

BEIJING REVIEW



A CHINESE WEEKLY OF
NEWS AND VIEWS



- **Communique on Fulfilment of 1981 Economic Plan**
- **Remedial Education for Young Workers**

HIGHLIGHTS OF THE WEEK

Fulfilment of 1981 Economic Plan

The State Statistical Bureau issued a communique on the fulfilment of last year's national economic plan, with facts and figures on the achievements in agriculture, industry, capital construction, trade and other sectors of the economy (pp. 15-24).

Remedial Education

Young workers who have not had a good education during the "cultural revolution" are required to take catch-up courses in order to acquire the necessary knowledge and skills for their present jobs (p. 7).

Curbing Population Growth

Measures are being taken to combat "liberalism in child-birth," a trend now spreading in many of China's rural areas. Curbing the rate of population

growth is described as a matter of major strategic importance in the current modernization drive (p. 6).

"Two Chinas" Plot in Sports Impermissible

The Chinese Softball Association denounced the secretary-general of the International Softball Federation for concocting a "two Chinas" plot and decided not to send its team to participate in the 5th World Women's Softball Championship (p. 9).

Malvinas Situation

An analysis of the Malvinas situation where the escalation of military activities have complicated the conflict between Argentina and Britain (p. 10).

Israeli Intransigence

The Israeli troops have withdrawn from the Sinai Peninsula,

but Israel's refusal to evacuate the other Arab territories it has occupied will be a major obstacle to a comprehensive and just peace in the Middle East (p. 12).

Darwin's Anniversary

Chinese scientists paid tribute to Darwin at a meeting commemorating the 100th anniversary of his death. They extolled his theory of evolution as synonymous with mankind's progress and social development (p. 30).



A veteran passing on his experience to young miners.

Photo by Hua Ai

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CONTENTS

NOTES FROM THE EDITORS	3
Crime of Betraying State Secrets — Political Editor An Zhiguo	
LETTERS	4
EVENTS & TRENDS	5-9
Senior Cadres Support Sentences on Their Criminal Sons	
Technical Experts Appointed to Leading Posts	
Controlling Population Growth	

Remedial Education for Young Workers

Liberian Head of State Visits China

Vice-President Bush in Beijing

China Not to Participate in 5th World Women's Softball Championship

INTERNATIONAL 10-14

Malvinas: Escalated Military Activities — "Beijing Review" News Analyst Zhong Tai

Draft Sea Law Convention Adopted — Xin Zong

Continued Israeli Hostility Towards Arab People — Chen Peiming

New US Moves in the Caribbean — Shao Wen

A Visit to Libya — Xinhua Correspondent Ye Zhixiong

ARTICLES & DOCUMENTS

Communique on Fulfilment of China's 1981 National Eco-

conomic Plan — Issued on April 29, 1982 by the State Statistical Bureau 15

Report From Kampuchean Battlefields (2): Bitter Hatred for a Common Enemy — Our Correspondent Lu Yun 24

FROM THE CHINESE PRESS 28-29

CULTURE & SCIENCE 30

ART PAGE 31

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Crime of Betraying State Secrets

There has been much talk about the recent prison sentence received by a national newspaper official. Could you discuss his punishment?

In June last year, before and during the convocation of the Sixth Plenary Session of the 11th Party Central Committee, Li Guangyi, who was then a responsible member of *Zhongguo Caimao Bao* (China Finance and Trade News), divulged to foreigners the time, place and agenda of the meeting, according to evidence presented at his trial. He also revealed the contents of documents submitted to the session, details of discussions and revisions of these documents. In addition, he leaked other state secrets.

Li Guangyi was prosecuted and sentenced in the People's Court under a stipulation in China's 1980 Criminal Law that says: "Any state functionary who betrays any important secret of the state in violation of state security regulations to a serious degree shall be sentenced to imprisonment for not more than seven years, or to detention, or to deprivation of political rights."

Foreign journalists have paid particular attention to the case, making extensive comments about it, probably out of professional concern because Li was also a member of the press. Some of these comments, however, are not objective or fair.

Some doubted the judgment of our court and defended Li by arguing that his behaviour did not constitute a crime. For in-

stance, some said that "Party secrets are not necessarily state secrets." Others said that Li might have been unable to tell whether they were secrets that should not be revealed and that he went to jail for talking to foreigners too much, and so on.

As everybody knows, the Chinese Communist Party is the Party in power and holds the leading position in the political life of the country. Its Central Committee is not only the supreme leading organ of the Party but also the leading body that guides the Chinese people in carrying out socialist construction. Before they are made public, all of the Party's private activities are state secrets. The sentence passed on Li is based on facts and should not be questioned.

Li Guangyi, 64, was a leading Party member and a veteran cadre. He knew perfectly well that divulging state secrets was in violation of Party discipline and state security regulations. The importance of the documents and decisions of the Sixth Plenary Session of the 11th Party Central Committee was universally acknowledged after they were made public. Could their importance and thus their private nature have been unclear to Li while they were still under discussion? The court's judgment was that this possibility was too unlikely to be credible. To any leading cadre, such privacy is automatically assumed. Li's divulgence of secrets was not a matter of making a few indiscreet re-

marks and by no means a simple mistake.

It is also misleading to say that Li was punished because he talked to foreigners too much. The Chinese people are warm and hospitable, and exchanges of views and even debates with foreigners are very common. Li was sentenced because of the contents of his talk, not because of the amount of it.

It has been rumoured that this case is a signal to all foreigners in China that they are under suspicion. This is nothing but seizing on this incident to distort matters.

Since China adopted its open-door policy towards foreign countries, contacts with foreign countries have been increasing. The Chinese people respect their foreign guests' cultures and customs. In economic contacts with foreigners we uphold the principles of equality and mutual benefit and supplying each other's needs; and in cultural exchanges with foreign countries, we always learn from their strong points. There is no reason for us to suspect all foreigners in China, and it is also quite untenable for foreigners who carry out normal work and activities in China, irrespective of their trade or profession, to believe that they are under suspicion. Those who spread such rumours are irresponsible, to say the least.

The purpose of publicizing Li's sentence was to educate the Chinese people and help them heighten their sense of responsibility in safeguarding state secrets.

— Political Editor
An Zhiguo

LETTERS

Be More Specific

"Notes From the Editors" addresses questions that news accounts in my country do not fully cover. However, in "Reforming the Cadre System" (issue No. 9, 1982), even though the new regulations were systematically explained, the article stayed at a theoretical and idealistic level. It would be good to be more down-to-earth about the reactions of the people involved and more specific about the repercussions of the reform effort.

John R. Todd
Charlottesville, Va., USA

Tell Foreign Visitors the Truth

I found that "From the Chinese Press" has a wider selection than in the past. For example, the article "Let Foreign Visitors Know the Truth" (issue No. 2) said what many foreign travellers want to say: A candid and sincere attitude will win more friends for China. Sincere self-criticism should be published in the press (that is to say, not just achievements should be reported).

During my China trip, I heard German travellers remark that the Chinese people are not conscious of certain problems. I often contradicted them and pointed out they had been reported by the Chinese press. If someone can point out on such occasions that possible solutions had been proposed to solve these questions, it made a deeper (and better) impression on the travellers than merely visiting model factories and communes.

M. F. R.
Monchengladbach, FRG

"Central America and the Caribbean Region"

I agree with the view expressed in the latter part of "Central America and the Caribbean Region" in "Notes From the Editors" (issue No. 7). To go one step further, I think it is necessary to

demand through diplomatic channels the total withdrawal of all troops stationed at foreign territory. There are foreign troops stationed in south Korea, some East European countries, Kampuchea, Afghanistan, Egypt, the Sudan, Somali, Angola, certain West European countries and Japan. This situation must be quickly resolved.

Because the Vietnamese invasion of Kampuchea concerns other countries, it is difficult for the Kampuchean people to drive out the Vietnamese aggressors by their own strength alone. Koreans once made efforts to reunify the south and the north into the "Democratic Confederal Republic of Koryo." However, because of the US army's support of south Korea, they could not achieve their objective.

It is an all too common occurrence in our world that foreign intervention in a nation leads to its subjugation.

Yotaro Saito
Sakura, Japan

Mu Youlin's "Central America and the Caribbean Region" agrees with liberal thought in the United States.

At Fort Bragg in North Carolina, where Salvadorian troops are training to "maintain order" in South America, there have already been two demonstrations against such violent solutions to social problems of greed and autocracy of rulers vs. despair among the poor.

Though army bases bring jobs and money to North Carolinians, we prefer "peace bases" where people are taught fair play, excellent diets, the powers of co-operation and the GRIT system (Graduated Reciprocal International Tension-Reduction). Thank you for your good example — the USA and China (and Russia) need to remember that more power emanates from creative, constructive co-operation than ever was found in a gun.

Jane Sharp
Chapel Hill, NC., USA

International Reports

I am interested in world affairs, so I always read the international section. "US Policy Towards El Salvador" (issue No. 9) is particularly noteworthy. I desire to read more about China's international views. I appreciate the brevity of the articles in this section.

Mitsuru Norinaga
Kobe, Japan

Reflecting China's Major Views

I am an ardent reader of *Beijing Review* now in its fifth year. Your magazine is constantly evolving, becoming a better mirror of the vast, sociopolitical, cultural and historical China; and what I like the most by reading it, I can glimpse the world through the contemporary Chinese eyes.

And since the world is divided in two main ideological camps, *Beijing Review* helps me in understanding the contradictions between the Left, the Right, and the other schisms that daily bombard man's conscienciousness and beg for illumination, resolution in this world of ours. Your magazine shows me the better way.

Suggestions: Some of the ideological articles could be a bit shorter; you could use more charts and other illustrative material; but I see, you're on the right track.

Hugo B. Atoms
Puerto Real, Puerto Rico, USA



POLITICAL

Senior Cadres Support Sentences on Their Criminal Sons

He Huiyan, a senior army officer, recently wrote a letter to the Party Central Committee supporting the severe punishment imposed on his son by the court.

His son He Deming was arrested and sentenced in Chengdu, Sichuan Province, because he and Zhang Jianmeng and Cao Jingping raped a young woman.

After being informed of the crime, He Huiyan told the court that in order to safeguard public security, suppress criminal activities and maintain the dignity of the law, he fully supported the severe punishment imposed on his son and the two other men. He Huiyan's letter conveyed sorrow and regret. "My son's case," he wrote, "shows that some people, including myself, neglect the political and ideological education of their children. I cannot help blaming myself as I think that although I have supported the revolution for over 50 years and performed good deeds for the people, I failed to educate my son well. This is a very big mistake." His letter also expressed his willingness to receive criticism and punishment for his son's crime.

Zhang Jianmeng's father is also a high-ranking army officer and when the public security department summoned him, his father turned him in to the police. Zhang Jianmeng's father subsequently called a meeting

at home and urged the family's members to support the government's sentence and warned them not to interfere.

Cao Jingping's father also supports the sentence.

The Chengdu intermediate people's court recently held a mass meeting to announce the sentences for the three criminals. He Deming was sentenced to life imprisonment, and Zhang Jianmeng and Cao Jingping were sentenced to 15 and 10 years' imprisonment respectively.

A *Renmin Ribao* comment on the court's decision said: "During the court hearing of this case, there were no such phenomena which were common years ago when some senior cadres took advantage of their power or sought help from their friends to cover their children's crimes or absolve them from punishment. Nor did people see the old practice where some courts applied the law differently on different people or imposed lenient punishment for serious crimes. The socialist legal system has taken root in the hearts of an increasing number of people and law-breaking elements are extremely isolated."

The Central Commission for Inspecting Discipling under the Party Central Committee issued a circular on this case. It pointed out that although the number of criminals among the children of senior cadres is very small, their influence is significant and they should be dealt with severely. The circular also called upon cadres to improve their children's education.

Since the circular's publication, newspapers have printed a series of reports about the

exemplary attitudes of some leading cadres regarding the criminal activities of their children. A *Renmin Ribao* report at the end of last month commended Gao Yulin, deputy chairman of the standing committee of the people's congress of Yichun, Heilongjiang Province, who told his son to turn himself to the public security department and return the 7,000 yuan he had obtained from illegal timber sales.

These examples show that our Party's style of work is improving.

