (%)

	Under 100 yuan	Over 300 yuan
1978	33.3	2.4
1983	1.4	46.4

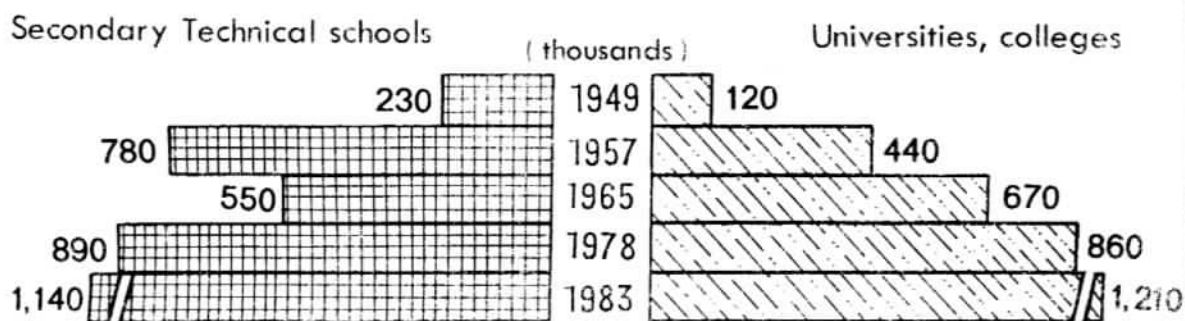
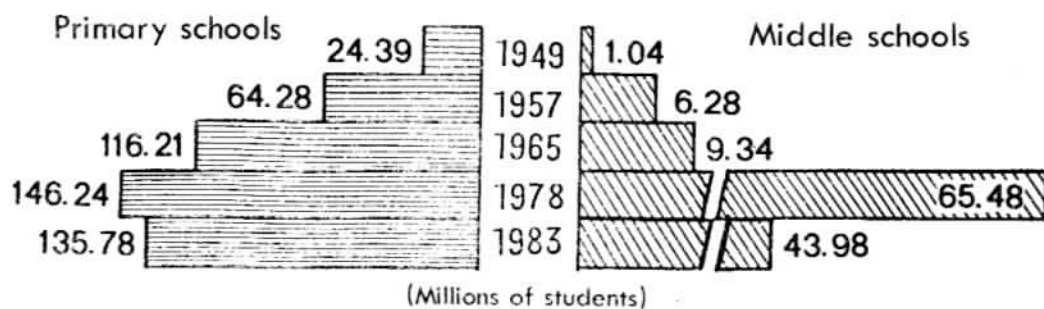
Average Annual Consumption



Savings Deposits in Banks



School Enrolment

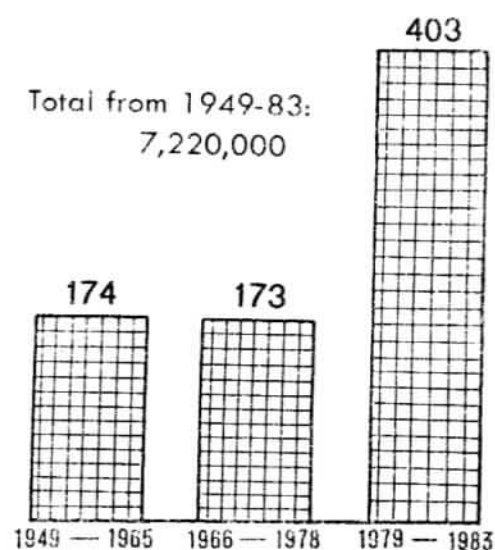
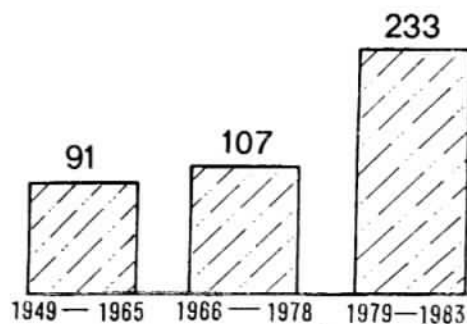


University and college graduates

Graduates of secondary technical schools

Total from 1949-83:
4,110,000

Total from 1949-83:
7,220,000

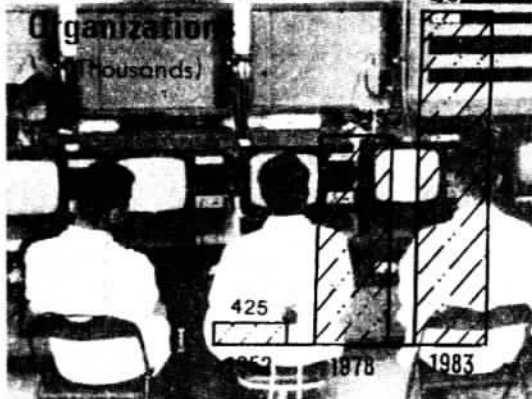


Average annual in thousands

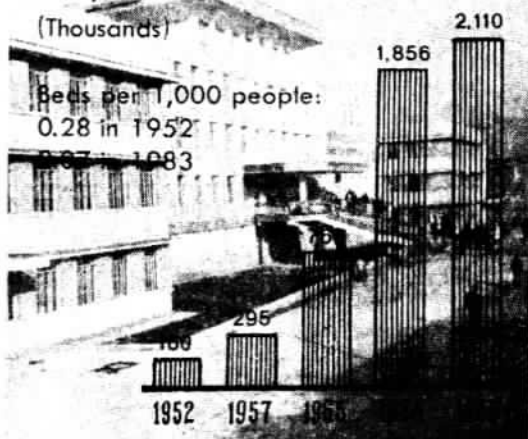
Major Scientific Research Achievements



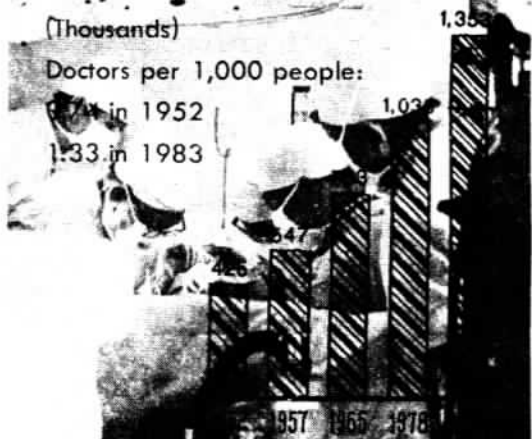
Technicians Engaged in Natural Sciences in State Organizations



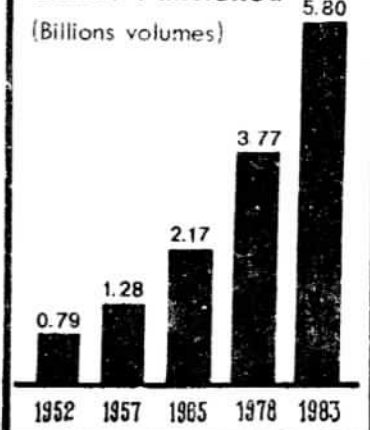
Hospital Beds



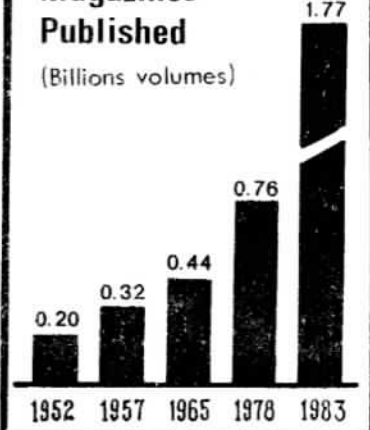
Number of Doctors



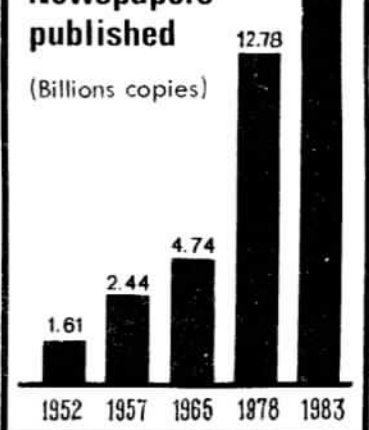
Books Published



Magazines Published



Newspapers published



China, relying on its rich natural resources and manpower, has posted a well-rounded industrial development with much headway reported in steel, electricity, oil, coal, chemicals, machine building, light industry and textiles. New sectors, such as auto-making, shipbuilding, petrochemicals, electronics, aircraft, and astronautics have been set up. Modern types of technology — nuclear energy, automatic control, lasers and computers — have been applied to industrial production. New areas are being opened up in science and technology. New industrial bases have been built up in the hinterland, frontier and areas inhabited by minority ethnic groups — a change from the former concentration of industry in the coastal areas.

