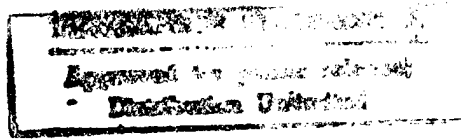


250425

JPRS 81291

16 July 1982



China Report

RED FLAG

No. 10, 16 May 1982

19980826 085



FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

1982

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 81291

16 July 1982

China Report

RED FLAG

No. 10, 16 May 1982

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

16 July 1982

CHINA REPORT

RED FLAG

No. 10, 16 May 1982

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

CONTENTS

Our Banner Is Communism (pp 2-6) (Editorial Department).....	1
Recalling a Letter by Mao Zedong (pp 7-8) (Ouyang Shan).....	9
Be an Honest Spokesman of the Masses (pp 9-12) (Wei Jianlin).....	12
On Eulogy and Exposure (pp 13-16) (Ding Zhenhai).....	18
The Four Basic Principles Represent the Fundamental Guiding Ideology in Revising the Constitution (pp 17-19) (Lin Liangqi).....	25
The People's Congress System Is Our Country's Basic Political System (pp 20-24) (Wang Shuwen).....	30
The Development of Socialist Democratic Politics Is an Important Question (pp 25-27) (Gong Yuzhi).....	39
A New Question for Study (pp 28-30) (Xu Daohe).....	45
Is an Individual Undertaking Practicing Exploitation If It Employs Assistants and Takes on Apprentices? (pp 30-31) (Dong Yancheng).....	49

Do Joint Undertakings and Individual Undertakings Mean Employment? (p 32) (Lian Cen).....	51
Can Our Country Use Deficit Budgeting To Stimulate Economic Development? (p 33) (Dai Yuanchen).....	53
A Tentative Plan of Strategic Measures for Developing Our Country's Agriculture (pp 34-38, 43) (Zhan Wu, et al.).....	55
On Spiritual Civilization and Marxism (pp 39-43) (Zhang Qihua).....	65
A New Phenomenon in Postwar Monopoly Capitalism--Development of Economic Integration (pp 44-48) (Hong Wenda, Wu Yikang).....	72

OUR BANNER IS COMMUNISM

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 2-6

[Article by Editorial Department]

[Text] Recently, the facts of numerous illegalities and crimes in the economic field have told us that we are facing a serious struggle under new conditions between capitalist ideological corruption and socialist ideological opposition to corruption. This struggle is protracted. All communists and party cadres will have to stand up to new, rigid tests repeatedly during the struggle.

The Central Committee of the Chinese Communist Party has pointed out solemnly to the whole party: We must persist in the party's policy of pursuing open policies toward foreign countries and flexible economic policies domestically to speed up our socialist modernization; while at the same time we must persist in carrying on the struggle against corrosion by bourgeois ideology and uphold the communist integrity of our party forever. All members and cadres of our party must firmly remember the fundamental aim of our party to serve the people wholeheartedly, the eventual aim of our party to realize the lofty ideal of communism, and the fundamental nature of our party as the vanguard of the working class. Should any member or cadre of the party waver on this fundamental point, he certainly has been affected by the corruptive bourgeois ideology. If he refuses to repent, he is not qualified to be a Communist Party member and is betraying the communist cause.

Communism means, in the first instance, the social system of communism, and, in the second instance, the communist movement under the guidance of the communist ideological system. We have conducted the communist movement organizationally and with political programs in China ever since the founding of the party. We have completed the task of the new democratic revolution, the task of the socialist transformation of the ownership of the means of production, begun socialist construction on a huge scale and entered a new historical period of all-round socialist modernization. We have also completed the tasks of a few historical stages in the communist movement. What we are embarking on now is no longer a communist movement in an ordinary sense, which means that the proletariat has not yet won its revolution, has not yet seized political power and has not yet become the ruling class. We are now conducting a communist movement after we have already set up a

socialist system, that is, the first stage of the communist system. We, members of the CCP and party cadres, should be proud of this.

Our tasks of revolution are far from having been accomplished. This was clearly pointed out in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC": "In firmly correcting the mistake of the so-called 'continuous revolution under the dictatorship of the proletariat,' a slogan which was advanced during the 'Great Cultural Revolution' and which called for the overthrow of one class by another, we absolutely do not mean that the tasks of the revolution have been accomplished and that there is no need to carry on revolutionary struggles with determination. Socialism aims not just at eliminating all systems of exploitation and all exploiting classes but also at greatly expanding the productive forces, improving and developing the socialist relations of production and the superstructure and, on this basis, gradually eliminating all class differences and all major social distinctions and inequalities which are chiefly due to the inadequate development of the productive forces until communism is finally realized. This is a great revolution, unprecedented in human history." While working at their posts, all party members and cadres must contribute their due share toward this great revolutionary movement.

If the communist movement is to advance continuously and to win victories, our party must conduct communist ideological education among the various nationalities of the whole country, but first of all, among party members and cadres. Party members, especially party cadres, should carry on their work with communist spirit. They should shape their words and deeds to communist thinking and morality. Some comrades maintain that we are now in a socialist society, so we should promote only socialist morality and should not promote communist morality. This is wrong. In the stage of the new democratic revolution, Comrade Mao Zedong put forth the need to publicize communist thinking and Comrade Liu Shaoqi also proposed that communists should have communist morality. Why should communist morality not be advocated in a socialist society? It is true that in a socialist society, the consumer goods should be allocated to the laborers according to the principle of from each according to his ability and to each according to his work. We must continuously implement this principle, improve it while carrying out the policies, and overcome the malady of egalitarianism. However, in implementing this principle, we do not reject the communist attitude toward labor. On the contrary, it is necessary to encourage the people to adopt this attitude. In particular, the party members and cadres should be encouraged to actively participate in voluntary, unpaid labor without fixed quotas. As a matter of fact, many members in our party, as well as many model workers and other advanced persons in our country are engaging in noble communist labor every day, every month and every year. There is no contradiction between upholding the principle of to each according to his work and advocating the communist attitude toward labor. They supplement each other. Advocating the communist attitude toward labor and the application of communist morality in handling the social relationships of various forms will not hinder the implementation of the system of to each according to his work and the implementation of the various social policies at the present stage of socialism, but will generate an indispensable force to promote such implementation. These

precious communist elements in socialist society are significant in resisting corrosion by capitalist ideology, enhancing enthusiasm and creativeness of the working people and promoting healthy development of socialist modernization.

Every member of the party joins the party voluntarily. That is, beginning with the day he takes the oath to join the party, he has pledged his determination to struggle all his life for the realization of communism and to submit consciously to the restraint of party discipline. This voluntariness includes the determination to abandon all things harmful to the interests of the party and to sacrifice his life when he is required to do so. Every party member should correctly handle the relationship between discipline and creativeness. The two coincide if observed from the communist ideological perspective. Our proletarian revolutionaries of the older generation and our martyrs set examples in many ways. Comrade Zhou Enlai was a good example. All his life he seldom acted in his own way. He did whatever the party assigned him to do, and did it assiduously. He achieved great success in what he did. Some of our comrades hold that the presentation of the four basic principles would prevent the emancipation of the mind and the development of creativeness and subsequently they did not dare to think, speak and act. For party members, the emancipation of their minds, the development of their creativeness, and their daring to think, speak and act should not deviate from the guidance of communist ideology. If we separate emancipation of the mind, creativeness and daring to think, speak and act from Marxist theory, we shall be deviating from the principled stand of Communist Party members and shall invariably sink into the quagmire of bourgeois ideology.

Historical lessons merit attention. During the "Great Cultural Revolution," the Lin Biao and Jiang Qing counterrevolutionary cliques assumed the ultra-leftist outlook, or rather, came from the ultraleft to sabotage our party's communist movement, thereby greatly impairing the nature of our party as the vanguard force of the working class and the communist integrity of our party members. Their pernicious influence is far from being completely wiped out and is corroding some people. For example, they said that "when one is in power, one will have everything." This viewpoint was very harmful. Upholding this wrong viewpoint, some people expressed the filthiest things in their innermost being by a theoretical form, so as to provide a "theoretical basis" for all their filthy activities which deviated from the principle of party spirit. Incited by this wrong viewpoint, some adventurers, speculators and dregs of society came from the top downward, from the bottom upward and from every direction to establish ties to seize power from the old revolutionaries, veteran cadres and party members. Before the "Great Cultural Revolution," some comrades inside our party sometimes showed individualism but, more often than not, they told themselves that individualism was undesirable and, therefore, dared not show it to the party organization. However, during the "Great Cultural Revolution," abetted by the Lin Biao and Jiang Qing counterrevolutionary cliques, individualism swelled to a serious extent. If I do not like the look of you, I shall shove you to the ground; it is better for me to hold power than you; my faction will take a share proportionate to its strength; I want to hold open negotiations and have a

showdown. These deeds completely bared some people's filthy innermost being. Even up to the present, some people regard anarchism and extreme individualism as something natural. They regard them with pride instead of shame. This historical lesson shows how important it is for party members and cadres to maintain their communist integrity.

Since the 3d Plenary Session of the 11th CCP Central Committee, a series of social policies have been adopted under new conditions. For instance, externally, we have introduced the open policies of taking in foreign capital, running joint ventures with foreign capital, processing materials for foreign businessmen, carrying out compensatory trade and conducting business in labor cooperation. Internally, we have adopted flexible economic policies. For example, we will permit the various forms of economic undertakings and business management to exist for a long time under the precondition of giving absolute superiority to socialist public ownership; in the countryside, we have instituted various forms of the production responsibility system, developed a diversified economy, expanded the acreage of land for personal needs and opened trade fairs; in the cities and towns, we have carried out the economic responsibility system and developed the collective economy; with regard to financial policy, the localities are allowed to "eat in separate kitchens" and the enterprises are allowed to retain a portion of their profits and restore the bonus system; and many other social policies have been adopted. Practice has proved that these policies are essential, correct and effective. We must uphold these policies and make further efforts to implement and perfect them. However, we should see that, due to domestic factors and international influence, class struggle still exists in China to a certain extent. The present campaign against serious criminal activities in the economic field is an important manifestation of class struggle in the economic field. Class enemies at home and abroad are trying by every possible means to sabotage our socialist modernization and disrupt our communist movement. The criminals who engage in smuggling, trading in smuggled goods, giving and taking bribes, speculation and cheating, and who seek private gain at public expense and take forcible possession of state property, have gone to an unbearable extent in shamelessly devising all possible means to achieve their ends. Capitalists make reckless moves in pursuit of profit; they dare to commit any crime, and even risk the gallows. What difference is there between capitalists like this and the elements in our country who commit serious crimes in the economic field? Is there any socialist road in these people's minds? Is there any communism there? Is there any patriotism? Is there any national dignity? Is there any national and personal moral character? There is not a trace of these things!

The realities at present show more clearly that it is extremely important for party members to maintain their communist integrity. To do so, they must carry out the struggle between the two fronts. They must wipe out the pernicious influence of the Lin Biao and Jiang Qing cliques and of the "leftist" ideas. They must also combat bourgeois liberalization and particularly at present combat corrosion by capitalist ideas.

We must have all-round, clear understanding about the various aspects of the corrosion of the party organizations, party members and cadres. As a whole,

the CCP is good and has combat effectiveness. During the period from the third plenary session to the sixth plenary session, we had already accomplished the historical task of setting the guiding ideology to rights, reiterated and established the Marxist ideological, political and organizational lines, formulated and carried out a series of correct principles and policies for dealing with domestic and foreign affairs and won remarkable success. The political maturity of our party Central Committee and, in particular, its Marxist leadership level shown in the socialist modernization, which has been carried out according to the national conditions, have been recognized by all outside and inside the party and have attracted worldwide attention. Our faith in this point should never waver.

However, we should also see the other aspects. First, communist ideology has weakened in varying degrees in the minds of a very few old party members and old cadres. As for some of them, their ideal of and faith in communism wavered because the party's guiding ideology had been erroneous for some time or because the state had met serious difficulties. Others were poisoned by the fallacy that "power will be invalid after the specified date" as professed by the "gang of four" so that after being reinstated, they forgot their original intention of fighting their whole lives for communism and became intent on seeking personal interests for their sons and daughters. Second, the many young party members who joined during the "Great Cultural Revolution" lacked education in the basic knowledge of communism, and some of them joined the party as speculators. These two conditions gave rise to some unsteady elements in our ranks of party members and party cadres. Corruptive bourgeois ideology can be disseminated in the party through these unsteady elements. Some of them have actually been hit by the "sugar-coated bullets" of the bourgeoisie and have taken the road to decadence and degeneracy.

At present, our party is facing many new problems and new tasks in the ideological, political and organizational fields which we have to scrutinize and solve in the light of communist ideology.

Our party has been emphasizing the emancipation of the mind since the 3d plenary session of its 11th Central Committee. Emancipation of the mind means making our thinking and understanding tally with objective reality. At that time, it was aimed mainly at shaking off the long-term yoke of "leftist" ideas, for our cause would not advance if this yoke were not removed. The profound and lasting significance of the emancipation of the mind should in no way be underestimated. At the moment, some people have not completely shaken off the yoke of "leftist" ideas. Yet it should be soberly realized that at the same time corrosion by capitalist thinking is becoming increasingly serious. This can be shown by the fact that the ideas of bourgeois liberalization have spread unchecked. The Central Committee of the party has always been explicit about the meaning of emancipation of the mind. It has been clearly elucidated and repeatedly stressed in the relevant documents of the party Central Committee and the speeches delivered by leading comrades at the central level that emancipation of the mind means seeking truth from facts. Yet, this slogan "emancipate the mind" has actually encountered boycott from the "left" and distortion from the right.

In recent years, we have been increasingly expanding our academic exchanges with foreign countries. We have absorbed good managerial experience and advanced science and technology from other countries and have gained knowledge in academic fields from the outside world that we did not have in the past. We have widened our field of vision and have broadened our mental horizon. This should be affirmed. But, we must also admit that in the course of academic exchanges, certain comrades, due to lack of thorough understanding and study, are short of scientific analysis of certain foreign things. Some people are writing articles and making speeches blindly publicizing ideas which had already been criticized by Marx, Engels, Lenin and Stalin in their times. Certain ideological trends which are in vogue in the West, such as existentialism, are viewed with much interest by some of our younger people. Some young people are indeed groping for knowledge, but in general they lack the theoretical preparation of Marxism. Because the Lin Biao and Jiang Qing counterrevolutionary cliques had left our country in a terrible state, the socialist system was damaged, the party's image was impaired and the problems which were left behind could not be solved at one blow. In this situation, the young people who lack the theoretical preparation of Marxism and do not know the histories of our party and state lost their confidence in Marxism and the socialist system. They felt that they had found a new way out once they contacted the Western ideological trends. Therefore, if we are to uphold the party's correct principles on the ideological front, we should, while criticizing "leftist" things, adopt a Marxist attitude toward certain prevalent Western ideological trends, analytically point out their rational parts and make convincing criticism against the parts which are erroneous.

The proletariat is the most revolutionary class and is the most adept in learning. We must not only study Marxism but also learn from all foreign countries the things which are useful to us. But the class and the people whom our party represents do not permit us to alter and weaken our party's nature as the vanguard force of the working class and our faith and trust in communism. They do not permit the party members to be corroded by capitalist ideology. On the contrary, they invariably demand that the party members preserve their communist integrity, that we uphold the party's fine traditions and that we persist in putting the communist thinking in a ruling position in the ideological sphere.

In the past 60 years and more, our party took a tortuous path many times and suffered defeats several times, but it continued to firmly carry out the historical tasks of the proletariat. We won countless victories but we did not stand still after winning a victory. Instead, we always marched forward to win a new victory. In his article "The Situation and Tasks in the War of Resistance Against Japan After the Fall of Shanghai and Taiyuan," Comrade Mao Zedong castigated class capitulationism and national capitulationism and pointed out that in one respect we should hold the ground we had already won, for this ground was our strategic point of departure, but our chief purpose was to extend the ground already won and to seize new ground. It is precisely in this way that our cause and communist movement have always advanced step by step toward our great ideal.

Let us read the "Report on the Review of the Program and on Changing the Name of the Party" which Lenin delivered to the Seventh Congress of the Russian Communist Party (Bolshevik). This report is of great significance to us today in upholding the ideal of communism and communist thinking. He called for making a clean break with the anarchists and with social-chauvinism in the Social Democratic Party. He said: "When the workers set up their own state they realized that the old concept of democracy--bourgeois democracy--had been surpassed in the process of the development of our revolution. We have arrived at a type of democracy that has never existed anywhere in Western Europe." ("Collected Works of Lenin," Vol 27, p 114) That was to say, he combined the resumption of the name of the Communist Party with a new type of democratic government which had been established. We have called our party the Communist Party right from its inception. We have already established a government under the people's democratic dictatorship. There are conditions and it is necessary for us to distinctively put forth the question of holding high the banner of communism in the party. The "resolution" adopted by the 6th Plenary Session of the 11th CCP Central Committee pointed out: "Our present endeavor to build a modern socialist China constitutes but one stage of this great revolution. Differing from the revolutions before the overthrow of the system of exploitation, this revolution is carried out not through fierce class confrontation and conflict, but through the strength of the socialist system itself, under leadership, step by step and in an orderly way. This revolution, which has entered the period of peaceful development, is more profound and arduous than any previous revolution and will not only take a very long historical period to accomplish but will also demand many generations of unswerving and disciplined hard work and heroic sacrifice. In this historical period of peaceful development, revolution can never be plain sailing. There are still overt and covert enemies and other saboteurs watching for opportunities to create trouble. We must maintain high revolutionary vigilance and be ready at all times to come out boldly to safeguard the interests of the revolution. In this new historical period, the entire membership of the CCP and the entire people must never cease to cherish lofty revolutionary ideals, maintain a dynamic revolutionary fighting spirit and carry China's great socialist revolution and socialist construction through to the end." We must adhere to this orientation pointed out by the "resolution"; adhering to this orientation means holding high the banner of communism.

We hold high the banner of communism and uphold the communist integrity of party members. But we certainly do not mean to immediately put into practice the policies that will come with the advanced stage of communism. In "On New Democracy," Comrade Mao Zedong said: "Beyond all doubt, now is the time to spread communist ideas more widely and put more energy into the study of Marxism-Leninism, or otherwise we shall not only be unable to lead the Chinese revolution forward to the future stage of socialism, but shall also be unable to guide the present democratic revolution to victory. However, we must keep the spreading of communist ideas and propaganda about the communist social system distinct from the practical application of the new democratic program of action; we must also keep the communist theory and method of investigating problems, undertaking research, handling work and

training cadres distinct from the new democratic line for national culture as a whole. It is undoubtedly inappropriate to mix the two up." ("Selected Works of Mao Zedong," Vol 2, p 666) The conditions at present are entirely different from those at that time. However, the principles which Mao Zedong talked about are still applicable. We are now engaging in the socialist cause. Being the first stage of communism, socialism should also be called communism. There is of course a great difference between the present socialist system and the advanced stage of communism. Moreover, we have adopted some social policies which comply with the actual situation. For example, the individual economy is permitted to exist under the condition of putting public ownership in a position of absolute superiority; the individual economy of working people is an appendage and a necessary complement to the socialist economy. These policies are not socialist in nature. For this reason, on the one hand, we should uphold communist thinking and should not turn away from it even a little bit on the ground that certain social policies have been adopted; on the other hand, we should formulate policies under the guidance of communist thinking and in accordance with the actual situation and should not immediately put into practice the policies of the advanced stage of communism just for the sake of upholding communist thinking.

In short, all our members and cadres of the Communist Party must apply communist thinking in observing and dealing with all social problems. Actual life tells us that if we approach and carry out the party's policies under the guidance of communist thinking, we shall come to conditions and results greatly different from those which we may come to if we approach and carry out the party's policies by deviating from communist thinking. To each of our party members and cadres, holding high the banner of communism means using communist thinking to guide and govern their words and deeds. Only thus will it be possible to maintain the communist integrity of our party and guarantee that our party's cause will continue to gain new developments and win new victories.

CSO: 4004/36

RECALLING A LETTER BY MAO ZEDONG

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 7-8

[Article by Ouyang Shan [2962 7122 1472]]

[Text] In April 1944, Yu Xun and I were transferred from the third department of the Central Party School to the Association of Literary and Art Circles of the border area to take up literary writing. Not long afterward, Ding Ling and Chen Ming were also transferred there. Ding Ling and I attended a conference of model collective workers of the border area. In the first coverage of what we had learned, she wrote a documentary article entitled "Tian Baolin" and I wrote a sketch entitled "Life in the New Society," both of which appeared in JIEFANG RIBAO on 30 June. We could never have anticipated that these two short articles, reflecting two short profiles of the life of actual struggle in the border area, which were so crudely written, would actually arouse the interest and attention of Comrade Mao Zedong, who at that time was shouldering the burden of leading the struggle of the whole people. After reading the articles, he immediately wrote us a congratulatory letter and also found time from his heavy schedule to meet us. This spirit of not overlooking anything no matter how trifling for the sake of the people was indeed very touching.

There is no doubt about the importance of the literary sketch. It is terse and forceful, reflects things quickly and is full of militancy as well as having a mass character. Like sketching in painting, it is a basic skill in the activity of creating literature and art which should not be underestimated by those engaged in writing. At present, some of the long, medium-length and short novels have tried their utmost to only piece together stories but have left the personalities of the characters pale and weak. One of the reasons for this is precisely the lack of this basic skill. There were a great deal of sketches during the 1930's and 1940's, and they were welcomed by the masses. Such a politician as Comrade Mao Zedong would of course advocate a certain form of literature beneficial to the people, but he might not necessarily have just had this point in mind.

