

# PEKING REVIEW

8

February 24, 1961

## China's Industrial Progress

Vice-Premier Po I-po gives an authoritative review of the last three years and discusses this year's tasks (p. 5).

## Vice-Premier Chen Yi on the Situation In Laos and the Congo

## Capitalist Economy Goes Downhill

A survey of the worsening economic crisis in the capitalist world and what it all adds up to (p. 13).

## Rural Farm Tool Plant at Work

How small workshops run by people's communes aid technical transformation of China's agriculture (p. 18).

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*Round the Week, Publishing and  
Other Features*

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# Sanliwan Village

by CHAO SHU-LI

This is an outstanding work of fiction reflecting the agricultural co-operative movement of China, written in 1955 by the well-known contemporary Chinese novelist Chao Shu-li.

Sanliwan is an out-of-the-way and water-scarce village in a mountainous area of north China. To transform conditions there, the local agricultural producers' co-operative mobilizes the entire population in a project to build an irrigation canal. Problems of land rights give rise to an ideological struggle. Around this central conflict there also evolves the personal stories of the love and marriages of three young couples.

The contradictions and difficulties confronting the people of Sanliwan Village were at once complex and interconnected. How they were worked through and solved under the correct leadership of the Party is the substance of the novel.

The canal-building project opened the eyes of Sanliwan Village to its tremendous prospects under socialism, consolidated and augmented the membership of the co-operative, and enlarged its scope and organization.

*Sanliwan Village* is a story truly reflecting the new face of China's countryside. The enthusiasm and creative spirit of the advanced personalities are shown to contain the seeds of the future while the capitalist ideology of the backward few are critically and realistically treated.

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# RED SUN

by WU CHIANG

This is an exciting full-length novel describing how the forces of the People's Liberation Army commanded by Chen Yi and Su Yu fought the enemy in the East China theatre during the Chinese War of Liberation.

The story begins with the second attack on the city of Lienshui by the Kuomintang army's crack unit, the Reorganized 74th Division, late in the autumn of 1946, and ends with this unit's total annihilation at Mengliangku by the People's Liberation Army in the summer of 1947.

With the two famous campaigns of Laiwu and Mengliangku as its central theme, the book vividly depicts stirring battle scenes and moving feats of heroism. Through realistic descriptions of the fighting and the daily life of the P.L.A. troops it portrays the noble heroism of its commanders and fighters, from army commanders and political commissars down to platoon and section leaders and ordinary fighters, and shows the great collective strength of the People's Liberation Army in defeating a stubborn enemy. At the same time it also gives a true picture of the brutality and vileness of the high-ranking enemy commanding officers.

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# PEKING REVIEW

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## ROUND THE WEEK

### Spring Prelude

Peach blossom blooms in the south, while in the far north snow still blankets the frozen ground. Nonetheless, to peasants in most parts of the country spring is here already. With the Spring Festival holidays only a few days past, the whole vast countryside is stirring to activity. Convoys of lorries, loaded to capacity with improved farm implements, machine parts, fertilizers, etc., from the cities are spreading out to the farms; new "Dongfanghong" tractors just off the assembly line are chugging their way to the villages. Long lines of carts carrying fertilizers are winding their way down to the fields. Everywhere in the villages, amidst the quickened rhythmic clanging of the blacksmiths' hammers, people's commune members are discussing production plans, making a last-minute check-up on their farm machines and tools; preparing fertilizers, seeds, busy at a thousand and one tasks.

The busy season on the farms begins right after the Spring Festival holidays. Reports last week from all over the country show that China's commune members have not departed from the advice of their fathers, grandfathers and predecessors of centuries past that "the work of the year depends on work in spring." They started early with active preparations for the spring ploughing.

In Hunan, Hupeh, Kiangsu, Kiangsi, Chinghai, Ningsia, Kirin, Inner Mongolia and other provinces, people's commune members are busy collecting manure and preparing compost and fertilizers. Braving icy weather thousands of members of the Shuangxing People's Commune, Wuchang County, near Harbin, are out digging silt from ponds and rivers and making compost. Down south in some parts of the Kwangsi Chuang Autonomous Region the fields are shining black with fresh manure.

Inspired by the call of the Chinese Communist Party to the nation to go all out for agriculture and determined this year to reap a better harvest, the

peasants are giving more attention than ever before to every phase of preparatory spring work. The keenest attention is being given to their implements. In Heilungkiang where 20 per cent of the cultivated land is machine-ploughed, 34 per cent of the tractors needing a check-up have already had a thorough overhaul. Forty per cent of the tractors needing repairs in the Shanghai area, in Kiangsu, Chekiang and Kwangtung have been fixed up. "Get your tools ready!" — the checking over, repair and making of small farm tools — is the order of the day in the people's communes. Not long ago, the village stores of the Yuba Production Brigade of the Matou People's Commune in Huaiyin, Kiangsu Province, were practically "overrun" by the commune members, 92 per cent of whom earned a higher income in 1960 than they did the previous year. Many bought new clothes, footwear and things for the home but piglets, lambs and poultry for the home stockyard were in big demand too and almost all picked up a new hoe, sickle or other tool. In 40 days the stores sold 6,400 small farm implements — over 60 per cent more than at the same time last year. Every family acquired new tools. And Yuba Production Brigade is no isolated case.

Field management is getting keen attention too. With the young winter wheat crops coming on in many parts of the country, water is uppermost in the minds of commune members. In Szechuan the farmers are checking over and repairing their irrigation systems and storing water wherever possible. In northern areas where there are already unmistakable signs of a dry spring, the peasants are taking no chances and work on irrigation is being stepped up.

Commune members in the Pearl River delta, known as the "granary of Kwangtung Province" are busy tending the emerald green rice seedlings, which will soon be transplanted to the paddyfields. In subtropical Hainan Island of Kwangtung Province,



Bringing Fertilizer to the Fields



Selecting Seeds

Drawings by Chen Kuei-teh

the peasants are already setting out the seedlings. By the Spring Festival, early rice had been set out there on 900,000 *mu*.

### 100,000 Tons of Rolled Steel

Talking about farm machinery and implements, this year the nation's steel and farm machinery industries, trade and transport departments are more than ever at one with the farmers in the national effort to develop agriculture. By mid-January producers and distributing agencies in Peking, Hopei, Heilungkiang, Shansi, Shantung, Anhwei, Hunan and Kiangsi had already supplied the farms with some 40 million small farm tools. During the past three months Shanghai alone has rushed several million parts for tractors and other farm machines to the rural people's communes.

Last month, beating the deadline set by the state plan, the year's first consignment of rolled steel—100,000 tons all told—was rushed to farm

implement plants in various parts of the country. This batch of steel included flat, square and round steel bars and quality carbon steels to edge farm tools. About a dozen key iron and steel works in Chungking, Shanghai, Tientsin, Tangshan, Taiyuan, Tayeh, Shihchingshan, Shenyang and Anshan, and many iron and steel complexes of smaller size in some 20 provinces produced this metal. Steelworkers made an extra special effort in turning out this consignment of steel products for the farms. In many plants it was the centre piece of emulation campaigns with the accent on efficiency and quality.

### They Know and Write About the Past

Premier Chou En-lai last week attended a meeting of historians and men of letters called by the National Committee of the Chinese People's Political Consultative Conference. Those present, members of the Committee for Research on Cultural and Historical Materials or members of the Central Institute of Research on Culture and History, are all veterans whose average age is 65. They included the historians Yang Tung-chun, Ku Hsieh-kang and Hsing Tsan-ting; Puyi, the former emperor of the puppet "Manchukuo," and Tu Yu-ming and Wang Yao-wu, former Kuomintang generals, all of whom have recently been enlisted in the work of gathering historical materials also attended the meeting.

Premier Chou, who is also Chairman of the National Committee of the C.P.P.C.C., warmly greeted all the veteran scholars present. He and Vice-Premier Chen Yi, who is a Vice-Chairman of the National Committee of the C.P.P.C.C. praised the work they have already done in historical research and warmly encouraged them to continue their work by setting down in writing their intimate knowledge of the past. Most of these veterans were born in the Ching Dynasty and having lived under several governments, and at a period of rapid revolutionary change in China's history have a rich store of personal experience.

Fan Wen-lan, noted historian and Chairman of the Committee for Research on Cultural and Historical Materials, summing up the committee's work in the past 18 months,

reported that it had already gathered historical data in the fields of politics, military affairs, economics and culture totalling 11 million Chinese characters. These were written by people of all walks of life on the basis of their personal experience and reminiscences. Twelve volumes of *Selected Cultural and Historical Data*, running to one and a half million characters, were compiled and printed last year. Fan Wen-lan characterized this as providing valuable information for historical research. He also pointed out that this method of collecting historical data was one way of mobilizing the initiative of people and putting their rich store of social experience at the service of socialism. In writing down the past, he said, those engaged in this work enabled themselves to advance still more confidently along the socialist road as they compared the past with the present.

### Hothouses in Cold Climes

Throughout the winter, even when the thermometer in north, northeast and northwest China dips way below zero Centigrade, fresh green vegetables don't desert the dinner tables. Cucumbers, beans, tomatoes, celery, and many other off-season vegetables are all available. This is due to the fact that more and more suburban rural people's communes have taken to hothouse gardening in a big way.

Peking, with perhaps the longest tradition in this field, this winter increased its hothouse floor space by 16 per cent and the number of cold frames by 57 per cent compared with 1959. Evergreen People's Commune on the western outskirts of the city is the most famous and prosperous specializing in this field.

Harbin in Heilungkiang Province, another far northern city (temperature now 20 below), has also recently been devoting much attention to this type of farming. Hothouses with a total space of 50,000 square metres were added to supply the city's residents with more out-of-season vegetables.

Even in the Tangla Mountains, perched high on the "roof of the world," road maintenance workers and travellers along the Chinghai-Tibet Highway are getting their first taste of greens. The road builders there have taken to hothouse gardening as a sideline.

# For New Victories in China's Industrial Production and Construction

by PO I-PO

*Following is an abridged translation of an article published in "Hongqi," Nos. 3 & 4 (combined issue), 1961.—Ed.*

**T**HE three years from 1958 to 1960 witnessed great developments in China's industrial production and construction. Compared with 1957, the gross value of industrial output in 1960 increased nearly threefold, the average annual rate of increase being more than 40 per cent. Steel output reached 18,450,000 tons in 1960. This is nearly three and a half times the 5,350,000 tons of 1957; the average annual rate of increase was 4,370,000 tons, or nearly five and a half times the average annual rate of increase of 800,000 tons during the First Five-Year Plan. In 1957, China occupied ninth place in the world in steel output; by 1960, it moved into sixth place. In coal output, our country jumped from fifth place in 1957 to second in 1960. Other industrial products, such as pig iron, electricity, petroleum, various kinds of machines and equipment and chemical fertilizers, as well as capital construction in various fields, also registered a continuous big leap forward in the past three years.

The big leap forward for three consecutive years has not only greatly raised the production level of China's industry but has also considerably strengthened its material and technical base. The stock of machine tools in 1960 was more than double that of 1957, and the number of engineers and technicians also more than doubled. While there was a big boost in output, the quality of many industrial products was raised, and they also grew in variety. There was a great increase in 1960, as compared with 1957, in the kinds of steel, steel products, machine tools and other important industrial products. The continuous rise in the level of our country's industrial production and the steady consolidation of its material and technical base have played and will continue to play a tremendous role in promoting the technical transformation of our national economy, first and foremost, the technical transformation of agriculture, and in enhancing the growth and elevation of science and culture in our country.