China has also progressed in improving its industrial technology and management. According to incomplete statistics, of the 7,000 new products China has mass-produced in recent years, 700, or 10 per cent, are up to advanced world standards. Modern management methods such as target management, systematic engineering and value engineering have been introduced in some enterprises with good results.

In 1949, China had only 19 small iron and steel plants producing 158,000 tons of steel a year, or less than 0.1 per cent of the world total. Now, it has more than a dozen large iron and steel complexes in Liaoning, Hubei, Sichuan and Hebei Provinces, in Inner Mongolian Autonomous Region and in Beijing and Shanghai, as well as 100 or so medium-sized and small plants across the land. The Anshan Iron and Steel Company alone, the largest of its kind, produces 7 million tons a year. The national output in 1983 was 40 million tons. The industry can make more than 1,200 varieties of steel and process 20,000 specifications of rolled steel. An industrial system to produce high-tempera-



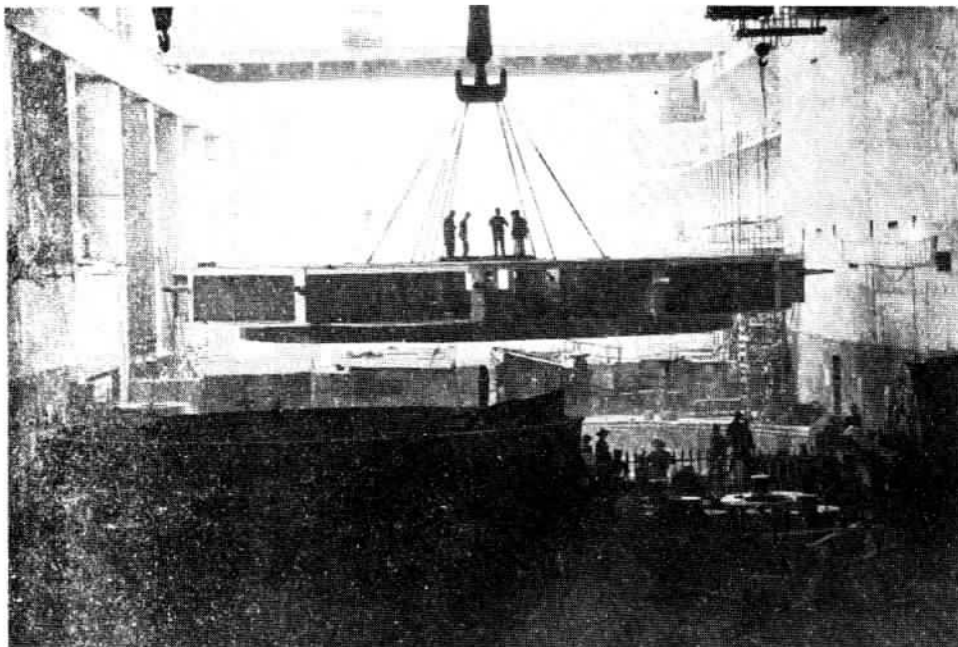
The launching pad of China's first communications satellite.

ture and precision alloys has taken shape. China is basically sufficient in rolled steel needed in making autos, tractors, precision instruments and meters, petrochemicals, aircraft, nuclear energy plants and communications satellites.

With rich deposits of non-ferrous minerals such as tungsten, zinc, tin, antimony, tantalum, niobium, titanium and rare earth, China not only meets its domestic demand but has surplus for export. The output of 10 major non-ferrous products was up almost 100 times from that of 1949. In old China, the chemical industry, quite weak, could only process imported materials. Now China has, or is building 18 factories capable of producing 300,000 tons of synthetic ammonia a year and five ethylene plants, each with an annual capacity of 300,000 tons. It now can also produce 1,000 kinds of petrochemicals. Big progress was also made in the building material industry.

In early post-liberation days, China, though abundant in energy resources, could annually produce only 32.4 million tons of coal, 4,300 million kwh of electricity and 120,000 tons of oil. The development of the economy required a rapid growth of energy. By 1983, China produced 715 million tons of coal and 351,400 million kwh of electricity. Old China had almost no oil industry, and some people abroad in the field mistakenly believed that China had negligible oil reserves. China has since built up its oil industry rapidly. Oil and gas deposits were found in 22 provinces, autonomous regions and municipalities. Beginning in 1963, it has basically been self-sufficient in oil, a great change from an earlier dependence upon imports. Now it has more than it needs both in quantity and variety.

Technically, it has reached advanced world levels in exploration, drilling and refining. In 1979, China began to explore the Bohai



A large hydroelectric turbine being installed at Gezhouba power station on the Changjiang (Yangtze) River.

Sea, the South China Sea and the southern Yellow Sea in co-operation with companies from Japan, the United States, Britain, France and elsewhere. It is expected that good results will be yielded in offshore oil exploitation in the near future. In recent years, efforts have been made to strengthen prospecting and to stabilize output, with the result that annual crude oil output has been kept at 100 million tons or more for six consecutive years, making China one of the major oil-producing countries.

Before liberation, China could only repair, assemble or make some simple machines. Now it has a comprehensive machine-building industry, which not only can repair and assemble but make sophisticated machines. This industry, the largest of China's industrial sectors, has 25 per cent of the nation's total fixed assets and produces a total value 260 times as much as in 1949. It can produce 40,000 kinds of mechanical and electrical products including sophisticated ones — almost enough for domestic needs. For

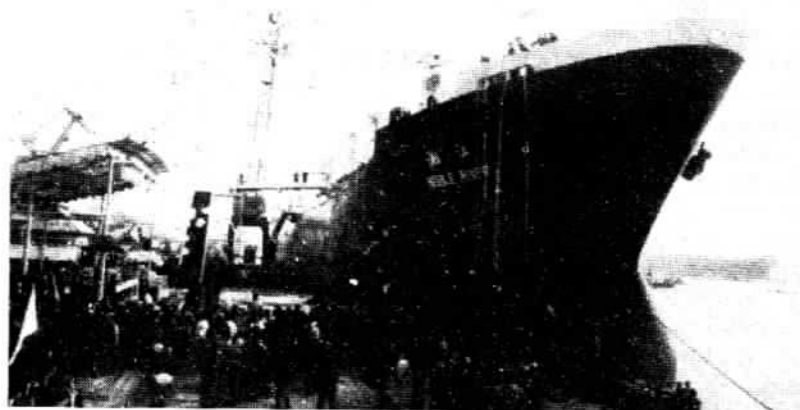
instance, of all the equipment used in heavy industry, 85 per cent is Chinese made. For national defence and world peace, China has succeeded in making such strategic weapons as atom bombs, hydrogen bombs, missiles and nuclear submarines. The successful launching and recovery of a man-made satellite, the

flight of a carrier rocket, the explosion of the first atom bomb in 1964 and the launching of the experimental communication satellite last April — all these demonstrate that China's science and technology have in some aspects reached the advanced world levels.