As for myself, this sketch "Life in the New Society" was written in 1941 after my arrival in Yan'an. It was my first contact with the new society, the new life and the new masters--the workers, peasants, soldiers and masses led by the proletariat. At the same time, it was also my first

attempt to use a certain literary form to portray, express and reflect them. It could be described as the first tentative step, exercise or attempt since throwing myself into the heat of the new struggle. Despite the fact that the work was not mature but was very flimsy, it was nevertheless on this major road. Could it be possible that it was precisely on this point and on this point alone that Chairman Mao divided some of his valuable energy to affirm, support and encourage it? I believed that this might be closer to his original intent. In other words, what should be affirmed, supported and encouraged was not this short article itself, but a certain tendency, intent, path and orientation that it displayed. It seemed as if he had earnestly said to me: "Although you are not making much progress, your road is still correct." To have the ability to see such profound significance from such an ordinary piece of writing--how great indeed was Comrade Mao Zedong's breadth of vision!

True, in "Talks at the Yan'an Forum on Literature and Art," he brilliantly delineated a new era of serving the workers, peasants and soldiers for Chinese literature and art. This was something known to everyone. The reason he had been able to point out the orientation of serving the workers, peasants and soldiers was because this concrete fact that workers, peasants and soldiers were the masters of the new society already existed in the new society of that time. Unfortunately, not all the young writers and artists in Yan'an knew this at that time, were in touch with this fact, conscientiously recognized this fact or were moved by this fact. Therefore, they could not eliminate the feeling, which seems extremely ridiculous in today's light, of complaining of no opportunity to use their talent or blaming everyone and everything but themselves. They walked up and down the sole fountainhead of literature and art. I was also one of these young people. Naturally, after participating in the Yan'an forum on literature and art and following the great rectification movement, the situation began to change and I also started to move. No one could have anticipated that after taking the first step I would receive such serious attention and loving care. Each time I thought of Comrade Mao Zedong's letter, I felt a deep force spurring on and encouraging me. I was only afraid that I might not give a good showing or might not produce presentable works for the masters of the new society, and could not help feeling deeply ashamed.

In the last 40 years, a tremendous change has taken place in the actual life of the country. The brilliant idea presented in "Talks at the Yan'an Forum on Literature and Art" has already withstood 40 years of rigorous tests in historical practice and has been confirmed as an immense and mighty truth. At present, it has further developed from the orientation of serving the workers, peasants and soldiers to the even broader orientation of serving the people and serving socialist society.

Although there have been several setbacks in the development and prosperity of Chinese literature and art in the last 40 years, at the same time, they have also borne out the correctness of Mao Zedong's orientation for literature and art. Whenever literary and art works have been under the guidance of this correct orientation, definite achievements have been obtained. They have a certain vitality, are welcomed to a certain extent by the

people and play to a certain extent the role of pushing forward the development of actual life. On the other hand, if we adopt the erroneous "leftist" or rightist attitude of opposing, dissociating, avoiding and distorting this correct orientation, we would become devoid of accomplishments, become weak and incompetent, and would ultimately be defeated as well as spurned by the masses and ridiculed by history. The several seething struggles, reflected by such things as giving priority to the main theme, giving prominence to three things and going in for high targets, large in size and complete in everything, absolute freedom, self-expression and egotism, have all suffered ignominious defeat. All these are sufficient to prove the lamentable results of deviating from this correct orientation. Every time I think of Comrade Mao Zedong's letter, all sorts of emotions well up in my mind.

CSO: 4004/36

BE AN HONEST SPOKESMAN OF THE MASSES

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 9-12

[Article by Wei Jianlin [5898 1694 2651]]

[Text]

I

Comrade Mao Zedong's "Talks at the Yan'an Forum on Literature and Art," as a product of combining the general truth of Marxism with the literary and art practice in China, and as a scientific summation of the new literary and art movement in China and literary and art cause led by our party since the May 4 movement, deserves to be called a mature and typical work of Mao Zedong Thought on the problem of literature and art and the first programmatic document on our party's Marxist literary and art theories and policies. This article expounds and proves in a practical way the nature, tasks and orientation of literature and art in China, their social and historical characters, as well as a series of problems and policies connected with them. The great achievements of Chinese revolutionary literature and art over the past few years or so have been made under the guidance of the basic theories and principles put forth in the article.

The relationship between writers and artists and the masses occupies an important position in these basic theories and principles. Comrade Mao Zedong pointed out: We should esteem specialists because they are very valuable to our cause. "But we should tell them that no revolutionary writer or artist can do any meaningful work unless he is closely linked with the masses, gives expression to their thoughts and feelings, and serves them as a loyal spokesman." This demand put forth by Comrade Mao Zedong should become the fundamental stand and starting point of all activities of all revolutionary writers and artists.

Old China was economically and culturally backward. To carry out revolutionary struggle with the ultimate goal of communism in such a country, we need the participation of intellectuals, including writers and artists, at every stage and step. In accordance with the nature, historical tasks and guiding thought of the revolution led by the proletariat, and its profound and extensive development, we make incomparably strict demands on intellectuals. They should become common members of the masses and must be good at consciously understanding, mastering, reflecting and upholding the immediate

and long-term interests of the masses and become their faithful representatives ideologically, theoretically and morally.

More than one generation of Chinese writers and artists brought up by the "Talks" have acquired the good tradition of linking themselves closely with the masses. Taking root among the masses, mastering the orientation of literary and art creation through the people's life and struggle, deriving creative power from literature and art, and bringing the role of literature and art into full play were from the beginning important Marxist theories on literature and art. These principles have taken root in the Chinese literary and art movement since the publication of Comrade Mao Zedong's "Talks" and have been systematically, comprehensively and accurately expounded and developed into theories through this article. Over the past 40 years or so, how our writers and artists identify themselves with the masses has determined the ideological and artistic success or failure of every one of their works.

The times and social conditions in which the "Talks" was published were greatly different from those of today. The life and demands of the people and their mutual relations, feelings, ideals and aesthetic purposes have also greatly changed. Those writers and artists who are familiar with the people of the period of the new democratic revolution will not necessarily be able to create excellent works which are warmly welcomed by the people of the socialist era. Those writers and artists who are familiar with the people of the period of the "Great Cultural Revolution" will not necessarily be able to correctly reflect the charming manner and varied spiritual life of the people who are carrying out socialist modernization.

II

During the period of the "Talks" or even nowadays, we might encounter some phenomena that intentionally or unintentionally play down the importance of the masses and break away from them to varying degrees. Comrade Mao Zedong explicitly pointed out: "We must identify ourselves with the new masses without any hesitation." Since the 3d Plenary Session of the 11th CCP Central Committee, our party has resolutely corrected the "leftist" mistakes in guiding thought and hopes that writers and artists will further identify themselves with the masses of the new era. It has adopted a number of effective measures in this respect. Only by integrating with the masses can writers and artists make their ideas constantly conform to the objective reality. The more their ideas conform to objective reality, the more their ideas can represent the masses. Conversely, if the writers and artists are divorced from the masses and reality and only know some concepts from books, they will only be able to write literary works which tend to formularize and generalize even if their concepts are correct. This is because they will not be able to fuse these concepts with their experience in life. Although these works portray the lofty images of characters, it is difficult for them to affect the readers and touch their souls because they lack, after all, the rich flavor of life and artistic charm. In works like this, it is better to say that writers and artists purely regard the images of characters as a bugle call rather than to say that the writers

and artists are the faithful representatives of the masses. At the same time, if writers and artists consider themselves superior to the masses, they will go astray. For example, they will seek so-called "self-expression," which is disconnected from the process of socialist modernization and the practice of the masses. They will also completely separate popularization from the raising of standards, saying that they would rather write "Spring Snow" for a small number of people than "Song of the Rustic Poor" for the broad masses of people. They will negate the correct slogan of "going deeply among workers, peasants and soldiers" by using the argument that intellectuals have become part of the working class. They will also be content to be familiar with a small number of the masses and will be unwilling to lay a broader foundation of life. Frankly speaking, if these writers and artists do not change their minds, it will be difficult for them to become honest spokesmen of the masses.

Following are two problems that are closely related:

1. With regard to writers and artists, even if they have a wide range of life and acquire profound social and historical knowledge and are completely familiar with historical facts, the vividness of their descriptions cannot be compared with reality itself. In other words, not all people of the different classes, strata and groups of society of different ages, sex, occupation and experience can be equally depicted by writers and artists with the same ideological and artistic skills. A writer or artist might be more familiar with this or that part of the masses, or somewhat or completely unfamiliar with the rest of the people. Such instances have frequently occurred in the history of literature and art. Therefore, in accordance with their personal experiences accumulated in life, writers and artists should concentrate their efforts on describing the life of a part of the masses in one or several of their works or in a certain period or in most of the creative activities in their life. We should not blame them, because this will often become one of the conditions for establishing a unique style. In recent years, we have had a number of writers and artists who are fairly familiar with the life of workers and peasants or intellectuals. At the same time, we should also realize that if our writers and artists do not lay a broader foundation for their creative works and fail to master a certain aspect in life based on historical movements and broad social contacts, and if they remain content to "dig a well" in their personal narrow field of vision, it will be difficult to ensure that there will be an inexhaustible supply of water in their deep well and that they will successfully depict distinctive and appealing figures throbbing with the pulse of our times based on their many-sided and flesh-and-blood contacts with practical life. Under such circumstances, even if they are familiar with the subject matter of literary works, they might not be able to fully and effectively use it. Going deeply among workers, peasants and soldiers does not mean that writers and artists should not be especially familiar with a certain subject matter and that they are not allowed to depict anyone except workers, peasants or soldiers. Going deeply among workers, peasants and soldiers, first of all, means that writers and artists should think highly of the majority of laboring people in society, that they should not forget their interests and demands, and that they

should not depict other masses in an isolated way without keeping the majority of people in mind. Writers and artists should not confine themselves to a never-changing field. They should constantly open up new fields for their creations and continuously dig new and deep wells. All this should be done by writers and artists themselves. At the same time, this is also an unavoidable demand put on them by the development of the literary and art cause.

2. The common and fundamental interests of the people of various nationalities in our country are to attain the magnificent goal of socialist modernization under the leadership of the Communist Party. Our writers and artists may select this or that kind of subject matter and depict this or that segment of the masses. However, they are not allowed to abuse their freedom of creation by disregarding these fundamental interests and goals. Marxists always oppose the idea of regarding the masses as an "entity" without the slightest differences or inner contradictions and struggles. Even in the socialist society, this Marxist viewpoint is still of guiding significance. Some of the masses are advanced, and others are in an intermediate or backward state. Writers and artists should not downgrade themselves to the level of the masses who are in an intermediate or backward state. When depicting peasants, if they only take delight in talking about the selfish ideas of certain peasants or persist in appreciating the aloofness and arrogance of certain intellectuals without using literary and art means to help them raise their consciousness and make progress, these writers and artists will be far from meeting the historical demands of the broad masses of people, including the above-mentioned people.

III

There is a misunderstanding: It seems that once we stress that writers and artists must become honest spokesmen of the masses, we will, or are liable to, obliterate individual characters in their creations. This view is wrong, because people with this view fail to realize the close and dialectical relationship between the healthy and creative work of writers and artists and their status of being honest spokesmen of the masses.

All fair-minded writers and artists devoted to their work have done their best to reflect the demands of the masses of their own times and strived to create individual characters in their literary works. Their achievements and historical positions have been determined by their efforts in these two aspects. The establishment of the socialist system, the guiding position of Marxist ideology, the coincidence of the basic interests of writers, artists with those of the broadest masses of people, and the development of literary and art history itself have provided writers and artists with unprecedented and mature conditions so that they are able to combine and unify their efforts in the above-mentioned aspects of their creations. The socialist reality, the historical and creative activities of the masses for the victory of the socialist cause, and their constantly increasing and rich spiritual life have helped writers and artists to open up a vast field for the development of individual characters in artistic creation and have also put strict demands on them. The bourgeoisie has done everything

possible to slander socialism as obliterating individual characters. The "Communist Manifesto" replies to them in this way: "By individual you mean no other person than the bourgeoisie, than the middle-class owner of property." While sternly repudiating dogmatism, Comrade Mao Zedong pointed out: Marxism resolutely destroys creative moods that are feudal, bourgeois, petit-bourgeois, liberalistic, individualist, nihilist, art-for-art's sake, aristocratic, decadent or pessimistic and every other creative mood that is alien to the masses of people and to the proletariat. The tremendous constructive force of socialism and Marxism lies in its efforts to bring up new people and establish new characters, new social relationships, new moral concepts and new aesthetic objectives based on public ownership. This enables writers and artists to truly attain a solid and practical basis to develop individual characters in their creations, a scientific cognitive base and a correct historical orientation. In other words, being an honest spokesman in socialist literature and art means that writers and artists should constantly enhance their own artistic accomplishment and power of artistic revelation. By so doing, they will continuously develop and enrich the specific characters in their creations. Lenin said that oversimplified methods of repudiating individual creations and individual tastes, and mechanically advocating egalitarianism, uniformity and the practice of the minority being subordinate to the majority will eventually separate writers and artists from the masses. However, there is another aspect to the problem. In other words, we are not allowed to raise the issue of individual characters in creations if we depart from the basic principle of being an honest spokesman of the masses. A writer was correct when he said: Writers should regard themselves as the "Echo Wall" of the world and dissolve themselves in society and the masses. If they are always preoccupied with their studies and rely on the weak sparks of inspiration which they themselves have struck, their thinking will dry up and their sparks of inspiration will die out. In our times, if a writer or artist is unwilling to be an honest spokesman of the masses and madly clings to individual characters for his creations, which practice runs counter to the interests of the masses, it is unimaginable that he can create works which are recognized by society and which have an active influence on the practical life of the masses. In his "Talks," Comrade Mao Zedong failed to pay sufficient attention to the problem of individual characters in literary and art creation. This had an adverse effect on the development of literature and art during a certain period of time. However, his inference concerning the relationship between literature and art and the people's life, the relationship between popularization and the raising of standards, the problem of truthfulness and artistic quality of literature and art is very enlightening in finding a correct and overall solution to this problem. Writers and artists should become honest spokesmen of the masses. At the same time, they should develop individual characters in their creations. The organic integration of their efforts devoted to these two aspects is not only a condensation of the basic experience and lessons of the development of modern literature and art in our country but also a historical characteristic of socialist literature and art. This is where the vitality of our literature and art lies, the vitality which promotes its healthy development and increasing enrichment.

IV

We should follow the slogan that literature and art should serve the people and society, which was put forth in accordance with the spirit of the third plenary session. This slogan has been proved correct and has been wholeheartedly supported by the broad masses of writers, artists and people of the whole country. One of the substantial aspects of this slogan is that writers and artists should be honest spokesmen of the masses. In our times, the fate of the people is closely connected with socialism. Without socialism, there will be no happiness or prospects for the people. Therefore, literature and art that serve socialism also serve the people. Literature and art that serve the people can, in turn, be nothing but literature and art that serve socialism. If literary and art works depart from the socialist road, people will have a sufficient reason to discard them. If literature and art no longer serve the people, this means that their socialist nature has completely changed.

The reason we discuss the mutual relations of the two aspects of the slogan is that in practice some people have separated them to varying degrees and are not good at mastering their identity. There were some literary works which were harmful to the consolidation and development of the socialist system and ran counter to the morals and habits of socialism under the signboard of "pleading on the people's behalf." We should know that under the new historical conditions, if we depart from the socialist road, we will completely violate the interests of the people. If we put the laurel of "affinity with the people" on literary works which harm socialism, we will only distort and insult our people. Only by acquiring a Marxist world outlook and making great efforts so that their literary works conform to principle of the party spirit can writers and artists faithfully represent the people. For a long time in the past, we used the concept of "affinity with the people" in literature and art to explain certain literary and art phenomena. It was understandable for us to do so. However, we should on no account regard it as a principle of socialist literature and science. Socialist literature and art can only be guided by the Marxist world outlook and reflect the historical process in which human society will inevitably march toward socialism. This kind of literature and art is also in accord with the principle of the party spirit of working class literature and art, and is a concentrated and generalized manifestation of the advanced nature of the working class. In a socialist society, there is no such thing as an affinity with the people which departs from the party spirit or a so-called art and literature representing the people which runs counter to the party spirit. Comrade Mao Zedong said: "China's new culture at the present stage is an anti-imperialist, antifeudal culture of the masses of people under the leadership of the proletariat. Today, anything that is truly of the masses must necessarily be led by the proletariat. Whatever is under the leadership of the bourgeoisie cannot possibly be of the masses. Naturally, the same applies to the new literature and art which are part of the new culture." To serve the people, literature and art should take the standpoint of the proletariat. To socialist writers and artists who are determined to be honest spokesmen of the masses, this is the motto they should bear in mind all their life.

ON EULOGY AND EXPOSURE

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 13-16

[Article by Ding Zhenhai [0002 2182 3189]]

[Text] Eulogy and exposure in literature and art is an old problem and also a new one. The new historical situation has infused it with new content and imposed new demands on it. Correctly understanding and handling the relationship between eulogy and exposure in the course of molding our thinking on literature and art and in literary and artistic creation will play an extremely important role in bringing about greater prosperity in socialist literature and art.

Literature and art in any era and of any class is a kind of spiritual creative activity which greatly affects the social life of mankind. It performs the two social functions of eulogy and exposure. The theory of Chinese classical literature always stressed "praise" and "satire," which actually meant eulogy and exposure. Gorky said: "The nature of art is the struggle between approval and opposition. There is no, and cannot possibly be, art that is indifferent." Eulogy and exposure supplement each other, and neither is indispensable. This also applies to proletarian literature and art. Comrade Mao Zedong pointed out clearly: "All reactionary forces harmful to the people must be exposed and all revolutionary struggles of the people must be eulogized. This is the fundamental task of revolutionary writers and artists." Here, it must be pointed out emphatically that the nature and scope of the two social functions of literature and art vary greatly in different historical periods and under different social systems.

Marxists hold that the various social systems which appeared one after another in human history based their existence on certain historical conditions, and they comprised the stages of emergence, development and withering. During the period of development, there emerged some valuable literary and artistic works which mainly played the role of eulogy and conformed to the social system. However, no matter how different they were in form, the various social systems which existed in recorded history prior to the establishment of the socialist system had one basic point in common, that is, the exploitation and oppression of the majority by the minority. For this reason, even during the period of development of the social

systems, the writers and artists who sided with the exploited classes and sympathized with them would express their discontent with the times and the society through their literary and artistic creations. With the decline and decay of the system of exploitation, the function of exposure performed by literature and art became more and more important, and laying emphasis on exposure became the main stream of progressive literature and art. No matter whether the writers and artists were aware of it or not, their works objectively played the role of denouncing the things which impeded the advance of history, arousing people's discontent with the system of exploitation and the realities in society, and stimulating the people to cherish the ideas and perform the deeds of changing the realities. Therefore, they had progressive historical significance.

The conditions for literature and art are different during the socialist period. The socialist period is an unprecedented, new historical period during which exploitation has been wiped out and the people are the masters of their country. The newborn, beautiful things have occupied a more and more prominent position in daily life. The development of realities in society have opened up boundlessly wide prospects for the people. For this reason, as an important mark of progressive literature and art in the past centuries, the characteristic of being antagonistic to the times will invariably be replaced by a new type of relationship between literature and art on one side and the times on the other. As a whole, emphasis is put on eulogy and "portrayal of the bright side." This is an invariable historic change, brought about by the fundamental nature of the socialist system, to literature and art. The viewpoints which hold that "writers and poets are discontented with the times in which they live" and that in revolutionary literature and art, eulogy and exposure "are equal in proportion" and "are on a par" are undoubtedly groundless in fact and in theory. It is certainly untrue to say that the socialist society is a paradise where there is only happiness and brightness and there is no sorrow and darkness. Brightness and darkness are correlative. Lenin cited Hegels' words: "In pure brightness, as in pure darkness, you can see nothing clearly." These words explain very clearly the dialectical relationship between brightness and darkness. During the socialist period, compared with the former times, brightness and darkness have exchanged positions but there is still the dark side. Moreover, as a thoroughgoing materialist class, the proletariat should be more adept in using literature and art as a weapon to expose and denounce all decadent and backward things, so as to continuously clear its road of advance. In this sense, the party and the people affirmed the great number of revelatory works which appeared after the downfall of the "gang of four" and which portrayed the widening of the scope of the attack on rightists, the "struggle against rightist deviations" and the decade-long turmoil. Comrade Hu Qiaomu pointed out in his article entitled "Several Current Questions on the Ideological Front," that "it is natural that a great number of works on this theme have appeared in the past few years. The overwhelming majority of writers created these works out of their sense of responsibility to history and the people and out of their revolutionary fervor. On the whole, these works are beneficial and play a positive role in gaining a clear understanding of history, criticizing the 'leftist' errors, exposing the crimes of the Lin Biao and Jiang Qing counterrevolutionary cliques and portraying the brave fights put up by the party members

and the masses who took a correct stand." However, it should also be seen that the emergence of the great number of revelatory works in the past few years is only a short-lived, special historical phenomenon. The reason is that, in the long historical course of socialist revolution and construction, the widening of the scope of the attack on rightists, the mistake of the "struggle against rightist deviations" and even the decade-long turmoil and other comprehensive, long-drawn-out and grave "leftist" blunders are only short-lived episodes and backwash. They cannot change the basic fact that, on the whole, the bright side is greater than the dark side. While affirming the ideological significance and social function of these revelatory works and putting them in an appropriate historical position, we should not forget the still more important task and function of socialist literature and art, that is, "all revolutionary struggles of the people must be eulogized." Moreover, the wheel of history is rolling forward speedily. Countless facts since the 3d Plenary Session of the 11th CCP Central Committee have eloquently proved that our party has all the abilities to rely on the superiority of the socialist system and its own strength to correct the past mistakes and to get back onto the path to healthy development. The important purpose of the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" adopted by the 6th Plenary Session of the 11th CCP Central Committee was to bid farewell to the past mistakes so that the whole party and the people of the whole country would work concertedly to build their socialist country. As a matter of fact, scenes of people fighting to build a new life for themselves are being unfolded ever more vigorously and spectacularly before our writers and artists. In the face of the new situation and new prospects, if they are given excessively to sad memories and feelings of the past, their wide field of vision will be dimmed by their bewilderment and they will be unable to correctly understand and reflect the new look of the people's militant life during the new period. They will be unable to make literature and art play the glorious role as an advocate of the times and a guide of everyday life. Precisely for this reason, in his speech Comrade Hu Qiaomu time and again expressed "the hope that writers and artists all over the country will shift the focus of their creative activities to the current struggle of building a new life for the people."

