

36

JPRS 81958

12 October 1982

China Report

RED FLAG

No. 16, 16 August 1982

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS 81958

12 October 1982

CHINA REPORT

RED FLAG

No. 16, 16 August 1982

Translation of the semimonthly theoretical journal of the Central Committee of the Communist Party of China published in Beijing.

CONTENTS

Comrade Mao Zedong's Five Letters to Relatives and Friends (May 1950-June 1957) (pp 2-4).....	1
Learn From Comrade Liu Bocheng (pp 5-9, 31) (Xiao Ke).....	5
Properly Using Power Entrusted by the People--Reading Comrade Mao Zedong's Five Letters to Relatives and Friends (pp 10-11) (RED FLAG commentator).....	15
Communists Should Uphold Principles in Handling Family Problems (pp 12-13, 40) (Zhu Yan).....	19
On the Working Class After the Elimination of the Bourgeoisie as an Exploiting Class in Our Country (pp 14-18) (Yu Yannan).....	23
On the Basic Characteristics and Contents of the Draft of the Revised Constitution (pp 19-25) (Lu Zhichao).....	31
Strengthen the Great Unity of All Nationalities (pp 26-31) (Ismail Amat).....	43
Several Problems Concerning the Current Ratio Between Accumulation and Consumption (pp 32-36) (Chen Feizhang, Jiang Zhenyun).....	53
Be Vigilant Against the Danger of a Revival of Japanese Militarism (pp 37-40) (RED FLAG commentator).....	63

Cadres' Study Should Be Assessed and Examined (pp 41-42) (Cheng Shu).....	69
What Can Be Learned From the Western Experience in Enterprise Management? (pp 43-45) (Zhou Shulian).....	72
What Is the Difference Between the Urban Youths Waiting for Jobs in Our Country and Unemployment in Capitalist Countries? (pp 46-47) (Chu Zhengkun).....	78
Will Strengthening of Planning Guidance Impair the Decisionmaking Power of Production Teams? (pp 47-48) (Zheng Youyun).....	81
Aquatic Breeding and the Question of Eating (inside back cover) (Xing Xiangchen).....	84

COMRADE MAO ZEDONG'S FIVE LETTERS TO RELATIVES AND FRIENDS (MAY 1950-JUNE 1957)

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 2-4

[Text] Comrade Mao Zedong's five letters to his relatives and friends (written between May 1950 and June 1957).

Letter to Mao Yimin¹ (dated 8 May 1950):

Comrade Yimin: Your 3 January letter has been received. Thank you for your kindness and for telling me in detail about the situation in our home village. The poor people in the village live a hard life and the families of revolutionary martyrs live an even harder life. They must bear it at this time. After the land reform, things will improve somewhat. Then, the people's government will be able to give some aid to the people, such as providing loans for them. By that time the people will be able to gradually improve their livelihood.

Care for the families of revolutionary martyrs is a nationwide concern. There are millions of families of revolutionary martyrs throughout the country. Of course, it is inconvenient for the government to give special care to the families of revolutionary martyrs in only a few localities. However, the local government should give consideration to the people with the greatest difficulties when reducing rent on land and carrying out land reform and when the new crop is still in the blade and the old one has been consumed.

It is very good that you work in the home village. Thus, you can write to me often and tell me about the situation there.

Please give my best regards to the comrades in the village. I hope they will work hard and progress.

This is my reply to your letter. I wish you good health.

Mao Zedong, 8 May 1950

Letter to Wen Nansong (dated 12 May 1950):

Cousin Nansong: Your letter has been received. Thank you for your kindness. Brother Yunchang² wrote me several letters and I sent him a reply which was mailed to the address in Baibangkou, Nanxian County. I do not know if he has received the letter. It is improper for me to recommend brother Yunchang for a job. He should acquit himself well among the people to win their trust. Then, he will have an opportunity to participate in work. Are our 10th and 17th elder brothers still alive? I am greatly relieved to learn that our 11th elder brother is still alive and healthy. He has written to me and I have sent him a letter in reply. I do not know if he has received the letter. In your letter you said that there was a food shortage in the village, but the government refused to provide food grain. How are things now? Is there still a food shortage? Has the government done anything about it? Please write to me and tell me in detail about the situation.

This is my reply to your letter. I wish you well.

Mao Zedong, 12 May 1950

Letter to Li Shuqing³ (dated 16 October 1952):

Mr Shuqing: Your letter has been received. I am delighted that you told me about the situation in the home village. I am willing to collect information on local matters for reference only; I am unwilling to directly handle general local matters and should not do so. Otherwise, it would be inconvenient for local party and government organizations to handle matters. I hope you will excuse me. I avail myself of this opportunity to extend my respects to you.

Mao Zedong, 16 October 1952

Letter to the Shicheng village party branch and government (dated 29 April 1954):

Comrades of the Shicheng village party branch and government: Comrade Mao Yueqiu⁴ brought me your report when he came to Beijing. Many thanks.

The Wen family of Tangjiatuo are my relatives. In the past several years, they visited me often in Beijing. Since their return to Tangjiatuo, some of them have become arrogant and not very cooperative with the government. This is wrong. Any member of the Wen family, like others in the village, should obey the leadership of the party and the government, farm diligently, and abide by the law and should not be treated differently. Please do not hesitate to subject them to discipline just because they are my relations. My attitude is:

1. I love them because they are working people and my relatives.

2. Because I love them, I hope they progress, farm diligently, abide by the law and participate in the mutual aid cooperative organization like everyone else. They should not enjoy any special privileges. They should be criticized if they show backward behavior. Do not hesitate to criticize their shortcomings and mistakes just because they are my relatives.

Enclosed is a letter from Comrade Wen Bingzhang⁵ for your perusal. I agree with Comrade Wen Bingzhang. Please handle what he mentioned. Also, please let those in Tangjiatuo read my letter and Wen Bingzhang's letter, and help them correct their shortcomings and mistakes. I believe that as long as you and I assume a correct attitude and as long as they do not stubbornly adhere to their opinions, they can correct their shortcomings and mistakes and progress.

With comradely regards,

Mao Zedong, 29 April 1954

Letter to Sun Peijun⁶ (dated 8 June 1957):

Comrade Peijun: Your 16 May letter was received. I am glad that you have graduated from junior middle school. It is inappropriate for me to write to the school regarding your admission. The school should decide whether you passed the examination and have been selected. If you are not admitted to the school of higher grade, you may review your lessons at home. Enclosed is 300 yuan for your mother. I will send you more money later. Do not worry.

Mao Zedong, 8 June 1957

FOOTNOTES

1. Mao Yimin, a native of Shaoshan in Xiangtan, Hunan, joined the CPC in 1938, worked for the Shaoshan District CPC Committee before liberation and worked for the Huanglong District CPC Committee of Xiangtan County in the early years after liberation. He died in 1968.
2. Yunchang was Mao Zedong's cousin Wen Yunchang, a native of Xiangxiang, Hunan. He died in 1961.
3. Li Shuqing, a native of Shaoshan in Xiangtan, Hunan, was a teacher. When Mao Zedong was young, he often asked Li for advice. Li died in 1957.
4. Mao Yueqiu, a native of Shaoshan in Xiangtan, Hunan, joined the CPC in 1925 and once served as secretary of the Shaoshan party branch. After liberation, he worked as a receptionist at Mao Zedong's old residence and died in 1957.

5. Wen Bingzhang, a native of Xiangxiang, Hunan, and Mao Zedong's second cousin, was dead.
6. Sun Peijun, a native of Changsha, Hunan, is Chen Yuying's daughter. From early 1927 to 1930, Cheng Yuying accompanied and took care of Yang Kaihui.

CSO: 4004/1

LEARN FROM COMRADE LIU BOCHENG

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 5-9, 31

[Article by Xiao Ke [5135 0344]]

[Text] Comrade Liu Bocheng is a devoted proletarian revolutionary, a tested marshal, a Marxist military theorist and a noble-minded communist fighter. His magnificent contributions and his inspiring words and deeds are models for the whole party and the whole army. I knew Comrade Bocheng's name at a very young age. The second day after the start of the Nanchang uprising, I saw in the street a bulletin by the advisory group of the revolutionary committee. Liu Bocheng's signature heading others caught my attention. This was the first time I saw his name. Only later did I realize that he was a brave and remarkable general of Sichuan well versed in the military arts. During the period connected with the central revolutionary base, I could not tear myself away from any translation or work by him that I picked up. To me, he was a cherished mentor. In the summer of 1936, the 2d and 4th Front Armies of the Chinese Workers' and Peasants' Red Army converged on Ganzi. I at last saw Comrade Bocheng. I regretted not having had such an opportunity earlier.

A Dedicated Communist

Comrade Bocheng said with emotion: "I am very proud to be a member of the Communist Party of China and to have found the right leader..., I wish that after my death, I could have a monument over my tomb bearing the inscription: the tomb of Bolshevik Liu Bocheng. That would be a source of great satisfaction to me." These words from the bottom of his heart spelled out Comrade Bocheng's sense of dedication to communism. All who made his acquaintance had nothing but admiration for his conversion from a democrat of long standing into a faithful communist!

In his youth, Bocheng cherished the idea of making the country rich and the army strong. He was from a poor family. Some people advised him to go into business. He said: "A gentleman has nothing but the well-being of the poor in mind. How can he think of his own prosperity?" He resolutely went into the army and participated in the revolution of 1911. In 1912, Yuan Shikai usurped the fruits of the revolution of 1911. Joining the army of Xiong Kewu, a member of the Sichuan League, Comrade Bocheng participated in the

first battle against Yuan. After its failure, Dr Sun Yat-sen reorganized the scattered members of the KMT and established the Chinese Revolutionary Party. Comrade Bocheng in Shanghai joined it. At the end of 1915, Yuan Shikai laid claim to the title of emperor. From Yunnan, Cai E led an army to Sichuan to fight Yuan Shikai in defense of the country. Yuan Shikai made Cao Kun lead an army upstream for Sichuan. The two forces were thrown into a decisive battle in the neighborhood of Luzhou and Naqi. At this time, Comrade Bocheng was leading the 4th Detachment of the Sichuan Safeguard-the-Country Army. His troops occupied the important town of Fengdu, intercepting enemy troop transportation on the Changjiang River and attacking the flank of troops sent to help Cao Kun. This gave an effective boost to the northward advance of Cai E's Safeguard-the-Country Army. Comrade Bocheng spent 10 years in the Sichuan army rising from platoon leader to a ranking commander. He witnessed the replacement of the old militarists by the new ones and the sorry plight and miserable fate of the people. He deeply felt that there was no hope for the realization of his original idea of saving the country and the people. His despair was bitter.

After the Russian October Revolution, Marxism-Leninism was brought to China. In the autumn of 1923, Comrade Bocheng was seriously wounded in his left leg in a battle against bandits (represented by Wu Peifu). He recuperated in Chengdu. He got acquainted with Communist Party members Wu Yuzhang and Yang Angong. They became good friends talking about the situation and discussing Marxism-Leninism. Thereafter, he broadened his horizon and his thinking changed greatly. Just as Bocheng was in a confused state of mind looking back over the past and pondering the future, militarist Lai Xinhui asked Chengbo's former subordinate Wang Erchang to persuade Bocheng to fill an important military post in Lai's army. Comrade Bocheng replied: "I have been with you for so many years. But you still don't know what I want. Yue Wumu said: 'Just as a civil official is not greedy for gain so a military official is unafraid of death.' I am from a poor family. I have nothing to fear in fighting the enemy. My only fear is that there may be trouble from within and without. The country may be reduced to such a state that officials carry out persecution and soldiers throw their weight around, leaving the people in a sad plight. The last thing I have in mind is fame and fortune. If these militarists think that they can lure me with high office and lucrative pay, they are dead wrong. I have made up my mind. I will follow Yuzhang and leave Sichuan with him. So long as I am alive, I will not stop participating in the revolution." In May 1924, Bocheng and Wu Yuzhang left Sichuan together. They went to Beijing, Shanghai, Hong Kong and Guangzhou studying the revolutionary movement. In July 1925, they returned together to Chongqing. As members of the Sichuan Provincial KMT Committee, they participated in the work of the leftist provincial headquarters of the KMT. In May 1926, through Yang Angong and Wu Yuzhang's introduction, Bocheng joined the Communist Party of China, realizing his conversion from a democrat into a communist.

In the summer and autumn of 1926, the Northern Expedition jointly organized by the KMT and the CPC reached the Changjiang River valley. As assigned by the party, Bocheng joined Yang Angong, Zhu De and Wu Yuzhang in organizing and leading the uprisings in Luzhou and Shunqing (Nanchong). Five brigades

totaling 12,000 people participated in the uprisings. Bocheng was recommended by all as the general commander in charge of the various route armies of the National Revolutionary Army in Sichuan. The uprisings this time lasted from early December 1926 to the middle of May 1927. They played a helpful role in the Northern Expedition, realizing the strategic aim of preventing the main force of the Sichuan army from moving eastward to threaten Wuhan--a strategic aim called for by the CPC Central Committee. The uprisings "shattered the pipedream of the militarists and aroused the consciousness of the masses, producing a great impact on the Sichuan situation. Success or failure should not be the measure of a big or small achievement." (The "National Bulletin," 29 January 1927) The uprisings of Luzhou and Shunqing were a big contribution by the communists toward the Northern Expedition. They also represented our party's first attempt in leading armed struggle.

Due to Chiang Kai-shek and Wang Jingwei's rebellion against the revolution, coupled with rightist capitulationism erroneously promoted by the leadership organ of the Communist Party represented by Chen Duxiu, the spectacular great revolution failed. Serious White terror was subjecting every revolutionary to a test. Some of the revolutionaries retired from the scene, assuming a passive attitude. Some gave up their cause and joined the reactionary camp. A number of most devoted communists and proletarian revolutionaries represented by Mao Zedong, Zhou Enlai, Zhang Tailei and other comrades formed the backbone in keeping the cause alive. "Wiping off the bloodstains from their own bodies and burying the corpses of their good companions, they kept on fighting." ("Selected Works of Mao Zedong," Vol 3, p 985) At this historical turning point, Bocheng displayed the firm faith and high principles of a Communist Party member. Knowing what should be done, he first found his way to Wuhan and then reached Nanchang. He joined Zhou Enlai, Zhu De, He Long, Ye Ting and other comrades in leading the Nanchang uprising, firing the first shot in resisting the KMT reactionary group and turning a new page in the history of the Chinese revolution.

A Marxist Strategist and Military Theorist

Comrade Bocheng was one of the founders of the Chinese People's Liberation Army. In the long period of revolutionary war, he directed many battles and fought and won many major battles. He was an invincible general striking awe into the enemy. He left a glorious page in the history of the Chinese revolution and the revolutionary war. His art of directing military operations and his combat strategies formed an important part of Mao Zedong's military thinking. Comrade Bocheng was worth being called a tested marshal, Marxist strategist and military theorist.

After the failure of the Nanchang uprising, the party sent him to study in the Soviet Union. In the summer of 1930, he returned to the country from the Soviet Union. The party Central Committee assigned him to the Changjiang Bureau as secretary of the military committee. At a meeting of the Presidium of the Changjiang Bureau on 3 September, he relayed the instructions on Wuhan's work given by Comrade Zhou Enlai as representative of the party Central Committee. He prevented the execution of the

adventurist plan calling for an insurrection in Wuhan. The likely damage arising from "leftist" putschism was avoided. In January 1932, Comrade Bocheng joined the central soviet area and acted for the first time as president of the Red Army College and concurrently political commissar. In October, he served as chief of the General Staff of the Red Army helping Comrades Zhou Enlai and Zhu De in directing operations and achieving a great victory in the fourth counter-"encirclement" campaign. During the Long March, Comrade Bocheng assumed weighty responsibilities and worked uncomplainingly. Before the Zunyi meeting, he brought up the rear of V Corps, giving the central organ cover in breaking through four enemy blockade lines. At the end of 1934, the central authorities transferred Comrade Bocheng back to the military committee. He again acted as chief of the general staff and concurrently commander of the central column. After the Zunyi meeting, Comrade Bocheng led an advance force seizing important points and paving the way for the advance of the whole army. This enabled the Red Army to get across the Jinsha River, through the area of the Yi nationality and across the Dadu River to reach the Sichuan-Xikang plateau and join forces with the 4th Front Army. In the spring of 1937, Comrade Bocheng was appointed as the commander of the army sent to help the Western Route Army. At this time, the Western Route Army was fighting a hard battle with the enemy on the Hexi corridor with neither the support of the party nor a mass foundation. It was hard put to obtain grain and munition supplies. Bocheng urged his army units to start on their way quickly. He was worried over the plight of the Western Route Army. He was overflowing with class sentiment. When his army reached Zhenyuan, the Western Route Army had unfortunately been defeated. Bocheng and Political Commissar Zhang Hao led the masses of cadres and fighters of the 4th Front Army in correctly waging a struggle to criticize Zhang Guotao's mistakes.

After the outbreak of the anti-Japanese war, Bocheng was appointed the commander of the 129th Division of the 8th Route Army. Together with Political Commissar Deng Xiaoping, Deputy Divisional Commander Xu Xiangqian and other comrades, he led the effort to establish the Shanxi-Hebei-Henan anti-Japanese base in the Taihang Mountains. They successfully organized and directed the battles of Shentou Ridge and Xiangtangpu; led their army units to break through the encirclement of nine routes by the Japanese renegades and smashed the policy of imprisonment pursued by the Japanese renegades, opening up and developing vast areas eastward to the Jinpu road, westward to the Tongpu road, northward to the Cangshi road and Zhengtai road, and southward to the Huanghe River. Thus, they established the Shanxi-Hebei-Shandong-Henan base, which became one of the important anti-Japanese bases. In September 1945, the militarymen and civilians of the whole Shanxi-Hebei-Shandong-Henan area launched a massive counterattack against the enemy. In a short period of time, they annihilated more than 50,000 enemy troops and recaptured 59 counties and towns. Bocheng was one of the main leaders responsible for this brilliant achievement.

After the victory in the anti-Japanese war in 1945, the Chiang Kai-shek KMT in September that year launched an attack on the Shanxi-Hebei-Shandong-Henan liberated area and occupied six towns in our Shangdang Prefecture. Bocheng and Comrade Xiaoping led their army units to fight bravely in

self-defense. At one stroke, they annihilated 13 enemy divisions composed of more than 35,000 people. This provided effective support for Comrades Mao Zedong and Zhou Enlai in their peace talks in Chongqing. Chiang Kai-shek was forced to sign the "double 10th agreement." But Chiang Kai-shek gave lip service to peace on the one hand and concentrated large numbers of troops to push northward from Xinxiang along the Pinghan road on the other. Bocheng and Comrade Xiaoping immediately sent forces eastward and organized and directed the Pinghan battle, annihilating two army corps comprising 23,000 people. Another army corps and a column revolted and crossed over while in the battlefield. Thanks to the great victories achieved in Shangdang and Pinghan and in other battlefields, half a year of peace ensued. On 26 June 1946, Chiang Kai-shek blatantly tore the peace agreement to pieces and launched an all-out attack on the liberated area. Together with Comrade Xiaoping, Bocheng organized and directed the battles of Longhai, Dingtao, Juye, Juancheng and Huaxian. Victories were achieved in all the five battles. Ten and a half brigades of the intruding Chiang troops or more than 70,000 people were annihilated. This gave an effective boost to the efforts on other battlefields in the country. Chiang Kai-shek's plan for an all-out attack was smashed. In June 1947, to crush Chiang Kai-shek's concentrated attack, Bocheng and Comrade Xiaoping led their troops to cross over the natural barrier of the Huanghe River at one stroke. After annihilating nine and a half brigades of enemy troops in southwest Shandong, they advanced quickly making straight for the Daibie Mountains. This was the enemy's most strategically sensitive and yet weakest area--a vantage point of ours jeopardizing Nanjing to the east, Wuhan to the west, the Changjiang River to the south and threateningly overlooking the central plains. It was like a sharp blade thrust at the enemy's heart, pinning down 90 of the 160 brigades on their southern front and raising the curtain on the strategic counterattack in the war of liberation.

At the end of 1948, together with Xiaoping, Chen Yi, Su Yu, Zhen Lin and other comrades, Comrade Bocheng directed a decisive battle on an unprecedentedly large scale--the Huai-Hai campaign. They achieved a great victory annihilating 22 army corps and 56 divisions or 555,000 enemy troops and realizing Comrade Mao Zedong's prediction before the battle: "Given victory in this battle, not only will the situation north of the Changjiang River be brought under control but also the national situation as a whole can be basically taken care of." In January 1949, Comrade Bocheng acted as the commander of the 2d Field Army. Together with Political Commissar Comrade Deng Xiaoping, he led troops to cross the river liberating vast areas of Anhui, Zhejiang, Jiangxi and Fujian. Not long after, they received orders to attack southwest China. They resorted to the practice of making a big detour and a big encirclement--beating the enemy to it in occupying important points and cutting off their retreat. The enemy troops ran away helter-skelter, revolted, crossed over, or were killed. There were 900,000 such enemy troops. With southwest China under control, the war of liberation basically ended. Thus, the long period of battle life also ended for Comrade Bocheng.

During the long period of revolutionary war, Comrade Bocheng displayed the poise and talent of a great strategist who was both prudent and decisive in

directing operations. He was capable of arriving at a correct understanding and judgment of the enemy's strategy and battle plans. He was no less skilled in deploying his own troops in light of the conditions concerning the enemy and ourselves. Therefore, he could foresee the development of the war and seize the initiative in fighting. Comrade Bocheng often stressed that commanders and fighters at all levels must have a clear idea of given tasks, information about the enemy, our own position, the terrain, and the time factor. He called these points "five tricks." He consistently opposed fighting in a "rigid" way and opposed the strategy of "meeting force with force." Instead, he called for "capitalizing on every favorable factor and avoiding all unfavorable ones and annihilating the enemy flexibly." In practice, he carried on and developed many tricks in war, such as "encircling a city and attacking the reinforcements," "concentrating on one point, attracting the attention of the relief troops, tackling a given part of them and annihilating them one by one," "making an encirclement on three sides, leaving one side open, providing a make-believe route of escape and setting a trap," "aiming for the heart of a fierce tiger," and the snake-beating art of "pinning down its head, grabbing its tail and cutting it in two." He was skilled in using military dialectics to organically unify strategy, battle and tactics. This provided a magic weapon for defeating the enemy. In a fair assessment and a graphic description of him, Comrade Chen Yi said: "He is the modern version of Sun Wu when it comes to the military art. In his dedication to protect national territory, he is the match of Fan Han in ancient history." A review of Comrade Bocheng's revolutionary life of battle shows that he really "has the style of well-known ancient generals and is a general with expertise rarely seen in the country."