Pre-liberation China had only handicraft industries or at best some partially mechanized enterprises. Take the early textile industry for example. It was mainly concentrated in a few coastal cities, such as Shanghai, Qingdao, Tianjin and Wuxi. Now the textile industry has 20 million spindles, 600,000 looms, and can print and dye 9,100 million metres of cloth a year. China now has 240,000 textile and other light industrial enterprises scattered across the country. China can produce the raw materials and equipment needed for its textile, foodstuffs and other light industrial enterprises, allowing it to feed and clothe its 1,000 million people. In 1983, it produced 3.2 million tons of yarn and 27.5 million bicycles, making it the biggest yarn and bicycle producer in the world. The manufacture of synthetic fibres, plastic products, washing-machines, refrigerators, cameras, TV sets and

A computer-controlled universal lathe in Nanjing meets advanced world standards.





The fifth 27,700-ton freighter made at the Jiangnan Shipyard in Shanghai.

tape recorders is burgeoning, as an increasing number of new products is turned out to meet the thriving market demand.

The past 35 years have also seen China tiding over a period of stress, especially the 10 chaotic years of the "cultural revolution," which inflicted serious setbacks and losses upon the Chinese Communist Party, the country and the people. "Left" mistakes were committed in guiding the economy. People were over-eager for achievements beyond China's capabilities; they urged too high a tempo in production and construction, and unduly stressed the development of heavy industry at the expense of agriculture and light industry. This explains why the economic structure and management system are so irrational and why not as much has been achieved as could have been.

The victory over the "gang of four" demonstrated that China has entered a new historic period. After the Third Plenary Session of the 11th Party Central Committee held at the end of 1978, the Party, led by the Party Central Committee, began to summarize what was right and what was wrong in the past and worked out basic principles to be followed in the socialist

modernization drive. The Party began to shift the focus of its work on to the four modernizations. It introduced the policy of readjusting, restructuring, consolidating and improving the economy and the policy of enlivening the economy at home and opening to the outside world. Through trial and error, the Party has gradually found out a new way suited to China for economic construction, by which the economy can develop steadily with better results and more benefits.

In recent years, the government has adopted a series of important principles, policies and measures to quadruple the annual industrial and agricultural output value by the end of this century. They are: support for the agricultural development, stress on the production of consumer goods, readjustment of the orientation of service of heavy industry, strengthening of the construction of energy and transportation, technical transformation of old enterprises, all-round consolidation of existing enterprises, a comprehensive training of workers and staff members, as well as the introduction of various forms of contract responsibility systems and the mobilization of the workers' enthu-

siasm and creativity. Adhering to the principle of independence and self-reliance, China has carried out extensive economic and technical exchange and co-operation with other countries, expanded its trade with them, imported advanced technologies and utilized foreign funds. China now has established four special economic zones and opened 14 more coastal cities to the outside world. The industrial set-up, product mix and the make-up of enterprises are being readjusted. Transformation is also being done with the system of planned economy, the system of material supply, pricing, labour and wages. All these efforts have been made to lay the groundwork for the development of the national economy.

China's economy registered great progress in the five years from 1979 through 1983. Both industry and agriculture have grown at an annual rate of 7.9 per cent. Industry developed at a higher rate of 11.6 per cent in the first half of this year on the basis of an ever-better economic results. Now a political situation of stability, unity and liveliness is prevailing throughout the country and the national economy is developing steadily, healthily, and in a co-ordinated way. Challenged by a new world-wide technical revolution, China must work all the harder to catch up with the advanced countries and it is sure to achieve its ambitious goal of socialist modernizations. □



The Jinling Job-Training College Grows

by LI YONGZENG
Our Correspondent

ESTABLISHED in 1980 in an effort to revamp China's educational system, the Jinling Job-Training College is now the pride of the people of Nanjing. With job-oriented skills obtained through three years' high-quality education, the college's first batch of graduates were readily accepted into the city's various departments and businesses.

The Beginning

Two rows of low houses, with several dozen rooms so dark that they have to be lit in the daytime, are poised precariously on what was formerly a 1.67-hectare middle school courtyard. Inside, staff members are busy administering the college's day-to-day work while the teachers prepare their lessons.

"This is where our college got started," said Zhang Zhongqiang, the college's 47-year-old vice-president. "But today things are getting better," he added, pointing to a new structure that towers over the old houses. It is the new classroom building, completed last year, with 2,270 square metres of floor space.

Jiangsu, whose capital is Nanjing, is one of China's developed provinces. In 1982 it led the nation with an industrial and agricultural output value of 74,000 million yuan. The local people are relatively well-educated when compared with the rest of the country.

However, the province's growth is handicapped by an acute shortage of specialists in all fields. Scientists and technicians account for only 3.3 per cent of the 6 million workers and staff members in

state-owned businesses, and 0.7 per cent of the 3.87 million of those working in collective enterprises. Among Jiangsu's peasants, an average of just 2.2 per 10,000 are technicians.

The scarcity of professionals is compounded by their irrational composition. For every two engineers, there is only one technicians. In the Nanjing Daqiao Machinery Plant, the ratio of engineers with college degrees to technicians educated in secondary technical schools is an abnormal 1.5:1. The result is a grave waste of talent, with many university graduates doing work that could be done ably by graduates from secondary technical schools.

What is more, colleges and universities in China as a whole are far outnumbered by regular middle schools, making it hard for senior middle school graduates to attain a higher education, which can anchor them to stable jobs in the future. Although the lop-sided secondary education system has

been somewhat revamped, with many regular middle schools giving way to technical and vocational schools, it will be some times before the problem can be completely solved.

In 1980, after comparing the shortage of technicians and engineers with Nanjing's development needs, the city government established the Jinling Job-Training College. Some 700 students were enrolled that year.

At the beginning there were not enough buildings, equipment, books or teachers. The college had to arrange for part of its students to audit classes in regular universities and colleges.

The college, which was started with 16 specialties including electrical engineering, civil engineering and geology, is mainly financed by the city government, and most of the teachers are invited from regular universities and colleges. It is planned to set up Jinling's own teaching staff in the near future.

Zhao Jin (right), a cadre from Tianjin, pays for her studies at the city's Lianhe Spare-Time College.



Zhang listed his college's five distinguishing features:

— There are no resident students. All the students, who come from the city and suburbs, live with their parents while studying at Jinling. This is different from most regular colleges, where the boarding system spawns a host of problems in services and increases investment. For instance, a resident student requires an investment of building 40 square metres of floor space for daily activities. At Jinling, all these problems have been avoided. All the staff and teachers are thus able to work with one mind — to run the college well and improve the teaching quality.

— Students pay tuition. Education in China's universities and colleges is usually free. The state spends 2,100 yuan a year on a regular college student, who is also granted stipends (for applicants) and free medical service. But at Jinling the students enjoy none of these benefits. Instead, they pay 50 yuan a year. The state spends only 700 yuan a year on each of them — an obvious reason why Jinling can stand on its own.

— The period of schooling is shorter. Regular university and college education ranges from four to five years. The Jinling Job-Training College offers a three-year programme to speed up the training of skilled personnel. A two-year programme is also being considered.

— The emphasis is on vocational training. It usually takes one or two years for a regular college graduate to really become proficient in his job. This is because not everything he learnt in college is related to what he is supposed to do at work. But Jinling is job-oriented. Before setting up a specialty, the college works closely with existing businesses to set up a curriculum tailored to the students' future jobs. However, this does not mean neglecting the basic courses.