Correctly solving the question of shifting the focus of current literary and artistic creation will inevitably involve the selection and expression of subject matter. The "gang of four" wantonly criticized the "opposition to the theory that 'subject matter is the decisive matter.'" It mapped out various "forbidden zones" of subject matter, thereby not only fettering the the writers but also negating the role played by a writer's world outlook in guiding his creation (we may as well leave alone the special meaning of what they called "important subject matter"). Is it, on the other hand, correct to say that "subject matter does not make any difference"? No, it is incorrect. The reason is that the various things, personalities and phenomena in everyday life are different in social nature and have different objective meanings. They occupy different positions and play different roles in social life. Reflected in literary and artistic works, they naturally will have different ideological contents and aesthetic values. In the socialist period, newborn and progressive things always express more

directly the nature of society and the trends of historical development. For this reason, generally speaking, if the ideological and artistic levels remain unchanged, subject matter reflecting seething new life has greater social significance than other subject matter which reflects the passive aspects of society. It creates greater possibilities for the writer to reveal the nature of social life as a whole and the stirring scenes of the times. Subject matter involving the widening of the scope of the attack on rightists, the "struggle against rightist deviations" and the decade-long turmoil will certainly have unique ideological value and educational meaning if the writers depict them by standing on a high plane. However, compared with other subject matter reflecting the new struggle to realize socialist modernization, this subject matter has limited content and therefore cannot fulfill the tasks of directly reflecting the new times and eulogizing the new personalities. Furthermore, if the works on this subject matter form the main stream of literary and artistic creation and long prevail in the sphere of literature and art during the new period, then our literature and art cannot reflect very well the nature and full view of social life in the new period of socialist construction. Neither will they conform with the spiritual needs of the people fighting bravely to build a powerful modern socialist country. Comrade Hu Yaobang pointed out in his "Speech at the Forum on Playwriting" that "generally speaking, if literature and art only or always reflect the backward and dark aspects, I feel that they cannot fully and accurately reflect the nature of our society and will not conform with the facts of society as a whole." Applying the basic principles of historical materialism and proceeding from the interrelationship between the general outlook of socialist literature and art and the facts of socialist society as a whole, this thesis has elucidated the important meaning of the progressive, bright things in our society.

Of course, the selection of subject matter is not the most important thing in determining whether a piece of literary and artistic work is successful. A more important thing is whether the ideological contents and aesthetic values of the subject matter have been fully revealed and raised to a higher level. "Be strict in selecting subject matter"--this is of course an important link. But the key is that "the subject matter must be revealed to a great depth." Lu Xun said this very well: "In my opinion, the basic question is whether the author is a 'revolutionary.' If he is, his writing is 'revolutionary literature,' whatever incident he portrays and whatever material he uses." In a speech on the conditions and questions concerning literary and artistic creation in the past few years, Comrade Hu Qiaomu specifically expounded the decisive role played by the correct stand and world outlook of writers and artists in depicting subject matter of various kinds.

First, being a socialist writer, it is necessary to "uphold the correct stand" and produce works "with a high sense of responsibility toward history and the people." The practice in literary and artistic creation over the past few years shows that when a writer or an artist produces his works with a sense of responsibility toward socialism, whether he eulogizes or exposes things, his works can directly or indirectly play an active role in promoting the unity of the whole party, the whole army and the people of all

nationalities in the modernization drive. On the contrary, if he does not uphold a correct stand, does not cherish a correct feeling or just produces literary works for private gain, no matter what he has written, either "what a splendid scene it is with the water flowing in the river, with the beautiful lotus in the green ponds and with the bright sun shining high above in the sky" under the pretext of "eulogy," or "being infatuated with pretty girls" and "being sunk in deep thought on their charming smiles" under the pretext of "exposure," his work has departed from the socialist road. There are still other writers who really want to "serve the nation and the people" and have expressed in their works the strong feeling of detesting the dark side of the world. However, as they are not armed with Marxist ideology, they are unable to criticize the unhealthy practices from the higher plane of scientific socialism and the proletarian party spirit. Instead, they criticize them by means of wrong methods, such as, "combating poison with poison" and "combating errors with errors." As a result, while combating unhealthy tendencies such as privilege and bureaucratism, some other unhealthy ideologies and practices, such as individualism, nihilism and anarchism, are propagated intentionally or unintentionally. There obviously exists contradictions between the writers' intentions in creation and the actual results of their literary works. All this shows that a correct stand or world outlook is essential for finding a fundamental solution to the problem of eulogy and exposure.

Second, it is necessary for a socialist writer to uphold dialectical materialism in observing and reflecting our real life and to oppose metaphysics. Of course, when writing about the construction of the new life, emphasis should be put on the depiction of the epic deeds of the hundreds of millions of people in advancing toward socialist modernization and on the eulogizing of the pioneers of the new era. But this depiction or eulogy does not mean evading difficulties, contradictions and struggles in real life. We advocate the depiction of socialist new people in the new period of socialism. This has nothing in common with the theory of "no conflicts" which appeared in the literary and art work several times in the past. Moreover, we must point out that what we are undertaking now, in the realization of the socialist modernizations, is an unprecedentedly great and profound revolution. In order to build a high degree of socialist material and spiritual civilization, we must not only transform and conquer nature in an unprecedented fighting manner, but also penetratingly carry out reforms in the economic, political, ideological and cultural fields as well as in all spheres of the social life. We must not only continue to clear away the remnants of feudal ideology, but must also guard against and resist corruption by bourgeois ideology. On our road of advance, there are contradictions and struggles everywhere and every step of our advance is a great effort. Those "no conflict" works cannot truly and penetratingly reflect our socialist new period and will be proved to be short of artistic vitality. This is just as Comrade Hu Qiaomu said: "We hope our writers will lay more stress on depicting the present struggles of the people in building their new life. However, this does not mean advocating the eulogy of peace and ease of our life, still less does it mean advocating sentimental works. In the past, at present and in the future, the road to building a new life has always been and will continue to be uneven. This

is a very complicated, arduous and great struggle which concerns every aspect of the people's life and will go on for a long period of time. Only by conquering various difficulties and obstacles in the human world and in nature can it advance forward. The true, the good and the beautiful exist in opposition to the false, the bad and the ugly and develop in the struggle against them. Therefore, in the narrative works, which are comparatively more complicated, eulogy and exposure usually, and inevitably, appear at the same time. (This refers to the interrelationship between the former and the latter, and does not mean that the role of literature and art is limited to eulogy and exposure.)" Whether in modern or ancient times, in China or elsewhere, the development of literature and art shows that in good literary and artistic works, which depict social life more penetratingly and extensively and have more artistic charm, eulogy and exposure are generally more closely combined. The famous Chinese classics, such as the "Romance of the Three Kingdoms," "Water Margin," "The Dream of the Red Chamber," the "Western Chamber," "The Mudan Pavilion" and so forth, and the foreign classics, such as the works of Balzac, Hugo, Tolstoy, Chekhov and Romain Rolland, are good examples of this. In recent years, some modern novels depicting the construction of industrial modernization, such as "Factory Manager Qiao's Assumption of Office," "Thirty Million" and "Descendent of the Dragon," are also inspiring and have made a deep impression on readers. This is because the characters of the pioneers in the new period, whom the writers have portrayed and eulogized with concentrated effort, were placed in conflict situations of complicated contradictions and in the struggles against various conventional ideas and conservative forces which obstruct the advance of the modernization drive. They have comparatively more truly reflected the profoundness and arduousness of the recent economic reforms. In these works, which reflect the struggles in the building of a new life, eulogy and exposure are better connected. We must affirm the successful experience of these works.

When creating literary and artistic works to reflect the socialist construction in the new period, while laying stress on eulogy, the writers must also pay attention to the depiction of contradictions and struggles as well as shortcomings and disadvantages. They must avoid merely singing the praises of the bright side. On the other hand, when creating works to expose the mistakes in magnifying the scope of the antirightist struggle, and mistakes in the struggle against right deviation and in the 10 years of disorder, it is all the more necessary to avoid writing about the dark side only. Otherwise, the organic unity of eulogy and exposure will be damaged and one-sidedness will occur. As a matter of fact, even during the 10 years of disorder, when the party and the people were suffering from the greatest disaster since liberation, there still widely existed positive and good things in our life. Within the party or among the people, the struggle against the Lin Biao and Jiang Qing counterrevolutionary cliques and the struggle to resist the "leftist" errors never stopped. Just as was pointed out in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC": "The party, the people's political power, the people's army and the nature of our society have remained unchanged." Unfortunately, in a number of literary and artistic works which have stressed exposure and depicted the happenings in the 10 years

of disorder, these extremely important and abundant aspects in our social history were not reflected or were not fully reflected. In other words, in these works, exposure is not dialectically related with eulogy. No wonder they are dull and have a low ideological level. Some of them have even produced bad social results due to the mistakes in ideology and art.

In his speech, Comrade Hu Qiaomu particularly pointed out that when taking the dark side of things in history or in our real life as the main theme, "it is necessary to take the overall situation, the mainstream and the future into consideration" and "take a positive attitude toward the future of the party and the people and the future of socialist China." This requires our writers and artists to adopt the principle of revolutionary realism in their creative work and relate the depiction of reality with its revolutionary development, relate the depiction of the dark side of things with the overall situation of the entire society and connections in history, and expose the "illegality" and "temporary nature" of the existence and rampancy of the bad things and the historical inevitability of their being replaced by bright and progressive things. As the dark side of things and the decadent forces are minor aspects in the history of socialist revolution and socialist construction, their existence and development are always restricted by the overall situation of social life and are influenced by the bright side of things and the revolutionary forces, which are in the dominant position. Therefore, when we faithfully and penetratingly depict how the dark side of things and decadent forces are restricted and influenced by the bright side of things and the revolutionary forces and how they are related with other things, we can also bring to light the trend of development in society through the development and changes in the dark side of things. At the same time, the writers and artists can also express their correct social mentality and aesthetic standards through exposing and criticizing these ugly things. Thus, even when a tragedy is written, it can also give people strength; even when the "exposure of darkness" is taken as the theme, it still can point out a correct road for the people, display a bright future and boost people's courage and heighten their confidence on the road of advance.

CSO: 4004/36

THE FOUR BASIC PRINCIPLES REPRESENT THE FUNDAMENTAL GUIDING IDEOLOGY IN
REVISING THE CONSTITUTION

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 17-19

[Article by Lin Liangqi [2651 5328 8501]]

[Text] Every country always follows fixed principles or a guiding ideology in formulating or revising its constitution. This goes without saying. What is the fundamental guiding ideology for "the draft of the revised constitution of the People's Republic of China" that the 23d Session of the 5th NPC Standing Committee decided to promulgate? In the preamble of the constitution, it was clearly pointed out: "Under the leadership of the Chinese Communist Party and under the guidance of Marxism-Leninism-Mao Zedong Thought, the Chinese people will continue to uphold the people's democratic dictatorship, to uphold the socialist road, to improve various socialist systems, to develop socialist democracy, to round out the socialist legal system, to seek rejuvenation through self-reliance, to fight amid hardship, and to gradually build our country into a highly democratic and highly civilized socialist country with modernized industry, modernized agriculture, modernized national defense and modernized science and technology." The four opening lines here, or the four basic principles represent the fundamental guiding ideology followed in revising the constitution this time, and also the basic principles that our country must follow.

The four basic principles put forth are not the subjective wish of any individual. Instead, they represent the sum of the experiences of our people in a long period of revolutionary struggle under the leadership of the party and are the embodiment of objective laws governing the development of the history of our country. The "draft of the revised constitution" points out: "After 1840 feudal China gradually shaped up into a semicolonial and semifeudal country. The Chinese people kept fighting in a brave struggle for national independence, for national liberation and for democratic freedom." For over 100 years, on the scene of Chinese political struggle, various political forces successively staged their own performances and showed their own powers, to different degrees. Men of insight bent on reform put forth various programs to save the country and the people. Some called for the conduct of education to enlighten the people. Some urged the advocacy of science to save the country. Some also called for the use of force to overthrow tyrants. Of all the ideas

advanced, there was really no lack of relatively good ones. But before Marxism-Leninism reached China and before the birth of the Chinese Communist Party, there was not an idea that could show us a fundamental road to thorough liberation for the Chinese people. Given the conditions of China, only socialism was capable of arousing the revolutionary enthusiasm of the masses of hardworking people. Only by using the Communist Party, the vanguard of the proletariat armed with Marxism-Leninism, could we organize the proletariat and all the people in waging a thorough anti-imperialist and antifeudal struggle. Only in this way could we, after the victory of the democratic revolution, immediately lead China toward socialism. Such was the fact. Once Marxism-Leninism reached China and the Chinese Communist Party appeared on the Chinese political scene, a turn of the tide came in the Chinese revolution. With its correct revolutionary program, the Chinese Communist Party won the support and trust of people of all walks of life in the country. A new situation appeared in the revolution. Just as the "Resolution on Certain Questions in the History of the Party Since the Founding of the PRC" adopted at the 6th Plenary Session of the 11th CCP Central Committee pointed out: "The then Kuomintang, or other bourgeois and petit bourgeois political factions, did not and could not possibly find a way out for the country and the people. Only the Chinese Communist Party showed the people the way out for China. The way out was to thoroughly overthrow imperialist and feudalist reactionary rule and switch over to socialism." History of over 100 years has proved an imperishable truth: The four basic principles, which accord with the desire of several generations of people in China and reflect the laws of historical development independent of human will, are a fundamental guarantee for the Chinese people's turning our state into a highly democratic and highly civilized powerful and modern socialist country. Therefore, in formulating and revising the constitution, we can in no way deviate from the four basic principles. Whether we uphold or oppose the four basic principles and whether we uphold them properly--this concerns the nature and orientation of development of the state's political, economic and cultural systems, concerns the relations among various classes, among various nationalities and among various political forces of the state, and also concerns the role, effectiveness and dignity of the constitution itself. In this regard, we have both positive and negative experiences for reference.

Since the founding of the PRC, we have promulgated three constitutions. The 1954 constitution was a relatively good one. 1) It summed up and affirmed the experiences of the new democratic revolution led by the Chinese Communist Party and consolidated the results of the revolution of our people and the new victories scored in the political and economic fields since the founding of the PRC. 2) It prescribed the state system of the People's Republic of China as "a people's democratic state led by the working class and based on the worker-peasant alliance." 3) Based on the principle of integrating Marxism-Leninism with the practice of China, it objectively analyzed the main contradictions in Chinese society and put forth the main tasks for the transitional period of the state in light of the fundamental demands during the transitional period of the state and the common wishes of the masses of people in building socialism. The main

tasks called for "gradually realizing the socialist industrialization of the state and gradually accomplishing the socialist transformation of agriculture, handicrafts and capitalist industry and commerce." In a word, the 1954 constitution embodied four basic principles, defined a socialist road compatible with the features of China, ensured the smooth socialist transformation of the system of private ownership of the means of production, stimulated the development of industry, agriculture and the whole national economy, and laid a material foundation for our modernization effort today.

The constitution promulgated in 1975 during the "Great Cultural Revolution" abandoned some basic principles of the 1954 constitution and embodied the guiding ideology of so-called "continuous revolution under the dictatorship of the proletariat." The main problems with this constitution were: 1) It affirmed wrong "leftist" viewpoints--which clearly deviated from the orbit of Mao Zedong Thought--as Marxism-Leninism-Mao Zedong Thought, thus creating confusion about the guiding ideology for the whole country. 2) Contradictions of two different types were seriously confused. The dictatorship of the proletariat was interpreted as "overall dictatorship." The article, "The Proletariat Must Exercise Overall Dictatorship Over the Bourgeoisie in the Superstructure Covering All Fields of Culture," was put forth, undermining socialist democracy. 3) The "leftist" economic policy was used to replace the socialist economic policy consistently upheld by our country. 4) Regional revolutionary committees at various levels practicing the party's "centralized leadership" were affirmed, creating a chaotic state in which the party was not separated from the government in the state system and the latter was replaced by the former. The party was thus turned from a leader in the social and political life of the state into something that directly interferes and that directly takes charge. This constitution put in the form of law many erroneous theories and erroneous practices related to the "Great Cultural Revolution," causing damage to the state in the political, economic and cultural fields and providing a handful of careerists and conspirators with a legal basis for usurping party and state leadership. After the 4th NPC, the forces of the "gang of four" counter-revolutionary conspiratorial group were strengthened not only in the party but in the government, not only at central but at regional levels. This was a serious consequence of the 1975 constitution, which negated the 1954 constitution, which deviated from the four basic principles and which followed wrong guiding ideology.

The 1978 constitution was formulated after the downfall of the "gang of four." But due to the limitations of the then prevailing historical factors, it failed to give up the erroneous theories, policies and slogans embodied in the 1975 constitution. Though some ingredients of the four modernizations program were added to it as guiding ideology, the theory of "continuous revolution under the dictatorship of the proletariat" remained as its basis. It is clear that this constitution has in many places become incompatible with the needs of our political and economic life and the needs of the building of a modern state and must be revised.

Different guiding ideas produce different constitutions and different consequences and effects in state political life. The 1954 constitution

embodied in a relatively satisfactory way the four basic principles and accorded with the interests and aspirations of the people of the whole country. It won the wholehearted support of the people of the whole country and gave full expression to the dignity of the constitution. The later two constitutions, and the 1975 one in particular, impaired the dignity of the constitution, due to their being divorced from the four basic principles, to different degrees. We must seriously take this as a profound lesson.

The 3d Plenary Session of the 11th CCP Central Committee marked an end to the situation of party work advancing in a period of hesitation and indecision and the beginning of an overall and serious rectification of "leftist" mistakes noticed during the "Great Cultural Revolution" and before. The 6th Plenary Session of the 11th CCP Central Committee adopted the "Resolution on Certain Questions in the History of the Party Since the Founding of the PRC" and reaffirmed the need to continuously uphold the four basic principles. This paved the way for our revising the constitution and putting the business of revising the constitution again on a very reliable and solid foundation.

We know that in upholding the four basic principles, the most important thing is to adhere to the two calling for the socialist road and party leadership. Upholding the socialist road and upholding party leadership are two aspects of one thing. In upholding the socialist road, we must uphold party leadership. Whether we have upheld party leadership, or whether we have done this well depends on whether we have upheld the socialist road. In the articles in the 1975 constitution and the 1978 constitution (especially the former), there appeared many terms about "party leadership" and "socialism." But prompted by erroneous guiding ideology, these articles were permeated with the erroneous theory of "continuous revolution under the dictatorship of the proletariat." This basically violated the rights of the people and undermined the foundation of the people's democratic dictatorship, confronting us with the danger of our country's deviating from the socialist road in political, economic, cultural and other fields. This actually weakened the party's leading position in state life, basically running counter to the four basic principles. Now, though the "draft of the revised constitution" just mentions the four basic principles in its preamble, it has clearly defined our socialist system and people's democratic dictatorship as the state's fundamental system. Based on this system, it has prescribed our economic system and cultural system, set forth criteria for the proper handling of relations among various political bodies, among various mass organizations and among various nationalities and stipulated the composition of people's congresses and people's governments at all levels. This enables the spirit of the fundamental state system to run through all the articles in the "draft of the revised constitution" and forms the basis for the formulation of all other systems, ensuring that the political life, economic life and cultural life of the state always advance along a socialist orbit. Meanwhile, the draft has drawn lessons from the 1975 and 1978 constitutions. In line with the "resolution" of the 6th Plenary Session of the 11th CCP Central Committee and with the spirit of the party Central Committee's instructions on

the reform of state organs, it has put forth reform measures for separating the party from the government and defined the premier responsibility system of the State Council, the responsibility system involving ministers and the various forms of socialist responsibility. In the form of general laws, this has affirmed the results of the reform of state organs and the economic system, allowing the improvement and strengthening of the party's leading position in state life.

The "draft of the revised constitution" clearly stipulates that the Chinese people will uphold the four basic principles. This means that every citizen of the People's Republic of China must uphold the four basic principles. These principles cannot be deviated from or abandoned, still less opposed. If anyone opposes the upholding of the four basic principles as the guiding ideology for our country and even brings in guiding ideology of any kind then he has acted against the laws of historical development and against the will of the whole people.

The party has led the people in formulating the constitution. The party will also lead the people in observing the constitution. Once the constitution is approved, all citizens, public organizations, units, and parties and groups, including the Chinese Communist Party, must observe it. Every member of the Chinese Communist Party is not only a member of the party organizations but also a citizen of the People's Republic of China. Like every citizen, he must do his part in observing the constitution. In this regard, no Communist Party member should be allowed to be a privileged citizen. Whether a Communist Party member upholds the four basic principles depends on whether he really observes the constitution and consciously upholds the dignity of the constitution.

