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3 July 1985

# CHINA REPORT

## POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

### CONTENTS

#### PEOPLE'S REPUBLIC OF CHINA

##### INTERNATIONAL AFFAIRS

###### GENERAL

|                                                                            |   |
|----------------------------------------------------------------------------|---|
| Zhao Ziyang Speaks at British Royal Institute<br>(XINHUA, 6 Jun 85) .....  | 1 |
| Spokesman on U.S. Port Calls, Li Xiannian Visit<br>(KYODO, 5 Jun 85) ..... | 5 |
| PRC To Fund Projects for African Countries<br>(XINHUA, 5 Jun 85) .....     | 6 |

###### SOVIET UNION

|                                                                        |   |
|------------------------------------------------------------------------|---|
| Soviet Offensive Against Afghan Guerrillas<br>(XINHUA, 5 Jun 85) ..... | 7 |
|------------------------------------------------------------------------|---|

###### UNITED STATES

|                                                                                                             |    |
|-------------------------------------------------------------------------------------------------------------|----|
| Journal on U.S. Diplomacy in Reagan's First Term<br>(Jin Junhui; GUOJI WENTI YANJIU, No 2, 13 Apr 85) ..... | 8  |
| Beijing Radio Views U.S. Economic Slowdown<br>(Beijing Domestic Service, 4 Jun 85) .....                    | 17 |
| Article Views U.S. Protests About South Africa's Racism<br>(Chen Fengxiong; RENMIN RIBAO, 5 Jun 85) .....   | 19 |

###### SOUTHEAST ASIA/PACIFIC

|                                                                                                                    |    |
|--------------------------------------------------------------------------------------------------------------------|----|
| Beijing Tagalog Service Reports Li Xiannian Greetings to Marcos<br>(Beijing International Service, 8 Jun 85) ..... | 21 |
|--------------------------------------------------------------------------------------------------------------------|----|

|                                                                                                                   |    |
|-------------------------------------------------------------------------------------------------------------------|----|
| Radio Beijing Interviews Former Philippine Ambassador to China<br>(Beijing International Service, 6 Jun 85) ..... | 23 |
| Radio Beijing Interviews Columnist on PRC-Philippine Relations<br>(Beijing International Service, 7 Jun 85) ..... | 25 |
| Radio Beijing Notes Philippines-PRC Relations Anniversary<br>(Beijing International Service, 9 Jun 85) .....      | 27 |
| Briefs                                                                                                            |    |
| Diplomatic Relations Anniversary Activities                                                                       | 28 |
| Sino-Burmese Border Survey                                                                                        | 28 |
| NEAR EAST/SOUTH ASIA                                                                                              |    |
| Fighting in Palestinian Refugee Camps Examined<br>(XINHUA, 11 Jun 85) .....                                       | 29 |
| XINHUA Interviews Jordanian Minister on Peace<br>(XINHUA, 6 Jun 85) .....                                         | 31 |
| XINHUA Interviews Abu Jihad on Israeli Peace Plan<br>(XINHUA, 12 Jun 85) .....                                    | 32 |
| Yan Jici, Indian Visitors Discuss Population<br>(XINHUA, 1 Jun 85) .....                                          | 33 |
| Briefs                                                                                                            |    |
| Egyptian Radio, Television Agreement                                                                              | 34 |
| WESTERN EUROPE                                                                                                    |    |
| Zhao Ziyang on East-West, North-South Relations<br>(RENMIN RIBAO, 7 Jun 85) .....                                 | 35 |
| Further on Zhao, Thatcher Second Round Talks<br>(Xue Yoingxing, Yu Chengzhi; XINHUA, 7 Jun 85) .....              | 41 |
| PRC Attends Conference on Population<br>(XINHUA, 6 Jun 85) .....                                                  | 42 |
| Kang Keqing Meets Swiss Visitors 9 June<br>(XINHUA, 1 Jun 85) .....                                               | 43 |
| XINHUA on Mitterrand's Stand at Bonn Summit<br>(Lu Mingzhu; XINHUA, 10 May 85) .....                              | 44 |
| Briefs                                                                                                            |    |
| English Soccer Teams Banned                                                                                       | 46 |
| Italian President Requests European Unity                                                                         | 46 |

## EASTERN EUROPE

|                                                                           |    |
|---------------------------------------------------------------------------|----|
| Albania's Carcani on Relations With Neighbors<br>(XINHUA, 3 Jun 85) ..... | 47 |
|---------------------------------------------------------------------------|----|

## SUB-SAHARAN AFRICA

|                                                                                         |    |
|-----------------------------------------------------------------------------------------|----|
| RENMIN RIBAO Comments on South Africa, Israel<br>(De Wen; RENMIN RIBAO, 9 Jun 85) ..... | 48 |
| XINHUA Speaks to SWAPO Official on U.S. Senate Vote<br>(XINHUA, 6 Jun 85) .....         | 49 |
| Briefs                                                                                  |    |
| PRC Aids Niger Reclamation Project                                                      | 50 |
| Mozambican Ambassador Hosts Beijing Reception                                           | 50 |

## NATIONAL AFFAIRS

|                                                                                                       |    |
|-------------------------------------------------------------------------------------------------------|----|
| PRC Makes New Achievement in Family Planning<br>(XINHUA, 8 Jun 85) .....                              | 51 |
| Deng Yingchao, Others Mark Children's Day<br>(Sun Xiaoming, Zhou Kejin; XINHUA, 1 Jun 85) .....       | 52 |
| PRC Paper on Building Socialism, Education on Ideals<br>(Wang Furu; GUANGMING RIBAO, 22 May 85) ..... | 53 |
| Professor Views Socialist Culture, Morality<br>(XINHUA, 4 Jun 85) .....                               | 57 |
| Report Profiles Two Arrested After Soccer Match Riot<br>(ZHONGGUO XINWEN SHE, 24 May 85) .....        | 59 |
| Hu Qiaomu Sends Congratulatory Letter To Film Critics<br>(BEIJING RIBAO, 18 May 85) .....             | 60 |
| Nongovernmental Research Bodies Flourish<br>(XINHUA, 4 Jun 85) .....                                  | 61 |
| Manchu Nationality Culture Studied, Preserved<br>(XINHUA, 4 Jun 85) .....                             | 62 |
| College To Aid Former Communist Headquarters<br>(XINHUA, 6 Jun 85) .....                              | 63 |
| Number of College-Educated CPC Members Increases<br>(XINHUA, 6 Jun 85) .....                          | 64 |

|                                                                                                  |    |
|--------------------------------------------------------------------------------------------------|----|
| Middle School Students Get Vocational Training<br>(XINHUA, 9 Jun 85) .....                       | 65 |
| Labor, Personnel Ministry on Reunited Couples<br>(XINHUA, 7 Jun 85) .....                        | 66 |
| National Confucius Research Institute Set Up<br>(XINHUA, 10 Jun 85) .....                        | 67 |
| Henan Leaders at Meeting on Police Training Reform<br>(Henan Provincial Service, 5 Jun 85) ..... | 69 |
| Jiangnan Shipyard Marks 120th Anniversary<br>(Shanghai City Service, 4 Jun 85) .....             | 70 |
| Briefs                                                                                           |    |
| Local Annals Compilation                                                                         | 72 |
| Youth Rendezvous Requirement                                                                     | 72 |
| Collected Works of Party Founder                                                                 | 72 |
| Pornographic Publications Banned                                                                 | 73 |
| Name for Children's Center                                                                       | 73 |
| Legal Study Award Meeting                                                                        | 73 |
| Regards to Tianjin Children                                                                      | 73 |
| Young Frontier Workers Committee                                                                 | 73 |
| Chen Yun Inscribes Shanghai Monument                                                             | 74 |
| Chen Yun Inscribes Album                                                                         | 74 |
| Badminton Team Members Exhorted                                                                  | 74 |
| Children's Hospital Anniversary                                                                  | 74 |
| Contemporary China Book Series                                                                   | 75 |
| He Yaobang Speech Published                                                                      | 75 |
| New Jiangsu University                                                                           | 75 |
| Anniversary of Guanghua University                                                               | 75 |
| NPC Standing Committee To Open Meeting                                                           | 76 |
| Peasants-Workers Party Meeting                                                                   | 76 |

#### REGIONAL AFFAIRS

##### NORTH REGION

|                                                                              |    |
|------------------------------------------------------------------------------|----|
| Party, State Support Education in Hebei County<br>(XINHUA, 31 May 85) .....  | 77 |
| State Council Plans Expansion of Beijing College<br>(XINHUA, 4 Jun 85) ..... | 78 |

#### MILITARY AND PUBLIC SECURITY AFFAIRS

|                                                                                                           |    |
|-----------------------------------------------------------------------------------------------------------|----|
| Navy Fleet Commander at Commendation Meeting<br>(Ye Xuequan, Weng Damao; ZHEJIANG RIBAO, 14 May 85) ..... | 79 |
|-----------------------------------------------------------------------------------------------------------|----|

|                                                                |    |
|----------------------------------------------------------------|----|
| Briefs                                                         | 81 |
| Chengdu Company Commander Commended<br>Order To Award Engineer | 81 |

#### TAIWAN

|                                                                                            |    |
|--------------------------------------------------------------------------------------------|----|
| Executive Yuan on Extradition Treaty With U.S.<br>(CNA, 2 Jun 85)                          | 82 |
| Legislative Yuan Approves 1986 Government Budget<br>(CNA, 31 May 85)                       | 83 |
| Taipei on Occupation of USIS Building in Seoul<br>(Taipei International Service, 2 Jun 85) | 84 |
| Finance Minister Allegedly Under Investigation<br>(AFP, 8 Jun 85)                          | 86 |
| Taipei on Suspension of MIN CHUNG JIH PAO<br>(Taipei Domestic Service, 8 Jun 85)           | 87 |
| Garrison Commends Crewmen of Hijacked Boat<br>(Taipei Domestic Service, 6 Jun 85)          | 89 |
| Briefs                                                                                     | 90 |
| Dutch-Built Submarines                                                                     | 90 |
| Agricultural Agreement With Indonesia                                                      | 90 |
| Taiwan-Ohio Ties                                                                           | 90 |

#### HONG KONG MEDIA ON CHINA

|                                                                                                        |     |
|--------------------------------------------------------------------------------------------------------|-----|
| Journal Notes 'Quiet' Reassessment of Mao Zedong<br>(Hsu Wen; CHENG MING, No 92, 1 Jun 85)             | 92  |
| Zhao, Thatcher on Hong Kong<br>(XINHUA, 3 Jun 85)                                                      | 97  |
| Nationality To Be Main Issue in Sino-Portuguese Talks<br>(AFP, 4 Jun 85)                               | 98  |
| Hong Kong International Arbitration Center Autonomy Supported<br>(SOUTH CHINA MORNING POST, 31 May 85) | 100 |
| Hebei Province Replaces Party Secretary, Deputies<br>(David Chen; SOUTH CHINA MORNING POST, 4 Jun 85)  | 101 |
| Beijing University Cuts Political Study by Half<br>(AFP, 7 Jun 85)                                     | 103 |

GENERAL

# ZHAO ZIYANG SPEAKS AT BRITISH ROYAL INSTITUTE

OWO61643 Beijing XINHUA Domestic Service in Chinese 1247 GMT 6 Jun 85

[Text] London, 6 Jun (XINHUA)--Chinese Premier of the State Council Zhao Ziyang delivered a speech today at the British Royal Institute of International Affairs, entitled "Strive for Lasting Peace, Develop Friendly Cooperation and Promote Co-prosperity," which elucidated China's views on the current international situation and the foreign policy pursued by China.

Premier Zhao said: "In this world where we live, there are many complicated contradictions and international problems. However, so far as we are concerned, there are mainly two global and strategic issues--the issues of East-West relations, or the issue of peace; and the issue of North-South relations, or the issue of development."

He pointed out: "The key to the East-West relations is the relations between the Soviet Union and the United States. Relying on their economic and military strength, far exceeding that of other countries, the two superpowers are engaged in fierce rivalry in all spheres, causing sustained turbulence in the international situation."

He pointed out: The peoples of various countries who have suffered a great deal from the chaos caused by war long for peace. They don't want to fight, and they are opposed to fighting. On this major issue involving the future of mankind, more and more countries are actively taking all kinds of action in an effort to maintain world peace. "It can be said that although the danger of war still exists, the forces deterring war and safeguarding peace are also growing steadily. This is an important trend in the world situation today."

Premier Zhao said: "The essence of the North-South issue is the widening of the economic gap between developing and developed countries. This is attributable to various reasons, an important one being the existence of the outdated international economic order which is unjust and inequitable." He said: "The relations between the developed countries and developing countries should be equal, mutually beneficial and complementary. The developed countries need cooperation of the developing countries as badly as the latter need the cooperation of the former. It should be said that the North-South relationship is both an economic and political issue. The sharpening of the North-South contradictions will not only impede the healthy development of the world economy, but also brew turbulence and confrontational elements."

After elucidating the fact that the maintenance of peace and economic development are interrelated and interactive, Premier Zhao pointed out: "A lasting peace, increased friendly cooperation, and co-prosperity have a vital bearing on the interests of the people of all countries, and they are becoming the historical trend of our times."

Premier Zhao said: In order to realize the modernization of China's industry, agriculture, national defense, and science and technology, and achieve its goal of making the country and people rich, the Chinese people need a prolonged peaceful international environment as well as friendship and cooperation from the people of all countries. He pointed out: "The Chinese Government steadfastly pursues an independent foreign policy of peace proceeding from the fundamental interests of the people of China and the whole world and taking stock of the present international situation."

He said: "China will maintain her independence at all times and in all circumstances. It will never attach itself to any big power or any group of countries. Nor will it submit itself to any outside pressures. In international affairs, we decide on our attitudes according to the merits of each case. Our basic criterion in judging an issue of right or wrong is to see whether this issue is conducive to maintaining peace, to developing friendship with various countries, and to promoting the economic prosperity in the world. We definitely will not enter into alliance or strategic relationship with any big power, that is, not align ourselves with one against another. We will never seek hegemony and are firmly opposed to all forms of hegemonism."