In 1957, the Central Committee of the Chinese Communist Party and Comrade Mao Tse-tung issued a militant call to catch up with and surpass Britain in the output of iron and steel and other major industrial products in 15 years or a little longer. This call greatly aroused the fighting will of the people of the whole country in speeding up the development of industry, heightening their labour enthusiasm and turning to account their initiative and creativeness. With three years of the continuous big leap forward to their credit, the people of our country are fully confident of surpassing Britain in the output of major industrial products in about ten years, and even our enemies

cannot but admit that such a possibility exists. When our Party put forward the call to catch up with and surpass Britain in the output of major industrial products in about 15 years, British bourgeois economists ridiculed us and maintained that it was impossible of achievement. Not long ago, however, the *London Times* was compelled to say that Britain should be on the alert; that the "big dragon" could overtake it.

**T**HE big leap forward in three consecutive years helped us to win time. The output of major industrial products in 1960 greatly exceeded the levels originally scheduled for 1962 in the Second Five-Year Plan. This makes it possible and necessary for us, during the last two years of the Second Five-Year Plan, to devote more energy to consolidating the achievements of the three years of the big leap forward, enriching the content of newly developed undertakings and raising the quality of those new things that require further improvement. The Ninth Plenary Session of the Eighth Central Committee of the Chinese Communist Party has laid it down that, in planning for heavy industry in 1961, the scope of capital construction should be appropriately reduced, the rate of development should be readjusted and a policy of consolidating, filling out and raising standards should be adopted on the basis of the victories already won. This means that efforts should be made to improve the quality of products, increase their variety, strengthen the weak links in production and continue to develop the mass movement for technical innovations, economize on raw and other materials, lower costs of production and raise labour productivity. This policy decided on by the Ninth Plenary Session of the Party's Eighth Central Committee is entirely correct; we should resolutely carry it through.

The laws of motion of all things indicate that they move upward to higher levels in a spiral curve and that they develop in wave-like fashion. Motion in the field of economy is no exception. So far as the process of the big leap forward in China's industry is concerned, it is probably like this: Given a particular foundation and under certain conditions of production, there are several years in which the rate of development is extremely high, others in which the rate of development is comparatively low, and still others in which the rate of development once more becomes very high. In the past three years, our industry developed on a relatively weak basis; quantitatively there was an enormous increase while qualitatively there was also a certain rise. From now on, while we continue to increase in quantity, we should greatly raise quality. It can be expected that after two or three years our industry will, on a new and developed basis, certainly become still

further consolidated, richer in content and higher in standard, and that there will certainly emerge a still better leap forward. Therefore, the policy of consolidating, filling out and raising standards put forward by the Party's Central Committee is a positive policy beneficial both to consolidating the great achievements scored in the big leap forward in three consecutive years and to the continued leap forward in our national economy in the days to come.

**T**O carry through the policy of consolidating, filling out and raising standards on a developed basis requires, first and foremost, that we should concentrate our forces to strengthen the agricultural front, reinforce the support given to agriculture by all trades and professions, do our utmost to bring in a better harvest in agriculture this year, and increase the speed of agricultural development as far as possible. At the same time, efforts should be made to open up new sources of raw materials, speed up the expansion of light industry and ensure the supply of the people's daily necessities as far as possible. In heavy industry, close attention should be paid to the extracting industries and a bigger increase should be brought about in the output of coal, petroleum, iron ores, non-ferrous metals, raw materials for the chemical industry, non-metallic materials, timber, etc., enabling them to meet better the needs of development of the processing industries. While developing industrial production, communications and transport should also be strengthened so as to effectively link up bases producing raw materials with those for processing and production units with consumption units, thereby ensuring the smooth production and flow of goods. The scope of industrial capital construction should be appropriately reduced in order to concentrate forces to complete essential projects batch by batch. The main task in industrial capital construction in the next two or three years is, proceeding from the productive capacity of the existing equipment of the various industrial departments and the various links in the production process, to fill up the gaps and achieve a proper balance, manufacture complete sets of equipment and raise capabilities for multi-purpose production.

We give priority to developing heavy industry for the sole purpose of creating the necessary material conditions for the technical transformation of the national economy, providing modern equipment for agriculture, light industry, communications and transport and other branches of the economy, and stimulating their growth at a still higher speed. Marx said:

“... Constant capital is never produced for its own sake but solely because more of it is needed in spheres of production whose products go into individual consumption.”\*

Marx was here referring to capitalist production, but the fundamental principle involved is also applicable to socialist production. This means that heavy industry itself needs continuous expanded reproduction, but the aim of such expanded reproduction is to promote expanded reproduction in other branches of the economy and the expanded reproduction of means of consumption. In developing heavy industry, therefore, not only must consideration be given to the needs of heavy industry itself; all-round con-

sideration should be given to the needs of other branches of the economy, particularly those of agriculture, and more consideration should be given to the question of how heavy industry can serve the technical transformation of other economic branches, particularly the technical transformation of agriculture. Comrade Mao Tse-tung said:

“With the development of agriculture and light industry, heavy industry will be assured of its market and funds, and thus grow faster. Hence what may seem to be a slower pace of industrialization is actually not so, and indeed the tempo may even be speeded up.”\*

After the great practice of the past three years, we have come to understand more profoundly the correctness of this viewpoint of Comrade Mao Tse-tung. We should firmly adhere to this viewpoint in proceeding with our work in the days to come.

It is an important task on the industrial front in the next two or three years to strive for a leap forward in the quality and variety of industrial products. Quantity in industrial production is an important indication of the level of industrial development, but it is not the only indication. As there is no such thing as quality unrelated to quantity, so there is no such thing as quantity in the abstract; as specific quantities of products possess specific qualities, the quality of products is embodied in specific quantities of products. There may be large or small quantities, and there may be high or low quality. When the quantity of products having a certain quality is developed to a certain level, more attention should then be given to their quality and variety, giving top consideration to improving their quality and increasing their variety. As far as bettering the quality of heavy industrial products is concerned, we should first and foremost improve the quality of coal, iron and steel. At the same time, efforts should be made to boost the output of high-grade steel, alloy steel and important steel products, and to greatly increase their proportion in the total output of steel and steel products. The quality of light industrial products directly affects the vital interests of the consumer; every effort should be made to produce light industrial products that are durable, of good quality and low price. The common and specific needs of the people in the cities and countryside should also be taken into account, and we should increase the designs and variety of our light industrial products.

**I**MPROVEMENTS in quality and increase in variety of products on the basis of a given quantity will play a very important role in the development of China's industry and the national economy as a whole. As the quality of industrial products improves and their variety increases, we shall be able to achieve a further great rise in the technical level of China's industrial production, more effectively strengthen its weak links, fill up the gaps, make the entire industrial system and the national economic system as a whole still more comprehensive, lift further the rate of self-sufficiency in industrial materials and equipment, and better meet the various needs of national construction and the people's livelihood. At the same time, this will make it possible to economize greatly on manpower and materials and attain greater economic results. The Chinese people

\* Mao Tse-tung, *On the Correct Handling of Contradictions Among the People*, Eng. ed., Foreign Languages Press, Peking, 1960, p. 68.

\* Karl Marx, *Capital*, Eng. ed., Foreign Languages Publishing House, Moscow, 1959, Vol. III, pp. 299-300.

should have the will and determination to catch up with and surpass Britain not only in output, but also in the quality and variety of industrial products. We must gradually achieve the ability to produce everything the industrially advanced countries are capable of producing and to reach the levels of quality attained by these countries.

To fulfil state plan targets in output, quality and variety in an all-round manner, it is necessary, in addition to filling up the gaps and achieving a proper balance between the various industrial departments as mentioned above, to do satisfactory equipment maintenance and repair work and achieve a proper balance of productive capacities of the various processes within enterprises, especially heavy industrial enterprises.

**B**ESIDES doing maintenance work well and achieving a proper balance in productive capacity, rational organization of labour is also necessary if we are to fulfil the state plan in an all-round manner. The number of workers and staff members in the departments of industry and communications has more than doubled over the past three years. The overwhelming majority of enterprises can certainly meet requirements for continued production growth with the manpower already at their disposal. We should depend on raising labour productivity for further development of production in the future. Enterprises should endeavour to improve labour organization, strengthen labour management and raise labour productivity to new, higher levels. To achieve this goal, enterprises must firmly adhere to and improve upon the system of leading cadres, rank and file and technical personnel working in close co-operation, and further promote the movement for technical innovations and technical revolution. It is all the more necessary for enterprises employing manpower in great quantity, such as those engaged in mining, transport, loading and unloading, to raise the degree of their mechanization and semi-mechanization energetically. At the same time, new techniques should be developed and created under proper leadership and in a planned way. In the movement for technical innovations and technical revolution, it is necessary to combine bold thinking and action with a scientific spirit; the masses must be aroused and given free rein while at the same time everything must go through experiment and testing. Scientific appraisals must be made of all innovations and advanced experiences. They must be popularized in a way that suits the specific conditions of the enterprises concerned. All innovation activities must be closely co-ordinated with production. Relevant leading organs should give active support to all new products, techniques and technological processes that have been scientifically verified as suitable for large-scale popularization, and these should be included in production plans or regulations for technical operations.

An important task facing industrial departments today is to further economize on raw and other materials and fuel and lower production costs on the basis of improving the quality and increasing the variety of products and raising labour productivity. Huge potentials in this respect remain to be tapped in all industrial departments and enterprises. Large quantities of coal, pig iron, steel products and other materials can be saved and more industrial goods produced, if we help backward enterprises to adopt effective measures and exert earnest efforts to reach first

the average advanced level and then the advanced level in economizing on raw and other materials and fuel.

To save raw and other materials and fuel and reduce costs of products, all enterprises should strengthen the control of quotas and introduce efficient business accounting. Provided we have proper business accounting and succeed in reducing the consumption of raw and other materials and fuel, in raising labour productivity and in cutting down administrative expenses, we shall be able to greatly lower costs of products.

Another important way of saving raw and other materials and fuel and lowering costs is for those enterprises endowed with favourable conditions to make multi-purpose utilization of materials in a rational way and to properly diversify their activities. We may cite the Kirin Chemical Company as an example. In the latter half of 1960 alone, this company successfully trial-manufactured 79 types of new products from its waste water and gas and other residues from its production processes. Thirty-five of these new types of products are now in batch production. All enterprises with the necessary conditions should ascertain the scope and direction which they should take in the multi-purpose utilization of materials and diversification. This must be done in the light of the technical and material resources at their disposal and on condition that such activities are carried out in an economical and rational way and proper distinctions are drawn between what is of primary and what is of secondary importance.

To effectively fulfil the above-mentioned tasks, the enterprises should strengthen their management in earnest. With the experience accumulated over the past ten years, especially that of the big leap forward in the past three consecutive years, we have formulated a complete set of methods for the management of enterprises suitable to China's specific conditions, i.e., closely integrating centralized leadership with the organization of mass movements in a big way, the leadership of the Party committee with the firmly-grounded responsibility of the factory director, political with economic work, and the strengthening of political, ideological education with the thorough implementation of the principle of "to each according to his work," and persisting in the principles of "workers' participation in management, cadres' participation in productive labour, the reform of out-dated irrational rules and regulations, and the close co-operation between leading cadres, the rank and file and technicians," etc. The question now is to further systematize these principles and methods and apply them universally.