Upholding the four basic principles is the fundamental guiding ideology for the current revision of the constitution. They should also become the guiding ideology for the launching of an all-people campaign to discuss the "draft of the revised constitution." Every citizen of the country must take this guiding ideology as a basis, air his own views on the revision of the constitution, and speak freely, enabling the four basic principles to be better embodied in the constitution as guiding ideology.

CSO: 4004/36

THE PEOPLE'S CONGRESS SYSTEM IS OUR COUNTRY'S BASIC POLITICAL SYSTEM

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 20-24

[Article by Wang Shuwen [3769 0647 2426]]

[Text] In light of the historical experience in building political power in our country and based on the needs of the construction of the four modernizations, the 6th Plenary Session of the 11th CCP Central Committee laid down a guideline in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC." This guideline made it clear that "it is necessary to strengthen the building of state organs at all levels in accordance with the principle of democratic centralism, make the people's congresses at all levels and their permanent organs authoritative organs of the people's political power, gradually realize direct popular participation in the democratic process at the grassroots of political power and community life and, in particular, stress democratic management by the working masses in urban and rural enterprises over the affairs of their establishments." In accordance with this basic spirit, great importance has been attached to the strengthening and amplification of the system of people's congress, and many new and important stipulations have been made in the revised draft of the constitution of the PRC. In this new revised draft, we can find many considerable amendments to the 1978 constitution, as well as some remarkable improvements of the 1954 constitution.

The Stipulations Concerning the People's Congress System in the Revised Draft Give Free Rein to the Principle of Democratic Centralism

Democratic centralism is the basic principle to be constantly adhered to in the political system of a socialist country, as well as the hallmark distinguishing the latter from the political systems of all exploiting class states. Based on the summarization of the Paris Commune experience, Marx expounded long ago, in "The Civil War in France," the basic principles of the political system of a proletarian state. He said, "The commune was formed of the municipal councillors, chosen by universal suffrage in the various wards of the town, responsible and revocable at short terms. The majority of its members were naturally working men, or acknowledged representatives of the working class. The commune was to be a working body, not a parliamentary body, executive and legislative at the same time."

("Selected Works of Marx and Engels," Vol 2, p 375) In "The State and Revolution," Lenin discussed these principles in detail. He pointed out that only in carrying out these principles can we replace bourgeois democracy with socialist democracy, ensure control over the state by the broad masses of people, and consolidate proletarian state power. Our country's constitution has invariably provided that all state power belongs to the people; the organs through which the people exercise the power are people's congresses at different levels; and all people's congresses and other state organs must carry out democratic centralism. The principle of democratic centralism has been made an individual article (Article 3) in the revised draft of the constitution. It provided that "our state organs adopt the principle of democratic centralism." This is one of the characteristics of the revised draft of the constitution. Furthermore, with regard to the basic content of democratic centralism, the draft has also given an explanation in the following three aspects according to the basic principles of Marxism-Leninism and the actual practice in our country; and tried to embody the principle as fully as possible in every article governing the organization and the activities of the state organs concerned.

First, the NPC and the local people's congresses at different levels are formed by means of democratic elections. All people's congresses are responsible to the people and subject to the supervision of the people. The revised draft of the constitution provides that the people's congresses at all levels throughout the country are formed by means of democratic election. According to statistics compiled during the 1981 nationwide general election, the voters accounted for more than 99.9 percent of the citizens over 18 years of age. The people's congresses at different levels, which are formed by means of election on the basis of extensive democracy, can truly exercise state power on behalf of the people. At the same time, as provided in the revised draft, the NPC and all local people's congresses at different levels are subject to the supervision of the units and voters who elected them; and the latter have the right to replace, at any time, according to the procedure prescribed by law, any deputy whom they have elected. This ensures that all deputies will take the initiative in abiding by the constitution and law and will proceed in all cases from the interests and the will of the broad masses of people. The above stipulation fully shows that the people's congresses at all levels in our country are the people's representative organs and are of a highly democratic nature.

Second, all state administrative organs and all judicial and procuratorial organs are originated by the organs of state power to which they are responsible and to whose supervision they are subject. As provided by the revised draft, the NPC is the highest organ of state power, and its permanent organ is the NPC Standing Committee. It exercises legislative authority in the country, carries out discussions and makes decisions on issues of nationwide importance. The local people's congresses at various levels are local organs of state power. Standing committees are established in the local people's congresses at and above the county level. They carry out discussions and make decisions on important issues concerning their respective administrative areas. All state administrative organs, judicial organs and procuratorial organs at various levels are originated

by organs of state power at various levels to which they are responsible and to whose supervision they are subject. This implies that all other state organs which are originated by people's congresses can never go against the will of the latter. All the above stipulations show that the people's congresses at various levels are the organs which truly exercise state power, and have the right to carry out discussions on important issues in the state's political life, to make relevant decisions and to supervise the implementation of these decisions. Therefore, through the people's congress system, the people can exercise state power in a centralized and unified way.

Third, the division of functions and power between the central and local state institutions shall conform to the principle of giving full play to the initiative and enthusiasm of the local authorities under the unified leadership of the central authorities. This stipulation of the revised draft correctly links the centralized and unified leadership of the central authorities with the goal of giving full play to the initiative and enthusiasm of the local authorities; furthermore, it reflects such a spirit in many articles of the constitution.

So, from the above three aspects, the revised draft has clarified the proper relationship between the people and their representative organs, between the representative organs and other state organs, and between the central and the local authorities. It has provided a clearer and more rational division of powers and functions between the state power organs and administrative organs, and between central state organs and local state organs, and has properly integrated a high degree of democracy with a high degree of centralism. It has thus consolidated and developed the people's congress system in our country.

The Revised Draft Has Enlarged the Powers and Functions of the NPC Standing Committee and Has Consolidated the Highest State Power Organs

One of the prominent and important characteristics of the revised draft of the constitution is that it has enlarged the powers and functions of the NPC Standing Committee, especially the legislative power of the latter; and has transferred some of the powers and functions which originally belonged to the NPC to its Standing Committee. The revised draft provides that both the NPC and its Standing Committee can exercise the legislative power of the state and have the right to formulate laws. The NPC has the power "to make and amend basic laws concerning criminal offenses, civil affairs, the structure of the state and other matters." These basic laws include criminal law, the law of criminal procedure, civil law, the law of civil procedure, the law governing the organization of the NPC, the law governing the organization of the State Council, the law governing the organization of the local people's congresses and the people's governments at various levels, the law governing the organization of the people's courts, the law governing the organization of the people's procuratorate, electoral law, the law of regional national autonomy, and so on. Other laws, apart from these, are to be made and amended by the NPC Standing Committee. When the NPC is not in session, the Standing Committee has the power to partially amend and

supplement the basic laws enacted by the NPC. Besides, the revised draft also provides that the NPC Standing Committee has the power to supervise the enforcement of the constitution; to examine and approve plans for national economic and social development, and some readjustment plans of the state budget, when the NPC is not in session; and to decide on the appointment and removal of ministers and chairmen of commissions upon the recommendation of the premier of the State Council; and so on. On the other hand, the revised draft also has a series of stipulations to strengthen the organization of the NPC Standing Committee. For example, it is stipulated that members of the NPC Standing Committee shall not concurrently hold posts in state administrative organs or the judicial and procuratorial organs, so that they can devote their full strength and time to carrying out their own duties; the chairman, vice chairmen and secretary general of the NPC Standing Committee will form the chairmanship conference to attend to its important routine work; the responsible people of the standing committee of the people's congress of each province, autonomous region and municipality directly under the central government shall attend the sessions of the NPC Standing Committee, so as to enable the NPC Standing Committee to maintain closer ties with local authorities and masses; and so on. All these new stipulations are of great importance to fully bringing into play the NPC Standing Committee.

Some comrades are afraid that enlarging the powers and functions of the NPC Standing Committee will weaken the role and functions of the NPC as the highest state power organ, and will be harmful to promoting socialist democracy. The principal reason they give for this is that, while the NPC, as the highest organ of state power, is composed of deputies from various electing units and has a relatively extensive representativeness, the NPC Standing Committee, being produced by the NPC through election, has a less complete representativeness than the former, and is merely its permanent organ. This question must be considered both from theory and practice.

According to the Marxist theory of law, law must be based on certain social relations and must conform with the needs of the ruling class to consolidate its rule in the political and economic fields. In talking about the Napoleonic Code of France, Marx said, "Once this code no longer conforms with social relations, it will immediately turn into a pile of valueless waste paper." ("Collected Works of Marx and Engels," Vol 6, p 292) Lenin very sharply divided "constitutions" into "written constitutions" and "practical constitutions." He called constitutional documents prepared by the state "written constitutions," and called economic and political relations, which are objective things, "practical constitutions." Whether the "written constitution" can truly give full play to its legal functions does not depend on what is literally prescribed by it but on whether its content is divorced from the "practical constitution," and on whether it conforms with the objective needs. Being realistic and proceeding in all cases from the actual circumstances is one of the fundamental principles which must always be scrupulously abided by in socialist legislation, and the principal criterion to judge whether the constitution and law are complete. This is also the correct attitude we must take in considering the question of democracy--we must concentrate our attention on real democracy. If the form

of democracy is divorced from objective reality, that democracy will not be a genuine one. Therefore, in order to ensure that socialist democracy can be fully carried out, we must consider the actual situation in our country in working out the political system, we must devise a system which can guarantee the fully efficient operation of state power organs and which can effectively ensure the people's rights to control the state.

Let us look at the actual situation. First of all, as far as the superficial situation is concerned, since the NPC is the highest organ of state power, it should enlarge its powers and functions but should not enlarge the powers and functions of its Standing Committee. However, this cannot be easily achieved in actual practice. In view of the past practice, there was a relatively large number of delegates to the NPC (not exceeding 3,500 people as stipulated by the electoral law in accordance with the actual needs). This hindered the progress of work and the exercise of powers and functions. Therefore, the question of reducing the number of delegates has been considered in the course of revising the constitution. But, on the other hand, it is difficult to reduce the number of delegates in order to maintain a wide representation of the NPC because our country is a vast country which is densely populated. Since there is a large number of delegates and in order to keep the meetings from being too lengthy, it is rather difficult to discuss problems. Therefore, the NPC meetings can only concentrate on discussion and solution to questions of fundamental significance in the state's political life. On the other hand, in the wake of the development of the socialist cause, there are some serious national problems awaiting solution. The NPC is designated to make laws which are sometimes unable to meet the demands of reality. In view of this, as early as in 1955, the Second Session of the First NPC adopted a resolution which authorized the NPC Standing Committee to formulate certain laws. The resolution pointed out: "In the wake of the progress of socialist construction and socialist reform, it is necessary for the state to formulate various laws in order to meet the demands of the state's construction and work. At the conclusion of the NPC meetings, it is inevitable for the NPC Standing Committee to adopt and implement certain laws. In light of this, in accordance with Article 19 of Regulation 31 of the PRC Constitution, the NPC Standing Committee is authorized, in accordance with the spirit of the constitution and actual need, to appropriately formulate certain laws--the special regulations." In 1959, the First Session of the Second NPC adopted another resolution which authorized the NPC Standing Committee, at the conclusion of the NPC meeting and in accordance with the demands for development and work, to amend certain inappropriate articles of the law and make new regulations. In the new historical era, in order to strengthen socialist democracy and the socialist legal system and ensure the smooth progress of the four modernizations drive, it is extremely necessary to strengthen socialist legislative work and promptly deal with major problems. In the light of this, we see that enlarging the powers and functions of the NPC Standing Committee is a scientific summation of the long-term practice of the system of the people's congress and is also an objective demand of the new historical era.

Second, the NPC Standing Committee has the ability to exercise the powers and functions entrusted to it by the constitution. At present, the NPC Standing Committee has nearly 200 members. Although the NPC Standing Committee is formed by means of elections of people's congresses throughout the country, it consists of representatives from various aspects. This shows that the NPC Standing Committee is fully capable of exercising the state's legislative power. It was stipulated in the constitution in 1954 that the NPC is the sole organ exercising the state's legislative power and that the NPC Standing Committee cannot formulate laws but only decrees. This stipulation was made with reference to the 1936 constitution of the Soviet Union. However, in accordance with the Soviet 1936 constitution, the number of members of the Supreme Soviet Presidium was only 33. The present number of members of our country's NPC Standing Committee is about 5 times that of the Soviet Supreme Presidium. Since the size of the NPC Standing Committee is rather appropriate, it is rather easy for it to hold regular meetings. With its power extended and its organization strengthened by the draft of the revised constitution, it can give full play to its role as a standing body.

Finally, while enlarging the powers and functions of the NPC Standing Committee, the draft of the revised constitution has also attached great importance to the building of people's congresses throughout the country. Following are major new regulations: 1) Restore the legal procedure of the 1954 constitution in relation to the NPC's right to revise the constitution, pass laws and other proposals, and entrust to the NPC the right to make decrees (including decisions and resolutions beyond the scope of law). These stipulations are of great significance to maintaining the position of the fundamental law of the constitution, enhancing the seriousness of the resolutions adopted by the NPC and strengthening the socialist legal system. 2) Regulations have been made on establishing the special committees such as the committees in charge of economics and finance, education and science, and foreign affairs in order to examine, discuss and draft relevant proposals. Delegates to the NPC have the right to put forth legislative proposals in order to strengthen the NPC's legislative work. 3) As far as the rights of the delegates to the NPC is concerned, the regulation in the 1954 constitution on the exemption right of delegates has been restored. According to this regulation, the statements and votes of the delegates made in various meetings are not subject to legal prosecution. At the same time, regulations on the delegates' obligations have also been made. They must maintain close ties with units to which they originally belonged and with the masses, listen to and reflect the people's opinions and demands, and assist in the implementation of the constitution and the law. Hence, the delegates can better perform their duties. The draft has strengthened the building of the NPC and its Standing Committee, ensuring that they give full play to the role of being the highest organs of state power and really becoming the people's authoritative organs of power.

The Draft Enlarges the Powers and Functions of the Local State Organs, and Consolidates the Local Organs of State Power

Another major characteristic of the draft of the revised constitution is that the powers and functions of the local organs of state power have been enlarged and the building of local people's congresses at all levels has been strengthened. Since the proposal of shifting the country's work focus onto socialist modernization centering on economic construction was put forth at the 3d Plenary Session of the 11th CCP Central Committee, the local organs of state power at all levels, particularly those at and above county level, are shouldering heavier tasks. Therefore, under the centralized and unified leadership of the CCP Central Committee, appropriately enlarging the powers and functions of the local organs of state power and strengthening the building of local organs of state power at all levels are essential to giving play to the initiative and enthusiasm of the localities and speeding up the development of the four modernizations drive. The draft has summed up the experience of building political power in the localities since the founding of the state and particularly over the past few years. It has also made the following new regulations on strengthening the work of the local organs of state power at all levels. These new regulations are major reforms in the local organs of state power.

1. The powers and functions of local state organs have been enlarged.

The draft stipulated that the people's congresses and the standing committees of the people's congresses of provinces, autonomous regions and municipalities directly under the central government can formulate and promulgate local laws and regulations provided that they do not contradict the state constitution, law, decrees and administrative rules, and submit them to the NPC Standing Committee for the record. This is of great significance to giving play to the enthusiasm of the localities. Simultaneously, the draft also expands the autonomous power of the autonomous organs in the minority nationality autonomous regions. For instance, it has been stipulated that minority nationality personnel will take up posts of chairman and governor of the autonomous region, and governor of the autonomous counties; that under the planned guidance of the state, the autonomous organs will be responsible for the management of the local economy, culture and so on; and that in opening up resources and building enterprises in the autonomous regions, the state should take into consideration the interests of the autonomous regions. These stipulations are conducive to safeguarding the minority nationalities' right of autonomy and strengthening the unity of the various nationalities in striving for the realization of the four modernizations drive.

2. Direct election is to be implemented at the county level.

In the structure of the state organs, the organs at county level play a very important role in providing continuity between what has gone before and what comes afterward. The organs of state power at county level constitute an important cardinal link in leading and organizing the broad masses of people. The people's congresses at county level are elected by

the people. They help to place the organs of state power at county level under the direct supervision of the masses, maintain closer ties between the state organs and the masses, improve the efficiency of work and lead well the four modernizations drive. The implementation of direct elections at county level lays a solid foundation for the election of organs of state power at all levels above county level. Thus, the implementation of direct elections at county level is very important to perfecting the people's congress system and ensuring that the masses are masters of their own house.

3. Local people's congresses at all levels at and above county level are to set up their standing committees.

In accordance with the stipulations laid down in the 1954 constitution, the local people's committees at all levels are the executive organs of the people's congresses at all levels and, simultaneously, they exercise the powers and functions of the standing organs of the people's congresses. Practice has proved that because the local administrative organs shoulder heavy tasks which hinder their efforts in exercising the powers and functions of the standing organs of the people's congresses and because of the lack of the standing organs of the people's congresses, a situation in which the administrative organs are under their own supervision and are actually divorced from the regular supervision of the local organs of state power appeared. The draft stipulates that local people's congresses at and above county level should set up standing committees and it has also laid down explicit stipulations on the organization and powers and functions of the standing committees of the people's congresses. The general powers and functions of the standing committees of the people's congresses are: discuss and make decisions on major issues of the local administrative district; supervise the work of the local people's government, people's court and people's procuratorate; and make decisions on appointment and dismissal of the personnel of the organs of state power. Thus the establishment of the standing committees of the local people's congresses at and above county level is of great significance to promptly discussing and solving local problems regarding the four modernizations drive in accordance with local conditions, strengthening the building of the people's congresses and strengthening regular supervision over other local state organs.

It is worth pointing out that the draft also entrusts to the standing committees of the people's congresses a large part of the powers and functions of the local people's congresses at and above county level stipulated in the 1954 constitution. This means that local people's congress standing committees now have the power to dismiss inappropriate resolutions and others issued by the people's government at the same level and by the people's government one level below, and the power to dismiss inappropriate resolutions made by the people's congresses one level below. From a superficial look at the situation, the powers and functions of the local people's congresses at and above county level are reduced and the powers and functions of the people's congress standing committees are enlarged. However, such stipulations are in fact more rational and practical because they are

more conducive to placing the local administrative organs at all levels under the regular supervision of the local organs of state power at all levels. In view of the stipulation on the powers and functions of the NPC Standing Committee laid down in the 1954 constitution, the NPC Standing Committee was also given the power to dismiss the resolutions and orders issued by the State Council which were contradictory to the constitution, the law and decrees, and the power to alter or dismiss inappropriate resolutions made by the organs of state power of provinces, autonomous regions and municipalities directly under the central government. The local people's congresses were entrusted with the exercise of such powers only because no local people's congress standing committees had been established. This shows once again that, regarding the stipulation of the powers and functions of the people's congresses and their standing committees, we should not superficially look at the amount of powers and functions but should see whether they are rational and accord with practical needs. The draft not only establishes standing committees for the local people's congresses at and above county level but also makes explicit stipulations on their powers and functions. This has further perfected the system of the people's congress, ensuring that full play will be given to the role of the local organs of state power.

In short, the draft consolidates the establishment of the highest organs of state power and the local organs of state power in accordance with the principle of democratic centralism. It realizes the major reforms and new developments in the state system and greatly improves our country's people's congress system. It has great practical significance and far-reaching historical significance in carrying forward socialist democracy, strengthening the socialist legal system and ensuring that our country will be built into a modern and strong socialist country with a high degree of democracy and civilization.

CSO: 4004/36

THE DEVELOPMENT OF SOCIALIST DEMOCRATIC POLITICS IS AN IMPORTANT QUESTION

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 25-27

[Article by Gong Yuzhi [7895 5148 0037]]

[Text] The draft of the revised constitution is being discussed by all the people. Our people have placed high hopes on the revision of the constitution this time and they are confident that the discussion, formulation and implementation of the new constitution will surely become a new milestone in building up our country's socialist political democracy.

This revision of the constitution is being carried out after the 3d Plenary Session of the 11th CCP Central Committee definitively formulated the party's correct line during the new historical period and after the 6th plenary session made a basic summary of the party's history since the founding of the PRC. The whole party and the whole people have deeply thought over the experiences and lessons in the 30 years of our great and arduous history and our future tasks and path. Our people wish to record the basic results of their deep pondering, the basic experiences that they have drawn from history and the basic path for future development on the basic law of the state.

Naturally, the construction of the socialist democratic political system has become one of the key issues that the party and the people have conscientiously thought over.

The 3d Plenary Session of the 11th CCP Central Committee already pointed out that we should embody our democracy in our political system and laws and make the system and laws stable, constant and extremely authoritative. In his speech at the 30th National Day, Comrade Ye Jianying pointed out that we should "reform and improve the socialist political system," and include "building up a high degree of socialist democracy" and "a highly developed socialist spiritual civilization" into the "major goals of our socialist modernization."

At the 5th Plenary Session of the 11th CCP Central Committee, the draft of the revised CCP constitution was discussed and the abolition of the de facto lifelong tenure system for cadres in leadership posts was adopted as an important principle. Later, at the enlarged meeting of the CCP Central

Committee Politburo, Comrade Deng Xiaoping gave a speech in which he systematically expounded on the problem of the reform of the leadership system of the party and the state. One of the aims of the reform was to solve the problem of the excessive centralization of power and to abolish the life-long tenure system for cadres in leadership posts. He also said that the CCP Central Committee would propose a revision in the constitution in order to reflect this reform.

In the historic resolution that was approved by the 6th Plenary Session of the 11th CCP Central Committee it was pointed out that "gradually building up a highly democratic socialist political system is one of the basic tasks of the socialist revolution. Our failure to realize the importance of this task was one of the important factors that gave rise to the 'Great Cultural Revolution.' This is a grievous lesson for us." The resolution highly praised the party's decision to abolish the de facto lifelong tenure system for cadres in leadership posts.