Technical Experts Appointed To Leading Posts

Two engineers were named deputy governors of Liaoning Province at the province's recent people's congress. Their appointments are an implementation of China's modernization programme and the accompanying new policy to promote revolutionary, younger, better educated and professionally more competent people to leading posts.

Both men hold other recently-acquired leading positions. Li Guixian, 45, was appointed chief engineer of the provincial electronics bureau in 1979. A factory engineer for many years, he studied electrovacuum chemistry in Moscow in the 1960s.

Peng Xiangsong, 55, became deputy mayor of the industrial city of Benxi in 1980. A 1951 civil engineering graduate of Hunan University who specializes in metallurgical plant construction, he was a member of a team which was awarded a prize for an invention at the 1978 national science conference.



Economist Wang Guangying (second from the right) is now deputy mayor of the port city of Tianjin.

Many technical specialists and experts were persecuted as "reactionary bourgeois authorities" during the "cultural revolution" (1966-76). Following the downfall of the gang of four in 1976 and the Third Plenary Session of the 11th Party Central Committee in December 1978, the authorities took measures to rectify the damage done by such "Left" deviationist errors.

With the new emphasis on modernization, efforts to promote professional and technical experts with socialist consciousness are being made throughout the country.

At a session of the Qinghai provincial people's congress held not long ago, Banma Danzeng, 50, of the Tibetan nationality was appointed deputy governor of the province. A graduate of the Beijing Medical College in 1957, he was previously deputy director of the hospital directly under the authority of the Yushu Tibetan Autonomous Prefecture as well as head of the Qinghai provincial public health bureau.

Henan Province in Central

China has taken a series of measures to select talented professional and technical personnel for leading positions. Provincial and prefectural leaders have been selected from among directors of large factories and mines and engineers, and county leaders from among technical personnel.

Among the 528 new cadres promoted in 1981 is 46-year-old Luo Gan. Graduated from the Beijing Iron and Steel Institute, he was sent to study in East Germany and was later given a responsible position in a research institute attached to the First Ministry of Machine-Building.

SOCIAL

Controlling Population Growth

A new directive from the Party Central Committee and the State Council lays even more stresses on the importance of curbing the population growth, calling it "a major strategic matter in the modernization drive."

Every locality is being urged to strengthen leadership over family planning and to continue advocating late marriage as well as later and fewer births, so as to restrict the size and improve the quality of the population.

The directive was the latest response to the fact that the natural population growth rate has shown the tendency to rise in the last two years. "Liberalism in childbirth," as some Chinese demographers call it, is spreading quickly in many rural areas. If this trend goes unchecked, China is likely to lose control of its rate of population growth.

The government's policy of "one couple one child" has met with obstruction in the countryside since the introduction of economic reforms. The accompanying prosperity has led to a desire among the peasants for more children.

Some peasants have this attitude: "We now till our own land and eat our own grain; if we have more children, we will look after them." Many grassroots units also have slackened their efforts to publicize family planning.

The government did a great deal of educational work that resulted in a slowing of the population growth rate from 2.34 per cent in 1971 to 1.17 per cent in 1979. But in 1980 the rate climbed to 1.20 per cent and it continued to rise last year.

China, with 1,000 million people, is already overpopulated. In the countryside, 800 million peasants have on the average only 0.1 hectare of arable land per person. Moreover, those born during the baby boom of the 1950s and the 1960s are growing up. It is expected that in each of the next 10 years 20 million will come of marriage-

able age. If urgent and strict measures are not taken to curb the upward trend, China's population will reach 1,300 million at the end of the century.

In 1980 when the government advocated that one couple should have only one child, it hoped to keep the population at 1,200 million and to bring it down to between 600 and 800 million by the year 2100.

In popularizing family planning, the new directive said, the greatest emphasis should be on persuasion. But, for those who are impervious to persuasion, economic sanctions may be necessary.

Some localities have adopted measures to reward and provide special benefits for one-child families, such as health subsidies for the child, which is added on to the parents' wages. Women working in factories and government units are allowed a longer maternity leave with full pay for a first full-term pregnancy than for later ones.

Some rural areas that are practising the production responsibility system have allocated more land to one-child families, while others have reduced such families' output quotas.

The directive proposed that every province, municipality and autonomous region adopt family planning measures compatible with its own conditions.

EDUCATIONAL

Remedial Education for Young Workers

Catch-up courses with full pay will be required for almost everyone who attended middle school during the "cultural revo-

lution," the government announced recently.

Because the educational system was virtually dismantled from 1966 to 1976, many young workers and staff members perform less competently than average junior middle school students, according to a joint circular from the All-China Workers and Staff Members Education Committee, the Ministry of Education, the State Bureau of Labour, the All-China Federation of Trade Unions and the Central Committee of the Chinese Communist Youth League.

As a result, more than half of the 6 million people who work in the nation's commercial departments are poorly educated and lack skills. Of Shanghai's 4.4 million-member work-force, about 40 per cent are hardly competent for their present jobs, according to the circular.

The new remedial programme will be required for younger workers and staff members who cannot meet junior middle school standards, and for all workers in the bottom three wage grades. (China practises an eight-grade wage system; the first grade is the lowest.)

This "continuing education"

programme is an essential element of the modernization drive, the circular said.

In order to encourage young workers and staff members to learn culture and technology, the circular lays out the following policies:

— As of 1983, apprentices who cannot pass a junior middle school examination will not be considered qualified to be workers; whereas those who study well can become full-fledged workers ahead of time. Therefore, the length of apprenticeships will vary from one year to three years.

— As of 1984, neither workers nor staff members in key posts or in jobs that require technological knowledge can be upgraded if they fail the remedial course. Instead, they will be asked to take the course again. If they still fail, they will be transferred to other posts.

— Those who excel in the course will be granted study allowances.

Various forms of spare-time schools have been opened in China. A survey of the commercial departments in 10 big cities shows that about 110,000 young workers have enrolled in remedial courses.

A class on radio taught in Dalian, northeast China.



In Shanghai, many factories, enterprises, city districts and counties are operating spare-time schools. The municipal education bureau has organized a television middle school for young workers and staff members. Many schools have opened remedial classes in Chinese language, mathematics, physics and chemistry, and some have courses on history, geography and biology. Workers and staff members can either attend school in their spare time or engage in self-study. They are expected to pass the middle school standard examination by 1985. Those who pass will be issued special diplomas.



Samuel Kanyon Doe, accompanied by Premier Zhao, reviews a guard of honour composed of the three services of the Chinese People's Liberation Army.

FOREIGN RELATIONS

Liberian Head of State Visits China

Samuel Kanyon Doe, Head of the State, Commander-in-Chief of the Armed Forces and Chairman of the People's Redemption Council of the Republic of Liberia, paid a friendly visit to China from May 3 to 9.

Premier Zhao Ziyang gave a banquet in his honour and held talks with him. Both sides exchanged views on issues of common concern including international issues and bilateral relations.

Zhao Ziyang reiterated that the strengthening of unity and co-operation with third world countries is a basic principle of China's foreign policy. He expressed support for the just struggle of the other third world countries against imperialism, colonialism, hegemonism and racial discrimination as well as their struggle to establish a new and reason-

able international economic order.

Samuel Kanyon Doe said in the talks that Liberia firmly opposes control by the superpowers. He added that the third world countries should win liberation by themselves and rely on their own efforts to develop their national economies. He said that Liberia is willing to maintain good relations with all friendly countries.

Referring to relations between the two countries, Zhao Ziyang noted that since the establishment of diplomatic relations between China and Liberia in 1977, their economic and technical co-operation has developed smoothly while cultural and other friendly exchanges have been increasing. He expressed the conviction that Doe's visit will further enhance mutual understanding and friendship.

Vice-Chairman Deng Xiaoping met with the Liberian guests on May 6. During their talks, Deng Xiaoping said that one of the most important experiences China has gained in construction is dependence on

its own efforts. Self-reliance stimulates the people's enthusiasm to work with one heart for the prosperity and progress of the country. He added that though China depends on its own efforts, it does not refuse foreign assistance. China upholds its open-door policy in economic exchanges and progress has been obtained.

A cultural agreement between the two countries was signed in Beijing on May 6.

Vice-President Bush In Beijing

George Bush, Vice-President of the United States, held talks with Chinese leaders in Beijing during his visit to China earlier this month. When Premier Zhao Ziyang met with him on May 8, the Premier said that Vice-Chairman Deng Xiaoping, during his meeting with the Vice-President, had clearly explained China's position on the Taiwan question, especially on US arms sales to Taiwan. Premier Zhao asked the Vice-President to convey China's views to President Ronald Reagan.



Vice-Chairman Deng Xiaoping with Vice-President George Bush.

Premier Zhao thanked Vice-President Bush for delivering President Reagan's letter to Chairman Hu Yaobang. He said that the Chinese Government attached much importance to the Vice-President's visit, which was entrusted by President Reagan, and that the candid and in-depth exchanges of views between Vice-President Bush and Chinese leaders were of help to a better understanding of the Chinese position. The Premier expressed the hope that these meetings will help resolve the difficult problems between the two countries.

Vice-President Bush said: "I'm deeply appreciative to Chinese leaders for the opportunity we had to explain strongly held convictions of the President of the United States and to listen carefully to the very in-depth and frank presentations by the Chinese leaders." He added that he had gained a better understanding of China's position and that he would discuss in detail with President Reagan upon his return to the United States.

At a press conference he gave at the airport before leav-

ing Beijing for home, Vice-President Bush said that some progress has been made in his discussions with Chinese leaders, but differences between the two countries remain. He expressed the belief that these differences can be settled. Bush said that President Reagan and officials of the US Government will continue to do everything possible to ensure that the friendship and relations between the two countries will grow. The Vice-President expressed his appreciation of the great warmth of reception the Chinese Government and people had accorded him during his stay in China.

China Not to Participate In 5th World Women's Softball Championship

A responsible member of the Chinese Softball Association, in an interview with Xinhua on May 8, said that the Chinese Softball Association will not send its team to Taipei to take part in the 5th World Women's Softball Championship. The reason, he said, is because Don Porter, Secretary-General of the

International Softball Federation (ISF), has so far not removed the political obstacle arising from the "two Chinas" plot concocted by him together with the Chinese Taipei Softball Association regarding the upcoming championship.

The responsible member cited facts concerning the political plot hatched by Don Porter and others in the field of international sports in violation of the resolutions of the International Olympic Committee (IOC) and the ISF. He pointed out that the ISF and the Chinese Taipei Softball Association had worked hand in glove to obstruct the Chinese Softball Association from sending its team to participate in the forthcoming championship and deprive players from the Chinese mainland of their opportunity to meet their compatriots in Taiwan as well as watch the performance of players from other countries and regions and promote friendship with them. He said that the ISF should be held responsible for all this.

Renmin Ribao Commentator in an article entitled "Creation of 'two Chinas' in International Sports Competitions Impermissible" said that Porter's scheme to create "two Chinas" is not an isolated event. Recently some people have actually been trying to stir up an adverse current internationally. But the Chinese people will never tolerate any plot to create "two Chinas" or "one China, one Taiwan" whether in the diplomatic or economic field or in cultural and sports exchanges. Anyone who wrongly estimates the Chinese people's unwavering determination on this issue will be lifting a rock only to drop it on his own feet.

*Malvinas***Escalated Military Activities**

RECENT British military action against Argentina has enlarged the conflict and complicated the sovereignty issue over the Malvinas.

Bolstering Bargaining Positions

Observers believe tremendous pressure was exerted on Britain's Conservative government from abroad and at home after the April 2 occupation of the Malvinas by Argentina. It is being called the worst crisis since Margaret Thatcher's government came to power. The British Government has declared a policy of "fruitful negotiations through stepped-up military pressure." It continues to insist that Argentina unconditionally withdraw all its troops before negotiations begin. Moreover, it has sent almost two-thirds its naval force to the South Atlantic, oc-

cupied the island of South Georgia and proceeded to bomb and strafe Port Argentino (Stanley) after announcing a "total exclusion zone" to be enforced on the Malvinas. Then a British submarine torpedoed the Argentine cruiser *General Belgrano* outside the "exclusion zone." Now Britain has declared a 12-mile blockade of the Argentine coast and has repeatedly bombarded Argentine positions on the Malvinas Islands.