**T**O ensure the smooth development, in accordance with set policies, of the national economy in 1961, all departments, localities and economic concerns must, when drawing up and implementing their plans, be true to the spirit of regarding the entire economy as a single co-ordinated "chess game." That is to say, they should consider their work within the framework of the unified state plan, shape their activities to meet the requirements of this plan, and strive energetically to fulfil and overfulfil the state plan. Available forces in all fields should be concentrated for the fulfilment of the most urgent tasks that confront us today and for the thorough implementation of the policy of taking agriculture as the foundation of the national economy and placing it above all else and the policy of consolidating, filling out and raising standards on

the basis of expansion. Experience of the past few years enables us to realize more clearly that the state plan should take into full consideration the initiative of all concerned and that this initiative should first of all manifest itself in the fulfilment and overfulfilment of the state plan. If, when drawing up the economic plan, the state does not fully allow for the initiative of all concerned, it would be impossible for the national economy to develop in such a way as to achieve greater, faster, better and more economical results. If, on the other hand, a certain field or a certain unit divorces itself from the state plan and the requirements of the whole, and displays its "initiative" in a onesided manner, it would not only be detrimental to the whole, but would eventually bring harm to itself.

To make investigations and studies constantly is a matter of the greatest importance in striving for new victories in industrial production and construction. To formulate the correct line, policies and principles, it is essential that scientific and meticulous investigations and studies be made. Such investigations and studies are also indispensable when implementing the Party's line, policies and principles. A clear understanding of the situation, firm resolve and correct methods of work are the basic conditions for success in any endeavour. It is only with a thorough understanding of the situation that one can have firm resolve and correct methods of work. Therefore, a clear understanding of the situation is a prerequisite, and this cannot be achieved without making investigations and studies. Leading cadres of all levels in all industrial departments and enterprises should energetically undertake investigations and studies. They should, in their actual work, acquire an understanding of the situation, uncover problems and solve them. They should make correct arrangements for work in the light of the knowledge gained from investigations and studies. Proper measures are necessary for the fulfilment of set targets and special personnel should be held responsible

for them. Whenever there are problems, they must be tackled with determination and by correct methods.

In 1961, under the leadership of the Communist Party committees at all levels and by the extensive mobilization of the masses, a rectification movement should be carried out in all industrial departments and enterprises stage by stage and group by group. In the enterprises, the movement should start with investigations and studies, check-up on the work done and the summing up of experience. It should be carried out in close co-ordination with production. Improvements should be introduced while the movement is still in progress so as to propel production forward. We should strive through the movement to enable all cadres to raise their political level and their understanding of policies, to develop the style of work of seeking truth from facts, relying on the masses, working hard and of democracy and unity, so that the Party's policies may be executed thoroughly and in an all-round manner and the state plan fulfilled with greater, faster, better and more economical results.

**T**HE Ninth Plenary Session of the Party's Eighth Central Committee called on the whole Party and people throughout the country to persist in the revolutionary spirit of going all out and aiming high, to carry forward the fine tradition of seeking truth from facts and of working hard and perseveringly, and by every means to take timely and effective measures to strive for a bumper harvest this year and for the fulfilment of the new tasks in industry, transport, commerce, culture and education as well as in the other spheres of socialist construction. We are confident that our working class, together with the people of the whole country, will certainly respond to the Party's call with the highest enthusiasm and firm will, overcome all difficulties in production and construction and successfully carry out the glorious tasks assigned them by the Party and the state.

## Vice-Premier Chen Yi on the Situation In Laos and the Congo

**O**N February 22, Vice-Premier Chen Yi delivered a speech at a reception given by U.A.R. Ambassador Salah el Dine Tarazi in celebration of the United Arab Republic's National Day. In his speech the Vice-Premier once more condemned the United States for its new schemes of aggression and intervention against Laos and reiterated the Chinese Government's determination to do everything possible to support the Gizenga government and the Congolese people's just struggle.

"The Chinese Government and the Chinese people," Vice-Premier Chen Yi said, "resolutely support the just demand of the Soviet Union and the other socialist countries for punishment of the murderers, for the withdrawal of all foreign troops from the Congo and for an end to the U.N. activities there; we resolutely support the just stand taken by the United Arab Republic, Guinea, Ghana, Mali, Algeria, Morocco, Indonesia, Cuba and many other

countries in Asia, Africa and Latin America on the Congo question. The Chinese Government has recognized the Government of the Republic of the Congo under the leadership of Acting Premier Gizenga as the only legal Government of the Congo and has established diplomatic relations with it." The Vice-Premier added: "The Chinese Government and people, together with all other socialist countries and together with the governments and peoples of the United Arab Republic and other countries which uphold justice, will extend all necessary and possible support and assistance to the Government of the Republic of the Congo and the Congolese people in their just patriotic struggle."

To date, the bloodshed in the Congo has not stopped, he emphatically pointed out. With the support of the imperialist bloc headed by the United States, the traitorous clique of the Congo is continuing to step up arrests of Congolese patriots and is actively preparing to launch



attacks on the seat of the legal Congolese Government. He drew attention to the statement of U.S. President Kennedy that the United States would continue to support the United Nations in its activities of aggression and intervention in the Congo and would consider sending U.S. troops to launch direct aggression against the Congo when the U.N. activities failed. "All this," Vice-Premier Chen Yi emphasized, "fully proves that the imperialist bloc headed by the United States will shed no tears until they see their coffins and they will never willingly relinquish their hold on the Congo. As long as the United States and the United Nations Organization under its control continue their intervention in the Congo, the bloodshed there will not cease and there will also be the danger of its spreading. Nothing can be as clear as this. However, at this critical moment, there are still some people who harbour illusions about the United States and the United Nations Organization. They have even gone so far as to justify the U.S. and the U.N.'s crimes of aggression. This shows that these people have not yet drawn the lessons to be learnt from the bloodshed in the Congo. Now it is high time that they cast away their illusions. The Congolese issue can be ended only through the Congolese people's effort to smash imperialism's intervention. We should stand firmly by the Congolese people."

"The United States," Vice-Premier Chen Yi stressed, "is not only persisting in its activities of aggression and interference in the Congo and other parts of Africa but is also engineering a new scheme to turn Laos into

a second Congo." He said: "Recently the United States declared that it supported the so-called 'policy of neutrality' reiterated by the Laotian King in his February 19 declaration and his proposal to set up a three-nation commission. This marks the start of the new U.S. scheme. The aim of the United States is not to promote the peace and neutrality of Laos. It is in fact attempting to bury the Geneva agreements and use the prestige of neutral countries to legalize the rebel clique in Laos, so as to facilitate its aggression and interference. Cambodia and Burma have consistently supported the peace and neutrality of Laos and the Chinese Government fully agrees with their attitude. The Chinese Government holds that the sole correct way to peacefully solve the Laotian question and to ensure the peace and neutrality of Laos lies in convening an enlarged meeting of the Geneva Conference, as proposed by Prince Sihanouk, with the Geneva agreements as its basis and reactivating the International Commission for Supervision and Control in Laos so as to curb intervention in Laos by the United States and its accomplices, and giving firm recognition to and actively co-operating with the legal Government of Laos headed by Prince Phouma." "No matter whether it is the question of Laos or of the Congo, only by ruling out intervention on the part of the United States and the United Nations, leaving the Laotian people and the Congolese people to settle their own problems, will it be possible to bring genuine peace and independence to Laos and the Congo," Vice-Premier Chen Yi declared.

## Murder of Lumumba

# China Denounces Imperialism's Crimes

THE storm of protest against the murder of Congolese Premier Patrice Lumumba and his colleagues continued to mount in China during the past week. Protest rallies of millions of people were called in the major cities. Public leaders sharply condemned the U.S. and Belgian imperialist murderers and their blood-thirsty puppets.

Stanleyville and the entire fighting Congo, though half a world away, are very close to Chinese hearts these days. In the press and over the radio, at public gatherings and in private conversation, the Congo is a centre of attention. The Chinese Government and people have voiced, in the most unequivocal terms, vigorous support for the Congolese people and their legal Government under Acting Premier Antoine Gizenga.

### Diplomatic Relations

At governmental level, a joint communique was issued by the People's Republic of China and the Republic of the Congo (Stanleyville) on February 20, announcing that they have decided to establish diplomatic relations and exchange diplomatic representatives at ambassadorial level. On the previous day, China's Vice-Premier and Foreign Minister Chen Yi had cabled Acting Premier Gizenga, reaffirming the Chinese Government's position of recognizing the Government led by him as the sole legal Con-

golese Government and expressing China's readiness to establish diplomatic relations with it.

On February 21, Chairman Liu Shao-chi in a cable to Guinea's President Sekou Toure declared: "Our Government and people are determined to give the Congolese people support and assistance in all fields in their just struggle to oppose imperialism and colonialism and safeguard their national independence and state unity." He was replying to President Toure who requested support for Guinea's efforts against the imperialist plot aimed at aggravating the situation in the Congo. The murder of Premier Lumumba, stated Chairman Liu Shao-chi in his cable, is not only a frenzied attack by U.S. and Belgian imperialism and their agents against the Congolese people and all African peoples; it is also a grave provocation against the peace-loving peoples of Asia and the world.

### Nationwide Rallies

Meanwhile, hundreds of thousands of citizens have turned out at citywide rallies to protest against the monstrous imperialist crimes in the Congo. Following the rallies of over half a million people in Peking (see *Peking Review*, No. 7), 400,000 attended protest gatherings in the east China metropolis of Shanghai; 350,000 in the north China port city of Tientsin; 300,000 in the northeast

# Firm Backing for Congolese Government's Stand Against U.S. and Belgian Imperialism

— Chairman Liu Shao-chi Replies to Acting Premier Gizenga

In a reply cable to Congolese Acting Premier Antoine Gizenga on February 22, Chairman Liu Shao-chi stated: "The Chinese Government and people resolutely support the solemn and just stand and the viewpoint expressed by Your Excellency and the Government of your country in opposing U.S. and Belgian imperialism and their agents. The Chinese people are deeply convinced that the Congolese people, united as one and persisting in struggle, will eventually defeat the plot of imperialism headed by the U.S.A. for aggression against the Congo and win the complete independence and freedom of their country."

Acting Premier Gizenga, in a telegram to Chairman Liu Shao-chi dated February 19, had declared: "So long as the murder of the Premier, the President

of the Senate and Minister Mopolo is not settled, America cannot raise the question of convening Parliament. Belgium-Kasavubu-Tshombe and Mobutu must be tried. All the Belgian and French subjects without exception must absolutely quit the Congo. We are convinced that, when the United Nations finally withdraws from the Congo, the crisis will come to an end and Parliament can be convened freely. We do not recognize the authority of Dag Hammarskjold as a functionary of the United Nations. We cannot permit America to keep talking about the Congo after it engineered the murder of Lumumba, the head of the Government of the Congolese people. Such is our general position in the face of the manoeuvres of the imperialists and we cannot retreat from it. We ask for your most absolute support."

China industrial centre of Shenyang; 300,000 in Sian in northwest China; 200,000 in Wuhan on the Yangtse in central China; 200,000 in south China's Canton; 100,000 in southwest China's Chengtu; 100,000 in Huhehot, the leading city of Inner Mongolia; and 200,000 in Urumchi of Sinkiang, far west in China's hinterland.

In sorrow and in anger, contingents of workers, peasants, students, government workers and other sections of the population gathered at these rallies. Some workers, straight from the factories, were still in their work clothes. Others, members of the people's militia, brought their rifles with them. The meeting grounds were draped in mourning. The Chinese national flag was at half mast and the mass concourses of people stood in solemn silence as mourning music was played for the slain Congolese national heroes.

When speakers took the floor, denouncing this latest, vile crime of imperialism, again and again angry shouts burst out. Thousands of voices echoed the slogans raised: "Resolute support to the patriotic, just struggle of the Congolese people!" "New and old colonialists, get out of the Congo!" "The U.S. imperialists and the 'U.N. forces' must be held responsible for the murder of Premier Lumumba!"

## Universal Condemnation

In the past week, leading figures in various fields of activities have issued public protests.