These great achievements of Comrade Bocheng are inseparable from his assiduous study and research efforts. He had a busy military life and was always on the move. But he took time out to seriously study military works by Engels and Mao Zedong and well-known works on the military art by writers in modern and ancient times at home and abroad. Having regard to changes in the situation and our army's needs, he translated many works related to the civil war in the Soviet Union and the antifascist war--works of all kinds from small-scale to large-scale fighting and from defense to attack. The aim of making the past serve the present and foreign things serve China was really achieved. Comrade Bocheng paid great attention to summing up experiences in fighting. He wrote many good military works. The "Selection of Military Writings by Liu Bocheng" soon to be published is the crystallization of his brilliant thinking on military life. His military works and his translations were his magnificent contributions to our military history. They have produced and will continue to produce a great impact on the building of our army. Military commentators have traditionally held that a good strategist should combine the three arts of leading soldiers, training soldiers and using soldiers. Comrade Bocheng is a master of all the three arts. He is called a Marxist strategist and military theorist. His reputation is well deserved.

The Founder of Our Military Colleges

During the protracted revolutionary war, Comrade Bocheng was deeply aware of the fact that all the powerful armies, at all times and in all countries, could not "fight without given training." To give training, it was first necessary to train cadres. Therefore at the time of the Lushun uprising, at the time he first entered the central soviet area, at the time the 4th Front Army was attacked by Zhang Guotao and from the time of the war of resistance against Japan to after the nationwide liberation, he always attached great importance to setting up a military college. Sometimes, he concurrently supervised the work of the college in the capacity of commanding officer, and at times, he devoted his whole attention to the work. He worked conscientiously and painstakingly and took infinite care in turning out batch after batch of qualified people versed in polite letters and martial arts for the army.

Before the nationwide liberation, our army was scattered in rural areas among various strategic areas. There was only a single poorly equipped arm in the army. Although there were military schools in various major areas, most of them were still in the primitive stage of learning to fight by taking part in actual fighting. After winning nationwide political power, just as Comrade Mao Zedong pointed out: "A basic change has already taken place in this kind of objective condition. We are now at the higher stage of army building, or the stage of mastering modern technology." For the sake of enabling our army to complete this new historical change, it was necessary to set up military colleges in keeping with modern conditions. Comrade Bocheng, who advocated "to run the army well, we must run military colleges well," resigned from his post as chairman of the Southwest Military and Political Committee and earnestly proposed to the Central Committee: "The war is now over, let me go and set up military colleges!" The Central Committee handed this difficult task to Comrade Bocheng. This indeed could be described as picking the right man for the job!

In October 1950, Comrade Bocheng received instructions to set up a military college. He made light of the hardship and braced himself for the vigorous effort of making a success of the work. With this revolutionary spirit of bravely exploring, he discovered the experience for properly setting up regular higher command schools in the new historical period. In drawing up training policies for the military college, he proposed: Using Mao Zedong's thinking on integrating theory with practice to unify military thinking, reorganize the style of study, oppose empiricism and guard against dogmatism. He stressed that attention must be paid to opposing two tendencies in training: First is the tendency of casting away our former foundation, the fine tradition of the PLA and Mao Zedong's military thinking. The other is the tendency of stubborn conservative unwillingness to accept new things and modern military sciences. With regard to the purpose of training, he proposed: Train senior commanders and staff officers loyal to the party and to the revolutionary cause of the Chinese people led by the party and who are good at organizing and commanding modern units composed of regiments, divisions and various services in coordinated operation. These

policies and principles for setting up military colleges were basically affirmed at that time.

Under the historical conditions of that time, Comrade Bocheng studied the advanced experience of the Soviet Union in accordance with the instructions of the Central Committee. He insisted on learning the organizational and command experiences of the Soviet Army on the basis of summing up the battle experiences of our army. He translated and edited a complete set of teaching materials on military theory and gradually built a Red and expert contingent of instructors. For the sake of bringing theoretical study and planning exercises closer to reality, the military college organized a total of 35 military maneuvers and 12 large-scale field exercises from 1951 to 1955. These activities not only unified thinking, but they also trained and toughened the ability of the cadets to actually command a composite army in battle and played a vital role in the education and training of the units. For the sake of fitting in with the needs of modern warfare, naval, air force, artillery and armored departments were added one after the other not long after the setting up of the military college. When these departments could independently fulfill their teaching assignments, they were also expanded into independent command colleges for the services with the approval of the Military Affairs Commission. This enabled our army to have a more comprehensive college system and thereby promoted the process of building a modern and regular army.

In his "Instructions to the Military College," Comrade Mao Zedong highly appraised Comrade Bocheng's work. He said: "The founding of the military college and its teaching over the past year and more have made an important contribution to the building of a regular and modern national defense unit." Naturally, some shortcomings and mistakes existed during this period of military education and some unsuitable things were copied from the experience of the Soviet Army. These minor aspects which emerged in our advance because we had no experience in building a modern army were immediately corrected upon discovery. This was reflected in the bimonthly work report submitted by Comrade Bocheng to the Military Affairs Commission of the Central Committee.

However, in the so-called "oppose dogmatism movement" suddenly launched in 1958, such labels as "dogmatism" and "mistakes of the bourgeois military line" were imposed on Comrade Bocheng, and large numbers of comrades in charge of military training were also wrongly criticized. From then on, "leftist" guiding ideology began to develop in the army. When Lin Biao was in control of the Military Affairs Commission, he actually negated the orientation of building a regular and modern army and even preposterously abolished military training and dissolved large numbers of military colleges. This caused serious damage to army building. The leading comrade of the Military Affairs Commission has pointed out that the oppose "dogmatism" of that time was wrong. He also said that the many military colleges established after the founding of the People's Republic had achieved great successes, but later suffered two serious reverses. One was from oppose "regularization" and the other was from oppose "dogmatism." The words of the leading comrade of the Military Affairs Commission are in keeping with

historical facts, and they have not only reaffirmed the past achievements of Comrade Bocheng in setting up military colleges, but are also of important actual significance in bringing order out of chaos on the orientation of army building and the policy of training.

Model for Communists

Comrade Bocheng has lofty communist moral character. He never takes advantage of his great merit or fame. He lives frugally and simply and is honest in performing his official duties. He is open and aboveboard, and is not afraid of shouldering responsibility. He is a model for us communists.

He is boundlessly loyal to the party and consistently submits to the leadership of the CPC Central Committee, the Central Military Commission and the party organization at various levels. He used to say: "When I joined the party, my oath was 'absolute obedience to the party.' Since then, I have always exhorted myself: I am a senior cadre of the revolutionary army led by the party, and I must be boundlessly loyal to the party. I must set myself up as an example and teach the troops under me to fully accept the unified leadership of the party and become glorious tools of the party." Comrade Bocheng has faithfully carried out the oath he took when he joined the party scores of years ago. At critical moments, he showed no fear of personal hazard in safeguarding the party organization. In the autumn of 1947, when Bai Chongxi dispatched more than 30 brigades to lay siege to Dabieshan, Comrade Bocheng was heading the evacuation of the organs of the Central China Bureau. When they were camped in the Beixiangdian district of Guangshan County, Henan Province, they happened to run into the enemy's 11th Division. Bocheng's first thought was for the safety of the Central China Bureau. When the comrades by his side urged him to quickly evacuate from the dangerous situation, he solemnly and firmly said: "I will not leave without establishing contact with the Central China Bureau." Five minutes passed, and then 10 minutes...it was not until the liaison staff reported that the Central China Bureau had safely evacuated that he would make his departure.

He can take the interests of the whole into account and make concessions. He has strong party spirit and good party work style. In 1939, he was dissatisfied with the blockhouse policy and positional warfare pushed by the leaders of the "leftist" line. He would neither give advice nor offer plans and was not tolerated by them. Using his quarrel with Le De as an excuse, the "leftist" leaders dismissed him from the post of chief of the general staff and assigned him as chief of staff of the 5th Army group. He was not dejected and said: "The practice of a year of battle has proved that the broad masses of cadres and fighters of our Red Army are brave and skillful in battle. However, there are problems in our strategy and tactics which must be changed." In 1936, when Zhang Guotao insisted on moving south and made a split with the party and the Red Army, he righteously pointed out: "The split is a mistake and will have no popular support!" Zhang Guotao consequently sent him to work in the Red Army University of the 4th Front Army. Comrade Bocheng took advantage of the opportunity to

patiently propagate the correct advocacy of the Central Committee to the cadres and, together with Comrade Zhu De, carried out a great deal of work in the leftist army. Particularly after the "oppose dogmatism movement" in his old age, he had no choice but to leave his leadership post at the military college. This aged but ambitious warhorse has actually lost its chance of galloping a thousand li. When I think of it, I feel sorry for him! However, even in his dotage Comrade Bocheng is still concerned about military defense matters and army building, and is always thinking and worrying about them. He called himself an "auxiliary staff officer." He is always thinking about what military work should be constructed on the border, which strategic highway should be quickly repaired and what should be done for urban civil air defense. When he has an idea, he will ask his staff officer to write it down and send it to the comrades of the Military Commission and the chief of the general staff for consideration. He donated more than 2,000 volumes of works on military matters he had collected over the years to what was then the Military and Political University. In the autumn of 1972, I paid a visit to Comrade Bocheng. The moment he saw me, he said: "You have come to teach at the Military and Political University? Good. I am already old. Make a success of the work."

He firmly believes that the masses are the makers of history. In June 1947, party, government and mass representatives from all walks of life in northern Hebei Province presented him with an embroidered inscription with the characters "Evervictorious general." He modestly said: "You have called me an evervictorious general. I really do not deserve this. I have not been always victorious. If I win most of the time that is already not bad. I only performed my duty under the leadership of Chairman Mao and Commander in Chief Zhu and with the support of the people in the rear areas. The credit should belong to the party and the people. I dare not claim credit for the achievement of other people. Without the civilians providing us with food and clothing, the army cannot fight in a war." These simple and unpretentious words are not a polite remark but his world outlook. He constantly educated the cadres: "Some of our cadres think that they have won this battle and I have won that battle, or, I have opened up this region and he has opened up that region. Actually, without the masses joining the army where does your army come from? Without the workers making clothes and guns, how can you win a battle without the workers making clothes and guns, how can you win a battle without clothes and guns? If the masses do not organize mass organizations and do not elect the political power, how can your region be opened up? Therefore, all the credit should belong to the working people. We ourselves are only members of the masses." This is the way he understands the relations between the generals and the masses. He has lectured the cadres on numerous occasions to explain this viewpoint and to oppose the tendency of claiming credit for oneself and becoming arrogant.

On Comrade Bocheng's 50th birthday, Comrade Deng Xiaoping composed an essay to him: "His fervent love for the country, the people and his party is a fine quality every communist must possess. Our Comrade Bocheng not only possesses this quality, but he has also dedicated his whole life to the country, the people and his party." To learn from Comrade Bocheng, we must proceed by wholeheartedly dedicating our lives to the motherland, to the people and to the party.

CSO: 4004/47

PROPERLY USING POWER ENTRUSTED BY THE PEOPLE--READING COMRADE MAO ZEDONG'S
FIVE LETTERS TO RELATIVES AND FRIENDS

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 10-11

[Article by RED FLAG commentator]

[Text] Comrade Mao Zedong's five letters to his relatives and friends, which are carried in this issue of our journal, were written from 1950 to 1957. They raised a serious question: How should the cadres of the party in power properly use the power the people entrusted to them; should they seek private gain for themselves or a few people, or work for the interests of the masses of people? An important factor is how they treat their relatives and friends. This is an important question concerning our party's nature and purpose. Comrade Mao Zedong's letters expounded the correct principles toward this question. They are brilliant examples for us in this respect.

The principles expounded in Comrade Mao Zedong's five letters can be summarized into the following three points: 1) Comrade Mao Zedong was very glad to hear from his relatives and friends about his "hometown situation." He hoped that they would "often write to me and tell me something about our hometown." While telling Comrade Mao Zedong about his "hometown situation," some relatives and friends also requested him to respond in one or two words about his hometown so as to directly help solve some problems. Comrade Mao Zedong politely declined their request. He said: "It is not appropriate to give independent and preferential consideration of the interests of a few localities." "As to local affairs, I would like to collect some materials for reference. But I would not, and indeed should not, directly handle local problems of a general nature, because that would embarrass the local party committee and government." 2) To those relatives and friends who asked for help in finding jobs or admission to a school, Comrade Mao Zedong politely declined and furthermore patiently tried to educate them. In his letter to Wen Nansong he wrote: "As to Yunchang's work, it is inadvisable that he get a job through my recommendation. He should do something among the people and win their faith before he can get a job." In his letter to Sun Peijun he wrote: "It is not suitable for me to write to the school, so far as your study at a higher school is concerned, whether you can be admitted should be decided by the school only." 3) Comrade Mao Zedong advised the party branch and government of

Shicheng township to supervise and educate his relatives and "not to feel awkward or balk at criticizing their shortcomings, mistakes and backwardness because they are my relatives." He said that he hoped his relatives would be "treated exactly the same as the masses and would not be given any preference." In short, the main spirit of Comrade Mao Zedong's five letters can be summed up as follows: Never use one's position and power to seek private interests and preferential treatment for one's relatives, friends and hometown, strictly require one's relatives and friends "not to seek privilege," and resolutely support the party and government organizations to criticize and deal with the shortcomings and mistakes of one's relatives and friends. This is the attitude Comrade Mao Zedong adopted toward his relatives and friends. It is also the only correct communist attitude.

Comrade Mao Zedong set a good example in this respect. So did many other veteran proletarian revolutionaries like Zhou Enlai, Liu Shaoqi and Zhu De and the majority of the thousands upon thousands of high and middle-ranking officials and grassroots cadres. Since they acted in strict accordance with the party's principles, set strict demands on their relatives and friends as well as on their own children, asking them not to seek privilege, and did not use their positions and power to seek private gain for their relatives, friends and children, they won the trust and admiration of the people. Comrade Luo Shunchu, a former leader of the consultative group of the PLA Shenyang units and a veteran Red Army soldier, set strict demands on himself and his children throughout his life. He fostered a revolutionary atmosphere in his family. Facts show that there are many such examples within our party. This is a good tendency and a fine tradition of our party.

Not using one's position and power to seek personal gain for one's relatives and friends is a principle determined by the nature of our party. Marx and Engels pointed out in their "Communist Manifesto": "All previous movements were movements of a few people, or movements for the interests of a few people. The movements of the proletariat are, however, movements of the majority and are for the interests of the majority of people." ("Selected Works of Marx and Engels," Vol 1, p 262) Ours is a proletarian political party which seeks the interests of the majority of the people. Every party member, especially every cadre, has the duty of serving the people heart and soul, and is granted no privileges. If a cadre thinks that he is a cut above other people and certainly has the privilege to seek personal gain for his wife and children and other relatives and friends, then he is running counter to the purpose of the Communist Party, and what he does does not conform to the description and role of a party member and a cadre.

During the decade of internal disorder, the Lin Biao and Jiang Qing counterrevolutionary cliques seriously damaged our party's work style through their factionalist and illegal activities. They preached such fallacies as "power means everything" and "power may expire and become invalid," which greatly corroded people's minds. Their pernicious influence on some cadres has not yet been totally eliminated. An example of

this is that some cadres have not acted according to principles in treating their relatives and friends. They have placed their family or personal relationship above the revolutionary relationship and have taken advantage of their position and power to solve such problems as school enrollment, employment, joining the party, receiving a promotion, going abroad and returning to work in cities for their relatives and friends through improper or illegal channels. When their relatives and friends committed mistakes or crimes, they tried all possible means to protect them and cover up their mistakes and evil deeds, or even took advantage of their power to bully others so as to obstruct the execution of discipline and the laws. Another expression is that some "warmhearted people" have, under the pretext of "caring for comrades and showing consideration for leaders," sought personal gains by various means for the relatives, friends and children of their leaders and friends. They have actually attempted to seek preferential treatment for themselves and their relatives, friends and children by fawning over their leaders. Instead of regarding it as a disgrace, they took it as an honor. They did not realize that this is a reflection on themselves of a feudalistic privilege mentality and the corrosive bourgeois ideology.

The socialist system is a new social system. Under this system, the relationship between man and man, including the relationship between family members and relatives and friends, must first be comradeship on the basis of revolutionary principles. Every party member and cadre must closely relate his family, relatives and friends to the destiny of the state, the nation and the people. The interests of the former must never be placed above the fundamental interests of the latter. Like a mirror, the attitude of a party member and cadre toward his family, relatives and friends clearly reflects his party spirit and work style. It also has an important bearing on the relationship between the party and the masses. After the founding of the PRC, Comrade Zhou Enlai repeatedly stressed that cadres must pass "five tests," that is, the ideological test, the political test, the social test, and test of relatives and friends, and the test of hard life. At present, under the new historical conditions, it is necessary for our party members and cadres to check themselves again to see whether they have successfully passed these tests.

Lu Xun said: "Not exactly all passionless men are real heroes." We communists have never denied the passionate feelings between relatives and friends and have never prohibited people from establishing normal contacts with their relatives and friends. However, we have our own principles in dealing with these feelings and contacts. We hold that personal feelings must be related to the passionate feelings toward the peoples, and the former must never be played above the latter. Personal relationships must be subordinate to the revolutionary relationships and must never surpass the latter. When one's relatives and friends commit mistakes or crimes, one must not protect them and try to cover up their mistakes and evil deeds. One must not protect "private feelings" at the expense of "public laws." In short, in treating our relatives and friends, we must always adhere to the party's stand and principles and always have our party's purpose in mind. In this respect, we must earnestly learn from the proletarian revolutionaries of the older generation represented by Comrade Mao Zedong, and

actually follow their examples in our actions. We must all learn something from Comrade Mao Zedong's five letters to his relatives and friends, raise our consciousness and unify our understanding so that we can encourage each other to properly use the power entrusted by the people and advance forward side by side.

CSO: 4004/47

COMMUNISTS SHOULD UPHOLD PRINCIPLES IN HANDLING FAMILY PROBLEMS

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 12-13, 40

[Article by Zhu Yan [2612 1484]]

[Text] The Communist Party has nearly 40 million members, every one with his or her own relatives and family. Communist Party members, as the leading section of the proletariat class must, when dealing with the problems of relations between family members and relatives, uphold the party line and certain principles. The most important thing is that they set an example while teaching and helping their family and other relatives that the most important thing is to act for the benefit of the party and the people, that the good of the party and the people must come before the good of the individual or the small family unit, and to prevent or correct any actions which might be damaging to the good of the party or the people.

Of course, it should be made very clear that the vast majority of party members carry out such duties very well. The older generation of proletariat revolutionaries and various other outstanding communists may all be cited as paragons of the communist way of thinking in terms of their correct handling of family problems. However, we cannot ignore the fact that some communists, including some leading cadres, do not perform their duties well in this area; one might even say in some cases, that they are very bad. Some choose to socialize and never talk about anything of any importance with their families, tend to spoil and pamper their children, creating very unfavorable tendencies which then go unchecked and become overlenient. Some tend to take advantage of their position and use the back door for their families and relatives, helping them to do such things as move to the city, to school, get jobs or receive promotions. Some, in a brazen attempt to satisfy the unreasonable demands of their families, take over organizational distribution and actually make alterations in work conditions, while others find every means possible to create a "nest of hedonism" for their families. There are still others who resort to deception so that their children or other relatives may go to Hong Kong or leave China without a care for the integrity of the country or the individual. But what is of a more serious nature are those who either overtly or covertly support and connive with their families to engage in smuggling and illegal selling as well as speculation, swindling and corruption. Some even directly involve themselves and their families in such fraudulent and illegal activities. Such phenomena

are clear illustrations of the egoism of the capitalist classes which has developed in the hearts of some communists and their families, causing them to lose their original leadership spirit. Not only do such people harm the great reputation of the Communist Party, they also damage the party structure and are a very bad influence on the general mood of society. Every level of the party structure must take a serious look at this problem, and make every effort to rectify it.

The Communist Party of China is a well-formed and tested proletariat political party armed with the philosophy of Mao Zedong and Marxism and Leninism. Not only does it take a serious attitude toward and openly expose and criticize negative elements within the party, it must also rely on its own strength to overcome these negative elements, transforming bad into good, educating every party member and strengthening the party structure. The party's history already speaks for itself in terms of such determination. Examples such as the smashing of the "gang of four," the restoration of order after chaos and the correct rerouting of the party line are all evidence enough. The party has already made great efforts to correct the mistakes of some communists in their handling of family problems including the severe punishment of some very bad criminal elements. The extremely important task now before us is to clarify to a greater extent the principles of family behavior to each party member and to set up a correct and revolutionary view of the family.

The family is a cell within society and family relations always reflect a certain historically developed stage in production relations. In China, both the victory of the revolutionary task of the people and the transformation by socialism of the previous system of private ownership of the means of production are basically finished, necessitating the establishment of a new form of socialist family relations. Within this new kind of family, not only is it necessary to destroy the outdated idea of subordination of one family member to another, which is rooted in the basis of the system of private ownership of the means of production, but it is also vital to reestablish new relations between the family and society. In other words we must bind tightly together the happiness and pleasures of each family with the future and destiny of countless millions of others as well as the future and destiny of our socialist homeland. The families of Communist Party members should become models for this new kind of family. Every single party member, regardless of his or her position within the family, should adopt philosophies and actions of this advanced core of the proletariat to influence and guide every member of the family, strictly adhering to party philosophies and principles to eradicate contradictions within family life and should strive to create unified harmony within the family to form a revolutionary collective struggling together for the causes of socialism.

Should the Communist Party lay down principles related to family love? Of course it should. But it is not the feudal and patriarchal kind of love that is reflected in the old sayings such as "When a man goes to heaven so does his entire family," nor is it the vulgar love of the bottom levels of the capitalist classes which takes enjoyment and money as its central themes.

It is instead a love emanating from a Communist Party member, under the guidance of the party and its principles, helping to unite the spirit of his family and relations with the revolutionary cause of the proletariat. He or she should promote mutual concern, consideration, help and understanding with his or her spouse, parents, children and other relatives. But anyone who wants to put the narrow confines of the family above the good of the party, the country and the people, is contravening a law of the party and the government and is committing a crime against the moral principles of socialism and communism. Under the conditions of socialism, if the good of the individual family is put above the good of the country and the people, a conflict will arise, often resulting in undesired results which in the long run are bad for the country, the people and the individual family.

In dealing with the question of whether a party member is correctly upholding party principles when dealing with family problems it is important to examine, after he or she has come to terms with power they possess, whether they are abusing this power to benefit their family.