Now this guiding ideology has been embodied in the draft of the revised constitution. The draft of the revised PRC Constitution stipulates 5-year terms of office for the state chairman and vice chairmen, the NPC Standing Committee chairman and vice chairmen, the State Council premier and vice premiers, the state councillors, the chairman of the Central Military Commission, the president of the Supreme People's Court and the president of the Supreme People's Procuratorate. It also stipulates that none of them may serve for more than two consecutive terms. This actually means writing into the constitution the abolition of the lifelong tenure system for cadres in leadership posts. As a result, the constitution specifically embodies the existing regulations on limiting the terms of office in the highest leadership offices of the state.

The construction of the political system of socialist democracy consists of many aspects, and the abolition of the de facto lifelong tenure for the highest leading posts of the state is merely one of the aspects. I am going to give a few of my opinions on this point.

We all know that for feudal emperors there was a lifelong tenure system and hereditary succession. The overthrow of the autocracy of feudal kings and the establishment of the democratic republic political system, in which the top officials of the state are selected by election and their tenure is limited, is one of the great achievements of bourgeois democratic politics. It is also a major step forward in the political life of the human race. Of course, bourgeois democracy is in essence rule by a small number of exploiters. The constant change in the heads of states and heads of governments in the capitalist countries reflects, in essence, contention for power and readjustment in the contradictions between the various economic groups and political sections within the bourgeoisie. This only serves to safeguard their rule over the broad masses of the laboring people. Moreover, restriction of the length of tenure of top officials of the state is often not stipulated in the fundamental laws of all capitalist countries and not always observed even though it has been stipulated in the fundamental laws of a capitalist country.

Socialist political democracy belongs to the whole laboring people and is, in essence, quite superior to the bourgeois political democracy. However, it takes time to build up the socialist political democracy. Due to various specific historical conditions, although the highest leaders in socialist countries are elected to their offices, a de facto lifelong tenure system has emerged. After the death of Stalin, from summing up the historical experiences of the dictatorship of the proletariat, the CCP noted the negative results in political life in socialist countries by the excessive concentration of power and the formation of the personality cult. In light of international experiences and in connection with China's cause, the CCP already started at that time to consider the question of abolishing the lifelong tenure system in party and state leadership posts.

In 1956 Chairman Mao Zedong proposed that he would not serve another term as state chairman, and at the same time also considered not serving a further term as party chairman at an appropriate time in the future. The leading comrades of the Central Committee agreed with this view. The party constitution adopted by the eighth party congress included a provision that "when the Central Committee deems it necessary, it can establish the post of honorary party chairman." This without doubt reflected this consideration.

On 30 April 1957, Comrade Mao Zedong talked with nonparty personalities and mentioned that he did not wish to be nominated as a candidate for the position of chairman of the state. Two nonparty personalities wrote to Comrade Liu Shaoqi and Comrade Zhou Enlai about this. In their letters, they expressed their opinions that this was a matter of great concern and hoped that the party and government prudently think over the problem. On 5 May, Comrade Mao Zedong wrote the following remarks on the letters that had been sent to be read by him:

"This matter has already been discussed by dozens of people at the meeting in Beidaihe and has been considered by them as feasible. They have also discussed my refusal to serve a future term of office as the chairman of the party, but they were of the opinion that although it cannot be accepted at this time, it may be accepted in the future when the situation allows."

"We can also consider that we will revise the constitution and stipulate that the chairman and vice chairmen can be reelected only once, and only after they have served a term of office."

Referring to what was said in the letters about stressing the prestige of an individual in a collective leadership still being an important link for uniting the people of the whole country, Comrade Mao Zedong wrote:

"I am still alive; the prestige of the individual for uniting the people will not diminish because of my refusal to accept reelection."

Regarding the problem of continuing to play his role in the political life of the state, Comrade Mao Zedong thought that when he was freed from his firstline duties, he would be able to concentrate his energy on researching

some important issues. He thought that when he no longer held the post of chairman of the state, he could deliver speeches on major issues as the party chairman at proper meetings if necessary, and that even if he no longer held the post of the CCP chairman, he would still be able to deliver speeches as a member of the CCP Politburo.

Comrade Mao Zedong asked that copies of the letter and his remark be circulated to "all members and alternate members of the CCP Central Committee, all the deputies to the eighth CCP national congress, all the provincial, municipal and regional CCP committees, all the NPC deputies and all the members of the CPPCC." He also wrote:

"This matter should be widely discussed in order to be accepted by the people and win their support. We should also consider revising the constitution."

"At present, an increasingly large number of high-ranking leading comrades have accepted this idea, but because of a lack of exchange of opinions, there are still quite a large number of nonparty personalities who will not accept this idea. Therefore, it is necessary to spend a great deal of time in discussing the matter."

Reviewed today, how insightful his words are.

It is a pity that owing to the change in the situation which is known by everybody, restricting the number of terms of office that a state chairman and party chairman can consecutively serve was suspended for a long time. Later, the personality cult was gradually aggravated and the power of the party and the state was excessively concentrated onto one individual. As a result democratic centralism and the principle of collective leadership was weakened or even completely destroyed. During the "Great Cultural Revolution" the practice of including the de facto lifelong tenure system for the leader and the stipulation about the leader being succeeded by a specified person was written into the constitution.

History has undergone twists and turns.

Since the smashing of the "gang of four," both the party and the people have become enlightened again. Searching for a way to reform the leadership system of our party and state through a summing up of our own historical experiences and lessons has become one of the key issues that people have been discussing. With the results of the personality cult in the past and the propaganda of the new personality cult still fresh in their minds, many old-generation proletarian revolutionaries and many careful thinkers among the cadres and masses both inside and outside the party have realized and raised in their discussions the necessity for abolishing the lifelong tenure system for supreme leading officials. This is an inevitable trend as well as a natural and reasonable conclusion. Encouraged by the spirit of the 3d Plenary Session of the 11th CCP Central Committee, some theoretical workers have theoretically raised and discussed this problem with a keen insight. It is precisely on this basis that our

CCP Central Committee collected the opinions of the masses, decided when the time was right and bravely put forth the abolition of the de facto lifelong tenure system for leadership posts as a major policy decision resulting from a wider range of opinions, in a more perfect form and by more accurate reasoning. Thus it reflected the desire of the masses.

How are we to understand the significance of this policy decision? In my opinion, the significance lies in at least the following aspects:

First, this is a reform system, not just a step taken to meet temporary requirements. This reform system was not put forth in isolation. On the contrary, it was put forth as one of the major links of the reform of the overall leadership system of the party and the state and the reform of the overall cadre system. As Vice Chairman Deng Xiaoping profoundly pointed out: The reform and perfection of a system is more fundamental and complete and has greater stability and duration than the thought, work style and responsibility of an individual.

Second, this policy decision helps to establish ideologically, politically and organizationally the Marxist viewpoint and principle that the Communist Party and the state must be under the collective leadership of leaders with ability and political integrity who have emerged amid mass struggle.

Third, this policy decision helps to bring into play the superiority of the socialist system in cultivating and steeling large numbers of talented leaders.

Fourth, this policy decision helps to develop genuinely equal and democratic relations in the highest leadership stratum and puts a stop to the patriarchal system and the phenomenon of the individual placing himself above the collective.

Fifth, this policy decision helps to formulate a democratic order, solve the problem of the handing over of power by the highest leadership stratum, and ensure the continuity and stability of the correct leadership of the party and state.

Sixth, this policy decision helps to bring down the average age of the highest leadership stratum and to regularly rejuvenate it, thus facilitating its constant absorption of new vitality, experience and knowledge.

The old generation of proletarian revolutionaries' prestige, experiences and wisdom that have been gained in their prolonged struggle are the political and spiritual treasure and great strength of the whole party and state. While rejuvenating the leading cadres ranks, the CCP Central Committee has also formulated some methods and measures to enable those comrades who have retired from firstline posts to continue to play their important role--as much as their energy and health allow--in the political life of the party and state, especially in making decisions on important matters. Our old generation of revolutionaries should sincerely help those comrades who lack their prestige, competence and experience, so that they will be worthy of

leading posts. They should regard this as their glorious duty for the party and the people. This shows the noble quality of true communists.

In short, the CCP Central Committee's important policy decision on the abolition of the lifelong tenure system for cadres of leadership posts has won the support of the broad masses and the broad ranks of our cadres. This policy decision has been reflected in the draft of the revised constitution and is being implemented in the current work of reforming the leading organs of the party and state.

History usually reflects progress. But on these problems, it seems that we merely have returned to the correct viewpoint that we put forth many years ago. However, as was said by Hegel, the same maxim would sound much more profound if it was said by an old man who had experienced the hardships of life than by a young man who had not experienced much of life. Though it is the same correct viewpoint, when we soundly affirm it today, our affirmations have been supported by the positive and negative experiences of our past; therefore, our understanding of this viewpoint is much deeper and much richer in meaning than that of many years ago. In carrying out this correct viewpoint today, we are much more conscious, much more resolute and much more persistent than we were many years ago. At that time, many people were not mentally prepared for the reform, but now the reform has become the common will and desire of every one of us. We are engaged in establishing and perfecting a complete system to ensure the full realization of socialist political democracy. We are fully confident that we will make steady progress.

CSO: 4004/36

A NEW QUESTION FOR STUDY

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 28-30

[Article by Xu Daohe [1776 6670 3109]]

[Text] At present, we have started to combat serious economic crime. The struggle has given rise to a new question for study. We should be armed with Marxism-Leninism and Mao Zedong Thought to preserve the purity of communism.

Notable results have been scored in carrying out the open-door policy and the policy on strengthening our domestic economy in accordance with our socialist modernization and with the international and domestic situations since the smashing of the "gang of four," particularly since the 3d Plenary Session of the 11th CCP Central Committee. That the policy will be carried out in future is beyond doubt. We should, however, note that in the past 2 or 3 years there has been a notable increase in serious crime such as smuggling, selling of smuggled goods, corruption, bribery, speculation, swindling, and stealing property from the state and collectives. Such activities are rampant in a small number of localities and among a small number of people. Such activities, which do great damage to the socialist economy, are often done by a small number of people in the national departments and enterprises who have colluded with undesirable elements in society. Some of these activities are done under the pretense of the state or enterprises, some are even backed up by some leading cadres. Some of our cadres, however, do not have a sufficient understanding of the seriousness and destructiveness of the questions reflected by the class struggle under the present historical conditions. It is, therefore, necessary to raise the ideological level of the members of the Communist Party and the staff of the state, to keep a clear mind and to preserve the purity of communism, so as to achieve a state of not being corrupt while the correct open-door policy and the policy on strengthening our domestic economy are being consistently carried out. This gives rise to a new question for study.

"The decisions made by the PRC State Council on combating serious economic crime" states that "our cadres, particularly our middle-ranking and leading cadres, should study again the works of Lenin and Comrade Mao Zedong, solemnly and persistently preserve the quality of the vanguard of the working class of our party, and preserve the purity of our members' communism.

Our members' ideological level should not be lowered and their political awareness should never be weakened. Our members should never become corrupt and degenerate." The successful study of the new question, the preservation of the purity of communism and the opposition to corruption and deterioration all play an important part in the interest of our people and our state, in the stability of our socialist system, and in the prosperity or decline of our state.

During the cause of our revolution and construction, whenever a new historical era starts, we often pay close attention to the purity of communism. We always raise new questions in time so as to prevent corruption and degeneracy among a small number of members and cadres. For instance, the emphasis of our work shifted from the rural area to the urban area during the early postliberation period. At that time, we had to come into closer contact with the capitalists. Confronted with this situation, some of our members became despondent. "They had not been conquered by the armed enemies." "They could not sustain the people's attack with sugar-coated bullets," so stated Comrade Mao Zedong at the 2d Plenary Session of the 7th CCP Central Committee. They indulged in material enjoyment; they were blinded by lust for gain; and they took part in bribery and corruption and in illegal practices. Nevertheless, our party led all of its members and cadres to study its principles and policies so as to strengthen their political awareness and raise their ideological level. Our party started the movement of "anticorruption, antiextravagance, and antibureaucracy." It severely punished a small number of serious criminals. Our anticorruption and antidegeneracy force in our party has been greatly strengthened. Necessary conditions for socialist reform and socialist economic construction have been created.

Our present situation is different from that in the past. It is different from the situation in Russia's period of implementing the new economic plan declared by Lenin. However, the basic principles and spirit of preserving the purity of communism and the struggle against corruption and degeneracy as advocated by Lenin and Comrade Mao Zedong are still applicable to our present situation. The article "Excerpts of Lenin and Comrade Mao Zedong on Opposing Communist Members' Corruption and Degeneracy," which has been recently carried in the press, is good material for study. We should thoroughly execute the "Decisions by the PRC State Council on Combating Serious Economic Crimes" and should study them seriously.

First, we should study communist ideology, build up a sound communist world outlook and fight persistently against harmful trends.

In many of their works Lenin and Comrade Mao Zedong have stated their insistence on communist ideology. During the war of resistance against Japan, Comrade Mao Zedong pointed out that "it is beyond doubt that our highest guiding principle is to push China toward a socialist and communist society. The name of our party and our Marxist world outlook have obviously demonstrated our brightest, highest and most wonderful ideal." ("Selected Works of Mao Zedong," Vol 3, p 1008) Every member has to dedicate himself to this struggle when he joins the Communist Party. He is

required to form a communist world outlook and to uphold the party's principles. As we march along the road to communism, it is inevitable that the development of our revolution will be impeded by all kinds of nonproletariat and harmful trends. How should we tackle these harmful trends? Lenin has pointed out that we "should keep a close eye to such trends and should resist them by means of communism." ("Complete Works of Lenin," Vol 31, p 416) Comrade Mao Zedong also has pointed out that a member of the Communist Party should "uphold the correct principles and wage tireless struggle against erroneous ideas and behavior at any time and place." ("Selected Works of Mao Zedong," Vol 2, p 332) At present, a small number of our party members have become corrupt and degenerate, and they have leaned toward the liberal bourgeoisie. We should follow the teachings of Lenin's and Mao Zedong's to uphold the party's principles and to carry out the struggle. Various harmful trends will run wild and greatly endanger the cause of our revolution if we do not wage a firm struggle against them.

Second, we should learn to preserve the purity of communism under any conditions. We should not lower the members' ideological level or weaken their political awareness.

Lenin has pointed out that "to preserve the ideological and political individuality of the proletariat is the constant and doubtless obligation of the socialists. Those who fail to fulfill this obligation are no longer socialists in practice." ("Complete Works of Lenin," Vol 10, p 60) In the preface and afterword to the "Survey on Agriculture" in 1941, Comrade Mao Zedong pointed out that "to preserve solemnly and firmly the purity of communism among the members of the party, to protect those capitalistic qualities which benefit the economy and to let them develop appropriately are indispensable in our resistance against Japan and at the age of building up a people's republic." ("Selected Works of Mao Zedong," Vol 3, p 751) At present, our socialist economy has become absolutely dominant. Various forms of economy and management will continue to exist. Our social policy can never be a communist social policy. However, members of the Communist Party should preserve the purity of communism under all circumstances. They should also maintain a good relationship between the preservation of the purity of communism and various social policies adopted under different circumstances. We should not use the comments on noncommunism to criticize the social policies and oppose noncommunist policies which are adopted in accordance with the practical situation. Nor should we give up preserving the purity of communism, lower the ideological level or weaken the members' political awareness just because some social policies are not communist.

Third, we should learn to serve the people wholeheartedly and vow to wage a lifelong struggle for communism.

It is our party's aim to serve the people wholeheartedly. It is our members' sacred responsibility to wage a lifelong struggle for communism. Comrade Mao Zedong said, "The Communist Party is to struggle, to serve the people wholeheartedly, not half-heartedly." ("Selected Works of Mao

Zedong," Vol 5, p 420) He also said that "Communist Party members should never put their own interests first. Their personal interests should give way to the interests of the state and people. Therefore, selfishness, sluggishness, corruption, deterioration, 'showing off,' and so forth are most detestable. Selflessness, diligence, wholehearted devotion to public duty, the spirit of quietly immersing oneself in hard work, and so forth are reputable." (ibid., Vol 2, p 488) Through studying Comrade Mao Zedong's teaching and practicing it in daily work, we can realize the public demand, become one with the masses and straighten out our party's spirit. If we possess such ideas and spirit, we will be able to put the interests of the state and people first, handle the relationship among the state, the collectives and the individuals, and abstain from jobbery; we will not give ourselves the airs of a hero and become proud and complacent, slacken off from making any further progress, and will not seek ease and enjoyment or be afraid of leading a hard life when we score good results; we can make criticism and self-criticism, be courageous enough to admit our shortcomings and to overcome them and rectify any ideas and behavior which are adverse to our party's cause when we make some errors in our work. In sum, if we possess such ideas and spirit, we can resist the capitalist attack with sugar-coated bullets, we will not lose in the battle against such sugar-coated bullets, and we can make continuous progress and vow to dedicate ourselves to the lifelong struggle for communism.

In studying the article "Excerpts of Lenin and Comrade Mao Zedong on Opposing the Corruption and Degeneracy of Communist Members" under the new historical conditions, we should closely link it with the present economic crime and the harmful trends in the society. We should take the lesson of the corruption and deterioration of the small number of cadres. We should summarize and study the experience of our good and uncontaminated cadres, members and collectives amid the corrosion of capitalist ideas. We should analyze the practical situation to get a better understanding of the related teachings of Lenin and Comrade Mao Zedong, to raise our ideology level and strengthen our political awareness, and to strengthen resistance to capitalist corrosion.

CSO: 4004/36

IS AN INDIVIDUAL UNDERTAKING PRACTICING EXPLOITATION IF IT EMPLOYS ASSISTANTS AND TAKES ON APPRENTICES?

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 30-31

[Article in "Questions and Answers" column by Dong Yancheng [5516 5885 2052]]

[Text] In our economy today, a small number of individual tradesmen own some means of production and, with the permission of the state managerial departments of commerce and industry, have one or two assistants or several apprentices, and these operators make more money than their assistants and apprentices. Is this exploitation through hiring labor? To answer this question, it is necessary to examine the sources and nature of the earnings of these individual tradesmen.

First of all, it should be noted that the income of individual tradesmen is greater than that of their assistants and apprentices and is not solely a result of gratuitous ownership of surplus labor. The amount a tradesman earns includes, first, the value created by his own labor. An individual tradesman owns a little means of production but he is a laborer at the same time. More often than not, he also has higher skills and more managerial competence, playing an important role in the process of production. He does more sophisticated labor than his assistants and apprentices, so it is right that he earn more than they. Second, the earnings of a tradesman include the money made through his earlier investment in the business. These earnings are equal to or modestly higher than the bank interest for the same amount of money. Therefore, although it is earnings on investments, it is justified and permitted by the socialist economy. Third, the earnings include the extra income resulting from pricing factors. The individual economy is a small commodity economy, the economic effects and earnings of which are closely related to the changes of supply and demand on the market. Since some problems still remain in balancing supply and demand in our country at present, and some prices are irrational, a tradesman can often sell at an inflated price and purchase at a discount. This extra income is not created by the labor of the individual tradesman, nor by the labor of his assistants and apprentices, but is created by the labor of laborers in other departments and transferred through price adjustment (it is also transferable to the state through price adjustments and tax collections). Fourth, the individual tradesmen make profit from the surplus labor of their assistants and apprentices. The amount of this is determined by the number

and productivity of the assistants and apprentices. The productivity of individual trades is rather low, and one individual tradesman is permitted to have a few assistants. Therefore, the value of the surplus labor of his assistants and apprentices is very little and cannot provide the bulk of his income.

One cannot indiscriminately regard the individual tradesman who has assistants and apprentices as a capitalist exploiter of hired labor because there are essential qualitative and quantitative differences between the two.

Qualitatively speaking, exploitation means that the workers have no alternative to selling their labor power to the capitalists. The relationship between the capitalists and the workers is characterized by the workers' forced labor and the capitalists' gratuitous ownership of the surplus value created by those workers. But the relationship between the assistants and apprentices and the masters of such individual trades is a coalition based on contract, which sets down the rights, obligations, tenure and income of both parties. Even though the assistants and apprentices are not paid for a part of the value they have created, it can be thought of as payment for the techniques they have learned. Speaking on the nature of apprenticeship Engels pointed out: "Apprentices and assistants are not working to earn sustenance, but rather to make themselves masters too." ("Selected Works of Marx and Engels," Vol 3, p 310) These two essentially different kinds of labor relations and ownership relations should not be confused.

Quantitatively speaking, the portion of income derived from surplus labor by the individual tradesman differs from that of the capitalists. Under the conditions of hired employment, capitalists' income is totally derived from surplus value, which enables them to devote themselves to activities of surplus value, rather than labor-oriented activities, and to continuously increase their wealth. Under individual trade conditions, a tradesman is permitted by the state to hire not more than two assistants, and no more than five apprentices if he has some special skills. This limitation ensures that the value of surplus labor only constitutes a small portion of his income. Moreover, he cannot spend all his time on activities of surplus labor; instead, he has to take part in laboring.

Small commodity production like these individual trades, needless to say, has a spontaneous tendency to expand, to hire more assistants and make more profits. But socialist public ownership and state policies are predominant in our state today. They regulate the scope of business, selling prices and indices of income and expenditure of individual trades. So, with efficient management, proper guidance and support, the negative aspects of the individual economy can be restrained and the business of individual tradesmen can play a positive role.