Burhan Shahidi, who is Vice-Chairman of the National Committee of the Chinese People's Political Consultative Conference and Vice-Chairman of the Chinese Committee for Afro-Asian Solidarity, declared: "The tidal wave of

the African peoples' national liberation movement will eventually inundate and sweep away all the new and old colonialist forces." Burhan has visited Africa on four occasions since 1956 as a friendly envoy of the Chinese people and has met many African statesmen. Citing many instances he warned the imperialist aggressors that they have already accumulated countless blood debts in Africa which the African peoples will certainly make them pay.

Chen Shu-tung, Chairman of the All-China Federation of Industry and Commerce, pointed out that the United Nations has become a tool of U.S. imperialist aggression in the Congo, and that the so-called U.N. Secretary-General, Hammarskjold, is a lackey carrying out U.S. aggressive policy there and an executioner of Lumumba. The chief criminal is U.S. imperialism, he stressed. The murder of Lumumba has provided fresh evidence that U.S. imperialism is the chief bulwark of world reaction, an international gendarme and the most vicious enemy of the people of the whole world.

Chu Wu, Vice-President of the Chinese-African People's Friendship Association, denounced as a shameless lie the statement made by U.S. President Kennedy that "the United Nations offers the best possibility for the restoration of conditions of stability and order in the Congo." Order in the Congo cannot be restored so long as the so-called U.N. forces remain there, he stressed. Chu Wu, who toured ten African countries and spent over eight months with the African people last year, described the great national liberation movement in Africa whose upsurge he personally witnessed, and he added: "The Chinese and African peoples are brothers. The 650 million Chinese people always stand by the peoples of the Congo and Africa."

The writer Yang Shuo, who had been in Cairo as a member of the Permanent Secretariat of the Afro-Asian People's Solidarity Organization, said that imperialism, in murdering Lumumba, aimed at throttling the Congolese and African peoples' national independence movements because Lumumba represented their great national spirit of firm opposition to both new and old colonialism. By his heroic death, Lumumba has sounded the clarion call that freedom and independence can be won only by the people's struggle; no one should cherish any illusions about the new and old colonialist forces headed by the U.S.A. and the U.S.-manipulated United Nations, Yang Shuo declared.

Chen Fa, a worker turned engineer at a Peking locomotive works, told the press that the imperialists are like wolves, bereft of human traits. "We shall turn our wrath into strength and give all-out support to the just struggle of the Congolese people," he said.

Han Cha-hsien, an outstanding woman textile worker, recounted her bitter life as a child labourer in old China under imperialist rule. The deep distress of the Congolese people today, she said, has refreshed her memories of the past. "I know full well," she said, "that peace-loving people everywhere can't have a tranquil life before imperialism is wiped out!"

Lao Sheh, the famous writer, saluted the late Congolese Premier in a special article. Hundreds of thousands defying slavery will march on to the bugle call of Lumumba's epic, he wrote. "Lumumba has died, but he will live on. It is truculent colonialism that is condemned to real death and oblivion."

### Protests in Many Forms

Public feeling on this crime has been expressed in print, pictures, poems and the cinema. The press has given extensive coverage to the news. Its editorial comments have been supported by accounts of Lumumba's life, translations of his poetry deeply inspired with patriotic feeling, news photos of protest demonstrations



Drive the Colonialists, New and Old, Out of Africa!

Collective work of the Department of Graphic Arts, Canton Institute of Fine Arts

from all parts of the world, readers' letters, essays and poems. . . . The Central Newsreel and Documentary Film Studio has rushed out *Condemn Imperialism for the Murder of Lumumba!*, a newsreel on Peking's protest rallies, which also incorporates scenes from the Congolese Premier's life and activities and his kidnapping by the imperialists and their puppets.

Foreign guests in China have also added their voices to these anti-imperialist demonstrations. Attending a protest rally in Shanghai, F.V. Konstantinov, head of the visiting Delegation of the Soviet-Chinese Friendship Association, said in his speech that the murder of Lumumba and his comrades-in-arms was committed under the U.N. flag and with the direct participation and tacit consent of Hammarskjold. But the "gentlemen" of imperialism, he said, cannot obstruct the surging tide of the oppressed peoples' movement against colonialism and imperialism. "The mighty socialist camp, the great alliance and fraternal friendship between the Soviet and Chinese peoples are the pillar of the national independence movement and the bulwark of world peace in our era," the Soviet speaker declared.

Fernando Alonso, head of the visiting Cuban Ballet Troupe, speaking on the same occasion, said that the Cuban people regard the murder of Lumumba as a murder of their own fellow countrymen. He shouted the slogans: "Lumumba, yes! Yankees, no!", "Down with colonialism!" and "Down with U.S. imperialism!"

In Canton, the head of the visiting Sudanese Cultural Delegation, Mohamed Hiweig, addressed a protest rally. He said that both the Sudan and China suffered under imperialism and that now they join each other in condemning imperialism for its attempt to arrest, by despicable means, the advancing wheels of the free Congo.

### With Renewed Resolve

Across the length and breadth of China's vast land, the people continue to raise their voices in protest against the bloody imperialist crimes. They voice the deep sorrow and sympathy for the Congolese people felt by a nation which still vividly remembers its own tribulations under imperialist domination only a little over a decade ago. They also breathe the confidence of a nation which, despite imperialist repression and massacres, finally drove all the foreign oppressors from its sacred soil. This note of confidence is well expressed in the lines of the poet Juan Chang-ching. He writes:

*Lumumba, Okito, Mopolo,  
Best sons of the Congo!  
Your heroic example is deathless.  
Freedom's aspirations can't be killed!  
Flaming torches, dashed to earth by  
schemers,  
Will start a prairie fire  
Whose onward rush is not to be  
constrained.*

## China Stands By the Congo

*Following is a slightly abridged translation of an editorial published in "Renmin Ribao" on February 22 under the title "The Chinese People Stand Closely By the Congolese People." — Ed.*

**F**RRIENDLY relations between China and the Republic of the Congo have entered a new stage with the decision of the two Governments to establish diplomatic relations and exchange ambassadors.

The Chinese people and the Congolese people have shared a similar fate. Like the Congolese people today, the Chinese people once suffered protracted imperialist and colonialist aggression and oppression. Although they have now driven all the aggressive forces of imperialism and its lackeys out of the Chinese mainland, won complete liberation and independence and embarked upon the road of building socialism, U.S. imperialism still occupies the Chinese territory of Taiwan and has never ceased for a single moment to show hostility to the Chinese people. Therefore, although China and the Congo are separated by oceans and thousands of miles, we face the same enemy and are waging a common struggle. The people of the two countries must support each other in their struggle.

By bloody massacres and the killing of Patrice Lumumba, leader of the legal Congolese Government, and some of his close comrades-in-arms, the imperialist bloc headed by the United States has vainly attempted to declare "liquidated" the legal Congolese Government. The very next day after the news of the murder of Lumumba was confirmed, U.S. President Kennedy hurried out with a statement saying that the United States recognized only the illegal Kasavubu government, and attacked the legal Government led by Gizenga. But U.S. imperialism has expressed its glee much too soon. Things are going directly contrary to the wishes of imperialism. The bloody massacres carried out by the U.S. and Belgian imperialists and their agents and the series of reactionary measures taken by the U.S. Government, such as open support to the rebel cliques and refusal to recognize the legal Congolese Government, have further exposed the ambitions of U.S. imperialism and aroused just indignation among all peace-loving and fair-minded people. The people throughout the world have condemned U.S. and Belgian imperialism and voiced their sympathy and warm support for the legal Congolese Government headed by Acting Premier Gizenga. By February 20, nineteen countries including China, the Soviet Union, the United Arab Republic, Ghana, Guinea, Morocco, Mali, Algeria, Indonesia and Cuba, had officially recognized the Government headed by Acting Premier Gizenga as the sole legal Government of the Congo. It is not the legal Congolese Government headed by Acting Premier Gizenga, but U.S. imperialism itself, which is

being isolated from the people of the world. The legal Congolese Government headed by Acting Premier Gizenga will never be liquidated, but this will certainly be the fate of the rebel cliques of Kasavubu, Tshombe and Mobutu, agents of U.S. and Belgian imperialism, who have sold out the national interests of the Congo, become willing tools of imperialism, and are universally condemned by world public opinion.

The Congolese people are now confronted by the U.S. imperialists, the most ferocious imperialists in the world, by the Belgian imperialists and their lackeys. These gangsters are still entrenching themselves on large tracts of Congolese territory, carrying out bloody massacres and preparing to attack the areas held by the legal Congolese Government so as to quell the Congolese national independence movement. Furthermore, U.S. imperialism is still working on various political intrigues to disrupt the unity of the Congolese people and disintegrate the Congolese people's forces from within. But justice and truth are on the side of the Congolese people and the Gizenga government.

**T**HE broad masses of the people and the governments of many countries in Asia and Africa and the countries of the powerful socialist camp all stand by the Congolese people and the Gizenga government. The hearts of all the people in the world who are against imperialism and colonialism turn to the Congolese people.

The brute force of the imperialist bloc headed by the United States can only be a factor playing a temporary role. The prospects of the Congolese people's revolution are infinitely bright. The new-born forces of the Congolese people who have become more awakened than ever will eventually change from weak to strong in the course of the struggle. We are deeply convinced that so long as the Congolese people, including all those who refuse to become slaves of U.S. and Belgian imperialism, and all patriotic tribes, parties, groups and individuals, unite closely, rally themselves around the legal Congolese Government headed by Acting Premier Gizenga and persist in the struggle with the support of the peoples of the world, they will surely be able to overcome all difficulties and win victory.

At this time when China and the Republic of the Congo have decided to establish diplomatic relations, the Chinese people warmly celebrate the opening of a new page in the friendly relations between China and the Congo. The 650 million Chinese people regard the just struggle of the Congolese people as their own cause. Let the peoples of our two countries support each other and make common endeavours in the struggle against the imperialist bloc headed by the United States.

# Increasing Instability of The Capitalist Economy

by CHANG CHEN-YA

**1960** WAS a year in which the capitalist world economy moved further along the road of instability and collapse. Last year, the three major capitalist countries, the United States, Canada and Britain, which account for over one-half of the total industrial and agricultural production of the capitalist world, were all bogged down in the quagmire of economic crisis and stagnation. Although a few West European continental countries extricated themselves from the partial economic crisis of 1958-59 and from the second quarter of 1959 experienced a swift upturn, the pace of this upturn slowed down markedly by the third quarter of 1960 and symptoms of instability and weakness began to emerge. The economic decline in North America and Western Europe once more aggravated the situation in which the supply of principal raw materials in the capitalist world was in excess of demand. Starting in April 1960, world prices of raw materials again dropped sharply; as a result, many raw materials producing countries in Asia, Africa and Latin America were placed in a more difficult and unfavourable position and could not afford to buy more manufactured products from the industrial capitalist countries. This situation in turn brought about a further contraction of the capitalist world's international market. Moreover, the outbreak of the dollar crisis last year has tremendously shaken the monetary and credit systems of the whole capitalist world and is seriously threatening the finances and economies of almost all capitalist countries.