Premier Zhao Ziyang pointed out: "China seeks to develop relations with all countries on the basis of the principles of mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence." "Accordingly, we seek the steady development of Sino-U.S. relations on the basis of observance of the mutual agreements concluded by both sides. We hope to see the normalization of the Sino-Soviet relations through removal of the existing obstacles. We support the improvement of relations between the countries of Eastern Europe and Western Europe. We also wish to see the relations between the United States and the Soviet Union eased, for all these are in the interest of world peace."

Premier Zhao Ziyang said: "China advocates that international disputes be solved peacefully in the spirit of the five principles of peaceful coexistence, and oppose resorting to force or armed threats." He said: "We were gratified that, on the question of solving the Hong Kong issue, a fairly complicated issue left over from history, the British side understood China's Hong Kong policy, formulated on the basis of China's stand on state sovereignty and the concept of 'one country, two systems.' Prime Minister Margaret Thatcher's far-sightedness and penetrating insight contributed positively to the success of the Sino-British negotiations. The two governments of China and Britain satisfactorily solved the Hong Kong issue through negotiations on an equal footing and in the spirit of mutual understanding and mutual accommodation, thus providing a new experience in solving international disputes through peaceful means."

Premier Zhao Ziyang said: "China stands for equality for all countries, big or small, and is against the big bullying the small, the strong humiliating the weak. We firmly support the Cambodian and Afghan people in their struggles against foreign aggression, the Arab people in their struggle against Israeli expansion, the South African people in their struggle against racial discrimination and apartheid, the Namibian people in their struggle for national independence, and the Central American people in their struggle against external interference. With regard to international issues created as a result of wanton encroachment of other countries' sovereignty and forceful occupation of other countries, we believe that only the acts of ending expansion and occupation, and of withdrawing from occupied territories can be construed as efforts to seek political solutions; otherwise, the countries suffering from aggression and harm and their people will have no choice but to rise up in resistance to put an end to the aggression and expansion."

China stands for disarmament and is against the arms race in all forms, be it conventional or nuclear, or be it on land, on sea, or in peace. We strongly advocate all-round prohibition and thorough destruction of nuclear weapons. We welcome the resumption of the U.S.-Soviet arms control talks. We sincerely hope that the United States and the Soviet Union, who are primarily responsible for realizing nuclear disarmament in accordance with UN resolutions, will heed the just voice of the people of the world; stop their dangerous arms race; reach agreements through serious negotiations without damaging the interests of other countries; drastically reduce their nuclear armaments; and create the necessary conditions for a general disarmament of all nuclear states."

Premier Zhao said: "We consider strengthening unity and cooperation with the Third World countries a basic stance in our diplomatic work. To promote world peace and prosperity, we have worked for the improvement of North-South relations with the hope of somewhat relaxing the stalemate in the dialogue between the North and the South resulting from unwise attitudes of some big powers. We welcome and actively support the Third World countries' stand of achieving collective progress, and of strengthening South-South cooperation." He reiterated: "We resolutely support the efforts to reform the old and unreasonable international economic order through global negotiations."

He said: "China regards safeguarding world peace and pursuing common prosperity vital to the world's future and to the destiny of the people of all countries. On such an important issue, all countries and peoples should have their say. They can contribute their share. We are deeply convinced that as long as the people of all countries constantly develop friendly cooperation, and make concerted efforts, world peace can be safeguarded, and common economic prosperity and development can be achieved."

Premier Zhao said: "The consolidation of all-round friendly cooperation between an independent and self-reliant China, and a united and strong Europe has a significance that far exceeds their bilateral relations. It is vital to safeguarding world peace, and promoting international cooperation."

In conclusion, he expressed the conviction that in the new historical period of Sino-British relations, "both the Chinese and the British sides will

continue their close cooperation; earnestly implement the agreement on the Hong Kong question; and take positive steps to increase cooperation in the economic, technological, and other fields, so as to make Sino-British relations an example of peaceful coexistence between countries of different social systems, and of mutually beneficial cooperation and common prosperity between developing and developed countries."

CSO: 4005/1037

GENERAL

SPOKESMAN ON U.S. PORT CALLS, LI XIANNIAN VISIT

OW051305 Tokyo KYODO in English 1244 GMT 5 Jun 85

[Text] Beijing, 5 Jun (KYODO)--Sino-American talks on port calls in China by U.S. warships are still under way, a spokesman for the Chinese Foreign Ministry said Wednesday.

In a regular news conference, the spokesman said the United States and China are in contact and are discussing the matter. The spokesman indirectly denied reports that visits to Chinese ports by U.S. naval ships have been dropped. He said there are still some questions to be resolved, indicating that the United States is continuing its refusal to confirm whether ships visiting Chinese ports will be equipped with nuclear arms.

The Chinese spokesman also denounced Vietnam for frequently trespassing in Chinese territory along with border and shelling Chinese posts. "Of late tension has mounted along the border between China and Vietnam," he said. The spokesman said Chinese forces turned back Vietnamese troops who mounted a massive offensive in Malipo, Yunnan Province, 31 May. Observers in Beijing said the Vietnamese offensive apparently is aimed at stalling reconciliation moves between China and the Soviet Union, including a planned trip to Moscow by Chinese Vice Premier Yao Yilin.

The spokesman said China will apply the same formula for the restoration of Hong Kong in negotiating with Portuguese authorities for the return of Macao to Chinese rule. He said the talks will be conducted on the principle of one nation and two systems. He said the negotiations would begin in the early part of next year, though the exact timing would be fixed through diplomatic channels.

The spokesman said a hip injury may force a postponement of the planned visit to the United States by head of state Li Xiannian next month. Li is recovering steadily and his trip will materialize, though there may be a change in the timing of his visit, the spokesman said.

CSO: 4000/260

GENERAL

PRC TO FUND PROJECTS FOR AFRICAN COUNTRIES

OW050052 Beijing XINHUA in English 0042 GMT 5 Jun 85

[Text] Rome, 6 Jun (XINHUA)--China will fund eight projects prepared by the UN Food and Agriculture Organization (FAO) to help improve food production and rehabilitate agriculture in several drought-ravaged African countries, the FAO announced here today.

The projects, valued at over one million dollars, will be used to rehabilitate and develop irrigation, supply seeds, aid livestock and vegetable production and generally improve the rural food supply in the present and the following two crop seasons in Botswana, Burkina Faso, Burundi, Kenya, Mauritania, Niger, and Somalia. Though designed for quick impact, many of the projects will have a lasting effect on medium and long-term development after the current food crisis.

Ambassador Kong Candong, permanent representative of the People's Republic of China to FAO, said that the Chinese Government will implement seven projects on a bilateral basis, one in each of the seven countries. China will make \$100,000 in trust funds available for FAO to execute an additional rehabilitation project to be specified at a later date.

FAO Director-General Edouard Saouma commended the Chinese for their rapid response, noting that China holds the unique position of being both donor and recipient of development assistance through FAO. This contribution is a mark of China's own progress, as well as of her dedication to help others in need, he said.

CSO: 4000/260

SOVIET UNION

SOVIET OFFENSIVE AGAINST AFGHAN GUERRILLAS

OW050831 Beijing XINHUA in English 0810 GMT 5 Jun 85

[Text] Beijing, 5 Jun (XINHUA)--Some 10,000 Soviet troops are advancing towards the besieged Afghan army garrison at Barikot after seizing a strategic village halfway up the Kunar Valley, eastern Afghanistan, guerrilla sources were quoted Tuesday as saying.

According to reports received here, guerrilla officials in the Pakistani border city of Peshawar said that most of the major guerrilla units had withdrawn their forces from the Kunar Valley after a week of heavy air attacks and ground assaults by Soviet troops with hundreds of tanks.

The Soviets were now about 16 miles (about 25 km) from Barikot where an Afghan army brigade of about 1,500 soldiers with some Soviet troops was beleaguered by guerrilla forces for almost a year, the sources said.

The sources described the Soviet action as "the most powerful so far," adding that it was the first stage in a major summer offensive to try and seal the Pakistani border and choke off guerrilla convoys transporting arms and supplies.

They also cited a wounded guerrilla soldier arriving in Peshawar as saying the morale of guerrillas in the fighting area was high and they were still controlling supply routes north of Asmar, eastern Afghanistan.

The resistance officials reported that guerrillas shot down a helicopter and a jet in the Kunar Valley area last Friday and that seven Soviet and Afghan soldiers were killed.

CSO: 4000/271

UNITED STATES

JOURNAL ON U.S. DIPLOMACY IN REAGAN'S FIRST TERM

HK031021 Beijing GUOJI WENTI YANJIU in Chinese No 2, 13 Apr 85 pp 24-27, 16

[Article by Jin Junhui (6855 0689 2547): "An Analysis of the Diplomacy of the Reagan Administration in Its First Term"--the first paragraph is the writer's commentary--passages within slantlines published in boldface]

[Text] /The diplomacy of the Reagan administration centers on the two poles of the earth and aims at contending for military superiority and using actual strength to check Soviet expansion and strengthen the hegemonic position of the United States throughout the world. It is true that the Reagan administration made achievements in those 4 years. At present, the United States has probably gained the upper hand both economically and militarily in her contention for global hegemony with the Soviet Union. The characteristics of the diplomacy of the Reagan administration are: Strong ideological flavor; strengthened military threat; both favoring and intimidating Third World countries; strongly hegemonistic economic policies; frequently going counter to the wills and interests of the majority of countries in international organizations and at international conferences. The two major political parties in the United States actually share the same view on major diplomatic policy issues. There has, however, always been a struggle between the extremists and moderates inside the conservative camp as to what kind of diplomatic policies should be adopted./

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The major characteristic of the diplomatic policies of the Reagan administration is that overall diplomacy centers on the two poles of the earth and aims at contending for military superiority and using actual strength to check Soviet expansion and strengthening U.S. hegemony throughout the world. In this respect, the Reagan administration made some achievements in those 4 years. The achievements are mainly manifested by the following facts: The strategic situation in the contention between the United States and the Soviet Union for global hegemony has greatly changed. The original situation of the Soviet Union being on the offensive and the United States being on the defensive has been turned into the situation of both the Soviet Union and the United States being on the offensive and defensive in turn with neither side willing to budge from its original position. Their contention focuses on Europe. Along with the deployment of the new

medium-range missiles in Europe on schedule, the United States has gradually improved her backward position in the relative strength of nuclear weapons in Europe and has achieved a major victory in her political and psychological struggle against the Soviet Union. The Soviet policy to split the United States and her European allies has failed almost completely and the rigid Soviet countermeasures have proved to be fruitless and have deepened its own contradictions with the East European countries. The political situation in the Asia-Pacific region is obviously unfavorable to the Soviet Union. The United States has strengthened her relations with Japan, South Korea, and the ASEAN countries and has also improved her relations with China, whereas the Soviet Union and Vietnam, which is supported by the Soviet Union, have deeply sunk into the mire of Afghanistan and Cambodia. The rapid Soviet military expansion in this region has resulted in more military activities by the United States and Japan in this region. In Latin America, by means of force, aid, and negotiations, the United States invaded Grenada, isolated Cuba, and weakened Nicaragua, all of which is a heavy blow to the Soviet Union. In southern Africa, the quiet diplomacy of the United States has achieved some progress. The strengthening of the tendency of Angola and Mozambique to move away from the Soviet Union is unfavourable to the Soviet Union. Only in the Middle East did the U.S. army quietly withdraw from Lebanon after being bombed. The Lebanon-Israel agreement has again been abolished and the United States has met some difficulties. The Reagan administration's Middle East plan suffered serious setbacks at the beginning, whereas the Soviet Union quietly consolidated its position in Syria, increased its influence among the Gulf countries and exchanged ambassadors with Egypt again, thus gaining some initiative.

What is more important, the trend of the contention between the Soviet Union and the United States for world hegemony seems to be more favourable to the United States in these few years.

As far as the economy is concerned, after paying a high price at the beginning, the conservative economic policy of the Reagan administration helped to bring about the economic recovery in 1983 and 1984. The economy of the United States has recovered more rapidly than that of other advanced industrial countries and beyond what was previously anticipated. The outstanding economic achievements are: In 1984, the gross national product increased by 6.9 percent, the highest increase since 1951; the inflation rate has been greatly reduced from 13.5 percent at the end of 1980 to around 4 percent at present; the unemployment rate has been reduced from 10.8 percent at the end of 1982 to 7.5 percent at present; the equipment utilization rate of the manufacturing industry has reached over 80 percent; labor productivity (3.5 percent in 1983) and investment in fixed assets (over 20 percent in the first half of 1984) have both greatly increased. In the meantime, the United States still enjoys superiority in space technology, computer technology, fibre optics communication, biological projects, and many other sophisticated technologies. And the United States has developed these technologies rapidly. The Soviet economy is in great difficulty. There have been three poor harvests in 4 years so that the Soviet Union now has to import large quantities of grain from the West. The Soviet economy has been developing at a slow

speed with the lowest rate of increase being 2 percent and the highest rate of increase being 4 percent during the past 4 years. The Soviet reform of the economic structure has made very little progress. The Soviet Union has also been left far behind by the United States in sophisticated technologies.

In the military field, during the past 4 years, the Reagan administration has been carrying out an arms buildup and military preparations on a large scale. The actual increase rate of the annual military expenditure topped 7 percent. The total number of troops increased by 250,000 or more and the quality of the troops was greatly enhanced. The number of navy vessels increased by more than 50. The Pershing-II missiles, Trident-II missiles, B-1 bombers, long-range cruise missiles, MX missiles, and some other new weapons have already been deployed or successfully trial-produced. The United States has also made substantial progress in developing anti-satellite weapons and space weapons. The frequent large-scale military maneuvers, the construction of new military headquarters, the increase of strategic reserves, and the improvement of the command system, communication system and liaison system all show that the combat readiness of the United States has been greatly strengthened. All these have also changed the inferior position the United States had 4 years ago in the arms race with the Soviet Union. Arbatov, the Soviet expert on the question of the United States has clearly pointed out: "The question of the Reagan administration does not lie in its remarks against the Soviet Union, but lies in its specific, actual, and obvious actions to seek military superiority over the Soviet Union."

