

BEIJING REVIEW

What Reason
Is There
For Moscow
To Fly Into
A Rage?



Economic
Policies in
Rural Areas



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CHRONICLE

Apr. 7

• Premier Hua Guofeng sent a message of solicitude and sympathy to Fijian Prime Minister Ratu Sir Kamisese Mara for disasters caused by a typhoon to part of his country.

Apr. 11

• Xinhua reported that a General Administration of Exchange Control had been set up recently. It is under the direct leadership of the State Council and is responsible for drafting decrees to unify China's foreign exchange control.

• Premier Hua Guofeng sent a message of congratulations to Shah Azizur Rahman on his assumption of the office of Prime Minister of Bangladesh. Chairman Ye Jianying of the N.P.C. Standing Committee sent a message to Mirza Golam Hafiz, greeting his assumption of the office of Speaker of the Constituent Assembly of Bangladesh.

• A memorial meeting was held in Beijing for Tong Dizhou, Vice-President of the Chinese Academy of Sciences and Vice-Chairman of the C.P.P.C.C. National Committee. Vice-Premiers Deng Xiaoping and Li Xiannian attended the meeting. A well-known biologist, Tong Dizhou was a pioneer in experimental embryology in China. He died on March 30 at the age of 77.

Apr. 13

• The Chinese Foreign Ministry lodged a strong protest with the Vietnamese Embassy in Beijing against the intrusion of Vietnamese armed vessels into China's territorial waters around the Xisha Islands on April 10 and provocatively shooting at a Chinese patrol boat. The note demanded that the Vietnamese authorities admit the mistake, make an apology and immediately stop all provocative acts so as to facilitate the talks between the two countries.

Apr. 14

• Comrade Hua Guofeng met with Ilija Vacic, President of the Federal Chamber of Economy of Yugoslavia, and other comrades who came to Beijing for the opening ceremony of the Yugoslav industrial exhibition on April 12.

• The Chinese Government Delegation led by Vice-Foreign Minister Han Nianlong arrived in Hanoi to hold talks with the Vietnamese side.

Apr. 15

• Vice-Premier Deng Xiaoping met Professor Li Cheng-tao, an American physicist who has been invited to give lectures in China for three months and to tour the country.



Vice-Premier Gu Mu on Economic Construction

"The general principle of China's economic construction remains: Rely mainly on our own efforts while making external assistance subsidiary. This general principle was drawn up by Chairman Mao Zedong and Premier Zhou Enlai, and we have not made any changes to it." This statement was made by Gu Mu, Vice-Premier of the State Council and Minister in Charge of the State Capital Construction Commission, in an interview on April 6 with Chinese correspondents while reviewing some of the comments abroad on China's economic construction policy.

"On the basis of equality and mutual benefit," the Vice-Premier said, "China will continue to develop trade, economic and technical exchanges and co-operation with friendly countries and will bring in advanced techniques from abroad. This policy remains unchanged. Our door is always open to all friendly countries." He added that China will continue to follow common international practices in trade and economic interflow, that work in this field has only begun and that an investment act is being drafted.

"In China, which is by comparison an economically backward country with a large population, advanced industries

and backward ones, large enterprises and medium-sized and small ones, will exist side by side over a considerable period of time. So there will be room for developing automated, mechanized and semi-automated production as well as various types of handicrafts." The Vice-Premier explained that the adoption of this principle is determined by two factors: our ability to pay in foreign exchange, and our large population and the need to make full use of our labour force.

Why the Readjustment? Referring to the present readjustment in China's national economy, Vice-Premier Gu Mu pointed out: "Our industry has developed at a high speed in the two years since the downfall of the 'gang of four' and there has been a slight improvement in the people's livelihood, which remained on the same level for quite a long time. However, serious disruption by Lin Biao and the 'gang of four' in the past decade has thrown our economy out of balance and this situation has not yet been completely changed. Hence the need for readjustment."

He stressed that readjustment will be combined with advance, that is, moving ahead and making improvements in the course of readjustment, so as to create better conditions for faster development in the future.

"In modernizing industry, agriculture, science and tech-

nology and national defence, top priority will be given to those departments which play a key role in the national economy while other departments will have to wait. In line with the order of priority — agriculture, light industry and heavy industry — investments for agriculture will be increased and efforts will be made to speed its development. The proportion of investments for light industry will also be increased. As for heavy industry, some departments will receive a bigger share of the investments while others will get a smaller share. The reason is that in the case of the latter, the costs are high and the returns slow."

Vice-Premier Gu Mu declared that it is normal in economic activity to make the necessary readjustments from time to time in the light of the implementation of state plans.

Chinese Government Delegation Arrives In Hanoi

The Chinese Government Delegation led by Vice-Minister of Foreign Affairs Han Njanlong arrived in Hanoi on April 14 to hold talks with the Vietnamese side at the vice-ministerial level.

The Chinese Vice-Foreign Minister issued a written speech at the airport. He said: "In coming here, our aim is to try, through peaceful negotiations, to restore normal rela-

tions between China and Viet Nam, uphold the traditional friendship between the two peoples and settle the disputes between the two countries."

He pointed out: "It is our conviction that it should not be hard to resolve the disputes and issues between the two countries through friendly negotiations, provided the two sides cherish the friendship between the two peoples and genuinely want to settle outstanding issues."

The Chinese side made the greatest efforts to make it possible to hold the talks between the two Governments. When the Chinese frontier troops were forced by armed Vietnamese incursions to strike back in self-defence on February 17, the Chinese Government proposed that China and Viet Nam hold talks at an appropriate level as soon as possible and at a venue agreed upon by both sides. But this reasonable proposal was turned down by the Vietnamese authorities. On March 1, the Chinese Ministry of Foreign Affairs sent a note to the Vietnamese Embassy in China proposing that each side appoint a vice-minister of foreign affairs as its representative to meet as soon as possible at a mutually agreed place. On March 5, while announcing the start of the withdrawal of Chinese frontier forces from Viet Nam, the Chinese Government proposed once again that the Chinese and Vietnamese sides speedily hold talks. Out of certain considerations, the Vietnamese side on March 15 sent a note to the Chinese Ministry of Foreign Affairs expressing its agreement to the holding of negotiations. On March 16, when

the Chinese Government announced that all Chinese frontier forces had completed their withdrawal to Chinese territory, it reaffirmed China's consistent stand for settling the disputes through negotiations and welcomed the Vietnamese side's agreement to the holding of negotiations. On March 19, the Chinese Foreign Ministry sent a note to the Vietnamese side, putting forth concrete proposals regarding the time and place of the negotiations and notifying the Vietnamese side of the formation of the Chinese Government Delegation. By then, the Chinese-Vietnamese negotiations should have been able to take place quickly.

However, after all the Chinese frontier forces had returned to their homeland, the Vietnamese authorities, dictated by their domestic and foreign policy needs, suddenly turned about-face from their once declared readiness to enter into negotiations and strenuously obstructed the holding of the talks. They spread the lie that Chinese troops were "stationed" at many "points and areas" in Vietnamese territory which, they claimed, numbered more than 30 one day and well over ten on another.

As a matter of fact, all the areas and points where the Chinese frontier forces are stationed after their withdrawal are Chinese territory and have always been under Chinese jurisdiction. Thus, the Sino-Vietnamese talks could not take place as scheduled, purely because the Vietnamese side made this about-face and created unfounded complications.

It is in the fundamental interests of the Chinese and Vietnamese peoples to resolve the issues through negotiations and restore the normal relations between the two countries. As far as China is concerned, it needs a peaceful and stable international environment in order to carry out socialist construction and accomplish the four modernizations. China wishes to live in peace with all its neighbours including Viet Nam and maintain normal good-neighbourly and amiable relations with them. It does not want an inch of territory from any country; what it does want is a border where peace and tranquillity would prevail. As for Viet Nam, its economy badly needs rehabilitation and development and its people still more badly need a respite after more than 30 years of war.

The people of the Southeast Asian countries and the rest of the world have shown concern for the holding of talks between China and Viet Nam. Continued tension or, still worse, further deterioration in the relations between the two countries would have adverse effects on peace, security and stability in the Asia-Pacific region and would give Soviet social-imperialism a chance to pursue its expansion in this region. In ganging up with Soviet social-imperialism to engage in aggression and expansion, the Vietnamese authorities have actually done damage to Viet Nam's own national independence. To win credibility among the Southeast Asian nations, the Vietnamese authorities should pull their troops out of Kampuchea, and demonstrate their sincerity and good faith in the Sino-Vietnamese talks.

China has shown its sincerity in the talks. The Vietnamese authorities should also do the same!

Only One Chinese Olympic Committee

China reiterated that the only way to solve the question of China's representation in the International Olympic Committee is to recognize the Chinese Olympic Committee as the national Olympic committee of the whole of China.

This was declared in a statement issued on April 7 by Song Zhong, Secretary-General of the Chinese Olympic Committee, after a meeting of the IOC in Montevideo passed a resolution on China's representation. This resolution, with 36 votes for and 28 against, envisaged the existence of two "Chinese Olympic Committees" within the IOC.

Song Zhong pointed out in his statement: "The resolution, as it now stands, is unacceptable to us. We hereby reaffirm that there is only one China, that is, the People's Republic of China, and that Taiwan is part of China. The only way to solve the question of China's representation is to recognize our Olympic Committee as the national Olympic committee of the whole of China. As an interim arrangement, the sports organization in Taiwan may remain in the IOC under the name of the 'China Taiwan Olympic Committee.' But it must not use any of the emblems of the so-called 'republic of China.' We shall only accept solutions compatible with the above-mentioned condition."

He declared that China is prepared to carry on discussions with the IOC Executive Committee on the restoration of the Chinese Olympic Committee's place in the IOC.

Discussion on Bonuses

The practice of giving material rewards was resumed in spring last year. Results gained in the past twelve months show that while strengthening ideological and political work, moral encouragement combined with material rewards, with the emphasis on the former, is conducive to stimulating the people's initiative for work. When the bonus system was tried out for several months last year in ten Beijing factories, production there went up and business management improved. The factories increased their profits by 18.9 million yuan, while the bonuses given to the workers totalled 438,500 yuan, or 2.32 per cent of the increased amount of profits. Under China's socialist system, more profits from enterprises mean that the state will have more funds for construction and for improving the people's livelihood. This has nothing in common with the bonus system used by the capitalists to increase the intensity of labour to rake in super-profits and to divide the ranks of the workers.

In implementing the bonus system, some problems and shortcomings have cropped up. While the departments and enterprises concerned are now summing up the experience gained, the press has published many articles discussing how to improve the system.

The system of giving bonuses as a supplement to the fixed wages helps implement in a better way the socialist principle of "to each according to his work" and more pay for more work. It encourages those who do better work and prompts the others to emulate them, thereby promoting production as a whole. Some units, however, did not follow this principle, but gave bonuses in accordance with the equalitarian principle, without taking into consideration the work done and the actual contributions of the workers and staff. The result was no distinction was made between those who did more work and those who did less, between those who did a good job and those who did shoddy work, and between those who worked and those who idled away their time. This of course dampened the workers' enthusiasm. That was why production in some factories stagnated and internal contradictions sometimes became acute in spite of the bonuses.

Influenced by the metaphysical thinking of Lin Biao and the "gang of four," the leading comrades of a few units had regarded all bonuses as "revisionist stuff" without making any concrete analysis of each case. Now they went to the other extreme and considered bonuses as something omnipotent, completely disregarding moral encouragement and ideological education among the workers and staff. This of course brought adverse effects and gave rise to such mistaken ideas as "more bonus, more work; less bonus, less work; and no bonus, no work."

What should be done to improve the bonus system? Par-



Giving awards to the winners in the labour emulation drive at the Nanning Flax Mill in Guangxi.

ticipants in the discussion have raised the following points:

(1) Adhere to the principle of combining moral encouragement with material rewards, with the emphasis on the former. Ideological education must be combined with economic means, and neither should be neglected.