## I

A crisis of over-production broke out in the United States in February 1960. This crisis demonstrated even more glaringly than the several preceding postwar crises that the huge productive capacities of U.S. monopoly capital are totally incapable of being absorbed by its domestic market. Although early last year the U.S. Government through government subsidies and loans launched an energetic "export drive" it could in no way mitigate the ever-deepening crisis of over-production. The contradiction between the productive capacity of the U.S. steel, automobile and other basic industries and the market has developed to such a serious degree that for fully six months of last year, the steel industry operated only half or less than half of capacity. In the last week of December, its rate of operation plummeted to 39.4 per cent, the lowest since the last week of December 1938. Although the U.S. automobile manufacturing industry operated only 60 per cent of capacity, the number of cars left unsold in November last year reached 1.1

million, the peak record for American car inventories since World War II. The U.S. automobile industry had no alternative but to cut production still further last December and January of this year. With the soaring housing costs in the past few years, Americans found themselves increasingly unable to purchase new houses, with the result that private house construction has also fallen into a constant state of depression. The number of private houses built last December dropped 18 per cent as compared with November. Since last July, the "over-production" and decline which had appeared in U.S. basic industries rapidly spread to all its industrial branches—power, fuel, transport, daily necessities, etc. To date, gross industrial production has dropped 8 per cent as compared with last May. The heavy burden of the crisis invariably fell first on the shoulders of the working class. In the first eleven months of last year, the steel industry alone laid off 160,000 workers and the automobile, machine-building, coal and transport industries laid off 100,000 respectively. Workers in timber, brick-making, glass, tobacco, textile, chemical, rubber and other industries were also dismissed. The number of workers employed in manufacturing industries last December was 600,000 fewer than in December of 1959. The wave of large-scale lay-offs of workers by U.S. big business is rolling on right up to the present moment. This has enormously aggravated domestic class contradictions in the United States. And the heavy unemployment has, in turn, further weakened the purchasing power of the public, thereby heightening the gravity of the economic crisis.

As the U.S. economic crisis steadily deepens, Canada, over one-half of whose industries are controlled by U.S. monopoly capital and 60 per cent of whose exports depend on the U.S. market, is also in the throes of an economic crisis. In Canada, as in the United States, there has been serious over-production in the automobile and steel industries. House construction in the first eight months of last year fell 32 per cent as compared with the corresponding period of 1959. The number of enterprises of various kinds which were forced to close down increased by one-third. The number of unemployed reached its postwar peak in November—429,000, or 6.6 per cent of Canada's total labour force. Out of 21 national indices measuring business activity, a fall was evident in 14 (ranging from house construction to stock market quotations).

Britain which has long faced a surplus of productive capacity is also on the verge of an economic crisis. After three years of economic stagnation (1956-58) it began to experience an upturn in production at the end of 1958

thanks to the recovery of its automobile, house construction, machine-building, chemical and steel industries and particularly its increased exports to North America. But this favourable situation did not last long. After enjoying prosperity for a brief 15 months, in April 1960 the British economy once more became stagnant. This was due to the contraction of its domestic market and the fall in its exports since February under the impact of the decline in the North American market. After April, the index of British industrial production had all along remained at 120 or 121 (taking 1954 as 100). By the end of last year, British industrial production had moved from stagnation to decline. At the same time, exports of British cars, aircraft, food, petroleum and coal were all reduced. The most drastic fall was experienced by the automobile industry which is a pillar of the British economy and accounts for one-tenth of its total exports. At the beginning of last year Britain exported 60,000 cars each month; by October the figure had fallen to some 25,000. This sharp drop has been mainly due to the impact of the economic crises in the United States and Canada, which together had absorbed 43 per cent of Britain's car exports.

The deepening of the economic crises in the United States and Canada has, of course, not only hit Britain's car exports; it has also affected such important British exports as woollen fabrics, whisky, non-electrical appliances, etc. Figures recently released by the British Board of Trade show that Britain's trade deficit in 1960 reached more than 1,000 million pounds. If this trend continues to develop this year, Britain will have either to resort to devaluation of the pound sterling or tighten its foreign exchange control.

## II

The United States, Canada and Britain thus face almost the same plight in their economies. What, then, are the conditions prevailing in the Western European continental countries which are often described as "robust" by the Western bourgeois press?

Economic developments there, particularly in the six countries of the "Common Market," are indeed different from those in the United States, Britain and Canada. Their industrial production has manifested a rapid upturn since the second quarter of 1959; by the second quarter of 1960, an average increase of 12 per cent was registered. And in West Germany full employment was temporarily achieved; the number of unemployed there was reduced to a mere 1 per cent of its total labour force. But does this indicate that their economic prospects allow for far greater optimism than those in the United States, Britain and Canada? This is certainly not the case. The Western European countries which suffered the severest devastation during World War II were a bit late in achieving post-war economic recovery; the economic cycle there generally was approximately nine months behind the United States. At the same time, they have not yet completed the work of retooling and adding fixed assets to their enterprises and are continuously building new houses to replace those destroyed during the war. A boom in their frenzied investment and in the building industry, coupled with the low wages of their workers and the added competitive strength in the export field, has temporarily stimulated

a rapid growth in their economies. But, with the excessive expansion in productive capacity of their large enterprises and the relative contraction of domestic and foreign markets, the unstable prosperity in these countries is already approaching its end. Economic decline has begun to set in in Norway, Sweden, Austria, the Netherlands, Belgium and Luxemburg successively, in some cases since the second quarter of last year and in others from the third quarter. In the few most prosperous industrial countries in Western Europe such as West Germany, Italy and France, their rates of economic growth have slowed down substantially and signs of weakness and instability have emerged in their economies.

Italy has been described as a country which accomplished economic "wonders" in Western Europe in 1960. Its industrial production increased more than 16 per cent as compared with the low level of 1959, and it has even surpassed West Germany in speed. But this prosperity had vanished by the third quarter of last year when its industrial production increased only 1.6 per cent compared with the second quarter. This was an indication that something akin to stagnation had appeared. In the middle of December, after enjoying an unprecedented boom in the first half of the year, quotations on the Milan stock exchange, mirror of the state of Italy's economic health, suddenly fell 50 per cent in one day, creating such chaos as had not been witnessed since the war. What were the reasons for this? They lay in the fact that the much too rapid development of Italy's industry in the first half of 1960 was achieved under conditions of extreme imbalance in the growth of its domestic economy. While industry had made a record upturn, farm income dropped 4 per cent as compared with 1959. At the same time industrial development was itself also extremely uneven. Under the protection of a series of measures and policies adopted by the Italian Government, those branches of industry turning out such export items as cars and rubber increased 30 per cent, while its food, furniture and shipbuilding industries have been stagnant or in a state of "over-production." The number of unemployed throughout the country is still well over 1.5 million (officially registered figures), representing 7.5 per cent of its total labour force. To maintain prolonged prosperity under these circumstances is obviously very difficult. As a matter of fact, Italy's industrial production last December had already fallen 0.6 per cent as compared with November. With the termination of Italy's unusual "prosperity," the drastic decline in the Milan stock exchange quotations is no matter for surprise.

In 1960 an unprecedented "prosperity" also came to West Germany's economy. That year, its industrial production was up 11 per cent, the biggest increase since the Korean War and the 1955 boom. It also temporarily achieved full employment. The following factors accounted for this situation: firstly, the grave housing shortage caused by war damage remains unsolved; this has led to the unprecedented boom in the West German building industry. Secondly, a temporary investment boom has been engendered by the heavy investments made in the steel, automobile, chemical and petroleum industries and the expansion and retooling of these industries. Thirdly, as a result of the low wages paid to West German workers and the resulting increased com-

petitive strength this gives West Germany in the export field, the speed of its industrial development has surpassed that of all the other capitalist countries. In spite of all this, however, West Germany's economic development is also extremely uneven. Side by side with its "prosperity," a deep and grave depression has gripped its shipbuilding, coalmining and textile industries and its agriculture. At the same time, the wages of a West German worker is low (he earns an average wage of U.S. \$0.54 an hour while a Belgian worker earns U.S. \$0.56 and an American worker, U.S. \$2.22), and a wage freeze has been imposed by the West German authorities; the development of the domestic market is ill adjusted in relation to the expansion of overall productive capacity and the capitalist international market is contracting. Because of all this, the investment boom in West Germany is a seeding ground for serious over-production in the future.

In fact, the third quarter of last year already showed a big slowing down in the speed of West Germany's economic development. According to a report of the Organization of European Economic Co-operation, the rate of increase in West Germany's national production in the third quarter of last year was slashed to 4 per cent per annum as a result of the reduction in domestic and foreign industrial orders.

France's industrial production in 1960 was higher than it was in 1959, but at no time in the whole year did it reach the level attained in December 1959. Actually ever since the first half of 1960, French industry has been in a state of stagnation characterized by extreme instability. This is because its industrial development in the past two years has entirely relied on a temporary factor: that is, the devaluation of the franc which brought down the prices of French export goods and so temporarily increased its competitive edge, resulting in a marked expansion of its foreign markets. Its volume of consumption on the home market has all along run lower than the level in 1957, showing no corresponding rise. At the same time, with a rise in domestic commodity prices, French competitive strength on the export market has been weakened. Beginning with the second quarter of last year, owing to the grave economic crisis in North America and fierce competition in foreign markets, the export of steel and automobiles — two major French export items — dropped 12 per cent and 15 per cent respectively compared with the first quarter of the year. The contraction of the U.S. market alone caused a 50 per cent drop in the production of the Renault Car Company which accounts for one-third of France's national car production. By the third quarter, French exports had dropped another 8 per cent. This unfavourable economic situation left the French Government no other course than to ease its credit policy from the beginning of October, lower the bank rate from 4 per cent to 3.5 per cent so as to stimulate hire purchase and bolster its flabby economy by inflation. But the actual purchasing power of French wage earners has declined steadily since July 1957 because of the constant rise in the cost of living. So this adventurist policy of inflation can be of no help to the French economy; it will merely increase its export difficulties and once again thrust it back into the fix of a chronic foreign trade deficit which it suffered from before de Gaulle came to power.

In addition to the unstable prosperity of the Western European continental countries, mention must also be made of the industrial upturn in Japan brought on by its large-scale investment boom. Like Italy and West Germany, Japan, which suffered great devastation in World War II, was a bit late in achieving an economic recovery, and the renewal and expansion of the fixed assets of its large enterprises are far from being completed. At the same time, Japanese workers are paid much lower wages than workers in countries in Western Europe and North America, and this has brought Japan a brisk export trade. On top of this, the foundations of Japan's industry are weak and it starts from a small base. Because of all this, Japan's industrial development seems particularly pronounced. In 1960 alone Japan's industrial production increased by about 20 per cent. But because Japan's economy depends on the United States far more than does the economy of the Western European countries, (one-third of its import-export trade is with the United States), it feels the pinch of the U.S. economic crisis more sharply than other countries. Last year, under the impact of the U.S. steel crisis, a serious surplus appeared in Japan's steel industry. With the supply of steel plates in excess of demand and the drop in their prices, Japan on two occasions (last April and September) reduced its steel plate production. On top of this, the United States has been trying to export its crisis to Japan. At the end of last November quotations on the Tokyo stock exchange began to fall drastically, causing a flurry of panic among the population. All this shows that Japan's economy is in a far weaker condition than that of the Western European continental countries which enjoy a relatively bigger degree of independence.