For example, the college trained 40 students in electrical engineering for the Nanjing Electric Motor and Appliance Company. The programme and textbooks were decided upon by both Jinling and the company. The company also helped obtain the teachers needed and sent a cadre to serve as the class master. Company leaders often found time to participate in the students' activities. A special group was set up to organize the students for their pre-graduation field work, under the guidance of engineers in four subsidiary factories. As a result, the students all did a good job in their graduation designs. Satisfied, the company manager referred to the students as the hope of his company.

— Only excellent students with initiative are enrolled. China's institutions of higher learning enrol students and assign jobs to them according to unified plans. This is in keeping with China's planned economy, but it also has its unwanted side effects. People may study hard during middle school in order to enter college. But upon entering they tend to slacken their efforts. This is because as long as a student maintains passing grades and avoids serious mistakes, his job is secured when he graduates. This "iron rice bowl" has been smashed at Jinling. The students have to find their own jobs, and the college only sends out letters of recommendation detailing the students' behaviour and academic performance. This helps to bring out the initiative of the students.

Good Teaching Quality

The high performance of the graduates in their new jobs and the positive responses from Nanjing's departments and businesses are ample testimony to Jinling's excellent work.

"They just fit their jobs to a T," said one beaming manager of his Jinling graduates.

"They got on with their jobs the moment they entered our institute," said a leader of Nanjing's prospecting and design institute, referring to his 92 Jinling alumni.

Wang Lijun, a Jinling architectural design major now working on the Sun Yat-sen Mausoleum, is a fine example. In the first two months on his new job, he designed a warehouse and four houses. At present he is overseeing the designing of a 200-bed motel with a large parking lot.

After Xie Jing, a Jinling English major, went to work for the Nanjing Glass Factory, it needed no other translators for its many business documents with foreign companies.

Shi Yan, another Jinling graduate now working at the Nanjing Switch Plant, sorted out the factory's tangled network of electrical wiring and put it back in order in a short time. Examinations by experts showed that his work was up to standards.

After years of untiring efforts, Jinling has become a full-fledged polytechnical institute with 1,905 students. The 275 teachers — 24 of them professors or associate professors — teach in 22 specialties, led by accounting and electrical and civil engineering.

On a city government decision, a nearby teachers' school with several thousand square metres of floor space has merged with the college. Today, Jinling is using a World Bank loan to import equipment for its laboratories.

Job-training colleges like Jinling have also sprung up over the last three years in Wuxi, Changzhou, Suzhou, Xuzhou and four other cities in Jiangsu Province, teaching a total of 3,700 students. And they are bound to grow even more quickly in the days to come, said Zhang, as their success becomes obvious. □

Shadow Boxing Growing in Popularity

by **ZHANG GONGYUAN**
Our Correspondent

Taijiquan (shadow boxing), one of China's ancient martial arts, is known for its elegant movements, fantastic medicinal effects and unique technique of cloaking strength in gracefulness for attack and defence. Not only is it quite popular in China nowadays, but it is becoming an international sport.

Improving Technique and Enhancing Friendship

This April 22-25, more than 100 shadow boxers from the United States, Canada, Japan, Singapore, China and Hongkong took part in a *taijiquan* demonstration tournament in central China's Wuhan.

The homeland of *taijiquan*, China naturally caught the eyes of the world by hosting such an international tournament for the first time. The purpose of the tournament was to improve the techniques and enhance the friendship among shadow boxers all over the world.

In the men's traditional shadow boxing, Yasuhiko Endo of the Japan Shadow Boxing Association, Xu Lin Ge of the Singapore Mar-

tial Arts Club and Luo Hongyuan of China's Guangzhou team, all demonstrated Chen style *taijiquan*. Their movements were steady, forceful yet easy, showing their mastery of this martial art. They deserved the rather high scores accorded.

Bow-Sim Mark of the American Institute of Chinese Martial Arts performed the women's 66-movement *taijiquan*. Her performance was so harmonious, and each step merged so easily with the next one, that she won a gold medal for the United States. Together with her husband Klyser Yen, she founded the Institute of Chinese Martial Arts in Boston in 1976, where more than 1,000 students have enrolled.

Canadian athlete Andrea Falk also won a gold medal. She has studied various types of Chinese martial arts in the Beijing Institute of Sports and Physical Culture for three years, and likes *taijiquan* best.

The Beijing team's 25-year-old shadow boxer Ge Chunyan won 8.7 points, the highest in the tournament. Last year she carried off the title in traditional Chinese boxing and placed fourth in the individual all-round at the Fifth

National Games. Here superb performance at the tournament was unanimously acclaimed by the spectators.

Critics at the tournament noticed that the technical levels of the athletes from various countries have reached a high point. The Japanese athletes especially have improved a lot. They won 13 gold medals at the tournament. In future formal international competitions, Chinese athletes are bound to be challenged by masterhands.

Masters' Performance

At the opening ceremony 12 masters of China's main schools of *taijiquan* treated the spectators to a display of their consummate skill. During the tournament they lectured and coached both Chinese and foreign *taijiquan* enthusiasts, who found their advice extremely useful.

One-hundred-year-old Wu Tunan caught the attention of many with his humorous and unrestrained nature. Especially when he did *taijiquan*, his fairy-like movements really impressed the audience.

Wu is a member of the National Martial Arts Association. He began to practise *taijiquan* at age nine. He spent years studying and investigating in the homelands of the martial arts and on famous mountains where *taijiquan* masters lived in Hubei, Henan, Guizhou and Shaanxi Provinces. The valuable materials he collected have been published in many books on the history of shadow boxing.

Wu explained that originally *taijiquan* was a folk art, used to keep fit, cure some diseases and maintain a long life. The exercise requires quietness, slowness, symmetry, gentleness and ease, all of which help rest the cerebral

A collective performance by "taijiquan" enthusiasts in a street in Shanghai.



cortex, massage the internal organs and regulate breathing. It is an exercise which suits the natural development of the human body.

Wu is also a specialist in the study of longevity. Asked how he keeps fit at his advanced age, he said smilingly that one of his exercises is *taijiquan*. He still practises 20 minutes of shadow boxing every morning and evening.

Li Tianji, 76, is a *taijiquan* coach who now has students all over the world. He has been teaching and studying the sport since his graduation from the Shandong National Arts Institute in the early 1930s. At the recent tournament, he met many of his students again, quite a few of whom were not Chinese.

He said that in the old society, where the majority lived an unsteady life, very few people could practise the martial arts to keep fit. But now things are different. Not only are martial arts popular among the people, but they have been listed as one of China's sports events.

Since 1956, the government has organized masters in this field to compile *taijiquan* textbooks and formulate competition rules. Li Tianji has devoted a great deal of effort in recent years to compiling new textbooks for *taijiquan*. He went to Japan in 1980 and 1982 to teach shadow boxing, and was glad to find the Chinese sport spreading all over the world.

Among the masters performing at the tournament, the youngest was Chen Xiaowang, 38, from the *taijiquan* village—Henan Province's Wenxian County. Chen style *taijiquan* has been handed down through many generations in his family. His performance greatly impressed the spectators and athletes of every country.

Created by Ming Dynasty general Chen Yuting in the 17th century, Chen style *taijiquan* turns gentleness into strength, has a

smooth transition of movements and combines dynamic and static gestures. Along with its leaping, forceful leg movements and outpouring of strength, these characteristics make Chen style *taijiquan* a skilful art of attack and defence.