That the United States has gained the upper hand in her contention with the Soviet Union is mainly because the Reagan administration has had some advantageous objective conditions. First, the Soviet Union, the chief opponent of the United States, has sunk into difficulties because of the changes in its leadership, and because of its rigid structure, its expansionism, the crisis in Poland and so on and so forth. Second, the leaders of some of the main allies of the United States are conservatives, such as Mrs Thatcher, Yasuhiro Nakasone and Kohl of Britain, Japan, and West Germany. And in France, Mitterrand's French Socialist Party which is now in power has adopted stronger policies towards the Soviet Union than those adopted by the previous government under Giscard d'Estaing. All these have greatly supported the Reagan administration in its contention with the Soviet Union. Third, Nixon's realism regarding Sino-U.S. relations and Carter's establishment of diplomatic relations between China and the United States have created a favourable diplomatic environment for Reagan. Fourth, in the United States, because of opposition to the longstanding liberal ideology and dissatisfaction with the rapid decline of America's international position, the conservative ideology has obviously gained the upper hand, which is manifested by the tendency to oppose excessive expenditure on social welfare and excessive government expenditure at home and the strengthening of nationalism abroad. This situation has provided some sort of social basis for Reagan to carry out and stick to his conservative policies at home and abroad under unfavourable conditions.

Of course, the efforts of the Reagan administration cannot be ignored. The role of the Reagan administration is divided into two following aspects: 1) The Reagan administration has come to realize that the most effective way to deal with the Soviet Union is to use power and have determination. As a result, the Reagan administration has been doing its best to strengthen America's military and economic power and has achieved initial success. In his reminiscences published in 1984, the former Secretary of State of the United States Haig says: "Reagan has made outstanding contributions to the recovery of self-confidence, the sense of pride, and the economy and to the rebuilding of the military power of the United States." An article published in the CHRISTIAN SCIENCE MONITOR also says: "Reagan has had more bargaining counters in dealing with the Soviet Union than any other president since President Kennedy." 2) The Reagan administration has adopted a realistic attitude and has been able to resist pressure from the extreme right and make some necessary concessions. In the words of Nixon, President Reagan is a "responsible rightist," not an "insane rightist." An example is that the Reagan administration could succeed in the extremely complicated struggle over the question of the medium-range missiles. The major reason is that Reagan could resist the pressure of "unilateralism," resolutely lift the sanctions against Western Europe over the question of the natural gas pipeline and learn a lesson from the case. As a result, the Reagan administration has had more consultations with the Western Europe and played some flexible cards in the negotiations with the Soviet Union. Another outstanding example is that Reagan has been able to remove the obstructions of the pro-Taiwan force in the government and congress and make some important contributions to Sino-American relations. One of his major achievements is the signing of the "8.17" joint declaration. Another major achievement is the relaxing of restrictions on technology exports to China and his visit to China.

## II

The characteristics of the diplomacy of the Reagan administration are as follows:

/First, the ideological flavor of the diplomacy of the Reagan administration is stronger than that of the Nixon, Ford, and Carter administrations./ It tries to take advantage of the failures and setbacks of the ideology and practice of socialism and communism in the Soviet Union and some other socialist countries to defame the socialist system and expand the influence of capitalism so as to consolidate the capitalist fortress. Apart from publicizing the "magic of the marketplace" of capitalism and the "economic successes" of South Korea and Taiwan, the Reagan administration also stresses the importance of launching offensives in the ideological field, especially tries to implement the parliamentarism and the "elected government" of the Western countries in Third World countries, the purpose of which is to oppose and weaken the development of the armed revolutionary movement. In this respect, the Reagan administration has achieved some successes in some countries in Latin America and Africa.

/Second, to greatly strengthen the military threat and cautiously take chances to directly use force./ This can be seen in the armed invasion of Grenada by the United States and the display of armed force by American fleets led by aircraft carriers in Central America and the Middle East.

/Third, to greatly strengthen the secret activities of the CIA./ With the help of some laws, the Reagan administration has successfully prevented newspapers and magazines from revealing the identities of the personnel of the CIA, increased the funds for its secret activities, strengthened its organization, and expanded the sphere of its activities. The most outstanding example is that in Central America where the CIA is training mercenary troops to support the anti-government armed forces in Nicaragua.

/Fourth, in order to make the Third World countries join its contention with the Soviet Union and further control these countries, the Reagan administration has been both kind and threatening to these countries and carried out the following principles in providing aid to foreign countries:/ Increased bilateral aid and reduced multilateral aid; more military aid than economic aid; aid should first be given to those countries which can play an important role in the contention with the Soviet Union. The Reagan administration has clearly defined that the first group of countries to which the United States will provide military aid should be those "which can directly increase the strategic interests of the United States; the second group of countries to which the United States will provide military aid should be those "which are friendly to the United States and are willing to provide military facilities to the United States;" the third group of countries to which the United States will provide military aid should be those "which are able to provide important raw materials to the United States." The former chief representative of the United States to the United Nations Kirkpatrick even threatened the representatives of the Third World countries to the United Nations, saying that if they always vote against the United States, the United States will reconsider its aid to them.

/Fifth, strong hegemonism in the economic policies./ This phenomenon is mainly manifested by: 1. All the economic policies must conform with the present economic and political interests of the United States. The policy of high deficits and high interest rates is still being implemented even after the policy has done a lot of harm to the broad masses of the Third World countries and other advanced industrial countries. The exchange rate of the U.S. dollar has been rising steadily, but the Reagan administration has not adopted any measures to intervene. On the contrary, the Reagan administration stresses that so long as the economy of the United States becomes better, other countries will certainly benefit from it. In fact, the Reagan administration is shifting the difficulties caused by its conservative policies and readjustment policies onto other countries, trying to use foreign funds in the United States to compensate the high deficits of the United States, trying to take advantage of the difficulties of the Third World countries to transform their economies and influence their political attitudes according to the wishes of the United States and making its policies conform with the needs of the general election in the United States.

2. On the question of North-South relations, the Reagan administration has been adhering to its stubborn and rigid position and trying very hard to protect its vested interests, which fully shows the nature of the rich oppressing the poor. The Reagan administration resolutely opposes setting up the new international economy order by saying that the United States "is proud of its present system" and such a system must be "consolidated." The Reagan administration has been trying to obstruct global negotiations and has stressed that the international financial organizations should provide loans with the purpose of encouraging private capital and pushing forward the "market economy" and has been making use of its privileged position in these international financial organizations to implement its policy; the Reagan administration is opposed to collective dialogue between the creditor and debtor nations and sticks to the principle of individual settlement which is beneficial to doing things according to the will of big countries. The Reagan administration also tries to reduce its contributions to the international financial institutions. Under the Carter administration, the contributions of the United States to the international financial institutions accounted for 34.8 percent of her total foreign aid. But under the Reagan administration, the contributions of the United States to the international financial institutions accounted for less than 20 percent of her total foreign aid. The capital stock of the United States in the International Development Association which is attached to the World Bank was reduced from the original 42 percent to 27 percent in 1983.

/Sixth, in the international organizations and at the international conferences, the United States often adopts a [word omitted] of the majority of countries./ In order to protect the interests of Israel and South Africa, the United States often exercises her veto power, or when a certain organization wants to expel them, the United States will threaten to withdraw from the organization. When UNESCO did not conform with her will, the United States proclaimed her withdrawal from it. When the Law of the Sea Treaty did not conform with her hegemonical interests in grabbing seabed resources, the United States brazenly refused to affix her signature on the treaty which was finally reached after 7 years' arduous negotiations, and so on and so forth.

These extreme acts of the Reagan administration are the real source of its diplomatic setbacks and passivity and have provided chances for the Soviet Union which is the chief opponent of the United States in seeking world hegemony. The Reagan administration has made tremendous efforts in the Middle East: The secretary of state has visited the Middle East several times; many famous special envoys have shuttled back and forth between Washington and the Middle East; the United States has provided the biggest proportion of her military aid to the Middle East and has displayed her military force in the region several times; the United States has not only proposed President Reagan's so-called "Middle East Peace Proposal," but also reached the "U.S.-Israeli Agreement," but finally still has suffered serious setbacks and Soviet influence in the region has gained the upper hand. The fundamental cause of these setbacks is that the United States has been stubbornly partial to and sided with Israel and has brazenly concluded a treaty of "strategic cooperation"

with Israel, which has offended the broad masses of Arab countries. As a result, the United States has gone into a blind alley. The well-known American commentator (Hirsch) [He Xi 0761 1585] says: The facts show that the question of the Middle East is the same as the question of Vietnam in the past, which Washington cannot solve according to its own will. The question of the Middle East will become the most serious challenge to the Reagan administration in the future.

In Central America and Latin America, anti-American feeling is running higher and higher. Recently, in El Salvador, there has been demands for the American military advisors to go back home as early as possible. Honduras has also asked the United States to stop training Salvadoran soldiers in Honduras. The influence of the Contadora Group is becoming stronger and stronger. The unity of the debtor nations in Latin America has been greatly strengthened. All this shows that the United States is still beset with crises and troubles in Central America and Latin America.

In the international economic field, most of the Third World countries are still beset with difficulties, the economies of some advanced second world countries have recovered slowly, but the economic position of the United States has been strengthened, so the United States is proud and arrogant and thus acts more arbitrarily. From a long-term point of view, the policies of high deficits, high interest rates, high U.S. dollar exchange rates and high trade deficits of the United States will not continue for a long time and will have to be readjusted, otherwise the economy of the United States and the world market economy will suffer serious consequences. At the Trilateral Commission meeting held in Washington in April 1984, six major tasks for the next 10 years were set out. The first task is that "the United States must adopt emergency measures to cut down its budget deficit." Another major task is that "the United States must pay the greatest attention to the question of international debt." In May, the same year, six former U.S. secretaries of the treasury and more than 600 well-known personages published on the front page of the WALL STREET JOURNAL "The Two-Party Appeal on the Question of the Budget Crisis" addressing the President, the presidential candidates, and the Congress, demanding: "The United States must take measures before mid-1984 to change the financial policies and cut down the deficit," otherwise "inflation will occur again, protectionism will prevail, and the economic recovery will soon be killed." Amidst the temporary economic prosperity and economic recovery, how to solve the above problems and maintain the continuous development of the American economy and the world economy will be a very difficult task in the future.

### III

For 4 years, the Reagan administration's foreign policies have been greatly influenced by domestic politics, which can be seen in the following aspects:

/First, under the influence of the overall conservative ideology at home, the two major parties have actually shared the same opinion on some major policy issues./ Both parties have basically agreed: To adopt a strong attitude towards the Soviet Union; to greatly increase military expenditure; to develop friendly relations with China and stick to the policy of "One China, One Taiwan"; and to put American interests first in making external economic policies and so on and so forth. Even when debating nuclear strategy and Central American policy, Reagan succeeded in making the two parties agree on the same policy proposal by establishing a special committee attended by members of the two parties.

/Second, the disputes on some diplomatic policies are usually going on between the extremists and moderates inside the conservative camp./ The United States improved her relations with Western Europe only after abandoning the proposal that the United States should go her own way, which was put forward by the unilateral faction. On the policy towards China, there has been interference by the right-wing pro-Taiwan faction; former Secretary of State Haig had fierce disputes with Allen, the president's national security advisor. Only after Allen was removed from office, was the idea of the "17 August" joint declaration finally formed after repeated discussions. That Shultz could firmly hold his office and that Clark finally had to resign as the president's national security advisor to become secretary of the interior is because Reagan supports Shultz's moderate and conservative position on the Middle East question and the question of Central America, but did not agree with Clark's and some other's suggestion of the United States using force as a top priority. When Kirkpatrick and McFarland contended for the position of White House national security advisor, Reagan chose the latter, which shows that he relies on Shultz in foreign affairs.

/Third, at present, as far as American society and political ideologies are concerned, there are two tendencies which are contending with each other./ One is that along with the change in the situation and the emergence of some negative results from the Reagan administration's foreign and domestic policies, there has been a demand for the policies of the American Government to gradually move toward the center while remaining basically conservative. On foreign policy, this tendency is manifested by the fact that the people of all social strata in the United States are greatly worried about the serious deterioration of Soviet-American relations and the danger of the nuclear war, and generally demand the improvement of Soviet-American relations, demand that the Reagan administration sign a disarmament agreement with the Soviet Union and demand an easing of tension. In domestic policies, this tendency is manifested by the situation whereby the aged, the poor, blacks and other minorities, and women are dissatisfied with the Reagan administration, demand the slowing down of the increase in military expenditure and oppose the continued reduction of expenditures on welfare. The setbacks which the Republican Party suffered in the mid-term election held at the end of 1982 embodied this tendency. Since 1984, the Reagan administration has made some changes in the tone and attitude of its policies toward the Soviet Union to meet the needs of the general election. In fact, this shows the wishes of the American people. And

this is the fundamental reason why in those 4 years, the Reagan administration has had to lean to the center in carrying out its foreign and domestic policies. On the other hand, recently, along with the improvement of the economic situation, more and more people in the United States have benefited economically. And along with the strengthening of the international position of the United States, Reagan is now enjoying greater prestige, the conservative ideological trend in the United States has regained its strength and the right faction is more active and vociferous. All these have formed another tendency. The outstanding manifestation of this tendency is that in the general election of 1984, the election program of the Republican Party turned out to be very conservative and the election program of the Democratic Party also "changed its liberal position" [quoted from THE NEW YORK TIMES] and turned conservative. It should be noted that from a long-term point of view, the first trend is the main trend which will continue to play its role. Especially, as far as the foreign policies are concerned, the actual world situation and the various forces will greatly check the hegemonism and nationalism of the United States. The second trend is the secondary trend which will stubbornly show its strength for a short period of time.

CSO: 4005/1023

UNITED STATES

BEIJING RADIO VIEWS U.S. ECONOMIC SLOWDOWN

OW070048 Beijing Domestic Service in Mandarin 1150 GMT 4 Jun 85

["International Current Events" program economic commentary by (Fu Yanfeng):  
"U.S. Economic Growth Slows Down Considerably"]

[Excerpts] Statistics released by the U.S. Department of Commerce in late May showed that U.S. economic growth had slowed down considerably. During the first quarter of this year, the GNP growth rate was only 0.7 percent, far below the estimate made at the beginning of the year. It was also lower than the estimated figure announced not long ago. Economic growth in the first quarter of this year was the lowest since the end of the last economic crisis. Baker, U.S. Treasury secretary, said: This growth rate is disappointing. Martin, vice chairman of the Federal Reserve Board, was more pessimistic, saying: The United States is on the verge of an economic downturn.