### III

To be sure, the increasing instability of the capitalist world economy is manifest not only in the fact that the economies of the industrially developed countries in the capitalist world are all threatened by crises, but also in the fact of the increasing impoverishment of vast areas in Asia, Africa and Latin America serving as raw material bases and markets for commodities of the imperialist countries. This impoverishment is due chiefly to greedy plunder on the part of the North American and Western European imperialist powers, especially the exchange of unequal values resorted to by these countries which do their utmost to depress the export prices of raw materials from Asian, African and Latin American countries while raising the prices of their own industrial goods exported to these countries to the highest possible levels. For example, the prices of exports (raw materials) from countries in underdeveloped areas have fallen by an average of 9.5 per cent since 1954 in relation to the prices of their imports (finished industrial goods). In certain areas such as the Latin American countries, export prices of raw materials fell by 20 per cent in the two years of 1958 and 1959 alone; whereas in an industrial country such as Britain, export prices rose by 14 per cent in relation to prices of imports. Thus the countries exporting raw materials incur losses to the tune of tens of billions of U.S. dollars annually from trade with the imperialist countries alone. The daily impoverishment of these countries can be seen from the fact that their imports have been declining year after year. Statistics compiled by the

United Nations show that both imports and exports of countries in underdeveloped areas have been declining steadily every year since 1957, in spite of large amounts of loans and "aid" provided them every year by the imperialist countries, and by the United States in particular. In 1957, their imports totalled U.S.\$29,800 million and their exports U.S.\$25,400 million. In 1958, their imports dropped to U.S.\$27,800 million and exports fell to U.S.\$24,600 million. In 1959, their imports registered a further drop to U.S.\$27,000 million. The increase in exports in that year added up to a mere U.S.\$1,000 million due to a slight recovery in raw material prices. This shows that imports into sterling bloc countries from Britain and into Latin American countries from the United States have both been falling. Raw material prices fell again in 1960 (the decline was 8 per cent between April and December 1960). It is expected that the decline in their imports will be even sharper this year. This will cause an even greater shrinkage in the capitalist world market, intensifying competition among the imperialist powers for markets and thereby further increasing the instability of the capitalist world economy.

#### IV

Another important indication of the instability of the capitalist world economy in 1960 was that the U.S. dollar, as the international currency of the capitalist world, was shaken to its foundations.

During and after World War II, the stocks of gold in the capitalist world became concentrated in the United States. The economic strength of the United States, which was free from the ravages of the war, far surpassed that of the other capitalist countries which suffered war damage and whose finances, economies and currencies were all unstable and in chaos. This made it possible for the United States to keep the financial hegemony of the capitalist world firmly in its hands. Nearly all the capitalist countries (including Britain) made the dollar the basis of their currencies and the U.S. Treasury Department their central bank. Seventy-odd countries in the capitalist world

including Britain even deposited their gold reserves in the vaults of the U.S. Federal Reserve Bank in New York, considering it the safest place in the world. But a series of factors have severely shaken the position of U.S. imperialism together with that of the dollar: the continued depreciation of the dollar within the country, its apparent strength but actual weakness, the excessive external expansion of the United States, the increasing difficulty in maintaining its economic strength, the relative decline of the United States' economic position in the capitalist world, and the dire straits in which U.S. finance finds itself as a result of the advent of the economic crisis. After the run on gold that took place in London last October and shook the capitalist world, the tottering credit of the dollar became an extremely serious threat to the economies of all countries in the capitalist world and to their monetary and credit systems. Canada, which used to incur an unfavourable balance of international payments amounting to about U.S. \$1,400 million every year, now holds paper U.S. dollar notes and U.S. short-term obligations totalling more than U.S.\$3,100 million. The figures for such holdings in the hands of other countries are as follows: West Germany, U.S.\$3,100 million; Britain, U.S.\$2,200 million; Japan, U.S.\$1,700 million; Italy, U.S.\$1,000 million; Switzerland, U.S.\$890 million; France, U.S.\$650 million; Mexico, U.S.\$380 million; Argentina, U.S.\$370 million; Venezuela, U.S.\$330 million; and the Philippines, U.S.\$225 million, etc. Indeed, the collapse of the dollar will land the entire capitalist world in complete chaos, the economies of many countries will become bankrupt, and international payments and trade will grind to a halt. This prospect has increased the jitters of the capitalist world anxious to free itself from the dollar; an ominous air has been added to the already murky sky all over the capitalist world.

The instability of the capitalist world economy has hit all the economically developed and underdeveloped countries and is developing simultaneously in the spheres of production, trade and finance. As the general crisis of capitalism enters a new stage, this economic instability is aggravating all the contradictions of the imperialist world and hastening its doom.

### China and Africa

## Chinese Exhibition in Conakry

**T**HE exhibition of China's economic achievements opened in Conakry, Guinea, last December closed on February 2 after a showing of 37 days. The Guinean Government and people did all they could to help make it a success. Some 310,000 people visited it. This figure is about three times the population of Conakry. Visitors representing every walk of life came in from all over Guinea and from a score of other African countries.

As the 3,500 entries in the visitors' books showed, they were deeply impressed by China's achievements in peaceful construction, under the three red banners: the general line for building socialism, the big leap forward and the people's communes. Many stressed how much the exhibi-

tion helped to strengthen the friendship between the Chinese and African peoples.

#### First in Black Africa

President Sekou Toure before a crowd of more than 10,000 people opened the exhibition, the first ever held by China in Black Africa, on December 28. Diallo Saifoulaye, Speaker of the National Assembly, and many other Guinean leaders attended the opening ceremony. After viewing the exhibition, President Sekou Toure and Diallo Saifoulaye jointly wrote in the visitors' book: "Greatly satisfied with the exhibition and the achievements scored by the Chinese people in the economic construction of their



country, I, in the name of the Republic of Guinea, express the earnest faith and the complete and unanimous confidence of the Guinean people in the marvellous future of the great People's Republic of China, whose will for democratic progress and peace constitutes a reliable pledge to the positive character of the diplomatic, economic and cultural relations established between the peoples of Guinea and China."

It would be difficult to single out which of the exhibits attracted most attention. There was universal interest in every one of China's achievements. Long before the opening hour the exhibition's entrance was often crowded with visitors, eager to see the show. In the evenings they lingered in the halls long after closing time. Many high-ranking Guinean officials paid it two or more visits.

Visitors were much interested in the working demonstrations of various machines. The Red Flag sedan came in for many compliments. The exhibition cinema showed several Chinese films including *The Visit of President Sekou Toure to China* and *The Great Ten Years* [of the People's Republic of China]. More than 20,000 spectators saw them within the first three days of the opening.

The Chinese staff of the exhibition were much moved by the many expressions of the friendship of the Guinean and African people for China. A friendly wave or handshake, spontaneously presented gifts, requests to take snapshots together made them feel right at home. A memorable visit was that from an old man, 131 years of age, who came to see the exhibition from his home town, Kindia, which is 150 kilometres away from the Guinean capital. Just before the exhibition was due to close, he came again to say goodbye to the Chinese staff. He brought with him a gift of fresh-picked oranges. Claspng both hands of Li Jui-cheng, head of the exhibition delegation, he said: "When I was 60 years old, I began to live under the rule of imperialism. Imperialism did every bad thing. By contrast, the Chinese people are giving us generous assistance." "From the bottom of my heart," he added, "I thank the Chinese people and their leaders. In a word, what I want to say is: Long live the friendship between the Guinean and Chinese peoples!" An 11-year-old youngster, after seeing the exhibition, wrote in the visitors' book that he knew that the Chinese people have taken a big leap forward and he paid tribute to the Chinese working people.

### Visitors from Mali Republic

The exhibition was also honoured by a visit of President Modibo Keita of the Republic of Mali, the Speaker of the Mali National Assembly Ahamane and the delegation which the President had led to the Casablanca Conference of African Heads of State. President Keita commented that China's medium and small-sized enterprises are of a type that suit African countries well. He and Speaker Ahamane wrote in the visitors' book that "China's experience is a school for the African peoples."

The Mali President also cited China's economic achievements as shown at the exhibition in his report at a later cabinet meeting. The subsequently issued communique said that President Keita and the members of the delegation led by him were greatly impressed by the achievements of China's industry, particularly by the concrete improvement in the people's life as a result of



(Top) Working demonstrations of Chinese-made machines were a great attraction

(Middle) The Red Flag sedan

(Bottom) Writing their comments in the visitors' book

technical progress. The President paid special attention to such machines as the foot-pedalled rice harvesters, the hand-operated thresher, the light sheller, and the complete sets of equipment for various factories which are simple to operate.

On the decision of the cabinet, a delegation of more than 30 members from various industrial, agricultural and economic departments of the Republic of Mali was sent to see the Chinese exhibition. Its members were particularly interested in the agricultural machines, especially the medium and small-sized farming machines produced by Chinese working people in the big leap forward. They made copies of the designs of these machines which they considered might be very useful on Mali farms. They also talked with Chinese experts about the manufacture, working and maintenance of these machines as well as the "Eight-Point Charter" for agricultural production which China's rural people's communes use for their guidance.

### Other African Guests

Visitors to the exhibition also included a great many prominent personalities from Ghana, the Ivory Coast, the Kamerun, Niger, Nigeria, Senegal, Sierra Leone, Togo and other countries. They were likewise keenly interested in the exhibition.

Togo's Minister of State for Foreign Affairs Paulin Freitas wrote: "For the Africans, the useful side of this beautiful exhibition is the simplicity of the agricultural

machines which foster the improvement of cultivation and considerable increases in production."

Ousmane Ngome, Vice-President of the National Assembly of Senegal and Political Secretary of the Senegalese Progressive Union, after seeing the exhibition, said in a chat with the head of the exhibition delegation: "You have provided us with a good example. Once the people have freed themselves from the domination of colonialism and imperialism in their own country, they will be able to devote all their efforts to the construction of their country."

Djibo Bakary, General Secretary of the Sawaba Party of Niger, expressed the hope that "a like exhibition which has special educational value and help to our people" will be held in as many African countries as possible. "I want the people of African countries to draw inspiration from such an exhibition. This is of great help to the people of our country who are struggling for complete liberation and against imperialism and colonialism," he said.

An Algerian visitor signing himself Oussedik wrote in his entry: "This exhibition gives a glimpse of the grand achievements of the great Chinese people under the clear direction of Chairman Mao Tse-tung. . . . Africa feels proud and confident in its destiny after seeing the achievements made by a brother people free from colonialism and building with enthusiasm. . . . I ardently wish to see these exhibits and meet the staff of the exhibition again in our capital after our independence is gained!"

## Rural Industry

# A Commune-Run Farm Tool Plant

by TAO SHIH

**I**NDUSTRIAL enterprises run by rural people's communes are playing an increasingly important role in putting China's agriculture on a modern technical basis. They form one of the two "legs" of the policy of "walking on two legs" which is being followed in this as in other spheres of socialist construction in this country. The other "leg" is made up of the large and medium-sized industrial enterprises run by the state.

Ever since they began to be set up on a large scale in 1958, these commune-run industrial enterprises have given top priority to the needs of agricultural production. In 1959 around 55 per cent of their output value served farming directly or indirectly. They accounted for about half of the nation's new semi-mechanized and improved farm implements and the greater part of the small farm tools produced that year. They were also a big help to other communal activities and establishments. Water conservancy, animal husbandry, the processing of farm produce and the community dining-rooms all benefited from them.

In addition to manufacturing units of farm machines and tools, the people's communes in many rural areas have set up their own service networks for repairs and

maintenance of these implements. Thus, both the production of the ordinary run of metal and wooden farm tools and machines and their repair and servicing are being tackled locally.

The farm tool plant of the Chengguan People's Commune in Fangshan County, not far from the city of Peking, is a typical example of how a people's commune runs and develops an industrial plant to assist its various activities and its farming in the first place.

The Chengguan farm tool plant is one of the larger industrial enterprises in the commune. It has over 200 workers and staff, 34 machine tools and 17 motors. Most of the work in its smelting, casting, forging, metal-processing, repair and other shops is now semi-mechanized. It already supplies its commune with a good part of its farm tools and machines and takes care of practically all the repair work too. Last year it made more than 25,000 small farm tools and no less than 300 new-type farm tools, farm machines and irrigation equipment.

### Originally a Handicraft Co-op

The original basis of this plant was a blacksmiths' co-op set up by 18 handicraftsmen on New Year's Day,

1954. A few hand tools, a room and a working fund of 200 yuan were all they had to start off with. They had no very clear idea of what their prospects were except that they would fulfil whatever orders from the customers. The local Communist Party organization and people's government immediately gave substantial aids to the co-op and advised its members to concentrate their attention on serving the farms. Within a couple of years it had recruited another 31 members and was doing a thriving business.