Chen Xiaowang divides learning *taijiquan* into five stages. The lowest stage is just to learn its basic movements. The next is to overcome stiffness and clumsiness. Then the body's internal force can be linked in the next stage. At the highest stage, a master of Chen style *taijiquan* is able to direct his strength, through concentration, to any part of the body.

The Chen style is not the only type of *taijiquan* popular in China today. Others include the Yang style, Wu style and Sun style. Each of these styles has its own advantages and all are popular.

A Mass Sport

Wuhan is a beautiful city on the banks of the mighty Changjiang River. When you walk along the tree-lined dyke or the picturesque river bank in the morning, the fresh, moist air makes you feel relaxed and at ease. If you look around, you will see many people practising *taijiquan* in the golden early light.

Chen Kerong, gold medalist from the Wuhan team, said that he was once among these people.

Chen works in the Central-South Power Station Designing Institute in Wuhan. Both his legs were twice paralyzed because of illness when he was a boy. Unfortunately, he continued to suffer some aftereffects. Sometimes when he worked long hours, his legs became numb. Then his mind became muddled. Later, on a trip to Beijing, he came to know a *taijiquan* master and learnt some shadow boxing. Chen practised persistently, and gradually he felt he had more strength in his body. Now he is as strong as a horse. No



Centenarian Wu Tunan demonstrating.

doubt he believes in the physical benefits *taijiquan* can bring.

According to Li Zhuoru, leader of the Guangzhou team, more than 20 *taijiquan* coaching centres have been founded in Guangzhou since 1975, at which more than 400,000 people have learnt the sport.

In Beijing, about 120,000 people participate in *taijiquan* activities every year. There are at least 160 coaching centres in Beijing, according to senior referee Li Deyin.

The 48-year-old Li is a *wushu* coach at the China People's University. Under his coaching, the university's *wushu* team has been among the top three in competitions between China's institutions of higher learning.

Li is also the *taijiquan* coach at Beijing's International Club. He spends two afternoons there every week, and is very excited to talk about his work.

Since the International Club sponsored its first *taijiquan* course in 1975, more than 2,000 people from at least 40 countries have participated. All of them showed keen interest. A couple from a

Japanese news agency sees *taijiquan* as a profound source of knowledge. A woman from the Italian embassy regards it as a good way to put aside worries and readjust her mood, while someone from Turkey wishes to introduce it to the Turkish people as part of Chinese culture. But more people prefer to look at *taijiquan* as a recreation to help keep fit, or even a dance unique to the Orientals.

Finding the Roots on Wudang Mountain

Wudang Mountain, in the north-western part of Hubei Province, has been celebrated for its Daoist (Taoist) activities over the past 25 centuries and more. It is said that *taijiquan* and other *wushu* styles were born there.

A 10-hour trip by train from Wuhan brings a visitor to the foot of Wudang Mountain. Then a bus goes up the mountain, along the newly paved winding highway. The road becomes steeper, and the primitive forest gets denser as the bus climbs. The clouds drifting by add more mystery to this ancient mountain.

The bus stops at a magnificent group of palace-like halls where the biggest Daoist temple on the mountain sits—the Zixiao (Purple

Cloud) Temple. Altogether 860 halls, porches and pavilions are symmetrically clustered.

For the last 1,000 years, emperors of the successive dynasties built more than 80 temples on the mountain, forming about 30 groups of ancient architecture along 70 kilometres of mountain paths. The five-metre-high and six-metre-wide gilded bronze hall on the peak of Wudang is the quintessence of the ancient architecture there.

In the foreground of the Purple Cloud Temple, local Daoists and a dozen or so amateur masters from all over the country come to perform.

The first performer was the 63-year-old Daoist Guo Gaoyi from the Purple Cloud Temple. He had a long beard and piled his hair high, in the manner of the Daoists, and dressed in a black robe tied with a yellow ribbon at the waist. He vigorously performed Wudang *taijiquan* and related sword play for the tourists.

The 85-year-old Daoist Zhu Chengde did Wudang deep-breathing exercises. Sitting in the lotus position, he used three fingers from each hand to hold his body up for two minutes. In doing this exercise, Zhu must direct his mind to the pubic region. This is said to help people live a long life.

Li Tianji (first from left) coaching American athletes during a drill.



Guo Gaoyi performing the eight-fairy sword play.

Zhu's teacher lived more than 130 years.

The performers then demonstrated various shadow boxings of the same family of *taijiquan*, including sword play. Their superb skills were acclaimed by the tourists.

A local comrade from the Research Institute of Wudang Boxing said that in the past, Daoists on Wudang Mountain never passed on their martial arts to people outside their religion. They even did their exercises in secret. It is only in recent years that some of the Daoists have made their unique skills available, as a result of much work done by the local government and related departments. This will no doubt help in digging up and compiling information about China's traditional martial arts to satisfy the interests of more and more martial arts fans.

In 1982 the Research Institute of Wudang Boxing was founded to study the history of the various schools and styles of Wudang martial arts. Since it opened, about 40 masters have been invited from all over the country to swap experiences. □

Hainan—A Treasure Island (7)

by HAN XI

Our Correspondent

This is the seventh and concluding report in the series about Hainan Island. — Ed.

WHILE many foreign investors are flocking to Hainan Island in search of a piece of the action, some are having second thoughts. Transportation aside, they wonder if the island has sufficient energy to sustain an economic takeoff. Their worries, however, are unfounded.

In Changpo, preparations are under way to construct a 50-square-kilometre open-cast mine. The mine's upper layer has a deposit of 150 million tons of brown coal, with the shallowest part of its vein laying only 40 metres underground. Oil shale, with a verified reserve of 2,400 million tons, dominates the middle and bottom layers of the mine, which, if mined at an annual rate of 10 million tons, will not be exhausted in more than two centuries.

Naturally the Changpo mine enjoys top priority among the 10 key construction projects being undertaken on Hainan. With prospecting and designing completed, construction began this summer. It is estimated that by 1987, the mine will produce 500,000 tons of brown coal a year. An ancillary power plant will also be built, with an eventual generating capacity of 300,000 kw a year.

At present, the island depends on its hydroelectric stations for its power supply. Their combined capacity is 190,000 kw a year, or 20 per cent of Hainan's hydroelectric potential. One drawback of hydroelectric generating, however, is that

capacity dwindles considerably during the dry season, affecting economic development. To solve that problem, Hainan is first planning to build a 50,000 kw thermal power plant in Haikou, which will be completed ahead of the Changpo plant. Eventually, the power industry will lead the island in its economic development.

Bidding will be announced for developing Hainan's land-based and offshore oil and gas resources. Once full production begins, the nearby Yinggehai and Beibu Gulf Oilfields will ensure a constant supply of energy. The abundant energy resources will serve as the prime mover for Hainan's economic maturity.

After years of economic readjustment, the state is now in a better position to provide more material and financial assistance for Hainan's development. Over the last few years, many scholars, scientists, engineers and technicians have visited the island and presented their opinions on the local development. Over 6,000 professionals have applied for jobs on Hainan. More than one million overseas Chinese are, in one way or another, doing their bit for the island's construction.

The central government has granted the local authorities greater decision-making powers so that they can take whatever measure is conducive to making the people rich and the island thrive.

The contract system introduced in Hainan's rural areas has fired the peasants with an ardour for production, thereby improving their lot. The reform in industry and commerce is under way in some areas and will begin in other places. Efforts are being made

China's Foreign Economic Legislation

(Vol. 1)

The book contains the texts of 24 laws and regulations relating to foreign trade and investment enacted in the People's Republic of China from 1979 to the end of 1981, including the law on Chinese-foreign joint ventures, the joint venture, foreign enterprise and individual income tax laws, regulations on foreign exchange control, export licensing and the control of resident representative offices of foreign enterprises and various regulations concerning the special economic zones in Guangdong Province.