According to analyses by U.S. economists, two main reasons are accountable for the present drastic decline in the U.S. economic growth rate.

First, the exchange rate of the dollar has been strong since the beginning of this year. This has weakened the competitiveness of U.S. products in international and domestic markets, and has pushed down U.S. exports while drastically driving up its imports. According to official statistics, the trade deficit during the first quarter of this year was \$32.8 billion, somewhat higher than the fourth quarter of last year. The decline in exports directly affected industrial and agricultural production in the United States. The rising exchange rate of the dollar has also resulted in an influx of foreign products on the U.S. market, edging out many American goods on the market, and hampering domestic industrial production.

The second reason for the slowdown in the U.S. economic growth rate is that the adverse effect of the government's huge deficit on social and economic development is more keenly felt. Since he took office, President Reagan has continued to follow the Keynesian high deficit policy in financial matters. The federal government's financial deficit has increased year after year, setting a record high of \$180 billion during the last fiscal year. In order to make up for the deficit, the government has to

constantly borrow money, and to float more federal bonds. The U.S. federal government's national debt almost doubled in 4 short years, rising from some \$1 trillion in 1980 to \$1.9 trillion in 1984. Higher national debt means higher interest rates paid, which in turn puts more financial burden on the government, and drives up financial deficits. One serious consequence of this is that the government has to compete with private enterprises for funds in the financial market.

To prevent a further decline in the U.S. economy, the U.S. Government and economists have adopted two stopgap measures to stimulate economic recovery. On the one hand, strict control over money circulation has been eased, and the money supply has been increased to stimulate consumption and invigorate the market. From January to March this year, the money supply rose by more than 10 percent. But this did not yield marked results, because foreign products on the market were relatively cheap, so the people spent more money buying large quantities of imported goods. It did not help expand the sale of American goods, nor promote production. On the contrary, increased money supply is bound to intensify inflation. Since the beginning of this year, prices in the United States have been somewhat higher than last year.

The second measure to stimulate production was to lower interest rates, and relax credit and loans in order to increase the enterprises vitality. In November and December last year, the Federal Reserve Board twice lowered the discount rate. On 20 May this year, it again lowered the central bank's lending rate to commercial banks from 8 percent to 7.5 percent. Meanwhile, U.S. commercial banks reduced the prime rate from 10.5 to 10 percent, the lowest point in U.S. interest rates in recent years. Lowering the interest rate encourages enterprises to increase investment in production. It will help lower the exchange rate of the dollar in international market, stimulate U.S. exports, and reduce the trade deficit. How effective will this method of lowering interest rates be increasing U.S. economic growth awaits to be seen.

Having analyzed the factors in the U.S. economy, we can say that the U.S. economy at present is not in a periodic decline. Some domestic and international factors are favorable to economic recovery in the United States. It is estimated that the annual growth rate for this year may reach 2 or 3 percent. The U.S. economy will move up slowly amid fluctuations.

CSO: 4005/1023

UNITED STATES

ARTICLE VIEWS U.S. PROTESTS ABOUT SOUTH AFRICA'S RACISM

HK070833 Beijing RENMIN RIBAO in Chinese 5 Jun 85 p 7

[Article by Chen Fengxiong [7115 1409 7160]: "Wave of the American People's Fight Against South African Racism"]

[Text] The demonstration against South Africa's racist policy which started on the campuses of some universities in the United States has now spread to many major cities and become a spectacular, nationwide mass movement.

Unlike previous demonstrations which only gave moral and political support to the black people in South Africa in their struggle for human rights, the current mass demonstration movement is aimed at the domestic capital which has connections with South Africa. The students carry large banners expressing their opposition to the university authorities' purchase of shares in American corporations which invest in South Africa. The demonstrators in New York and Los Angeles have strongly demanded that major American corporations withdraw their investments from South Africa.

The mayor of Los Angeles, Thomas Bradley, said: "The fire demanding a withdrawal of investment is really raging." Seeing the pressing situation in late May, the governor of New York State, Mario Cuomo, proposed to the state legislature that the \$4 billion used to buying shares be withdrawn in installments. This sum of money, from the welfare fund of New York State, has been diverted for the purpose of buying shares in corporations which have commercial relations with South Africa. Los Angeles has invested \$700 million of its welfare funds in corporations doing business in South Africa. Its mayor has ordered withdrawal of this investment, warning that the responsible person of the welfare foundation will be dismissed if the investment is not withdrawn.

The governor of California, George Deukmejian said: "The anti-investment method may be a highly useful tool for rectifying the racist oppression in South Africa."

The South African racists' atrocities of suppressing the black people have always met with the angry condemnation of the world. However, the Botha white administration shows no fear because it has strong backing from the

United States. Since the beginning of this year, it has further intensified its efforts to create incidents of sanguinary suppression of the black people. As a result, the vast majority of the American people have seen more and more clearly the truth about and the causes of the darkness in South Africa.

Under these circumstances, six states (Connecticut, Michigan, Nebraska, Massachusetts, Maryland, and Iowa) in the United States have adopted anti-investment laws of various forms. Another 14 states are prepared to formulate similar rules and regulations within this year. Eleven major cities have imposed restrictions over certain forms of investment in South Africa. Another 12 cities are planning similar action.

The pressure of domestic public opinion has naturally found expression in the U.S. Congress. In May, the House of Representatives discussed the problem of investment in South Africa. The majority of the representatives were inclined to accord with the common aspirations for the people by halting new investments in South Africa, disallowing U.S. banks to issue loans to South Africa, forbidding the sales of computers to the South African Government, and discontinuing the import of gold coins and coal from South Africa. The Senate also showed a new trend. Richard Lugar, chairman of the Foreign Relations Committee, formerly adopted a perfunctory attitude toward the public opinion against the South African apartheid. On 22 May he suddenly made a 180-degree turn and gave a statement denouncing the "extremely horrible" conditions in South Africa and proposing that the U.S. Government take economic sanctions against South Africa.

The causes of the recent changes in the United States regarding U.S.-South African relations are very complicated. The changes have attracted worldwide attention. The South African white administration will undoubtedly feel the pressure of this cold current from North America. However, nearly 200 big U.S. corporations are still maintaining economic relations in 101 with South Africa. They are very unlikely to withdraw completely from South Africa within a short period of time. Should the South African administration persist in its obstinate attitude toward the abolition of apartheid, it can hardly avoid further arousing the hostility of the American people.

CSO: 4005/1023

SOUTHEAST ASIA/PACIFIC

BEIJING TAGALOG SERVICE REPORTS LI XIANNIAN GREETINGS TO MARCOS

HK110703 Beijing International Service in Tagalog 1130 GMT 8 Jun 85

[Text] The President of China, Li Xiannian, today sent a message of greetings to President Ferdinand Marcos of the Philippines on the occasion of the 10th anniversary of the setting up of diplomatic relations between the two countries. The message read:

On the occasion of the 10th anniversary of the establishment of diplomatic relations between the Republic of China and the Republic of the Philippines, I wish to extend to you and your country, in the name of the government and people of China, our sincere greetings and gratitude for your friendship. The establishment of diplomatic relations between our two countries opened a new chapter in the history of friendly relations between us. During the past decade our cooperation and exchanges in the fields of politics, economics, science, technology, and culture have flourished, based on the five principles of peaceful coexistence, and the traditional ties of friendship between us have been strengthened. This has not only served the fundamental interests of both our countries but has also helped preserve the peace and stability of Southeast Asia. I sincerely hope these friendly relations will continue in the years to come.

Meanwhile, Governor Ferdinand Marcos Jr arrived in Beijing this afternoon as the representative of President and Mrs Marcos. He headed a delegation of local officials who came at the invitation of the Foreign Ministry of China. They will attend the 10th anniversary celebrations, as well as Philippine Independence Day on 12 June. Included in the delegation are the Governor of Tawitawi Province, Nur Jaafar, and member of Parliament and Second Governor of Cebu Province, Al Durano. They were met at the airport by Deputy Foreign Minister Liu Shuqing and Philippine Ambassador to China Fortunato Abat and Mrs Abat. Upon his arrival, Governor Marcos told the Radio Beijing correspondent:

We are here to join in your celebrations for the 10th anniversary of the setting up of diplomatic relations between our two countries. We come here in the spirit of brotherhood and friendship that has been established between our two countries, as brothers and very close neighbors.

After attending the festivities and visiting Beijing's scenic and historical spots, Governor Marcos and his delegation will visit the Guangzhou arts center before leaving the country.

Meanwhile, a documentary about the historical friendship between China and the Philippines is scheduled to be shown throughout the country tomorrow night via China's Central Television.

Tomorrow morning a painting exhibition by Filipino painter Jose Joya will be opened at the Working People's Cultural Palace in Beijing.

CSO: 4211/64

SOUTHEAST ASIA/PACIFIC

RADIO BEIJING INTERVIEWS FORMER PHILIPPINE AMBASSADOR TO CHINA

HK070501 Beijing International Service in Tagalog 1130 GMT 6 Jun 85

[Text] 9 June 1975 marked the official opening of diplomatic relations between China and the Philippines. The communique was signed in Beijing by President Ferdinand Marcos and the late Premier Chou Enlai. One of the architects of that communique was a top Filipino diplomat who later became Ambassador to China, Narciso Reyes. On the occasion of the 10th anniversary of the setting up of those relations, our correspondent Li Ling interviewed Mr Reyes in Manila. Here is the interview:

[Li] First of all thank you for receiving us on this special occasion. Since you played a major part in the beginning of diplomatic relations between our two countries, could you take a look back at the situation then and give us your views.

[Reyes] We first raised the issue of diplomatic relations with former Foreign Minister Huang Hua who was then Chinese ambassador to the United Nations. The discussions went smoothly as he was most receptive and indicated that China was ready for a formal relationship. As we behaved like old friends, we quickly came to an agreement on principles. Then our countries exchanged basketball teams, and our first lady, Mrs Marcos, paid a visit to China. The formal agreement was signed in 1975 when President Marcos went to Beijing. Since that time we have had good relations with China in the fields of trade, science, and culture. Mrs Marcos then paid another visit to China in January 1976 and I accompanied her. The Philippines at that time was in need of aid and we were not disappointed. China has since granted much-needed assistance to us, like oil, and she has provided credit and increased trade and shown other instances of goodwill.

[Li] How many years did you spend in China and what were your impressions of the country?

[Reyes] Our first Ambassador to China was Benjamin Romualdez [Mrs Marcos' brother] who is now our ambassador to Washington. I succeeded him. I had served in New York at the UN, and then was appointed ambassador to China in November 1977. I left China in July 1980 to become secretary general of ASEAN in Jakarta. I spent 2 years and 7 months during my ambassadorship in China but Mrs Reyes and I agree that it was too short a time. China is such a big and

important country and we would have liked to stay 4 to 5 years as there is so much in China to see that is beautiful and historically important. We were really sorry we spent such a short time there.

[Li] In what other ways can our two countries preserve our traditionally friendly ties?

[Reyes] We have done this on occasions like when President Li Xianian came to Manila and signed a scientific and technological agreement. That is one way to bring us closer together as China has much to teach us and we too can offer some things to China. Both sides are maintaining this cooperation and we have been holding inter-agency meetings with Chinese ministers and other officials to promote more exchanges. Since we are both developing countries, we will surely continue to do this.

[Li] How would you comment on the past 10 years and the future?

[Reyes] As I said, the past 10 years have seen smooth relations between us-- we have still not had any disagreements or problems. This means that our countries can remain friends and I am sure this will be true in the next 10 years.

[Li] Having been secretary general of ASEAN, what is your view on the ASEAN countries' relations with China?

[Reyes] The ASEAN countries look well on China. The Philippines, Malaysia, and Thailand have diplomatic relations with China. Singapore has a trade mission in China; all it needs is to have an ambassador in Beijing but she is waiting for Indonesia to recognize China before she will do the same. Last month in Bandung, China's foreign minister attended the Bandung anniversary rites. He was well received by Jakarta officials and he spoke with Minister Mohktar. Indonesia is now considering setting up a trade mission in China, and this will surely lead to normalization. Neither side is rushing things but we can see what this will lead to. China has no problems with Brunei, the newest member of ASEAN. So my view is that the future is good as far as China and ASEAN are concerned, especially since we are united on the issue of Cambodia. We all agreed that Vietnamese troops should be withdrawn from that country and the Khmer people should set up their own non-aligned government.

[Li] Thank you very much.

CSO: 4211/64

SOUTHEAST ASIA/PACIFIC

RADIO BEIJING INTERVIEWS COLUMNIST ON PRC-PHILIPPINE RELATIONS

HK101500 Beijing International Service in Tagalog 1130 GMT 7 Jun 85

[Text] When the communique establishing diplomatic relations between China and the Philippines was signed on 9 June 1975, by President Ferdinand Marcos and the late Zhou Enlai, one of those who witnessed the signing was Filipino columnist Teodoro Valencia. On this 10th anniversary celebration of that occasion, our correspondent Li Lin interviewed Mr Valencia in Manila:

[Li] As a top columnist and expert on China, could you give us your views about this anniversary date?

[Valencia] First let me say that it is a sad thing our relations began officially only 10 years ago. As our history shows, they should have been established much earlier. Of all the Asian nations, the Philippines is perhaps the one with the oldest links to China. We Filipinos are pleased with our relations with China. Everything that Chinese leaders have promised has been fulfilled. Our friendship is well cemented. The Chinese like the Filipinos and we Filipinos like the Chinese.

[Li] You were in President Marcos' party when he went to China to sign the accord with the late Zhou Enlai. Could you look back at events then?

[Valencia] Frankly, when we went to Beijing in 1975, we were not sure the signing of the accord would guarantee we could be fast friends because the news we had in the Philippines was that China was supporting the rebels who were trying to overthrow the government. We hoped that such violations of our sovereignty would stop and it has been a cause of amazement that this did happen. A true friendship sprang up as of that date and we are delighted that relations have been so good. This is undoubtedly because we are all Asians and our leaders have a mutual understanding between them.

[Li] Having visited various places in China, can you give us your impressions?