In 1956 came the big upsurge in agricultural co-operation. This created a huge demand for farm tools and the blacksmiths' co-op experienced another boom in business. It bought more equipment: two lathes, a drilling machine and a diesel engine, and took on more hands to open up two shops for casting and metal-processing in addition to the original ones for forging, bicycle repairs and making household utensils. Compared with 1955 it practically trebled its output value.

Two years later, when rural people's communes were being established all over the country, the co-op was happily incorporated into the Chengguan People's Commune to become one of its industrial undertakings.

### Big Strides

The commune management clearly realized the big role that the little farm tool plant could play, and acted accordingly. Within the next two years or so the management allocated adequate funds for its expansion, buying it, among other things, six more machine tools. To assure it a sufficient supply of raw materials, the commune's small iron mill which had grown out of the 1958 nationwide campaign for smelting iron and steel was put under its management.

With this sort of backing the plant grew rapidly and made a substantial contribution to the technical transformation of the commune as a whole. It now has about twice the number of workers and staff it had in 1958, and four times the amount of main equipment. It has built 170 more rooms to house its shops.

During the last two years and more its production of farm tools has steadily increased. So far as farming is concerned it has definitely won its spurs as the local backbone of the commune's drive for a modernized technical basis. It has also given a great invaluable help to the commune's other industrial enterprises and mines. Brick-making machinery, hoists, cranes and cement mixers are some of the equipment it has made either by itself or manufactured parts for. It made all the main equipment for the Chengguan's factories making fire-proof materials and shoes.

Gearing their activities to the needs of the current main tasks of the commune is now routine with the workers of the farm tool plant. With their eyes on the farm calendar they set to, well ahead of each farming season, to make or repair the tools and equipment that will be needed. When water conservancy work claimed the main attention of the commune, the plant saw to it that equipment was sent down to the building sites in good time. Special groups of skilled men were also sent on

this occasion to help improve tools and equipment on the spot.

The plant has done a great deal in this line. It has pioneered the production of many improved types of tools and implements better suited than the old to local conditions. One new tractor-drawn implement is a three-share plough for ridging. This replaces the work of ten people and 20 draught animals. It has also made a wind-driven cutter able to handle enough hay to feed 500 animals daily. Two people tending this cutter can do as much as 66 men working by hand.

Increased production has not prevented the plant from doing an efficient job of repairs as well. At one time it maintained several specially organized repair teams, but, as the number of tools and machines increased in the commune, so too did the need for good servicing and repairs. In the latter half of 1960 the plant set up a full-time repair shop.

It would clearly be uneconomical in transport and time to bring all the commune's repair jobs, big and small, to this single plant, so the plant worked out ways and means of giving prompt, efficient service. Besides increasing the permanent staff of its repair shop, it transferred some of its technicians to the farm tool repair stations run by the Chengguan Commune's production brigades and also trained technical personnel for them. This enables the production brigades themselves to do many, if not most, of their running repairs on the spot. Secondly, the plant also sends repair teams to make the rounds of the commune to do on-the-spot overhauls and repairs. While out on such jobs the repair teams give tips and instructions to the production team members on the use and maintenance of the new tools they are getting. It is popular service.

### After the Great Call

Last autumn's call from the Central Committee of the Chinese Communist Party to the whole Party and nation to "go in for agriculture and grain production in a big way," has given fresh impetus to the work of the farm tool plant. It is mustering all its energies for service to the farm front. Every shop and worker is keener than ever on the job. The casting shop, for instance, once a bottle-neck in the plant, has pulled itself together and is now fulfilling its production quota every day. By rationalization the metal-processing shop succeeded in doubling its daily output of potato slicers.

The plant as a whole did an excellent job in the last quarter of 1960. It produced, among a long list of other products, 5,500 small farm tools or 60 per cent as many again as in the same period of the preceding year, 15 power-driven chaff cutters, 11 fodder crushers and 5,200 kitchen utensils.

Over the turn of the year a vice-director and several technicians from the plant went around to visit the production teams to get a better idea of their needs in tools and machines. This survey has given the plant a good basis for its plans to help spring cultivation. Besides farm tools, it is now also busy producing rice transplanters, sprayers, pumps and so on, determined to give the Chengguan People's Commune a good send off for the 1961 farming season.

# PUBLISHING

## "An Illustrated Catalogue of Chinese Block Prints"

An *Illustrated Catalogue of Chinese Block Prints*, recently published by the Cultural Relics Publishing House in Peking, brings together more than 660 reproductions of block prints selected from 500 rare books which are examples of excellent wood-block technique from the Tang (618-907) to the Ching (1644-1911) Dynasties. In compiling this 8-volume collection, experts and staff workers of the Peking Library, renowned for its fine collection of rare books, enlisted the help of leading libraries and museums in China which, in turn, placed their collections at the editors' service. The compilation is divided into three parts: block printing, movable type printing and woodcuts.

Printing was first developed in China. Wood-block printing technique was originally employed in printing ballads and songs, calendars and rhyme dictionaries which had a wide circulation. It was also used to disseminate images of Buddha and the Buddhist scriptures. A calendar of the Tang Dynasty and the *Diamond Sutra* printed in 868 A.D., both discovered early in the 20th century in one of the Tunhuang Caves in Kansu Province, are the earliest wood-block prints extant, but were looted and carried off from China by the imperialists. The *Dharani Sutra Mantra* of Tang Dynasty, which is included in the present catalogue, is the most ancient "block book" in existence in the country.

Works from the Sung Dynasty (960-1279) constitute the largest proportion of the collection as block printing enjoyed a rapid development in that period. Aside from religious scriptures and classics printed by the Imperial Academy, selections were also made from histories, philosophical works, medical and mathematics books, encyclopaedias, anthologies of poems and essays, etc.

Those made from Kin (1115-1234) sources are small in number but include two of unusual significance: *Kin Tripitaka* (*Collected Buddhist Scriptures of the Kin Period*) and the opera *Liu Chih-yuan Chu Kung Tiao* (*Life of Liu Chih-yuan*). *Kin Tripitaka* is a rare edition never previously mentioned in either Chinese or foreign books or catalogues and is the only

one in existence. This 4,330-odd-volume collection fell into the hands of the Japanese invaders when they occupied Chaocheng, Shansi Province, in 1942, and to recover it the men of the Eighth Route Army had to engage the enemy in fierce battle. In 1949, it was placed in the custody of the Peking Library. The printed version of the opera *Life of Liu Chih-yuan*, discovered by an archaeologist of tsarist Russia at an ancient pagoda in Kanchow, Kansu Province, is the oldest of its kind extant. It was returned to China by the Government of the Soviet Union in 1958. As a token of the profound and enduring friendship between China and the Soviet Union, a facsimile edition of this opera has been issued by the Cultural Relics Publishing House.

Movable type printing was invented by Pi Sheng in 1045 A.D., some 400 years before Johann Gutenberg of Germany. This earliest technique of movable type is one of the great contributions of the ancient Chinese working people to world culture. The present collection includes various examples from the Ming and Ching Dynasties.

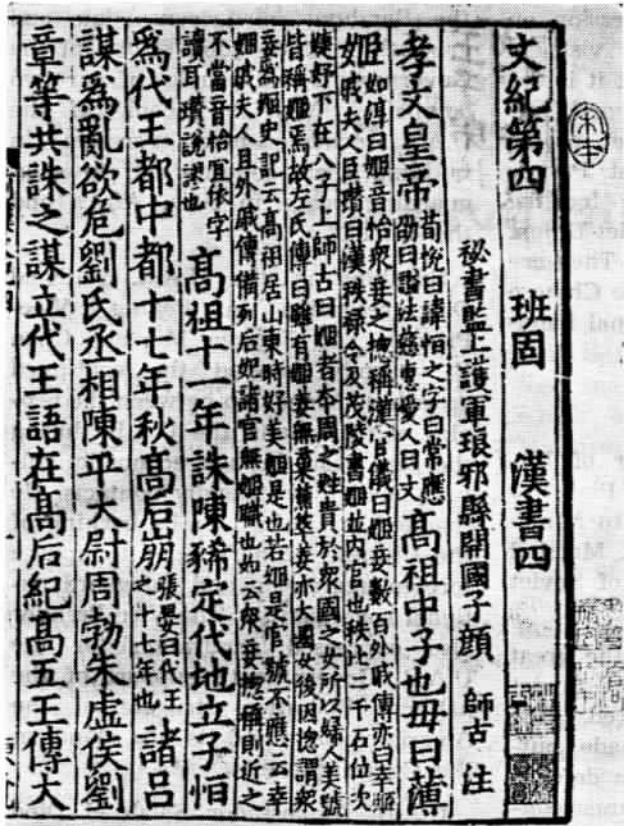
The final section of the collection, part of which is in colour, includes 50 Sung, Yuan and later period wood-block prints of illustrations from books and albums of paintings. Illustrations from *The Collected Works of Ouyang Hsiu* representing people in a variety of postures and with lifelike vividness indicate that the graphic art of the Sung experienced new development on the basis of the religious woodcuts of the Five Dynasties (907-960). *Sowing and Reaping* and *Cultivating Silk-worms and Weaving*, works of the Yuan period (1279-1368), are doubly interesting in that they reflect both the high level attained in the art of wood engraving as well as that of

farming technique. Illustrations of plays and novels by engravers of Huichow during the Ming Dynasty (1368-1644) show a high degree of artistry and are distinguished by a style unique to that time. Some works are the joint efforts of engravers and well-known artists. Such were *Shui Hu Yeh Tse* (*Playing Cards with Illustrations from the "Water Margin"*), a collection of portraits in woodcut technique of characters from the 13th century classical novel *Water Margin* drawn by Chen Hung-shou (1599-1652), one of the great painters of the Ming Dynasty; *Li Sao Tu* (*"The Lament" in Pictures*), a pictorial rendering of the famous poem of Chu Yuan, celebrated Chinese poet who lived more than two thousand years ago and *Tai Ping Shan Shui Tu Hua* (*Tai Ping Landscape Paintings*) drawn by the great master Hsiao Yun-chung, a contemporary of Chen Hung-shou.

Woodcuts in colour represented a further advance in the technique of wood-block printing. The process of development is well illustrated in the collection. In order to make the facsimiles as faithful to the originals as



Illustration to "Wang Chiang Ting" ("The Riverside Pavilion"), an opera by the great 13th century dramatist Kuan Han-ching. This wood-block print, from a 16th century edition, is an outstanding example of the graphic art of that time



A page from "A History of the Han Dynasty" by Pan Ku, noted historian of the 1st century A.D. The earliest extant edition of this book, it was printed from wood-blocks carved in the 11th century

possible, collotype was employed in their reproduction.

Before liberation, the imperialists preyed on our rare books as they did on our other cultural treasures. Moreover, as many of these books were in the hands of private collectors, it was impossible to subject them to a comprehensive and systematic study. Since liberation, the Communist Party and the People's Government have attached great importance to the preservation of our precious cultural heritage. An *Illustrated Catalogue of Chinese Block Prints*, the result of years of research and compilation, is certainly a significant contribution to the study of the history of Chinese block printing. The book is prefaced by a scholarly introduction to all aspects of block printing in the various dynastic periods.

## MUSIC and DANCING

### Artists from Sudan

The Sudanese Cultural Delegation recently gave Peking a series of intensely interesting entertainments. Its first, two-hour, programme included a recital of ancient Sudanese poetry, old

and new Sudanese folk songs, dancing and music. It was a rare opportunity to deepen our knowledge of Sudanese national music with its long tradition and to get at least a glimpse of the artistic life of the Sudanese people.