The original Chinese texts of the laws and regulations are provided, and the English translations have been carefully edited by foreign and Chinese experts. Chinese and English glossaries are included at the end.

This book is a must for foreigners, overseas Chinese and compatriots in Hongkong and Macao who are doing business with the People's Republic of China. It is also indispensable for students of Chinese law.

Published by Foreign Languages Press, Beijing.

Distributed abroad by China International Book Trading Corporation (Guoji Shudian).

to earnestly carry out the principle "to each according to his work," improve management and operation and raise economic results. While the state economy is thriving, the collective and individual sectors of the economy are proceeding vigorously.

Acting in accordance with the islanders' wishes, the Hainan Administrative Office is drafting an outline for future large-scale development in five fields. First, Hainan will be built into China's leading centre for tropical crop production, complete with a sizeable processing industry for rubber, oil palms, coconuts, sugar-

cane and tea. Second, reforestation, animal husbandry, aquaculture and fishing will be developed, so as to turn the island into a base for the production of timber, animal by-products and aquiproduces. Third, the mining industry will be boosted and on this basis the island will set up its own metallurgical, cement and glass industries. Fourth, a large petrochemical industry will be built and Hainan turned into a supply centre for oil development in the South China Sea, the Beibu Gulf and the Yinggehai Oilfields. Fifth, tourism will be developed. These five fields will form the backbone of Hainan's economy. For that purpose the

island's 18 counties and cities will be grouped into six economic sub-areas, each with its own emphasis of development.

Since last year, steps have been taken so that this ambitious yet realistic plan can be fulfilled by the turn of the century. Construction has begun on most of the 20 or so projects planned by the island. Some of them are to be completed towards the end of this year. Within three or five years, a solid foundation will be laid for Hainan's economic takeoff and better conditions will be available for investors from other parts of the world. □

Geothermal Energy Lights Up Tibet

by SUN MINGZHEN

NINETY kilometres northwest of Lhasa, the capital of the Tibet Autonomous Region, there is a basin set amidst snow-clad mountains. The streams, lakes and even the ground are constantly shrouded in steam, despite the surrounding cold.

This steam used to hiss into the air, wasted, until the Yangbajain geothermal experimental power station, the biggest in China, was built in 1977.

The Yangbajain station has a total installed capacity of 7,000 kw and is one of the key power suppliers to Lhasa. Lhasa residents use electricity for light, cooking, and boiling water for purification. In the past the city relied on hydroelectric power stations, which cannot supply electricity in winter, when the rivers freeze over.

The local people's government

The author is a correspondent with the Tibet branch of Xinhua News Agency.

plans to install five more thermoelectric generators, with a capacity of 3,000 kw each, by 1990.

The geothermal resources now being exploited are generally about 200 metres deep. Chinese and French geologists estimate that there is a 500°C steam reservoir five or six kilometres deep and a 1,000°C magma field 14 to 35 kilometres down.

China is co-operating with the United Nations Development Programme and with Italy to further explore the geothermal resources around the station.

Chinese geologists believe that there is a big geothermal belt in the southern Tibet Plateau. The 2,000-kilometre-long belt extends from the Ali area in western Tibet through Kashmir, Afghanistan, Iran and Turkey, and finally joins the Mediterranean geothermal belt. To the east, it extends to China's Yunnan Province, Burma and Indonesia, finally joining the Pacific geothermal belt. The belt is quite wide, running from the northern slope of the Himalayas in the

south to the Gangdise Mountains in the north, and north of the Nyainqentanglha Mountains.

This geothermal belt along Tibet's border is estimated to have an average heat flowing volume of 680,000 kilocalories per second. The heat vented each year is equivalent to that generated by burning 3 million tons of standard coal. It is clear that Tibet has great energy potentials, although it has little oil, coal or natural gas.

Chinese geologists also believe that the geothermal belt in Tibet is the most diverse in China. More than 600 geothermal fields and spots have been found in the region, including hot springs, salty hot springs, hot ponds, hot marshes, hot fields and a warm lake.

In Nyamring County in southwestern Tibet lies China's biggest geyser. When it erupts, a 20-metre-high, 2-metre-wide pillar of boiling water is topped by a 50-metre pillar of steam. Hot water falls down with a long rumble of thunder which can be heard a

dozen kilometres away. The eruption always lasts three or four hours.

The largest of the three geysers in central Tibet's Namling County is on a precipice by a river. Like a pump, the geyser spurts hot water 10 metres away. The steam makes a beautiful rainbow under the sunlight.

East of the Yangbajain geothermal field there is a warm lake, 16 metres at its deepest point. This 7,000-square-metre lake is the biggest and deepest warm lake in China. In bright sunny days, the steam cloud coming off the surface of the lake reaches up 100 metres.

The temperature of the lake water is the same, about 45°C, whether in the bottom or on the surface, by the shore or in the centre. The same is true for the hot springs.

The hot springs and warm lake were considered spiritual places by the Tibetans in the past. They were forbidden areas until about 20 years ago, when they were put

to work to serve the people.

To make full use of the geothermal energy, a 1,500-square-metre greenhouse was built near the Yangbajain geothermal power station. About 22,000 to 25,000 kilogrammes of vegetables are grown there annually. It is going to be expanded into one of the key vegetable suppliers for Lhasa, according to a decision of the regional people's government. It will cover 50,000 square metres and produce 75,000 kilogrammes of vegetables a year.

Several sheepskin tanneries and chicken farms are to be built near the power station, to use the wasted hot water.

Some bathhouses have been built in spring areas to treat patients. The spring water is also used to treat the disease of pasture animals.

The first natural spring swimming pool was built in Xaitongmoin County in southern Tibet, which is about 4,000 metres above sea level.

In Cona County, north of the Himalayas, all the families have dug ditches to divert the spring water to their bathrooms. In the winter they also divert the water to pits under their wooden floors, to warm their houses. The county is 4,600 metres above sea level and the temperature in the evening is always below 0°C, but all their rooms are kept warm at about 18°C.

In each room there is a hole on the floor and every member can fetch hot water by just taking off the lid.

Another geothermal power station with an installed capacity of 3,000 kw is going to be built in the Ali area. Before long the electricity will be used to power Shiquanhe township, the capital of the area.

The geothermal resources are being used in other provinces and cities. Each year China saves about 3 million tons of coal by using geothermal energy in farm production.

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Peasants Turning Into Workers

from "XINHUA RIBAO"
(Xinhua Daily)

IN the southern part of Jiangsu Province, a large number of peasants have become workers. The "peasant workers" in Wuxi County (not including those who are engaged in commerce, transportation, the building industry and service occupations), now number 200,000, or 36 per cent of the total rural labour force of the county; in Jiangyin County there are 140,000, or 30 per cent of the labour force and in Shazhou County 180,000, or 46 per cent of the labour force. Altogether, China now has 30 million "peasant workers," more than one-third of the total number of workers and staff members in state-run and collectively owned enterprises.

There are several points of sociological interest in the transfer of Chinese peasants into workers:

1. The peasants have not suffered economically as a result of the change; on the contrary, most of them become well-off very quickly. According to the statistics of Changshu, Wuxi, Jiangyin, Shazhou and Taicang, the average per-capita income of peasants from 1978 to 1983 has increased by 2.18 times, a 23.6 per cent annual rise.

2. The peasants are not obliged to leave their native land. They renounce farming, but not their native villages; they work in factories, but do not live in cities.

3. Unlike the industrialization in capitalist countries, characterized by "prosperous cities and desolate countryside," the Chinese in-

dustrialization is achieving a state of common prosperity. In southern Jiangsu Province, a co-operative economic tie has been established between urban and rural areas. Both use their resources to support the other, resulting in mutual benefit for both.