After the Communist Party began to rule the country, many party members were given certain powers and thereafter lived for a long time in a peaceful environment, with a stable family life and ever-increasing family relations. Among some party members, the number of cadres who became more involved in family affairs and their children's situations increased and we saw the appearance of some people who wanted to use their powers within the family to gain special "favours and allowances." Under this situation our comrades were faced with the problem of how to correctly manipulate the powers bestowed on the people. The question of whether our party members are able to stand up to this sort of test or whether or not they have good family relations is not a question related to individuals, but is a question of great concern to the whole positive or negative mood within the Communist Party. If some people decide to adopt an attitude of abusing the power they have been given and wasting their time while gaining advantages for their own families by means of the power they possess, then the power bestowed on them becomes abused and lessens in quality, they themselves are abusing their positions as public servants and there is even a danger of overturning the stability of the society. In order to avoid this danger, the party has for many years stressed the importance of correcting these few errant communists and cadres. It is clearly stated in "Concerning the Principles of Political Life Within the Communist Party" that it is forbidden for anyone to abuse their power to gain benefits for their own family, it is forbidden for anyone to separate public and private and to use public office for private gain. Furthermore, it is forbidden for any leader or cadre to transgress any of the party's criteria and structural principles for cadres or to promote or aid the promotion to a leadership position of any member of one's family. It is forbidden for anyone to reveal state or party secrets to family members, and no one may overstep one's authority and meddle in the work of the party or state or see to it that a family member is placed in a position of crucial importance in relation to one's own position. Such rules reflect the fundamental good of the party, the country and the people and in addition

embodies the expectations and respect of the party and the people toward the party members and hence, every self-respecting self-possessed party member, especially leading cadres, should without exception strictly observe these guidelines or rules.

Communists who uphold these principles in handling family problems should not simply handle each problem one at a time but should constantly strengthen education along the party lines, encouraging and giving support to using communist thinking in fighting against individualism and other nonproletariat thinking. While creating an objective world, every party member should consciously build a subjective world and firmly establish a communist world view and morality and build up strength to resist the corrosive influence of exploitive capitalist thinking. It should be said here that most Communist Party members have already reached this level of consciousness, but there will always be a certain number of people who lack such a consciousness and indeed under some circumstances it can occur that those with consciousness may lose it. Thus the importance of party member and cadre consciousness must be stressed. In addition we must have supervision by the organization and supervision by the masses, as one is vital to the other. Recently the supervision of cadres by the masses has intensified and the number of people who have dared to criticize those who abuse power to their own ends has increased. Initially this was a very good thing but later many cadres began to feel awkward about the situation and started to use their powers to pressure or carry out reprisals against their critics. Obviously the party cannot in any way ignore these "special party members," and the more they concern themselves with their families and themselves, the greater the necessity for strict supervision. The recently investigated economic criminal cases helped step up the supervision by the organization and by the masses and made a move toward helping to solve some of these problems. Such problems which are present in any areas or departments should be immediately investigated by party members in authority, thereby helping to strengthen softened and lapsed party structures. We must encourage and insist on finding those cadres and party members from conniving and protective families who have committed various crimes and get them to quickly correct their mistakes and severely punish those who instigate or participate in activities and crimes involving family members and who refuse to repent and mend their ways. We believe that if the whole party works with unremitting efforts we can achieve these goals and thereby deeply impress and educate the wide spectrum of party members and cadres with the party line. In this way, not only will we be able to put a relatively quick stop to the incorrect thinking of some party members in terms of their family problems, but at the same time we will be able to encourage all Communist Party members to conscientiously strive toward the establishment of a new kind of family setup which will correspond to the principles of socialism. This without a doubt would have a deep influence on and be felt by the millions of families in China, resulting in an improvement and change in the mood of society, both in the cities and the countryside, and would powerfully spread the material, cultural and spiritual facts of socialism.

CSO: 4004/47

ON THE WORKING CLASS AFTER THE ELIMINATION OF THE BOURGEOISIE AS AN
EXPLOITING CLASS IN OUR COUNTRY

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 14-18

[Article by Yu Yannan [2456 3601 0589]]

[Text] Editor's Note: From this issue onwards, this publication will publish a series of articles on the current situation of the working class in our country. These articles will later be compiled into a book by the RED FLAG Publishing House.

Over the past 30 years or more since the founding of the country and in the wake of the advancement of our country's socialist cause, the contingent of our country's working class has greatly developed. According to statistics, the total number of workers in the country was 8 million in 1949 and was 109 million in 1981, an increase of more than 1,200 percent. In 1949, there were only 3.9 million industrial workers who formed the main body of the working class--workers of the units owned by the whole people including industrial, capital construction, communications and transportation, and postal and telecommunications units, but the number was raised to 46 million in 1981, showing an increase of about 1,100 percent. In 1952, there were only 164,000 engineers and technicians in the units owned by the whole people, but the number rose to 1.862 million in 1980, showing an increase of more than 1,000 percent. In 1981, the proportion that workers occupied in the country's total urban population was raised to about 60 percent from 14 percent in 1949. Of this, the proportion that industrial workers working in units owned by the whole people occupied in the country's total urban population also rose to 35 percent from 7 percent in 1949. In certain medium-size industrial cities such as Changzhou, Yangzhou, Wuxi and Suzhou in Jiangsu, the number of workers already accounts for over 60 percent of the total urban population. Before the founding of the country, the output from modernized industry only accounted for about 10 percent of the GNP, and in 1981, the proportion of industrial output in the GNP was raised to above 70 percent. This is a great historical change. This change has, and is still playing, a very important role in our country's socialist modernization drive, the consolidation and perfection of our country's socialist system, the development of our party's ideology, politics and organizational construction and the development of our entire economic life, political life, cultural life and other aspects of life.

The status and role of the greatly developed and strengthened working class in our country in state life and social life, and its labor situation, ideological and political situation, cultural and educational situation and other situations not only represent to a large extent the development of our country's economic, political and cultural situation, but also inevitably exert great influence on other social classes and people of various classes and exert great influence on the development and future of the party and the state. Thus, we must attach great importance to investigation and research into the situation of the working class under the socialist conditions and into the ideological, political and organizational construction of the contingent of the working class. In addition, we must raise the level of our work concerning the working class to the important agenda of various party and government departments at all levels.

Currently, some comrades both inside and outside the party fail to correctly understand the historical relation of the unity of opposites of mutual interdependence between the bourgeoisie and the proletariat and that they are prerequisites for one another. They hold the view that since the bourgeoisie in our country has been fundamentally eliminated as an exploiting class, the working class as its antithesis will discontinue to exist as a class. This view fundamentally distorts the actual social situation of our country and seriously affects work in many respects. This view accounts for many problems that we encounter in actual practice such as neglecting the building of the contingent of the working class, giving up education among the working class, slackening efforts in giving play to the advanced role of the working class, not being enthusiastic enough in imbuing the peasants and masses with the ideology of the working class, thinking that everything is unanimous between the working class, peasants and intellectuals judging by their unanimous fundamental interests, and denying class distinctions in a socialist society. Thus, we think that when talking about the question of the working class now and discussing the building of the contingent of the working class, we must primarily clarify this incorrect view. We must unswervingly affirm both inside and outside the party the basic Marxist view that when the bourgeoisie has been eliminated as an exploiting class, the working class will not only exist but will become a strong and advanced class for a long time, a leading class and the principal force of a socialist society, and that it will exert great influence on other classes and strata.

Undoubtedly, like all other classes and all other historical phenomena, the bourgeoisie and the working class come into being and develop in history, and must all become extinct in history. However, we cannot naively interpret this conclusion of development laws which has been highly generalized and the relation of the unity of opposites between two antagonistic classes as meaning that they can come into being in the same morning and become extinct in the same morning. In history, except for the simultaneous elimination of the two antagonistic classes of slaveowners and slaves, the two antagonistic classes of landlords and peasants have not been simultaneously eliminated in the wake of the abolition of the feudal system of exploitation and it is impossible for the two antagonistic classes of the bourgeoisie and the working class to be simultaneously eliminated in the wake of the abolition of the bourgeois system of exploitation. In our

country, with the abolition of the feudal system of exploitation, the landlords were eliminated as the exploiting class. However, the class of peasants still existed and has started off on the socialist road after undergoing socialist transformation of the system of private ownership of the means of production. After socialist transformation was basically completed, our country's bourgeoisie was also basically eliminated as an exploiting class. However, the working class was not eliminated in the wake of the elimination of the bourgeoisie but has become stronger. Today, the Chinese working class, as the representative of the advanced productive forces and production relations, is standing like a giant in the Orient. By means of its vanguard force--the Communist Party of China, it leads the PRC and the Chinese people in carrying out the great cause of socialist modernization, and is playing an important role in world affairs. Why? Does this violate the law of the unity of opposites or violate the historical law of development that socialism means eliminating classes? The answer is absolutely no. Fundamentally speaking, the continued existence, and existence for long years to come, of the working class and the peasants in our country is attributable to the fact that our country's social productive forces are still far behind the standard required for eliminating all classes and class distinctions and that the Chinese working class has not yet fulfilled the mission entrusted to it by history.

The historical mission of socialism, in simple words, is to eliminate classes and prepare conditions for ultimately making the transition to a proletarian communist society. This is also the great historical mission shouldered by the working class. This point has already been expounded in Marxist theories. However, actual socialist practice has shown that elimination of classes is a lengthy and complicated historical process. This historical process must be realized in two stages: First, the working class and its vanguard force must lead and unite the broad masses of people, eliminate the system of exploitation and the exploiting class by means of a socialist revolution, and consequently, eliminate in history the class distinction between the exploiting class and the exploited whose fundamental interests contradict each other and are antagonistic to each other; then, by fully developing the social productive forces and creating conditions in various aspects over a long period of time, eliminate the class distinction which is of a consistent nature between the working class and the peasants, who enjoy the unanimous fundamental interests of the laboring masses, and eliminate other social distinctions, and consequently eliminate the working class itself and push society forward to communism based on a proletarian structure. Only by realizing these two steps can the working class ultimately fulfill its historical mission. The historical process of class elimination can only advance on the road determined by this objective law. In our country, it is absolutely impossible for the working class to eliminate all class distinctions and other major social distinctions in social life in a short time. This is because our country was originally a semicolonial and semifeudal state and has never undergone a stage in which capitalism was fully and independently developed. As a result, social, economic and cultural development were backward. Although the establishment of the socialist system has opened up a wider channel for the development of the productive forces, our country's current level of

development of productive forces is still rather low. The elimination of the class distinction between the workers and peasants, the distinction between the urban and rural areas, the distinction between physical and mental labor and other major social distinctions as a result of insufficient development of the productive forces can only be realized on the basis of achieving a rapid development of the social productive forces and improvement of the cultural and educational level and political awareness. Thus it is a fairly difficult and lengthy task which is necessary for eliminating the system of exploitation and the exploiting class. It is necessary to undergo a long historical development process before we can fulfill this historical mission. Since the development of the social productive forces progresses step by step, the historical process of eliminating the distinction between workers and peasants, the urban and rural distinction and the physical and mental labor distinction inevitably bears the historical characteristic of progressing step by step. As far as the basic content and basic orientation of this historical process is concerned, it is a process in which the working class transforms the whole society according to their own image and is also a process of working-classizing [gong ren jie ji hua 1562 0086 7132 4787 0553] all members of the society. In the wake of the gradual improvement of the social productive forces and the social cultural and educational level, class distinction and social distinctions are gradually reduced, the peasants and other members of the society are gradually more closely connected with the workers. When all the members of the society have become working-classized, these distinctions will be eliminated. Thus, in this long historical process of progressing step by step, the working class gives fuller play to its advanced role and its contingent becomes stronger. All this totally complies with the laws and with dialectics which governs the development of history.

In our country, it is impossible, in a short time, to eliminate all class distinctions and other major social distinctions or to completely eliminate the social phenomenon of class struggle from our country's social life. To be sure, we have eliminated the system of exploitation, eliminated the bourgeoisie and other exploiting classes, and have consequently eliminated class struggle between the exploiting class and the exploited. Undoubtedly, this is a critical step for the working class in our country in the course of fulfilling its historical mission of achieving the elimination of its own class, class struggle and class distinctions. We absolutely cannot underestimate its great significance and role. However, class struggle has not completely ceased and it will continue to exist for a long time within certain limits in our country's society. When we say that the bourgeoisie has been eliminated in our country, we mean that this class has been eliminated on the mainland of our country. This class still exists as a whole exploiting class in Taiwan, Hong Kong and Macao and still plays the roles determined by its class interests and class nature. Outside the country, the capitalist system and the bourgeoisie still exist. Capitalism is an international phenomenon. Similarly, the existence of the working class is also an international phenomenon. The working class' struggle against capitalism is inevitably a class struggle within international limits. Class struggle in a socialist society is related with the

class struggle within international bounds. Our socialist modernization cause cannot be carried out by closing the country to international intercourse, we must adopt and adhere to the open-door policy and, on the basis of upholding the principle of equality and mutual benefit, develop economic, trade and cultural intercourse with various countries in the world including many capitalist countries. Under the circumstances of incessantly expanding the situation of being open to foreign countries, the foreign bourgeoisie will inevitably and greatly affect, infiltrate and corrupt our country's social life. Thus, the Chinese working class will shoulder tougher tasks of struggle in opposing and overcoming such influences, infiltration and corruption. At the same time, due to the fact that the semicolonial and semifeudal system in our country has only been overthrown for a short time and that the feudal class and the bourgeoisie have only been eliminated for a short time, their traces cannot be completely wiped out in the wake of their overthrow and elimination. Because our socialist system is still in a stage of initial development, is far from being perfect and well-established and does not have the essential economic, political and social conditions which enable us to completely get rid of the hostile elements, there still exist in our society various hostile elements who deliberately sabotage and subvert the socialist system. These hostile elements include the small number of former counterrevolutionaries, enemy agents, a small number of old exploiting elements who still uphold a reactionary stand, certain new counterrevolutionaries, new exploiters who are engaged in corruption and theft, speculative activities and smuggling and selling of contraband, and those people who jeopardize socialism. We stress that class struggle will continue to exist within certain limits in our country, and this class struggle within certain limits mainly means the struggle between the people and these hostile elements. With regard to these hostile elements, the working class, peasants and the intellectuals must maintain sharp vigilance and must exercise powerful dictatorship over them by means of the state power of the people's democratic dictatorship. In addition, among the people, due to the influence of the system of exploitation and the exploiting class outside socialist society and the remnant ideological influence of the exploiting class, bourgeois and non-proletarian ideas and deeds such as bourgeois liberalization, anarchism, and extreme individualism exist among a certain number of people. All these ideas and deeds contradict the interests of the socialist system, the working class and all the people. Generally speaking, this contradiction, among various social contradictions of a socialist society, is one which embodies the nature of class struggle. However, it belongs to a kind of contradiction among the people. This contradiction is still very commonly found in our current socialist society. Thus, it is necessary for the working class and the majority of the people to adopt appropriate methods, mainly the method of criticism and active ideological struggle, to overcome these ideas and deeds so that the contradiction will be effectively solved.

In light of the above analysis, we can clearly see that the Chinese working class must still make more arduous efforts and more contributions in order to complete its historical journey and fulfill its historical mission of eliminating all class struggle phenomena and all class distinctions within

our society. This will only be achieved in the remote future. Before the completion of the historical journey, the working class as a class will not disappear from our country's political and social arena.

Some comrades do not deny that the working class, as a class, still exists in our country. However, they hold that today's working class is no longer the working class in the same sense as before, and that the definitions given by Lenin of the working class and other classes no longer apply to their modern counterparts. We do not recognize such a viewpoint as being correct. The working class, like all other things that emerge and finally vanish in history, has to undergo a course of development. In this course, it inevitably undergoes changes of some kind. Following the victories of the new democratic revolution and socialist revolution in our country, the working class of our country has indeed experienced enormous changes and now has a new face and new characteristics. These changes include the change of its status from a ruled class in the past to the ruling class in the new society, from wage laborers who did not possess means of production in the past to the masters of the new society who own the means of production today; the constant enrichment and development of its inherent class character during the continuous social practice in the new historical conditions; and so on. This is not only the case of the working class. The peasantry has also undergone considerable changes, which can be seen in the change in its status from a class of small property owners in the past to the peasantry which is organized under the system of collective ownership in socialist society today, the noticeable improvement of its cultural, technical and ideological levels, and so on. But, in general, the working class has not lost its original nature despite these changes. And, as a legacy of the class society in history, the class difference between the workers and the peasants has not vanished because of these changes either; their relations with the means of production are still different (the labor of the working class is mainly based on the system of ownership by the whole people, while that of the peasantry is mainly linked to the system of collective ownership); and their roles in the organization of social labor, their concrete forms in the distribution of social revenue and social alimony are also different from each other. These several aspects are exactly the basic characteristics which Lenin pointed out in his "A Great Beginning" and other articles to distinguish between different classes. Therefore, although socialist society, by eliminating the system of private ownership of the means of production, has eliminated the demarcation line which divided the members of a society into a group of people who owned the means of production and another group of people who did not own the means of production, every member of society is not completely equal in terms of their relationship with the means of production. Lenin's definition of class is by no means completely outdated. It basically applies to all classes in socialist society. We should interpret the changes, which our country's working class has undergone since the victory of the revolution, and the abolition of the bourgeoisie as an exploiting class, as inevitable phenomena which China's working class, as the rival of China's bourgeoisie, working class, had to experience in the long and uncompleted course of its emergence, development and withering away.

In the final analysis, the history of mankind is a history which records the production of means of subsistence, and the struggle of the laboring people who are the producers of means of subsistence. This is the basic viewpoint of Marxism on the development of social history. In our socialist society, workers, peasants and intellectuals are the basic force in socialist construction, and therefore they play the main roles in historical evolution. Nevertheless, the working class remains the leading force of our society, and the most advanced and the best organized class with the highest political consciousness. The reason why our country's working class can play a leading role under socialist conditions is, first of all, because of its objective status in the system of socialist economic relations--most workers are working in enterprises under the system of ownership by the whole people which is the highest form of socialist ownership, and the economy under the control of the ownership by the whole people is the leading and decisive factor in our country's national economy. In the second place, it is because our country's working class has been linked to socialized mass production since its emergence in history, has stood the tests of revolutionary struggle over a long period of time, has obtained rich experiences in revolution, and has cultivated a high degree of collectivist spirit and sense of revolution, organization and discipline. Furthermore, in the practice of socialist construction, our country's working class has constantly improved its political quality and quality in other aspects. For the above reasons, the leading status and role of our country's working class in socialist society is an objective existence independent of man's will. And this status and role of the working class will never change even though there are various temporary negative factors within the class.

Of course, our country's working class cannot spontaneously exercise its leadership of socialist construction but mainly leads it through the activities and work of its vanguard--the CPC. The party is the force at the core leading the socialist cause forward. The leadership of the working class is embodied in the formulation and implementation of the party's line, guiding principles and policies; in the political work, organizational work and other work of the party; in the education carried out by the party for the whole people with the communist ideological system and, of course, also in the advanced ideology and exemplary acts of the members of the working class which may influence, and thus bring along, the broad masses of the people. Without the party's activities and work, the leadership of the working class can never be realized since the prerequisite and guarantee for exercising such leadership do not then exist. During the 10 years of turbulence, in flaunting the banner of the working class as the leading class, and in "promoting revolution by discarding the leadership of party committees," Lin Biao and the "gang of four" replaced the leadership of party committees at various levels with worker propaganda teams. They directly gave orders and thus vigorously distorted and destroyed the position and role of the working class in history, and seriously spoiled the working class' reputation. Such pernicious influence left behind by them must be thoroughly eliminated. In order to correctly and effectively exercise its own leadership, and to represent the working class' will and accomplish the working class' historical mission in a better way, the party

undoubtedly has to conscientiously attach importance to constantly maintaining close ties with the working class, unremittingly absorb wisdom and strength from the working class, and give full play to the advanced role of the broad masses of workers in the life of the state and the life of society.

As Lenin pointed out, "The main thing in the doctrine of Marx is that it brings out the historic role of the proletariat as the builder of a socialist society." ("Selected Works of Lenin," Vol 2, p 437) Today, to more thoroughly elaborate on the position and role of the working class in the construction of our country's socialist modernization in light of our new historical conditions and new historical mission after the elimination of the bourgeoisie and other exploiting classes in our country remains an important task in our party's Marxist ideological work. We must conscientiously redress some wrong viewpoints which, stating that our country's working class no longer exists as a class, and so on, do not conform with the objective reality in our country and go against Marxism. Moreover, in view of the present situation that the working class' sense of class has been worked, we need to adopt various vivid forms to strengthen the correct propaganda on the historical position, the historical mission and advanced role of the working class so as to promote the class consciousness of the working class, reinforce the sense of class of the working class, arouse the sense of glory and sense of responsibility of the working class, and thus push ahead with the building of work class contingent.

Do we mean that the working class should enjoy any privilege when we emphasize the working class' leading position and role in socialist social life? Of course not. On the contrary, we just mean that the working class has to undertake an arduous historical mission with regard to the future of the state, the nation and the people, and with regard to the future of the socialist cause. Acknowledging this historical mission of the working class in no way means to play down the role of the people belonging to other classes and strata in the socialist construction. It is under the party's leadership and through firm unity and close cooperation with the whole people that the working class will fulfill its historical function and unremittingly push ahead the socialist cause.

CSO: 4004/47

ON THE BASIC CHARACTERISTICS AND CONTENTS OF THE DRAFT OF THE REVISED CONSTITUTION

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 19-25

[Article by Lu Zhichao [4151 0037 6389]]

[Text] After the "Draft of the Revised PRC Constitution" was promulgated, the people of all nationalities throughout the country held warm discussions on it and deemed that this is a fairly good draft of the constitution which tallies with the needs of the Chinese people at present and for a considerably long time. In order to do better work in the discussion by the entire people on the draft of the constitution and its further revision, it is quite necessary to both theoretically and politically understand the basic characteristics and contents of this draft.

The Basic Characteristics of the Draft

With the exception of "A Common Program" which was similar to a provisional constitution, the 1954 constitution was the first constitution that China ever promulgated following the founding of the PRC. At that time, we were in a stage of transition from new democracy to socialism. Under the leadership of the CPC, the Chinese people seized the state power and established the people's democratic dictatorship, led by the working class and based on the alliance of workers and peasants. However, the socialist social system had not yet been set up. The major tasks of the Chinese people were to further consolidate and develop the people's democratic system and to realize socialist industrialization and the socialist transformation of individual farming, the handicrafts and capitalist industry and commerce step by step by relying on this state system. All these matters were fully reflected in the 1954 constitution. At that time, Comrade Mao Zedong said: "This constitution of ours is a socialist-type constitution but is still not yet a socialist constitution in the full sense. It is a constitution for the transitional period." This remark summarized the characteristics of the 1954 constitution quite well. As the first constitution after the founding of the PRC, the 1954 constitution summed up the long years of experience of the Chinese revolution, affirmed the socialist component parts and defined the orientation of building socialism. It was of immediate significance not only at that time but many of its basic principles and basic institutions were also of long-term

significance to our country. Therefore, it can become the foundation for us today to revise the constitution.