The poetry recital struck a particularly warm chord of response in Chinese audiences. With its stress on melody it reminded them of recitals of ancient Chinese poetry. The two little love songs, with clapping and tambourines beating time, were simply charming.

The six artists of the group brought us music and folk songs from all parts of their land. In *Praise of Moussa*, a folk song of northern Sudan, was movingly sung by Mohamed Hiweig. It is a song in praise of their national hero Moussa who laid down his life in the struggle against the British imperialists, a song which well expresses the tough courage of a people resolved to fight against their oppressors. *Sing for Asia and Africa* is a new song which extols the solidarity and friendship between Asians and Africans and gives expression to the common aspirations of the peoples of these two continents. The singing of *Salute China* by the Sudanese artists was greeted by a thunder of applause. The appreciative audience was touched by the deep feelings of friendship of the Sudanese people, expressed so eloquently, for China and for Chairman Mao Tse-tung.

The folk song from western Sudan, *The Generous Man*, was a hit with the audience. We all found the music delightfully melodious, but when we saw the animated and delighted reaction of African spectators in the audience how much did we envy them, who were fortunate enough to understand all its words as well.

Sudanese music has a strong and distinctive national flavour. So it naturally sounded new and fresh to the Chinese ear, but we also sensed in it a feeling of nearness and intimacy,

perhaps largely because it too uses the five-tone scale which we use in China. In *Praise of Moussa*, *Salute China* and other songs and dance music were all in the five-tone scale.

Peking was deeply appreciative of this first intriguing glimpse of Sudanese art presented with such talent and originality.

### SHORT NOTES

**One Hundred Sung Poems.** Recently published by the Chung Hua Book Company, *One Hundred Sung Poems* was praised in the January issue of *Wenyi Bao (Literary Gazette)* as representing "in selection and compilation . . . a step forward compared with the *Three Hundred Tang Poems* and *One Hundred Tang Poems* published a year ago." The editors are well deserving of thanks, the journal points out, for aptly selecting "139 from an ocean of Sung poems . . . and bringing them together in a new anthology that provides the reader with an overall understanding of the special characteristics of Sung poetry and its course of development."

Included in this collection are works by 60 poets. While most attention has been directed to poems reflecting national and class contradictions of the time, since these represent the mainstream, efforts have also been made to show the great variety of Sung poetic styles and themes.

The editors have made this popular book even more attractive to readers by introducing short biographical notes on the poets and the circumstances in which each poem was written. Every poem has its explanation and annotations which are, of course, a tremendous aid to readers not familiar with the classical language.

**A History of Chinese Fiction.** Published by the People's Literature Publishing House, one of China's largest, this 400,000-word history of the Chinese fiction is the second ever written in this country. The first, *A Brief History of Chinese Fiction*, was written by the great writer and thinker Lu Hsun some 40 years ago.

*A History of Chinese Fiction* was collectively authored by a group of students of the class of 1955 of the Chinese Literature Department of Peking University. Since 1958 they have been known throughout the country for their collective work, *A History of Chinese Literature*.

# CHINA AND THE WORLD

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## **Soviet Amity Delegation**

An aura of goodwill and fraternal feeling surrounds the visiting Soviet-Chinese Friendship Association Delegation now touring our country in connection with the celebrations of the 11th anniversary of the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance.

Wherever members of the delegation visited, whether in Hangchow, Shanghai or Canton, in factories, schools, urban or rural people's communes, they were greeted with cheers, handshakes and embraces. Cries of long live Sino-Soviet friendship followed them everywhere. In Shanghai and Canton, mass rallies were held to honour the guests.

At many places such as the Canton Paper Mill and the Shanghai No. 1 Medical College visited by the guests, their hosts spoke enthusiastically and gratefully of the invaluable aid they had received from Soviet experts. "We shall not forget the fraternal assistance given us by the Soviet people" was an oft-repeated phrase on the lips of old and young.

Members of the delegation made broad contacts during their tour. Konstantinov, head of the delegation and Editor-in-Chief of the Soviet theoretical journal *Kommunist*, had talks with the editors of *Liberation Daily* and *Academic Monthly* (a theoretical journal) in Shanghai. Novikov, noted Soviet composer, met professors and students of the Shanghai Conservatory of Music. Others visited Party organizations, universities, factories, etc. When the Soviet guests saw Shanghai's "July 1" People's Commune, vice-head of the delegation Danilov remarked: Rural people's communes are a very significant organization and represent a fine road. Under the leadership of the Chinese Communist Party, he said, China's agriculture is advancing by leaps and bounds.

Speaking of their current trip, Comrade Konstantinov said at a party in Shanghai: "If we were asked what

has made the deepest impression on our delegation during our visit in China, we would answer that it is the Chinese people's friendship and fraternal feeling for the Soviet people and the Chinese Communist Party's love and friendly affection for the Communist Party of the Soviet Union. What are the finest things? They are the smiles on the faces of the Chinese people and the warm, fraternal handshakes they have given us."

## **Soviet Army Day**

Vice-Premier and Minister of National Defence Marshal Lin Piao has sent a message of greetings to Minister of Defence of the U.S.S.R. Marshal Malinovsky on the occasion of Soviet Army Day (February 23).

"Under the leadership of the great Communist Party of the Soviet Union," the message declared, "the heroic Soviet Army has made outstanding contributions to the defence of the great cause of communist construction of the Soviet people and to the struggle to uphold world peace. The valiant Soviet Army has now mastered the most advanced technique and equipment in the world and its fighting power has been augmented to an unprecedented degree. . . . Together with the Soviet people and the Soviet Army, the Chinese people and the Chinese People's Liberation Army will continue to exert unremitting efforts to strengthen still further the unity between China and the U.S.S.R., the unity of the socialist camp and the great unity of the people the world over, and march forward hand in hand in the struggle for world peace and human progress."

## **U.A.R. Anniversary**

Chinese leaders sent greetings to President Nasser on the occasion of the third anniversary of the United Arab Republic.

Chairman Liu Shao-chi's message expressed a wish for the prosperity of the U.A.R., for the happiness of its people and for the daily strengthening and consolidation of the friendship between the peoples of China and the U.A.R. Premier Chou En-lai's message stated: "China and the U.A.R. have established friendly relations in their common struggle against colonialism and imperialism. We are deeply convinced that these relations will, under the guidance of

the Bandung spirit, consolidate and grow through the joint efforts of the Governments and peoples of our two countries. May the people of the U.A.R. achieve new successes in building their country and in safeguarding peace in Asia, Africa and the world."

Speaking at the U.A.R. National Day reception in Peking, Vice-Premier and Foreign Minister Chen Yi warmly greeted the continued growth of friendship between the peoples of China and the U.A.R. during the past year through economic, cultural and other friendly contacts. He thanked the U.A.R. for its backing of the Chinese people's fight to oppose foreign aggression and safeguard national sovereignty. The Vice-Premier also expressed admiration for the U.A.R. Government's support of the national liberation struggle of the Algerian people and its just stand on the Congo question.

U.A.R. Ambassador Salah el Dine Tarazi speaking at the same reception said that relations between the U.A.R. and China have continued to grow because they are based on the Five Principles of Peaceful Coexistence and the resolutions of the Bandung Conference. "Our struggle," he stated, "has had the backing of the Chinese Government and people in all its stages."

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## **Comrade Lafertte Mourned**

The Chinese people were greatly saddened by news of the passing of Comrade Elias Lafertte, Chairman of the Chilean Communist Party. The Central Committee of the Communist Party of China sent a message of profound condolences to the Central Committee of the Communist Party of Chile.

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## **Ties with Cuba**

The first consignment of Chinese Liberation lorries have arrived in Havana. They are part of the industrial products and consumer goods now being shipped from China to Cuba.

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The Peking Television Station and the Cuban Revolutionary Television Station have signed an agreement on the exchange of TV films.

## Albanian Party Congress Congratulated

*Renmin Ribao* in its editorial of February 22 warmly greets the success of the Fourth Congress of the Albanian Party of Labour. The Congress, the editorial writes, summed up the great achievements and experience of the Albanian people in opposing imperialism, defending world peace and building socialism; it passed the programme of the Third Five-Year Plan (1961-65) and elected a new central organ headed by Comrade Enver Hoxha, the beloved leader of the Albanian people.

In our big socialist family, the editorial says, Albania is a country encircled by capitalism, which stands continually as an outpost in the struggle against the enemies. Led by the glorious Party of Labour, the heroic Albanian people, raising high the revolutionary banner of Marxism-Leninism, have carried out the democratic and socialist revolutions, persisted in the struggle against imperialism and in defence of world peace, and is successfully carrying on socialist construction. Reviewing the achievements made by the Albanian people in the past 16 years, the editorial states that all these enormous successes fully testify to the superiority of the socialist system, to the correctness of the line of the Party of Labour and the boundless creativeness of the heroic and industrious Albanian people.

The editorial characterizes the Third Five-Year Plan as one of further development of Albania's socialist construction. It is a plan to enable Albania to advance still more speedily along the road of building an industrial-agricultural country.

The Congress, the editorial points out, is the first national congress held by a fraternal Party since the Moscow Meeting of Representatives of the Communist and Workers' Parties in 1960. The Statement issued by the Moscow Meeting is the foundation of the unity among the fraternal Parties

and their militant programme. Comrade Hoxha pointed out in his report that the Albanian Party of Labour, which has always been faithful to Marxism-Leninism and proletarian internationalism, "will for ever base itself on the Moscow Statement, struggle to further consolidate the unity of the international communist and workers' movements and to promote internationalist unity and relations with all fraternal Parties." Comrade Hoxha also said that in order to safeguard the unity of international communism and defend the purity of Marxism-Leninism, the Albanian Party of Labour will continue to wage an uncompromising struggle against modern revisionism of Yugoslavia. We are confident, says the editorial, that the Albanian Party of Labour will, as it has done before, make important contributions in this regard.

Albania and the great Soviet Union, China and other fraternal countries form an unbreakable socialist camp, the editorial says. Comrade Hoxha, in his report, gave a high appraisal of Albanian-Soviet friendship. He

said: "Our friendship with the Soviet Union will remain as eternal as the lofty mountains of our fatherland and no force on earth can break this friendship." This friendship, Comrade Hoxha said, is built on the principles of Marxism-Leninism and proletarian internationalism and cemented by the blood of the brave Albanian guerrillas and the glorious Soviet fighters.

"The Chinese people," the editorial declares, "are happy to see that although China and Albania are separated by numerous mountains and waters, the friendship built up between the peoples of our two countries in their common struggle against imperialism, for the defence of world peace and for the building of socialism is being steadily consolidated and developed."

"All the achievements of the Albanian people, like those of the other socialist countries, are the achievements of the entire socialist camp. They all strengthen the might of the socialist camp and the international communist movement. The Albanian Party of Labour headed by its long-tested leader Comrade Hoxha is a vigorous Marxist-Leninist party steeled in the revolutionary struggle and a Party which maintains close flesh-and-blood ties with the masses of the people. This Party Congress is a new milestone of the Albanian Party of Labour guiding the Albanian people to victories," says the editorial.

### THE PASSING SHOW

#### Buy American . . . Or Else!

The U.S. is busy unloading the effects of its gold reserve crisis on to other countries.

In Jordan today if you want to buy imported wheat flour, tinned cheese, stoves, soap, radios, refrigerators, cars or arms or a dozen and more other things, it's got to be U.S.-made. Since February 5 the Jordanian

Government has refused to give licences for imports of such goods from any country other than the U.S. This is the result of Washington's demand that Jordan import U.S. goods to the value of more than half of the total of U.S. "aid" to Jordan.

Adding injury to insult, these U.S. goods, reports the Arab News Agency, usually cost nearly three times as much as similar products from Europe.



Sales Talk

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