Argentina Insists

The Argentines say they will answer "gunfire with gunfire" and that they are prepared to make heavy sacrifices for the honour of their motherland. Argentine military forces have mounted counterattacks. They have shot down several British planes, sank the destroyer *Sheffield* and allegedly beaten off British attempts to land troops.

Although Argentina insists that it owns the islands, it has expressed readiness to negotiate with the British. Argentina has even agreed to a "transitional period" and full compliance with the UN Security Council resolution asking Argentina to pull out its troops. But at the same time, Argentina has mobilized its armed forces and worked on the diplomatic front to win international understanding and support.

The co-ordinating bureau of the Movement of Non-Aligned Countries and the Organization of American States have issued statements supporting Argentina, calling for a resumption of

negotiations and urging Britain to suspend further hostilities.

US Drops Neutrality

From the start, the United States has been extremely concerned about the Malvinas dispute. It is worried about the fate of its plans to get South American countries to check Soviet-Cuban infiltration and expansion and the gap created in NATO's defences because of the departure of the British fleet. The United States is also worried about South American attention being drawn from Central America to the southern tip of the Western Hemisphere. The United States would like to use the present crisis to further its interest in that part of the world. For the above reasons, US Secretary of State Haig engaged in shuttle diplomacy between London, Buenos Aires and Washington. Haig initially claimed that because Argentina and Britain are allies, the United States was adopting a neutral position in the dispute. However, when Argentina rejected a US proposal on the grounds that it did not take Argentina's claim to sovereignty into account and Britain refused to make any concessions, the United States declared that it would subsequently support Britain.

On April 30, the United States announced that Argentina has committed "aggression" and indicated a willingness to listen sympathetically to British requests for military and other forms of aid. "Britain," the United States said, "is a close ally."

The Soviets Will Benefit

The Soviets are, of course, fishing in the troubled waters



The destroyer "Sheffield" sunk by Argentina.

of the South Atlantic. They have been attempting to secure a foothold in the region for some time. Trade with Argentina already provides them with opportunities for infiltration and expansion there.

Since the dispute arose, the Soviets have launched a number of spy satellites to keep watch on the British fleet and sent reconnaissance planes and "fishing vessels" to eavesdrop. Moreover, the Cuban ambassador has reappeared in Buenos Aires after a year's absence following strained Argentine-Cuban relations. If war is formally declared between Argentina and Britain, the Soviets are the ones who stand to benefit.

UN Efforts

UN Secretary-General Javier Perez de Cuellar announced on May 6 that Argentina and Britain have given "positive responses" to his proposal for resolving the crisis. His proposal calls for an immediate ceasefire, the Argentines to withdraw from the islands and the British fleet to leave the South Atlantic and UN administrators to govern the islands while negotiations between Argentina and Britain are being held under the direction of a representative of the secretary-general.

The conflict over the Malvinas does not help either country. Britain is spending enormous amounts of money to keep its fleet 13,000 kilometres away from home. The conflict is also proving costly to Argentina. The economies of both countries are not very strong and additional fighting will only exacerbate matters and hurt the people of both nations. Fortunately, neither side has ruled out negotiations.

The Chinese people wish to see hostilities stopped at once and conditions created for a

peaceful solution to the dispute.

— "Beijing Review" News Analyst Zhong Tai

Draft Sea Law Convention Adopted

AFTER nine years of tough negotiations, a draft sea law convention was adopted on April 30 at the 11th Session of the Third UN Conference on the Law of the Sea. The convention is expected to be signed at Caracas, Venezuela, in December.

One hundred and thirty countries voted in favour, 4 (the United States, Turkey, Venezuela and Israel) against and 17 (including the Soviet Union, the Federal Republic of Germany and the United Kingdom) abstained.

Focus of the Convention

The draft convention consists of 320 articles and 9 appendices dealing with the human uses of seas and oceans, including shipping, fishing and resources development.

One of the important provisions stipulates that every coastal state has the right to establish up to 12 nautical miles of territorial sea.

An exclusive economic zone provision says that every coastal state has sovereign rights in the waters up to 200 nautical miles from its coast with regard to natural resources and certain economic activities and also has certain types of jurisdiction over marine scientific research and the protection and preservation of the marine environment.

A provision stipulates that the continental shelf of a coastal state extends to a distance of 200 nautical miles, or 350 nautical miles under specific circumstances. Coastal states

shall exercise continental-shelf sovereign rights for the purpose of exploring and exploiting natural resources.

The provision on landlocked states says that these states shall have the right of access to and from the sea.

The convention contains certain provisions guiding the use of territorial seas and straits for international navigation.

The convention explicitly stipulates that the international sea-bed area and its resources are the common heritage of mankind. It provides that a "parallel system" will be established for exploring and exploiting the deep sea-bed. Under the system, all activities in the area will be controlled by the International Sea-Bed Authority. The authority will be empowered by state parties to the convention to conduct its own mining operations through an organ called "enterprise" and, at the same time, to contract with private or state ventures to give them mining rights in the area.

It also stipulates that licensed miners must make payments ranging from 35 to 70 per cent of their returns on investment to the enterprise, and that they are obligated to transfer their technology to the enterprise.

A few industrialized countries, the United States in particular, attempted to monopolize the exploitation of minerals lying in the international sea-bed area by using their abundant capital and advanced technology.

Not long ago, the United States tried to introduce amendments to the draft convention's sea-bed provisions which essentially called for a renunciation of the principle which regards the international sea-bed area as the common heritage of mankind. This unreasonable demand was categorically rejected by the developing countries.

China's Stand

Shen Weiliang, Vice-Chairman of the Chinese Delegation, said on April 30 that the adoption of a new convention on the law of the sea was the result of many years of negotiations and consultations and the majority of countries, the developing countries in particular, made important contributions to this. But it represented only a first step towards the establishment of a new legal order of the sea. There are still serious defects in quite a number of provisions of the present draft convention, he added.

He said that developing countries should make continued efforts towards defending the aims and principles of the convention and safeguarding their legal rights and interests.

He pointed out that, with regard to the international sea-bed regime, the draft resolution on preparatory investment has accommodated too many of the demands of a few industrialized powers and provided privileges and priority status to these countries and their companies.

"We do not consider this appropriate," he said.

He pointed out that in order to safeguard the principle of the common heritage of man-

kind and the provisions of the convention, no country should enact unilateral legislation in relation to deep sea mining, because such legislation was illegal and invalid.

With regard to the passage of warships through territorial sea, he reiterated the Chinese Government's stand that coastal states have the right to require prior authorization or notification for the passage of foreign warships through territorial sea

in accordance with the laws and regulations of the respective coastal states.

"As to questions concerning the definition of continental shelf and delimitation of sea areas between states with opposite or adjacent coasts, I have already explained our principles underlying these issues at the plenary meeting of March 31," he said. "My delegation maintains its previous position."

— Xin Zong

Continued Israeli Hostility Towards Arab People

ISRAEL is continuing to pursue a policy of hostility towards the Arab people following its April 25th withdrawal from the Sinai Peninsula.

Israeli Prime Minister Menachem Begin announced in a speech on the day after the withdrawal that Israel will never evacuate the West Bank, the Gaza Strip and the Golan Heights. He also said Israel will never relinquish its domination of these Arab territories. Moreover, Begin has repeatedly claimed that the Israel's evacuation of the Sinai was a "tragedy" and a "sacrifice" which Israel had no other choice but to make.

To underscore his determination, Begin is currently urging the Israeli parliament to pass a bill declaring that Israel will

make no further withdrawals from its settlements in occupied Arab territories.

The Begin government obviously has no intention to withdraw from the homeland of the Palestinians and other Arab territories. It is also unwilling to seek a comprehensive and just peace in the Middle East.

Israel signed the Camp David accords in order to separate Egypt from other Arab states, to use the "autonomy talks" to prevent the Palestinian people from achieving self-determination and to deprive them of their legitimate rights to an independent state.

The United States, which expressed satisfaction over Israel's final withdrawal from the Sinai.



wishes to have more participants in the peace talks, but it refuses to recognize the Palestine Liberation Organization, thereby denying PLO participation in the negotiations. It is known to all, however, that the Middle East peace talks cannot progress unless the Palestinian issue is settled.

The United States is clearly seeking to maintain peace in the Middle East within its strategic pattern of interests in order to resist Soviet expansion, but current US policy in the Middle East will not achieve the desired outcome.

New US Moves in the Caribbean

CENTRAL America and the Caribbean continue to be an explosive area interwoven with East-West, North-South and regional conflicts.

In order to impede the development of anti-US and pro-Cuban and Soviet sentiments, the United States has recently adopted some important moves in this region. On February 24, President Reagan offered a package plan of economic aid during the meeting of the Organization of American States. Reagan visited the Caribbean in early April to acquaint himself with the ways of implementing his aid package. The United States conducted two large-scale military manoeuvres in the Caribbean Sea in April.

Reagan's proposed economic aid package has several components: during the next 12 years, products exported by Central American and Caribbean states to the United States will be tax exempt; American businessmen will be encouraged to invest in the region and an additional 350 million US dollars aid will be

The Arab countries have consistently demanded that the lost land be returned and that the legitimate rights of the Palestinian people be restored.

Some Arab states are hoping to resolve their differences with Egypt following the return of the Sinai. They also hope Egypt will join them in their fight for Arab rights.

The way to a comprehensive and just peace may be long and difficult, but the Arab nations are becoming more closely united for the common goal.

— *Chen Peiming*

distributed. US economic aid to the Caribbean region in fiscal 1982 will amount to more than 820 million dollars.

Background

The United States has been confronted with complex problems in Central America and the Caribbean. For a long time the area is becoming increasingly turbulent. El Salvador's civil strife has become a "global issue." US support of military dictatorship in Central America has proved ineffective and incurred opposition at home and abroad, including its European allies. Many Latin American countries have strongly urged the United States to improve trade conditions and increase economic aid. It was against this background that President Reagan presented his package plan after a few months' hesitation.

The United States has historically regarded Central America and the Caribbean region as its "third border" of special strategic importance. Nearly half of US foreign

trade, two-thirds of its oil and more than half of its strategic mineral resources are imported through this region. The economic difficulties and social unrest which exist in many of the region's countries provide opportunities for Soviet and Cuban infiltration. Therefore, Reagan believes that actions should be taken to avoid the emergence of a new Cuba in the region which might threaten vital US interests.

Intentions

At last July's Nassau conference, the United States, Canada, Mexico and Venezuela put forth a "Nassau four-nation proposal" for providing economic aid to Central American and Caribbean states. President Reagan's plan has been called a "contribution" to the proposal.

The United States obviously has its own reasons for giving aid to the region's nations. People in Latin America say that tariff preferences given under the precondition of establishing American companies in recipient countries and free trade policies blaze trails for US monopoly capital. Increased US economic aid does not eliminate possible US intervention. It only constitutes an attempt to alleviate social problems and stabilize political situations in these countries through military and economic means in order to reduce opportunities for Soviet and Cuban expansion and infiltration. Nevertheless, Reagan's plan was supported by both the ruling and opposition parties.

Response

The Latin American countries have praised or criticized the plan. It was welcomed by leaders of some countries, such as El Salvador, Honduras, Costa Rica, Belize, Jamaica and the

Dominican Republic. They will receive more aid. Mexico, Venezuela and Colombia expressed reservations about the plan, though they indicated that it has some positive dimensions. They are opposed to superpower interference in the region's affairs, and they are particularly worried about Soviet and Cuban expansion and infiltration. Therefore, they advocate political stability, for which they are ready to offer economic aid. The plan is opposed by some Latin American states and it is being criticized by a number of politicians. Cuba, Nicaragua and Grenada, which are being ex-

cluded by Reagan's plan, are naturally dissatisfied.

The proposed plan is not realistic. Even though the plan was approved by Congress, contradictions between the US and recipient countries will emerge during the course of its implementation. Social and economic contradictions in Central America and the Caribbean region are extremely serious and mere economic aid is inadequate. The Soviet Union and Cuba can be expected to continue their efforts to exploit the situation.