CSO: 4004/36

DO JOINT UNDERTAKINGS AND INDIVIDUAL UNDERTAKINGS MEAN EMPLOYMENT?

Beijing RED FLAG in Chinese No 10, 16 May 82 p 32

[Article in "Questions and Answers" column by Lian Cen [4886 1478]]

[Text] Basically, employment means combining labor and production resources and engaging in social labor in return for a reward or income. The social format of employment, or the channel of employment, is determined by the system of ownership of the means of production. Under the circumstances where the means of production belong to individual laborers, the means of production of an individual laborer are his direct means of employment. In a capitalist society, where individual laborers lose the means of production, a worker can only seek employment by selling his labor. The socialist system has opened up a good future both for the employment of the members of society and for the combination of laborers and the means of production. In our country today, and for a long period of time to come, the economy of the system of public ownership of the means of production is predominant, and at the same time there are diverse economic forms. The state-run economy and collective economy are our country's basic economic forms; the individual economy of laborers of a limited scope is a necessary supplement to the economy of the public ownership system. In order to adapt to the various forms of economy, employment must take various forms. Employment means engaging in any occupation under social division of work and in return getting back a reward or income. Employment, whether working in units in cooperative undertakings, individual undertakings or state-run enterprises, is employment just the same; it is only the form of employment that differs.

Under the influence of "leftist" errors in the past, policies of banning and suppressing the individual economy was implemented. Overemphasis was placed on transforming the collective economy into a state-run economy. This blocked many channels of labor employment. Consequently, people formed a one-sided view of employment. They believed that employment means becoming staff and workers of the state, or staff and workers in big collective units, and that working in cooperative or individual undertakings is not employment. Such misconceptions of employment stem from equating employment to certain definite forms of employment.

Working for state-run enterprises was only one form of employment, but not the whole. For a long period of time, the production structure of our state

was unreasonable because unilateral emphasis was placed on developing heavy industry. More than 50 percent of newly recruited workers were in industrial departments. Among the industrial departments, 70 percent of workers were concentrated in heavy industry. At present, many people are working in the industrial departments, and the number of those engaged in the retail business, service trade, catering trade, repair and maintenance trade, and certain consumer production trades is relatively few. In recent years, although there has been an increase in the number of people employed in these trades, the increase still fell largely short of actual demand. The problems of clothing, eating and repairs, which were prevalent in the cities in our country, are far from being solved. Taking the forms of the collective economy and individual economy, these trades will produce results beneficial to production and management, as well as be convenient for the masses. Therefore, from now on, the development of the collective economy and individual economy are important channels for solving the problem of labor employment in the cities.

In order to develop the national economy and to widen employment channels, we must carry out thoroughly the policy of three integrations in employment advocated by the party Central Committee and the State Council, "Under state coordination, planning and guidance, labor departments should make employment recommendations, organize employment on a voluntary basis, and plan employment." The idea of looking down on the collective economy and individual economy should be eliminated. Policies should be made to guide, encourage, promote and support cooperative and individual undertakings willing to organize themselves for employment. Their property, which is also their means of employment, should be given legal protection. Under the conditions of efficient management, higher income, and attention to appropriate accumulation, the collective economy can provide better wages and welfare facilities than national enterprises. The legal income of individual laborers, even if it is fairly high, should also be safeguarded.

Cooperative and individual undertakings pose many problems to many young people. On the subjective side, inexperience, and on the objective side, capital, location, resources, sales, and management all pose problems. In addition to national support, the individual's desire to start an undertaking is needed to overcome these problems. We should fervently help the young people build up a new concept of employment, and make them feel at ease about making contributions to satisfying the needs of the masses and the four modernizations by developing production and strengthening the economy.

CSO: 4004/36

CAN OUR COUNTRY USE DEFICIT BUDGETING TO STIMULATE ECONOMIC DEVELOPMENT?

Beijing RED FLAG in Chinese No 10, 16 May 82 p 33

[Article in "Questions and Answers" column by Dai Yuanchen [2071 0955 2525]]

[Text] The socialist economic construction of our state proceeds in a planned way. The scope of construction should be based on the state's capability and should proceed progressively. The balance of a budget serves as an important indicator of whether the scope of construction is in accordance with the state's capability. Although a deficit budget will temporarily increase construction capital and expand the scale of construction, in reality it cannot speed up construction. On the contrary, it will trigger a series of harmful effects.

First, to make a deficit budget expand the scale of construction and to increase the part of the national income used for accumulation implies that the distribution quota of the planned national income exceeds the amount of national income created. In fact, the distribution quota of the national income ultimately cannot exceed the amount created. Though distribution in excess of the quota expands capital construction, it will squeeze out some consumption with the result that some purchasing power cannot be materialized, thereby creating a disproportion between accumulation and consumption.

Second, as capital is a reflection of resources, to carry out construction by a deficit budget not only surpasses the financial capability of the state, but also goes beyond the material resources of the state. This necessarily creates an excessive scope of capital construction, an over-extended front, and failure to complete a project on schedule so that it can go into production. As a result, construction is extended over a long period of time, with only investment and no output, no production capacity is formed and the investment result is poor.

Third, deficit budgeting and distribution exceeding the quota will lead to a tight supply of material resources. To safeguard capital construction will squeeze out raw materials, timber and fuel, as well as power required by the current production, will squeeze out the equipment needed for repairs, and will interfere with simple reproduction. This will

affect the accumulation of capital and the production of social material wealth. The result will be more haste, less speed.

Fourth, a deficit budget will bring an increasing circulation of currency. When the currency in circulation exceeds the normal demand, the social purchasing power will be far greater than the supply of commodities. This will lead to an unstable currency and rising prices. People often say that capital construction has squeezed out finance, which in turn has squeezed out banks. Banks issue currency, and too much currency leads to inflation of commodity prices, which becomes an unstable factor in economic life. This is harmful to stability, unity and implementation of the four modernizations.

Some people might say that a deficit budget is a common phenomenon in Western countries, and that it has the effect of "prolonging the lifespan" of the capitalist economy. Why is it that the things which are applicable to Western countries fail to work in our state?

It should be pointed out that ours is a socialist state, with national conditions totally different from those of Western countries. In Western countries, crises in sales are common because the purchasing power of the laboring masses is relatively inadequate as a result of the labor exploitation by the capitalists. To them deficit budgeting will expand government expenditure, increase social demand, stimulate production and enhance employment opportunities, leading to a temporary relaxation of the economic crisis. This will bring big opportunities for capitalists to promote sales and therefore make fortunes. However, a deficit budget will increase the circulation of currency and inflate prices. It is in fact a hidden form of taxation at the expense of lowering the living standard by lowering the income of workers. As a socialist state, we are entirely competent to maintain a balance of total demand and total supply in a planned way. A relative shortfall in the ability to pay and demand, or excessive production will not occur. Thus, there is no need for a deficit budget to expand social demand.

In the 30-odd years since the founding of the PRC, deficits were incurred in a few years. But these were owing to some errors in our work. When the problems were spotted, positive measures were taken to balance the deficits. Comparatively large deficits were incurred in our state during 1979 and 1980. After common efforts by the whole party and the people throughout the state, a fundamental balance of revenue and expenditure was realized in 1981, and this was a wonderful achievement. Since the foundation of a balance of revenue and expenditure has still not yet been consolidated, we must soberly recognize this fact, persistently pursue the policies of acting in accordance with our capability and proceed progressively. We must hold fast to streamlining expenditure while increasing revenue, and strive for a balance of revenue and expenditure, so as to ensure a normal flow of production and stable market prices.

CSO: 4004/36

A TENTATIVE PLAN OF STRATEGIC MEASURES FOR DEVELOPING OUR COUNTRY'S
AGRICULTURE

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 34-38, 43

[Article by Zhan Wu [6124 2976], Shi Jingtang [0670 2417 2768], Wang Guichen [3769 6311 1368], Yu Jianping [0205 1017 1627], Liu Wenpu [0491 2429 3877] and Zhang Baomin [1728 0202 3046]]

[Text] Starting from the concrete conditions of our country, the long-term strategic target for the development of agriculture should be: by means of readjustment, reform and development, to set up a modern socialist agriculture that incorporates intensive, rational, economical and practical features with prosperous commodity production, so as to meet the needs of the life of our people and the demand for grain and other agricultural products in the course of industrial growth, to greatly enhance the income and living standard of the broad masses of peasants, and to build a new countryside of wealth and prosperity with the comprehensive development of agriculture, industry, commerce and communications.

In order to attain the above strategic target, effective strategic measures must be adopted.

1. Strengthen and perfect the socialist economic base.

In the past, one of the important factors that affected the development of our agriculture was the single-product economy. From now on, with the collective economy as the main element, the operation and management of state-run agriculture should be improved, and at the same time household sideline production should be actively developed. Also, individual farming households should be allowed to exist and develop under specified conditions. All this can help to create an active situation with various economic forms promoting and complementing one another, fully mobilizing the initiative of the state, the collective and the individual, and thus expediting the development of agriculture in our country.

Under the concrete conditions of our country, the economy of collective ownership is the main constituent of socialist agriculture. This is so not only because its output value amounts to 80 percent of the total output value of agriculture and the majority of the rural population and labor

force belong to the enterprises and organizations of collective ownership, but also because, and more importantly, the economy of collective ownership is more suited to the present production level of our agriculture. Its system of management, such as democratic management, a rather close combination of labor remuneration and production results, and greater autonomy and flexibility in operation and management, are very favorable for mobilizing the initiative of the collective and the individual, in stimulating the production potential and in the rational utilizing of resources. But in the past, under the influence of the erroneous "leftist" ideology, many people often held the view that collective ownership could not promote the development of productive forces in the countryside, and they always wanted to quickly switch to the system of ownership by the whole people. This only led to harmful results. Therefore, we should resolutely establish a long-term, stable policy of making collective ownership the main constituent in agriculture. As to the ways of management, the autonomous rights of the collective economy should be respected, and all the production brigades and production teams should become enterprise units which have independent accounting, which assume sole responsibility for profits or losses, and which have been granted the right of integration vertically and horizontally. The forms of integration or combination can be varied and should not be unified. Within the collective enterprises, various forms of the production responsibility system should be established, particularly forms linked to output. For the cadres, the system of personal responsibility closely associated with personal benefits should be practiced. New problems in the production responsibility system should be continuously investigated and solved, with a view to perfecting the system as production develops.

Various economic forms should be permitted to coexist even within the structure of state farms. The measures of democratic management, forms of the responsibility system linked to output, and other measures should be studied or practiced, while upholding the essential nature of the ownership by the whole people. But these measures should be taken with due consideration paid to the specific conditions of the farms and should not be copied indiscriminately.

Under the condition that public ownership gets the upper hand, household sideline production should be developed vigorously. In actual life, there might exist some contradictions between the household sideline production and the collective or state-run economy, but they can be easily resolved once management and leadership are strengthened. As a matter of fact, the sound development of household sideline production can exert a positive influence on the collective economy. Based on the actual situation in the countryside, the proportion of household sideline production in the total agricultural output value should be appropriately raised. To achieve this aim, some practical and effective measures should be adopted, such as: expanding the quantity and extent of privately owned land and household sideline production of commune members; given the characteristics of our country, where there is a lot of barren land and hills and a broad expanse of water areas, and based on the specific conditions in different localities, some privately owned hilly, sandy and water areas may be assigned to

commune members; with regard to the prices of products, credit facilities, taxes, sales of products, the supply of materials and other things, specific policies that facilitate the development of household sideline production should be formulated.

Under the condition that the public-ownership economy enjoys absolute superiority, it is also necessary that a small quantity of the agricultural individual economy be allowed to exist and develop. The reason is that there are many mountainous regions in our country, and some regions have a very low level of production and basically have a kind of natural economy, and the peasants live in widely scattered areas. In these regions, in comparison with the collective economy, the individual and personal economy can more effectively mobilize the initiative of the peasants in production activities and can better utilize the rich natural resources in the mountainous regions. Of course, the individual economy does have the limitations of small-scale production. Therefore, investigations and studies should be conducted to ascertain under what conditions this kind of economy can be allowed to exist and develop, and how it should be supported, guided and managed, so as to formulate a series of practicable and concrete policies.

2. Establish a good agricultural ecological system.

A good ecological environment is the basis and a very important condition for developing agriculture. For a long time, under the erroneous "leftist" ideology, our agriculture violated the natural laws of agricultural production, resulting in serious destruction of the resources in farming, forestry, animal husbandry, sideline production and fishery. We should earnestly draw a lesson from this in our future work.

We should comprehensively carry out the policy of comprehensively developing the five categories of farming, forestry, animal husbandry, sideline production and fishery. Letting neither grain displace forestry, animal husbandry, sideline production and fishery, nor the latter displace the former. In the work of plantation, the structure of the varieties and the system of cultivation must be rationalized. The principle of the combination of land utilization with land preservation must be practiced. Agriculture should be reformed with the techniques of modern agricultural biological science. The traditional experiences in agriculture such as the utilization of manure derived from the excrement of men and animals, green manure, pond-sludge manure, stalks for use as manure in fields, rotational cultivation of grain and manure, and so on, must be popularized. All these measures can combine modern science and technology with traditional experiences, paving the way for low consumption, low cost and high gains.

Attention must also be paid to the problem of ecological equilibrium in the work of water conservancy. In the past, there were considerable achievements in water conservancy, but because engineering administration had not been combined with biological control, some reservoirs were seriously clogged with mud and sand. In recent years, there have been very serious

floods in some provinces. One of the important causes was the destruction of forests, vegetation areas and the ecological equilibrium. The current policy in water conservancy, besides the engineering administration itself, should place emphasis on the conveyance system and the improving of results, and should combine engineering administration with biological control, paying particular attention to water and soil conservation and also the expansion of vegetation areas. Capital construction in agriculture should be done in a down-to-earth way and strive for practical results, so as to fully utilize the existing water resources in our country. In the reservoirs and water areas, fishery and cultivation of aquatic industrial products should be developed, and this will help to maintain the water resources with the gains from aquatic products.

Forestry work is a great undertaking that can transform nature, benefit our contemporaries and enhance the well-being of posterity. In order to establish a good ecological environment, active planting of trees and grass must be carried out. We assume that by the year 2000, the forest cover rate will be raised from the present 12.7 percent (the actual figure is still lower) to about 20 percent, and this will require very great efforts. The first thing to do is to gradually slow down the excessive logging of forests and to stop the destruction of forestry resources. The second thing is to effectively plant and protect more trees and to increase vegetation areas. In this respect the key issue is how to solve well the problem of supplying fuel to agricultural households and wood used by the public. For this purpose, aside from developing methane, small-scale hydroelectric power, solar energy and other fuel sources, special attention should be paid to planting fuel forests and fast-growing forests, because they possess the merits of strong adaptability, short growth period, a wide range of uses, and small investment with fast results. In the plains areas, household fuels and wood used by the public are very scarce, and the problem of ecological equilibrium is serious. Therefore, the key issue in the current afforestation of the plains areas is to make the farming fields into a network of trees and to plant trees all around farm houses. Attention should also be paid to the potential and function of woody plants and oils. It is estimated that if all the hilly areas and all the unused space around households or farming fields are fully utilized to grow woody grain, oils, fruits, and also bamboos and medicinal herbs, the farming area would be twice as large as it is now, and the country's total food output would increase by 1/4 to 1/2 under present conditions.

To quicken the pace of afforestation in our country, the fundamental way is to mobilize the initiative of millions of commune members (staff and workers) in planting and conserving trees. This necessitates more efforts in management. For example, specialized groups or households can be assigned the exclusive task of planting trees on the barren land and hills owned by the state or the collective; part of the barren hills can be allotted to the commune members as privately owned hills, thus mobilizing thousands of households in the work of afforestation. In this way, trees can be planted more quickly and their growth rate will be high.

The problem of ecological environment should also be solved well for the development of animal husbandry and fishery. At present, nearly half of the meadows in our country have degenerated, because too many animals are feeding in the fields, exceeding the capacity of the fields, and the construction of meadows has been neglected. From now on, the following measures should be taken: designate the number of animals according to meadow conditions, have a rational assortment of animal species, and set a rigid limit for the number of animals feeding in the fields; develop artificial forage grass based on land conditions, and gradually set up bases for forage; in those pastoral areas where the number of privately owned animals is comparatively large, meadows can be allotted to set up a responsibility system for meadows with regard to grassy hills and slopes that are not suitable for stock raising, the livestock should be confined to certain areas and fed with grass cut from the fields, so as not to spoil the vegetation and to avoid soil erosion; with regard to ill-used grassy plains, hills and slopes, scientific plans should be worked out to rationally use them and to avoid indiscriminate reclamation; methods should be devised to raise the growth rate of livestock, the percentage of meat yield from livestock, and the commodity rate of livestock, and to lower the consumption rate of forage; and so on. In recent years, the fishery resources in the coastal water areas and the fresh water regions have been drastically spoiled. Of the eight main categories of fish of economic value, some have basically lost the ability to regenerate. For a rather long period of time from now, the fishery resources should be well protected, setting up zones where fishing is prohibited and stipulating periods when fishing is prohibited in coastal waters that have suffered from serious misuse. The outlet for developing fishery is mainly dependent on artificial fish breeding, and on the carrying out of the policy of combining fish breeding with fish catching, with proper emphasis on breeding. Special efforts should be exerted to develop fresh water breeding, because it can limit the quantity of fishing in coastal waters to a rational extent, thus facilitating the protection and rehabilitation of fishery resources, and, what is more, restore and maintain a certain portion of water areas that will benefit irrigation work and regulate the local climate. Also, the pond sludge resulting from fish breeding is a good organic manure. Besides, some measures in the southern provinces, such as building mulberry-based fish ponds and sugarcane-based fish ponds, and combining the growing of vegetables, raising of pigs and breeding of fish, should be actively practiced because they closely integrate fishery with plantation and animal husbandry and help to promote mutual progress.

To sum up, our agriculture should be guided by the laws of ecological equilibrium. All the measures concerning engineering, machinery and technology, and also the whole system of cultivation, and the structure and arrangement of crops, should conform to this law without exception.

3. The economic structure in the countryside should be readjusted.

On condition that the general grain output increases steadily, the proportion of industrial crops, forestry, animal husbandry, sideline production, fishery, industry, commerce and communications should be increased in the

total output value and the assignment of the labor force. In 1980, the ratio of the output values of grain and industrial crops was 7 to 3. The ratio of the output values of agriculture and forestry-animal husbandry-sideline production-fishery was also 7 to 3. The output value of industry run by the production teams amounted to 14.5 percent of the total agricultural output value. According to abundant sources from our own direct investigation and general statistics, a rough picture can be visualized: for production teams that give an average income of over 150 yuan per person, the income of forestry, animal husbandry, fishery and industrial sideline production amounts to more than 40 percent. For production brigades that give an average income of over 300 yuan per person, the income of forestry, animal husbandry, fishery and industrial sideline production amounts to around 60 to 70 percent. For brigades that give over 400 yuan per person, the income of forestry and others amounted to as high as over 80 percent. Conversely, for teams that give an average income of less than 50 yuan per person, the income of forestry and others amounts to only 20 percent or lower. That is to say, the proportion of diversified economy bears a very close relation to the amount of income of peasants. Besides, if the proportion of diversified economy is high, the capability to fight natural calamities can be increased. Take Shandong Province for example. In 1980, grain production decreased by 3.55 percent because of natural calamities, but because the proportion of the output value of industrial crops increased from 28.7 percent in 1978 to 37.1 percent in 1980, the average per capita income still increased by more than 28 percent. Of course, what constitutes a rational ratio that should be maintained between the diversified economy and grain production has to be decided with reference to the concrete conditions of different periods and different places.

From now on, in the work of readjustment three kinds of relationships should be dealt with properly:

First, the relationship between grain and industrial crops-forestry-animal husbandry-sideline production-fishery should be handled well. In our country, in the years 1979 and 1980, the area sown with grain was readjusted with a total reduction of over 60 million mu. These mu were converted to growing industrial crops or used as forestry and animal husbandry areas. In 1981, the sown area of wheat and early rice continued to be reduced, this time by 23 million mu. But, despite this, total grain output maintained a steady increase. This was mainly because: 1) land unsuitable for growing grain was planted with industrial crops that save labor, water and manure, and thus more labor, water and manure could be concentrated on growing grain crops, resulting in an increase in grain output compared with the method of extensive cultivation; 2) after the practice of alternate or rotational farming of grain with fertilizer, the fertility of the soil was enhanced, and the per unit area yield of grain was raised; 3) with industrial crops and forestry-animal husbandry-sideline production-fishery increasing, more manure and capital could be put into grain production; 4) the peasants and cadres of basic units fully understood that they had to have enough grain to live on and had to develop stockbreeding. Therefore, they adopted various measures to raise the unit output and the total output after the reduction of the farming area sown with grain. But it

should be clearly understood that the two tasks stand in contradiction to each other in the problem of land utilization. Thus, when the proportion of industrial crops and forestry-animal husbandry-sideline production-fishery is being raised, the production of grain must be tackled with the greatest effort. Agriculture is an important constituent part of the entire socialist economy, so even after practicing the production responsibility system, we should persist in the policy of letting the planned economy play the key role, supplemented by regulation by market mechanism. Under the present condition in which the unit output of grain cannot be raised, the area for grain cultivation should not be further reduced. Besides, in order to guarantee the needs of people's life in cities, the suburbs should become a base for the supply of vegetables, meat, eggs, poultry and other nonstaple food--this is a problem to be solved well in the future.