China's socialist transformation of the private ownership of the means of production was basically completed in 1956. Since then, the stage for all-round socialist construction has begun. On the one hand, major achievements were scored and rich experiences were gained in China's economic and political construction and educational, scientific and cultural undertakings, and on the other hand, for quite a long time, grave mistakes were committed. In regard to the work of the party and the state, we failed for 20 years to conscientiously and unswervingly shift the work onto the course which takes economic construction as its center. This was an extremely profound lesson. The aim of revolution is, of course, to liberate the productive forces. Overthrowing the rule of the reactionaries, establishing the state's power of the people's democratic dictatorship, eliminating the exploitative system and setting up the socialist system are all aimed at removing the obstacles of the development of productive forces. When the obstacles are basically removed, the contradiction between the increasingly growing demand by the people for material goods and culture and the backward social production will naturally become the principal contradiction which China has to solve; and in addition, concentrating our efforts on developing the social productive forces and carrying out the socialist modernization program with economic construction as the center should naturally become the main task of the people throughout the nation and the focus of work of the party and the state; and all other types of work, including the class struggle which is carried out in accordance with actual conditions, should center on and serve this main task. We have taken a long roundabout path because of the failure to correctly understand and solve this problem, both in theory and practice, and even committed the grave error of the "Great Cultural Revolution," an error comprehensive in magnitude and protracted in duration. It was precisely at this stage, when we took a roundabout course and committed errors, that the 1975 constitution was promulgated. It reflected China's extremely abnormal political life during the "Great Cultural Revolution." The basic characteristics of this constitution were to affirm the theory on the "basic line," which took class struggle as the key link, and on the theory of "continued revolution under the dictatorship of the proletariat" in a form of fundamental law, and affirm the practice of the "Great Cultural Revolution." As a result, the central task of carrying out economic construction and developing the productive forces was squeezed to a much less important position.

The 1978 constitution was formulated shortly after the smashing of the Jiang Qing counterrevolutionary clique. Owing to historical conditions and cognitive restrictions, no fundamental changes were made in the 1975 constitution (nor in the serious shortcomings).

The 3d Plenary Session of the 11th CPC Central Committee held in December 1978 put an end to the course that hovered about erroneous theories and practice and began the new historical stage which took socialist modernization and the building of a high level of civilization and democracy as the

fundamental task. It was only after several years of bringing order out of chaos since the 3d Plenary Session of the 11th CPC Central Committee, after the comprehensive and profound summarization of the basic historical experience since the founding of the PRC--a summarization made at the 6th Plenary Session of the 11th CPC Central Committee and in the situation in which not only the focus of work of the party and the state has been resolutely shifted to socialist modernization program but also many major reforms have been made in fields such as the systems of economy, politics and state leadership--that it is possible for our country to draw up a draft of the revised constitution as we have today.

In short, since the founding of the PRC, we have gone through three stages and promulgated four constitutions: the 1954 constitution, which correctly embodied the characteristics and tasks during the transitional period; the 1975 and 1978 constitutions, which reflected the faults and errors in our guiding ideology; and the new constitution, which is now under discussion among the entire people and will be adopted this year, a constitution which correctly embodies the characteristics and tasks of the new historical stage. History has taken a zigzag road. Our constitutions are its record.

Today we have gradually embarked on a new and victorious broad road. A road which is clear, definite and correct is stipulated in the draft of the revised constitution which is now under discussion. The basic characteristics of this draft of the revised constitution are as follows: First, it clearly defines the fundamental task of the Chinese people during the new historical stage and the bases, conditions and guarantee for fulfilling this task. The stipulations concerning the various fields, such as the tasks and principles of the economic and political systems and education, science and culture should center around and serve this fundamental task. The fundamental task of the new historical stage is both the center of our present work and our long-term goal of struggle. Therefore, the various stipulations of the draft of the revised constitution should be suited to China's current actual conditions on the one hand and should take China's relatively long-term development prospects into account. The principal contradiction and fundamental task of the new historical stage will not change for a considerably long historical period. The new constitution which correctly reflects this contradiction and task will also certainly contain the characteristic of long-term stability. Second, it has correctly and profoundly summed up historical experience. This draft of the revised constitution was promulgated after we had traversed a long course of historical twists and turns. Therefore it is a crystallization of historical experience. For example, regarding the fundamental task of socialist construction, the adherence to the four basic principles, the strengthening of the building of socialist democracy and socialist legality, the ensuring of the basic rights of citizens and of the inseparability of their rights from their duties, the safeguarding of social order and the state's laws and discipline, the reforms of the systems of economy, politics and state leadership and so on, it is impossible to formulate them in such a practical and concrete way. It is also impossible for the people to have such a profound understanding of them in a time when

the socialist transformation was just basically completed and without the following 20-odd years of experiences, both positive and negative, and particularly without the lesson of the "Great Cultural Revolution." That is to say, the valuable experience for which hundreds and millions of people have paid a high price have now become a long-term constitution for running the country well and giving the people peace and security. Third, it continues to affirm the correct principles and systems since the founding of the PRC in a new sense. This draft has inherited and developed the basic principles of the 1954 constitution and reserved and reinstated many of its stipulations which are still suited to present conditions. However, this draft has enriched and developed the contents of the 1954 constitution rather than a simple reservation and revival of the 1954 constitution. For example, the stipulation of the draft on the people's democratic dictatorship led by the working class and based on the alliance of workers and peasants is largely the same as that of the 1954 constitution, but owing to the tremendous changes in the class situation in China's society over the past 20-odd years, its content has been considerably changed. Some of the stipulations concerning the system of people's congresses and the basic freedoms and rights of citizens are also basically and even completely the resurrection or revival of the clauses concerned of the 1954 constitution, but with 20 years and more of experiences full of complications, its meaning and the way the people understand it are entirely different from what it was in those years. It is precisely as one case and is the same motto for life. Its meaning is not at all identical, like the understanding between a juvenile who has not seen much of the world and an adult who has experienced the hardships of life. The draft of the revised constitution shows that the country and the people are becoming increasingly more mature in the course of building socialism.

The Basic Contents of the Draft

By the so-called basic contents, we mean, of course, the several important contents which are related to the characteristics and fundamental task of the new stage rather than the whole contents and stipulations. They are mainly as follows:

1. On the Socialist Economic System and Economic Construction

The socialist system is the basic system of the PRC. Its basis is the socialist economic system, that is, the socialist relations of production. When we say that the socialist system is an advanced system and has tremendous superiority, this is first because when compared with the old-time relations of production, the socialist relations of production are more commensurate with the nature of the development of productive forces. Over the 30-odd years since the founding of the PRC, although we failed to bring this superiority of the socialist economic system into full play, owing to lack of experience and committing repeated errors, there still have been innumerable facts proving its superiority and vitality. Upholding and unceasingly perfecting the socialist economic system is an important guarantee for us to win victory in the socialist modernization program. As the fundamental law of the state, the constitution must contain clear

and definite stipulations on the socialist economic system and the principles and policies of the economic construction which are related to the socialist economic system.

The draft of the revised constitution on the socialist economy contains the most concrete and detailed clauses of all the previous constitutions since the founding of the PRC. From Article 6 to Article 19 of the "General Principles," there are 14 stipulations on the socialist economic system and the principles and policies of economic construction. These clauses are a summary of the 30-odd years of experiences and lessons and a record of the positive achievements of bringing order out of chaos and of the reforms of the economic system since the 3d Plenary Session of the 11th CPC Central Committee.

Usually, when we talk about the socialist economic system we first refer to the aspect of the basic principles of this system, such as the public ownership of the means of production, the distribution of the personal means of subsistence according to work done, the planned economy and so on. All the socialist countries during the whole socialist historical stage are the same in this respect. However, because of the difference in the various socioeconomic conditions, and particularly in the situation of the development of productive forces, the socialist economic system in different countries or in different historical stages of a country must have different concrete forms which are manifested in the various concrete systems and policies. To uphold the socialist economic system and give full play to the superiority of the socialist system, we must proceed from actual conditions and in light of the situation and requirements of the development of productive forces, create the concrete economic systems which are suited to the development of productive forces and carry out the principles and policies which are commensurate with the development of productive forces, and in addition, with the development of productive forces and the changes in the situation, we must constantly transform and perfect these concrete systems and policies. In reviewing the "leftist" errors we committed in our previous economic construction, we found that they were by and large related to the failure to correctly understand and solve this problem. For example, we imagined a set of fixed development patterns of the socialist relations of production by deviating from the actual conditions of the development of China's productive forces and we held that the larger the scale of public ownership, the more advanced its superiority would be; we imposed excessively rigid control on planning and management; in economic construction, we overlooked the principle of doing things in light of actual conditions and within the limits of our own capabilities; in economic activities with other countries, we one-sidedly understood the principle of self-reliance and thus emerged a situation in which the country was closed to international relations. Such circumstances were the results of the ossified and oversimplified understanding of the socialist economic system and economic construction, deviating from China's reality and violating the principle that the relations of production must correspond to the situation and requirements of the development of productive forces. Of course, while correcting these "leftist" errors, if we have doubts and take a wavering attitude toward the basic socialist economic

system, for example, the public ownership of the means of production, the planned economy and the centralized and unified leadership of the state over the national economy and so on, our attitude is similarly quite wrong. Historical experience tells us that on the question of the socialist economic system and economic construction, it is necessary to integrate well the universal theory of Marxism with the concrete practice of the Chinese revolution and to integrate the principle of adhering to the basic socialist system with the flexibility of adopting various forms and methods in accordance with actual conditions. Since the 3d Plenary Session of the 11th CPC Central Committee, our party and state have carried out a policy of domestically revitalizing the economy and internationally opening up the door to other countries, reformed the economic system and readjusted the principles and policies of economic construction. The aim of all this is to solve the question of this "integration" and to discover appropriate forms and a correct path which uphold the socialist road and develop the socialist economy under the present conditions of our country.

The achievements gained both in understanding and practice in this respect since the 3d Plenary Session of the 11th CPC Central Committee have been fully absorbed in the draft of the revised constitution. First, on the question of the ownership system of the means of production, on the one hand, it holds that the basis of the socialist economic system is the state sector of the economy, that is, the economy under the ownership system owned by the whole people, is the "dominant force in the national economy" and that the various forms of the cooperative economy in the countryside and the cities and towns constitute a socialist sector of the economy collectively owned by the working people. In particular, an additional special clause is added, which stipulates in a relatively clear manner that mineral resources, water, forests, mountains, grasslands, underdeveloped lands, beaches and other natural resources, seas and land, are owned by the state or are collectively owned, thus ensuring the nature of the socialist public ownership of these basic and important means of production; at the same time, it clearly affirms the principle of "socialist public property shall be sacred and inviolable," and in accordance with this principle, it stipulates many concrete regulations in the clauses concerned. On the other hand, it still affirms that the various forms of the collective ownership system are in the cities and the countryside, that the individual economy of the urban and rural working people, within limits prescribed by law, is a complement to the socialist sector of the economy owned by the public, that the right of the peasants who are members of organizations of the rural collective economy to farm plots of agricultural and hilly land, engage in household sideline production and keep livestock for their own needs and affirms the various forms of the socialist responsibility system in operations and management, and so on. Second, on the question of the planning and management of the national economy, it clearly stipulates that the principle of "the state plans of the national economy on the basis of socialist public ownership" should be upheld, and at the same time, while affirming the supplementary role of regulation by market mechanism, it stipulates that "the state ensures the proportionate and coordinated development of the national economy through the comprehensive balancing of economic plans, with regulation by market mechanism as a

subsidiary." In regard to state-run enterprises and collective economic organizations, in accordance with their different conditions, on the one hand, the draft separately stipulates that they should submit to the unified leadership of the state, carry out the state plan or accept the planning and guidance of the state and abide by the laws concerned, and on the other hand, it respectively stipulates the different forms of decisionmaking power gained by the two types of enterprises and the different forms of power of democratic management enjoyed by the working people of the enterprises. Third, on the question of the principles and policies of economic construction, it stipulates the aim and means of socialist production and the relationship between accumulation and consumption and between the state, the collective and the individual, and it affirms the principle of gradually improving the livelihood of the people on the basis of the development of production. Fourth, in accordance with the principle of developing the economic and technical cooperation with other countries on the condition of achieving independence and self-reliance through rejuvenation, an additional clause for permitting foreign enterprises or foreign individuals to invest in China or carry out various forms of economic cooperation in accordance with the provisions of state laws is stipulated in the draft, and so on. All this briefly records the achievements and orientation of the reforms of the economic system and the principles and policies of economic construction since the 3d Plenary Session of the 11th CPC Central Committee in the form of succinct and precise legal articles and thus embodies the integration of principle and flexibility. There are still many concrete problems concerning the economic system and economic policies which demand further exploration and solutions but the basic form and path have been clearly defined. It is of tremendous and long-term significance to the development of China's socialist economy to affirm them in the form of the fundamental law of the state.

2. On the Building of Socialist Spiritual Civilization

The development of civilization always includes material and spiritual aspects. Socialist construction undertakings similarly embrace two aspects: One is to develop the economy and create increasingly sophisticated conditions for material production and more and more material products and the other is to develop culture and enhance the ideological and moral levels. After the socialist system has been established, it is wrong not to place economic construction as the central task of the people all over the country; however, when the focus of the work of the state has been shifted to modern economic construction, it will also be wrong not to concurrently put the building of socialist spiritual civilization in an important position. This is because without the building of spiritual civilization, the people will be ignorant and backward and unable to free themselves from the old ideas and old habits which were shaped under the exploitative system and the private ownership of the means of production. This being the case, it is obvious that it is impossible to accomplish socialist modernization and also build a highly advanced material civilization. Furthermore, as a new social system, socialism must raise the socialist and communist political consciousness and moral level of the entire people and establish a new-type relationship between man and man in

light of new ideas rather than confining itself to establish new-type economic ties and improving material living conditions. The socialist system was, as it should be, founded under the guidance of advanced and scientific ideology, and the continued advance of socialist society will surely be achieved under the guidance of this advanced ideology, and moreover this advanced ideology should be gradually spread among the whole body of the members of society. Otherwise, the socialist system cannot possibly develop healthily and there may even emerge a phenomenon of shrinkage and retrogression in this respect. Therefore, the building of socialist spiritual civilization is a question of fundamental importance concerning the consolidation and development of the socialist system. The constitution during the new historical period has to work out principled stipulations from various aspects on this question.

There are two main aspects in the draft of the revised constitution regarding the contents of spiritual civilization: One is to develop socialist education, science, public health and various cultural undertakings and the other is to encourage social virtues and educate the people on the ideas and ethics of communism.

Article 20 in the "General Principles" stipulates in principle the development of such undertakings as education, science and culture. In particular, the following clear stipulations have been drawn up concerning the educational system and tasks: 1) Universalize primary education and wipe out illiteracy. This is the prerequisite for raising the whole nation's scientific and cultural level. 2) Develop secondary, vocational and higher education. This involves the question of establishing a rational educational structure and helping education suit itself to the requirements of scientific and cultural development and the modernization program. 3) Promote political, cultural, scientific, technical and professional education among the workers, peasants and other working people (Article 41 still stipulates that necessary vocational training should be provided to citizens who have not yet been assigned work). This is the education for adult working people who are at their posts. It has a bearing on the constant improvement of the political and technical quality of people who are capable of full-time labor in industry, agriculture and various other trades. 4) Promote the spoken Han language for wide use throughout the country to facilitate the development of cultural and educational work. This is of tremendous significance to the cultural exchange of the various regions and various nationalities all over the country and also one of the basic measures for increasing the scientific and cultural level of the people throughout the nation. The above-mentioned matters are all extremely important work which should be undertaken for a long period and conscientiously carried out. Developing educational undertakings is the basis for the whole cultural construction. Doing a good job in this type of work is of great strategic significance to improving the cultural quality of the whole nation, to raising the quality of labor of the entire working people and to the balanced development of the country's cultural undertakings and the unity and prosperity of the country.

Article 22 of the draft is a stipulation concerning one important aspect of socialist spiritual civilization--political consciousness and ideas and ethics. This article embraces three contents: One is to promote the virtues of love for the motherland, the people, labor, science and socialism. Listing "loving five things, that is, the motherland, the people, labor, science and socialism," which the state promotes as social virtues, into the constitution means determining the common codes of conduct for all citizens. The other is to educate the people in the ideas and ethics of patriotism, collectivism, internationalism and communism. This education serves as the consolidation and development of the socialist system which takes the public ownership of the means of production as the foundation and serves as the core of building socialist spiritual civilization. Still another is to oppose the influence of capitalist ideas, the remaining feudal ideas and other decadent ideology. The building of socialist spiritual civilization is not carried out in a vacuum. Putting forth the task of such ideological struggle in light of China's domestic conditions and international conditions is the important guarantee for building socialist spiritual civilization. In short, the three tasks which complement each other and are stipulated in the draft are the program for building socialist spiritual civilization in the field of education in ideas and ethics.

The draft has not only formulated programmatic stipulations on the building of spiritual civilization but also concretely stipulated the legal codes and moral standards which should be followed by the whole citizens in the clauses concerned. For example, they concern the matters of the principle that socialist public property shall be sacred and inviolable and the various concrete stipulations related to it; of work being a glorious duty of every able-bodied citizen and the due attitude toward labor which the working people should hold; of the principle that all citizens are equal before the law and the various concrete stipulations on equality between different nationalities, between man and woman and between citizens' rights and duties; of the stipulations that the state functionaries and armed forces must serve the people; that the state and society take care of and train young people and children, give help to citizens who are old, ill or lost their abilities to work, ensure the livelihood of the disabled members of the armed forces and help arrange for the livelihood and education of handicapped persons; of the requirements for citizens to observe work discipline, observe public order and respect social ethics and beneficial customs and habits; of the stipulations that marriage, the family, the mother and the child should be protected, that children have the duty to support their parents and that maltreatment of old people, women and children is prohibited; of the sacred duties of citizens to be duty-bound to safeguard the unity of the country and the unity of all nationalities and to safeguard the security, honor and the interests of the motherland and to defend the motherland and resist aggression. All this is a new-type relationship between man and man and a code of conduct which are both based on the socialist system of public ownership. The aim of establishing this relationship and carrying out this code of conduct is to enable the people throughout the country to become disciplined socialist citizens with ideas and virtues. Putting these stipulations into the fundamental law of the

state is first aimed naturally at establishing the people's socialist political relationship and legal standards and at the same time aimed at establishing the people's socialist ideological belief and moral standards. This is because the stipulations in the constitution concerning the new-type relationship between man and man which a socialist society should have are not only manifested in concrete systems and laws but also should go deep into the people's ideology and life and become the codes of conduct which the people should abide by. In order to suit the requirements of the modernization program and to perfect the socialist system during the new stage, such concrete and clear and definite stipulations on the building of spiritual civilization have been formulated. This is a naked characteristic of this draft of the revised constitution.

3. On the Building of a Highly Democratic Socialist Political System

The socialist system is not only an economic system but also a political system. The socialist political system which corresponds to the socialist public ownership of the means of production and under which the entire people enjoy in a political sense the supreme power to administer the affairs of the country means the system of the people's democratic dictatorship. Building a highly democratic socialist political system is the guarantee for accomplishing socialist modernization and building spiritual and material civilizations. Because the socialist cause is an undertaking by the whole people, only when we realize in a political sense a high level of democracy and practice centralism on the basis of a highly advanced democracy, can we ensure the political situation of long-term stability, bring the enthusiasm of the broad masses for socialism into full play, make a tremendous united force and ensure the smooth development of socialist construction. At the same time, realizing a high degree of democracy and fully ensuring the entire people's right of being the masters of the country and the legal freedoms and rights of individual citizens themselves are also some of the important goals of the Chinese people for building socialism. Therefore, formulating systematic stipulations on highly advanced socialist democracy in a way ranging from principle to concrete system is a fundamental requirement of the revision of the constitution.

Highly advanced socialist democracy includes two meanings: On the one hand, in terms of the nature of the state system, socialist democracy, that is, the people's democratic dictatorship, indicates the entire people's ruling position and their position of being the masters of the country. This is a democracy in which the entire people are the masters of the country and for this reason, it is a democracy of a higher degree compared with that of the bourgeoisie. On the other hand, in terms of the various democratic systems and democratic life under socialism, we are now far from sufficient in this respect and achieving highly advanced democracy still requires a course of long-term development. For this reason, we take the realization of a highly advanced democracy as an important task of building socialism. The two meanings we have talked about here are, in fact, the state system and political system of a socialist country. These two meanings are inter-related. Without overthrowing the rule of the reactionary classes and

establishing the people's democratic dictatorship led by the working class, highly advanced democracy is out of the question and any allegations, such as "the majority of the people decide" and "the minority should submit to the majority," are nothing but empty talk. So the state power under the people's democratic dictatorship is the prerequisite for achieving highly advanced socialist democracy. However, after the people's democratic dictatorship is established, if the building of the highly democratic political system is not strengthened according to democratic centralism and the perfect socialist legality of this system is not displayed, it will be impossible to fully ensure that the entire people can exercise their right of being the masters of the country. Therefore, strengthening the building of democracy and the legal system is an important condition for upholding the people's democratic dictatorship. Our previous lessons lie in the serious neglect of the building of various socialist democratic systems and the legal system. This is precisely one of the important reasons why the "Great Cultural Revolution" could come into being. Since the 3d Plenary Session of the 11th CPC Central Committee, while summing up historical experiences and lessons, our party has once again stressed the importance of realizing highly advanced socialist democracy, and over the years, it has done a lot of work in the reforms of the country's political and leadership systems and in the building of the democratic and legal systems, thus enabling China's socialist democracy to revive and greatly develop.