— Shao Wen

A Visit to Libya

WE recently visited Libya, an ancient country of North Africa. As we left the modern terminal building at Tripoli's airport, we saw a 20-kilometre-long highway with olive, orange and palm trees on both sides. Entering the city, we saw block after block of high buildings. There were very few veiled women on the streets, but there were women soldiers in green uniform. Automobiles have replaced the "desert boats"—camels. The roar of distant oil-drilling rigs could be heard. Such sights and sounds constitute a stark contrast with Libya's poverty-stricken past.

Tripoli is 3,000 years old. Its remnants of the ancient castle and Islamic temples reflect its colourful history. The main street, which is named after national hero Omar Mukhtar, symbolizes the spirit of the Libyan people.

More National Income

Libya was formerly an underdeveloped agricultural and

livestock-breeding country. The country's per-capita income was 135 US dollars in 1958. In 1959, the country discovered oil fields in northern Benghazi, south-eastern Misurata and other places. Deposits are estimated at 5,000 million tons. Development started quickly and Libya produced 159 million tons of oil in 1970 but production fell to 55 million tons in 1981. Nevertheless, Libya has remained one of the major oil producing and exporting countries in the world.

Its Brega and Zavia refineries can refine 350,000 barrels of oil per day. Brega and Ras Lanuf harbours are now being built.

Oil has produced a sizable fortune for the country, whose oil earnings amounted to 23,000 million US dollars in 1980, or 55 per cent of the gross national product.

Promote Agriculture and Industry

Libya has made great efforts

to change its oil export-oriented economy. In its 1976-80 five-year plan, the Libyan Government allocated 3,100 million Libyan dinars out of its total investment of 7,800 million to develop agriculture and industry. The country has become self-sufficient in barley, vegetables, fruit and egg products and enhanced self-sufficiency in wheat, meat and milk. Progress has been made in afforestation. Meanwhile, remarkable developments have been achieved in the textile, food processing, petrochemical and building material industries.

The Libyan Government is also using its oil revenue to improve education, public health, traffic facilities, housing conditions and social welfare.

Libya's total area is 1.76 million square kilometres and it has a population of more than 3 million. The country has over 500,000 cars. The seaside highway, which is 1,800 kilometres long, has become the cross-country trunk line. The flyover in Tripoli is now being built for the summit conference of the OAU to be held in autumn. Preparatory work on the building of the botanical-zoological garden in Benghazi, the second largest city, has been completed.

Libya's development has not been easy. It still needs to seek better political and economic systems, sum up experience and develop its economy in an all-round way. Nevertheless, people are looking forward to fresh successes of this ancient nation as it continues to advance and improve its relations with other African and Arab countries.

— Xinhua Correspondent
Ye Zhixiong

Communique on Fulfilment of China's 1981 National Economic Plan

— Issued on April 29, 1982 by the State Statistical Bureau

THE people of all nationalities in China, under the leadership of the Chinese Communist Party and the people's government, worked hard and obtained remarkable results in 1981 in implementing the policy of further readjusting the national economy. China's revenue and expenditure were basically balanced, and prices in general stable. The year of 1981 also saw continued improvement in the proportions among major sectors of the national economy and expansion of production and construction. Total value of annual industrial and agricultural output, calculated with 1980 constant prices as the base, was 749,000 million yuan, up 4.5 per cent compared with 1980.¹ The preliminary estimate of national income is 388,000 million yuan which, calculated with 1980 constant prices as the base, was up 3 per cent.² Domestic and international trade grew and people's living standards were continuously improved along with the development of production. Nevertheless, the balance achieved between revenue and expenditure was not consolidated and, while efforts were made to basically stabilize prices, prices for some commodities rose. The economic results of most departments and enterprises were not satisfactory and energy production dropped slightly. The increase in consumer goods failed to keep pace with that in social purchasing power.

Fulfilment of plans by various departments of the national economy is as follows:

1. Agriculture

In 1981, many parts of the country were hit by serious floods and drought. Despite this, China achieved good harvests. Credit goes to the fact that the correct policies of the Communist Party and government were seriously implemented, the production responsibility system in various forms was instituted and improved and efforts were made to diversify the rural economy, thus raising peasant enthusiasm

for production. Total value of agricultural output, calculated at 1980 constant prices, was 231,200 million yuan, 1.8 per cent above the 1981 annual plan and 5.7 per cent over the 1980 figure.³ Of this, the total output value of farm crops was 148,900 million yuan, 5.3 per cent over 1980; the corresponding figure for forestry was 9,500 million yuan, up 4 per cent; for animal husbandry and fishery, 39,700 million yuan, up 6 per cent; and for rural sideline production, 33,100 million yuan, up 6.8 per cent (of this, the total value of output of industries run by production brigades and teams was 27,800 million yuan, 9.3 per cent over 1980). As regards the output of the eight major farm products, the total output of grain exceeded that of 1980, sharp increases were again registered in the output of cotton and oil-bearing



Binxian County, Heilongjiang Province, reaped a bountiful harvest last year and delivered and sold 50,000 tons of soybeans to the state.

crops on top of three consecutive years of growth, and production quotas for sugarcane, beetroot, jute (ambary hemp included), silk-worm cocoons and tea were met or overfulfilled. The year also saw a fairly fast expansion of diversified undertakings run by rural communes and their subdivisions and household sidelines of commune members.

Output of the major farm products follows:

	1981 output (tons)	percentage increase over 1980
Grain⁴	325,020,000	1.4
Of which:		
Paddy	143,205,000	2.8
Wheat	58,490,000	8.0
Tubers⁵	24,995,000	-10.2
Soybeans	9,245,000	17.3
Cotton	2,968,000	9.6
Oil-bearing crops	10,205,000	32.7
Of which:		
Peanuts	3,826,000	6.3
Rapeseed	4,065,000	70.5
Sesame	510,000	96.9
Sugarcane	29,668,000	30.1
Beetroot	6,360,000	0.9
Jute and ambary hemp	1,260,000	14.8
Silkworm co- coons	311,000	-4.6
Tea	343,000	12.8

A total of 4,110,000 hectares were afforested, 9.7 per cent less than in 1980, but the survival rate of saplings was better. Production of some forest products increased by big margins, including rubber, 128,000 tons, 13.3 per cent over 1980; raw lacquer, 2,950 tons, up 20.4 per cent; tung oil tree seeds, 360,000 tons, up 18.8 per cent; and oil tea seeds, 654,000 tons, up 33.5 per cent. The output of walnuts and chestnuts dropped. In some areas, indiscriminate felling of trees was still rather serious.

In 1981, increases were registered in the output of major animal products on the basis of the sharp increases in 1980, but the number of hogs in stock at the end of 1981 and the number of hogs slaughtered dropped.

Output of major animal products and the number of livestock follow:

	1981	percentage increase over 1980
Pork, beef and mutton	12,609,000 tons	4.6
Of Which:		
Pork	11,884,000 tons	4.8
Beef	249,000 tons	-7.4

Mutton	476,000 tons	7.0
Milk	1,291,000 tons	13.1
Sheep wool	189,000 tons	7.4
Hogs slaughter- ed	194,947,000 head	-1.8
Hogs in stock at year end	293,702,000 head	-3.8
Large animals at year end	97,641,000 head	2.5
Sheep and goats at year end	187,730,000 head	0.2

The total output of aquatic products was 4,605,000 tons, 12.3 per cent over plan and 2.4 per cent over the 1980 figure. Among them, output of fresh-water products was up 10.8 per cent; and that of marine products, however, dropped 0.8 per cent due to control imposed on fishing to protect offshore aquatic resources.

State farms under the authority of land reclamation made fairly big increases in the output of major industrial crops and animal products, but the output of grain by these farms dropped, as the harvest in Heilongjiang Province was affected by serious waterlogging. Their output of cotton was 25.4 per cent over 1980, oil-bearing crops, 28.5 per cent up, and sugar-bearing crops, 23.5 per cent up. Their output of pork, beef and mutton was up 10.3 per cent and milk, up 8.2 per cent. These state farms realized profits exceeding 200 million yuan.

By the end of 1981, China had 792,000 large and medium-sized farm tractors, 47,000 more than the previous year. The number of small-capacity and hand tractors reached 2,037,000, an increase of 163,000. Lorries for farm use numbered 175,000, an increase of 40,000. The power-driven irrigation and drainage equipment for farm use totalled 74,983,000 hp, an increase of 338,000 hp over 1980. The country had a fairly great increase in the number of small farm machines and implements. A total of 13,349,000 tons of chemical fertilizer was applied on farms in 1981, an increase of 5.2 per cent over the previous year. China's countryside used 37,000 million kilowatt-hours of electricity, up 15.3 per cent.

Fairly accurate forecasts were made in good time in 1981 by meteorological departments of drought, flood and other natural calamities, which occurred on a scale rarely seen since the founding of New China in 1949, and especially of the extraordinarily great flood peaks in the upper sections of the Changjiang (Yangtze) and Huanghe (Yellow) Rivers.

2. Industry

There was a sustained increase in industrial production in the course of readjustment in 1981. Total annual output value of industry, calculated at 1980 constant prices, was 517,800 million yuan,⁶ 1.7 per cent above plan and 4.1 per cent over 1980. Output targets were reached or surpassed for 87 of the 100 major industrial products, including cotton yarn, cotton cloth, sugar, salt, bicycles, sewing machines, wrist watches, television sets, coal, crude oil, electricity, steel, rolled steel, sulphuric acid, soda ash, caustic soda and chemical fertilizers. Targets for synthetic fatty acid, asbestos and 11 other products were not reached.

With the further readjustment of the internal structures of industry and active expansion of the production of daily-use consumer goods, light industrial production continued to maintain a fairly high rate of growth in 1981. Total annual light industrial output value, calculated at 1980 constant prices, was 266,300 million yuan, 14.1 per cent over 1980. The proportion of the output value of light industry in total industrial output value increased from 46.9 per cent in 1980 to 51.4 per cent in 1981. Output targets were reached or surpassed for 31 of the 35 major light industrial products which are under state plan, and the output of

21 of them exceeded that in 1980 by a big margin. The output of high-grade products and famous brand quality products increased with new varieties and designs added.

Output of major light industrial products follows:

	1981 output	percentage increase over 1980
Cotton yarn	3.17 million tons	8.2
Cotton cloth	14,270 million metres	5.9
Chemical fibres	527,000 tons	17.1
Of which:		
Synthetic fibres	385,000 tons	22.6
Woollen piece goods	113 million metres	11.9
Silk	37,400 tons	5.6
Silk textiles	835 million metres	10.0
Gunny sacks (excluding olefine fibre bags)	429 million	4.4
Machine-made paper and paperboard	5.4 million tons	0.9
Sugar	3,166,000 tons	23.2
Beer	910,000 tons	32.3
Salt	18.32 million tons	6.0
Chemical pharmaceuticals	37,300 tons	-7.0
Detergents	478,000 tons	21.6
Bicycles	17.54 million	34.7
Sewing machines	10.39 million	35.3
Wrist watches	28.72 million	29.6
Television sets	5,394,000	120
Radios	40.57 million	35.1
Cameras	623,000	67.0
Washing machines for household use	1,281,000	420
Refrigerators for household use	55,600	13.5
Electric fans	10.5 million	45.0
Light bulbs	970 million	2.1

The state in 1981 lowered the output of many heavy industrial products in a planned way to readjust the proportional relations in industry and, calculated at 1980 constant prices, total annual output value of heavy industry was 251,500 million yuan, 4.7 per cent less than in 1980. Output targets were reached or surpassed for 56 of the 65 major heavy industrial products under state plan, while targets for nine products were not fulfilled; compared with 1980, the output of 24 products increased and 41 decreased, mostly as set in the state plan. New achievements were made in heavy industry in changing its service orientation, reducing the production of some overstocked products, and increasing the output of urgently needed products for daily life and products for



This coal-mining team of Datong, Shanxi Province, fulfilled its 1981 quota 126 days ahead of schedule.

export. For example, the output of the daily-use electrical appliances and specialized equipment manufactured for light industry by plants under the First Ministry of Machine-Building rose 53 per cent over 1980; the iron and steel and rubber industries registered a fairly big increase in the output of strip steel, sheet steel, tyres for carts and bicycles and other products urgently needed in the market; the total exports of heavy industrial products also rose considerably over 1980. Heavy industry made new contributions to the technological transformation of the national economy and the modernization of national defence.