[Valencia] I was amazed at everything I saw. Having read what American and European writers keep feeding us--that China is a hopelessly poor country--I was surprised to find your farmers so healthy and your cities so clean. I was surprised to find Shanghai had not changed--I saw it before the war, and except for the people, it has been maintained as it was before. This shows you are historically minded and are preserving your past for future generations. It is good to remind your people that you were once under the heel of aliens but that you are now liberated.

I marvel at your trains and your ferryboats in Shanghai which are as good as those in New York. The Chinese are indeed thrifty and industrious and though not as rich as the Americans, you are nevertheless a strong people who are united.

[Li] Since we are close neighbors and Hong Kong is also close to the Philippines, what is your view of the accord signed between China and the U.K. on the issue of Hong Kong?

[Valencia] As an Asian I am naturally delighted about these developments since Hong Kong has been a colonial relic of the white people. We can now expect the sun to shine on Hong Kong. We need not fear once China takes charge of Hong Kong because we have seen how you took over Shanghai and Guangdong and all those other territories and how they have progressed. If you kill Hong Kong, the world will condemn you so of course you will not do that.

Once Hong Kong is under China I hope it will be easier for Filipinos to go to Hong Kong, at present the British make it difficult for us. It takes 7 days to obtain a visa and we have to pay. The British just want our money. So we are waiting for China to take over and make it easier for us to enter Hong Kong [Laughter]. As an Asian, I do not want to see any place in Asia under a colonial power.

[Li] China's foreign policy today involves its five principles of peaceful coexistence, yet some people consider China a threat to Southeast Asia. What is your comment on this?

[Valencia] In my opinion, there is no truth to that threat. China has 1 billion people and can do what she wants. China would not want to see 200 million of her people killed, should she want to conquer Asia. Therefore you are not an aggressive power. If such a threat does exist, it should have existed long ago. Because I believe the Chinese are the most intelligent people in the world because of your ancient civilization, I do not believe China would act foolishly.

[Li] China hopes to promote peace and the modernization of agriculture, industry, science, technology and defense. What do you expect from China for your country?

[Valencia] Mainly the further strengthening of our friendly ties. We in Asia should share our problems. We should not depend on Westerners. Sadly we have done this too often and been disappointed. We have erred because we trusted the U.S., the USSR and Britain when we should have turned to China. This is unfortunate, but we have rectified this error. Our ties will remain firm. On this happy occasion of our 10th anniversary of good relations, I send my greetings to China.

[Li] Thank you very much.

CSO: 4211/64

SOUTHEAST ASIA/PACIFIC

RADIO BEIJING NOTES PHILIPPINES-PRC RELATIONS ANNIVERSARY

HK110607 Beijing International Service in Tagalog 1130 GMT 9 Jun 85

[Text] Philippine President Ferdinand Marcos sent a message today to PRC President Li Xiannian expressing warm greetings on the occasion of the 10th anniversary of the establishment of diplomatic relations between the countries. The message read:

"I join the Filipino nation in sending Your Excellency the warmest greetings on this happy occasion. The history of our bilateral relationship does not just show the diversity and strength of our cooperation in many fields of endeavor, it also demonstrates our joint commitment to our developing countries for a more equitable economic order. We hope this relationship that binds our two nations will remain strong and will grow during the next decade and more.

"Please accept our warmest regards and wishes for your continued good health and the prosperity of the Chinese Republic."

Last night at the Great Hall of the People, State Councillor Ji Pengfei met with Governor Ferdinand Marcos Jr and officials of his delegation. Ji Pengfei greeted the Filipinos and said in his welcoming remarks that he was happy to show them New China. He expressed the hope that economic, political, cultural, and trade relations would continue.

For his part, Gov Marcos said that China and the Philippines are related not only culturally but by blood. A banquet was later given by Ji Pengfei at which he said:

"Although our systems may differ, our relations have been good during the past 10 years of our accord. We have not interfered in each other's internal affairs and have cooperated with each other in accordance with the five principles of peaceful coexistence for the development of our countries. I hope the Philippines will soon overcome its problems and become strong and stable once again. The Chinese government pledges its cooperation so that the friendship now enjoyed by both our countries will flourish." Toasts were exchanged by all those present, which included Philippine Ambassador to China Fortunato Abat and other officials of the Philippine Embassy in Beijing.

Later, a reception was tendered by the Chinese Association for the Promotion of Friendly Relations With Other Countries. The association also sponsored the painting exhibition of works by Filipino painter Jose Jpoya.

SOUTHEAST ASIA/PACIFIC

BRIEFS

DIPLOMATIC RELATIONS ANNIVERSARY ACTIVITIES--In Manila the Association for Philippine-China Understanding, APCU, gave a reception in celebration of the 10th anniversary of the establishment of diplomatic relations between the Philippines and the People's Republic of China. More than 100 people attended the reception. During the past week both countries have sent delegations to their capitals and sister cities. An exhibition of paintings by Chinese artists has also opened at Manila's city gallery. The Chinese Ambassador to the Philippines Chen Songlu attended all these festivities. There has been a delighted reception for the Dalian acrobatic troupe, which performed last night at the Folk Arts Theater. This troupe is the fourth acrobatic troupe to have visited the Philippines since 1975. The acrobats will have 3 weeks throughout the country, on the invitation of the cultural center of the Philippines. In 1983 they won a special prize at the 10th Monaco international acrobatic festival. There will be three performances in Manila before they visit the other Philippine cities. Sports news: In Cebu the Beijing men's basketball team beat the Shell Oil Co's basketball team during a game yesterday. The score stood at 85-82. [Text] [Beijing International Service in Tagalog 1130 GMT 8 Jun 85 HK]

SINO-BURMESE BORDER SURVEY--Chinese and Burmese surveyors and topographers have smoothly completed their topographical survey work recently on the southern section of the Sino-Burmese border. The Chinese surveyors began field surveys last February in accordance with the directions of a summary of discussions of the first meeting of the Sino-Burmese joint border inspection committee. [Text] [Beijing International Service in Burmese 1130 GMT 7 Jun 85]

CSO: 4211/63

NEAR EAST/SOUTH ASIA

FIGHTING IN PALESTINIAN REFUGEE CAMPS EXAMINED

OW112021 Beijing XINHUA in English 1459 GMT 11 Jun 85

["Tunnel Warfare in Palestine Refugee Camps in Beirut (Feature Story by Lu Zhangyi and Guo Xiaoyong)"--XINHUA headline]

[Text] Beirut, 11 Jun (XINHUA)--As the Palestine fighters came out occasionally from their tunnels, firing sniping shots to their opponents, fighting is still going on in some of the Palestine refugee camps in Beirut now under the occupation of the Shi'ite Moslem Amal Movement and the Sixth Brigade of the Lebanese Government Army.

This is confirmed by XINHUA correspondents who went into the Sabra Camp now under occupation. Amid the debris of many of the houses there are some concrete-built tunnel outlets, some two meters high, standing outside or inside the houses. Stepping down the 20-odd staircases from one of the outlets, we found the tunnels stretching in the dark.

It was said that it took the refugees more than a decade in building the tunnels around and connecting the three refugee camps--Sabra, Chatila and Burj al-Barajinah. There are underground shops, foodstuff warehouses and other facilities in the tunnels. It is seen as a miracle that such large-scale projects could have been completed in secret.

Tunnels have played a vital role in defending the refugee camps in the current armed conflicts. That is why the Bourj Brajneeh Camp is still in the hands of the Palestinians and it took many days and arduous efforts for the Amal Movement and the Sixth Brigade to occupy the other two camps.

A Lebanese resident in Sabra told XINHUA that the day before the visit Palestine fighters came out of the tunnel, firing a few shots and then disappearing.

A woman from South Lebanon complained that she came to Beirut to seek a shelter after her house had been destroyed by the invading Israeli army, but now her shelter became a battlefield again. Most of the residents of the Sabra Camp are Palestine refugees, while some are Lebanese from the south.

There was a lull in the 21st day of the armed conflicts in the refugee camps when XINHUA correspondents visited the Sabra Camp now under the control of the militia of Amal Movement and the Sixth Brigade. The reporters were allowed to enter into the camp after interrogation and on the condition that they would not take photographs of armed personnel. There are now very few residents in Sabra and many houses have been destroyed. Dead bodies under the debris stink. Palestine people are suffering from the armed clashes.

CSO: 4000/271

3 July 1985

## NEAR EAST/SOUTH ASIA

## XINHUA INTERVIEWS JORDANIAN MINISTER ON PEACE

OW061926 Beijing XINHUA in English 1909 GMT 6 Jun 85

[Text] Amman, 6 Jun (XINHUA)---Jordanian Information Minister Mohammad al-Khatib [name as received] told XINHUA here today that the U.S. recognition of the Palestine Liberation Organization (PLO) should be carried out simultaneously with the PLO recognition of the UN Security Council Resolution 242 and Israel's right to exist.

He added that the PLO recognition of the Resolution 242 and the Israeli existence should not be a precondition for the U.S. recognition of the PLO.

He made the clarification in a telephone interview with XINHUA about yesterday's report on the issue by the Dubayy-based newspaper AL-BAYAN.

Al-Khatib was quoted by the paper yesterday as saying the U.S. officials would meet a Palestinian Jordanian delegation in early July. If the meeting was successful, the PLO would explicitly embrace UN Security Council Resolutions 242 and 338 which imply Israel's right to exist, and the U.S. then would recognize and talk with PLO and a UN-sponsored international peace conference would follow.

Commenting on the report, the minister said, "It is not true" and stressed that "if the meeting was successful, both the U.S. and the PLO should be recognized each other at the same time."

Referring to the international Middle East peace conference, the minister said that the U.S. has agreed in principle on convening such a meeting but there are differences on details of the meeting. He said Jordan was also urged by the UN secretary-general to call the meeting to be attended by all parties concerned.

CSO: 4000/271

NEAR EAST/SOUTH ASIA

XINHUA INTERVIEWS ABU JIHAD ON ISRAELI PEACE PLAN

OW120912 Beijing XINHUA in English 0850 GMT 12 Jun 85

["PLO Rejects Israeli Peace Plan"--XINHUA headline]

[Text] Amman, 11 Jun (XINHUA)--The Israeli peace plan proposed by Israeli Prime Minister Shimon Perez yesterday is absolutely not acceptable, said Abu Jihad, deputy general commander of the Palestinian revolutionary forces.

In an interview with XINHUA reporters here yesterday, Jihad said that the plan is aimed at continuing to implement the Camp David Agreement and occupy the Arab land, and serving the Israeli aggressive policy.

Jihad pointed out that the plan refuses to have contact with the PLO, the only legitimate representative of the Palestinian people, and objects to an international conference on the Midease issue to be attended by the five permanent member states of the UN Security Council.

Jihad reiterated the PLO's position that Israel should recognize the Palestinian people's national rights and withdraw from the occupied Arab land.

Referring to the U.S. position on the Middle East issue, he said that signs have indicated that the United States has retreated from its original position for dialogue with members of the PLO National Council.

Jihad said the Palestinian people refuse to take part in any dialogue which shuns recognizing the Palestinian people's right to self-determination and to a free Palestinian state.

Asked about the name list of joint Jordanian-Palestinian delegation members who will hold dialogue with the United States in July, Jihad said the PLO and Jordan have not discussed the matter nor appointed anybody.

But the PLO adheres to one principled position--the United States should directly contact the PLO, Jihad said.

He said the PLO will not accept the UN Security Council's Resolutions 242 and 338 which regard the Palestinian question only as a refugee problem without referring to its statehood. However, the United States has put forward a prerequisite that it will not contact the PLO unless the latter recognizes the two resolutions and Israel.

CSO: 4000/271

NEAR EAST/SOUTH ASIA

YAN JICI, INDIAN VISITORS DISCUSS POPULATION

OW011820 Beijing XINHUA in English 1620 GMT 1 Jun 85

[Text] Beijing, 1 Jun (XINHUA)--Yan Jici, vice-chairman of China's National People's Congress Standing Committee, met here this afternoon a delegation from the Association of the Indian Parliamentarians on Population and Development led by chairman of the association Sat Paul Mital.

Yan expressed the hope that the two most populous countries in the world would strengthen their exchange and cooperation to promote their work on population.

After the meeting, [H]ang Chengxian, vice-chairman of the Education, Science, Culture and Public Health Committee of the NPC, held talks with the Indian delegation.

The 12-member delegation arrived here yesterday for a 15-day friendship visit. Its visit is part of the exchange between the two countries on population since the first conference of the Asian Forum of Parliamentarians on Population and Development held in New Delhi in February 1984.

CSO: 4000/271

NEAR EAST/SOUTH ASIA

BRIEFS

EGYPTIAN RADIO, TELEVISION AGREEMENT--To strengthen friendly exchanges and co-operation in the field of radio and television between China and Egypt, the Ministry of Radio and Television and the Egyptian Radio and Television Association signed a radio and television cooperation agreement this morning. [Text] [Beijing Domestic Service in Mandarin 1100 GMT 13 Apr 85 OW]

CSO: 4005/1037

WESTERN EUROPE

ZHAO ZIYANG ON EAST-WEST, NORTH-SOUTH RELATIONS

HK100957 Beijing RENMIN RIBAO in Chinese 7 Jun 85 p 4

[XINHUA dispatch from London on 6 June: "Strive for Lasting Peace, Develop Friendly Cooperation, and Promote Co-Prosperity--Premier Zhao Ziyang's Speech at the British Royal Institute of International Affairs"]

[Text] Mr President,

Ladies and Gentlemen:

I am very pleased today to have the opportunity to meet with all of you here. I heartily thank Lord Richardson and you for your warm welcome.

It is precisely at an important moment in the history of the development of Sino-British relations that I visit Britain at the invitation of Prime Minister Margaret Thatcher. Not long ago, the agreement officially went into effect following the exchange of the instruments of ratification of the "Joint Declaration" on the question of Hong Kong between the Chinese and British Governments. With the satisfactory solution of the Hong Kong issue, a potential factor which might have led to friction has been removed and the prospects for Sino-British relations have become brighter. I hope that, through the efforts of both parties, this visit will be able to greatly promote friendly relations between the two countries.

The British Royal Institute of International Affairs, a special organization for studying international issues, has a long history and enjoys high prestige in the world. All of you here are experts in the study of international affairs and relations or noted figures from all walks of life. In an effort to promote mutual understanding, I would like to take this opportunity to outline China's views on the current international situation and its foreign policy.