The profound understanding of realizing highly advanced socialist democracy, which we gained from historical experience, and the advances which we achieved in the building of democracy and the legal system find expression in a centralized way in the clauses of this draft of the revised constitution. In the "Preamble" of the constitution, the draft takes the building of a modern socialist country with a high level of democracy and culture as the fundamental task of the people throughout the country in the days to come. Article 1 through Article 5 of the "General Principles" stipulate the fundamental principles of our country's political system, including the state system of the people's democratic dictatorship and the system of people's congresses, which are organized according to democratic centralism. The stipulations in the chapter on the "Fundamental Rights and Duties of Citizens" concerning the freedoms and democratic rights of citizens are derived from the principles of socialist democracy, which are included in the "General Principles." The chapter on "The Structure of the State" is the objective of China's socialist political system--the system of people's congresses. These stipulations stress from many angles the building of socialist democracy and socialist legal system. First, in order to conscientiously ensure that the people can really exercise state power, the chapter strengthens the building of the state organs at the various levels, in particular the building of the system of people's congresses in accordance with the principle of democratic centralism, such as strengthening the functions and powers of the National People's Congress and its Standing Committee; restoring the post of the state chairman; establishing the Central Military Commission, which is responsible to the NPC; raising the work efficiency of the administrative organizations; enlarging the functions and powers of the State Council and practicing the premier-minister responsibility system; strengthening the functions and powers of

the local people's congresses at the various levels, and so on. All this will enable the state organs to better represent the interests and will of the people and better serve the people and to effectively lead and organize socialist construction. Second, in accordance with the principle of socialist democracy, the chapter concretely stipulates the various basic rights and duties of citizens and establishes the social political relationship between man and man and between the individual citizens on the one hand and the state and society on the other; restores, increases and substantiates the clauses on the citizens' rights of democracy and freedoms; establishes the principle that all citizens are equal before the law and stipulates that no organization or individual shall enjoy privileges that transcend the constitution and the law; establishes the principle that the rights of citizens are inseparable from their duties, stipulates the duties every citizen should observe and that when exercising their freedoms and rights, citizens must not infringe upon the interests of the state, society and the collective and other legal freedoms and rights of citizens. This provides legal bases to correctly handle the relationship between democracy and centralism, between freedom and discipline and between rights and duties in accordance with the principle of democracy. Third, except for the exercising of state power through people's congresses, the chapter on the "General Principles" stipulates that "the people have the right to administer the affairs of the country and its economic, cultural and social affairs, according to the provisions of the law, through various channels and in various forms." In keeping with this, separate stipulations are made on the right of citizens to make criticisms of and proposals to any state organ or any department therein and on their rights to supervise; the right of workers in the state-run enterprises and in units of the collective economy, urban or rural, to take part in or exercise democratic management, and of the right of the residents in urban and rural areas to practice autonomy of a mass character, and so on. This enlarges socialist democracy in the various fields, such as the political, economic, cultural and social life of the people all over the country. Fourth, the principles of socialist legality are established. The chapter on the "General Principles" clearly stipulates that "the state upholds the uniformity and dignity of the socialist legal system" and "all state organs and people's armed forces, all political parties and public organizations and all enterprises must abide by the constitution and the law." This provides a constitutional and legal guarantee for the institutionalization of socialist democracy. The new constitution itself is the supreme legal basis for the institutionalization and legalization of social democracy. It will play a tremendous role in building the socialist political system with a high level of democracy.

CSO: 4004/47

STRENGTHEN THE GREAT UNITY OF ALL NATIONALITIES

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 26-31

[Article by Ismail Amat]

[Text] The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" approved by the party's sixth plenary session pointed out: "It is of profound significance to our multinational country to improve socialist relations among our various nationalities and strengthen national unity." More than 30 years' history in Xinjiang has proved that, under the leadership of the CPC Central Committee, people of all nationalities should strengthen unity and march in unison in the great socialist family of the motherland. This constitutes an important guarantee for the cause of opposing hegemonism, consolidating the unification of the motherland, promoting the common prosperity of the various nationalities and smoothly carrying out the socialist modernization program.

I

Our great motherland has been a multinational state since ancient times. The Chinese nation, including Han and other minority nationalities, is an entity. Although in history splits and disunity have occurred on many occasions among the various nationalities, they have been only temporary phenomena while unification has always been the main aspect of China's historical development. Chinese history of the past thousands of years is one of founding and defending the motherland by the people of various nationalities who are interdependent and are inseparable from one another. It is a history of the people of various nationalities who live in compact societies and who get along well with, and help, one another. Xinjiang, like all other minority nationality autonomous regions in our country, is an integral part of the great motherland. As early as 2,000 years ago, the Western Han dynasty exercised its sovereignty over Xinjiang by setting up administrative organs. In the past 2,000 years and more, the people of various nationalities in Xinjiang and the Han people have drawn on each other's experiences in politics, economics and culture. This has vigorously promoted economic development and enriched the cultural treasure house of the motherland. In the course of historical developments, the various minority nationalities have introduced from the Han region advanced production tools and techniques and thus promoted the economic and cultural

development of the border region. The Han people have also introduced from the minority nationalities particular strains of crops and cultivation techniques nonexistent in many areas of the central plains and thus promoted the agricultural development of the central plains. The people of Xinjiang consist of 13 nationalities including the Uygur, Han, Kazak, Monggol, Hui, Kirgiz, Xibo and Tazik. They have been working hard to build up and defend this beautiful and richly endowed border region of the motherland. Many outstanding political, military, scientific and literary and artistic personages from various nationalities in Xinjiang have made great efforts to safeguard the unification of the motherland and the unity of all nationalities and, with their outstanding talents, greatly contributed to the higher education and culture of the motherland. A large number of artifacts that have been uncovered in Xinjiang over the years, such as ancient books, documents, contracts, letters and inscriptions on tombs, bear witness to the historical fact that, since ancient times, the people of various nationalities in Xinjiang have closely united with, and got along well with, the Han people.

In the struggles against imperialism and feudalism, the people of all nationalities in Xinjiang were united as one and fought side by side. They fought heroically and unremittingly against invaders from czarist Russia and the feudal rule of the Qing dynasty and performed many moving deeds. The common cause of defending territorial integrity and national unity against national split and exploitation and oppression by the reactionary ruling classes have bound the people of all nationalities tightly together. They depend on one another for survival and are inseparable. Especially during the new democratic revolution, the people of all nationalities in Xinjiang, under the leadership of the CPC, set off a mighty revolutionary movement. As early as 1933, the CPC successively sent party members to Xinjiang to engage in revolutionary work. In 1939, it again sent Comrade Chen Tanqiu, a member of the CPC Central Committee, to serve as a party representative in Xinjiang. Together with Mao Zemin and many other comrades, he spread Marxism-Leninism-Mao Zedong Thought in Xinjiang and pointed out to the people of all nationalities the correct way to revolutionary struggle. With their outstanding work, the Chinese communists in Xinjiang managed to awaken the people of all nationalities who had suffered for a long time under the reactionary rule of the warlords and the KMT. The revolution that broke out in the three prefectures of Ili, Tacheng and Altay in the autumn of 1944 dealt a telling blow to the KMT reactionary rule. This was an integral part of the people's democratic revolution throughout the country. Exemplary communists, including Comrades Chen Tanqiu, Mao Zemin, Lin Jilu and Qiao Guozhen remained staunch and indomitable in the enemy's prison and were murdered in cold blood. They dedicated their precious lives to the revolutionary cause of all nationalities in Xinjiang. Their revolutionary spirit of complete dedication and wholehearted service to the people of all nationalities in Xinjiang will always be remembered by the people in Xinjiang.

In the early postliberation period, in accordance with Comrade Mao Zedong's instructions on marching into Xinjiang, stationing troops to open up the wasteland and defend the border and doing more good for the people of all

nationalities, Comrades Wang Zhen and Wang Enmao marched into Xinjiang at the head of their troops. A large number of Han cadres enthusiastically answered the call of the CPC Central Committee and Comrade Mao Zedong and came to Xinjiang from various localities thousands of li away. Later, the CPC Central Committee again transferred and dispatched a large number of cadres and scientific and technical personnel of the Han nationality to Xinjiang. Most of these Han cadres, whether they came at an earlier or later date, were diligent and conscientious in serving the people of all nationalities in Xinjiang. Shouldering heavy responsibilities on various fronts, they modestly learned from the cadres and masses of minority nationalities, conscientiously implemented the party's policy toward nationalities, respected the customs and habits of minority nationalities, were as dear to the minority nationality cadres as members of their family and fought side by side with them. They have done a lot of good deeds for the people of all nationalities and have made tremendous contributions in the great struggle to defend and build up the border region. Many veteran cadres working in Xinjiang, who had experienced the agrarian revolution, the 25,000-li Long March, the war of resistance against Japan and the liberation war and who had gone through all kinds of hardships and difficulties by fighting north and south on many fronts, consistently keep and carry forward the glorious traditions of hard work and plain living and the Nanniwan spirit and devote all their energy to the cause of building up the border region. They are cadres with relatively high political consciousness, with a work style of arduous struggle, with practical experience in building up the border region and with rich experience in national work. They are familiar with Xinjiang's natural conditions and have a profound feeling for the people of minority nationalities. They have set an example for the cadres of various nationalities to learn from. In the protracted struggle to build up and defend the border region, not only have they painstakingly and loyally led the people of various nationalities in overcoming difficulties and winning fresh victories in both construction and revolution, they have also, with a high degree of political enthusiasm and patience, helped a large number of minority nationality cadres to reach maturity. At present, quite a few minority nationality cadres who are in leading positions in the various departments of our region, including myself, have grown up with the solicitude and cultivation of the party and with the help of Han cadres. According to statistics, in 1949 there were only more than 3,000 minority nationality cadres throughout the region, but in 1981, the number increased by 51.95 times, to more than 158,800 minority nationality cadres throughout the region. In 1950 there were only 460 professional and technical cadres of minority nationalities throughout the region, but, in 1981, there were more than 44,700 persons, an increase of 96.17 times. With the education of the party, the numerous minority nationality cadres have gradually heightened their political consciousness, working ability and cultural and technical levels. They love the party, the motherland and socialism, are familiar with the past and present conditions of their nationalities, understand the sentiments, habits and special characteristics of the people of minority nationalities and have a close link with the masses of people in the localities. These cadres include veteran comrades from the revolution in Ili, Tacheng and Altay and middle-aged and young cadres who grew up after liberation in the course of

revolution and construction. At their own respective posts, they study assiduously, work hard and maintain close links with the masses, thus winning the praise of the party and the people of the various nationalities. In the difficult years of pioneering work in production and construction, the minority nationality cadres throughout the region, along with the Han cadres, shared weal and woe. They supported and made allowances for each other and, united as one, marched forward hand in hand. The growth of many Han cadres is also inseparable from the enthusiastic help of minority nationality cadres.

Facts have fully proved that since the existence of recorded history, Xinjiang has always been a component part of the history of our motherland. Over the years, the minority nationalities and Han people in Xinjiang have been working and fighting in this beautiful and richly endowed land. Han people have helped the minority nationalities; the minority nationalities have also helped Han people.

Bound by a common cause, the various nationalities are as close as flesh and blood and live amicably and inseparably together like members of one family. We must certainly cherish the glorious history of the motherland and inherit and carry forward the glorious traditions of unity and friendship among all nationalities.

II

In his article "Certain Questions in China's Policy Toward Nationalities," Comrade Zhou Enlai pointed out: "Our socialist state is aimed at modernizing all fraternal nationality regions and autonomous regions. The modernization of the whole country must be achieved in an all-round way. We should have this spirit, a spirit of genuine equality and friendship in this great family of nationalities. We should not let the backward areas remain backward forever. If we do, we are creating inequality; and, this is a mistake." Strengthening the great unity of the people of all nationalities is precisely the requirement for realizing socialist modernization.

The motherland's modernization program is closely linked with the common prosperity of various nationalities. The social and economic structures of the various nationalities in our country are extremely uneven in their development. Generally speaking, economy and culture develop quite speedily in the Han region while in the outlying regions where the minority nationalities live in compact communities, due to some natural conditions and historical causes, the social, economic and cultural developments are rather slow. Without the leadership and help of the party and state and without the vigorous support of fraternal provinces, municipalities and autonomous regions in manpower and in material and financial resources, it would be impossible for the nationalities which are rather backward politically, economically and culturally to speedily get rid of their backwardness and catch up with the advanced regions. This has been proved in the past and will continue to be proved in the future.

In the past 30 years and more, the cadres and masses of various nationalities in Xinjiang, with the solicitude of the CPC Central Committee and the support of relevant state departments and fraternal provinces, municipalities and autonomous regions, have made common efforts and engaged in arduous struggle. They have achieved great successes in various undertakings, bringing about earthshaking changes to the north and south of the Tianshan Mountains. In the early postliberation period, the region had only a dozen or so small, poorly equipped factories or workshops and access to the region was very difficult. Now, relatively modern industrial enterprises--including iron and steel, machine building, coal, power, petroleum, chemical, cement, nonferrous metal, textile, paper and sugar making--have been built. We are more than self-sufficient in some products. We have not only supported the state and some fraternal provinces and regions but also sold products abroad. In 1981, the region's total industrial output value was 45.25 times the 1949 figure; total output value of agriculture and animal husbandry was 5.33 times the 1949 figure. Of these, total grain output was 4.6 times the figure of the early postliberation period while the number of livestock was 2.72 times the figure of the early postliberation period. The region's industrial and agricultural output value is increasing at an average progressive rate of 7.8 percent every year. The communications network, consisting of railways, highways and civil aviation, links up all parts of the region. With the development in production, financial revenue has constantly increased. Cultural, educational, sanitation, scientific and technological undertakings are thriving and the material and cultural life of the people of various nationalities has greatly improved compared with the early postliberation period. Before liberation there was only 1 small college with 185 students; now the region has 12 universities and colleges with nearly 8,000 minority nationality students. The number of secondary and primary school pupils has increased still more. In 1949 there were only 48 small hospitals while now the region has 903 hospitals, 17.8 times the 1949 figure. Scientific research institutes and technological departments can be found all over the region and a large number of middle and high-level scientific and technical personnel of various nationalities are emerging on various fronts. However, we should also soberly note that although we have achieved great successes and attained fairly great developments in the economic and cultural construction of our region, we still lag far behind the advanced fraternal provinces and regions. We still fall short of the requirements of the four modernizations by a greater margin. These facts conclusively show that in developing and building up Xinjiang, not only did we need in the past the strong leadership and vigorous support of the state and the enthusiastic help of the cadres and scientific and technical personnel of fraternal nationalities in the hinterland, but we also need them now and shall still need them in the future.

Naturally, help between various nationalities in our country has always been mutual. The minority nationalities need the help of Han people and vice versa. This has been decided by the interests of the party, state and nation and the long-range goal of communism. Achieving socialist modernization is the common goal of struggle for the people of all nationalities. This constitutes a basis for further strengthening the

great unity of the people of all nationalities. The minority nationalities in our country have relatively sparse population but they are scattered over vast regions. There are abundant resources and hidden treasures in these regions. Due to different weather and natural conditions, there are great varieties of agricultural crops that can be developed and we enjoy exceptional advantages in some products. In animal husbandry, all the five great natural pasture grounds in our country are situated in the minority nationality regions, where there are also abundant forestry resources. There is still a greater potential for developing mineral resources. Xinjiang is a valuable place where there is vast territory and abundant resources and where development and construction is urgently needed. It also plays an important role in promoting the four modernizations of the motherland. The four modernizations desperately need the active support and participation of the people of all nationalities. Only by making concerted efforts and making up for each other's deficiencies will it be possible for the people of all nationalities to build a modern socialist motherland and achieve common prosperity for the people of all nationalities. The cadres and masses of our various nationalities must proceed from the viewpoint that the four modernizations program has a direct bearing on the fundamental interests of the people of all nationalities and conscientiously safeguard and strengthen the great unity among the various nationalities.

Xinjiang is an important strategic place for national defense in the western part of our country. The CPC Central Committee and the leading comrades of the central authorities have issued a series of important instructions on work in Xinjiang. A very important aspect of these instructions is that, in thinking and working, the cadres and masses of all nationalities should proceed from the overall situation of unity against hegemonism and of strengthening border defense, and strengthen unity between the army and the government and unity between the army and people in order to genuinely build Xinjiang into a powerful fighting force.

In the protracted struggle of building and defending the border region and in the struggle to oppose the aggressive, subversive and sabotage activities of hegemonism, the people and cadres of all nationalities, the staff and workers of the production and construction corps, police cadres and militia-men unite closely and fight side by side with the commanders and fighters of the PLA units stationed in Xinjiang. They are as close as fish and water and have cemented ties of deep friendship. The people of all nationalities in Xinjiang will always remember the difficult years in the early post-liberation period when the PLA units stationed in Xinjiang, carrying forward the glorious traditions of being a fighting force, working force and production force, suppressed bandits, opposed local despots and engaged in democratic reforms together with the cadres and masses of minority nationalities; they developed production by opening up wasteland and carrying out farming; they lived frugally and set up iron and steel, textile, machine building and many other factories through self-reliance, thus laying a foundation for Xinjiang's industrial construction. In the socialist revolution and construction period, the commanders and fighters of the PLA units stationed in Xinjiang, carrying forward the revolutionary spirit of "fearing neither hardship nor death," facing blizzards, eating in the

wind and sleeping in the dew, have guarded the frontiers of the motherland with high vigilance. They have strengthened the army-civilian joint defense and helped the people with their production. Wherever conditions are the hardest and most dangerous, there you are sure to find the people's own army. They have done a lot of good deeds for the people of all nationalities and managed to foil the hegemonists' scheme of aggression; they leave no opening for a handful of foreign and domestic enemies to exploit. The people's army love the people and the people love the liberation army. In the past 30 years and more, the cadres and masses of all nationalities in Xinjiang have regarded the difficulties of the people's own army as their own and, in manpower and material resources, have actively helped the PLA successfully fulfill the tasks of defending and building up the border area. Now, whether in the rural areas or grasslands, whether in the army barracks or at sentry posts, the stories of supporting the army and cherishing the people and of unity between the army and people and between the army and government are being widely circulated. The western frontier defense of the motherland is more consolidated and the wall of army-civilian joint defense is indestructible.

Comrade Mao Zedong said: "One of the reasons why the imperialists dared to bully China in the past was because the various nationalities in China were disunited. However, this era has passed forever. Since the founding of the PRC, the various nationalities in China have united into a great family of friendship and cooperation. This is sufficient to vanquish any imperialist aggression and to build our motherland into a prosperous and powerful country." Now, the hegemonists are threatening our country and are employing various means to carry out subversive and sabotage activities in Xinjiang in a vain attempt to split our country. A handful of domestic enemies are also engaged in the criminal activities of undermining national unity and splitting the unification of the motherland by every possible means. The people of all nationalities in Xinjiang, cadres at various levels, commanders and fighters of PLA units stationed in Xinjiang, the staff and workers of the production and construction corps, police cadres and the militiamen should greatly heighten their vigilance against the enemy. The more the enemies fear our unity, the more closely should we unite. We should also make all preparations and struggle against foreign and domestic, overt and covert enemies that undermine our national unity and split the unification of the motherland. We should guard well the western gate of the motherland with one heart and one mind and achieve a still greater victory in building and defending the border region.

In Xinjiang, both historical experiences and the tasks confronting us demand that, in considering every problem and doing any work, we must attach great importance to national unity. All our tasks must be subservient to unity, which constitutes an overall situation. If we neglect or forget this overall situation, we will be committing a big mistake.

The key to strengthening unity among all nationalities lies in the correct implementation of the nationalities policy of the party and in the consolidation and strengthening of regional national autonomy. The party's policy on regional national autonomy is the party's basic policy for solving

national problems. In the course of long history, the Han people and the minority nationalities as well as the various minority nationalities themselves have lived and mixed in compact communities. Most of the minority nationalities live in small compact communities over vast regions. Therefore, in most autonomous regions, the "nationalities that practice autonomy" do not command a majority. This is a special feature of the regional national autonomy in our country and is particularly advantageous to the development of socialist national relationship. Our country's policy on regional national autonomy has affirmed the rights of the minority nationalities to become the masters of their own affairs. It ensures that the various minority nationality regions, under the unified leadership of the central authorities and the leading bodies at a higher level, have the right to modify the policies of the party and the state to suit their special conditions. Efforts should be made to help these regions develop their own economy and culture, to respect the minority written and spoken languages, customs and habits, to train and select cadres from among minority people and to bring their role into full play. However, this policy should not be misunderstood to mean that the Han cadres are not needed or that cultural, educational, scientific and technical personnel and masses of the Han nationality are not needed. It should be pointed out that, due to serious interference and sabotage by Lin Biao and the "gang of four," some people have a vague idea of the party's policy toward nationalities. Especially among the large number of youths that have grown up recently, we have not conducted a good education on the Marxist viewpoint on nationalities and the party's policy toward nationalities. This merits our particular attention. To this end, we should conscientiously and frequently conduct publicity and education among the minority cadres on the party's policy toward nationalities and on national unity so that the minority cadres can penetratingly study Marxist national theory and foster a Marxist viewpoint on nationalities. It is necessary to improve party work style and strengthen party spirit. In order to do a good job of inner-party democracy and promote, through this, the great unity of the people of all nationalities, it is necessary to wage struggles, through criticism and self-criticism, particularly through opposing and rectifying the erroneous tendencies and national prejudice within the party on the national question, against the ideas and acts that run counter to the party's national policy and the principles of party spirit.

Comrade Hu Yaobang once pointed out: The Han cadres and cadres of minority nationalities should be united. They cannot be divorced from each other. Our cadres of all nationalities, especially leading cadres at various levels, must set examples with their own conduct and take the lead in promoting unity among cadres and the masses of all nationalities. Both Han cadres and cadres of other nationalities should not say anything harmful or do anything detrimental to unity. Criticism and self-criticism must be held often among cadres of all nationalities and heart-to-heart talks must be encouraged among them so that they will be really able to have mutual affinity, show utter devotion toward each other, and value the interests of the party and the people above everything else. In handling problems involving relations between nationalities, we must be firmly convinced that the great majority of cadres and the masses of every nationality uphold the

leadership of the party, love the socialist motherland and safeguard national unity. Those who disrupt national unity and whip up national split are only a few bad elements. We should never waver in this firm conviction. If the conviction wavers, we will commit dreadful mistakes. In viewing any dispute or problem between one or two individuals of Han nationality and a minority nationality, cadres of all nationalities must make a concrete analysis in line with the spirit of seeking truth from facts. A problem should be determined by its real nature. The problems of a certain person should not involve others. Problems of one individual should not be termed as a problem of one nationality. Bad elements who provoke incidents and disturbances and disrupt national unity must be dealt with according to law and must be handled strictly regardless of nationality. A solid unity among people of all nationalities can be ensured only when ideology is unified, relations improved and unity strengthened among cadres of all nationalities. This has been repeatedly proved by practice and the experience of many localities and departments in our region.

In order to further enhance unity among the people of all nationalities, the regional CPC committee and people's government have called on the party organizations and government departments at all levels to attach primary importance to cementing the unity of all nationalities, especially the unity of cadres of all nationalities. Leading cadres at all levels should pay attention to the work on national unity while giving instructions for assigning work of other fields, and while examining and summing up work of other fields. In places like our Xinjiang, relations among nationalities and unity should be considered as major criteria in measuring the work in one district, one department and one unit and the work of one leading cadre. Safeguarding national unity should be considered as one of the essential aspects while assessing and promoting cadres of all nationalities. We must make further efforts to implement the policies of the party and thoroughly redress all unjust verdicts, false charges and mishandled cases so as to properly handle all pending problems. National unity should be taken as one of the important aspects in building spiritual civilization. Education on the policy toward nationalities and national unity should be once again stressed extensively and penetratingly throughout the region. It should spread into every department and every unit of the party, government, military, civilian and educational organizations. Courses on policy toward nationalities and national unity should be established in kindergartens, primary schools, middle schools and universities. The party's policy toward nationalities should be made known to every household, striking root in the hearts of the people. Departments in charge of historical science, literature and art, press, publication, radio and television should make much of national unity, publicize the great significance of enhancing national unity, building and safeguarding the frontier region and commend stirring deeds relating to national unity and unity between the army and the people so that a new situation in which everybody pays attention to and safeguards national unity will appear.