(2) A precondition for the effective implementation of the bonus system is the establishment of a sound system of management. It is of paramount importance to rely on the masses to do a good job in fixing quotas, compiling statistics, checking quality and business accounting.

(3) Bonus must be linked with the results of production and based on the contributions made by the workers and staff, and commendation must go hand in hand with disciplinary measures. With regard to mistakes committed during work, the leadership should put the emphasis on conducting education among the workers con-

cerned, supplementing it with necessary punishment, including economic measures. Only thus can those neglecting their duties be urged to mend their ways.

(4) Material rewards are necessary, but it is more important to advocate and foster the revolutionary spirit among the people. During the long years of arduous revolutionary struggle and national construction, there has emerged among the workers the fine style of wholeheartedly serving the people and dedication to the cause of socialism. There are now large numbers of people working selflessly in various fields. Efforts must be made to advocate such revolutionary spirit and mobilize the people to contribute to the accomplishment of socialist modernization.

Changes in Fuzhou

While advocating the style of plain living and hard work, the government sees to it that the

people's livelihood is improved whenever and wherever possible. This is a consistent policy of the People's Government and any callous, bureaucratic attitude towards the people's well-being is opposed. Many cities have in the past year taken concrete measures to raise living standards on the basis of increased production.

Fuzhou, capital of the south-east China seaboard province of Fujian, is an example. Reports show that in this city much progress has been made in market supply, housing, employment, transport and communications, service facilities and environmental sanitation, to the great delight of its 600,000 inhabitants.

- The supply of meat, vegetables, fruit and other non-staple food has greatly improved. On the city's outskirts, the acreage under vegetables has been expanded to 1,400 hectares, and 14 semi-mechanized pig farms have been set up. Poultry farms, aquatic products producing centres and orchards are also being built. The number of stores has increased from 900 to 1,400, and early morning and late evening services have been restored for the convenience of the populace.

- Forty-four apartment buildings with a floor space of 78,000 square metres are being built. Apart from this, the city authorities are helping government organizations, schools and factories build dormitories, while the residents are encouraged to build houses of their own.

- Canteens, nurseries and kindergartens, clinics, hostels and repair centres have been set

up in the residential areas. New service companies set up by both the city and district governments provide service for the public and more employment opportunities.

- Mass health campaigns have been launched and environmental sanitation has been improved.

- With more buses operating and the streets widened or resurfaced, traffic in the city is now back to normal.

When the "gang of four" was in power, armed conflicts took place in some areas in Fujian Province and many local leading organs were paralysed and social order was disrupted as a result. Many factories were forced to stop production and there was an acute shortage of supplies. The people's daily life was affected and there was no guarantee even for their personal safety.

Unhealthy Tendencies Criticized

The nation is making enormous efforts to overcome the aftereffects of the closed-door policy followed in the past decade and is learning with a will from the advanced experience of foreign countries to accomplish the four modernizations. The people now enjoy a richer and more diversified cultural life, and things in general are beginning to liven up. Among other things, men and women, particularly the young, wear clothes of different styles, designs and colours.

The general trend is good and heartening, but unhealthy things, though few and isolat-

ed, have also emerged. In some big cities, for instance, a few young people have taken to fancy clothes and queer styles of hair, and they even regard the cheap and vulgar tastes in the Western way of life as "fashionable."

Concerned with this undesirable drift, many have written to the press criticizing it.

Many newspapers and periodicals have also published articles and commentaries expressing these views:

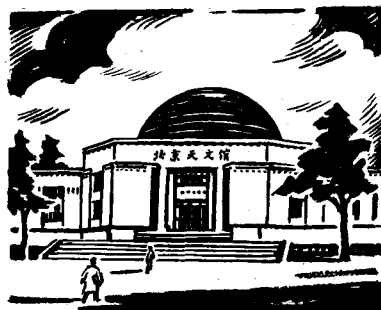
- What we should learn from foreign countries is their advanced science and technology, not their bourgeois way of life. Though only a few are at present affected by unhealthy and undesirable tendencies, these will spread, if unchecked in time, and will corrupt more and more people.

- The young should be educated to uphold the Chinese people's virtue of plain living and hard struggle and cherish the lofty thoughts and feelings of the proletariat. The aim of achieving the four modernizations is, of course, to improve the people's material and cultural well-being, but this does not mean that we should follow the bourgeois way of life. Moreover, we cannot just wish the four modernizations to "drop from the sky," we have to work hard for their realization. Young people should devote their energy to studying and working for the early accomplishment of the four modernizations.

A forum on increasing production and practising economy was held recently in Beijing. Many nationally known model workers who attended drew at-

tention to some of the undesirable phenomena mentioned above. Coal-miner Li Jiude said: "We should devote ourselves heart and soul to speeding up the four modernizations, and not give undue attention to food and clothing. We should learn and master the advanced technology of foreign countries and not go after what is trivial and vulgar." This veteran worker who had his fill of hardships in the old society exhorted the youths: "I started work at the age of nine and when I was eleven I began carrying coal in a pit. That's how I contracted an occupational disease. But as long as I am alive, I'll contribute my share to the four modernizations and play my part as a cog in the machine in our motherland's socialist construction."

The well-known woman writer Yang Mo said in an article: "Different classes and different people have different understanding and feelings about youth and happiness." A novelist loved and respected by the youths of the country, Yang Mo left the big cities in the 30s when she was a student and went to join the revolution in Yanan where life was harsh. "I was happy when I was young," she said, "because I gave my best years to the people and the motherland instead of pursuing personal comfort."



What Reason Is There for Moscow To Fly Into a Rage?

— Commenting on a Soviet government statement and "Pravda" articles

by "Renmin Ribao" Commentator

THE Standing Committee of the Chinese National People's Congress unanimously passed a resolution on April 3 not to extend the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance in view of the fact that great changes have taken place in the international situation and that the treaty has long ceased to exist except in name owing to violations of the treaty for which the Chinese side is not responsible.

While notifying the Soviet Government of this decision, the Chinese side reiterated the Chinese Government's consistent stand that the differences of principle between China and the Soviet Union should not hamper the maintenance and development of their normal state relations on the basis of the Five Principles of Peaceful Coexistence. It also proposed that negotiations be held to solve the outstanding issues and improve the relations between the two countries.

Anyone who is objective-minded can see that the Chinese side has taken a positive and constructive stand in an effort to preserve the friendship between the Chinese and Soviet peoples and improve the relations between the two countries.

But what attitude does the Soviet side take towards this sensible Chinese stand? In a government statement on April 4, in a signed commentary by I. Alexandrov published by the Soviet paper *Pravda* on April 7 and in a number of subsequent articles, the Soviet side launched an unwarranted attack on China's decision not to extend the Sino-Soviet treaty. Flying in the

face of facts, it wilfully distorted the history of Sino-Soviet relations and virulently maligned China's foreign policy. It even threatened that "all responsibilities... rest with the Chinese side" and that "the Soviet Union, of course, will draw proper conclusions" from China's action. As the Soviet authorities have said a great deal in such a frivolous and irresponsible manner, we are bound to make a reply.

Sino-Soviet Treaty Exists Only in Name

As is well known, the treaty was concluded after negotiations by Chairman Mao Zedong, Premier Zhou Enlai and Comrade Stalin in the early years of our People's Republic. Thanks to the joint efforts of the two countries, the treaty played an important and positive role in the early 1950s in ensuring the security of both countries, enhancing the friendship between their peoples, promoting their construction and preserving peace in the Far East and the rest of the world and pushing the progress of mankind. This fact certainly has its place in history.

Since then, however, great changes have taken place internationally and in Sino-Soviet relations as well. Owing to violations on the part of the Soviet Union, the treaty has long ceased to exist except in name. The Chinese side, in view of the fact that the treaty no longer suits the changed international situation or the actual relations between the two countries, decided not to extend the treaty upon its expiration next year.

The Soviet authorities know only too well that this is merely to confirm a reality which

has existed for a long time and is recognized by the whole world. So the question of "an action hostile" to the Soviet Union simply does not arise.

The Soviet authorities should be quite aware that the treaty was concluded by two independent and sovereign states on an equal footing. They have no right whatever to decide unilaterally whether the treaty should be extended or terminated upon its expiration. It is completely within China's sovereign rights for the Chinese Government to decide not to extend the treaty in the light of the changed situation and in accordance with the stipulations of the treaty.

According to the Soviet Union, the Sino-Soviet treaty must be extended, not terminated, upon its expiration. To act otherwise would constitute "an action hostile" to it and consequently, it has the right to intimidate the other party. Is such an attitude in compliance with the criteria governing relations between states? Moscow's abusive language and fury show precisely to the world its own hegemonist logic and mentality.

The Sino-Soviet treaty was signed in Moscow on February 14, 1950 and was ratified and went into force on April 11 of the same year. In the light of the historical conditions prevailing then, the treaty has as its chief aim the joint prevention of the resurgence of Japanese imperialism. Since then, both Soviet-Japanese relations and Sino-Japanese relations have undergone a change. As early as 1956, the Soviet Union and Japan issued a joint declaration, ending the state of war between them and entering into diplomatic relations with each other. In the past few years, the Soviet Union has proposed more than once the conclusion of a treaty of good-neighbourhood, friendship and co-operation with Japan.

China on its part normalized its relations with Japan in September 1972 and signed a treaty of peace and friendship with it in August 1978 which gives expression to the common aspirations of the people of the two countries to live together in friendship for generations to come.

Such being the case, it is preposterous for the Soviet authorities to insist, as if for good reasons, on the extension of a treaty mainly directed against Japan. What is more, this shows how hypocritical they are when they

profess untiringly "good-neighbourhood" and "friendship" with Japan.

Soviet Leadership Responsible for Deterioration of Sino-Soviet Relations

It is widely recognized that the past twenty years or more have witnessed a process of great upheaval, great division and great realignment and earth-shaking changes in the international situation. Of all these changes the most important is the fact that the Moscow leading clique betrays Marxism-Leninism and proletarian internationalism and turns the socialist Soviet Union into a social-imperialist power, the peace-loving Soviet Union into the most dangerous source of war in our time and the Soviet policy of friendship with the Chinese people into one of hostility towards them. This political degeneration of the Soviet leadership cannot but produce a most adverse impact on the struggle by the oppressed peoples and nations the world over and on the international workers' movement.

In their relations with China, Soviet leaders wantonly violated both the letter and spirit of the Sino-Soviet treaty and caused the steady deterioration of the relations between the two countries. A mass of facts prove beyond any shadow of doubt that it is the degeneration of the Soviet leadership to the stand of super-power hegemonism and expansionism that has undermined Sino-Soviet relations and made them "ever more complex." Such facts are too numerous to list.

At the trying time in the early 1960s when China was hit hard by natural calamities, the Soviet Government took the surprise action of unilaterally withdrawing all Soviet experts in China and scrapping agreements and contracts by the hundreds, thereby doing great harm to the cause of China's economic construction. Can this be described as an act of friendship and mutual assistance to an ally?

The Soviet side engineered riots in China's border province, committed incursions time and again into Chinese territory and provoked armed conflicts. It has kept up its subversive activities against China, built up its armed forces along the Sino-Soviet border, concluded a military pact with Mongolia which is directed against China and stationed its troops in that country, posing a threat of armed force to China. Can these be manifestations of "abiding by the various commitments" of the treaty?

Over the years, Moscow's incitement and support have prompted Viet Nam to oppose

China and expel Chinese residents, make claims to Chinese territory and provoke armed border conflicts. At the end of last year, Moscow signed a "treaty of friendship and co-operation" with Viet Nam which has overtones of a military alliance, with the result that Viet Nam was emboldened to launch a war of aggression against Kampuchea and to step up its armed raids on the Chinese border. When the Chinese frontier forces were compelled to strike back in a limited action of self-defence, the Kremlin hurled vile slanders at the Chinese people and openly tried to intimidate them. The Chinese people's nerves are strong enough to remain unperturbed by these outcries. Now, we would like to ask the Soviet leaders: Did you have the faintest idea of the Sino-Soviet treaty when you vociferously threatened to invoke the Soviet-Vietnamese treaty to deal with China?