Output of major heavy industrial products follows:

	1981 output	percentage increase over 1980
Coal	620 million tons	0
Crude oil	101.22 million tons	-4.5
Natural gas	12,740 million cubic metres	-10.7
Electricity	309,300 million kwh	2.9
Of which:		
Hydro-electricity	65,550 million kwh	12.6
Rolled steel	26.7 million tons	-1.7
Pig iron	34.17 million tons	-10.1
Steel	35.6 million tons	-4.1
Coke (machine-made)	31.72 million tons	-6.8
Timber	49.42 million cubic metres	-7.8
Cement	84 million tons	5.2
Plate glass	30.64 million standard cases	10.6
Sulphuric acid	7.81 million tons	2.2
Soda ash	1,652,000 tons	2.4
Caustic soda	1,923,000 tons	0
Chemical fertilizer	12.39 million tons	0.6
Of which:		
Nitrogenous fertilizer	9.86 million tons	-1.3
Phosphate	2.51 million tons	8.7
Potash fertilizer	20,000 tons	0
Chemical insecticides	484,000 tons	-9.9
Ethylene	500,000 tons	2.0
Plastics	916,000 tons	2.0
Calcium carbide	1.51 million tons	-0.7
Rubber tyres	7.29 million	-36.4
Mining equipment	115,000 tons	-29.4
Power generating equipment	1,395,000 kw	-66.7
Machine tools	103,000	-23.1
Motor vehicles	176,000	-20.7
Tractors	53,000	-45.9
Hand tractors	199,000	-8.7

Internal combustion engines (sold as commodities)	20.04 million hp	-21.1
Locomotives	398	-22.3
Railway passenger coaches	1,159	15.7
Railway freight cars	8,779	-17.0
Steel ships for civilian use	916,000 tons	12.0

As a result of restructuring the mix of industrial products, energy consumption for each 100 million yuan of total industrial output value in 1981 was 6 per cent less than in 1980. However, the economic results of industrial production as a whole were relatively poor. The output value of industrial enterprises owned by the whole people, calculated at 1980 constant prices, was 11,863 yuan per worker and staff member, 1.8 per cent lower than the previous year. Thirty two of the 65 major quality indices for industrial products dipped, while 48 of the 101 indices for consumption of materials per unit of products rose; total cost of comparable products went up one per cent and the amount of profit turned over to the state was down by 8.5 per cent. A total of 27.1 per cent of industrial enterprises still suffered losses to varying degrees. Owing to the blind pursuit by some enterprises of output value and speed in disregard of quality of products and market demand, the output of some products that should be limited under the plan also increased blindly, so that there is warehouse overstocking.

3. Capital Construction

A number of projects for which there were no proper conditions for construction were cancelled or suspended in 1981. As a result, the scale of capital construction was curtailed to some extent, while the rate of availability of fixed assets increased. The fixed assets turned over to state-owned units in 1981 through capital construction were valued at 37,100 million yuan, a 13.1 per cent decrease compared with 1980. But the rate of availability of such assets reached 86.7 per cent, a 7.5 per cent increase over 1980. Buildings completed in 1981 totalled 126 million square metres in floor space, 13.1 per cent less than in 1980.

Of the planned targets for increasing the production capacity for 27 major products in 1981, those for 24 products were met or topped, with the exception of sulphuric acid, plastics and logs. Newly added production capacity accounted for by capital construction in the whole year consisted of facilities for producing

13.73 million tons of coal, 5.19 million tons of crude oil, 620 million cubic metres of natural gas, 2.64 million kilowatts of power-generating capacity, 67,000 tons of chemical fibres, 510,000 cotton spindles, 174,000 tons of sugar, 324,000 tons of salt, 44,000 tons of machine-made paper and paperboard, 4.75 million tons of iron ore, 323,000 tons of chemical fertilizer, 1.54 million tons of cement and 297,000 cubic metres of logs. The cargo-handling capacity at newly built or expanded ports was increased by 2.36 million tons.

The 79 big and medium-sized projects completed and put into operation in 1981 include the Liaoyang Petrochemical Fibre Plant, the Changshou Vinylon Plant in Sichuan Province, the Nanjing Alkyl Benzene Plant, the Shentou Power Plant in Shuoxian County, Shanxi Province, and a 500,000-volt power transmission line from Pingdingshan to Wuhan. The 181 single-item projects that were completed and put into operation include two power-generating units at the Gezhouba Hydroelectric Power Station in Hubei Province, each with a capacity of 170,000 kilowatts; the Xinglong-zhuang Coal Mine in the Yanzhou coal mining area in Shandong Province, with an annual production capacity of 3 million tons; and a container wharf at Tianjin Harbour, with an annual handling capacity of one million tons. Three fewer big and medium-sized projects and 35 fewer single-item projects were completed and put into operation in 1981 than in 1980. The ratio that went into operation of big and medium-sized projects to the total number under construction rose from 8.3 per cent in 1980 to 10.6 per cent.

Total investment in capital construction in state-owned units in 1981 was 42,800 million yuan, 11,100 million yuan less than in 1980 or a 20.6 per cent decrease. Of this total, the investment covered by the national budget was 20,800 million yuan, 7,300 million yuan less than in 1980 or a decrease of 26 per cent. One hundred and fifty-one big and medium-sized projects were cancelled or suspended. The number of big and medium-sized projects under construction was 663 by the end of the year, 241 less than in 1980.

The investment orientation was readjusted in 1981. Of the total investment in capital construction, investment for productive use was 25,200 million yuan, and the proportion dropped from 66.3 per cent in 1980 to 58.9 per cent. The investment in non-productive construction to meet the needs of the people's material and



The Nanjing Alkyl Benzene Plant was recently completed and put into operation.

cultural life was 17,600 million yuan, the proportion rising from 33.7 per cent in 1980 to 41.1 per cent, of which investment in housing construction went up from 20 per cent in 1980 to 25.5 per cent. Investment in construction of light and textile industries was 4,260 million yuan, the proportion rising from 9.1 per cent in 1980 to 10 per cent.

The 1981 investment in capital construction covered by the national budget was basically brought under control. But the investment not covered by the national budget exceeded the plan to a fairly large extent, and blind and duplicate construction was not eliminated.

Efforts were made to intensify geological surveys of energy resources, non-ferrous and precious metals and non-metallic minerals, hydrogeological surveys and regional geological surveys of mineral resources. The service fields of geological work were expanded step by step. A number of oil and gas fields and metallic and non-metallic mineral-bearing areas were discovered. General seismic surveys were completed in part of the South China Sea and south Yellow Sea areas. A number of exploratory oil wells in the Bohai Sea and the Beibu Gulf yielded oil, showing good prospects. Through the first exploratory oil well in a general survey of the East China Sea, high pressure natural gas zones and oil-bearing sandstones were discovered. Newly verified reserves of 12 major minerals, including oil, coal, iron, copper, gold and phosphorus, met or topped state targets. Verified deposits of iron ore increased by 1,040

million tons, and coal by 10,310 million tons. Additional reserves were verified for 57 kinds of minerals, including nickel, tungsten, molybdenum, mercury, platinum, silver, heavy rare-earths, blue asbestos, diamonds, kaolin, clay for making ceramics, limestone for making cement, marble and stones for building materials. Total drilling footage for geological prospecting was 8,843,000 metres. But geological work still could not meet the requirements of the modernization programme, and the management of geological prospecting should be improved.

4. Transport, Posts and Telecommunications

At the end of 1981, China's total railway operating mileage reached 50,000 kilometres; total mileage of highways was 897,000 kilometres, an increase of 9,000 kilometres over 1980; total civil aviation route mileage, including sections repeated in different routes, reached 348,000 kilometres, 37,000 kilometres more than 1980; total mileage of inland river navigation was 109,000 kilometres.

Total freight volume handled by various means of transportation reached 1,214,300 million ton-kilometres, up one per cent over 1980. Of this, the volume of railway freight transport was 571,200 million ton-kilometres, 0.1 per cent lower than the previous year; the volume of waterway cargo transport was 515,000 million ton-kilometres, an increase of 1.9 per cent; the volume of road freight transport was 78,000 million ton-kilometres, an increase of 2.1 per cent; the volume of air freight was 170 million ton-kilometres, an increase of

21.4 per cent; the volume of oil and gas carried through pipelines was 49,900 million ton-kilometres, an increase of 1.6 per cent. The volume of cargo handled at major sea ports was 219.31 million tons, an increase of 0.9 per cent.

The volume of passenger transportation by all means reached 250,000 million person-kilometres, a 9.6 per cent increase over 1980. Railways accounted for 147,300 million person-kilometres, an increase of 6.5 per cent; waterways, 13,800 million person-kilometres, 7 per cent more; roads, 83,900 million person-kilometres, a 15.1 per cent increase; air, 5,000 million person-kilometres, up 25 per cent.

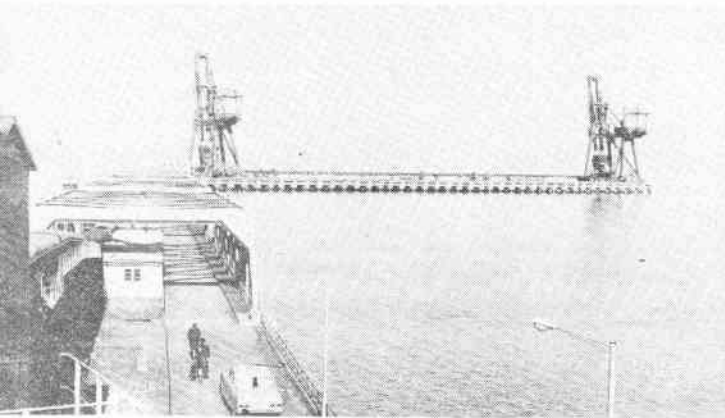
Post and telecommunications transactions for the whole country were 1,952 million yuan in terms of 1980 constant prices, an increase of 5.1 per cent over 1980. There was a 2.3 per cent increase for letters, a 10.3 per cent increase for the distribution of newspapers and magazines, a 9.4 per cent increase for telegrams and a 3 per cent increase for long-distance calls. There was also a considerable increase in international correspondence.

Fuel consumption throughout the country by steam and diesel locomotives per 10,000 ton-kilometres decreased 1.4 per cent and 2.6 per cent respectively, compared with 1980.

Transport and communications departments improved their passenger service and the railways added 64 round-trip runs to their passenger train schedule in 1981. At the same time, new railways such as those between Beijing and Tongliao and between Zhicheng and Liuzhou as well as the Jinan transport and communications hub were used to divert the flow of freight, relieving the pressure on the Beijing-Shanhaiguan, Beijing-Guangzhou, Tianjin-Pukou (Nanjing) and other trunk railways. Railway transportation of coal was better organized and coal from Shanxi Province to other places reached 81.5 million tons, an increase of 12.7 per cent over 1980. At present, the situation in railway transport and main sea ports is still tight and there has not been a fundamental change in the wastefulness arising from a lack of unified management in road transport.

5. Domestic Trade

The total value of commodities purchased by state-owned commercial departments reached 246,900 million yuan in 1981, topping the previous year by 9.1 per cent. This included 76,470 million yuan worth of farm produce and



The Beicang Wharf in Zhejiang Province which can handle 100,000-ton-class freighters for transshipping ores.

sideline products, an increase of 13 per cent (or 6.7 per cent if the rise of purchasing prices is excluded), and 168,510 million yuan worth of manufactured goods, an increase of 7.5 per cent over 1980. Purchases of most of the major manufactured goods and farm produce surpassed those of 1980. Among them, the purchase of grain rose by 10.8 per cent, edible oil 43.5 per cent, cotton 10.1 per cent, tobacco 78.7 per cent, jute and ambary hemp 12.1 per cent, sugar 14.8 per cent, cloth 2.8 per cent, knitted underwear 17.4 per cent, and bicycles, radios, sewing machines, wrist watches, television sets and cassette recorders 23 to 90 per cent. But purchases by state-owned commercial departments of hogs and eggs declined by 6.7 per cent and 7.6 per cent. This was because policies on pig raising were not carried out well in some places, eggs were not purchased in good time and the amount of pork and eggs consumed by the peasants themselves and sold by them on the rural market all increased.