Second, the relationship between rational utilization of farmland and the development of mountainous areas, grassland and water areas should be handled properly. In the past, there were many instances of irrational utilization of farmland, such as putting all the added investment in high-yield fields, with the resulting high costs but very small increases in output, and the aftermath was that the output of the medium- and low-yield fields could not be enhanced. From now on, while stabilizing the output of high-yield fields, efforts should be mainly concentrated on raising the output of medium- and low-yield fields, and also on improving dry land production. The potential for an increase in output is great for the low-yield fields and medium-yield fields (over 70 percent of the total farmland), and also for the dry land, because greater economic results can be achieved with comparatively less investment. In other respects, hills, water areas and grass resources have not been fully utilized. Of these resources, 74 percent can be used for agricultural production, but in fact only a little more than 10 percent is being utilized: about 3 billion mu of land suitable for forestry have not been used; of the 250 million mu of inland fresh water, less than 1/5 has been used for raising fish, and output has been low; and 3.3 billion mu of grasslands and 1 billion mu of grassy hills and slopes in the south have been poorly utilized. From now on, hills, water areas and grassland should be rationally exploited so as to supply large quantity of woody grains and oils, fruits, meat, milk, fish and so on, thus satisfying the needs of society and enabling the peasants of our country to prosper faster.

Third, the relationship between the various industrial, marketing and communications trades should be handled properly. Comprehensive management of the production, processing, marketing and transportation of agricultural products is essential for changing the irrational system of management which separates the trades from each other, restoring the inherent association of these branches in the agricultural economy, and rationalizing the economic structure and the system of management in the countryside. At present, because commodity production in the countryside is not very prosperous, and the degree of specialization and socialization of agricultural production is not high, the extent of organizing the comprehensive management of agriculture, industry, commerce and transportation should not be too great. Based on the principle of specialized collaboration and

economic rationalization, loose associations can first be organized without changing the system of ownership, and solid economic associations can be gradually established with the development of this process. This process will be a long-term one, and no groundless administrative interposition should be allowed. Besides, things cannot be dealt with in a hurried way.

4. Socialist commodity production should be developed.

Developing commodity production and raising the commodity rate has much to do with rapidly developing our agriculture and helping the peasants to prosper. According to typical statistics, in production teams where there is average income of over 150 yuan per person, the commodity rate reaches 55.2 percent, but in production teams where there is an average income of under 50 yuan per person, the commodity rate is only 18.5 percent. In the whole country, the commodity rate of agricultural products has reached only a little more than 30 percent, which lags far behind that of developed countries. In order to develop commodity production and raise the commodity rate, the following problems should be dealt with properly:

First, as to the arrangement of production, concentration of production must be appropriately based on the concrete conditions of the land. Regionalization, specialization and intensive operation should be gradually achieved. Only in this way can we improve our technology, improve our varieties, increase the output per area unit, and enhance the labor productivity and the commodity rate. For instance, the 157 counties that serve as bases for goat raising have furnished the state with 60 percent of the purchased goat skins; in 1979, the 17 sugarcane bases in Fujian Province produced 99.4 percent of the total quantity of sugar in the province.

Second, great efforts should be made to develop the diversified economy and the work of processing agricultural sideline products. The production of the diversified economy is basically a kind of commodity production. Therefore, the focal point in the development of commodity production should be centered on this aspect.

Third, the form of the responsibility system of specialized contracts linking production results with remuneration will be a strong impetus to developing commodity production. Specialized households need only a small amount of investment and have low costs but can provide greater results, thus enabling the stockbreeding and other undertakings to greatly raise the commodity rate. For example, more than 30,000 specialized pig-raising households and key households in Liaozhong city supply the city with 30 percent of the pigs consumed; in Rushan County, Yantai Prefecture, the specialized chicken-raising households and part-time households of a single production brigade supply 1/7 of the purchased eggs of the county. It can be asserted that specialized households and their combined units are a form of economy that holds great prospects for developing socialist commodity production.

Fourth, circulation channels should be kept open. For many years, under the erroneous influence of "leftist" ideology, the relations between production, circulation, distribution and consumption in the course of reproduction

were severed. The planned economy was treated as contradictory to the development of commodity production, and this resulted in confusion and bad results. Since the 3d Plenary Session of the 11th CCP Central Committee, in many places there has emerged the coexistence of diversified channels and diversified forms of marketing, and the rural markets have been more brisk. But, generally speaking, the problem of the system and structure of commodity circulation is far from being fundamentally solved. Under the unified plans and management of the state, various elements of the commercial economy should be allowed to exist, with the state-run commerce as the backbone. The economic results of these sectors should be coordinated, so as to have more channels and fewer links, with a view to enlivening the market and guaranteeing supply.

Fifth, communications and transportation in the countryside should be actively developed. The stagnation of commodity production in some places is owing to the stagnation of communications. Various forces of the state, the collective and the individual should be fully mobilized to run the work of transportation, with special attention being paid to villager-run transportation, which has great potential for development, and to bring the functions of railroad, highway and water transport into full play. Great attention should also be paid to communications construction in mountainous regions and border areas.

Sixth, the construction of small market towns and small towns should be stepped up so that they can be developed into trading centers, centers for industry and sideline production, centers for food and other services, and centers for cultural and technological activities, with the result that agricultural commodity production can develop further.

5. Agricultural science should be actively developed.

Because of the readjustment of various policies concerning the countryside, the initiative of the broad masses of peasants has been enhanced to an unprecedented degree, and a new situation has begun to emerge with the masses learning and applying different branches of science. The task ahead is to make good use of this favorable situation to actively develop agricultural science, so as to raise the level of scientific farming and breeding and the level of scientific management.

An important problem in raising the level of scientific farming and breeding is the low level of technology in the countryside, and the low scientific, cultural and management levels of commune members and cadres of the basic units. According to typical investigations, of the rural labor force, illiterate persons amount to 26.4 percent; those who know a few characters, 18.3 percent; those who have a primary education, 31.5 percent; those who have a secondary education, 23.7 percent; and those who have a college education, 0.1 percent. In the countryside, technical personnel are very scarce, and some communes do not even have any technical personnel.

In view of this situation, we should:

First, grasp well the work of eliminating illiteracy. First, the illiteracy among young and middle-aged people must be eliminated within a given number of years. Then primary school education can be made universal, and in some regions both primary and middle school education can be made universal.

Second, the agricultural educational structure and system should be reformed. At present, the ratio of the students in agricultural institutions of higher learning to those in technical secondary education is 1:2, and the spare-time schooling of peasants is nearly nil. In France, the ratio of students in agricultural colleges, secondary schools and spare-time schools is 1:20:20. According to the concrete conditions of our country, equal attention should be paid to these three levels of agricultural education. When distributing education funds, the proportions for the last two kinds of education should be appropriately increased.

Third, agricultural scientific research and technical popularization systems should be set up and perfected. In our country, agricultural scientific research work is rather backward, and technical popularization is particularly backward. Since liberation, thousands of positive results in agricultural scientific research have been achieved, but few have been really popularized. From now on, special emphasis should be put on the work of popularizing technical know-how. Not only should we pay attention to the research and popularization of modern agricultural science and technology, but also sufficient emphasis should be put on the summing up and enhancement of our traditional agricultural techniques, so that the two can be combined effectively. The recently introduced form of the responsibility system linking technology with output is an effective form for promoting science and technology and should be actively popularized. Emphasis should be placed not only on training technical personnel in various kinds of agricultural schools, but also on training "local experts" and skilled craftsmen.

Fourth, the role of existing scientific and technical personnel on the agricultural front should be brought into full play. The number of scientific and technical personnel on the agricultural front of our country has long been insufficient, and at the same time there exists the serious problem that a large number of these personnel are working in units that have nothing to do with their schooling. According to related statistics, personnel who were graduated from our agricultural colleges or secondary schools since liberation and are still working in agriculture-oriented units amount to a little more than 1/3 of the total number. In other words, nearly 2/3 of these graduates have been transferred to work in other departments. This is a tremendous waste. The main causes of this phenomenon are: 1) the authorities concerned do not pay attention to agricultural science; 2) in the agricultural units, working conditions are poor, and rewards are low politically and materially; and 3) some specialties are not suitable for local application. We have the following suggestions: 1) the work of transferring agricultural technical personnel back to their professional posts should be done properly; 2) the political and material conditions of agricultural technical personnel should be improved, and help should be given to them to solve their practical problems; and 3) while doing good work in the forecasting of production development, agricultural education should be well planned, so as to avoid inapplicable or impractical subjects.

ON SPIRITUAL CIVILIZATION AND MARXISM

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 39-43

[Article by Zhang Qihua [1728 0796 5478]]

[Text] Our country has entered a new historical period. During this period, we will build a socialist material civilization and at the same time spare no efforts to building a socialist spiritual civilization. This work is urgently needed in our present modernization program and is demanded by basic Marxist principles. Therefore, various departments and units must put this work in a very important position.

From a Marxist point of view, civilization is the product of the development of the history of the social progress of mankind as well as the criterion of mankind's social progress. In primitive society, people lived under uncivilized and barbaric conditions because of the extremely low level of productive forces. They led a life of "eating coarse foods, drinking soup made of foliage, wearing animal skins in winter and wearing leaves in summer." They were not concerned with spiritual civilization. Following the constant development of social productive forces, people began to depart from the uncivilized and barbaric era and to enter the civilized era. Historically, civilization includes two aspects--material and spiritual. When Marx and Engels talked about the "production of the whole world" in "German Ideology," they particularly noted that this production "also includes spiritual production." They called the production of the whole world, which includes spiritual production, "global overall production" and pointed out that this is "what is created by people." ("Collected Works of Marx and Engels," Vol 3, p 42) Therefore it can be seen that material civilization and spiritual civilization are like the two wings of a bird and they are indispensable in every period of the development of civilization. Material civilization is the base and source for the building of spiritual civilization, while spiritual civilization has a powerful reaction on the building of material civilization. The development of spiritual civilization can in no way be divorced from the development of material civilization; neither can the development of the latter be divorced from that of the former. These two aspects condition and supplement each other.

Spiritual civilization has a different nature and content in different eras. For example, slave society, feudal society and capitalist society created

their own science, culture, health and sports that were or are in line with the economic conditions of their own times and the political ideology and the concept of morality that were or are in a ruling position. In particular, the capitalist society, where productive forces have developed drastically, not only has created a material civilization that has a wealth much greater than the total wealth since the beginning of history, but has also created a spiritual civilization that is much higher than the spiritual civilization of any previous society. But in a class society, there exists exploitation of man by man and oppression of man by man, and consequently people's spiritual life is deformed and far from complete, with both civilized aspects and ugly and uncivilized aspects. This feature is most prominent in a capitalist society. Engels once pointed out profoundly that the basis of bourgeois civilization is "exploitation of one class by another class and therefore all its development is carried out in the contradictions that often happen." These contradictions are shown in the fact that "when one thing is good for some people, it is naturally bad for some other people and that when one class wins a new liberation it naturally means a new oppression for another class." Therefore Engels concluded that "the more the civilized era develops, the more it puts the cloak of love on the bad things it naturally created, so as to whitewash or deny them,--in short, it habitually practices hypocrisy." ("Selected Works of Marx and Engels," Vol 4, pp 173-174) Engels pointed out here that spiritual civilization under the system of slavery, exploitation and oppression naturally has a nature of hypocrisy and contradictions. The socialist society is based on the public ownership of the means of production; it is a brand-new social system in the history of mankind. In a socialist society it is necessary to build both a highly developed material civilization and a spiritual civilization that is more developed than any class society. Without highly developed material civilization there will be no foundation for spiritual civilization, and without highly developed spiritual civilization it is not possible to form a highly developed material civilization. Therefore, it is necessary for a socialist society to create a more advanced and higher stage of spiritual civilization on the basis of critically absorbing the excellent fruits of all spiritual civilizations created by our predecessors.

Basing himself on the viewpoint of Marxism and Leninism and proceeding from the specific conditions of our country, Comrade Zhao Ziyang expounded the main contents of socialist spiritual civilization in his report on government work to the Fourth Plenary Session of the Fifth NPC. These contents include the scale of the development and the level of education, science, culture, art and literature, health and sports, and the orientation of the development and the development level of social political ideology and ethics. The purpose of building socialist spiritual civilization is to transform our people of various nationalities into a people with aspiration, morality, discipline and culture.

Some people hold that the concept of "spiritual civilization" was never used in Marxist and Leninist works and, therefore, they are doubtful about advocating the building of socialist spiritual civilization. The fact is that it makes no difference whether such a concept had been used before; the question is whether there is such an idea. For example, it was mentioned

above that in "German Ideology" Marx and Engels mentioned the "production of the whole world" and that "spiritual production is also included," and these words no doubt also include the ideology of "spiritual civilization" that is being mentioned by us today. In addition, it is not difficult for us in reading Marxist and Leninist works to find that Marxist classic works have on many occasions made important and concrete expositions on this question.

Now let us talk about the first aspect of socialist spiritual civilization. Marxism always holds that the development and popularization of education, science and culture is a great motive force for promoting the development of society. In the "Manifesto of the Communist Party," Marx and Engels put forth 12 important socialist measures and they stressed the importance of "combining education with material production." ("Selected Works of Marx and Engels," Vol 1, p 273) Marx said time and again that in order to change social conditions, "the corresponding education system is needed." ("Collected Works of Marx and Engels," Vol 16, p 654) Marx and Engels spoke highly of the role played by natural science in developing society and pointed out: "Modern natural science and modern industry have changed the whole natural world and put an end to people's naive attitude toward nature and their naive activities." (ibid., Vol 7, p 241) Lenin inherited Marx' and Engels' ideology and paid great attention to carrying out scientific and cultural education among the masses. He repeatedly pointed out: "If we say that it is necessary for us to destroy outer obstacles, then we particularly feel that the most arduous work is to reeducate the masses, organize and train them, popularize knowledge and fight against the heritage of ignorance, lack of civilization and barbarism we have accepted." ("Selected Works of Lenin," Vol 3, p 816) He also said: "In order to build communism, it is imperative to master technology and science and enable the broad masses of the people to use them." ("Collected Works of Lenin," Vol 30, p 419) He said: "People will become communists only when they are able to enrich their brains with all the knowledge that has been gained by mankind." He pointed out that "a communist society cannot be built in an illiterate country." ("Selected Works of Lenin," Vol 4, pp 348, 357)

Now we should talk about the wrong aspect of socialist spiritual civilization. Directed against the viewpoints which deny the important roles of politics and ideology in the development of society, Marxist classic works on several occasions clearly pointed out that although the development of politics, law and philosophy is based on economic development, this development has an influence on the economic foundation and cannot be neglected. Marx and Engels pointed out in the "Manifesto of the Communist Party": "The communist revolution means completely breaking away from the relationships of traditional ownership; it is not strange that in the process of its development, it thoroughly breaks away from traditional concepts." ("Selected Works of Marx and Engels," Vol 1, pp 271-272) To "thoroughly break away from traditional concepts" in fact includes denial of the political ideology and ethical morality of the exploiting classes and the establishment of communist political ideology and ethical morality. In this respect, Lenin inherited and developed Marx' and Engels' brilliant ideology.

Lenin paid particular attention to educating the masses of people with communist ideology. He said: "Strictly speaking, so-called communism means working for society without pay, no consideration of the differences between individuals, no old viewpoints, no conservative psychology, no old habits, no difference between various working departments and no difference in labor pay." ("Collected Works of Lenin," Vol 30, pp 160-161) He also pointed out that "communist morality is the morality of uniting the laborers to oppose all exploitation and oppose all small private ownership services." ("Selected Works of Lenin," Vol 4, p 353) He called on the people to "strive to abolish the cursable convention of 'each for himself and God for all' and overcome the practice that regards labor as a burden and holds that any labor must be given a certain pay." ("Collected Works of Lenin," Vol 31, p 104)

The above-mentioned citations show that the education, science, culture, political ideology and ethical morality expounded in Marx' classic works are important contents of the socialist spiritual civilization we are talking about today. Therefore, it can be seen that the question of spiritual civilization occupies a very important position in the Marxist ideological system.

Some people ask: Is it not also necessary for capitalist countries to develop science, culture, sports and health? How can we say that these are the contents of socialist spiritual civilization? Our answer is that this is because our country is developing these aspects with a socialist nature and contents. Science includes natural science and social science. Natural science has no class character, and we cannot say that there is a proletarian science and a bourgeois science. But our natural science must serve the socialist modernization program and must take dialectical materialism and historical materialism as the guide for its world outlook. On the other hand, social science has a very strong class character. Therefore, it must have Marxism as its guide. Its political viewpoint and ideological tendency must be in line with the four basic principles and must serve the consolidation and development of the socialist system. Like social science, education, culture, and art and literature must also serve socialism and take Marxism as their guiding ideology. They must also have different socialist contents and regard it as their own important tasks to form a new ideology, new spirit and new social practices. There is no doubt that health and sports must also serve socialism and must take Marxism as their guide in world outlook. Therefore, our work of developing science, culture, sports and health is of a different nature than that in capitalist countries.

Although these two aspects of socialist spiritual civilization have different nature and contents, they are interrelated and influence each other. Cultural cultivation and scientific knowledge have a great influence on people in forming their communist world outlook and moral outlook. The formation of the communist world outlook and moral outlook will inspire people to further display their talent and wisdom and to further improve the level of their cultural and scientific knowledge. But these two aspects cannot be mentioned in the same breath and be regarded as the same

thing. In our view, the core of socialist spiritual civilization is a communist world outlook and moral outlook. It is nothing other than this kind of world outlook and moral outlook and thorough revolutionary spirit that manifest the features of socialist spiritual civilization. They represent a basic difference from capitalist and feudal spiritual civilizations. The key point in building socialist spiritual civilization is to educate the masses with communist ideology so as to enable them to form communist aspirations, beliefs and world outlook and to heroically struggle for the realization of communism in our country. Advanced cultural knowledge and scientific technology will be able to serve our modernization program only when they are mastered by people armed with communist ideology, and it is only they who are able to ardently take part in socialist labor with high consciousness and shoulder heavy responsibilities. Therefore, in building our socialist spiritual civilization, we must put education on communist ideology and morals in the primary position.

Some people might ask why, since the requirements for building socialist spiritual civilization are so high, it is possible to build such a civilization in our country with fairly backward material conditions? Do we not violate the principle of historical dialectics of "social ideology being determined by social existence" if we do so? We believe it is necessary to clarify this question.

First of all, when Marxism affirms that social existence determines social ideology, it also affirms that social ideology is comparatively independent. It is true that material civilization is not philosophical social existence while spiritual civilization is not social ideology. But we can say that the progress in the material living conditions of mankind, the progress in labor tools and technology, and the growth of the material wealth of material civilization constitute an important part of social existence and are part of the productive forces (it is generally known that the basic thing in social existence is the mode of production of goods and materials and that the mode of production includes the two aspects of productive force and production relations). On the one hand, it is true that some contents of spiritual civilization which represents progress in the wisdom and morality of mankind do not belong to social ideology, and this part includes some cultural knowledge, health and sports. But another major part does belong to social ideology (social ideology includes such forms as political ideology, the ideology of rights, morality, science, philosophy, art and literature, and religion). Therefore, in investigating the relationship between material civilization and spiritual civilization, we can completely follow the law of the relationship between social existence and social ideology as expounded by historical materialism. That is to say, we must first of all acknowledge that spiritual civilization is the foundation and the source of material civilization, and we must also acknowledge that spiritual civilization is comparatively independent. The development of spiritual civilization and the development of material civilization do not necessarily and mechanically balance or maintain a definitive relationship.

Second, the development of spiritual civilization has its own particular laws. The various parts of spiritual civilization rely on material

production to different degrees. Generally speaking, the scale and level of the development of education, science, culture, hygiene and physical training directly reflects the degree of development of social economic life and of material production. They are directly conditioned by material conditions, and they often and directly play their roles in the development of social productive forces. But none of these are absolute. Under certain conditions, advanced art and literature and philosophical ideology might occur in an economically backward country. Political ideology, moral concepts and prevailing social habits are conditioned by material conditions. What is more important is that they have a relationship with material production through the production relations and the political and legal system based on these relations. The nature of the relations of production and the nature of a social and political system directly determine social political ideology and morals. Therefore, when Marxism affirms that social existence determines social ideology, it also acknowledges that, under certain conditions, a country with a relatively backward material civilization might surpass another country with advanced material civilization in regard to spiritual civilization. At the same time, a country with advanced material civilization might have a lower degree of spiritual civilization than another country with backward material civilization. Even within a country, the development of spiritual civilization has not always accorded with the development of material civilization in different historical periods. This has often occurred in history.

Marx particularly spoke of the balance between material production and artistic production. He said: "With regard to art, we all know that its particular prosperous periods do not develop proportionately with the general development of society and therefore do not develop proportionately with the material base, which serves as the skeleton of social organization." ("Selected Works of Marx and Engels," Vol 2, pp 112-113) For example, under the conditions in which material production was not greatly advanced, some ancient Greek literature and art such as the epics "Iliad" and "Odyssey" are characterized by profound ideological description and superb art, and even the later generations who read these works were amazed at such artistic creation. There are a number of such examples in modern world history. For example, by the end of the 18th century, French philosophy and political ideology had already surpassed those of economically advanced Britain. In the mid-19th century, Germany was economically backward and politically divided, but the philosophical ideology of this country was the world's top at that time and this country became the birthplace of Marxism. Engels termed this situation "an economically backward country being able, philosophically, to play the first violin." (ibid., Vol 4, p 485)

Such situations have also occurred in different historical periods in our country. During the war against Japanese aggression, the material conditions were fairly poor in Yan'an and yet this place was termed by all the progressive people as China's "most pure place" and a "sacred revolutionary place." The food, clothing and living conditions were very poor in Yan'an, but fine sons and daughters of the Chinese people living there cherished great political aspiration and lofty morals. The relationship

between men was characterized by equality, mutual help and militant friendship. With high spirits and vigor, they displayed an arduous revolutionary spirit, closely united in their common struggles and were confident of the victory of the communist cause. It is apparent that in these aspects the extent in the development of spiritual civilization in Yan'an far surpassed that of the regions under the control of the Kuomintang which had better material conditions. Our material conditions were also comparatively backward in the 1950's and early 1960's, yet we made great achievements in building socialist spiritual civilization while people's ideological consciousness, spiritual outlook, social practice and moral cultivation reached a considerably high level. This shows that a fairly advanced spiritual civilization might occur in a country with fairly backward material conditions.