Manifestation of Big-Nation Chauvinism

It is necessary to point out that the Soviet side in its statement and articles boasted at length how it had "protected China's interests in the international arena" in the 50s and how it had aided China in the Korean war and in China's economic construction shortly after the founding of the People's Republic. The implication was that China could not have survived without Soviet protection. It is a typical manifestation of imperialism and big-nation chauvinism to present the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance as a treaty under which the Soviet Union committed itself to protect China. We have never forgotten that under Comrade Stalin's leadership, the Soviet Government and people had helped the Chinese people. But it is a gross distortion of history to describe this assistance as one-sided favours which played a "decisive" role.

Assistance is always mutual. Take the Korean war for example. The Korean and Chinese peoples fought shoulder to shoulder not only to protect their homes and their lands but also, in the historical conditions then obtaining, to safeguard the security of the socialist camp including the Soviet Union. In that war, it is widely known, the Korean and Chinese peoples paid their price in lives and blood. The Soviet Union supplied China with some quantities of arms, but not gratis. Later, the Soviet authorities dunned China for repayment when the latter was confronted with economic difficulties, and the Chinese people paid back all the debts with interest ahead of the scheduled time. Now,

in its statement the Soviet Government said it was necessary to mention the actual facts. Why, then, didn't they breathe a word about these facts?

The Real Aim Is to Vilify China

It is also necessary to point out that despite the Soviet authorities' determination to undermine Sino-Soviet relations, the Chinese side has time and again striven in good earnest to preserve the friendship between the two peoples and the normal relations between the two countries. Its efforts were of no avail purely because the Soviet authorities obdurately clung to their errors.

For quite a long time after the 20th congress of the C.P.S.U. in 1956, we offered in private on many occasions our counsel to the Soviet leadership in the hope that they might not go too far down the wrong path. After the ouster of Khrushchov in 1964, Comrade Zhou Enlai led a Party and government delegation to Moscow, but the Soviet leadership declared most brusquely that it would not in the least alter Khrushchov's anti-China policy. In 1969, the Chinese and Soviet Premiers reached an understanding in Beijing to maintain the status quo on the frontier, avoid armed conflict and disengage the armed forces of the two sides in disputed areas. In accordance with this understanding, the Chinese side put forward a draft agreement for the maintenance of the status quo on the frontier, which includes the main contents of the draft treaty of the non-use of force proposed by the Soviet Union in 1971 and the treaty of mutual non-aggression it proposed in 1973. It is regrettable that ten years have passed since then but the Soviet side has refused all along to put the two Premiers' understanding into effect.

These important facts prove to the hilt that it is the Soviet leadership, not China, which should "assume full responsibility" when the Sino-Soviet Treaty of Friendship, Alliance and Mutual Assistance ceased to exist except in name and when the treaty is not extended upon its expiration.

Now, the Soviet authorities pretend to want to retain the treaty and have it extended. Meanwhile, they hurled at China a host of crushing charges such as "anti-Sovietism," "big-nation hegemonism," "expansionism," "betrayal of revolution, peace and socialism" and having "established a military-bureaucrat dictatorship."

(Continued on p. 14.)

At Tokyo Press Conference

Vice-Chairman Deng Expounds China's Domestic and Foreign Policies

AT the invitation of the House of Representatives and the House of Councillors of the Diet of Japan, the Delegation of the National People's Congress of China led by Deng Yingchao, Vice-Chairman of the N.P.C. Standing Committee, arrived in Tokyo on April 8 for a 12-day friendly visit to Japan.

On the afternoon of April 11, Vice-Chairman Deng attended a press conference arranged by the Japan National Press Club in Tokyo. After making a statement which was warmly applauded by over 80 Japanese and foreign reporters, she answered six questions which were asked on behalf of the Japanese reporters by Toshiharu Shibada, Deputy Director of the Editorial Board of *Asahi Shimbun*.

Vice-Chairman Deng began by expressing her sincere thanks to friends from the Japanese press, who have been instrumental, over the years, in helping to bring about the normalization of China-Japan relations and the conclusion of the China-Japan Treaty of Peace and Friendship as well as to strengthen the friendly relations between the two peoples.

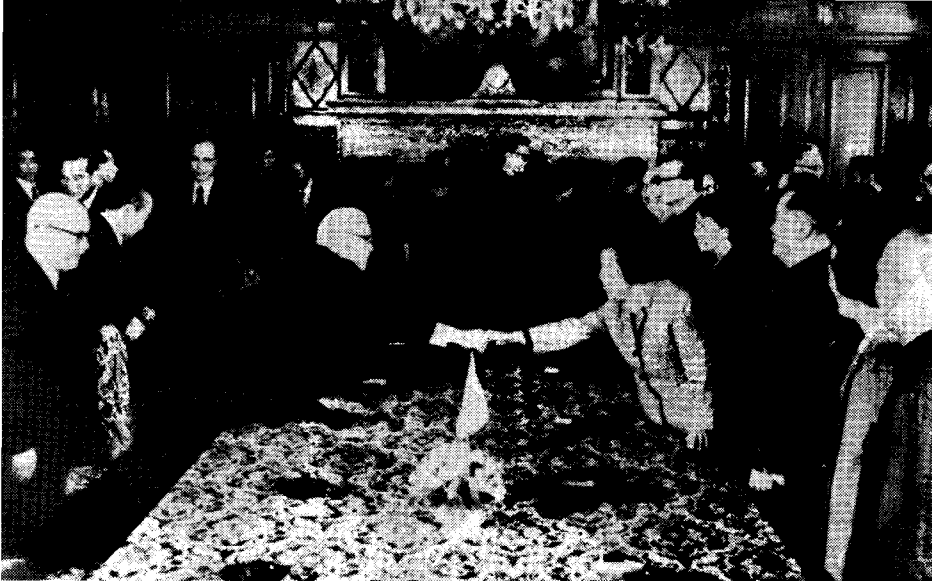
She said: "China and Japan are friendly neighbours facing each other across the sea. Our two peoples have forged a profound friendship and learned from each other over long years of friendly contacts. Our two countries signed the Treaty of Peace and Friendship last August. When Vice-Premier Deng Xiaoping visited Japan last October, the governments of the two countries exchanged the instruments of ratification of the treaty proclaiming its formal effectuation. We are glad to see that the conclusion of the treaty not only has laid a solid foundation for strengthening and developing our amicable co-operation and led to closer relations, but also is exerting

a positive influence for the maintenance of peace and security in the Asia-Pacific region. Let us continue to work together to uphold this treaty and carry out its principles in earnest."

The Question of the Return of Taiwan to the Embrace of the Motherland. She said: "Last January, China and the United States established diplomatic relations and issued a communique on the matter. With the normalization of Sino-U.S. relations, quite a few Japanese and American friends have expressed concern over the future of Taiwan. The question of Taiwan was once an obstacle to this normalization, but now the problem has been solved and better conditions have thus been created for the return of Taiwan to the embrace of our motherland and for national reunification. Of course, the way to bring Taiwan back to the embrace of the motherland and achieve our national reunification is entirely China's internal affair. As far as our wish is concerned, we fully desire to see the matter settled by peaceful means, which will be in the best interest of our country and nation. However, this is not up to our side alone. Therefore, we cannot tie our own hands by committing ourselves to peaceful means. For that would make a peaceful settlement even more difficult.

Prime Minister Masayoshi Ohira meets with Vice-Chairman Deng.





Vice-Chairman Deng calls on the Speaker of the House of Representatives on April 9. She also called on the Speaker of the House of Councillors on the same day.

“Acting on the behests of the late Chairman Mao Zedong and Premier Zhou Enlai, we have repeatedly stated that in settling the question of China’s reunification, the status quo on Taiwan and its present system will be respected and that fair and reasonable policies and measures will be adopted so as not to cause any loss to the people on Taiwan, or change their way of life, or affect the economic interests of foreign countries in Taiwan. To enhance mutual understanding, we have proposed free exchange of visits and direct contacts between people on the mainland and those on Taiwan, and the opening of trade, transportation, postal and telecommunications services, etc., between us. The above policies are in the interests of the Chinese nation, including the people on Taiwan. We firmly believe that they will be well received by the people on Taiwan and win the sympathy and support of the people of various countries and all friends interested in this question.”

The Question of Sino-Japanese Friendly Relations. Vice-Chairman Deng said: “Some friends are worried whether the normalization of Sino-U.S. relations will affect the development of economic ties between China and Japan. Here I wish to say to you in all sincerity that China has already shifted the focus of its work to the programme for the four modernizations, and that the situation in China is stable, with the whole nation united in a drive to achieve the above goal. China’s four modernizations policy will not change, nor will our policy on developing trade and economic relations with other countries. There are broad prospects for the expansion of economic exchanges and co-operation between China and Japan, which enjoy far

more favourable conditions in their mutual relations than other countries. Difficulties of one kind or another may crop up sometimes, but they can be overcome all right. So you may feel assured and need not have any worries.”

She stressed: “Since the conclusion of the Treaty of Peace and Friendship, our relations have further developed on a new basis in the political, economic, scientific-technological, cultural and other fields. The number of friendly exchanges has multiplied. Early this year, Vice-Premier Deng Xiaoping was once again warmly received

by the Japanese Government and people when he stopped over here on his way back from the United States. Recently, our national capitals, Beijing and Tokyo, have become sister cities whose people can better engage in friendly co-operation. In May this year, comrade Liao Chengzhi will travel to different parts of your country by the first Chinese goodwill ship. We eagerly look forward to an early visit to China by Prime Minister Ohira. Premier Hua Guofeng, on his part, has decided to visit Japan upon invitation. Besides, the two Governments have reached an agreement on the exchange of students and are now considering the signing of scientific and technological and cultural agreements. What a beautiful future is unfolding before us!”

She said: “Both our peoples ardently love peace. In the past the Chinese people suffered deeply from war; we do not want any war. We fully understand the Japanese people’s strong desire for peace. We firmly support the Japanese nationwide struggle for ultimate success in recovering their northern territory. One aim of our foreign policy is to delay the outbreak of a world war. However, the tree may prefer calm, but the wind will not subside. The hegemonists always reach out everywhere in an attempt to impose war on the people, thus seriously endangering world peace and international security. We must fully realize this danger and constantly remind the world’s people of its existence, urging them to heighten their vigilance, close their ranks and upset the strategic plans of the hegemonists. This is the only way to secure a peaceful international environment for a relatively long period of time. It is our earnest

hope that our friends in the Japanese press circles will regard this as their duty and do more work to this end. While China and Japan have their own independent foreign policies, we have much common ground in our approach to major international issues. We are sure that, on the basis of seeking common ground while putting aside differences, we will certainly be able to advance our friendly relations and co-operation in various fields and contribute to peace in Asia and the world."

China's Foreign Policy. Answering questions about China's policy towards the Soviet Union, Viet Nam, Kampuchea and other countries, the Vice-Chairman said: "We hope to be friendly with our neighbour, Japan, and keep this friendship from generation to generation. As to other countries in the world, including the Soviet Union and Viet Nam, we want to maintain normal state relations with them all in accordance with the Five Principles of Peaceful Coexistence."

On the Viet Nam problem, she said, China's attitude was made clear by Vice-Premier Deng Xiaoping during his visit to Japan last year and during his stopover in Japan on his way home from the United States early this year. She said: "We mean what we say." "We are ready to send our representatives to Hanoi since Viet Nam has expressed its verbal willingness to have talks," she noted. However, she added, Viet Nam is still placing obstacles to the talks by invading the Chinese frontier to cause trouble there.