Engels once pointed out: "Only the proletarians can cease the state of estrangement among all nationalities, and only the awakening proletariat can foster fraternal affection among all nationalities." ("Collected Works

of Marx and Engels," Vol 2, p 666) Before liberation, national oppression existed in China; but all nationalities were also oppressed by imperialism, so they were oppressed nations too. As a result of imperialist aggression and oppression, all Chinese nations came to realize from their common sufferings that they had to unite and struggle against imperialism and its lackeys. Through protracted struggle under the leadership of the CPC, at long last they achieved victory in revolution, with the founding of the People's Republic of China under a united flag of all nationalities and embarking on the road of socialism. The founding of new China discarded a system of national oppression which had lasted over thousands of years and opened up a new era of national equality and unity in our country. Under the leadership of the CPC, the people of all nationalities have established a new style socialist relationship of unity and friendship. Like the people of all nationalities in other provinces, municipalities and autonomous regions of our country, the people of all nationalities in Xinjiang constitute, too, a major member of the big socialist community of the motherland and share the right of equality in managing state affairs. Cadres and the masses of all nationalities in our region should greatly treasure the right. Under the leadership of the party Central Committee and under the brilliance of the light of the party's policy toward nationalities, they will work hard for enhancing national unity, safeguarding the frontier regions of the motherland and protecting the integrity of the motherland. And they will work hard for the common development and prosperity of all nationalities and for the realization of communism--a common goal of all nationalities.

CSO: 4004/47

SEVERAL PROBLEMS CONCERNING THE CURRENT RATIO BETWEEN ACCUMULATION AND CONSUMPTION

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 32-36

[Article by Chen Feizhang [7115 2431 4545] and Jiang Zhenyun [5592 2182 7189]]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee the whole party has conscientiously summed up the experiences and lessons in economic construction and clearly seen that the practice of high accumulation rate and low consumption which we adopted for years in the past should by no means be allowed to continue. The CPC and the government have adopted a series of measures and strived to solve the problems in this respect. At present, what is the ratio between accumulation and consumption? What problems remain unsolved? These questions have aroused the extensive attention and concern of the people. Here we are going to discuss our understanding of these questions.

I

In 1979, the CPC Central Committee decided to readjust the national economy. One important decision was to adjust the ratio between accumulation and consumption funds in the distribution of national income and to gradually reduce the accumulation rate. Through several years of efforts, remarkable achievements have been scored.

First, in accordance with the principle of doing things within the limits of our capabilities, we have reduced the accumulation funds, mainly the scope of capital construction and correspondingly increased the expenditure on consumption funds. In 1978, the accumulation rate had reached 36.5 percent, the third highest since the founding of the PRC following that in 1959 and 1960. After readjustment, the accumulation rate has decreased year after year and it dropped to 28.3 percent in 1981.

Second, in the distribution of accumulation funds, spending of a production nature has been gradually reduced, while spending of a nonproduction nature has been considerably increased, thus initially putting an end to the longstanding situation in which the "bones" and the "flesh" were not suited to each other. Of the total investment in capital construction in 1981, the

proportion of a production nature used for enlarging reproduction fell to 58.8 percent from 82.6 percent in 1978 and the proportion of a nonproduction nature used for satisfying the people's material and cultural needs rose from 17.4 percent to 41.2 percent. The aggregate sum of investment spent by the state on nonproduction construction in the last 3 years was equal to 140 percent of the total sum of investment spent during the decade-long "Great Cultural Revolution," or 54 percent of the total sum of investment spent during the 29 years between 1950 and 1978. Of the investment in nonproduction construction in 1981, the proportion for housing alone rose from 7.8 percent in 1979 to 25.5 percent. The aggregate sum of investment spent by the state over the last 3 years on the construction of houses in the cities and towns was 29.1 billion yuan. The floorspace of newly completed houses totaled 223 million square meters and the average annual increase was more than 74 million square meters or more than 300 percent of the total average floorspace completed annually during the 10 years of the "Great Cultural Revolution."

Third, in the distribution of production construction investment, the ratio between light and heavy industry has also been readjusted. The proportion going to light industry rose from 6.1 percent in 1978 to 10 percent in 1981, while that going to heavy industry fell from 50.9 percent to 40.3 percent.

The above-mentioned adjustment of the ratio between accumulation and consumption has improved the life of both urban and rural people remarkably in all aspects.

First, let us start with the 800 million peasants. The further implementation of the rural economic policies and the rapid development of agricultural production was the fundamental guarantee for the improved livelihood of the peasants. However, what must not be ignored is that the state has given more money to the peasants through the redistribution of national income. The rise in state purchasing prices of some farm produce and sideline products, coupled with the practice of paying more for production in excess of the quota, has cost the state 48.1 billion yuan in the last 3 years. This sum of money has become the income of the peasants. During this period, the state has still adopted the measures of reducing or remitting part of rural taxation, which cost it 7.8 billion yuan. That is to say, these two things combined have meant a gain in income of 55.9 billion yuan for the peasants, an average of 70 yuan each. According to the State Statistics Bureau's sample survey of 28 provinces, municipalities and regions, the average per capita increase in the peasants' net income added up over the last 3 years was 89 yuan, equivalent to 220 percent of the increase in income achieved during the 20 years between 1957 and 1976. Again according to a "survey of 100 villages" conducted by the former State Agricultural Commission in March this year in 27 provinces, municipalities and regions, the number of villages where the livelihood of the peasants has been improved or remarkably improved constituted 95 percent of the total.

Next, let us have a look at the living standards of the residents in cities and towns. Over the last 3 years, most staff and workers have seen their

wages rise, with some going up one grade and others up two grades. With more than 26 million people employed, the widespread implementation of the bonus system among enterprises and undertakings, and staff and workers receiving subsidies to compensate for nonstaple food price increases, the total wages of the staff and workers throughout the country in 1981 were 44 percent more than in 1978 and the average increase in the wages of the staff and workers was 25.7 percent. The average staff member or worker's wage has still registered an increase of 12 percent over the figure for 1978, after taking into account the factor that the prices for some commodities have risen in varying degrees during this period. The population which every employee had to support (excluding the employee himself) dropped from 1.06 people in 1978 to 0.77 people in 1981.

There are two pronounced indications of the improvement of the living standards of the urban and rural population. One is the substantial increase in total sales of consumer goods, with the figure for 1981 being 60.4 percent higher than in 1978. New changes have taken place in the structure of consumption. In the consumption of the families of staff and workers in cities and towns, more and more people are tending to buy medium- and high-grade commodities and durable consumer goods. By the end of 1981, every 100 staff and worker families had 58 TV sets, 70 sewing machines and 100 radios, or they increased by 320 percent, 32 percent and 61.2 percent respectively compared to 1978. In the consumption of the peasants, besides improving the quality of their food and clothing, the peasants need larger quantities of durable consumer goods. Particularly in housing, in some communes and their subdivisions with high incomes, almost every family has built a new house. According to incomplete statistics, over the last 3 years, the floorspace of housing built by commune members throughout the nation themselves was about 1.4 billion square meters. The current housing floorspace of every rural resident is, on the average, nearly 10 square meters. The other is the big increase in the amount of savings deposits. The remaining sum of the savings deposits of the urban and rural population in 1981 reached 52.4 billion yuan, an increase of 150 percent over 1978.

The above-mentioned facts have irrefutably shown that the living standards of urban and rural people have indeed improved. In addition, in the short space of 3 years, fairly big advances were made in improving the people's well-being. This was scored through the great determination and efforts exerted by the party and the government. It is also a great achievement gained in readjusting the ratio between accumulation and consumption.

II

Over the last few years, new problems concerning the ratio between accumulation and consumption have arisen which warrant attention and urgent solution. They are mainly as follows:

First, the marked improvements of the people's livelihood have been achieved under a situation in which the national income has increased limitedly. Nearly all of the newly increased national income has been used

for consumption. From 1979 to 1981, the usable amount of national income increased by 87.4 billion yuan, of which 87.1 billion yuan was spent on consumption (including the consumption of the people and of society). The growth of the consumption funds is mostly arranged by the state plan. It is entirely necessary to adjust the excessively high accumulation rate and put an end to the situation in which no improvements were ever made for many years in the people's livelihood. However, it must also be admitted that a part of the consumption funds has been increased blindly outside the targets of the state plan, which is manifested in increasing purchase prices of agricultural products sold in excess of the quota and in issuing bonuses among the enterprises in cities and towns. This has resulted in loss of control over the growth of consumption funds to a great extent. The problem now which should be taken into account is that on the one hand, the accumulation rate should be reduced rationally so as to ensure the continued increase in the level of consumption and, on the other hand, a certain growth rate of the national economy should be maintained. This requires us to raise the economic effect of accumulation funds by every possible means and to increase national revenue by a big margin.

It should be acknowledged that over the last few years, the economic effect of accumulation funds has been very poor. The national revenue created by every 100 yuan of accumulation funds has decreased year by year rather than increasing year by year, that is, it decreased from 33.7 yuan in 1978 to only 20.2 yuan in 1981. The drop in the accumulation rate has resulted in a decrease in the economic effect of accumulation funds. This has brought about new difficulties to the development of the national economy. Failure to solve this problem will interfere not only with the growth rate of the national economy but also the continued improvement of the people's standard of living.

Second, despite steady growth in production, state revenue has dropped. The method of everybody "eating in separate kitchens" practiced in the financial system, the expansion of the decisionmaking power of enterprises, the widespread implementation of the bonus system among enterprises and undertaking units and the correction of the drawbacks of excessively centralized state control over the distribution of the national income have produced marked achievements in arousing the enthusiasm of the localities, enterprises and staff and workers and rejuvenating the economy. Nevertheless, a new problem has also cropped up, that is, despite a certain growth rate maintained in the national economy year by year, state revenue has been on the decrease. Compared with 1978, in 1981, the total output value of industry and agriculture rose by 180 billion yuan (excluding the factor of price fluctuation), whereas the state's revenue decreased by 11.7 billion yuan. With the development of production, why has the state's revenue decreased? This involves a multitude of factors. But the main cause was a reduction in profits turned over to the state. The ratio of the state's revenue in the national income was 37.2 percent in 1978, which was, as it should be, on the high side. It was manifested in the relatively high degree of centralization by the state and the limited amount of reserve financial resources of local administrations and enterprises. The ratio in 1981 was only 27 percent, which seemed to be on the low side. It found expression in

the fact that the country did not have sufficient money whereas the ex-budgetary funds of local administrations, mainly the money of the enterprises, increased by a big margin roughly equal to more than half of the state revenue. In the last 2 years, the state has had to borrow money from local administrations and enterprises in order to make up financial deficits. Exploration into the proper ratio for the state's revenue in the national economy should be continued. But one thing is certain, that is, with the funds being decentralized and without money in hand, the country will accomplish nothing big or significant. It will not do to let things go on for a long time in this way. It is not a permanent solution for the country to get along by depending on borrowing money from local administrations and enterprises. The problem to which consideration should be given now is that the country should appropriately amass funds and undertake the work which should be done and what is more, be done urgently, and the work which is conducive to the overall situation but cannot be undertaken by local administrations and enterprises.

Third, all kinds of subsidies for improving the lives of urban and rural people and promoting industrial and agricultural production have been on the increase. During the 3 years from 1979 to 1981, the total amount of state subsidies reached 104.3 billion yuan, of which the amount in 1981 was 42.9 billion yuan, an increase of 170 percent over 1978. The ratio of state subsidies in the state's revenue within the same year was 14.2 percent in 1978, and in 1979, 1980 and 1981 was 25.9 percent, 32.7 percent and 42.7 percent respectively. Of state subsidies, subsidies compensating for commodity price increases come first and in 1981 reached 32 billion yuan, constituting 74.7 percent of the total amount of subsidies within the same year. According to rough statistics, at present, the number of subsidized items amounts to more than 80. Take the important ones for example, the subsidies spent on the people's livelihood, such as on the price difference between the purchase and sale of grain, edible oil, nonstaple foodstuffs, coal and industrial articles for daily use, and subsidies spent on agricultural production, subsidies for losses in marketing chemical fertilizers, farm chemicals, farm machinery, plastic films and small-sized farm implements and for the price difference in supplying diesel oil and electricity in preferential prices; the subsidies spent on industry, such as on the losses and subsidies resulting from the price difference in supplying such materials as cotton, leather, coal, bamboo and timber, and silkworm cocoons. Huge amounts of state subsidies are spent on the consumption of the people. Because of the subsidies for price differences and the reduction in, or exemption from, taxation, in 1981, subsidies to the people in urban and rural areas averaged 32 yuan per capita--a total of 31.6 billion yuan. That is to say, the improvement of the living standards of the people in our country has resulted not only from the increased income from labor and collective welfare but also from the portion of state subsidies. Without doubt, it is entirely necessary to practice state subsidies at a time when there are some latent dangers in finance and market prices. At such a time, our major task is to stabilize the economy. It constitutes a most important prerequisite and concerns the overall situation. The fact that we adhered to the method of state subsidies in the previous stage has, in fact, played a considerable role whether in stabilizing market prices,

improving the people's well-being, providing conditions for readjusting the economy or promoting the development of industrial and agricultural production. This is precisely an indication of the superiority of the socialist system of our country. The problem to which consideration should be given now is that in a situation when the economy has gradually been stabilized but state revenue has been on the decrease, with more and more money spent on various kinds of subsidies and a heavier and heavier load on the state, it is impossible for the state to amass funds for much needed construction.

All these problems have resulted from misapplying some aspects of the present economic system, from the irrationality of the pricing system, and from hastiness in adjusting accumulation and consumption rates. Above all, haphazard use of accumulation funds and economic inefficiency have been basic causes. The reform of the economic system and pricing system cannot be accomplished within a short time. Carrying out the reform without full preparations and an overall plan will lead the economy to chaos. As for the problems in the ratio between accumulation and consumption, they can be solved so long as all of us have a unified understanding of them and do a good job in achieving an overall balance and rational arrangements. So, the key to the problem lies in the fact that we should raise economic effect and put an end to waste on the one hand and the state should amass necessary funds and put them to rational use under overall arrangements on the other.

III

After the 3d Plenary Session of the 11th CPC Central Committee, in the course of correcting the "leftist" mistakes committed in economic work, some comrades in the economic theoretical circles and professional departments probed and discussed the rational limits of the ratio between accumulation and consumption. After analyzing historical experience, some departments pointed out that under normal circumstances, the proper accumulation rate was about 25 percent. In our opinion, that is suitable. Seen from the last few years of practice, it was precisely because of the reduction in the accumulation rate that the level of consumption could be raised and the people's livelihood could be considerably improved. In the future, provided we rationally arrange and use the accumulation funds well and substantially raise their economic effect, we can help develop production at a fairly rapid pace and help increase the national income considerably. This will be able to fulfill the requirements of both reducing the accumulation rate and gradually increasing the absolute amount of accumulation funds.

In a speech delivered at an important meeting, Comrade Chen Yun pointed out that one major policy of our economic work is "first, the 1 billion people must have enough to eat; second, socialist construction must be carried out." This is our guiding ideology for correctly arranging the ratio between accumulation and consumption. In accordance with this guiding ideology and in light of the actual conditions of the ratio between accumulation and consumption, at present, proper arrangements should be made for the following aspects:

First, in the distribution of national income, the ratio of the funds for redistribution amassed by the state (that is, state revenue) should be increased in order to guarantee the construction of necessary major state projects. At present, the state's revenue has not increased but the funds outside the budgeted targets of local administrations and enterprises have increased by a big margin. True, this has played a fairly great role in solving the financial difficulties of the local administrations and enterprises and in undertaking some work conducive to developing the local economy and revitalizing enterprises. However, generally speaking, there are very big contradictions in this respect. Ours is a big country with a population of 1 billion. In order to carry out the modernization program, we must have a big overall arrangement of the disposition of the productive forces anyway, and we have to undertake a batch of backbone projects which will play their part for many years and have a bearing on the national economy and the people's livelihood. The formation of a rational layout of the productive forces and the construction of large-scale projects are outside the power of local administrations and in undertaking them, it is even difficult to produce satisfactory results by depending on the joint efforts of several local administrations. They can be undertaken only by depending on the state's unified arrangements. Therefore, it is imperative for the state to appropriately amass the scattered funds and to use them in the production construction of overall importance. Of course, by the state amassing funds, we do not mean taking the old road in which excessively rigid control was imposed on everything, all financial resources were centralized in the hands of the central authorities and as a result, local administrations and enterprises did not have any power to manage their financial affairs in a flexible way; but we mean adjusting the ratio of the distribution of the interests of the state, the collective and the individual so as to ensure a relatively big increase in the portion of funds amassed by the state and give proper consideration to the needs of local administrations and enterprises rather than negating and putting an end to the measures for reforming the economic system which have been carried out in the last few years and have produced certain results, measures including the method of everybody "eating in separate kitchens" practiced in the financial system, the expansion of decisionmaking power of enterprises and the introduction of the economic responsibility system in industrial enterprises. In studying the proper ratio of the portion of funds amassed by the state, the professional departments concerned are encouraged to consult with local administrations. In giving consideration to the imbalanced development of the economies of the various regions, more care should be given to the economically backward provinces and regions and different regulations should be worked out, for different trades and enterprises. It is not suitable to impose uniformity on all trades and enterprises.

Second, strive to raise the economic effect of the use of accumulation funds. The key problem is to conscientiously readjust the work of capital construction. Judged from the situation in the last few years, funds allocated for capital construction within the state budget have been cut considerably. The number of projects arranged according to the state plan have decreased, while that of projects constructed with funds raised by local enterprises themselves and with funds from bank loans have greatly increased.

The trend in this respect is tending to get out of control. The solution to this problem is to bring the construction projects based on funds collected by local administrations and local enterprises into line with state planning, strike an overall balance and draw up overall planning for them. This will enable us to control the general scope of capital construction and at the same time, to concentrate our efforts on undertaking the projects which are most badly needed by the state at present and the projects which are preparing for the development over the next 10 years. Arranging the capital construction projects concerns not only the question of financial resources but what is more important, also the question of material resources. At any one time, the state has only a certain amount of materials. If we overextend the scope of capital construction, have no guarantee for material supply and fight a protracted war of attrition, then huge accumulation funds will stay idle in the numerous projects under construction and it will be impossible to form them into productive force so they can play their part in the production of material goods. In arranging capital construction projects in the future, we must base ourselves on the capabilities of the state's financial and material resources and on what the state urgently needs and succeed in fighting a quick battle to force a quick decision and strive to complete the project in one vigorous effort once a project is undertaken. Only in this way can we genuinely manage to shorten the construction cycles of capital construction and raise economic effect. The enthusiasm of local administrations and enterprises for carrying out capital construction should be brought into play but deviating from the needs and capabilities of the overall situation of the country will lead to blindness. We must take the whole country into account, strike an overall balance and overcome blindness so as to make the limited accumulation funds produce the most satisfactory economic effect.

Third, accumulation funds must be spent on key projects in a centralized way. At present, energy and communications are the pronounced weak links in the national economy. Owing to a strain in energy supply and in communications and transportation, many enterprises are operating below capacity and there has been a failure to give full play to the existing productive forces. Therefore, it is a pressing task to spend the accumulation funds amassed by the state in a selective way on boosting the energy and communications. The construction of energy and communications projects requires huge investments and a long construction cycle and cannot possibly provide products and service to society within a short period of time and contribute to the acceleration of the economic growth gained in recent years. However, so long as full preparations are made to concentrate funds, equipment and materials in this respect, construction cycles can surely be shortened and the construction of energy and communications projects can produce economic returns in the minimum possible time. With these bases, other branches of industry will then have conditions for rapid development. Seen in the short term or from a regional angle, using funds in a decentralized way for developing the processing industry in a big way rather than concentrating funds on energy resources and communications may ensure a relatively rapid development and produce some economic effect, but eventually this practice will be handicapped by the shortage of energy supply and transportation capacity and as a result, the already formed

productive forces will not be able to be brought into full play. In addition, this will delay the construction cycle of energy and communications and interfere with the future growth rate. We must avoid the occurrence of this situation. Of course, by concentrating funds on energy and communications construction projects, we mean striving to strengthen energy and communications--two weak links in our national economy--through 3 or 5 years of efforts by concentrating on completing the projects arranged by the annual state plan rather than attempting to undertake a considerable number of projects within a short period of time.

The construction funds collected by local administrations and enterprises themselves should also be used in a centralized way, mainly in the technical transformation of existing enterprises, and particularly in the technical transformation centered around energy conservation. In this way, it seems that no new construction projects have been undertaken and no new enterprises have been set up. However, upgrading the level of technology and equipment of existing enterprises will not only accelerate the renewal and replacement of products, increase product varieties, improve product quality, cut material consumption and alleviate the strain in energy supply but also substantially boost production output.

Fourth, measures should be taken to reduce state subsidies. At present, the total amount of state subsidies is amazing and it is justifiable to say that the number has reached the limit. In our opinion, state subsidies in the future can only be reduced rather than increased. Now one fairly practical aspect in our work is to strengthen overall reorganization of enterprises, raise economic results, quicken the pace of commodity circulation and capital turnover, reduce the losses of the enterprises which are being run at a loss or change the losses into profits, enable most of the enterprises to increase their profits and help maintain the growth of profits of enterprises or help their profit growth rate surpass the growth rate of their production. There is abundant potential in this respect. No matter whether it is industrial, communications or financial units, or whether it is rural communes and their subdivisions, they must all think about the interests of the country, reduce their dependence on state subsidies as far as possible and make greater contributions to the state.

Fifth, the improvement of the people's livelihood must be realized step by step on the basis of the development of production and the enhancement of labor productivity. With the development of production, we will have a material basis for improving the living standards of the people. Compared with the people's well-being in the past few years, the people's livelihood has been remarkably improved but the overall level of consumption is still not high. There is no doubt that the improvement of the people's livelihood must be continued. The steady improvement of the people's level of consumption will not only further arouse the enthusiasm of the broad masses of people for production but also promote the development of industrial and agricultural production and other undertakings through the growth of consumption and boost the national income. Nevertheless, there must be a

guiding principle in raising the people's level of consumption: One is to manage both to ensure the continued improvement of the people's livelihood and to carry out economic construction in light of the current national strength, and the other is to arrange the growth of the consumption funds disbursed by the state strictly in accordance with the state plan. Blindly increasing the consumption funds by deviating from the capabilities of the nation and from the arrangements of the state plan does not tally with the long-term interests of the people throughout the country.

With satisfactory solutions to the above-mentioned problems in five areas, the new problems that have cropped up in the current ratio between accumulation and consumption may possibly be solved fairly properly.