Why They Want to Go to Qinghai

from "LIAOWANG"
(Observation)

QINGHAI, a province in north-west China abounding in various untapped natural resources, became the focus of much interest and attention among the young in Zhuzhou City, Hunan Province, August last year. The Zhuzhou City Committee of the Chinese Communist Youth League received 3,500 applications from the young. Motives behind their determination can be classified under the following categories:

1. To dedicate themselves to China's modernization programme and to give everything they could to exploit the northwest. Among

4. The upgrading of the quality of "peasant workers" is quick. The process of transferring is much shorter than the one for the workers of the Western European countries when they underwent the same transfer.

The above points account for the rather surprising ease with which former peasants are making the transfer to worker status.

all the volunteers, 27 per cent expressed such thoughts.

2. To gain various kinds of experience and to see more. Seven per cent belonged to this category.

3. To transfer to posts in which they could turn their acquired training and expertise to full account, and thus make greater contributions to society. They constituted 13 per cent of the total.

4. To get out of adversity or a certain unpleasant situation. These people accounted for 50 per cent.

5. To do some sightseeing or upgrade their salaries. Only 2 or 3 per cent of the applicants harboured this idea.

Be Responsible for One's Work

from "RENMIN RIBAO"
(People's Daily)

A PROVINCIAL governor finds 2.5 kg. of documents on his desk waiting for him to read or write instructions on after returning from his two-day business trip.

So the governor has 1.25 kg. of documents to read in one day. If

the 1.25 kg. of papers were to be bound into a book, it would be a fairly thick one, which is really a lot of reading for the governor. Adding the necessary meeting he has to take part in, there is not much time left for him to solve practical problems.

Must all of the papers be read and instructions given by the gov-

error? The answer is no. Among the papers there is an application to buy an air-conditioner from the reception department of the provincial government. Of course the department should ask for permission from the superiors for this. The question is who should be asked about it. The director of the administrative office of the provincial government (or secretary general in charge) has the very authority to deal with this kind of matter. If all the problems, big or small, were to be left to the governor, even if he had magic power he could not handle them all. If things were done this way,

the governor would work very hard to very little effect while at the same time fostering bureaucracy among his subordinates because whenever they have any problems they pass them straight on to him.

Every cadre should fulfil his duties fully and finish his own work. It is his duty to solve all the problems within the range of his responsibility. If cadres at various levels all carry out their duties fully, the modernization programme would develop much more smoothly. This is also true of the work in a county, a factory, or any unit or department.

distribution of money among the peasants on the outskirts of Beijing, the Xinjiekou Musical Instrument Store had much more peasant customers than usual. As a result the sales volume of the shop in January and February increased by 42 per cent over the corresponding period of last year. Of the 2,597 musical instruments sold by the retail department of the Beijing Traditional Musical Instrument Factory during the first two months of the year, 99.5 per cent were bought by peasants. What deserves mention is that the Chinese peasants who used to play traditional instruments are now starting to take an interest in Western instruments. At the cultural stations of the Dongsheng and Sujia-tuo communes of the Haidian District, where the *erhu* (two-stringed violin), *jinghu* (Beijing opera fiddle), dulcimer, gong and drum are gradually giving way to trombone, cornet, trumpet, clarinet, and accordion, authorities are planning to buy electric organs and electric brasses. Last year the peasants of the Nanyuan and Lugouqiao communes, Fengtai District, bought 12 accordions and 120 guitars, as well as some violins and electric guitars.

Rural Areas Need Musical Instruments

from "BEIJING RIBAO"
(Beijing Daily)

NOWADAYS, musical instruments such as the piano and the organ are in short supply on the Beijing market. Other instruments in great demand include the clarinet, trombone, flute, cello and various other brass, wind and string instruments. One of the reasons for this is that Western musical instruments have become popular on the outskirts of Beijing.

Chinese peasants, who have for thousands of years paid attention to improving their material well-being are now beginning to take an interest in their cultural life and recreational activities. They are no longer satisfied with just listening to the radio or tape-recorder, watching TV or going to the movies; they want to play musical instruments themselves, thus turning from artistic appreciators into artistic participants. Some villages have invested several thousand yuan into buying musical instruments to establish their own orchestras or bands; some peasants have taken up playing musical instruments as their

personal hobbies and encourage it as part of their children's education.

According to the investigations made by some relevant departments, as the purchasing power of the peasants has increased, the sales rate of musical instruments in Beijing has gone up remarkably. During the last Spring Festival which encountered the annual

The light music orchestra organized by young peasants in Shenyang, Liaoning Province.



Karst Wonders Found in Guizhou

A "natural museum" which has slumbered for hundreds of millions of years under Guizhou Province, southwest China, has at last been brought to light, and new scenic wonders have been made accessible to people at a recently opened photographic exhibition of Guizhou's karst caves.

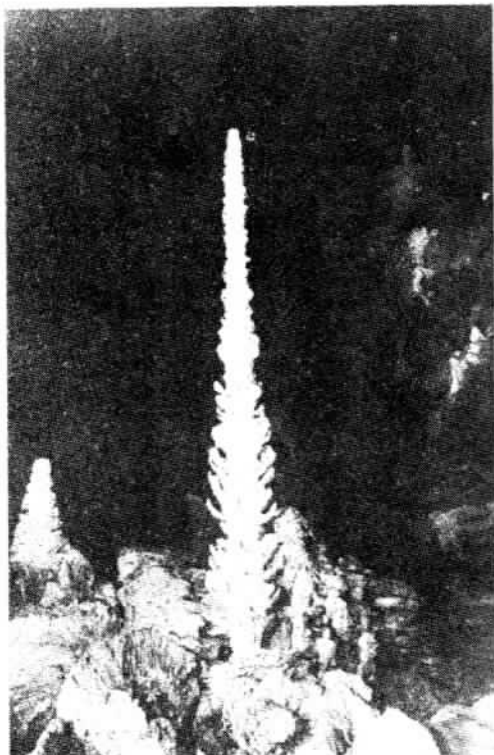
The 120 photographs on display were taken by Wang Chaoyang, a geological engineer, and Jin Deming, a professional photographer, during their five years' investigation of the more than 600 karst caves, where they found a great number of scenic wonders. These include hundreds of rich and varied intact cave systems with unbroken groups of magnificent

waterfalls. The caves cover a combined area of between 120,000 and 130,000 square kilometres, 70 per cent of the provincial area or 25 per cent of the whole subtropical karst area in the world.

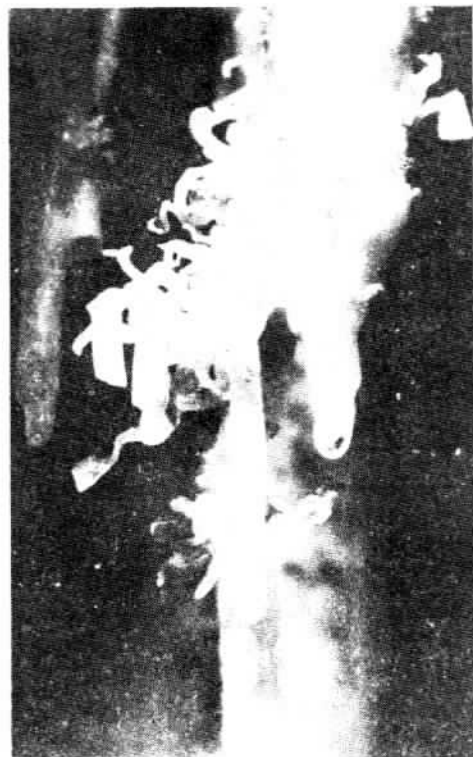
Six of the sites already investigated have been chosen for immediate development. They are: the Daji Cave Group in Zhijin County, the Dragon Palace Cave Group in Anshun County, the Water Beads Curtain Cave Group and the Stars Cave Group in Huangguoshu village and two other caves by the Red Maple Lake.