Vice-Chairman Deng said: "Democratic Kampuchea has always been friendly towards China. Now it is subjected to aggression from massive Vietnamese forces. In these circumstances, we firmly support Democratic Kampuchea in its struggle against Vietnamese aggression and for defending its national sovereignty and territorial integrity."

Vice-Chairman Deng stressed: "We are willing to maintain state relations with all countries in the world on the basis of the Five Principles of Peaceful Coexistence. Our policy is to be friendly with all countries but we oppose hegemonism."

Chinese Economic Readjustment. Answering questions about how China's economic readjustment would affect economic relations with Japan, Deng Yingchao said: "As you know, we are making readjustments to

our programme for the four modernizations. We will take a cautious and serious attitude towards this and will map out a realistic plan after repeated considerations."

She noted: We must start from the characteristics and reality of China today. The last ten years' chaos has put our national economy out of balance, disturbing the order of priority — agriculture, light industry and heavy industry.

She said: "We have also realized that our project of capital construction is too overextended and we must, therefore, make realistic readjustments in accordance with a sober-minded estimation so as to realize a balanced growth of our national economy." "On the surface," she added, "it seems we are curtailing the original economic development plan, but actually 'one step backward is necessary for two steps forward.' This will enable us to carry out socialist economic construction on a more firm ground."

Vice-Chairman Deng pointed out: "In my view, the Sino-Japanese trade relations will develop more and more and China and Japan will help each other better after China has made readjustments to its economic construction plan."

She said: "China will continue to introduce and then develop advanced foreign technology on our existing basis. This is the only way to establish a solid ground. I am sure the Japanese economic circles will also agree with our doing this, and will not suffer any unfavourable effect from it. We acknowledge that Japanese friends have met some problems in the course of helping us for our lack of experience at the be-

Vice-Chairman Deng looking at a picture of Akira Kazami, an old friend of Premier Zhou's, taken when he met with the Premier in 1957 in Beijing.



ginning. But I think this situation is temporary and will be soon improved and resolved."

The Trend of the Times, the Desire of the People. Answering the question on when and through what channel China put forward its policy on the return of Taiwan to the embrace of the motherland and how the Taiwan authorities reacted to this policy, Vice-Chairman Deng said that the Standing Committee of the National People's Congress of China on New Year's Day 1979 issued a message to compatriots in Taiwan putting forward the policy on the return of Taiwan and the reunification of the motherland. The people on Taiwan are more and more understanding the policy of their motherland, but the Taiwan authorities are still insisting on their original stand. Nevertheless, the return of Taiwan is the trend of the times and the desire of the people.

She said that friends from the Japanese press have broad contacts with Taiwan, and she would like them to do some work to promote the realization of China's reunification.

Other Questions. Answering the question about the status of Chinese women in the country, she said that the Constitution stipulates that women enjoy equal rights with men in political and economic fields as well as in family life. Marriage, the family, women and children enjoy government protections, she said.

Vice-Chairman Deng cited some outstanding women leaders who have emerged in China's revolutionary struggles, such as Soong Ching

Ling, He Xiangning, Cai Chang, Kang Keqing and Chen Muhua. Quite a few among the ministers and vice-ministers are fine women cadres, she added.

On the question of youth education, Vice-Chairman Deng said: "We pay particular attention to this problem. The Chinese youth are very good and quite charming. They are China's hope in the days to come. On the one hand, we continue to adhere to Chairman Mao's policy that there should be reforms in education; at the same time we must rectify the erroneous ways in which the 'gang of four' sabotaged education. We must teach our youth and children to love their motherland, love the people, love labour, science and public property. We want our youth to live up to the teaching of Chairman Mao: to keep fit, study well and work well, and to develop morally, intellectually and physically in an all-round way. The Chinese Government, the Chinese National Women's Federation and other departments concerned pay attention to young women's physiological aspects and give them proper protection."

The last question from the newsmen was about the most distressing thing to Premier Zhou in his lifetime and about his family life. Vice-Chairman Deng said that what distressed the Premier most was that the first socialist state in the world founded by Lenin had become a social-imperialist state and was seeking world domination. About Premier Zhou's family life, she said that in the decades since she met and married him, theirs had been entirely a revolutionary life.

(Continued from p. 10.)

We would like to ask: Do you feel that it is rather dishonest for you to profess a desire to maintain a relationship of "friendship, alliance and mutual assistance" with a nation you describe as "most wicked"? Obviously, what you really want is not to have the treaty extended, but to make use of this to dupe the people and vilify China.

The Chinese people have always valued their traditional friendship with the Soviet people and have worked tirelessly to preserve this friendship. When it decided not to extend the Sino-Soviet treaty upon its expiration, the Standing Committee of the Chinese National People's Congress acted seriously and respon-

sibly in connection with the relations with the Soviet Union and refrained from calling the past into account. We maintain as we always do that the differences of principle between the two countries should not hamper the preservation and development of normal state relations. And we have proposed holding Sino-Soviet talks to settle outstanding issues and improve the relations between the two countries. China's stand and proposal fully tally with the common aspirations and fundamental interests of the Chinese and Soviet peoples. It is up to the Soviet authorities to decide what future developments will be.

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Economic Policies in Rural Areas

by Our Local Correspondent Xu Zhigang
and Our Correspondent Zhou Jinghua

Last December the Third Plenary Session of the Eleventh Central Committee of the Chinese Communist Party called on the whole Party to concentrate its main energy and efforts on boosting agriculture as fast as possible and set forth a series of economic policies designed to fire the enthusiasm for production of our country's 700 million peasants. These policies are now being implemented nationwide and the following are the major ones:

- The right of ownership by the people's communes, production brigades and production teams and their power of decision are to be guaranteed;
- The manpower, funds, products and materials of production teams are not to be used without compensation;
- The principle "to each according to his work" is to be earnestly implemented;
- Interference into the small plots for personal needs and household side-line occupations of the commune members and rural fairs is to be prohibited;
- The system of the people's communes which takes the form of three-level ownership — ownership by the commune, the production brigade and the production team — with the production team as the basic accounting unit is to be stabilized;
- Democratic management, election of cadres and open-to-the-public accounting at the different levels of the people's communes are to be practised.

In order to ascertain the rationale and the implications of these policies, we spent two weeks in Wuxian County situated on the outskirts of Suzhou, an enchanting city in east China.

Arousing Peasants' Enthusiasm

SHEN Xiaosen, one of the vice-chairmen of the county revolutionary committee, came out to meet us. A man in his fifties, he has been responsible for the county's agriculture for many years and is considered an expert. He told us something about the situation in Wuxian.

Large numbers of visitors come to Wuxian all year round because it is famous for its beau-

tiful hills and rivers, temples and historical sites. The county has a population of 1.12 million, 90 per cent of whom are peasants, and it has 37 communes under its jurisdiction. They are divided into production brigades which are again subdivided into production teams, each consisting of approximately 30 families tilling seven or eight hectares of land.

Wuxian is quite advanced in agriculture. In fact, it is known throughout the country for

its high-yielding farmland. But even though its grain output has always been steady, errors in the implementation of rural economic policies years ago retarded the tempo of its development. "By stressing the implementation of economic policies in the rural areas," Shen said, "the communique of the Third Plenary Session is very timely and very much needed."

Shen opened a copy of the Regulations on the Work in the People's Communes (draft) formulated under Chairman Mao's guidance in 1962, and said that the rural policies enumerated there were essentially the same as those put forward by the Party Central Committee at its last plenary session. When these policies were put into practice in the years following 1962, the results were rewarding. China's agriculture quickly recovered from the severe difficulties of the early 60s and advanced. However, the results brought by the ultra-Left political line of Lin Biao and the "gang of four" later on were very serious.

Interference

Question of Ownership. He told us that there has been serious lack of respect for the teams' right of ownership in recent years. Under the ultra-Left influence of Lin Biao and the "gang of four," ownership was regarded as bourgeois selfishness and anyone who mentioned it was accused of not taking the interests of the larger collective or the state into consideration. As a result, production brigades, communes and some government departments made use of, without pay, the manpower, materials and land of production teams to build roads, water conservancy works, factories, schools, office buildings and houses. Of course some construction was fine. But a tight squeeze was exerted on the peasants and teams when no consideration was shown for the limitation of their manpower and materials and when no equitable compensation was forthcoming.

Shen gave us the following figures: Compared with 1966, the year the Cultural Revolution began, the county's total agricultural income in 1976 increased by 12 million yuan, yet expenses rose by 24 million. Average individual income in 14 of the county's 37 communes was lower than that of 1966. While there were a number of reasons why the income of the peasants did not increase with production — such as too many non-productive personnel, huge non-productive expenses, high prices for farm

machines, chemical fertilizer and farm insecticide, and a small number of cadres squandering collective property — the main cause was the use of the production team's manpower and materials without pay. This meant the peasants were exploited. Of course their enthusiasm for production was dampened.

Such practices were contrary to the commune system as it was originally expounded. After the people's communes were established throughout the country in 1958, the Party Central Committee and Chairman Mao summed up the experiences in various places and made clear that the commune had its own assets and so did the production brigade and the production team. The team should be the basic accounting unit. That is to say, the production team is to organize the farming and other production activities and is responsible for its own profits and losses. An individual's income is based on the work points he has earned in his production team. The production brigades and the communes engage in activities and enterprises which production teams are not capable of doing, such as buying large farm machines and tools, and running comparatively large-scale poultry farms, pig farms, forest farms and fishing grounds, small industries or mines.

Although the commune and production brigade are higher organs, they must not use the manpower and property of the production team without providing compensation. They have to both obtain permission from the production team concerned and then provide an adequate compensation.

The people's communes, production brigades and production teams are all economic organizations collectively owned by the labouring peasants. They are different from the enterprises owned by the whole people (also referred to as state-owned). The Constitution provides for the inviolability of their ownership. Even the state, that is, government organs at all levels, must respect collective property and compensate fairly for the manpower and resources of the collective units that are utilized.

Question of Power of Decision. Shen told us that another serious problem in rural Wuxian was the lack of respect for the production team's power of decision. Ours is a socialist state which practises planned economy. Of course the economic activities of the production teams and even all the communes should be brought within the orbit of the state plan. But it is also obvious that state quotas and guidance



Shen Xiaosen (second from left) making an investigation in a production brigade.

should not be too detailed because local conditions are so varied. Influenced by Lin Biao and the "gang of four," quite a few leading organs did not heed the emphasis on actual conditions and the voices of the local people and issued arbitrary orders to production teams. No good came from such actions.

Take planting for instance. It is the peasants who have the best knowledge of local conditions and have the richest practical experience. However, for years higher administrative organs in some localities decided what or when to sow, how many hectares to sow, what strains to use, how much chemical fertilizer to apply and when to harvest. Even the opinions of veteran peasants were not heeded. The irony was that the higher departments were not responsible for the results; if output decreased it was the peasants who suffered. How could their enthusiasm for production not be dampened under these circumstances? There were similar occurrences in building water conservancy works and rearranging farmland. The peasants were naturally resentful of such commandism.

Question of Pay. Shen then discussed the question of people being paid according to their work. Marx wrote more than 100 years ago that socialist society must adopt the principles "from each according to his ability and to each according to his work" and more pay for more work. The principle "from each according to his ability and to each according to his needs" cannot be put into practice until a communist

society is established in which materials are really abundant and the people's consciousness has been greatly enhanced. At the present stage, only the system of more pay for more work can encourage peasants to take an active part in collective productive labour and make them see the relationship between doing a good job on collective production and their personal interests.

However, years ago, it was considered a crime to openly advocate more pay for more work. Everyday, newspapers, journals and broadcasting stations were criticizing "material incentives" and "putting bonuses in command," which actually negated the principle "to each according to his work." As a result, those who worked diligently suffered and those who sloughed off benefited. Could peasants be happy with this?