Total value of retail sales was 235,000 million yuan, a 9.8 per cent increase over 1980, or a 7.2 per cent increase if the rise in retail prices is excluded. Compared with the 1980 retail sales of main consumer goods, the sale of grain went up 11.1 per cent, edible oil 36.9 per cent, pork 1 per cent, sugar 8.7 per cent, cloth 4.2 per cent, knitted underwear 11.3 per cent, woollen fabrics 19.5 per cent, radios 13 per cent, wrist watches 14.1 per cent, bicycles 33.4 per cent, sewing machines 39.3 per cent, cassette recorders 42.2 per cent and television sets 74.5 per cent.

By the end of 1981, state-owned commercial departments had 10.8 per cent more goods in stock than at the end of 1980.

Supplies for the domestic market in 1981 continued to increase, but still could not keep pace with the growth of social purchasing power. Some famous brand quality consumer goods still fell short of the demand and there was a shortage in the supply of building materials for the rural areas. On the other hand, some varieties and specifications were not popular with customers and high-priced products of inferior quality found no ready market and were overstocked.

The government again raised the state purchasing prices of some farm produce in 1981, including soybeans, tobacco and vegetables. In addition, more farm produce was purchased at negotiated prices and at prices for the surplus above purchase quota. As a result, the total



Bustle of activity at the Beijing Department Store.

purchasing price index for farm produce and sideline products went up 5.9 per cent over the previous year.

Following the raising of the price of cigarettes and alcoholic drinks in November 1981, there was a considerable increase in the price of a number of commodities and, as a result, the overall level of retail prices in December was 4.2 per cent over the same period of 1980. Calculated according to the average prices for the year, the overall level of retail prices (including state listed prices, negotiated prices and prices on the rural market) was 2.4 per cent over 1980. There was a 2.7 per cent increase in cities and a 2.1 per cent increase in rural areas: a 2.6 per cent increase in consumer goods retail prices and a 1.7 per cent increase in the retail prices of the means of production for rural use.

As for retail price fluctuations of consumer goods, the price of food as a whole rose 3.7 per cent (4.1 per cent for non-staple foodstuffs, including a 10.6 per cent increase for vegetable prices), daily necessities 1.3 per cent, commodities for cultural and recreational activities 0.4 per cent, pharmaceuticals 0.2 per cent and fuel 0.6 per cent. But the price of clothing dropped 0.4 per cent.

The rise in retail prices increased the expenditures of the consumer. In addition, some enterprises sold shoddy goods for quality goods, decreased quantities at original prices or otherwise raised prices in disguised forms. This also increased the burden on the consumer.

6. Foreign Trade, Tourism

Customs statistics give the 1981 total value of imports and exports as 73,530 million yuan, a 29·per cent increase over the 57,000 million yuan in 1980, or an 11 per cent rise if price fluctuations are excluded. The total export value was 36,760 million yuan, a 35.5 per cent increase over the 27,120 million yuan in the previous year, or an 18 per cent increase if price fluctuations are excluded. Total import value was 36,770 million yuan, a 23.1 per cent increase over the 29,880 million yuan in 1980, or a 5 per cent increase if price fluctuations are excluded. The value of imports was 10 million yuan over exports.

The proportion of manufactured goods (including products of the machinery, light and textile, chemical and metal industries) exported rose to 53.4 per cent from 49.7 per cent in 1980; and the proportion of primary products (such as farm produce, food, minerals and raw materials for the light and textile industries) dropped from 50.3 per cent in 1980 to 46.6 per cent. Of the imported commodities, the proportion of manufactured goods fell from 65.1 per cent in 1980 to 63.4 per cent and the proportion of primary products rose from 34.9 per cent in 1980 to 36.6 per cent.

The total number of foreigners, overseas Chinese and Chinese compatriots from Xianggang (Hongkong) and Aomen (Macao) coming on tours and visits and for trade, sports, scientific and cultural exchanges reached 7,767,000, a 36.2 per cent increase over the previous year. Included were 675,000 foreign tourists, a 27.6 per cent rise over 1980. Annual foreign exchange income was 1,380 million yuan Renminbi, 49.7 per cent increase over 1980.

7. Science, Technology, Education and Culture

In 1981, there were 5,714,000 scientists and technicians of natural sciences working in state-owned units, 418,000 more than in 1980. The number of major research results in science and technology came to 3,100 items, including 120 creations and inventions approved by the state.

Schools at all levels continued to carry out the principle of readjustment. Compared with the previous year, the number of students in institutions of higher learning, agricultural middle schools, secondary vocational schools and institutions of secondary education for

workers and peasants showed some increases, while in other schools the number of students was reduced. Enrolment in institutions of higher learning was 1.28 million, or 136,000 more than the previous year; in secondary technical schools, 1,069,000, or 174,000 less; in regular secondary schools, 48,596,000, a drop of 6,485,000; in agricultural middle schools and secondary vocational schools, 481,000, an addition of 27,000; in technical schools, 670,000, a decline of 10,000; in primary schools, 143,330,000, a drop of 2,940,000; in kindergartens, 10,562,000, a drop of 946,000. Enrolment in institutions of higher learning for workers and peasants (including TV colleges, factory-run colleges, spare-time colleges and correspondence schools) was 1,346,000, or 208,000 less than the previous year. Enrolment in secondary schools for workers and peasants (including technical schools for workers, staff members and peasants, and spare-time secondary schools) was 8,207,000, a rise of 160,000.

Cultural undertakings including literature, drama, films, ballad-singing, music, dance and the fine arts continued to develop, with a number of good works that were particularly popular among readers and audiences. One hundred and five feature films were produced in 1981, an addition of 23 over 1980, to make it the best year since the founding of New China. A total of 143 new full-length films of all kinds were distributed, 27 more than in 1980. The number of film projection units came to 130,000; performing art troupes, 3,483; cultural centres, 2,893; public libraries, 1,787; and museums, 383. There were 114 radio stations throughout the country, 482 transmitting and relay stations; 42 TV centres and 265 TV transmitting and relay stations with capacities above 1,000 watts. A total of 14,070 million copies of national and provincial newspapers, 1,460 million copies of magazines of all kinds and 5,580 million copies of books and pictures were published in 1981.

The major problems in the fields of science, technology, education and culture are that not enough effort was made to popularize research results in science and technology, cultural facilities were insufficient and the specialties offered by institutions of higher learning were not balanced.

8. Public Health and Sports

New progress was made in public health undertakings. The total number of hospital

beds in the country reached 2,017,000, an increase of 1.8 per cent over the previous year. The number of professional health workers totalled 3,011,000, a 7.6 per cent increase over the previous year. This included 1,244,000 registered doctors (290,000 doctors of traditional Chinese medicine, 2,000 senior doctors skilled in both traditional Chinese and Western medicine, 516,000 registered doctors of Western medicine, 436,000 assistant doctors of Western medicine), 7.9 per cent more than in the previous year; the number of registered nurses and nurses was 525,000, an increase of 12.8 per cent over the previous year.

The patriotic health campaign made new achievements. Work was strengthened to prevent and treat snail fever, endemic goiter, kaschin-beck disease and other parasitic and endemic diseases. The incidence of such diseases dropped to a certain extent.

Big advances were made in sports as well as new development in mass participation athletics. A total of 25 world championships were won in 1981, the best year in the annals of China's sports. Chinese athletes broke eight world records and 124 national records. A total of 23,000 sports meets were held at the county level and above. As many as 10 million people were qualified for the "state standards for physical training."

9. People's Livelihood

The year 1981 saw a continued improvement in the people's living standards both in cities and the countryside. A sample survey of 18,529 peasant households in 568 counties of 28 provinces, municipalities and autonomous regions showed an average annual per-capita income of 223 yuan (including income from farming and sideline production and from redistribution), 16.8 per cent rise over that in the previous year which was 191 yuan.

In 1981, a total of 8.2 million people were given jobs, including young people waiting for jobs in cities and towns, other categories of people and the year's graduates from colleges and secondary technical schools who are covered by the state job assignment programme. By the end of the year, the number of workers and staff members in state-run and urban collective units came to 109.4 million, this being 4.96 million more than it was a year before. Of these, 83.72 million were in state-run establishments, 3.53 million more than the previous



Washing machine in a peasant household makes chores easier.

year; 25.68 million were in collective establishments in cities and towns, an increase of 1.43 million. In addition, individual workers in cities and towns reached 1.13 million in number, 320,000 more than the previous year.

Annual wages of workers and staff members throughout the country totalled 82,000 million yuan, a rise of 6.1 per cent over 1980. The total for state-employed workers was 66,000 million yuan, 5.2 per cent more, and for collectively employed workers in cities and towns, 16,000 million yuan, an increase of 10.4 per cent.

The average annual money wage was 772 yuan (812 yuan for state-employed workers and 642 for collectively employed workers in cities and towns), 1.3 per cent more than in the previous year. The slight increase in the average money wages was due mainly to the big influx of new workers. With more people employed, there was a bigger increase in the average income per person in a worker's or staff member's family. According to a sample survey of 8,715 households in 46 cities of 28 provinces, municipalities and autonomous regions, the average income, that could be spent as living expenses in 1981; was 463 yuan per capita, 19 yuan more than in 1980, an increase of 4.3 per cent. Deducting the 2.5 per cent rise in the cost-of-living index from this, average real income per capita rose 1.8 per cent.

The total amount of bank savings in urban and rural areas was 52,400 million yuan by the end of 1981, or 31 per cent more than at the end of the previous year.

Housing projects completed by state-owned and collective units in cities and towns in 1981 totalled 97 million square metres, showing a 5.5 per cent increase over the previous year, which was 91.9 million square metres. Houses constructed by rural commune members were about 600 million square metres, an increase of about 20 per cent over the 1980 figure of 500 million square metres.

The problems for people's living standards are: Life was fairly difficult for peasants in some of the disaster-stricken areas; housing for part of the urban dwellers was still fairly crowded; the price rises affected the living standards of part of the workers and staff members who had no or little bonuses. Some places extended at will the scope of agricultural produce which by policy could be sold at negotiated or above-quota prices; some units issued bonuses and allowances indiscriminately. All these pushed prices up, which in turn increased the burden on the consumer.

Report From Kampuchean Battlefields (2)

Bitter Hatred for a Common Enemy

by Our Correspondent Lu Yun

TWO Kampuchean old men told us that they had experienced World War II, the wars of resistance against Japan, France and the United States in addition to the present war against the Vietnamese invaders. They said the war of aggression the Vietnamese authorities launched at the end of 1978 is more savage and cruel than all previous colonialist wars.

Wherever we went in Kampuchea, we were told about the atrocities of the aggressors.

Kampuchean Minister of Public Health Thiounn Thioeun, 62, said: "Viet Nam dispatched a dozen divisions armed with aircraft, artillery, tanks and other kinds of weapons to slaughter the Kampuchean people. They even buried alive two woman doctors from the Bavei Hospital together with 40 young patients." Thiounn Thiom, Minister of Economy and Finance and younger brother of Thiounn Thioeun,

10. Population

Population by the end of 1981 was 996.22 million, which was 13.67 million more than the previous year's figure of 982.55 million, showing an increase of 1.4 per cent.

NOTES

1. All figures in the communique do not include those of Taiwan Province.
2. The 1980 national income has been adjusted from 363,000 million yuan to 366,000 million yuan according to the final state accounts.
3. The total value of agricultural output in 1981, calculated at 1970 constant prices, was 172,000 million yuan.
4. The 1980 grain output was adjusted from 318.22 million tons (statistical figures for output of plots for peasants' personal needs were incomplete in some provinces) to 320.52 million tons.
5. Five kilogrammes of tubers are counted as one kilogramme of grain.
6. Total output value of industry in 1981, calculated at 1970 constant prices, was 519,900 million yuan, of which the total output value of light industry was 267,500 million yuan, and that of heavy industry was 252,400 million yuan.

said: "The Vietnamese even use chemical weapons to kill the innocent Kampuchean people. They use aircraft or artillery to drop or fire gas bombs. They even spread poison into streams, ponds and wells. Moreover, they mix poison with food and food grain and sell them on the markets. On October 13 last year, 16 people in Saut Nikum, Siemreap, were poisoned after they ate the poisoned food. Many Kampuchean died of famine created by Vietnamese troops who destroyed dams, damaged farm tools, killed livestock and took away grain. In some areas, such as Peamchor, Prey Veng, the Vietnamese forced the Kampuchean to a designated desolate place, where they killed or starved them to death. Then they moved tens of thousands of Vietnamese to settle in the area."