The magnificent Daji Cave Group is so colossal that only a

small part of it — the part that is going to open to tourists — covers an area of more than 300,000 square metres with eight special scenic spots and 47 separate caverns, of which the highest rises 150 metres and the widest measures 175 metres. In these spacious and majestic caves, stalagmites and stalactites stand and hang in great forests, and small waves ripple in pools and underground lakes. Even more enchanting are the curling stones, which have so far been regarded as one of the world's mysteries in nature by scientists at home and abroad, the transparent or translucent stalagmites which look like blooming flowers and the huge glis-



Left: This curling stone defies gravity by growing in various directions. It is translucent as a result of being hollow and having very thin walls.
Right: The silver rain tree measures 25 metres in height and 0.42 metres in diameters at its base.



tening stone curtains. All the 40-odd kinds of karst formations so far observed throughout the world can be seen in these caves, including variations of every shape and style.

The Dragon Palace Cave Group in Anshun passes through more than 20 hills, connecting 90 caves, and contains wet and dry caverns, open and hidden lakes, waterfalls, skylights, stone forests, bamboo groves, age-old trees, steep walls and canyon passages. In addition to these wonders, people can also enjoy the charm of rarities such as jelly-fish-like rocks and stones resembling tremellas.

Investigation indicates that Guizhou Province, which was a large sea about 150 million years ago but now rises between the Sichuan and Guangxi Basins, serving as the watershed of the Changjiang (Yangtze) and the Zhujiang (Pearl) river systems, was formed by the deposit of carbonates, which rose with the elevation of the earth's crust. Here there is abundant subterranean water and plentiful rainfall. The constant joint action of these two factors formed the present karst landscape.

Geologists and karst specialists have long held that karst topography and caves are usually distributed along mountain valleys. Scientists from Guizhou, who have surveyed the distribution of the 600 caves, found that these karst formations and caves which bear great scientific value all developed on the watershed of the Changjiang and Zhujiang river systems. But this phenomenon failed to be noticed before by geologists and karst specialists, according to a noted Chinese geologist, Liu Dongsheng. Scientists have now classified these caves according to their forms.

The discovery of these large karst caves in Guizhou will greatly

benefit not only scientific research, but tourism as well. The provincial government has set up an office to supervise the study, development and protection of its karst resources.

The Art of Shadow Puppetry

An exhibition on the art of shadow puppetry of Shaanxi and Shanxi Provinces recently opened in the China Art Gallery received wide acclaim from visitors for its simple and colourful charm.

Deeply rooted in folk arts and crafts, shadow puppetry is one of China's oldest operatic genres. According to specialists, it made its first appearance in the Western Han Dynasty (206 B.C.-24 A.D.) and grew to maturity in the Song Dynasty (960-1279). Cut out of animal skins and applied with beautiful colours, the shadow puppets are manipulated with small sticks and their shadows projected on to a white screen. Combining the arts of modelling, performance and music, shadow puppetry plays are a most suitable medium for myths, fables and historical themes.

In its birthplace — Shaanxi and Shanxi Provinces along the Huanghe (Yellow) River — the art has reached new heights since the founding of New China, with many artists working out new plays on modern themes.

One of the leading figures is Lian Zhenhua from the Bureau of Cultural Affairs of Houma City, Shanxi Province, who restored the Houma Shadow Puppetry Troupe in 1973 and has since written and staged more than 30 plays. Visiting about 100 old shadow-play artists in 50 counties and cities in Shanxi, Shaanxi and Henan Provinces, he collected and rubbed more than 8,000 shadow puppetry sketches. After more than four years' sorting, repairing and paint-

ing, he compiled a set of shadow puppetry sketches of Shaanxi and Shanxi Provinces, making great contributions to the development of China's shadow play art.

Exhibits displayed in this exhibition included helmets and facial makeup, costumes and figures, and settings and props. More than 250 puppets designed for various plays were on display, along with musical instruments, tools and materials for making images, and some books on the art published at home and abroad. Half of the more than 100 scripts of shadow plays date back from the Qing Dynasty (1644-1911), from which time they have been handed down by folk artists. A stage was also set up in the exhibition hall to show some episodes from traditional plays.

Shadow plays are popular among Chinese peasants. Since 1978 the government has made great efforts to revive and develop this folk art, which almost died out during the "cultural revolution." In 1980 the Chinese Puppetry and Shadow Play Society was set up, and a national festival of puppetry and shadow plays was held the following year. Various shadow play troupes have been set up all over the country and artists are putting on performances in both urban and rural areas. Elderly artists also write books and train young people.

This exhibition was sponsored by the Ministry of Culture, the Chinese Dramatists' Association, and the Chinese Puppetry and Shadow Play Society.

Building More Nature Reserves

China is speeding up the construction of nature reserves. This is evidenced by its intention to bring the total number to 400 by 1990, with a combined area of 240,000 square kilometres, or 2.5 per cent of the national territory.



Left: Students at a training course in rescuing giant pandas held by the Sichuan Provincial Forestry Department learning how to inject pandas.
Right: Workers at a breeding research centre examining the growth of a Chinese alligator.



By the end of October 1983, there were 262 nature reserves, with a managerial staff of 4,322.

Priority will be given to the protection of grasslands, forests, islands, glaciers, fossil sites and endangered plants and animals.

A scientific investigation group consisting of 60 members made the first expedition to the Altun Mountains Nature Reserve in the Xinjiang Uygur Autonomous Region last June.

Covering an area of 45,000 square kilometres, bigger than the total area of Switzerland, the Altun Mountains Nature Reserve in Southeastern Xinjiang is China's biggest reserve, and is host to such protected species as wild yaks, Asiatic wild asses, antelopes, snow-leopards and golden eagles. It is also the nation's only area dis-

tinguished by a plateau ecosystem, with the special geographical features of glaciers, plateau deserts and high altitude swamps, well-preserved conditions for protists.

Xinjiang has a total of 15 nature reserves and 13 more are to be established by the end of next year.

To protect red-crowned cranes, a reserve area of 210,000 hectares has been established on the site of their natural hatching grounds at Zhalong in the southern part of Heilongjiang Province, northeast China. And on the beaches on northern Jiangsu Province, east China, which is their natural winter habitat, a 40,000 hectare reserve has been created.

In Qinghai Province, northwest China, 15 nature reserves for animals and plants are being established. Among them, the Qinghai Lake Birds Island Reserve enjoys pri-

ority, having received a special fund of 2 million yuan this year from the provincial government. The Qinghai Lake, with an area of 4,000 square kilometres, is China's largest salt lake on an inland plateau. But in the last 20 years, its water level has been dropping by 15 cms annually, creating a serious threat to the birds' existence.

Since 1975 when the nature reserve was established there, the Qinghai people's government has adopted many measures to provide an appropriate environment for the birds' hatching and reproduction. As a result, bar-headed geese and brown-headed gulls have nearly quadrupled since the nature reserve was established. Now the island boasts as many as 100,000 birds, an increase of 25 per cent over last year.



A Mountain Villa.

ART PAGE

Jiuhua Mountain in Anhui Province.



Traditional Chinese Paintings by Zhang Renzhi

Born in 1935 in Jixian County, Hebei Province, Zhang Renzhi is now working at the China Art Studio in Beijing.

Zhang, who used to copy famous classics, has a good grasp of painting skills. Natural and unrestrained, yet with powerful strokes, he has evolved a style of his own in his art practice.



Three Gorges on the Changjiang (Yangtze) River.

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