Plots for the personal needs of commune members, household side-line occupations and rural fairs are all necessary supplements to the collective economy and help increase the peasants' income. Yet they were all condemned as the "tail of capitalism." Some communes merged the small plots for personal needs into the collective farmland and slashed all the household side-line occupations. Even raising poultry, a traditional practice of the peasants, was strictly forbidden. As a result, the state stores could not purchase enough eggs and the amount of pork on sale in the market was insufficient. The regular fair was banned too. But illegal black-marketing thrived.

Setting Things Right

Shen then told us that Wuxian made errors in these areas during the past years and suffered losses as a result. The "gang of four's" super-"revolutionary" slogans seemed attractive, but practice in a decade has shown that things don't work that way. These slogans brought harm to the country and calamity to the people. Now that the Party Central Committee has set things right and propagated these economic policies, all the peasants are happy and more enthusiastic about work.

Shen finally told us: "You'd better go and hear what the peasants and local cadres in the villages have to say. They know what's right. The most important thing is to arouse the initiative of the peasants. Remember, they comprise 700 million of China's population!"

Respecting the Rights of Production Teams

WE visited the Jinshan People's Commune in southwest Wuxian County where we heard that a good job was being done to implement the Party's economic policies.

A large commune, it has a population of 29,000 people, 19 production brigades subdivided into 203 production teams and 1,600 hectares of land under cultivation. There we were greeted by Zhang Kunsheng, secretary of the commune Party committee. A demobilized young soldier, he had only been working there for three years, but he seemed to have everything in the commune at his finger tips.

Zhang Kunsheng gave us a detailed explanation of what was meant by "the system of the people's communes which takes the form of three-level ownership—ownership by the commune, the production brigade and the production team—with the production team as the basic accounting unit." In his commune, there are 14 commune-run enterprises, including a quarry, a cement plant, a knitwear mill, a chemical factory, a farm-machinery plant and some brick-and-tile kilns and there are 190 brigade-managed enterprises, such as farm-machinery repair workshops and fodder-processing factories. Forty per cent of the production teams' labour force work in these enterprises and remuneration is not paid directly to the peasant-workers but instead to the teams for later distribution among their members. The rest of the labour force are engaged in farming or side-line occupations in production teams.

A production team has to pay a 5 per cent state tax on its total annual income from agricultural and side-line production and pay the brigade another 5 per cent for management. After deductions are made for production expenses (seeds, chemical fertilizer, diesel oil, insecticide, etc.), public accumulation funds (purchasing machines and farm tools as well as for construction projects) and public welfare funds, the rest of the income is distributed to the members of the team commensurate to the work they have done.

Now the Peasants Have Their Say

We learnt from Zhang Kunsheng that the commune had now adopted a contractual system on a trial basis. He said it had been implement-

ed in order to prevent leading organizations from arbitrarily ordering the production teams about. Jinshan Commune had signed contracts with eight production teams. In these contracts only the quotas for production increases and the amount of farm produce to be delivered this year were fixed. Such matters as the management of production and the measures adopted to increase grain yields remain under the team's jurisdiction. The government or the commune has no right to interfere. This is what is meant by respecting the rights of the production teams.

Why is so much importance attached to the team's rights? The commune Party committee secretary expounded on this point by telling us what had happened around the triple-cropping system. Though this system has been used in south China for years, it remains a controversial issue. This is because it has had a positive impact on production in certain areas but in other areas it has been shown to be impractical. Some leading cadres, however, have turned a blind eye to this fact and insisted that all farmland should grow three crops a year.

When we asked what the peasants had to say about this, Comrade Zhang encouraged us to go and ask them ourselves.

We found them to be very practical country fellows. They told us they had always been hard-pressed for time under the three-cropping system. It was particularly so in summer when they had only a short space of time to gather in the ripen crop and then transplant the next rice crop, plus attending to other farm work. Due to a shortage in machinery, they had to toil in the fields under the scorching sun for days on end using just sheer muscle-power. We asked if three crops had a higher yield than two crops. Only when things all went very smoothly, the peasants responded. Otherwise it was worse. In some places higher yields were achieved with the three-cropping system, but it was not worth the effort when the labour, seeds and chemical fertilizer used were taken into consideration. In those places with a small population but vast tracts of farmland, and where the weather and soil conditions were not suitable for the three-cropping system, the results were even worse.

This being the case, who, then, should decide which system, the triple-cropping or the double-cropping, to choose? The consensus of opinions among the peasants was that this should be left to the production team to decide based on their specific conditions. Any sweep-



Jinshan commune's stone-masons making granite ware for export.

ing, simplistic commandism from above would be no good.

Prosperity in Sight

We were told the peasants were quite happy that more and more attention was being paid to respecting the ownership of the production teams.

In the past, Zhang Kunsheng recalled, the peasants had to shoulder a heavy economic burden in Jinshan Commune. For example, the commune today still owes its production teams 73,000 yuan for three years of work performed by 10,000 team members on a canal project, 110,000 yuan including the money it borrowed for its industrial enterprises and the amount it had to pay for the land it requisitioned for its own use, and 10,000 yuan to compensate for the peasants' houses that were occupied by the commune's afforestation farm. This total debt of 193,000 yuan means that each team has to shoulder an extra burden of 950 yuan.

Another extra burden borne by the production teams was the frequent requisition of their labour power by the county and commune. One example comes from the No. 3 Wuxing produc-

tion team. Each year it had to send its ablest men out to work on various commune and county projects and had to pay for their living and provide them with food even though it only had 37 able-bodied people among its 91 inhabitants. Left with an enfeebled labour force, the team could not till all its farmland in time, much less run any side-line occupations. It soon found itself deep in debt and heavily dependent on state loans. The private income of the members of this team was the skimpiest in the commune.

Upon our return to the county seat from Jinshan Commune, we attended a meeting called by the county Party committee, where we heard an animated discussion among the responsible members from the county's various departments about how to understand and implement the Party's policies on lightening the burden on the production teams and peasants. Among the many issues raised were:

The county often arbitrarily demanded manpower, funds and materials from production teams to build water conservancy projects and factories without giving adequate compensation. It even asked teams to pay for the people sent out to work on such projects.

The county was delinquent in repaying the funds it had borrowed from the teams for developing industry.

Whenever there was a shortage of funds for education, medical and health work, power supply, transport and communications, etc., teams were asked to make up the difference.

Expensive but shoddy products from some ill-managed factories also put a strain on the peasants' financial resources.

The number of people not engaged in production in the communes or brigades was twice as many as was stipulated, and remuneration for their work had to be shared by the peasants.

Some cadres were apt to squander state funds by feasting guests and buying gifts; a few even were guilty of speculation and embezzlement.

All this added to the burden on the production teams and syphoned off a portion of the peasants' private incomes. It was only natural that the peasants felt bitter about these abuses.

Yang Ting, deputy head of the county office in charge of industry, said it had long been taken for granted that production teams should help finance part of the investments in commune- and brigade-run industries. Now it had become obvious that such practices were essen-

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tially a form of expropriation. The result was that the rural collective economy was weakened to the detriment of agriculture, the foundation of the national economy. The attainment of the four modernizations would be impossible if production teams and their members became impoverished and farm production retarded, he said.

Zhu Xiaomao, a leading member of the county bureau of culture and education, voiced the opinion in the meeting that by commandeering manpower and materials without compensation, many leading organs became increasingly estranged from reality and craved big things and quick success. For example, he said, some people in the county had demanded that every brigade have its own primary and middle schools. This had rather serious consequences. Weitang Commune spent 130,000 yuan in four years expanding its schools, 30 per cent of which was paid by the production teams. During that period 64 teachers were added, also paid with team funds over and above state subsidies and tuitions. Some of the schools were actually operating below capacity. Far from helping the peasants develop education, this actually increased the burden of the peasants. Now these schools have been merged to save funds.

In his concluding speech, Cai Fuquan, deputy secretary of the county Party committee, announced that the county had already calculated the extent of the excessive economic burdens imposed on the production teams in the past few years and was drawing up plans to gradually

compensate the peasants in cash for their economic losses.

It can be said that with the implementation of these economic policies in the rural areas, the teams will prosper and the peasants' livelihood will definitely improve. Once farm production is put on the right track, it will play a positive role in the development of the entire national economy.

On leaving Wuxian County, we learnt that the central authorities had decided to narrow the price gap between industrial goods and farm produce. Beginning with this summer harvest, the purchasing prices for farm and side-line products will increase 20 per cent; and in the 1979-80 period, industrial goods for agriculture will be 10 to 15 per cent cheaper. This very popular decision will help the peasants recover from the damage wrought by Lin Biao and the "gang of four."

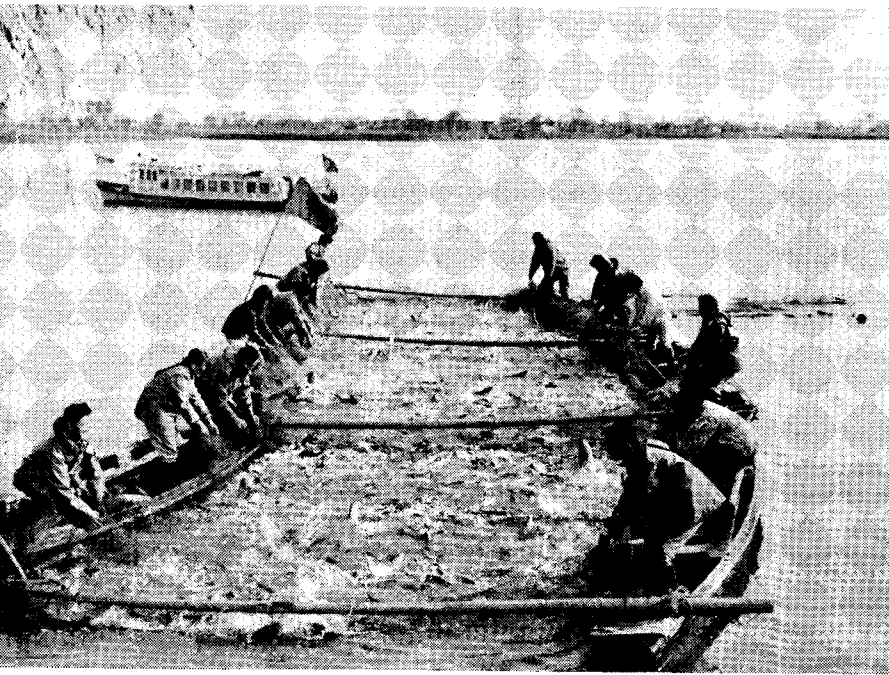
More Work, More Pay

WE came to Baoan Commune in the northwest of Wuxian County. It was a prosperous commune. It had 17 industrial enterprises in addition to fishery, tea plantations, fruit orchards, bamboo groves and medicinal herb gardens. Zhen Tinghua, the commune's Party secretary, and Gu Jianguo, its deputy chairman, took us around along the recently dredged Grand Canal. Boats were moving goods along this ancient waterway and vehicles rumbled over the many bridges across it. After visits to the commune's nylon shirt factory and one making porcelain insulators, we came to Pailou, one of the commune's 40 production brigades.

Its tidy plots were well tended. There were many trees in and outside the village.

Zhang Tianfu, secretary of the brigade's Party branch, told us that his brigade had 12 production teams, 1,818 inhabitants, 84 hectares of farmland producing mainly paddy rice, wheat and rape. The brigade also has small factories turning out springs, laboratory glass ware

At a fish farm in Wuxian County.



and cement products. It also raises chickens and pigs, cultivate fresh water pearls, makes bricks and tiles and does transport work and so on.

Ever since the people's commune was set up in 1958, Zhang said, his brigade has all along adhered to the socialist principle "from each according to his ability, to each according to his work."

Work Points

The remuneration system adopted by the brigade can be described as "fixed quotas and allocated work points according to the work done." This means that quotas and their corresponding number of work points to be given are announced for all farm work that can be so calculated. For instance, people harvesting wheat and planting autumn crops on the same plot of land will be given 3,000 work points to a hectare. If a ten-person group of a production team is assigned to this work and they have fulfilled their task satisfactorily, each member, provided every one of them has done the same amount of work, will be given 300 work points.