Prime Minister Khieu Samphan and some ministers told us that the war of aggression

launched by Hanoi as part of the Soviet strategy for world domination is genocidal. The Vietnamese plan for an "Indochina federation" means not the coexistence of the three nations but the incorporation of Kampuchea and Laos into Viet Nam's territory. They want to extinguish the Kampucheans and annex their territory.

"We'll Resist"

The atrocious acts of the invaders have filled the Kampuchean people with bitter hatred.

The Democratic Kampuchean National Army and the guerrillas have grown in numbers and strength in the struggle against their common enemy. Their morale is high. We were told that some soldiers held their rifles when they were starved to death in the besieged forest. During our visit to three hospitals in northwest, north and northeast Kampuchea, all the wounded soldiers, including four National Army men who were poisoned by Vietnamese in the Pailin battle zone*, said that they will return to the front as soon as they have recovered.

People from all walks of life have joined the Democratic Kampuchean Government and the National Army for the common goal of defeating the aggressors.

Minister Thiounn Thioum told us how he joined the Government of Democratic Kampuchea. He said: I was born into a wealthy bureaucratic family. I studied law in France and became a university professor and a manager of a big industrial and trade company before 1975. When Kampuchea was liberated from the hands of US troops in 1975, I was sent by the Government of Democratic Kampuchea to do farm work at a co-op in Oudong District. The Vietnamese invasion presented us with the threat of national extinction. The Government of Democratic Kampuchea took up arms in resistance to Viet Nam under difficult conditions. It changed its past policies and followed the new policies stipulated in the political programme of the Patriotic and Democratic Front of the Great National Union of Kampuchea. This conforms with the feeling of the people and has a strong appeal to me. I decided to forget the unhappy past and join the Government of Democratic Kampuchea. Now I've become a

* The Vietnamese troops often use chemical weapons in the Pailin battle zone. Between February 27 and March 26 this year, 380 officers and men of Democratic Kampuchea were poisoned, 10 of whom died. From February 26 to March 2 this year, 223 Pailin inhabitants were poisoned, 5 of them died.



The Kampuchean people making bamboo and wooden spikes for the front.

minister. I'm determined to contribute to the struggle against the Vietnamese invaders.

Thanks to the policy for national unity followed by the Democratic Kampuchean Government, many people who originally belonged to upper-class bureaucratic families have joined in the anti-Vietnamese struggle.

Thiounn Mumm, younger brother of Thiounn Thioum, came to the area controlled by Democratic Kampuchea after travelling for 10 months in 1979 in the Vietnamese-occupied zone. Now he is the Chairman of the National Committee of Science and Technology. Thiounn Prasith, another younger brother of Thiounn Thioum, is the Permanent Representative of Democratic Kampuchea in the United Nations. Their eldest brother Thiounn Thioeun, Minister of Public Health, joined the revolutionary ranks of Democratic Kampuchea early in the 1970s. He told us: "We must fight for the survival of the Kampuchean nation which built the world-famous Angkor Wat."

"Struggle for national survival" has become a militant slogan known to all Kampuchean people. Lo Un, political commissar of a division of the National Army, told us his men discovered three unkempt, bare-backed Kampuchean boys last November in a forest near the Mekong River. They fled their village in May 1979 in Serei Toat, Serei Toat District, northeast Kampuchea, occupied by the Vietnamese, looked for the National Army in the forests for two and a half years and finally succeeded in finding it.

The desire of Pan, 13, and Than, 15, to fight the Vietnamese invaders at the front has come

true. We met the youngest of them, 11-year-old Ta Un. He told us how they found water, wild fruit and yams in the forests. They used rattan to hunt wild oxen and muntjacs and snared wild boars. They suffered from hunger and were poisoned after eating yams. But they reminded each other that they would rather die than go back and be pushed around by the Vietnamese. The boy was being trained to be a radio operator. With great pleasure, he said: "I'll be a signal man of the National Army two months later."

The Choice of an Engineer

The new policies of the Democratic Kampuchean Government have won support from people in the areas controlled by Democratic Kampuchea and in areas occupied by the Vietnamese. More and more people turn to Democratic Kampuchea and join in the various forms of struggle against the Vietnamese invaders to support the Democratic Kampuchean guerrillas active in the Vietnamese-held areas. Some went over to the areas controlled by Democratic Kampuchea.

Nou Monly, an engineer, majored in oil machinery abroad in the mid-1960s. After the Vietnamese invasion, he went to do manual labour in the countryside under the Vietnamese occupation and stayed in a refugee camp run by an international organization in Thailand. In May last year, after experiencing various difficulties and dangers, he finally arrived at the Kampuchean areas and worked for the Demo-

cratic Kampuchean Government in Phnom Melai District.

Nou Monly described the tragic experience of the Kampuchean people in the Vietnamese-controlled area. When he fled Phnom Penh in January 1979, he spent about four months in Kompong Chhnang, Leach and Pursat, where he witnessed atrocities committed by the Vietnamese troops. His relatives in Svay Rieng told him the Vietnamese destroyed large numbers of farm tools of local peasants, thereby rendering them destitute and homeless. When he was doing farm work in north Kampuchea's Preah Vihear in 1980, the Vietnamese troops erected fences around the villages to restrict the villagers' freedom of action. They often fabricated charge to persecute the ordinary villagers and even hounded some of them to death. On Tenterhooks, the people longed for the arrival of the National Army and guerrillas of Democratic Kampuchea. Nou Monly also said: Intellectuals of Kampuchea find it hard to work alongside the Vietnamese. The textbooks on history compiled by the Vietnamese claim that the relic Angkor Wat was built by the Indochinese and that the territory of Kampuchea was historically in Thailand. Those Kampuchean who disagree with the fallacy often disappear. Many have obviously been killed.

Nou Monly was one of the Democratic Kampuchean Government officials who received us in Phnom Melai District. He is courteous and often smiling. He is also filled with confidence in the future of Kampuchea. "We will win," he said. "It's only a matter of time. Kampuchea is rich in oil resources. What I learnt will be used in the future."

The Change of Puppet Village Heads

In jungles in north and northeast Kampuchea, we visited three ex-village heads under the Heng Samrin regime, who fled from Stung of Kompong Thom and Rovieng and Chhep of Preah Vihear to the area controlled by Democratic Kampuchea. Finding it unbearable to see the Vietnamese killing the Kampuchean people, they came with their fellow villagers.

Mong Omu and 124 others from his village in Stung of Kompong Thom walked eight days in November last year to the area under Democratic Kampuchea's rule. Early in 1979, this 55-year-old peasant became a puppet village head because he had illusion about the Vietnamese propaganda. But he found that though the Kampuchean were installed at various levels



Deputy Prime Minister Song Seng greeting people who fled from the enemy-controlled areas.

of the puppet regime, they actually had to do everything at the beck and call of the Vietnamese. A slight negligence could invite trouble. They would be labelled "Red Khmers" and subjected to supervision. Some were even murdered. The Vietnamese also destroyed dams and tortured the ordinary villagers at will. All this made him see through the Vietnamese and hate them. When the guerrillas of Democratic Kampuchea sent people to contact him, he expressed his determination to serve them secretly. So this village head, while shaking hands with the Vietnamese, actually served the guerrillas by sending them food grains.

From the political programme of the Patriotic and Democratic Front of the Great National Union of Kampuchea provided by the guerrillas, Mong Omu learnt that the new policies pursued by the Government of Democratic Kampuchea allowed the existence of individual farming, guaranteed the peasant earnings from their labour and protected their private property. When the Vietnamese killed two leading members in his district and the word came that they intended to attack his village, he led all of the villagers into the forest. He then got in touch with the Government of Democratic Kampuchea, which arranged for them to live in a village under its rule. With their lives properly arranged, they now engage in the reclamation of land and sideline occupations.

Awakening of the Puppet Troops

The fact that the Heng Samrin puppet troops were too fragile to withstand a single blow has become a laughing-stock among the National Army men and guerrillas. Because of too many desertions, the regime has increased pressganging in areas under its control. People between 13 and 60 years of age are forced to cast lots once a month. Those who are chosen have to go or give money instead. The Vietnamese often put their parents or family members under house arrests and they were not released until they handed out their children or paid the money.

In a place located in the Oddor Meanchey-Siemreap-Highway 6 battlefield, we visited two ex-puppet soldiers who came over to Democratic Kampuchea in February this year, Ga Un, 22, and Keswan, 19. They were peasants before they were pressganged in January 1979. After receiving a short-term training in south Viet Nam, they were deeply impressed by a young Kampuchean tank driver who used a Vietna-



Mong Omu (right) and his fellow villagers recounting the atrocities of the Vietnamese troops.

mese tank to attack the Vietnamese. When they returned to Kampuchea, they were put into a scout company of the fourth division of the Heng Samrin puppet troops. They were extremely depressed because of Vietnamese discrimination against them. When they were stationed in a village, the villagers either detested them or advised them to mend their ways. Some guerrillas told them that Khmers should not fight each other. They also invited them to come over to the National Army or live as ordinary people.

The increasing number of deserters in the company where Ga Un and Keswan served and the way of their desertion had become the topic of conversation among the people. Though they knew full well that if they failed, they would be killed, they still decided to stop serving the Vietnamese. One day they fled together with a dozen others.

In the area under the rule of the Government of Democratic Kampuchea, Ga Un and Keswan were deeply impressed by the disciplined National Army, by the equality between officers and men and unity between army and people. When asked about their plan for the future, Ga Un said seriously: "I'll apply to join the National Army to fight the Vietnamese." Keswan put in humorously: "Of course we'll do so. In today's Kampuchea, if we don't take up arms, we would be treated to shells!" □

OPINION

Regional National Autonomy

CHINA is a unitary multi-national country. The existing Constitution stipulates: "Regional autonomy applies in an area where a minority nationality lives in a compact community." "All the national autonomous areas are inalienable parts of the People's Republic of China."

China has five autonomous regions — the Inner Mongolian, Xinjiang Uygur, Ningxia Hui, Guangxi Zhuang and Tibet Autonomous Regions — 30 autonomous prefectures and 72 autonomous counties. These areas can be generally grouped into three categories:

1. An autonomous area where one national minority lives in a compact community. This includes the Ningxia Hui Autonomous Region, the Tibet Autonomous Region, the Liangshan Yi Autonomous Prefecture in Sichuan Province, and the Oroqen Autonomous County in Heilongjiang Province.

2. An autonomous area where one major minority and another one or more minorities live in compact communities. This is the case in Xinjiang and

Guangxi.

3. An autonomous area with two or more minorities living in compact communities. Examples are the Tujia-Miao Autonomous Prefecture in Hunan Province, the Haixi Mongolian-Tibetan-Kazakh Autonomous Prefecture in Qinghai Province, and the Miao-Dong Autonomous Prefecture in Guizhou Province.

In addition, some minorities are spread among several autonomous areas. The Tibetans, for instance, live in more than 10 autonomous prefectures or counties in Gansu, Qinghai, Sichuan and Yunnan Provinces as well as in Tibet.

The policy of regional national autonomy has proved successful in guaranteeing minority peoples the right to run their own internal affairs, promoting unity among nationalities, consolidating national unity and developing the culture and economy of the minority areas.

Regional national autonomy is practised in China under a centralized unitary government rather than the form of a union of republics or a federation like

the Soviet Union and Yugoslavia for the following reasons:

1. China is a multi-national country with the Han nationality making up 94 per cent of the total population. The 50-plus national minorities which have a combined population of over 55 million account for only 6 per cent of the total. However, their members are widely spread over some 50-60 per cent of the nation's territory. Minority peoples usually live among one another, with a few exceptions of minorities living in their own exclusive areas.

2. China has basically been a unified state under a central government since the Qin Dynasty (221-206 B.C.). Cultural and economic interactions among the nationalities have never interrupted in Chinese history. They have lived, worked and resisted Chinese oppressors and foreign invaders together. As a result, they have become inseparable parts of an entity and jointly created the history and culture of the Chinese nation.