In this world where we live, there are many complicated contradictions and international problems. However, so far as we are concerned, there are mainly two global and strategic issues--the issue of East-West relations, or the issue of peace; and the issue of North-South relations, or the issue of development.

The issue of East-West relations originates from the establishment of two great military and political blocs after World War II. The two great blocs directly confront each other in Europe, but their influence spreads to other areas outside Europe. The key to East-West relations is the relations between the Soviet Union and the United States. Relying on their economic and military strength, far exceeding that of other countries, the two superpowers are engaged in fierce rivalry in all spheres, causing sustained turbulence in the international situation. The all-round arms race between them is ever escalating, from conventional to nuclear weapons, from land and sea to outer space, posing a serious threat to world peace and the security of all nations. In the contemporary world, the United States and the Soviet Union are the only two countries that are capable of fighting a new world war. In this sense, the global issue of peace or war is closely linked to East-West relations.

The peoples of various countries who have suffered a great deal from the chaos caused by war long for peace. On this major issue involving the future of mankind, more and more countries, including both the big powers and the medium-sized and small countries, as well as the countries either belonging or not belonging to a certain bloc, are determined to take their destinies in their own hands and are actively taking all kinds of action in an effort to maintain world peace. These countries and peoples eagerly hope that East-West relations may be eased, and they strongly demand that the superpowers stop their arms race and carry out genuine disarmament. It can be said that although the danger of war still exists, the forces deterring war and safeguarding peace are also growing steadily. This is an important trend in the world situation today.

The essence of the North-South issue is the widening of the economic gap between developing and developed countries. This is attributable to various reasons, an important one being the existence of the outdated international economic order which is unjust and inequitable. The world today has increasingly become a closely linked whole. The continued development of the developed countries should not be built on the basis of the continued poverty of the developing countries. Without the economic growth of those areas inhabited by three-quarters of the world's population the developed countries will face difficulties in obtaining resources, markets, and capital outlets, and hence will damage their own economic interests. This is an obvious truth. Relations between the developed countries and developing countries should be equal, mutually beneficial, and complementary. The developed countries need the cooperation of the developing countries as badly as the latter need the cooperation of the former. It should be said that the North-South relationship is both an economic and political issue. The sharpening of North-South contradictions will not only impede the healthy development of the world economy but also brew turbulence and confrontational elements. Now, Europe, as well as quite a few developed countries in other areas, can approach the role of the Third World from the world's political and economic angles and attach importance to cooperation with the Third World. This is a state of affairs worth welcoming in international relations.

Maintenance of world peace and economic development are interrelated and interactive. A peaceful international environment is essential for the development of any country, while expanded international economic cooperation and the economic prosperity and development of most countries increase the forces maintaining world peace and stability. A lasting peace, increased friendly cooperation, and co-prosperity have a vital bearing on the interests of the people of all countries, and they are becoming the historical trend of our times.

A developing socialist country, China is confronted with the arduous tasks of changing its poverty and backwardness and catching up with the economically developed countries. The Chinese people are determined to realize the modernization of China's industry, agriculture, national defense, and science and technology and to achieve the goal of making the country and people rich through several decades of unremitting efforts. For this purpose, we need an international environment of prolonged peace as well as friendship and cooperation from the people of all countries. The Chinese Government steadfastly pursues an independent foreign policy of peace proceeding from the fundamental interests of the people of China and the whole world and taking stock of the present international situation.

China will maintain its independence at all times and in all circumstances. It will never attach itself to any big power or any group of countries. Nor will it submit itself to any outside pressures. In international affairs, we decide on our attitudes according to the merits of each case. Our basic criterion in judging rights or wrongs of an issue is to see whether this issue is conducive to maintaining peace, to developing friendship with various countries, and to promoting economic prosperity in the world. We definitely will not enter into an alliance or a strategic relationship with any big power, that is, will not align ourselves with one against another. We will never seek hegemony and are firmly opposed to all forms of hegemonism. As a big power with a population of 1 billion, China is aware of its responsibility and weight. We believe that China's principled position of independence is in the best interest of world peace and stability.

China seeks to develop relations with all countries on the basis of the principles of mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. Basing ourselves on the historical experience gained after World War II, we persist in the practice of not basing our intimacy or estrangement or our likes or dislikes according to the similarities or differences in social systems and ideology. Since the war, various types of state relations have emerged in the world. However, only those state relations built on the basis of the five principles of peaceful coexistence have strong vitality and are most conducive to the stability and healthy development of the international situation. We fervently hope that the five principles of peaceful coexistence will be strictly observed by all countries in the world, particularly by the superpowers. Accordingly, we seek the steady

development of Sino-U.S. relations on the basis of observing the mutual agreements concluded by both sides. We hope to see the normalization of Sino-Soviet relations through the removal of the existing obstacles. We support the improvement of relations between the countries of Eastern Europe and Western Europe. We also wish to see the relations between the United States and the Soviet Union eased. All this is in the interest of world peace.

China advocates solving international disputes peacefully in the spirit of the five principles of peaceful coexistence and opposes resorting to force or armed threats. We are confronted with the problem of which method to use to solve the series of disputes, whether left over from history or brought about by the practical situation, in the world today. Adopting nonpeaceful means and resorting to arms will not solve the issues once and for all but will leave long-standing consequences, which would be extremely detrimental to the stability of the international situation. Adopting peaceful means and solving issues through negotiations will, in the final analysis, conform to the interest of the countries concerned and to world peace. We were gratified that on the question of solving the Hong Kong issue, a fairly complicated issue left over from history, the British side understood China's Hong Kong policy, formulated on the basis of China's stand on state sovereignty and the concept of "one country, two systems." Prime Minister Margaret Thatcher's far-sightedness and penetrating insight contributed positively to the success of the Sino-British negotiations. The two governments of China and Britain satisfactorily solved the Hong Kong issue through negotiations on an equal footing and in the spirit of mutual understanding and mutual accommodation, thus providing a new experience in solving international disputes through peaceful means. We hold that so long as the parties concerned have the sincerity to solve problems and can adopt an attitude of mutual respect, mutual understanding, and mutual accommodation, it will not be difficult to rationally solve the disputes between them through peaceful negotiations.

China stands for equality for all countries, big or small, and is against the big bullying the small or the strong humiliating the weak. We firmly support the Cambodian and Afghan peoples in their struggles against foreign aggression, the Arab people in their struggle against Israeli expansion, the South African people in their struggle against racial discrimination and apartheid, the Namibian people in their struggle for national independence, and the Central American people in their struggle against external interference. With regard to international issues created as a result of the wanton encroachment of other countries' sovereignty and the forceful occupation of other countries, we believe that only the acts of ending expansion and occupation and of withdrawing from occupied territories can be construed as efforts to seek political solutions; otherwise, the countries suffering from aggression and harm and their people will have no choice but to rise up in resistance to put an end to the aggression and expansion.

China stands for disarmament and is against the arms race in all forms, be it conventional or nuclear, or be it on land, on sea, or in space. We strongly advocate the all-round prohibition and thorough destruction of nuclear weapons. We welcome the resumption of the U.S.-Soviet arms control talks, which were suspended for more than a year. We sincerely hope that the United States and the Soviet Union, who are primarily responsible for realizing nuclear disarmament in accordance with UN resolutions, will heed the just voice of the people of the world, stop their dangerous arms race, reach agreements through serious negotiations without damaging the interests of other countries, drastically reduce their nuclear armaments, and create the necessary conditions for a general disarmament by all nuclear states.

China is a developing country which belongs to the Third World.

We consider strengthening unity and cooperation with Third World countries a basic stance in our diplomatic work. To promote world peace and prosperity, we have worked for the improvement of North-South relations with the hope of somewhat relaxing the stalemate in the dialogue between the North and the South resulting from the unwise attitudes of some big powers. We welcome and actively support the Third World countries' stand of achieving collective self-reliance and of strengthening South-South cooperation. We hold that South-South cooperation and North-South cooperation are not antagonistic but promote each other. We resolutely support the efforts to reform the old and unreasonable international economic order through global negotiations. The Third World is an important peace and economic force and is playing an increasingly tremendous role in international security and cooperation. We shall always stand on the side of the Third World.

China regards safeguarding world peace and pursuing common prosperity vital to the world's future and the destiny of the people of all countries. On such an important issue, all countries and peoples should have their say. They can contribute their share. We are deeply convinced that as long as the people of all countries constantly develop friendly cooperation and make concerted efforts, world peace can be safeguarded and common economic prosperity and development can be achieved.

Mr President, Ladies, and Gentlemen,

The consolidation of all-round friendly cooperation between an independent and self-reliant China and a united and strong Europe has a significance that far exceeds our bilateral relations and is vital to safeguarding world peace and promoting international cooperation. To steadily strengthen this friendly cooperation, actively develop economic and technological exchanges and trade so as to promote peace and development is an important component of China's foreign policy.

The British people are a great people who have made important contributions to the world's civilization and progress. Britain is a country playing an important role in the world. China has always attached importance to Sino-British relations. We expect that in the new historical period of our bilateral relations in the years to come, our two sides will continue our close cooperation, earnestly implement the joint declaration on the question of Hong Kong, and take energetic steps to increase our cooperation in the economic, technological, and other fields so as to make Sino-British relations an example of peaceful coexistence between countries of different social systems, and of mutually beneficial cooperation and common prosperity between developing and developed countries. We are willing to make joint efforts with our British friends to achieve this prospect.

Thank you.

CSO: 4005/1026

WESTERN EUROPE

FURTHER ON ZHAO, THATCHER SECOND ROUND TALKS

OW070655 Beijing XINHUA Domestic Service in Chinese 0256 GMT 7 Jun 85

[By reporters Xue Yoingxing and Yu Chengzhi]

[Text] London, 6 Jun (XINHUA)--Premier Zhao Ziyang and British Prime Minister Mrs Thatcher held their second round of talks at 10 Downing Street this afternoon. The talks lasted more than an hour.

It is reported that both sides exchanged views in a sincere and friendly atmosphere on further developing bilateral relations, particularly on how to promote economic and trade relations and technological cooperation between the two countries. Both sides expressed satisfaction with the results of the talks.

In order to promote cultural exchanges and mutual understanding between the two countries, Premier Zhao invited 20 British students studying Chinese to visit China at a suitable time next year.

British officials told the reporters: Mrs Thatcher holds that the scale of trade between the two countries should more accurately reflect the new political relations between them. Britain has become an important trading partner of China in Western Europe, the trade volume between the two countries is increasing year by year, and there is still considerable scope for a further increase. Both sides expressed the hope that more specific trade talks will be held at a proper time.

Present at the talks on the Chinese side were Vice Premier Tian Jiyun, State Councillor and Foreign Minister Wu Xueqian, Vice Foreign Minister Zhou Nan, Vice Minister Gan Ziyu of the State Planning Commission, Vice Minister Lin Zhongtang of the State Economic Commission, Vice Minister Jia Shi of the Ministry of Foreign Economic Relations and Trade, responsible person of the premier's office Bao Tong, and Chinese Ambassador to Britain Hu Dingyi.

Present at the talks on the British side were Minister without Portfolio Lord Young, Secretary of State for Trade and Industry Tebbit, Minister of State of the Foreign and Commonwealth Office Luce, and British Ambassador to China Evans.

CSO: 4005/1037

WESTERN EUROPE

PRC ATTENDS CONFERENCE ON POPULATION

OW061131 Beijing XINHUA in English 0746 GMT 6 Jun 85

[Text] Rome, 5 Jun (XINHUA)--About one thousand researchers and experts on population from more than one hundred countries are gathering today in Florence, Italy, to discuss the population problem at the 20th Session of the International Union for the Scientific Study of Population.

Speakers at the opening session today stressed the importance of studying population scientifically. They pointed out that owing to the complexity of population, common efforts and mutual cooperation were needed among countries and international organizations concerned in resolving the problem.

The participants will be divided into groups to discuss the dissertations and treatises presented to the session on birth and death rate, population growth, statistics on population, family and marriage, nutrition and old-age people.

A dozen of Chinese researchers and experts on population are attending the session. China was authorized to hold a symposium on the census conducted in China in 1982. Two dissertations will be presented at the symposium by the Chinese researchers and experts on the credibility of the census and on the change of China's population structure.

The International Union for the Scientific Study of Population was established in 1928 and meets every four years after 1965.

CSO: 4000/271

WESTERN EUROPE

KANG KEQING MEETS SWISS VISITORS 9 JUNE

OW011734 Beijing XINHUA in English 1454 GMT 1 Jun 85

[Text] Beijing, 1 Jun (XINHUA)--Kang Keqing, chairman of the Soong Ching Ling Foundation, met here this afternoon Jean Vincent, honorary president of the Swiss Labor Party, and his wife.

Vincent, a founder of the Swiss Labor Party, was sent to China in the 1930's by the International Red Aid Committee and the Communist International, and contributed to China's revolution. He was a close friend of Soong Ching Ling when he was in Shanghai.

During the meeting, Kang, who is also a vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, praised Vincent for his support to the Chinese people's revolutionary cause when the Chinese revolution was at its most difficult stage.

She welcomed Vincent to visit China again to see the changes that had taken place.

Vincent recalled Soong's help to him during his stay in China and said that her hard-working spirit and courage had left a deep impression on him.

Vincent presented to Kang a copy of CHINA FORUM, an English weekly published in 1932, and a photo he had taken with Soong.

The Vincents arrived here on 30 May for vacation at the invitation of the Chinese Communist Party Central Committee and its General Secretary Hu Yaobang.

CSO: 4000/271

## WESTERN EUROPE

### XINHUA ON MITTERRAND'S STAND AT BONN SUMMIT

OW121447 Beijing XINHUA Domestic Service in Chinese 1533 GMT 10 May 85

["Roundup by reporter Lu Mingzhu: 'France Firmly Stands for Building an Image on Staunchness in Europe'"--XINHUA headline]

[Text] Paris, 10 May (XINHUA)--At the Bonn summit conference of seven Western nations, which closed recently, French President Mitterrand acted singularly to resolutely oppose the U.S. "star wars" plan. He also disapproved of a new round of global trade talks being held early next year, as proposed by Reagan, before careful preparations are made. The differences between France and the United States soon became the focus of contradictions at the conference. It was reported that this was something which had never occurred since the seven-nation summit conference began in 1975.