By the end of a year, if one has got 5,000 work points and the production team gives 0.8 yuan for every ten points, his income for the year will be 400 yuan. (Generally each able-bodied team member gets ten points per work day. In the case of particularly difficult jobs or jobs calling for more skill, he gets more work points, and vice versa.)

This encourages commune members to work hard and also helps get rid of the old practice of paying men more than women doing the same kind of work. Ideas of looking down upon women that persisted for several thousand years in Chinese feudal society are still evident today. Despite constant appeal for equal pay for equal work regardless of sex, in many places women still get less than men doing the same kind of work. It is ten work points a day for a man, but only eight for a woman.

Others in the county heard about this system and many came to study how it was operated. But under the influence of Lin Biao and the "gang of four," some people said that more pay for more work was "bourgeois right" which would lead to polarization into the rich and the poor and was thus "revisionist." More ridiculous, in some production teams the allocation of work points was decided on the basis of how "political" a person was, instead of how much work he or she did. Whoever managed to recite



At Pailou Production Brigade: Paying bonuses to those who have overfulfilled their production targets.

more quotations from Chairman Mao or mouthed revolutionary platitudes more glibly got more work points! Anyone who could not do so got less. This vacuous spouting of politics proved disastrous to agricultural production. The brigade we visited was also affected for a while. It abandoned its system of remuneration and the result was that fewer and fewer members turned up to work. Efficiency plummeted. Some fields were left uncultivated and output hit rock bottom.

After the fall of the "gang of four," the old system was gradually reintroduced, together with some additional measures for material awards. At the start of a new year, a production team would work out and make known its plan for the forthcoming year. How much it was going to produce, to sell, and its members were going to earn. Each production team member then gave the number of work days he or she will do in the year and the amount of manure he or she was going to hand in that year. (In rural China farmyard manure makes up more than one-half of the fertilizer used.) Overfulfilment is materially rewarded.

The Peasants' Point of View

What about the claim that more pay for more work and material awards for overfulfilment engender a new bourgeois class? We asked some of the cadres and members of the

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brigade for their views and found they more or less saw things eye to eye. Not many years ago, some people were really confused by this "gang of four's" pronouncement that when there is plenty of money, there is capitalism. Some said there might be some truth in it. Didn't the bourgeoisie have a lot of money? No one is confused now. What is the bourgeoisie? The fundamental thing is that they exploit the working people.

In our society, renting out land or private hiring of farmhands is prohibited. Usury, too, is prohibited. And so is speculation. What is wrong about commune members working hard to develop the collective's production and thus earn more? Those families with fewer working members or which lack able-bodied labourers have their food grain and other daily necessities ensured. The old and disabled who have no one to support them are also taken care of by the collective. More pay for more work encourages people to do their job conscientiously — this is the socialist road to common prosperity.

The "gang of four's" platitudes sounded fine. They talked long and loud about narrowing down and eliminating differences, but what happens? It becomes the same whether one works or not, and the peasants lose all enthusiasm for work. This is a road to common impoverishment. If mankind went back to the primitive society there would be no more differences in income. But would that be socialism?

"Rash Transit" Won't Work

As we were discussing with Zhang Tianfu about rural economic policies, he touched on another important question — the transition of the basic accounting unit from the production team to the production brigade.

Communists advocate public ownership, the greater the scope of public ownership, the better. But that must come about step by step. The changeover from ownership by an individual peasant household to a collective ownership by dozens of households itself is a big leap forward. After the founding of the people's communes, the production brigades and communes are even larger in scope and they have accumulated more and more collective wealth. This, too, is a big step forward. But at present and in a considerable time to come, the production team will remain the basic accounting unit which keeps its own account and is responsible for its own gains or losses. Members of those production teams which have more favourable con-

ditions and run their business well will have larger incomes. Those of the teams that have less favourable conditions and do not run their business well will get less. If a production brigade is made the basic accounting unit before conditions are available, the incomes of members of better-off and worse-off teams will be the same, which amounts to expropriating the members of the richer teams.

The "gang of four" talked a lot about narrowing down the distinctions and advocated that the basic accounting unit should be the production brigade regardless of the differences among its teams. This seemingly "radical" measure was exceedingly harmful. Zhang Tianfu said that his commune at one stage was also taken in by this. Some of his commune's brigades started to make the brigade the basic accounting unit.

This was what is known as "transit regardless of poverty." The richer teams felt they were being robbed, so they started slaughtering their pigs, felling trees and distributing the reserve grain among their members. Labour enthusiasm waned. Production was disrupted. However, this was soon put right again.

The transition will have to be made, Zhang said, but only when the conditions are ripe. The basic condition is to enormously augment the production brigade's economic strength. Then, with the brigade as the basic accounting unit, the incomes of the rich and the poor production teams under the brigade will both be higher than before the transition. Ultimately, the transition to make the commune the basic accounting unit will come.

The Party Central Committee has now clearly laid down that the system of three-level ownership with the production team as the basic accounting unit will remain unchanged, Zhang Tianfu said, this has set the minds of the team members at ease.

Democratic Management

Zhang, who has been a brigade cadre for many years, knows his work. He showed us the brigade's management manual carrying detailed provisions on the fixed work quotas and work points for various jobs during busy and slack farm seasons. How were these worked out? "Democratically with the help of the masses," he said. That is, they were not brain-child of a few brigade leaders but were based on the team members' experience and views.

This brigade really practises democratic management. For instance, production team leaders were all chosen through popular vote. Yan Xiaodi, the veteran leader of the No. 1 team, enjoys the high prestige of his fellow team members and is an experienced farmer. But as he had no talent for sloganeering he was removed from his post several years ago. The team had a succession of team leaders and production dropped year by year. Last year Yan was re-elected team leader and production is looking up. The team's production plan and work quotas and work points are all fixed after repeated, full democratic discussions by the team members.

The accounts of the brigade and its teams are made public at regular intervals. They are generally posted up on the wall outside brigade and team headquarters for all to see.

Baoan Commune is a successful example of good democratic management. But in many other places, this is still a problem. And this is why the Party Central Committee has placed democratic management high on the list of rural economic policies.

“Chairman Mao’s Policy Has Come Back”

THE Party summed up the experience of the rural people’s communes and in 1962 declared that commune members may cultivate small plots allocated by the collective for personal use (these are referred to as “small plots” below); that they may raise livestock such as pigs, sheep, rabbits, chickens, ducks and geese; that they may engage in limited side-lines such as plaiting articles, embroidery, collecting herbs, fishing, hunting, bee-keeping, which are not easily managed by the collective; that they may grow fruit and other trees and bamboo about their houses. It was also stated that all produce from those small plots and family side-line occupations belonged to the members themselves and were at their own disposal.

This is not a policy out of anyone’s head but grew out of objective needs.

At the present stage of China’s economic development, small plots and family side-line production are indispensable supplementing the collective economy. Socio-economic life is complex and the variety of things needed and produced is very great. The conditions and needs

of every peasant household cannot be the same. The collective can only produce and distribute the main products, and is not in a position to handle everything.

In Wuxian County, small plots allocated to commune members make up 5 to 7 per cent of the collectively cultivated acreage. This averages about 1/300 hectare per person. On these small plots, we saw growing vegetables, food and oil-bearing plants, tobacco, etc. Peasants work these plots in their off-hours, growing things they need and selling the little they have to spare at a fair to earn a little bit more cash.

There is a vast range of family side-line occupations, the commonest being raising pigs and chickens. In Wuxian County, sericulture and embroidery are also quite popular. In China, at present, it is still impossible to set up large numbers of giant mechanized pig or chicken farms. A considerable part of the country’s pork, poultry and eggs comes from individual peasant households. Commune members raise pigs and poultry in their spare time, generally with the help of the old people and children.

There are some 700 million people living in the countryside and if they all engage in side-line occupations, the amount of produce can be very enormous. Of the farm and side-line products purchased by the state trading departments, a quarter is produced by individual peasant households. In the case of pigs, poultry and eggs, the percentage is even greater. A substan-



Yang Aqi, the “cabbage king.”

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tial part of the medicinal herbs, native products and handicrafts for export (such as hand-woven bamboo articles and embroideries) comes from the individual peasant families.

When the "gang of four" was on the rampage, small plots and family side-line production were banned on the ground that they were remnants of the private ownership system and therefore they must be wiped out. Of course, if commune members paid attention only to their small plots and family side-line occupations, with the result that the collective economy was weakened, then it must be opposed. But when the primacy of the collective economy is ensured, small plots and family side-line occupations are something that cannot be dispensed with at present because it is beneficial to the economy as a whole. Rural realities are more convincing than "revolutionary" rhetoric.

Some years ago, one-fourth of the production teams in the Baoan Commune stopped their members raising chickens. This greatly dampened the enthusiasm of the commune members and the result was that the state trading departments managed to buy only 50 kilogrammes of eggs from the entire commune in 1977, an average of half a kilo from every hundred households. The Lingyan Production Brigade in Wuxiah County severely restricted its members' small plots and limited each household to growing only 15 cabbages. The rest of the cabbages were uprooted. Commune members that winter did not have enough vegetables to eat and the price of cabbage was higher than that in the cities. A black market flourished and people complained.

Then, it was hailed as "blocking the road to capitalism." All it did, however, was to block the way to increasing production and improving people's livelihood. The same thing happened in the rural areas throughout the country and the damage was incalculable.

"Cabbage Expert"

In the Lingyan Production Brigade, we met Yang Aqi, a veteran peasant and a skilled cabbage grower. In the old society, he was a tenant farmer. Each year after paying his rent for the land, he had just enough to keep alive for two months. He had to borrow grain at usurious rates to live on the rest of the year. Liberation came and he could keep his head above water. But because he was so impoverished and there were not many in his family who could

work, his yearly income for some years after liberation could hardly cover the living expenses of his family of seven. So he owed money to the production team. He worked on his small plot in the early mornings or late in the evenings to grow all kinds of vegetables for sale on the market. This helped enormously.

Several years ago, misfortune befell Yang Aqi. When he brought the vegetables he grew to the market, they were confiscated when he was lucky, and when he was not, he was even fined. Others, like this honest, hard-working peasant, who was not speculating nor doing anything which harmed collective production, were all accused of taking the capitalist road. This was not at all convincing to the peasants.

Today, small plots have been restored and family side-line production is once again in full swing. Fairs are booming. Peasants describe this as "Chairman Mao's policy has come back." Yang Aqi's family now sells two pigs and 100 eggs every year to the state trading departments. We went to visit his small plot — several tiny patches of land a little way behind his house. The "cabbage king" deserved his name. The cabbages there must have weighed five kilogramme a piece. He is now in charge of the brigade's vegetable nursery.

Does this practice encourage peasants to get rich separately and sabotage the collective economy? Yang Aqi is becoming better off now. He has money in the savings bank and last year, he put up a new five-room house. All this came by his own and his children's honest labour in the production team. Yang Aqi told us: "Formerly my small plot stood between me and the wolf outside the door. It isn't important to me now. The production team is much more powerful so we're living all right. We're all much better off today. But the plot brings me in a little extra money."

A Day at a Rural Fair

MUDU is a township a dozen kilometres southwest of Suzhōu (Soochow). This beautiful little town is webbed by waterways with humped bridges astride them. Its streets are cobbled and the houses are of timber. The township has been there for 2,000 years and it is still growing strong as a rural market town for rural produce.

We got to Mudu at the crack of dawn. People were streaming into the town with heavily-laden baskets slung from creaking shoulder

poles. We fell into step and soon came to the market. Many people had already set up their stalls in the respective areas set aside for "vegetables," "aquatic products," "poultry" and so on. The whole town was alive and bustling with people in the early morning light.