Similarly, the development of material civilization does not mean the progress of spiritual civilization. In the world today, the material civilization in the United States of America is the highest, but the spiritual life there is very poor and the relationship between men is nothing but a relationship of money; the words "each for himself and God for all" have become a justified moral principle. American moral standards are amazingly low. America's artistic arena is full of decadent elements. Murder, theft, burglary and drug taking are very common, and the whole society is affected by decadence, degeneration and instability. It is only natural that this country has been described by some people as "a materially rich man and a spiritual beggar."

In short, the extent of the development of spiritual civilization is not absolutely determined by material wealth. It is not against Marxist basic principles to build spiritual civilization in a country fairly backward in economic terms.

Of course, when we pay attention to the building of spiritual civilization, this in no way means that we may neglect the building of material civilization. It is true that material civilization and spiritual civilization are often unbalanced but, basically speaking, the former is the foundation and source of the latter. In the final analysis, building a high degree of spiritual civilization must depend on a highly developed material civilization. Therefore, we can at no time neglect the building of the economy. We must dialectically analyze the relationship between material civilization and spiritual civilization; we must in no way understand them metaphysically; we must not counterpose material civilization with spiritual civilization. On the contrary, we must unitedly build and coordinate these two civilizations. We must understand that the material production in our country is still comparatively backward, but because of the correct leadership of the party, the superiority of the socialist system and the common efforts of the people across the country, we will certainly build our motherland into a great and powerful socialist country with a high degree of material civilization and spiritual civilization.

CSO: 4004/36

A NEW PHENOMENON IN POSTWAR MONOPOLY CAPITALISM--DEVELOPMENT OF ECONOMIC INTEGRATION

Beijing RED FLAG in Chinese No 10, 16 May 82 pp 44-48

[Article by Hong Wenda [3163 2429 6671] and Wu Yikang [0124 6318 1660]]

[Text] After World War II, certain countries in Western Europe combined economically to form economically integrated groups of varying types. This fully indicated the tendency toward economic integration in the development of monopoly capitalism. Studying the objective basis for the appearance of this new phenomenon and analyzing its structure and economic influences are extremely important for achieving an understanding of the new postwar world economic and political pattern and the trend of its development.

I

Economic integration means a number of countries effecting a close-knit economic union and carrying out to varying degrees joint regulation in certain sectors of social reproduction. Viewed from the standpoint of the capitalist system, owing to differences in the socioeconomic foundation and in the development level, this kind of economic union includes the economic integration of monopoly capitalism and the economic integration of the developing countries. The economic integration of monopoly capitalism is the result of the daily aggravating contradiction between, on the one hand, the internationalization of the economic life of monopoly capitalist countries and the high degree of development of state monopoly capitalism and, on the other hand, the barriers of the bourgeoisie countries. It is also the product of the intensified contradictions between the imperialist countries.

As early as during the period of laissez-faire capitalism, the growth of giant industries induced various countries and localities to engage in the international division of labor and to take part in the world market. The tendency of economic life becoming internationalized was already apparent. Following capitalism's entering the stage of monopoly, this tendency gathered force and developed steadily. After World War II, propelled by the scientific and technological revolution, international division of labor, international trade and international investments rapidly flourished among the monopoly capitalist countries. The number of transnational

corporations doubled, increasing quantities of commodities, capital and labor power were absorbed in international exchange, and the internationalization of economic life reached a new stage of development. But this development has been increasingly hampered by the barriers of the bourgeois countries. The development of production forces requires the breaking down of these barriers and the achievement of economic coordination and alliance between the countries. Thus, the tendency of economic life to become internationalized has become the objective basis and motive power for propelling the monopoly capitalist countries in the direction of alliance.

Concurrently, the progress of the scientific and technological revolution and the socialization of production have also promoted the development of state monopoly capitalism. The state has endeavored to intensify its economic functions and has begun to engage in intervention and regulation of the national economy in an all-round way. But, under the circumstances of a high degree of development in the internationalization of economic life, depending on economic regulation within one country alone is far from sufficient. Moreover, vigorous contradictions and conflicts existed between the monopoly capitalist countries in international competition, and without international coordination and regulation, economic development would be hampered. Consequently, there arose the necessity of the countries concerned to jointly engage in regulation on an international scale. During the postwar period, in international economic activities there emerged international economic organizations of a far-reaching nature, such as the international currency sinking fund, World Bank, and organizations for agreements on customs excises and trade. So far as the monopoly capitalist countries are concerned, the activities of these kinds of organizations exercised, in a way, the function of international regulation. But regulation of this kind spelled only the beginning and played a very limited role. In order to further achieve the objective of international regulation, it is necessary to reach a higher level and a higher form of international regulation. This means that the governments themselves must form alliances of countries and achieve economic integration.

The economic integration of monopoly capitalism formed on the basis of the internationalization of economic life and a high degree of development of state monopoly capitalism mean, in essence, the countries concerned joining together on a basis of state monopoly capitalism and carrying out economic regulation on an international scale. But, owing to the actual situation in which contradictions and conflicts between the monopoly capitalist blocs and between the imperialist countries are becoming increasingly intensified, this development results in only a portion of the monopoly capitalist countries forming economic blocs which are limited to certain localities. This is because: First, the nature of monopoly capitalism and the uneven state of the economic and political development of capitalism have brought about multifold contradictions and intense struggles between the monopoly capitalism of the various countries and the countries representing their interests. Just as the developmental trend of centralized monopoly cannot make the various monopoly organizations combine together to form a "world trust," neither can the tendency toward integration make the developed countries form a "world alliance of state monopoly capitalism." Second,

the purpose of some of the countries forming a group is to build up the superiority of their own bloc, which must be exclusive and preclusive. The participating countries band together their individual markets to form a common market under the protection of a tariff wall. Its principal purpose is internally to exclude or squeeze out commodities of a third country and externally to augment their competitive power. However, if alliance is expanded without limit, these points of superiority will disappear. Third, an integrated alliance will necessarily reinforce the close economic relations and the mutual assistance between the participating countries as well as promote their political combination. Hence, it requires a relative proximity between the participants in regard to their level of economic development and their political and economic interests. The postwar outward expansion of the superpowers has actually compelled other countries to band together closely as a means of resistance against the control and hegemony of the superpowers. As a result, developed countries which have common interests in the international economic and political struggles and are more or less of the same status have to band together on the basis of their common interests. For this reason, the economic integration of monopoly capitalism can only take place in the form of a regionally integrated group, and in a place which possesses the most solid foundation and best conditions for so doing. Historical development has shown that Western Europe is precisely this region.

Western Europe is an economically developed area where capitalism has achieved a rather high degree of development. The area it covers is not large, but it has a large number of countries. Western European countries rely heavily on the international division of labor and on the international market. In particular, they rely heavily on each other. When the European Economic Community was first established, the reciprocal exports of member countries already constituted 30 percent of their gross export value. Moreover, a firm foundation had also been laid for the reciprocal infiltration of their monopoly capital. For example, the Ruhr and Saar districts of West Germany, Lorraine and the northern part of France and the triangular area formed by Belgium's southern portion and Luxembourg constitute the central coal- and steel-producing areas of Western Europe. In these areas, a close network of monopoly capital of these countries has long been in existence. For this reason, the contradiction between Western Europe's highly developed production and its internationalized capital, on the one hand, and the narrow national markets, on the other hand, have become increasingly severe and the common demand for breaking down the national barriers, strengthening economic alliance, and implementing interregional regulation has become the motive force for bringing about the economic integration of Western Europe. Besides, Western Europe is an area where state monopoly capitalism appeared early and rapidly flourished. After the war, in the Western European countries the union between monopoly capital and the government was further strengthened, the state's regulation of economic life greatly developed, and state monopoly capitalism advanced to an unprecedentedly high plane of development. This provided the necessary basis for the states themselves to organize an economically integrated group.

Changes in the economic and political status of the Western European countries have constituted important conditions for the growth of an economically integrated community in Western Europe. Over a rather prolonged period in history, Western Europe has been the world's major economic and political center. Because of the uneven development of capitalism, and after two world wars, the power and status of the Western European countries fell considerably. After World War II, economically they could hardly compete with the United States while politically and militarily they were gradually menaced by the Soviet Union after the beginning of the 1950's. Only by banding together could they effectively defend their independence and sovereignty and protect their own interests. This shows that the Western European economically integrated bloc was formed to resist the superpowers. At the same time, the Western European region is the world's largest international market, and it is here that traders of the monopoly capitalist countries engage in intense struggles against each other. The formation by the Western European countries of a bloc taking the form of a common market protected by a united tariff wall and highly exclusive in character was in reality tantamount to setting up a regional and collective tariff wall to help in the market struggles. Struggles of this kind reflect not only the contradictions between Western Europe and the United States but also the conflicts between the six Western European countries and Britain, and, in particular, between France and Britain. The development and evolution of these complex contradictions have played an important role in the formation and ultimate expansion of this Western European integrated community. In addition, for the purposes of protecting the Third World, particularly the traditional interests in Africa, and ensuring, safeguarding and expanding the supply of raw materials as well as foreign markets and investments, the Western European countries must also reinforce their alliance to help them in world competition.

II

Over the past 20 years, Western Europe has set up two economically integrated blocs one after another. This illustrates that the economic integration of monopoly capitalism in the Western European region has already obtained a fairly large development. Their respective joint economic practices embody the integrated structure for the international regulation of state monopoly capitalism inside each bloc.

The European Economic Community was formed in 1958 by the six countries of France, West Germany, Italy, Holland, Belgium and Luxembourg. In 1973, Britain, Denmark and Ireland joined the community and in 1981 Greece was admitted. Thus, it became a 10-nation community. In the aspect of economic alliance, the community first of all formed a tariff union to enable the industrial products of the member countries to be free of duties and to freely circulate in unlimited quantities within the group. Externally, a common customs tariff was in force and a common market for industrial products was formed under the protection of a tariff wall. On this basis, the coordination of the bloc's internal economic and social policies and the formulation of common policies were gradually carried out. The direction of development was aimed at the formation of an economic alliance.

The European Free Trade Alliance was formed in 1960 by the seven countries of Britain, Denmark, Norway, Sweden, Switzerland, Austria and Portugal. Afterward, Iceland joined while Finland became a "liaison member-nation." Its organizational form is that of a free trade zone of relatively low-level integration. Between the member countries, their industrial products may freely circulate and are tax exempt. Externally, there are no uniform tariff rates, and no common foreign trade policy has been formulated. Up to now, the alliance has not yet reached the level of a tariff alliance, which was achieved much earlier by the community.

The principal embodiment of economic integration is the carrying out inside the bloc of the international regulation of state monopoly capitalism. As a community unit, this international regulation is first seen in the circulation sector. In this connection, the basic activities are constituted by the setting up of a tariff alliance and a common market for agricultural products. The reason why the community is also known as the Common Market is because it first of all and principally carries out international regulation of the sales market.

To a certain degree, international regulation on the part of the community also touches on the production sector. In this connection, it plays a relatively greater role in the agricultural sector. The major points are the following: It regulates agricultural production through fixing common prices for agricultural products whereby those in short supply are subsidized and those with a production surplus are subjected to intervention in sales and production. It enables the agricultural products to maintain relatively higher prices and thus stimulates production, through levying a disparity tax on agricultural products from outside the bloc and granting a subsidy on the export of agricultural products. It makes use of the common agricultural fund to support the revision of the agricultural structure and to promote the expansion and modernized management of farms. On the industrial side, direct planning and regulation are effected in such links as the distribution of raw materials, investment and production in the coal, steel and atomic energy industries.

The development of the community's international regulation activities also extends to the distribution sector. The community has set up its own community-level budget system. The 1981 budget estimated revenues and expenditures at 20.8 billion Eurodollars (roughly equivalent to \$25.6 billion). The member countries undertake to forward 90 percent of the customs duties they collect on industrial products and from the agricultural products price-disparity tax and up to 1 percent of the value-added tax to the community chest to constitute its budgetary revenue. The budgetary expenditures are primarily devoted to the European agricultural sinking fund, the European regional development fund, the European social sinking fund and the European development-aid fund. Its steadily increasing volumes of budgetary revenue and expenditure indicate to a certain degree some sort of international regulation over the redistribution of the member nations' national income.

In order to ensure the free circulation of industrial and agricultural products inside the bloc and to avoid any undue influences on the fluctuations in currency value and exchange rates of the various countries, the community has extended its international regulation and intervention deep into the currency sector. In the early 1970's, it formed an economic and currency alliance and initially coordinated the currency policies of the member countries. In March 1979, the European currency system formally came into being. It stipulated the Eurodollar as the basic unit for settlement of accounts between the member countries and for reserve purposes. The central exchange rate between the currencies of the member countries and the Eurodollar was fixed, and on this basis the reciprocal exchange rates of the various currencies were also determined. A limit was placed on the fluctuations of the exchange rates of the member countries. A European currency sinking fund amounting to 25 billion Eurodollars was set up for the purpose of stabilizing the exchange rates between member countries.

The community also extends its international regulation activities into the field of external economic and trade relations. While the tariff alliance and the common agricultural policies already embody various kinds of regulations governing foreign economic and trade relations applicable to the member countries, the community has additionally acted as a separate entity to establish formal relations and conclude trade agreements with third-party countries. Up to now it has established formal relations with over 120 countries and signed nearly 100 trade agreements of various kinds. The community also pays special attention to coordinating relations with the developing countries. Acting on the basis of the system of liaison countries, which was already in force, the community successively signed, in 1975 and 1979, trade agreements with scores of African, Caribbean and Pacific countries. It conducted separate "talks," or signed trade and economic cooperation agreements, with the League of Arab Nations, the Association of Southeast Asian Nations and the Andes Treaty Organization.

The development of economic alliances naturally leads to and promotes political alliances. In fact, the community countries have already achieved varying degrees of development in coordination and cooperation in such fields as politics, foreign affairs and security protection.

III

The postwar economic integration tendency of monopoly capitalism reflects the developmental demands of the productive forces and the internationalization of economic life. It reflects certain adjustments in international economic relations. Hence, the economic alliance, in varying forms, of the economically integrated groups and the regulation of state monopoly capitalist countries have necessarily affected economic development.

First, international regulation in the circulation sector has promoted the growth of trade inside the bloc. For example, during the transitional period (1958-1969) following the community's formation of the tariff alliance, the gross value of its foreign trade averaged a growth rate of 11.5

percent annually, but the growth rate of trade between the member countries was as high as 16.5 percent. From the end of the 1950's to the early 1970's, the relative proportion of trade within the bloc in the gross value volume of the foreign trade of the member countries rose from 30 percent to over 50 percent.

Second, the development of capital centralization and monopoly in the member countries has been accelerated. Strengthening the economic alliance and the gradual elimination of the limits of national markets have naturally intensified competition among the enterprises of the member countries. This in turn has forced the big enterprises to strengthen their monopoly alliance and to expand the scale of their production. Governments of member countries have also adopted policies and measures to promote the expansion and merging of their enterprises in order to augment the competitive power of the monopoly capital of their own countries. At the same time, in order to strengthen their competitive power with foreign, particularly American, monopoly capital, the community itself has encouraged the merging of corporations of the member countries and jointly forming European-scale corporations to enhance resistance. In addition, the intensification of competition has also tended to bring about the conclusion of monopoly agreements of various sorts.

Third, the development of the international division of labor within the bloc, of production specialization and of technological cooperation has been facilitated while an increase in the investment level has been promoted. The internal markets of the group have been expanded and have developed in depth. This has created advantageous conditions for the internal division of work within the departments and for specialized large-scale production. In the early 1970's, in the internal trade within the community, 3/4 of the trade consisted of industrial finished products and semifinished products while under the European free trade alliance, this proportion was 4/5. At the same time, after economic alliances were formed, progress has been made in coordination and cooperation in the fields of science and technology. The results of development along these lines have naturally increased the labor productivity rate.

Fourth, promotion of agricultural production has been facilitated. The community's implementation of a common agricultural policy has expanded the internal and external markets of agricultural products and increased their production. Reform of the agricultural structure along with production centralization has promoted the modernization of agricultural production and management. During the period from the early 1960's to the early 1970's, the annual growth in the agricultural labor productivity rate of the original six members of the community was as high as 7.5 percent, and from 1958 to 1975 the increase in agricultural production in the six countries was 50 percent. These figures are relatively high even among developed countries.

Fifth, internationally, the economic and political comparative strength has been further changed. The formation and development of the two Western European economic blocs have brought about a comparatively large increase in

the economic strength of the Western European countries. Take, for example, the European Economic Community. In 1958, the value of industrial output and the gold and foreign exchange reserves of the six member countries were about 1/2 those of the United States and the volume of their foreign trade about equaled that of the United States. In 1979, the gross value of the internal production of the nine countries of the community exceeded that of the United States while the volume of their export trade and their gold and foreign exchange reserves surpassed those of the United States, respectively by 200 percent and over 500 percent. Including the free trade zone, which has been organized by the community and which comprises 18 European countries and the member countries of the European Free Trade Alliance, an extensive Western European economically integrated group, with the European Economic Community as the nucleus and comprising all the major Western European countries as members, has become a reality not to be ignored in the international economic arena. Economic union has propelled the Western European countries to cooperate with each other in various fields and has raised the status and role of Western Europe in international affairs. In this way, in economic and political relations, Western Europe and the United States have basically acquired the status of equal partners. Concurrently, this has become an important force stemming the progress of Soviet hegemonism.

However, it can readily be seen that this type of alliance and regulation must necessarily meet with, and, in fact, has already met with, many complex contradictions and various kinds of limitations. The reasons are: First, this type of international regulation is based on the state monopoly capitalism of the member countries, and the state monopoly capitalism of the various countries first and foremost serves the interests of the monopoly capital of their own countries. The member countries have differences with regard to the degree of development, the principal form, and the policy and measures of regulation. Besides, following the increase in the number of constituent members of the community, the disparities between them in economic development and economic structure have increasingly widened. This impedes the implementation of common policies and the execution of supernational regulatory activities. Second, the various countries all have in their respective countries certain economic levers which can affect reproduction. These might be said to include the system of ownership by the state, taxation, investments, placing orders for goods, loans and so on, all of which are tools to intervene in and regulate the national economy. Unfortunately, basically speaking, these are lacking in an integrated group. Third, an integrated group is an association of autonomous states. Economic alliance and joint regulation cannot proceed without unanimity in negotiations, but the very socioeconomic basis of monopoly capitalism causes an imbalance in development between the member countries and between the social groups and localities within the bloc. Thus, contradictions occur frequently. Take the European Economic Community for example. Here contradictions exist not only between the big countries like France, Britain and West Germany, who are forever bickering among themselves in their struggle for economic interests and for leadership power, but also between the big and small countries, between the countries which have achieved varying degrees of development, and between countries which export

industrial products and countries which export, besides industrial products, large quantities of agricultural products. Naturally, contradictions are inherent between different monopoly capital blocs, between industrial areas and agricultural areas, and between developed localities and still backward localities. These contradictions cannot be eliminated just by regulatory activities between countries. On the contrary, under the new conditions, new contradictions and conflicts tend to continuously arise. In recent years, contradictions have been especially apparent in regard to such problems as the common agricultural policy and the community budget. In fact, the existence and development of contradictions within the bloc have delayed the conclusion of certain integration agreements, and have hindered and even disrupted the implementation of certain fixed policies. In particular, during periods when crises of a cyclical nature erupted, the contradictions and conflicts between the member countries intensified and in turn caused losses to the alliance and the regulatory activities. Because of the above-mentioned factors, the development of West European economic integration has been far from smooth. Since the 1974-1975 world economic crisis, with the exception of the formation in 1979 of the European currency system, progress in economic integration has almost come to a standstill, and even progress in the European currency system has been slow. It has developed very slowly and has been confronted with many problems because of the economic recession in recent years, the high interest rates in the United States, and the rise in the value of the U.S. dollar.

In short, the economic integration of monopoly capitalism, as seen in the formation and development of the two economic blocs of Western Europe, constitutes a partial change within the sphere of the capitalist production form in the international production relations of capitalism of the present era. Its properties determine that it must be subjected to the economic laws of capitalism and that it cannot resolve the basic contradictions of capitalism, far less the unbalanced development of capitalism and the contradictions and conflicts existing between the monopoly capitalist countries. Therefore, it may be said that the economic integration of monopoly capitalism has a dual character. On the one hand, it can regulate international production relations to suit the socialization of production and the development of productive force and, on the other hand, it can promote centralization and monopoly and further intensify the contradictions of capitalism. As we all know, state monopoly capitalism constitutes the highest form of socialization of capital relations within the sphere of the capitalist production form. A step further forward will refute this production form itself. Integrated economic alliance and international regulation, as the developed pattern of the internationalization of state monopoly capitalism, have developed on the basis of the internationalization of economic life and, in fact, have promoted the further development of the internationalization of economic life. At the same time, they have in reality provided the material logical premise and preparations for the eventual realization of a united world economic system based on the system of public ownership and highly socialized. This shows the historical position and role of the economic integration of monopoly capitalism.

CSO: 4004/36

END