West European alliance is one of the major targets of France's foreign policy. Last month, Mitterrand once again put forward the plan to build an industrial and technological Europe--namely, the "(Eureka)" plan--positively proposing that Western Europe be economically and technologically united to meet the challenge by the two big industrial powers, the United States and Japan. Regarding the U.S. "star wars" plan, France took an attitude of reservation and suspicion right from the start, maintaining that it was worthless if judged from a strategic angle. France has consistently advocated the maintenance of nuclear deterrence but is worried that such a plan of the United States might lead to a space arms race. As far as industrial and technological spheres are concerned, although France is interested in U.S. development of space weapons, it believes that Western Europe can only become an affiliated processing plant of the United States if it joins in the U.S. research plan since its sophisticated technology is far behind that of the United States. Moreover, at the Bonn summit conference, Mitterrand was very disgusted with Reagan's mention that Western Europe would only play the role of "sub-contractor" if it participated in the U.S. "star wars" research plan. Under such circumstances, Mitterrand was certainly unwilling to give up his plan of building an industrial and technological Europe and yield to the United States, or even to be restricted by the United States in defense affairs. France proposed that Western Europe's research efforts be united to engage in its own peaceful space development plan first, and it would never be willing to change its insistence that Europe build an image of staunchness.

On the trade talks issue, besides safeguarding the interests of France, Mitterrand also spared no efforts in defending the common agricultural policy of the European community. Based on the understanding that the trade and currency issues are inseparable, France has always demanded that trade talks and the meeting on reforming the international monetary system be held simultaneously. France is worried that, under the situation where high U.S. interest rates and high foreign exchange rates have seriously damaged its economic development, discussions on the removal of tariff barriers would first endanger the common agricultural policy of the European community and impair the interests of farmers in France. At the same time, because French products lack competitiveness in the international market, it is also worried that elimination of all forms of trade protectionism would not bring any advantages to France; instead, it would result in the flooding of foreign products, especially American products, into European and French markets and even affect French exports. Therefore, France proposed that the new trade talks be held only after careful preparations are made.

Currently, the socialist government is under vehement attacks from the opposition party on some domestic issues, which have put it in a dilemma. On issues involving France's interests, Mitterrand had to clearly express France's independent will and his stand on safeguarding the interests of France. The stand taken by Mitterrand at the Bonn conference has received favorable response at home.

The differences between France and the United States, exposed at the summit conference of seven Western nations, reflect the existing strategic and economic contradictions between France and the United States. It seems that such contradictions, which did not crop up overnight, will continue. However, because of the fundamental interests of the United States and France, as well as the common interests of the United States and France, as well as the common interests between the United States and Europe, such contradictions are not likely to worsen to a serious extent. Even on the two issues mentioned above, both France and the United States are giving leeway. Mitterrand indicated that if the U.S. research plan becomes relatively clear, a bridge can be built between the "(Eureka)" plan and the U.S. plan. On the global trade talks issue, France did not flatly reject it either, and it will take part in it once some conditions are met. Certainly, this cannot be achieved in a day.

CSO: 4005/1037

WESTERN EUROPE

BRIEFS

ENGLISH SOCCER TEAMS BANNED--Geneva, 2 Jun (XINHUA)---The Executive Committee of the Union of European Football Associations (UEFA), in a special session held in Basel, Switzerland, today decided to impose a ban for an indefinite time period on all English soccer clubs from participating in future European competitions. UEFA President Jacques Georges announced the decision at a news conference in Basel, in response to the 29 May soccer tragedy in Brussels, Belgium. Georges said a ban on England's national team was yet to be decided. [Text] [Beijing XINHUA in English 0853 GMT 3 Jun 85 OW]

ITALIAN PRESIDENT REQUESTS EUROPEAN UNITY--Paris, 11 Jun (XINHUA)--Italian President Sandro Pertini made an appeal for European unity, total disarmament and peace at the European Parliament in Strasbourg. "European unification becomes an urgent task," he said adding that a united Europe "could play a fundamental role in security and defense as well as in disarmament and development." On the forthcoming European Council Session to be held in Milan, Pertini hoped that a decision would be taken on convening an inter-governmental conference to bring about a treaty on European union." President Pertini said: "Peace should be achieved through dialogue, trust, detente, understanding and disarmament" and "it could never be kept on an equilibrium of terror for long." [Text] [Beijing XINHUA in English 0647 GMT 12 Jun 85 OW]

CSO: 4000/271

EASTERN EUROPE

ALBANIA'S CARCANI ON RELATIONS WITH NEIGHBORS

OW031336 Beijing XINHUA in English 1328 GMT 3 Jun 85

[Text] Tirana, 3 Jun (XINHUA)--Chairman of the Council of Ministers of Albania Adil Carcani said recently that the road to normalization of the relationship between Albania and Yugoslavia can be found despite the uncompromising contradiction of their ideology and politics.

In a recent inspection in northern Albania, the chairman said that the party and government of Albania attaches great importance to the relation with neighbouring countries and is making efforts to develop such relations on the basis of friendship. This is Albania's policy toward Yugoslavia. This policy is not only in the interests of the two peoples but also is good for peace in the region.

On 18 May, while inspecting the southern border with Greece, he said that the Albanian Government has always insisted good relations with Greece, and it notes with satisfaction that the Greek Government has the same view.

It is also reported that Carcani has not long before written to the prime minister of Italy to express the hope that the bilateral relations have a "constructive and efficient" development.

At the same time, however, he stressed "Albania will not change its foreign policy."

CSO: 4000/271

SUB-SAHARAN AFRICA

RENMIN RIBAO COMMENTS ON SOUTH AFRICA, ISRAEL

HK110410 Beijing RENMIN RIBAO in Chinese 9 Jun 85 p 6

["Jottings" by De Wen [1795 2429]: "Petty 'Despots' Think Alike"]

[Text] On 3 June South African President Pieter W. Botha announced that South Africa had recently completed the final phase of its troop withdrawal from Angola. However, he dropped a hint, saying: "If necessary, we will not hesitate in sending these troops back."

Coincidentally, Israeli Prime Minister Shimon Peres announced on 2 June that Israel would complete its troop withdrawal from Lebanon on 6 June. However, he also dropped a hint, saying: "We shall leave some armymen in Lebanon in a private capacity to help the South Lebanese Army...."

The words of the two persons are very much alike and the acts of the governments represented by them are also the same. The South African authorities have consistently practiced racial oppression in Southern Africa and invaded neighboring countries. They are held in contempt by international public opinion and are notorious for their occupation of Angola which lasted many years. The Israeli authorities, however, have always relied on their armed force to carry out willful provocations in the Middle East, to kindle the flames of war, and to forcibly occupy the lands of various Arab countries, thus subjecting themselves to the denunciations of various countries in the world and earning a bad name. It can be said that the two petty hegemonists are two of a kind.

Under the pressure of events, the South African authorities and the Israeli Government have to withdraw their troops from the territories of other countries they have occupied. However, not being reconciled to their defeat, they always harbor the idea of staging a comeback. Therefore, although they are separated from each other by thousands of miles, they are in consonance with each other and drop very similar hints. It can be said that the petty "despots" think alike.

CSO: 4005/1026

SUB-SAHARAN AFRICA

XINHUA SPEAKS TO SWAPO OFFICIAL ON U.S. SENATE VOTE

OW061958 Beijing XINHUA in English 1937 GMT 6 Jun 85

[Text] Dakar, 6 Jun (XINHUA)--A South West Africa People's Organisation (SWAPO) official, told XINHUA today that the vote of the U.S. Senate Foreign Relations Committee for Economic Sanctions Against the Apartheid Regime of South Africa "is an encouraging sign" and "favorable to the evolution of independence in Namibia."

Eddy Amkongo, head of the SWAPO mission in Dakar, said the vote indicates "a change in the American public opinion." But he pointed out that Ronald Reagan's government has always supported Pretoria and that the U.S. policy of "constructive engagement" in Namibia is "an obstacle to a just solution of the Namibian problem."

Eddy Amkongo reaffirmed that the SWAPO and the Namibian people are determined to continue their struggle until the United Nations resolutions on Namibia are carried out.

CSO: 4000/271

SUB-SAHARAN AFRICA

BRIEFS

PRC AIDS NIGER RECLAMATION PROJECT--Beijing, 8 Jun (XINHUA)--Two hundred hectares of land reclaimed with Chinese aid was handed over to Niger on 6 June, thus completing the 1,000-hectare China-aided reclamation project, a report from Niamey said. Salha Haladou, secretary of state for rural development of Niger said at the handing-over ceremony that the completion of the project and its first good harvest of rice contributed to the country's drought-relief. The fact that the 1,000 hectares of paddy have normal irrigation and good harvests despite a serious drought showed that the reclamation project is successful, he said. The output of rice from the newly reclaimed area is expected to be about 10 tonnes per hectare this year. [Text] [Beijing XINHUA in English 0917 GMT 8 Jun 85 OW]

MOZAMBIKAN AMBASSADOR HOSTS BEIJING RECEPTION--Beijing, 4 Jun (XINHUA)--Mozambican Ambassador Lopes Tembe Ndelena gave a reception here this evening for visiting Mozambican Minister of State of the Presidential Office A. Guebuza. Among those present were Zheng Tuobin, minister of foreign economic relations and trade, and Gong Dafei, advisor to the Ministry of Foreign Affairs. Guebuza and his party are due to leave for southern China tomorrow. [Text] [Beijing XINHUA in English 1638 GMT 4 Jun 85 OW]

CSO: 4000/271

NATIONAL AFFAIRS

PRC MAKES NEW ACHIEVEMENT IN FAMILY PLANNING

OW101155 Beijing XINHUA Domestic Service in Chinese 1151 GMT 8 Jun 85

[Text] Beijing, 8 Jun (XINHUA)--Shen Guoxiang, a spokesman of the State Family Planning Commission, said at a press conference held for Chinese and foreign reporters today that China made new achievements in family planning work in 1984.

The birth rate in China had fallen to 17.5 per thousand in 1984 from 18.62 in 1983, and the population growth rate dropped to 10.81 from 11.54. This shows that China had continued to keep its excessive population growth under control.

On China's family planning work, Shen Guoxiang said: Last year, experiments on perfecting family planning policy were conducted at selected spots in all localities in China. All localities have taken action to perfect step by step the concrete family planning policies in consideration of new circumstances, new problems, and local realities.

He said: Many grass-roots family planning workers have further improved their work style. They are displaying the fine traditions of the mass work, striving to be "close friends" of couples of child-bearing age, solving problems for the masses, and helping one-child families and other people become well to do through diligent work. In the course of the family planning work, many localities have launched a widespread "three services to the house" campaign--namely, delivering services to the house of publicity, medicine and instruments, and health care. Some family planning cadres enthusiastically help sterile couples treat their illness. Others actively cooperate with the departments concerned in running child care centers, nursing homes, and other social welfare undertakings. Still others provide the masses with family welfare services. Such activities have created closer relations between the grass-roots family planning workers and the masses. The family planning work has more and more become a voluntary action taken by the masses.

CSO: 4005/1037

NATIONAL AFFAIRS

DENG YINGCHAO, OTHERS MARK CHILDREN'S DAY

OW030817 Beijing XINHUA Domestic Service in Chinese 1256 GMT 1 Jun 85

[Report by reporters Sun Xiaoming and Zhou Kejin]

[Excerpts] Beijing, 1 Jun (XINHUA)--Over 20,000 Chinese and foreign children in Beijing, and their guardians, teachers and counsellors had a get-together at the Great Hall of the People this morning. Party and state leaders attended the get-together to extend to them their warm holiday greetings and regards.

When Deng Yingchao, Wan Li, Wang Zhen, Hu Qiaomu, Chen Pixian, Hao Jianxiu, Lu Dingyi, Chen Xilian, Ji Pengfei, Wang Heshou, Xu Deheng, Zhu Xuefan, Banqen Erdini Qoigyigyan, Seypidin Aizezi, Yang Jingren, Kang Keqing, Qian Changzhao, Chen Zaidao, and Burhan Shahidi arrived, a band made up entirely of children played welcoming music, and the jubilant children put a red neckerchief on each of them.

During an interview with Wang Chen, an 11-year-old girl from Beijing's Xicheng District, Deng Yingchao said to her: "The party, the state, and the whole society care for you. I am more than 80 years old now, and I am still very glad to take part in celebrating your day. May you all grow up healthy."

The party and state leaders then joined the children in watching their performance, which included singing, dancing, an acrobatic show, and so forth.

CSO: 4005/1024

NATIONAL AFFAIRS

PRC PAPER ON BUILDING SOCIALISM, EDUCATION ON IDEALS

HK051047 Beijing GUANGMING RIBAO in Chinese 22 May 85 p 3

[Article by Wang Furu [3769 4395 1172]: "Building Socialism With Chinese Characteristics and Education on Ideals"]

[Text] On 7 March this year, Comrade Deng Xiaoping gave an important speech on ideals and discipline at a national scientific and technical work conference. He profoundly expounded the necessity and urgency of education on ideals and dwelled on the relation between the building of socialism with Chinese characteristics and the fostering of communist ideals. He not only upheld the fundamental principles that our party has consistently advocated but also provided answers to problems that have recently surfaced. He clarified many things about which we have only confused ideas. This important speech is an important guideline for our building of socialism with Chinese characteristics and also for building socialist spiritual civilization and conducting education on ideals.

From Today's Aims to the Ultimate Goal

Since the founding of our party, we have treated the realization of communism as the ultimate objective of struggle and have fought to that end for more than 60 years. Today, communist convictions have been accepted by more and more people and have become the common ideal of hundreds of millions of people throughout the country.

A communist social system cannot be achieved overnight. As a campaign, communism must go through a very long historical process, which is inevitably marked by intermediate stages. Each stage of the campaign has its own aims, but these aims also pave the way for the realization of the ultimate goal. Victory at each stage of the campaign is a step forward on the path of the ultimate goal. The great cause of building socialism with Chinese characteristics that we are carrying out today is also an aim, and one that we must achieve in our current efforts. But as far as the long process of realizing communism is concerned, it is also only a stage. But it is an important stage that must be gone through.