3. The major task of the Party and the government in nationality affairs is to consolidate national unification, strengthen unity among nationalities and call on the people of every nationality to unite and work hard in the current socialist modernization drive. For historical reasons, the minority areas are comparatively backward in culture and economy and have less population density. But the minorities live in a vast territory with rich natural resources. Han people, though relatively advanced culturally and economically, have a huge population. Therefore, it is advantageous for the Han and

Huang Wenzhong (right) of the Li nationality was recently elected head of Baoting County in Hainan Li-Miao Autonomous Prefecture.



the minorities to help each other, thus bringing both human and natural resources into full play in the building of socialism.

It is impossible for a nationality to prosper and develop if it separates from the motherland

and is deprived of the help of other nationalities. Separate development goes against the fundamental interests of its people.

—“Xinjiang Ribao”
(Xinjiang Daily)

COMMENT

Open-Door Policy and Anti-Corruption Struggle

A FIGHT against corruption must be carried out because decadent capitalist ideology has penetrated China through

the open-door economic policy. The policy is necessary for China's modernization drive.

In the early 1920s, the Soviet



Fishermen of the Changhu brigade, Guangdong Province, discuss how to combat smuggling.

Union adopted such an economic policy. Lenin pointed out that the policy benefited the Soviet economy, but he also warned the Soviet people that it would bring corrosive capitalist malpractices, and called on the Communists to use communist ideology to counteract them.

It is possible to resist the corrosive influence of capitalist ideas while carrying out the open economic policy. The Meilin brigade of the Yongning commune in Fujian Province has set an example.

The brigade has 800 fishermen who fish year-round in the Taiwan Straits. Due to the leadership of the brigade's Party branch and the political and ideological education it provides, none of the brigade members has engaged in smuggling. Furthermore, they have helped the government capture 8 million yuan worth of smuggled goods.

This economic policy is an important long-term policy. With more international economic transactions, China must firmly and conscientiously persevere in the fight against corruption.

—“Banyue Tan”
(Fortnightly Review)

Appreciation Attracts Talents

HOW King Zhao Jianzi in the fifth century B.C. learnt to value talented people and brought prosperity to the State of Zhao is pertinent today.

One day while sightseeing on a boat, Zhao Jianzi remarked: “Why is it that I have 2,000 retainers but no talents?” “Your Majesty,” replied Boatman Gu Zhou, “riches have no legs but gather around you. That is because you like them. Gifted people all have two legs but they are reluctant to come close to you. This is because you

don't like them.” After comparing the retainers to bird's breast feathers, Gu Zhou said: “A bird can fly because of the feather on its wings. Its breast feather, though more beautiful, can't help it fly.”

The king heeded his remarks and began a talent search to vitalize his state.

The moral of this story is: If a leader appreciates ability, he will attract talents; if a leader likes compliments, he will gather flatterers; if a leader savours wealth, bribers will frequent his

premises. Those leaders who complain that the search for talent is difficult should first search their souls.

Some leaders claim they value talents. But they only like yes-men. Yes-men are, like breast feathers, good for nothing. Talents are those with knowledge. Though they have shortcomings, a great cause cannot be achieved without them.

—“Guangming Ribao”
(Guangming Daily)

CORRECTION: On page 15 in our last issue, the 8th and 9th line of the second paragraph in the left column should read: “programme of the Patriotic and Democratic Front of the Great National Union of Kampuchea. They. . .”

BIOLOGY

**Darwin's Anniversary
Marked**

Over 1,000 Chinese scientists met recently in Beijing to commemorate the 100th anniversary of the death of Charles Darwin (1809-82), the British naturalist and founder of the theory of evolution.

"The influence of Darwin's theory of evolution has gone far beyond the biological sciences. The theory is synonymous with mankind's progress and social development," declared Chen Shixiang, Director of the Institute of Zoology, in his paper on the significance of Darwin's theory of evolution.

Wu Rukang, Deputy Director of the Institute of Vertebrate Paleontology and Paleoanthropology, reported on the development of Darwin's theory of evolution and its struggle with creationism. The spread and influence of Darwin's theory in China was discussed by Wang Zichun, an assistant research fellow at the Institute of the History of Natural Sciences.

The theory of natural selection, the nucleus of Darwin's theory of evolution, was first introduced into China with the translation of T.H. Huxley's *Evolution and Ethics and Other Essays* by Yan Fu at the end of last century. Early in this century, "Natural Selection" and "Struggle for Existence," two chapters of Darwin's *Origin of Species*, were translated into Chinese and published in China. The full text of the *Origin of Species* and *The Descent of Man, and Selection in Relation to Sex* were translated in the 1920s and 1930s by Ma Junwu.

The spread of Darwinism in modern China had a far-reaching impact on its political ideology as well as the development of its natural sciences. Chen Zhen, a biologist, discovered the ancestor of the goldfish and its evolution after years of research on its variations and heredity. Paleoanthropologist Pei Wenzhong unearthed a fossil skull fragment of the "Peking Man" in 1929 and provided important evidence supporting Darwin's theory of the origin of mankind. This find stimulated worldwide interest in this field.

The meeting was sponsored by the Chinese Academy of Sciences and the China Association for Science and Technology. Zhou Peiyuan, Chairman of the latter, presided at the meeting.

After the meeting some 200 biologists from all parts of China attended a four-day symposium sponsored by the division of biological sciences of the Chinese Academy of Sciences. They reviewed developments in zoology, botany and microbiology.

An exhibition in honour of Darwin opened at the Beijing Natural History Museum on April 19. Facsimiles of pages from Darwin's diaries during his 1831-36 voyage were contributed to the exhibit by the British museum located in Darwin's former residence.

Sports News

Asian Women's Basketball Championship. The Ninth Asian Women's Basketball Championship was held from April 28 to May 5 in Tokyo, Japan. The south Korean team, the Chinese team and the Japanese team placed first, second and third respectively. As the runner-up of the last world championship, the south Korean team was

already eligible to take part in the Ninth World Women's Basketball Championship to be held in August or September 1983 in Brazil. Therefore the Chinese team won the right to enter the world meet as Asia's representative. In the final round, the Chinese team was defeated by south Korea (64:65) but outplayed Japan (68:56). South Korea downed Japan (86:60).

Canadian International Diving Championships. The 3-day 14th Canadian International Diving Championships in Montreal closed on May 2. Chinese divers won all four events.

In the men's platform diving, the Chinese divers captured the first four places. Liu Henglin, 23, the champion, scored 589.17 points.

China's Chen Xiaoxia, 19, scored 444.69 points to win the women's platform diving event. She performed a superb back 2½-somersault in pike position to score the only perfect 10 points in the final. Another Chinese diver Zhou Jihong placed second with 439.77 points. Canadian Elizabeth Kackay with 405.03 was third.

Chinese divers won the first three places in the men's springboard diving. Li Kongzheng, 23, won the gold medal with 650.04 points.

In the women's springboard diving, Li Yihua, the 18-year-old Chinese diver, won the gold medal with 490.98 points by defeating the last world champion Sylvie Bernier, a Canadian.

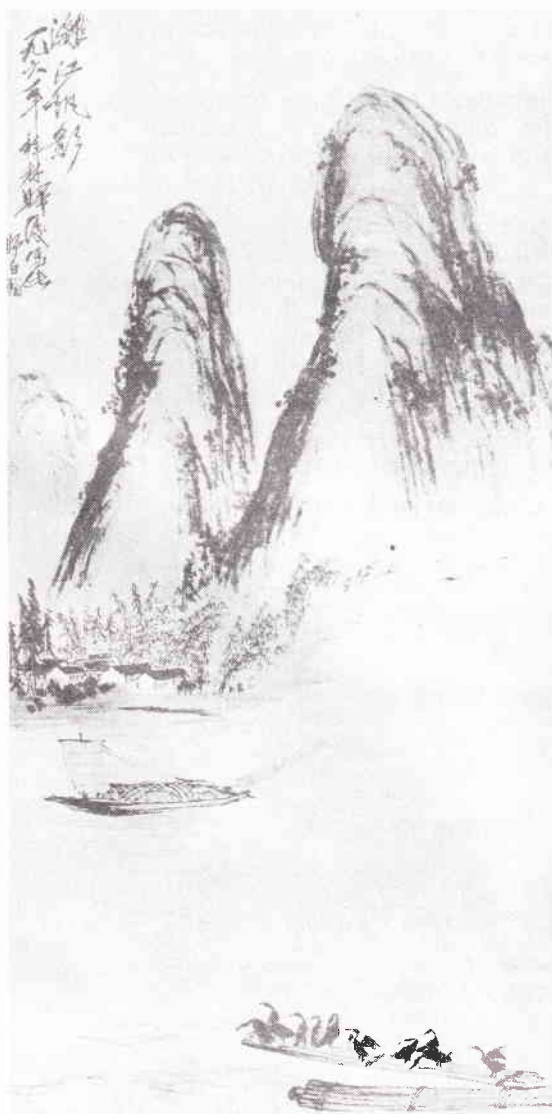
Sixty divers from 13 countries participated in the championships. The Chinese team was participating for the first time.

ART PAGE

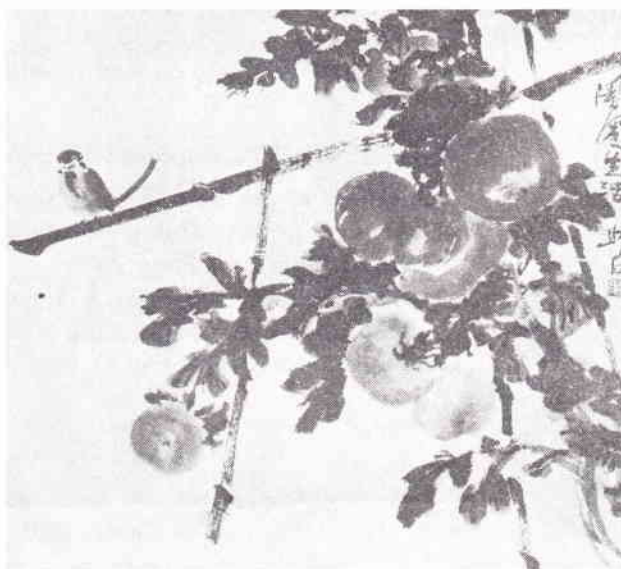
Lou Shibai's Traditional Chinese Paintings

Born in 1918 in Beijing, the artist was a student of Qi Baishi, a master of traditional Chinese painting. He has inherited his teacher's artistic style and produced innovations in painting and calligraphy. His works are noted for liveliness and harmonious combinations of vigorous and soft lines.

On the Lijiang River.



Staring at the Disheloth Gourds.



Tomatoes.



China State Shipbuilding Corporation

ANNOUNCEMENT

Approved by the State Council of the People's Republic of China, the China State Shipbuilding Corporation (CSSC) was set up in Beijing on May 4, 1982.

China State Shipbuilding Corporation is composed of the departments directly under the original Sixth Ministry of Machine-Building and some departments directly under the Ministry of Communications.

It is a national corporation with legal status under the State Council of the People's Republic of China. CSSC will deal directly with companies, enterprises and institutions at home and abroad in business activities.

Domestic and foreign trade is run by the subordinate China Shipbuilding Trading Company Limited (CSTC). The original China Corporation of Shipbuilding Industry, which ran import and export trade under the Sixth Ministry of Machine-Building, is abolished.

All the economic and technological agreements and contracts signed by the original China Corporation of Shipbuilding Industry (CCSI) and its branches under the Sixth Ministry of Machine-Building with domestic and foreign units as well as those signed by the shipbuilding and repairing yards under the Ministry of Communications are still effective. These agreements and contracts will be performed by China Shipbuilding Trading Company Limited (CSTC) and the subordinate companies, enterprises and institutions under China State Shipbuilding Corporation (CSSC).

CSSC will actively develop domestic and foreign trade and business.

It will provide both home and overseas customers with high quality and timely delivered products as well as efficient services.

Leaders of CSSC approved by the State Council:

Chairman of the Board: Chai Shufan

Deputy Chairmen: Zhang Youxuan, Cheng Wang

General Manager: Feng Zhi

Deputy General Manager & Technical

Superintendent: Peng Shilu

Deputy General Managers: Pan Zengxi, Wang Rongsheng

Address: 5, Yuetan Beijie, Beijing, China

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May 4, 1982