CSO: 4004/47

BE VIGILANT AGAINST THE DANGER OF A REVIVAL OF JAPANESE MILITARISM

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 37-40

[Article by RED FLAG commentator]

[Text] In the course of screening school textbooks, the Japanese Education Ministry has brazenly distorted the history of Japanese aggression and absolved the Japanese militarists of their war crimes. This incident has naturally evoked strong indignation and protests from the Chinese, Korean and other East and Southeast Asian nations. The Chinese Ministry of Foreign Affairs has made representations to the Japanese Government demanding that it assume the responsibility of correcting the mistakes made by the Japanese Education Ministry. The situation is still under review. A flood of condemnation from various countries, including public opinion in Japan, is swelling. As pointed out by many commentators, this is definitely not a simple dispute over the use of words or over the accidental mistakes made by the Japanese authorities concerned. It is a grave signal that the danger of a revival of militarism exists in Japan.

Why is the Japanese Education Ministry trying to cover up and distort historical facts?

As everybody knows, Japan entered the imperialist stage of development in the latter part of the last century and the early part of the present century. One of the basic characteristics of imperialism is external expansion, contention for colonies and spheres of influence and partition of the world. By means of wars of aggression, Japan successively annexed Taiwan and the Penghu Islands from China in 1895 and completely swallowed up Korea in 1910. Lenin, in "Imperialism, the Highest Stage of Capitalism," listed Japan with Britain, Russia, France, Germany and the United States as one of the six biggest imperialist nations. In 1914 these six possessed 92 percent of all the colonies in the world. Japan ranked fourth among them, only after Britain, France and Russia. In 1931 Japan invaded and occupied the three northwest provinces of China, and in 1933, invaded and occupied Jehol Province. In 1937 it launched the full-scale aggression against China and occupied large areas of north China, east China, the central plains and south China. In December 1941, Japan also started the Pacific war and occupied the Philippines, Malaysia, Singapore, Indonesia and Burma. In all the wars of aggression and the colonial rule which followed, the

Japanese militarists brought great suffering to the Chinese, Korean and other Southeast Asian nations. These aggressions by the Japanese militarists and their aftermaths are historical facts which have been clearly recorded in the history books and textbooks of many countries in the world.

What should be particularly pointed out is that during the war of aggression against China from the 1930's to the 1940's, the Japanese militarists committed countless inhuman crimes against the Chinese people. They burned, killed and looted everywhere they went, raped the women, carried out large-scale massacres of old and disabled people as well as women and children and committed all kinds of atrocities. In particular, they carried out an extremely brutal policy of "burn all, kill all, loot all" in the anti-Japanese base areas which were under the leadership of the CPC. In the occupied territory, they also forced Chinese workers to engage in slave labor and created many "mass graves" filled with corpses. The big Nanjing massacre, which shocked the country and the whole world, was only one of their sordid crimes. To the Chinese people who suffered deeply from the war of aggression, all these events will never be forgotten. The war of aggression launched by the Japanese militarists also exacted a heavy price from the Japanese people. As for the Japanese people, they should also always bear this lesson in mind.

In modern Chinese history, it was the lofty ideal and goal of all progressive Chinese as well as the common desire and national sentiment of millions of Chinese both at home and abroad, to completely liberate the nation from the oppression of imperialist Japan and other imperialist powers. For half a century, and particularly in the 1930's and 1940's, the Chinese people waged a heroic and indomitable struggle, despite extreme hardships and difficulties, against the Japanese invaders and wrote a glorious chapter in the annals of the world national liberation movement. During World War II, as a result of the joint efforts of the Chinese people and other peoples of the world, Japanese imperialism was defeated together with the German and Italian fascists. At that time, the Japanese Government shouldered the blame for the war and signed the surrender. Such major war criminals as Hideki Tojo and Ishine Matsui, who directed the Nanjing massacre, were tried by the International Military Tribunal and received the punishment they deserved.

It has long been a verdict of history that the Japanese militarists committed a serious crime of aggression against the Chinese, Korean and Southeast Asian people. These butchers, who massacred the people of various countries, have been locked forever in the pillory of history.

Now, the Japanese Education Ministry has distorted the history of this half century in the screening of Japanese textbooks and has denied that Japan carried out aggression against China. They have used such words as "advance into north China" to cover up the full-scale war of aggression against China which began in 1937. They actually made a counterattack and described the indiscriminate killing of Chinese civilians after the occupation of Nanjing by the Japanese invading army as the result of "provocations" caused by the resistance of Chinese soldiers and civilians.

Besides the Japanese Education Ministry, some high officials in the Japanese Government have also come forth to express support for this distortion. Among them is Yukeyasu Matsuno, head of Japan's National Land Agency, who even argued: "When Japan 'advanced' into foreign countries, it did not call its actions aggressions, and to present 'advance' as aggression is a distortion of history." According to the principles of international law generally recognized by the world, the violation of the territorial integrity and sovereignty of other countries and the act of plundering and enslaving the people of other countries by any country constitutes aggression. Moreover, is it not a fact that Japan has practiced such acts of aggression against China for almost half a century? According to the logic of certain people in Japan, aggressions and aggressors do not exist in world history, and not only should the whole history of Japanese aggression against China be completely rewritten, but the whole history of World War I should also be completely rewritten. From the attitude a person adopts toward the mistakes and crimes he committed in the past, one can see what this person will do in the future. This also applies to a country as well as to a nation. The attitude adopted toward crimes of external aggression in history has a bearing on this country and the trend of the future development of this nation. In 1972 when Chinese Premier Zhou Enlai was normalizing relations between China and Japan, he made an allegorical statement pregnant with meaning regarding the past incidents caused by the Japanese militarists' invasion of China. He said: "The invasion of China by Japanese militarists has caused great sufferings to the Chinese people, and the Japanese people have also suffered deeply. Past experience, if not forgotten, is a guide for the future. We must firmly bear in mind such experiences and lessons." The reason the human race cannot forget the past and must respect history is because they can learn from history, draw useful lessons and take warning so as not to make the same mistake as their predecessors. Therefore, we should not cover up the true picture of history and, moreover, we cannot distort history. This deliberate distortion of history to defend aggressions in history means that some day Japan will probably retrace the old footpath of militarism. The incident of the distortion of history by the Japanese Education Ministry indicates that this danger is already looming in present-day Japan.

The Japanese militarist forces suffered a crushing defeat in World War II. Since the war, the militarists have always been thinking of staging a comeback, but they have never been able to succeed because of the resolute resistance of the Japanese people and the strong opposition of the people of various Asian countries. What should be noticed is that the militarist elements have by no means vanished in Japan; there are many of them in the numerous extreme rightwing groups in the country today. These people are carrying out all kinds of activities in a bid to revive militarism and are vainly thinking of turning Japan from an economic into a great military power and reliving the old dream of the "Great East Asia Coprosperity Sphere." These people are praising the barbaric and ignorant bushido spirit, beautifying the history of Japan's external aggression, absolving the militarist ringleaders and war criminals of blame and even worshipping them as "national heroes" and praying for their souls. The film "Nai Nippon Teikou" ("The Great Japanese Empire") recently released in Japan

wantonly glorifies the war criminal Hideki Tojo and propagates the notion that Japan's launching of aggressive wars was for its own "protection" and the "liberation of Asia." According to an advertisement in NIHONG KEIZAI SHIMBUN, the purpose of the film is to "restore a historical view of the great East Asian war that is favorable to the Japanese." This has clearly explained the purpose of certain Japanese in reversing the verdict against the militarists. Cultural education is the reflection of economics and politics, and ideological opinion is the precursor of action. The distortion of history is precisely for the sake of preparing public opinion in an attempt to revive militarism and is an important manifestation of this political trend.

World War II brought unprecedented disaster to the whole of mankind, and its memory is still fresh in the minds of the people. This great war was started by the Japanese full-scale war of aggression against China. One important lesson learned from the outbreak of this great war was: When the Japanese militarists kept on expanding the scale of aggression against China, when Mussolini was carrying out a war of aggression against Abyssinia and when Hitler was embarking on such adventurist actions as intervening in the Spanish Civil War, annexing Austria and occupying Czechoslovakia, the anti-fascist countries either lacked vigilance or adopted a policy of appeasement toward the aggressors. They did not curb the danger of a world war in its germinating stage. Today the situation of the whole world and the balance between the forces of peace and war are vastly different than before. However, the danger of a world war still exists. A common urgent task facing the people and all peace-loving countries of the world at present is to curb any factor which might lead to the outbreak of a new world war and making it possible to breed or grow.

The Chinese people and government have always adopted a reasonable, magnanimous and farsighted attitude regarding the historical question of the Japanese invasion of China. We believe that China and Japan are separated by only a strip of water, that the people of both countries have a long history of friendly relations and that the Japanese aggression against China occurred under conditions which were entirely against the wishes of the Japanese people. Therefore, we have made a distinction between the Japanese people, who could not decide for themselves at that time, and the Japanese ruling class; between elements of the Japanese ruling class who did not approve of the war of aggression and the militarist forces; and between those in the Japanese Government who at that time were willing to carry out a friendly and good-neighbor policy and those in the Japanese Government who should take the blame for launching external wars of aggression in history. Japan, which has practiced external aggression in its history, owes a debt to the countries victimized by its aggression. As far as China is concerned, over 10 million people were killed by Japan's war of aggression in the 1930's and 1940's, while property damage exceeded \$50 billion. Japan, which has now become an "economic big power," should retrace its roots. Was not a considerable part of its capital and wealth in fact plundered from other countries by aggressive war and colonial rule?

From the Sino-Japanese War of 1894-1895 alone, Japan extorted from China reparations equivalent to what was then 350 million Japanese yen, and "the funds guaranteed the maintenance of the empire's armaments and the establishment of modern industry." ("History of Japan's Foreign Affairs" by Seisaburo Nobuo) Regarding the half century from the Sino-Japanese War of 1894-1895 to the end of World War II, it is even more difficult to estimate the wealth Japan looted from China, Korea and other Asian countries (including wealth created by laborers from these countries). The Chinese people do not demand that the present Japanese Government assume responsibility for the war, and, for the sake of friendship between the people of the two countries, they have also dropped the demands for reparations. However, the Chinese people and all Asian peoples who suffered from Japanese aggression have the right to demand that the present Japanese Government assume a political and moral responsibility to curb the attempts of extreme rightwing forces in Japan to revive militarism, to tell the Japanese people--and particularly the younger generation--the historical truth, and to teach them that they must never again allow Japan to become a militarist state or to launch external wars of aggression. At present, some of the people in the Japanese Government are not only unwilling to do so but, instead, are trying to distort history and glorify aggression. This is a dereliction of duty. It should be pointed out that to distort the history of Japanese aggression against China is, in essence, an extreme insult to the Chinese people. The Chinese Government has approached the Japanese Government and asked for a correction. This is the legitimate right of the aggrieved party. But some high-ranking Japanese officials, on the contrary, tried to find fault with China by saying that this is "interference in Japan's internal affairs." Their disregard for morality and justice has reached a level that is impervious to reason. However, public opinion from all walks of life in Japan has also proved that this behavior of the Japanese authorities is also intolerable to the Japanese people. Kazuo Asukada, chairman of the Japanese Socialist Party and member of the Diet, pointed out: "They attempted to play down the aggression perpetrated in the past against the Asian countries, cover up the injuries caused by the conduct of the Japanese militarists and erase such things from history. It is only natural that this tendency will evoke strong indignation among peoples of various Asian countries who were the victims of such acts of aggression." Toluma Utsunomiya, president of the Japan-China Friendship Association, said: "Pandering to the rightwing tendency, the Japanese Government attempts to use textbooks to blot out the Japanese people's self-reproach for aggression. We cannot agree to this." An editorial in YOMIURI SHIMBUN pointed out: "Over 60 percent of the people in Japan at present belong to 'the generation who do not know anything about the former war.' Therefore, the important thing is to teach them not to blot out the responsibility for the war. However, the screening (of textbooks) has done just the opposite. This cannot but be considered as a distortion of historical facts." The National Conference of the Japanese History Education Workers Association has unanimously demanded that the Education Ministry change the practice of distorting history at once. All these reflect the sentiment of the Japanese public from all walks of life who are willing to have friendly relations with the people of China and other Asian countries.

As a result of the concerted efforts of the Chinese and Japanese peoples as well as people of insight, diplomatic relations between China and Japan were normalized in 1972 and a joint statement was issued in this connection by the governments of the two countries. The treaty of peace and friendship concluded between China and Japan in 1978 affirmed that "the joint statement is the basis for the development of peaceful and friendly relations between China and Japan, and various principles indicated in the joint statement must be strictly observed."

The joint statement pointed out: "The Japanese side is keenly aware of Japan's responsibility for causing enormous damages in the past to the Chinese people through war and deeply reproaches itself." This showed the attitude of self-reproach adopted by the Japanese Government for the wars of aggression launched against China in the past. It was written as a major principle into the Sino-Japanese joint statement on the establishment of diplomatic relations and is also affirmed by the treaty of peace and friendship. It is a prerequisite for the development of peaceful and friendly relations between China and Japan. This prerequisite cannot be overthrown. To do so means to wreck the basis for the establishment of peaceful and friendly relations between the two countries. The Chinese people have all along valued the friendly relations with the Japanese people. The broad masses of Japanese people also have friendly feelings for the Chinese people. Just as pointed out by the joint statement of the two governments, "the normalization of diplomatic relations between the two countries and the development of neighborly and friendly relations between the two countries conform to the interests of the peoples of both countries and will also contribute to the easing of tension in Asia and the safeguarding of world peace." Only by solemnly accepting historical facts, respecting the political basis for the establishment of diplomatic relations between the two countries and educating the younger generation in accordance with this guideline can friendly relations between China and Japan develop and can the peoples of both countries get along as friends from generation to generation. The Japanese Government should squarely face the distortion of the history of Japanese aggression against China made by the Education Ministry in the process of screening textbooks, an affair which is damaging Sino-Japanese relations, and take practical action to defend the basis for friendly relations between the two countries by correcting this mistake. As far as the Chinese people are concerned, we are willing to work together with the Japanese people and the peoples of other Asian countries, unite with them and make joint efforts to prevent the danger of a revival of militarism.

CSO: 4004/47

CADRES' STUDY SHOULD BE ASSESSED AND EXAMINED

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 41-42

[Article by Cheng Shu [2052 5289]]

[Text] While promoting reform of the organizational structure, our party also attaches great importance to cultivating cadres. It has called for making the education of cadres a regular, constant practice and an institution. It has clearly defined targets which cadres of central party and government organizations should attain after they have been theoretically, professionally and culturally trained in the next 5 years. It has decided that a system should be set up for arranging a short-term sabbatical study for cadres after working a few years in posts, appointing and promoting cadres according to the results of their training, and checking and examining cadres' study. The formulation of the policies and systems fully shows that the party Central Committee attaches great importance and pays adequate attention to the education of cadres. It not only reflects requirements for the development of building socialist modernization, but also expresses the eager desire of vast numbers of cadres.

The great majority of cadres uphold the system of checking and examining their study. However, some cadres have doubts about the necessity and possibility of doing so. Therefore, it seems it is necessary to offer some explanations on this issue.

The system of checking and examining cadres' study constitutes part of the whole system of conducting education on cadres. Its essential contents demand that after a period of concentrated study, every cadre should be assessed and examined according to the requirements of his study plan, with marks to be kept in his file to help in making the appropriate appointment. If the study is arranged in accordance with the teaching plans, teaching outlines and subjects at the middle school, polytechnic school or college levels, comrades who pass the exams will then be able to acquire diplomas. A test system like this will help promote cadres' study and progress, and will contribute to the formation of a rank of cadres that is younger, better educated, more advanced professionally, and more revolutionized.

Cadres of the party and government organizations are leaders and organizers in the arduous struggle for the realization of socialist modernization. Their quality, level of Marxism, professional knowledge and educational level in meeting demands for building modernization have a bearing on the success or failure of our cause. All our cadres are servants of the people, doing everything on their behalf. The people call on us to do everything well with high efficiency and quality, so we must unceasingly enhance our theoretical, cultural and professional levels and work proficiency. With a view to achieving fruitful results in study, cadres should meet strict demands and abide by the system. Slackness, carelessness and perfunctoriness in the training are not allowed. Since the education of cadres has been made regularized and systematized, every one of our cadres now has the right to take a sabbatical leave for study according to a scheduled plan. And he is also bound to study a great deal in the assigned period of time. Checking, attesting or examining results of cadres' study is a normal practice. In a certain sense, it is a kind of motive power to promote the study. On the other hand, superior organizations will be able to know every cadre well from the records in his file concerning his knowledge, proficiency and marks in study and training. And thus the superior will also be able to cultivate every cadre according to his practical deeds in work and know him well enough to assign him a job and promote him commensurate with his ability. This is essential not only for the growth of every cadre but also for the formation of the whole rank of cadres.

Such a test system in cadres' study is not a new phenomenon. As early as during the war years, many cadres' schools organized by our party in various forms had strict testing systems. After the founding of the People's Republic, those who took time off to go to a worker-peasant short program high school and those who received specialized training could graduate only after formal exams. In addition, in some localities those who studied Marxist theories while still working had to have tests on a certain number of courses. In 1955, the party Central Committee issued a report submitted by the central propaganda department, demanding a system of exams for in-service cadres who studied Marxist theories in party schools or political schools. This system played an active role at that time in promoting initiative among cadres studying in these schools. Some cadres now are not used to the exam system, or have doubts about such a system. This mainly results from the protracted weakening of cadres' education work since the late 1950's, the result of an error in the party's guiding ideology. However, in recent years, more and more cadres have demanded a change in the aimless, unsystematic education of cadres, and in the lack of a relationship between cadres' training and job assignment. Under these circumstances, most cadres will accept an exam system once they realize the reasons for such a system.

It can be said that now objective conditions are mainly ripe for establishing such a test system. Such conditions are: Since the third plenary session in 1978, party committees at various levels have strengthened leadership over cadres' education work. Material conditions for cadres' education have improved. We have accumulated experience in conducting

education on cadres from massive cadres' training. We have set up bases for cadres' education on a certain scale, which can be further expanded according to the amount of cadres available for training. And we have had an experienced teaching corps which is loyal to the cause of cadres' education. In addition, the central departments concerned and local party committees at various levels have worked out the proper length of schooling and teaching plans for courses on Marxist theories, basic professional knowledge, specialized occupational knowledge, and cultural and scientific knowledge. And different curricula are being arranged to suit cadres of different scholastic backgrounds and with different needs. All these have created good conditions for practicing a test system in cadres' study.

Some comrades may worry whether exams will come as "a surprise attack" without considering the different situation of each cadre. In accordance with the spirit of the central authorities, from now on, cadres' training should be flexible enough to adapt to different aims, work requirements and different scholastic levels in theory, profession and culture. Exams should be designed to satisfy the demands of a cadre's study plan. Therefore, it is not necessary to worry about the exams. Some comrades may also worry whether the exams will be implemented as in full-time schools. It must be made known that the education of cadres is part of adult education. It is different from that of youngsters, so the method of examination should not be indiscriminately imitated on that used for the young students in full-time schools. In recent years, some methods of assessment and examination which are specially adaptable to the education of cadres have been used in some party schools and cadre schools. For example, some courses are only assessed and some must be examined. The subjects assigned for exams stress the knowledge applicable for cadres to master and use in the future, but do not aim at reciting a lesson from memory. The open-book and closed-book exam systems are both adopted. Sometimes the exams can be done by writing a report on what one has learned from the study or by drawing up a plan for solving practical problems in work with the knowledge one has acquired. The methods of examination can still be further explored and renovated by continuously summing up experience from the practice of teaching work. On the problem of exams, we must not only pay attention to the characteristics accompanying cadres' education, but must also set strict demands on them and adopt a stern attitude toward the problem.

CSO: 4004/47

WHAT CAN BE LEARNED FROM THE WESTERN EXPERIENCE IN ENTERPRISE MANAGEMENT?

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 43-45

[Article by Zhou Shulian [0719 0647 5571]; passages within slantlines published in boldface]

[Text] Editor's Note: Many readers have pointed out that in studying economic theory it is very important to relate the theory to practice and with an open mind and dynamic thinking, not only study the economics of a socialist country but also examine and draw on the experiences of capitalist countries' methods of management and administration. These ideas reflect the shared demands of a certain number of cadres and we are now publishing this article by Zhou Shulian so that our readers may examine such ideas themselves.

In the process of studying the Marxist theory of economics, we should always examine and summarize China's own experiences in enterprise management while at the same time not completely ignore, indeed we may even borrow from, some experiences in economic management gained by Western countries and thereby do everything possible to find ways of improving enterprise management.

Marx said: "All direct processes of production reflect the form of the combined processes of society and are not expressions of the isolated labors of one independent producer, but should engender both controlled and organized labor." ("Collected Works of Marx and Engels," Vol 25, p 431) Both capitalist and socialist enterprises are built on the societal foundations of production and it is in this sense that they are related. Over the years, Western countries have accumulated a wealth of experience in enterprise management, some of which is well worth our taking note of. For, as Comrade Mao Zedong pointed out: "Within the enterprises of industrially developed countries the work force is low, efficiency is high and there is an understanding of how to do business. Thus we may be able to improve on our own work by learning some of the principles and reasons behind these phenomena." ("Selected Works of Mao Zedong," Vol 5, p 287) Thus on the basis of our present need to raise the level of enterprise management in China, we must take careful note of and learn from their experiences in organizing social mass production. For example:

/We can learn from their experiences in managerial policymaking./ In order to survive and develop within constantly changing internal and external surroundings, Western enterprise has always, and indeed is increasingly, seriously examining the question of management policies. The American management expert Xi Meng [6007 5536] considers that "management means policymaking." Traditional thinking has always viewed policymaking as a very last-minute thing. Modern theorists of policymaking see it more as a process involving the gathering together of all the facts, examining them, analyzing them and making decisions and choices from a selection of all the possibilities available. They consider that it is possible to divide the process of policymaking into the following three stages: 1) The gathering together of information: involving the collection of relevant economic and technological information both inside and outside the enterprise for the purpose of analysis. 2) The drafting of a plan: drawing up all feasible plans on the basis of the information gathered in the first stage. 3) Choosing a plan: making a choice of the best plan from all the feasible ones. Thus, in the process of policymaking, the role of information is always stressed. Furthermore, policymaking theorists distinguish between finalized and nonfinalized policymaking; the former type of policymaking, involving finalization and procedure, has set patterns to follow, while the latter, nonfinalized policymaking is characterized by a lack of set rules to follow. China's socialist enterprise, by the nature of its subordination to changes in national plans, is relatively unique. It must not only have good administration but also good management. Having ignored enterprise management in the past, it is doubly important that we attach importance to it now and study and learn from the experiences of policymaking within capitalist countries' enterprise management.