A Necessary Complement

A leading comrade of Mudu told us that only 11,500 persons lived in the town, but there was a fair twice a day and every day. One in the mornings and one in the afternoons. Mudu serves as a centre of exchange for the eight communes around it. The commune members took to the market things they made or produced from their small plots to sell in exchange for things they wanted. Our Mudu host told us that rural fairs such as this provided a place for peasants to answer each other's varied wants. Market fairs, he said, are complementary to our socialist commerce and trade.

In China, commodity exchange is mainly carried on through state commercial departments. However, at this stage, these cannot possibly manage to purchase and market all the diverse agricultural and side-line products in the countryside. This is why individual commune members and production teams are allowed to sell what little extra they have and buy what they want among themselves. This helps regulate supply and demand in China's vast populous countryside.

We took a walk around the rural fair and talked with some of the peasants. We saw a peasant selling two baskets of green cabbage and buying some Chinese cabbage. One old woman sold a basket of potatoes and took home some vegetable sprouts and fish. One elderly commune member, Chen Maotou, was selling green cabbage. He told us that he had four in his family. He grew potatoes, Chinese cabbage and green cabbage on his plot. He was selling his family's surplus at the fair before the vegetables grew too old. He had been there three times recently and each time he had got 3 to 5 yuan. His selling price was only a couple of fen per kilogramme above the state price. From what we saw, it was obvious that buyer and seller were satisfied. The market fair answered an objective need.

We wandered into a state-run market to have a look. Pork, fish and vegetables were available in quantity. A cadre inside told us that the townspeople get their non-staples mainly from the state-run market. If supplies on the state market are adequate, prices at the



Rural fair in Mudu, Wuxian County.

fair remain stable. There are no sharp price rises and the market fair is undisturbed. "But," he said, "there are more than 20 kinds of vegetables and dozens of other non-staples including poultry and aquatic products at the fair today. We have much less to offer. We can't purchase all those things thousands of peasant families produce and sell them. We just can't do it, and, besides, there's no need." What we saw convinced us that, at this stage, rural fairs were an indispensable complement to state commerce and trade.

Management Necessary

We left the state market and went on to where piglets were being sold. Little pigs, black ones and white ones, inside wicker baskets were squeaking as their owners and prospective owners discussed prices and pig raising. Comrade Xue, a commune cadre who is in charge of this section of the fair, told us that he and his staff examine all the animals that are brought in. Sick piglets are turned away. They also supervise weighing and grading. Piglets are priced according to weight grades. The heavier the piglets, the lower the price per kilogramme. A few years ago these rural fairs were stigmatized as "capitalist free markets" and many of them were closed down. "It is not possible to stop this trading," Comrade Xue continued. "We did ban it a few years back, but that only drove it underground and gave the green light

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to capitalist practices. A black market came into being and piglets were being sold at twice the price over those sold on the open market."

We invited some comrades on the market management committee of Mudu to a discussion one evening. Eleven people came. Three were full-time cadres. The rest were retired workers who took part in the work voluntarily.

A Comrade Pan did most of the talking. He said that a rural fair was organized and managed, not a free market. "We have regulations," he said. "Rural fairs are for local commune members to dispose of what they have and buy or exchange for what they haven't. Non-producers of goods are strictly forbidden to transport or resell goods. Speculation is prohibited. Agricultural and side-line products falling within the state purchasing plan, such as grain, cotton, oil-bearing crops and other main non-staple foodstuffs, may be sold at the fair only after state purchases have been fulfilled. Prices are regulated and controlled by the market manage-

ment organization according to supply and demand."

Comrade Pan pointed out the positive aspects of rural fairs, but at the same time, he stressed that we must not overlook their negative aspects. Some may try to make a profit through shady deals and rip-offs. That's illegal, he said. Every day fair management personnel register the amount and kinds of goods coming into the market and watch out for violations of the fair's regulations. They have found once in a while a few people trying to speculate. These were dealt with according to the severity of their misdeeds — criticism, confiscation of goods or being tried or sentenced by the court. "But such things rarely occur," Comrade Pan said.

Rural fairs, he concluded, liven up the rural economy and spur agricultural and side-line production. They perform a very useful function and producers and consumers get what they want in these rural market fairs.

A Visit to 4 Provinces

How to Achieve Higher Yields In Agriculture

by Yu Quanyu

THE implementation of the rural economic policies issued by the Third Plenary Session of the 11th Central Committee of the C.P.C. is designed to further stimulate the peasants' initiative in production. In order to ascertain what is needed to attain a high-speed development of agriculture, I recently visited a number of communes with divergent geographical conditions in four provinces, Sichuan, Guizhou, Hunan and Jiangsu, and discussed this question with cadres and commune members.

Agriculture includes forestry, animal husbandry, fishery and cash crops, in addition to grain production which is the key. By 2000, if the average grain production per hectare is over 6 tons in north China, 12 tons in south China and 15 tons on the plains, more land can be used

for cash crops. Some hilly lands can be planted to trees or used for animal husbandry instead of grain. By that time, great changes will be brought about in China's agriculture as a whole.

The Path of Some Advanced Units

Through my visit to the four provinces' countryside, I found that grain production was high in a number of communes and production brigades. They also were prosperous in terms of other agricultural production, forestry, animal husbandry, side-line production and fishery and the commune members enjoyed a higher standard of living. I chose several units roughly representative of the natural conditions in their respective provinces and made closer investigations into each of them. It was

impossible to expect that other places would also develop at such a high tempo as theirs, but I believed that their experiences would serve to boost farm production.

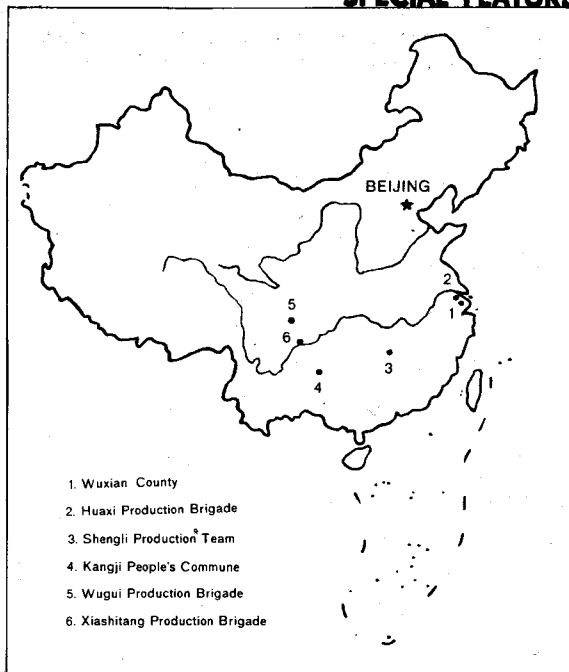
Let's look at the situation in Sichuan Province as a whole. The grain production in Sichuan increased by 18 per cent, in the two years after the downfall of the "gang of four." People say the 1977 increase was due to good weather. But the next year production continued to rise despite a prolonged drought. This rise has to be attributed to the correct political line and policies. As this increase is more or less of a restorative nature, it will be difficult to maintain such a high rate of increase in the future, but there is still great potentialities for an increase in production. The most prominent example is the hilly Xiashitang Production Brigade in Yibin County. The yearly average increase of grain has been 11 per cent for 15 consecutive years. The 1978 output was 17 tons per hectare. (For details, see *Beijing Review* issue No. 3, p. 6.) Both Xiashitang, and Wugui described below, were not as heavily hit by the ultra-Left line of Lin Biao and the "gang of four" as most other places in Sichuan.

In Xindu County's Wugui Production Brigade situated in western Sichuan plain, grain increased at an annual rate of 8 per cent for nine years running. In 1978, the output was 15 tons per hectare and the average income per capita was 126 yuan. Since 1969, the brigade developed side-line occupations — bee-keeping, bamboo-weaving and brick-making. The income brought in from these activities was used to buy a lorry and 10 tractors, and within three years farming was basically mechanized.

Now let's have a look at Guizhou Province's Kangji People's Commune.

Guizhou is characterized by high mountains, poor soil and an abundance of minerals. Preliminary surveys show that there are coal mines in 81 of the province's 84 counties and cities. Twenty counties have rich mineral deposits, such as aluminium, magnesium, manganese, sulphur and barite.

The Kangji commune exploits the mines and runs industries. It started with small coal pits, and later it opened up a bauxite mine and set up a winery, a pig farm, a brick-making kiln and 11 other factories. With the money it accumulated from these industries, the commune was able to buy agricultural machinery and build a hydropower station and dozens of pumping stations which irrigate 90 per cent of



Sketch map by Shi Yitu

the land. As a result, the average yearly rate of grain increase was 11 per cent for six consecutive years (1973-78). In 1978, the average grain production in the commune was 7.5 tons per hectare. It's hard to attain such a high yield on the Guizhou Plateau.

Now let's turn to Hunan Province's Shengli production team.

This province has given consistent and proper attention to the construction of water conservancy projects and afforestation. The climate is mild and farm production has developed steadily. Grain has continued to rise every year since 1970, except in 1972. Shengli production team in Liuyang County is the most prominent example.

This team had too large a population (203 people) for its four hectares of land planted with grain. The commune members sought a solution by engaging in industrial production and side-line occupations. Some 80 commune members left the fields and began manufacturing fire-crackers and other products. This gave the team an annual income of 20,000 yuan, which they used to purchase machinery and chemical fertilizer. Farming became easier and grain production rose significantly. For nine successive years, the average yearly rate of grain increase was 12 per cent and the grain output was 21 tons per hectare in 1978.

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Finally let's look at the Huaxi Production Brigade in Jiangsu Province.

Grain production in this province averages over 6 tons per hectare. In southern Jiangsu, where the fields are crisscrossed by waterways, the output is even higher — 7.5 tons. However, this kind of farmland is subject to waterlogging. Grain production dropped drastically in 1977 due to excessive rain. But it skyrocketed the next year as a result of continuous fine weather and high temperatures. The production could shoot up even higher if there were separate irrigation and drainage ditches, plus the use of large amounts of fertilizer and advanced scientific techniques. This is what the Huaxi Production Brigade in Jiangyin County has been able to do.

Well-known in China because its grain trebled in 15 years, the Huaxi brigade has many good water-conservancy projects and new living quarters for its members. But where did the money come from for all this? The secret is its metal-work processing factory. The initial investment was 130,000 yuan and the annual profit was more than 200,000 yuan. With the money accumulated from this industry, the brigade developed grain production and with the grain they raised cattle and poultry.

The six brigades neighbouring Huaxi also have managed to achieve similar results in the past two years. Their grain production was 15-18 tons per hectare last year and they have built new, attractive and practical housing.

The practice of these advanced units shows that grain production can be increased at a high rate whether in mountainous regions, hilly areas, villages crisscrossed by waterways or on the plains. It is essential to simultaneously develop agriculture, industry and side-line occupations. Almost every advanced unit followed this course of development.

When I was touring the four provinces, many rural comrades told me: Agriculture can be developed at a high speed when the peasants' enthusiasm is given full play, and when the economy is strengthened and advanced scientific techniques are adopted.

How to boost peasants' enthusiasm? First, the state must pursue correct economic policies and the communes and production brigades must be allowed to make their own decisions.

Second, democratic management and the principle of "to each according to his work" must be practised within the communes and the brigades. Third, the commune members' livelihood must be improved steadily. In the advanced communes and brigades which I visited, work in the first two aspects suffered to some extent due to the sustained interference of the ultra-Left line. Nevertheless, their farm production and income increased every year because they were backed by industry and side-line occupations. This greatly boosted the peasants' enthusiasm for production.

A stronger rural economy is required to develop agriculture. Lin Biao and the "gang of four" made a hue and cry about "ideological revolutionization." They thought the peasants would speed up production with empty stomachs and primitive farm tools. That was sheer nonsense. The importance of equipping farming with advanced techniques is more urgently felt. But modernized farming is out of the question if the economic conditions in the countryside are not taken into consideration. The Chinese peasants are still poor. Many communes and brigades cannot afford to buy or use advanced machines. One of the major experiences of the advanced communes and brigades in the four provinces is to run profitable industries and side-occupations to accumulate capital, and to strengthen farm production so as to bring about a high-speed agricultural development.