/We can learn from their experience of closely linking production and sales./ In order to be competitively successful, Western enterprise not only attaches importance to production but also to sales, thereby closely linking the processes of production and circulation. The most important measures adopted within Western enterprise include: 1) Implementation of market-limited production. When an enterprise fixes its production plans it first determines the variety and amount of production according to market demands, and after this continually alters these plans in accordance with changes in the market situation. 2) Examination and study of the market situation. The enterprise either undertakes such studies itself or enlists the aid of experts in market studies and advertising agencies to carry out the studies. Such studies include examinations of purchasers, competition, the expansion capacity of the market and consumers' opinions. 3) The drawing up of market forecasts. On the basis of examinations and studies of the market situation, market forecasts are drawn up. Such forecasts include the extent of sales of specific commodities, sales areas and period of sales. Most forecasts are either annual, seasonal or monthly, while some forecasts are more long-range, sometimes 3 or even 5 years. 4) Moves to raise the quality of service and customer convenience. A great deal of importance is attached to improving the quality of the work and service performed by salesmen. In addition, the need is recognized to catch the customer's interest through sales activities, to grasp the psychology of the customer and stimulate his or her need or desire for a product, thereby encouraging the customer to

make a purchase. Emphasis is also placed on the importance of post sales service. The above experiences provide several lessons worth learning from for socialist enterprise.

/We can learn from their experiences in raising product quality and lowering production costs./ Many enterprises in Western countries make use of expert help when organizing their labor force, and in terms of saving power and raw materials, they apply scientific and technological skills as well as using advanced and sometimes imported management tools and management skills, and there are valuable lessons to be learned from the experiences of such an approach. Particularly worthy of China's attention is their experience in raising product quality and lowering production costs. The improvements in quality and management may be seen as having occurred in stages. Initially it is based on a simple examination of the situation after it has happened. Since the 1920's quality examination has been based on statistics. Learning to control the process of production leads to control of product quality. In the 1960's general quality control was developed and product design, purchasing of raw materials, production and fitting all the way up to post sales service all conformed to the set requirements for product quality. Many enterprises developed a "perfectionist movement" whereby workers were mobilized to eliminate any flaws in the work process and thus ensure a constant high quality of production. In order to bring down production costs, many Western companies have adopted an approach to production costs management known as value analysis or value engineering. The U.S. firm General Electric was an early practitioner of this scheme. In essence it involves achieving low production costs by doing one's utmost to find the simplest production methods and cheapest raw materials while not letting the quality of the end product suffer. In carrying out value analysis it is important to find out whether there is a need to use a certain type of raw material, and find out what profit can be made from it. In addition it must be ascertained whether there are any excesses in the quality of the raw materials and whether it would be possible to adopt even cheaper production methods. Furthermore one must check that there is a rational breakdown of the production costs, whether there are any cheaper prices or any better suppliers and whether the selling price is worthwhile in terms of production costs.

In Japan, the Toyota Company feels that its own achievements in this area have been "to make quality guarantees the heart of technological work" and "to make reductions in production costs the main aim of enterprises." Our socialist enterprises must therefore set up firm principles on raising quality and lowering production costs and the above experiences of Western enterprises are well worth our taking note of.

/We can learn from their experience in improving the enterprise management system and the setting up of good relations between centralization and decentralization./ Capitalist enterprise has one problem with the management system, the solution to which is often a prerequisite for the successful organization of production for the enterprise. For example, since the 1920's the United States has run centralized management systems but as enterprises gradually grew bigger, the faults of such a system became more

and more apparent with the result that some large enterprises began a system of departmentalization. Such a system has three main characteristics:

- 1) Each department is a decentralized unit with the enterprise granting the department whatever limited powers are necessary.
- 2) Each department is a unit responsible for its own profits, having defined responsibilities in terms of profits, thereby reaping the benefits in accordance with the ups and downs of the management situation.
- 3) Each department is a unit responsible for its products and hence must actively try to expand the market and put the products through market tests.

Under certain conditions the departmentalization system can be helpful in allowing a large company to accurately balance centralization and decentralization and also carry out management policy decisions. It is considered by many Western enterprises that to achieve an ideal relationship between centralization and decentralization, many factors must be taken into consideration such as the scale of the enterprise, management make-up, regional distribution, the number of management employees and their standard of work, the company history and external relations. Thus, the larger an enterprise is, the greater, in general, the need for decentralization. With a low number of management employees and low quality of work, decentralization will be harder. If a company's outside relationships change very quickly, then decentralization will be relatively simple. Certain restrictions have also been defined for the powers of decentralized departments within an enterprise. For example:

- 1) The extent and range of such powers should be related to the nature and extent of responsibility of the department.
- 2) The powers of each level of managerial departments must be clearly defined and differentiated.
- 3) The relations between each functioning department of the enterprise must be clearly laid down.
- 4) Each department only takes orders from one superior department, thereby avoiding a situation in which a subordinate department is at a loss as to what to do, having received two conflicting orders. These few ground rules should be learned by China in its move to revolutionize the economic management system and set up a system of economic responsibility.

Furthermore, /we should take note of Western enterprises' experiences in training management personnel./ In the United States of America, for example, management education is fairly well developed and not only should our Education Ministry take note of this, but our enterprises as well. In the United States many large companies train their own management personnel and, according to statistics, in 1976 U.S. companies trained 1.4 million personnel on company work time in various managerial positions, spending a total of U.S.\$43 million. Many companies have "management personnel training centers" where they train people in whatever areas of management they are needed.

In learning from the experiences of Western enterprise management what are the things that we should be most careful of?

/1. We must recognize the fundamental differences between capitalist enterprise management and socialist enterprise management./

Marx scientifically clarified the dual nature of management in that the content and style of management is restricted by production forces and production relations. Since production relations of socialism and capitalism couldn't be more different, the nature of enterprise management is different too. In terms of the content of enterprise management, capitalist enterprise management embodies capitalist exploitation. As Lenin pointed out, capitalism is predatory by nature. Capitalist enterprise management is designed to allow the capitalist to reap the greatest possible profits, while socialist enterprise management is designed to fulfill society's and every member's material and cultural needs. A socialist enterprise should also strive for greater profits because profits are the main source of financial accumulation and without such accumulation it is possible to develop production and society and satisfy the needs of the people. But we must not, on any account, copy the capitalist enterprise system and engage in speculation and profiteering, resort to deception and harm others to benefit the individual, purely for the sake of increased profits. Socialist enterprise must accord with the country's plans and it must not weaken or destroy these plans merely to achieve greater profits.

When one considers the style of enterprise management, one can see that capitalist enterprise management is extremely autocratic with all important decisions being made by the capitalists and their representatives. Today, some capitalist enterprises have set up "democratic management," but because of the emphasis on the capitalist's profits and the severe limitations of its power, it has not been able to change the basic face of capitalist enterprise management. In socialist enterprises it is essential and therefore possible to closely link scientific and democratic management. It is important that one can recognize these basic differences between the two types of management before one can take a correct stance in learning from the experiences of Western enterprise management.

/2. We cannot totally adopt and copy the experiences of capitalist enterprise management./

Lenin said the Taylor system "is a combination of the refined brutality of bourgeois exploitation and a number of the greatest scientific achievements in the field of analyzing mechanical motions during work, the elimination of superfluous and awkward motions, the elaboration of correct methods of work, the introduction of the best system of accounting and control, etc." ("Selected Works of Lenin," Vol 3, p 511) Mao Zedong also pointed out at a very early stage that "to reject out of hand all foreign science, technology and culture without analysis is not a Marxist approach, and likewise, total acceptance of all things foreign is equally unacceptable and neither of these stances will advance the cause of socialism." ("Selected Works of Mao Zedong," Vol 5, p 287) It is necessary to promote the study of scientific advances and methodology of Western enterprise management, but on no account should we simply copy and imitate. And of course, those areas of enterprise management which do not correspond with socialist concepts should not be adopted within the socialist enterprise.

/3. We should take an all-round scientific view of the Western capitalist class' theory of enterprise management./

In the case of some very soundly based theories, we must look for the possibility that the theory contains some scientific truth and in its application we must see to what extent it upholds the exploitive system of capitalism. When we are examining these theories and the feasibility of using them or ways of applying them in a system of socialist enterprise management, we must not forget our task of adhering to the socialist road. Socialist enterprise management must help develop the forces of production as well as help consolidate and develop socialist production relations.

Finally, /when we learn from the experiences of foreign enterprise management, we must base what we learn on the actual situation in China today and remember the importance of integration with the concrete conditions existing within each area and unit./

We must remember the importance of our own experiences and traditions, for, since liberation, China's socialist enterprises already have a 30-year history and if one goes back to the foundations of the revolution, then we have a history of nearly half a century. Within this time period we have amassed considerable experience in terms of enterprise management and have developed our own fine traditions. For example, from the very first days of China's socialist enterprise system, importance has been attached to ideological politics, to following the mass line and to introducing democratic management. All of these things represent our fine tradition and experience. Today, on a foundation of summarizing and popularizing China's own experiences and traditions in this field, we must make more use of the experiences of other countries and thereby gradually build up a modernized and scientific socialist enterprise system which corresponds to China's specific needs and situation.

CSO: 4004/47

WHAT IS THE DIFFERENCE BETWEEN THE URBAN YOUTHS WAITING FOR JOBS IN OUR COUNTRY AND UNEMPLOYMENT IN CAPITALIST COUNTRIES?

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 46-47

[Article by Chu Zhengkun [0443 2973 0981]]

[Text] Outwardly there are some similarities between the urban youths waiting for jobs in our country at present and unemployment in capitalist countries, and yet these two aspects are different in nature.

First, these two aspects have different origins and different natures. Unemployment is a natural product of the capitalist system. Under the capitalist system, following the development of production and the improvement of the organic formation of capital, the proportion of changeable capital in gross capital is becoming less and less with each passing day and the demand on labor force by capital is also relatively decreasing. At the same time, the supply of labor force in general will increase following the development of capitalism. The supply of labor force exceeds the needs of capital and this situation consequently gives rise to enormous unemployment. At the same time, the existence of excessive unemployment constitutes an indispensable condition for the existence and development of the capitalist mode of production. Therefore the existence of enormous unemployment forms an invisible pressure on employed workers while capitalists make use of this situation to step up their exploitation of workers. In addition, a capitalist economy is characterized by cyclical crises and during these crises a great number of workers are sacked. But on the other hand, during economic upsurges, many workers are employed again. Capitalist production needs a reserve of industrial workers that are subject to exploitation at any time. Therefore, the existence of unemployment is an objective need and a natural consequence of the capitalist system. Marx termed this situation as a relative surplus of population. That is to say, relative to the needs of the production of surplus value by capitalists, the supply of labor force exceeds demand, some workers cannot be included in the process of production and consequently they become "surplus" persons in society.

Ours is a socialist country that is based on the system of public ownership of production. The purpose of our production is to meet the increasing needs of people's material and cultural life. At the same time, socialism

practices a planned economy, and not only is the production of goods and materials carried out in a planned way, the growth of population is also put under control and these situations provide the possibility of eliminating unemployment and solving the employment of all the laborers. The present situation in which some young people in urban areas are waiting for jobs has been mainly caused by the mistakes we made over the past long period in our guiding ideology and work. We are undertaking socialist construction in a country which is poor and yet with a huge population. Therefore in order to solve the employment question, it is imperative to spare no efforts to develop production and at the same time to control the growth of population so that our population will grow according to plan. But we made "leftist" mistakes in our guiding ideology for a long period in the past and made one mistake after another in our work. On the other hand, the proportions of the national economy were seriously out of balance. As a result, the development of our economic construction was slowed down to affect our ability to absorb the newly added labor force. Furthermore, we did not pay enough attention to training laborers while our education was divorced from employment and this situation has resulted in the fact that there are some jobs with no one to do them. On the other hand, we did not pay attention to the proportionate development between the production of goods and materials and the growth of population. As a result, the development of production has been out of step with the growth of population. This is the basic reason why at present some youths in urban areas are waiting for employment to be arranged for them. With regard to ownership systems, for quite a long period in the past we only paid attention to the system of ownership by the whole people, neglected the system of ownership by the collective and squeezed and impaired the individual economy. In the industrial structure, we paid attention to heavy industry and neglected light industry, commerce and service trades.

Such irrational ownership structure and industrial structure have seriously limited the employment of the newly increased labor force in urban areas. The policy of "unified guarantee, unified arrangement" for employment that has been implemented for a long time, has resulted in a wrong understanding that only working in state-owned enterprises with an "iron rice bowl" is considered as employment and that individual operations and cooperative operations do not constitute employment. Thus the road for employment has become narrower and narrower. In fact, the situation in which part of the population in urban areas is waiting for jobs has no definite connection with the socialist system, nor is its nature that of surplus population as mentioned by Marx.

Second, the two aspects have different methods for solving problems and different prospects. Many years have passed since the bourgeoisie and their representatives declared that they would "eliminate unemployment" and "realize full employment"; but they have not done so; nor is it possible for them to do so. The bourgeoisie will be compelled to take some moderate measures and decrease unemployment to some extent only when the number of the jobless is so excessive as to cause serious social problems, large-scale strikes and to seriously threaten the capitalist politico-economic

system. But they can in no way really solve unemployment. In order to eliminate unemployment it is imperative to overthrow the capitalist system.

The current problem of waiting for jobs in our country is a temporary phenomenon that is caused by mistakes in our work. This problem can be completely resolved as long as we are able to correct our ideology, carry out correct principles and policies and display the advantages of the socialist system. Since the 3d Plenary Session of the 11th CPC Central Committee, the party and government have paid much attention to the problems of youths in urban areas waiting for jobs. Finally, a series of correct principles and policies have been implemented such as readjusting the structure of the ownership system, developing the collective economy in a big way and appropriately developing the individual economy; readjusting the industrial structure, paying attention to the development of light industry and developing commerce and service trades in a big way; readjusting employment policy and opening up more ways for arranging employment. Thanks to these policies and measures, considerable achievements have been made. From 1978 to 1981, employment has been arranged for 34 million people across the country. Many medium and small towns across the country have basically resolved the problem of employment. Of course, in order to thoroughly solve the problems of employment in our country, we must spare no effort to develop production and control the growth of population in a planned way so that the reproduction of population and labor force will accord with the development of the whole national economy.

CSO: 4004/47

WILL STRENGTHENING OF PLANNING GUIDANCE IMPAIR THE DECISIONMAKING POWER OF PRODUCTION TEAMS?

Beijing RED FLAG in Chinese No 16, 16 Aug 82 pp 47-48

[Article by Zheng Youyun [6774 1635 7189]]

[Text] Some comrades regard respecting the decisionmaking power of production teams as contradictory to the implementation of state planned guidance over agricultural production. According to their view, to respect the decisionmaking power of production teams means not to stress the importance of state planned guidance and means that production teams must be allowed to arrange production by themselves and grow however much of whatever crops they want. If stress is given to state planned guidance, the decision-making power of production teams will eventually be impaired. This view is one-sided and not correct.

The socialist economy is a planned economy that is based on the system of public ownership. Agriculture is the foundation of the national economy, therefore agricultural production and circulation must also be carried out in a planned way. Our country has a population of 1 billion, of which 800 million are peasants and therefore agricultural production occupies a particularly important position in the economic activities in our country. At present, about 80 percent of the daily necessity goods in urban and rural areas are agricultural and sideline products and goods processed from these products; about 70 percent of the raw materials that are needed by light industry are supplied by agriculture while in our foreign trade, half of the revenue from foreign exchange is gained through exports of agricultural and sideline products and goods processed from these products. In order to guarantee that the socialist economic construction can be carried out smoothly, and that agricultural and sideline products are distributed in a planned way and rationally while social needs are ensured, it is imperative for the state to keep a certain amount of agricultural and sideline products. Consequently, the production and sales of major agricultural products in various places must be included in state planning. The various departments of agricultural production such as agriculture, forestry, animal husbandry, sideline production and fisheries produce many items of their own and objectively there exist certain proportionate relations among these production departments and production items. Therefore it is necessary for the state to consider natural conditions and economic

conditions as well as the needs and possibility, and to do a good job of zoning so as to give planned guidance over the production in various places and form a rational agricultural production structure. At present, there are 6 million production teams across the country. Most of these production teams are basic accounting units. The production quotas and work quotas that are assigned by production teams to individual peasants' households are carried out individually. Therefore it is difficult for both production teams and peasant households to understand in an overall way the market situations of agricultural and sideline products and predict the development of these situations. Consequently they also need state planned guidance so that they will not carry out production blindly.

To stress the importance of agricultural production being put under the state planned guidance does not mean to abolish the decisionmaking power of production teams. By production team decisionmaking power we mean that the decisionmaking power of production teams must be put under state planned guidance. The "Resolution of the CPC Central Committee on Certain Questions in Stepping Up the Development of Agriculture" points out: "Under the premise of persisting in socialist orientation, implementing state policies, laws, and rules and regulations, and accepting state planned guidance, all the basic accounting units of the people's communes have the right to carry out farming according to their specific conditions, to decide on measures for increasing production, to decide on management methods, to distribute their own products and cash, and to oppose any unrealistic directive from any leading body or leading person." If we consider the decisionmaking power of production teams as a way to depart from state planned guidance and to permit production teams to grow whatever crops they consider profitable, apparently this view is not in line with the spirit of the decision made by the CPC Central Committee about the decisionmaking power of production teams. The state planned guidance we are talking about means following the needs of natural and economic laws, proceeding from reality and working out agricultural production plans according to specific conditions and all these accord with respecting the decisionmaking power of production teams. The state now does not generally draw up plans for the acreage of crops grown by production teams; it only defines the tasks of state purchase and assigned purchase of the major agricultural and sideline products that affect the national economy and people's life. Under the premise of respecting the state planned guidance and fulfilling the tasks of state purchase and assigned purchase, production teams have the right to arrange their own production. It is groundless to think that while we are stressing the importance of planned guidance, we do not respect the decisionmaking power of production teams.

Of course, there may appear to be contradictions between state planned guidance and the decisionmaking power of production teams. For example, by proceeding from the overall situation, the state requires that all places that are suitable for growing grain crops must grow such crops, because it is only in this way that the grain that is needed by the state can be guaranteed. This practice will also enable the places that are unsuitable for growing grain crops to undertake forestry or animal husbandry or when conditions permit, to grow industrial crops. But as the

price parity between grain crops and industrial crops has yet to be rationalized, the income from growing grain crops is lower than that from growing industrial crops. As a result, production teams are not willing to grow grain crops rather than industrial crops. Another example is that the state requires production teams to sell greater quantities of some agricultural and sideline products; but production teams consider their own intermediate interests and consequently they are reluctant to respond to such requirements. In order to solve these contradictions, it is imperative, on the one hand, to step up ideological and political work among cadres and peasants in production teams so as to help them foster the idea of "taking the whole country into account" and correctly handle the relations of interest among the state, the collective and the individual. On the other hand, while working out guiding planning, the departments concerned must step up study and investigations so that the planning may accord with reality. When there are changes in reality, the planning must accordingly be amended or measures must be taken to look after the interests of production teams and peasants so as to minimize the difficulties involved in the production teams accepting state planned guidance.

CSO: 4004/47

AQUATIC BREEDING AND THE QUESTION OF EATING

Beijing RED FLAG in Chinese No 16, 16 Aug 82 inside back cover

[Article by Xing Xiangchen [0438 3276 5256]]

[Text] Statistics showed that 60 million tons of protein is needed annually throughout the world as food for mankind; of this figure, 40 percent is animal protein. Fish is an important source of animal protein. At present, the average per capita world figure for aquatic products is 33 jin while the figure in our country is less than 10 jin, and when shells, moss and damage are deducted from this figure, the average per capita figure is just over half a jin per month. In order to solve the problem of feeding the 1 billion population in our country as soon as possible and to provide more and better protein for the urban and rural population, it is imperative to continue to develop grain production and improve the protein content of our grain crops and at the same time to spare no efforts to produce animal protein and develop animal husbandry and fishery. In developing fishery, it is imperative to further utilize and exploit the resources of ocean and hinterland waters so as to develop aquatic breeding.

The aquatic breeding industry in our country dates back a long time and has advantageous natural conditions. Our country's coastline is more than 18,000 kilometers long, with many rivers and much fertile water and therefore it is suitable for fish propagation. The area of continental-shelf fish-breeding grounds with a depth of less than 200 meters is 1.5 million square kilometers while the area of shallow sea and seashore that is suitable for manmade breeding grounds is 7.4 million mu. Our country is characterized by many rivers of various sizes and is dotted with lakes, ponds and reservoirs. The number of rivers with an area of more than 100 square kilometers each is more than 50,000. The total area of fresh water lakes is 36,000 square kilometers with the area suitable for fish breeding amounting to about 25 million mu. The number of big, medium and small reservoirs is more than 82,000 while the area suitable for fish breeding is more than 30 million mu. But of this enormous water area, only a little has been used for developing the aquatic breeding industry. For example, the utilization rate of the 75 million mu of water in the hinterland is less than 60 percent; a great amount of water surface is yet to be utilized. The output of the water surface that has been utilized is very

low. For example, the average production of water ponds is only 113 jin per mu; the average production of lakes is less than 20 jin per mu while that of reservoirs is as low as only about 12 jin per mu.

In order to supply more and better aquatic products for our people and solve the problem of "no fish to eat," it is imperative first of all to improve our understanding, step up leadership, correctly handle the relations between grain and fishery production, put the latter on the agenda and do a good job in this respect. It is necessary to follow the principle of "giving play to advantages and avoiding disadvantages," with breeding as the key and to combine breeding with catching.

Second, it is necessary to sum up the experiences of aquatic breeding in our country and to popularize advanced technology. We have many traditional breeding methods such as combining agriculture with animal husbandry and fishery to solve the problem of fodder, making use of low-priced agricultural and sideline products and their "rejects" and particularly to use grass and droppings as the main fodder for increasing aquatic products. This method is also in the interest of maintaining the ecological balance and protecting the environment. In addition, we have also created such technical measures as mixed-breeding and coupled-breeding of various species and rotational catching and breeding that are important for increasing per unit output. We must also import and popularize advanced science and technology from other countries such as net-box breeding, the warm-running-water breeding method and other new methods.

Third, readjust fishery policy and develop many forms of aquatics production. Some regions with certain conditions may concentrate their efforts on setting up a number of aquatic breeding bases. Commune members, state-owned undertakings and collective undertakings must be encouraged to carry out fish breeding in some water areas that are scattered and where it is not easy to implement unified management. Incomplete statistics from the five provinces of Hunan, Hubei, Jiangxi, Jiangsu and Guangdong show that at present, more than 1 million peasant households are undertaking fish breeding. With correct policy, this method of fish breeding will achieve better results with less investment.

Fourth, step up the building of the ranks of technicians. From the viewpoint of the whole national economy, there is a shortage of science and technology in our agriculture, but the shortage of technology in aquatic breeding is even more acute. Therefore at present it is imperative to reorganize the ranks of aquatic technicians, set up a system and adopt all sorts of methods to train a planned and organized contingent of technicians that are both Red and expert.

CSO: 4004/47

END