Scientific techniques are important productive forces. But the scientific and technical level is rather low even in some advanced communes and brigades. It is necessary to nurture good seeds, carry out soil surveys and improve fertilizer. . . . If such work is done well, farm production will be greatly increased.

When the industrious Chinese peasants are freed from the shackles of the ultra-Left line, when the rural economy is strengthened and advanced scientific techniques are adopted, there is a bright future for high-speed agricultural development.



VIET NAM

Soviet Warships Use Cam Ranh Bay

Well-informed Vietnamese sources confirmed that the Soviet Union is using Viet Nam's American-built naval port of Cam Ranh Bay. This shows the growing subservience of the Vietnamese authorities to the Soviet Union and the closer collusion between the big and small hegemonists.

The Vietnamese authorities allowed the Soviet Union to use the port partly so as to take advantage of the Soviet presence to invade and bully their neighbours with greater impunity and partly to show its gratitude and beg for more alms from Moscow. After its massive invasion of Kampuchea and the self-defensive counterblow it received from China, Hanoi is beset with difficulties at home and abroad and is feeling very isolated. Therefore, it is eager to serve Soviet expansion in the Asia-Pacific region in the hope of getting more political, economic, diplomatic and military support from Moscow.

Possession of Cam Ranh Bay is something the Soviet Union has been praying for, as Cam Ranh Bay is only an hour's sail from the international navigation route linking the Pacific and Indian Oceans and is favourably situated to control this major route. In recent years, the Soviet Union has been strengthening its Pacific Fleet and enlarging its force stationed permanently in the Indian Ocean. However, for the lack of an adequate base in the Pacific Ocean, the effective radius of the Soviet fleet there is limited. With Cam Ranh Bay to use, the Soviet Pacific Fleet has an

ideal midway supply base when its warships sail to and from Haishenwei (Vladivostok) through the Strait of Malacca to the Indian Ocean. With this port, Russian warships can restrict the U.S. Seventh Fleet and control the Strait of Malacca. It is of very great significance for the Soviet Union in accelerating the pursuance of its global strategy for world domination, especially in its southward strategy.

Reports about Soviet warships entering Cam Ranh Bay have aroused public attention and concern throughout the world. The Japanese Government sees this as a factor threatening peace and security in Southeast Asia and Japanese Foreign Minister Sunao Sonoda said on April 7 that if Viet Nam provides the Soviet Union with Cam Ranh Bay as a base, Japan cannot but suspend its economic aid to Viet Nam.

In 1904 tsarist Russia, locked in rivalry with Japan for domination of Northeast Asia, sent its Baltic Fleet from Europe to the Far East to engage the Japanese navy. The Russian fleet sailed through the Strait of Malacca, stopped at Cam Ranh Bay, and was later defeated by the Japanese fleet at Tsushima Strait. Today, 75 years later, it can be said with certainty that the new tsars will fare no better than the old tsars as the peoples of the Asia-Pacific region are firmly opposed to hegemonism.

UGANDA

Provisional Government Formed

On April 11 the Ugandan Provisional Government with Yusuf Lule as President was formed following the occupation

of Kampala, the capital, by the Ugandan National Liberation Army the day before.

In a formal statement the new Ugandan President said that his government stood for law and protection of personal interests. It would work out a plan for rebuilding the national economy and maintain friendly relations with other countries.

The Amin regime was overthrown in two months and 21 days by the Ugandan National Liberation Army and Tanzanian armed forces.

Tanzanian and Ugandan troops have been fighting each other for some time. Last October, Amin dispatched thousands of troops into Tanzania and occupied 1,800 square kilometres north of the Kagera River within the Tanzanian border and a Ugandan army spokesman declared that the river should be the natural boundary between Uganda and Tanzania. Under pressure from other African countries and through the mediation of the Organization of African Unity, Uganda pulled out its troops from Tanzania last year in mid-November. Tanzania, however, contended that Uganda invaded Tanzania and regards its recent attack on Uganda as a reprisal for Uganda's October aggression. Tanzanian President Nyerere said on March 27 that there were two wars raging in Uganda — one resulting from Amin's invasion of Tanzania and another waged by anti-Amin Ugandans. The newly organized Ugandan National Liberation Front issued a statement on March 27 declaring that the aim of the front was to overthrow the dictatorship of Amin, establish the rule of law and restore democracy. Soon

after the formation of the front, the official establishment of the National Liberation Army was announced.

Amin's downfall has profound domestic political and economic roots. After he took power in a successful coup in January 1971 against the Obote government, Amin has ruled as an autocrat and by a reign of terror. Over the past eight years there have been several rebellions against him and politically he grew increasingly isolated. Dissatisfaction with Amin's rule mounted and after the situation in Uganda took a turn for the worse, anti-Amin factions inside the country and abroad quickly came together to form the National Liberation Front and create the National Liberation Army to fight the Amin regime. At the same time, the morale of Amin's troops fell and officers and men deserted in droves. Amin failed to keep control of his troops and so lost control of the whole situation. The

economy, too, had been worsening daily during Amin's 8-year reign. All these factors coalesced to bring an end to Amin's rule in Uganda.

RHODESIA

Smith in Desperate Straits

On April 13, troops of the Rhodesian racist regime disguised as Zambian troops infiltrated into Lusaka, capital of Zambia, and attacked a Zambian guerrilla leader's office and residence only a kilometre away from President Kenneth Kaunda's state house. Smith's killers also struck at the headquarters of the Zimbabwe African People's Union (ZAPU) and the SWAPO Liberation Centre. Two days earlier, aircraft of the racist Rhodesian regime raided a ZAPU refugee camp in Solwezi, Zambia, killing 136 refugees. On April 13, Rhodesian racist troops disguised as Botswana national defence troops attacked Francistown, second biggest city

in Botswana, killing 14 in the house of the ZAPU representative. These cowardly attacks of the Rhodesian racist regime are flagrant violations of the sovereignty of neighbouring countries and reckless provocations to the people of Africa.

The Smith reactionary regime's aim was to attack the Zimbabwean people's forces and menace Zambia and other neighbouring countries to pave the way for holding its sham election from April 17 to 21 to provide a semblance of "majority rule" to its tottering regime.

Such desperate measures cannot save it from its doom or check the struggle for independence by the Zimbabwean people which has the powerful support of the people of other African countries. On the contrary, it brings the people of Zimbabwe and Zambia and other African peoples more closely together in their persistent struggle and speeds the victory of the Zimbabwean people.

CULTURAL NEWS

Asia, Africa and Latin America

Education. The Mexican Government is paying greater attention to television as a means to providing education to its people. There were 196,000 students registered with open primary and high schools in 1976 through 1978, of whom 53,000 were high school students. There are 6 million illiterates in Mexico, and 36.1 per cent of the pupils and students were unable to finish their studies for economic reasons. Since last October Mexico City's TV station has been running a "Senior High School For All" programme.

The Monterrey TV station broadcasts 130 hours a week to more than 3 million students.

• In Thailand there are 12 universities, but as only 13,000 of the 200,000 high school leavers find places in them, the government in February 1971 set up in Bangkok an open university — the Ramkhamhaeng University — to provide higher education for more young people. Last year it had 171,000 students and this year it expects 100,000 new students. About 17,000 students have graduated from this university since it was set up.

Cinema. At the week-long 19th International Film Festival held in Cartagena, Colombia, last

month, dozens of films about the lives and struggles of the peoples were shown.

A Venezuelan contribution, *The Fish Which Smokes*, won the "India Catalina" gold award. Argentine actress Marilyn Ross and Mexican actor Roberto Cobo took the "India Catalina" silver awards as the best actress and best actor.

Archaeology. Footprints in two places, one having 22 footprints and the other having 12 footprints, of early hominids dating back 3.6 million years were found in 1978 in Laetoli, within the Ngorongoro Crater reserve in northern Tanzania, by Dr. Mary Leakey and her team of international experts.

● *New Houses for Peasants*

Architects recently met in Xian, capital of Shaanxi Province, to discuss designs for new housing projects for the peasants of northwest China. The designs submitted for discussion all have in mind the peasants' needs, local styles and the climate.

- Houses for Uygur (Uighur) peasants in Xinjiang's Turpan County have big yards in front and behind for trees and other plants.

- Houses for commune peasants in Dunhuang County, Gansu Province, are divided into two parts. The front court contains rooms, and the rear court for raising chickens, sheep and pigs or for storing firewood. These enclosed courts are open to the sun and are sheltered from the wind and sandstorms. They are sunny and warm in winter.

- For north Shaanxi on the loess highlands, the architects have designed traditional houses after the age-old cave-houses, which are cosily warm

in winter and refreshingly cool in summer.

- The Fenghuo Production Brigade's housing project was highly commended at the meeting. These new two-storey houses have two, four or six rooms, a courtyard, a kitchen, a toilet and a pigsty.

This brigade in Liquan County, Shaanxi Province, has put up 23,000 square metres of housing since 1973. Of its 246 households, 227 have moved into new houses, which double their former living space. The brigade has also added a shop, a clinic, a school and other public buildings.

● *Tourist Resorts In Guangdong Province*

Two seaside cities in south China's Guangdong Province contiguous to Xianggang (Hongkong) and Aomen (Macao) are being built up as tourist resorts and areas producing for export.

Shenzhen and Zhuhai (formerly Baoan and Zhuhai Counties) were recently made cities directly under the pro-

vincial authorities. Both of them have picture postcard landscape, sandy beaches, hot springs and a string of lovely little islands. In Zhuhai there is Cuiheng Village, where Dr. Sun Yat-sen was born. Shenzhen (Shumchun) is an important entrepot on the Guangzhou-Jiulong (Kowloon) Railway.

Scenic spots and historical sites in the two cities are being spruced up and hotels, stores, restaurants, ice-cream parlours, swimming pools, stadiums and entertainment centres are being added.

Agriculture and vegetable gardens, lichee groves, orange groves, pineapple farms, pig and poultry farms, and shellfish, fish and prawnbreeding are being expanded to boost supplies to Xianggang and Aomen.

● *New Cold Storage In Beijing*

A new cold storage to hold 15,000 tons of foodstuffs has been completed in Beijing. It is part of a big freezing project now under construction.

All the equipment in this new eight-storey building was made in China. Seven floors will keep meat at a constant temperature of -18 degrees C. and the other will store eggs and fruit at zero temperature. The completed project will include another 15,000-ton cold storage and ice-cream and ice workshops.

In addition, the capital has two 13,000-ton cold storages for foodstuffs, both built after 1949. There are special cold storages for vegetables and fruit and big and medium-sized foodstores have their own small cold storages or refrigerators.



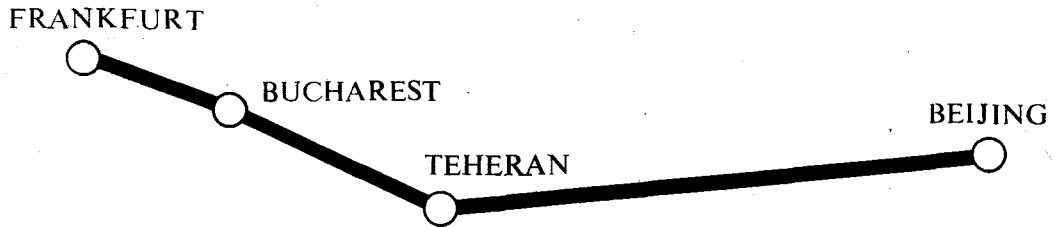
New houses for peasants in Guangdong Province.

中國民航



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	12.00 arr.		dep.	4.55
	13.15 dep.		arr. Fri.	3.55
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