To go from today's aims to the ultimate goal, we must doggedly follow the socialist road. Now, some people have the feeling that we have deviated from

the direction of socialism in our reforms and are seemingly promoting capitalism. Meanwhile, there are also indeed some people who hope that we will give up socialism and follow capitalist systems and policies. It should be said that these two ways of thinking or ways of interpreting things are incorrect. To counter these erroneous ideas, Comrade Deng Xiaoping in a speech clearly defined certain basic points, as follows:

First, the modernization effort that we are carrying out is a socialist modernization effort and no other kind of modernization effort. Some people once said that modernization is modernization and there should be no distinction between what is called socialist or capitalist. There is not much to justify such an argument. As an indicator of the development of productivity, modernization can never be separated from given relations of production and a given social system.

Second, all the policies that we have adopted in regard to opening up to the outside world, enlivening things, carrying out reforms, and so forth are aimed at developing the socialist economy. This calls for our adopting a correct attitude toward the aim of carrying out reforms and opening up. Be it a domestic reform or a case of opening up to the outside world, the aim is to increase the people's income and to improve their life. But the ultimate aim is still to increase social productivity and develop the socialist economy.

Third, we allow the development of the individual economy and also the development of Chinese-foreign joint operations and independently financed foreign enterprises, but we take the socialist system of public ownership at the core at all times. The core of our system is the socialist economy, or the economy of ownership by the whole people and collective ownership. The economy marked by individual economy, joint operations, and independently financed foreign operations, as far as its nature is concerned, is not socialist, or is not completely socialist, economy. Individual economy, joint operations, and so forth are only "supplements" to the socialist economy. The relations between the core and what is supplementary must be clearly understood.

Fourth, the aim of socialism is common prosperity for the people throughout the country and not polarization. If our policy should lead to polarization, then we have failed. If any new bourgeoisie should emerge, then we should have really gone astray. Comrade Deng Xiaoping clearly pointed this out. What he said carries great weight and is worth pondering. This has provided us with a clear-cut direction and also sounded an alarm for us.

The above four points are fundamental issues in upholding the socialist road. Comrade Deng Xiaoping said with emphasis: "In a word, public ownership as the core and common prosperity--this is the fundamental socialist system that we must uphold." But in upholding the socialist road, we must set an ultimate goal. Moreover, in carrying out socialist construction and various tasks of reform under the guidance of the communist ideological system, we must uphold the four fundamental principles. Therefore, it can be said that firmly embracing communist ideals is one "feature" of socialism with Chinese characteristics.

## Unity Between Prosperity Through Hard Work and Great Ideals

For a long period of time, people always linked socialism with poverty, holding the view that only with poverty is there a need for revolution and can there be progress, and that with prosperity, there will be no need for revolution and there will be a switchover to revisionism. In fact, there is no clash between communism and material interests. On the contrary, communism is based on material interests. Communist ideals call for the most beautiful and most happy life for all mankind. It was in this sense that Lenin affirmed the people's interests as "the basis for Marxist's concept of the whole world."

It should be affirmed that only with production developed and with the country made prosperous and powerful and the people made rich can the socialist system be consolidated, and can a solid foundation be laid for the development of communism. This is because of the following: 1) The prosperity of the state and the people can provide more means of subsistence and leave people with more time to learn things, raising the scientific and cultural levels of the whole people and helping in gradually narrowing and eliminating the differences between manual and mental work. 2) The prosperity of the state and the people, and especially the raised living standard of 800 million peasants and the development of rural productivity and the commodity economy, help in gradually narrowing and eliminating differences between urban and rural areas and between workers and peasants. 3) Consciousness is a reflection of what comes into being. People's thinking reflects the situation regarding the mode of production. The development of our productivity shows that the relations of production are compatible with productivity. On this basis, given necessary ideological and political education, people's ideological level will inevitably be continuously raised. This also provides an important condition for the development of communism.

On the other hand, we must also take note that an improved material life does not mean a natural improvement in people's consciousness and the spontaneous development of communist ideals. In many developed capitalist countries today, the affluence of material life and the emptiness of spiritual life exist at the same time, constituting a sharp contradiction. Therefore, in building material civilization, we must pay attention to the building of socialist spiritual civilization. Education on ideals is precisely but the core of socialist spiritual civilization. In guiding the people in getting rich through hard work, our party always gives the people education on communist ideals. The aim is to enable people to correctly handle the relations between partial and overall interests and between immediate and long-term interests. Our party's policy also takes into consideration the level of productivity and the level of the people's consciousness at the present stage. Meanwhile, it takes into consideration the people's overall and long-term interests and our future. Only by understanding this can we correctly understand the relation between prosperity through hard work and great goals. Also, only by correctly understanding and carrying out the party's general and specific policies at the present stage can we avoid following the old capitalist path to "affluence of material life and emptiness of spiritual life."

## Combine Great Ideals With a Down-to-Earth Spirit

Summing up historical experiences, we must guard against two trends in conducting education on ideals. The first trend is toward stressing a down-to-earth spirit without paying attention to great ideals. As a result, people are likely to have no clear-cut objective of struggle and become blinded men of action and persons obsessed with routine matters. The second trend is toward talking about ideals in an abstract manner without linking things with existing tasks and without tackling concrete matters of business. This is likely to result in lapsing into generalities and empty talk, so that ideals imparted can hardly be imprinted on a person's mind. The correct approach is that we should not only stress great ideals with a pragmatic spirit and waging an actual struggle under the guidance of ideals.

Since the building of socialism with Chinese characteristics is an important stage that must be gone through in realizing communism, we should today be keen on modernization, on the business of reform, and on the building of spiritual civilization, and should work selflessly, fighting amid hardships and making sacrifices. Otherwise, it will just be a case of talking about communism in an abstract manner.

The socialist cause is the common business of hundreds of millions of people. Socialist modernization is a giant systematic project calling for the common efforts of various lines and trades and people from all walks of life. Through education on ideals, we must enable everyone to understand that what he is doing, no matter how common and unimportant, is linked with the motherland's great cause of construction and great ideals. He is thus enabled to see the significance and direction of the work he is doing in his job. People in their different posts will therefore fight to get ahead. Marx said: "What gives life meaning is not power and influence and superficial fame but a search for that perfect ideal that not only satisfies a person's own selfish interests but also ensures the happiness of all mankind." ["In Marx' Youth," p 172) The great ideal of communism is the communists' objective of struggle. Meanwhile, it should be the common faith of all the people. In the struggle to build socialism with Chinese characteristics, if we are able to foster great ideals, when we can link our current efforts with the ultimate goal. Thus we can correctly handle the relations between personal and overall interests and between immediate and long-term interests; can face up to the difficulties and setbacks likely to stand in the way of our advance and bravely forge ahead; and can maintain lofty moral values and consciously resist corrosive capitalist ideas. This explains the significance of the strengthening of education on ideals in the process of socialist construction.

CSO: 4005/1037

NATIONAL AFFAIRS

PROFESSOR VIEWS SOCIALIST CULTURE, MORALITY

OW040852 Beijing XINHUA in English 0823 GMT 4 Jun 85

[Text] Beijing, 4 Jun (XINHUA)--A Chinese professor predicted here today that the operations of a commodity economy and individual awareness under socialism would not lead to the sort of egotistic individualism dominant in the West.

Zhao Fusan, professor at the graduate school of the Chinese Academy of Social Sciences, made this assertion in an interview with XINHUA.

For thousands of years, he explained, the Chinese attached great importance to social ethics, and individual values were demonstrated in the fulfillment of social duties.

Socialist theory which links up with Chinese traditional ideology on this point, therefore, has been easily accepted by the Chinese people in general.

He added that China's modernization is based on Chinese culture and guided by Marxism. In the process of development, it will not follow the Western road in adjusting the relations between individuals and society, he pointed out.

The trend of cultural and moral development on the Chinese mainland, he said, will be decided by the interaction among the Chinese cultural tradition, Marxism, and democratic individualism coming from the West as a result of opening to the outside world.

As the 5,000-year-old traditional culture has deep-rooted influence among the Chinese and traditional values still play a big role, he said, the opening will have only a minor impact on Chinese culture and morality.

He stressed, however, the tremendous changes over the past six or seven years in the people's way of thinking brought about by China's socio-economic development and restructuring. He summed up the changes in the following three aspects:

--People have begun to approach social phenomena and socio-economic problems with a scientific attitude; objects of scientific research include socialism and Marxism.

--Young and middle-aged people, who constitute more than half of the Chinese population, are thinking about how to live their lives and grasp their destiny in their own hands. Outwardly, they seem to ponder over their own future and interests, but individual hopes and opportunities converge on national reforms, the success of which requires the efforts and wisdom of every individual. This is a socialist spirit combining ideal and reality, and it is full of optimism.

--Rural and urban reforms have brought about the awakening of self-consciousness and individuality. But individual development under socialism recognizes both public and individual interests. Chinese socialism helps promote individual development which, in turn, will push forward socialist economic, social and cultural growth.

Zhao cited two major social surveys to back up his judgments. The surveys, conducted by Chinese social workers in 1983 and 1984, involved 25,000 young peasants in nine provinces and 639 urban young people in Wuhan, central China.

The results showed that young people, both rural and urban, were most concerned with the progress of the country and found the fulfillment of their roles in national development.

Their response to two questionnaires indicated that most of them are eager to acquire knowledge. This attitude shows, Zhao said, that the adverse influence of the "cultural revolution" (1966-1976) on the young people has been eradicated and that Chinese youth is no longer a "lost generation" as described by Western observers.

According to surveys, Chinese young people still value family ties and have a clear-cut idea of right and wrong. At the same time, they have become more open-minded and show a new awareness of individual development.

CSO: 4000/271

NATIONAL AFFAIRS

REPORT PROFILES TWO ARRESTED AFTER SOCCER MATCH RIOT

HK240928 Beijing ZHONGGUO XINWEN SHE in Chinese 0709 GMT 24 May 85

[Text] Beijing, 24 May (ZHONGGUO XINWEN SHE)--"Evil members of the herd" who violated the law after the soccer match between the Chinese and Hong Kong teams have been arrested. Public security departments are stepping up the work of inspecting, examining, and obtaining evidence for the cases of the troublemakers who were arrested there. Each will soon be dealt with according to the seriousness of his case.

It was reported that most of the 127 troublemakers arrested were young people between 17 and 25 years of age.

ZHONGGUO QINGNIAN BAO [CHINA YOUTH DAILY] reports today: Hua Zeping and Liu Guofang, serious troublemakers have been arrested. Hua Zeping, 26, was an odd-jobman in the administrative section of the government administrative bureau of the State Council before he was arrested. The night of the match, he took part in overturning the Horizon brand deluxe French coach of the Beijing Xiangyuan car company, and the coach was seriously damaged. Liu Guofang, 21, has been in jail three times. He stoned the windows of a police car on patrol that night, and the police cadres in the car were hurt.

The youth daily says that the two troublemakers represented the two types of characters in the disturbance that night--the ignorant and the unrepentant.

CSO: 4005/1024

NATIONAL AFFAIRS

HU QIAOMU SENDS CONGRATULATORY LETTER TO FILM CRITICS

SK071236 Beijing BEIJING RIBAO in Chinese 18 May 85 p 2

[Text] To make our country's film undertakings flourish and encourage the youths to study and improve their understanding of film art and film criticism, XIJU DIANYING BAO [DRAMA AND MOVIE PAPER], ZHONGGUO QINGNIAN [CHINESE YOUTH], ZHONGGUO FUNU BAO [CHINESE WOMEN'S PAPER], The Chinese Film Releasing and Projecting Company, DAZHONG DIANYING [POPULAR MOVIES], the film bureau under the Ministry of Culture, and DIANYING TONGXUN [FILM NEWSLETTER] jointly sponsored the first national activity for soliciting contributions in the area of film criticism from youths. The namelist of winners was published recently. On the morning of 17 May, an award rally was held in Beijing. This is the first mass activity in our country to solicit contributions in the film criticism field from youths. Many young film critics from various places gathered under the same roof to participate in the award rally.

In his congratulatory letter to the award rally, Comrade Hu Qiaomu pointed out: "Launching film criticism activity among youths is a good way to increase knowledge; develop intellectual capacity, art appreciation ability, and aesthetic standards; enhance socialist awareness; and promote progress in film undertaking. The continued development of this activity will certainly bring about great benefits. I hope that there will be still more youths who participate in such creative activity."

CSO: 4005/1024

NATIONAL AFFAIRS

NGOVERNMENTAL RESEARCH BODIES FLOURISH

OW041115 Beijing XINHUA in English 1034 GMT 4 Jun 85

[Text] Beijing, 4 Jun (XINHUA)--Nearly 10,000 nongovernmental research institutes have sprung up across China since 1982, according to an article in today's PEOPLE'S DAILY. It attributes this to the restructuring of the economic and scientific research management system. The reform is aimed at decentralizing management and arousing initiative in all sectors.

These institutes mainly serve smaller factories in urban and rural areas, and undertake projects outside the scope of state-owned institutes. For example, a technical company in Changzhou, Jiangsu Province, helped build four township-run enterprises in the suburbs in only 4 months. With technology provided by a Shanghai technical company, a Changzhou lamp factory earned 800,000 yuan in expanded production in several months.

The article says, "The rapid growth of Jiangsu's rural industries over the past few years is due partly to aid from local and municipal non-governmental institutes."

It notes that such institutes provide a new channel for scientists and technicians to fully use their knowledge, as well as for retirees to continue to serve industry.

For instance, an industrial design institute launched by six engineers in Luoyang, Henan Province, helped set up nine chemical plants in 3 years. The plant manufactures 20 million yuan-worth of products a year.

An institute established by eight engineers in the Liaoning provincial capital of Shenyang completed three research projects within 40 days.

Many institutes have scored remarkable research results, the article says, citing a Shanghai laboratory which has produced material from waste plasticized fibers, which can be used to make high-quality, inexpensive furniture.

CSO: 4000/262

NATIONAL AFFAIRS

MANCHU NATIONALITY CULTURE STUDIED, PRESERVED

OW041138 Beijing XINHUA in English 0818 GMT 4 Jun 85

[Text] Changchun, 4 Jun (XINHUA)--There is a drive on to collect Manchu cultural relics in northeast China before the culture of the minority nationality dies out altogether, said a researcher at the Jilin Provincial Academy of Social Sciences today.

The Manchu nationality, now with a population of four million, developed from the Nuzhen tribe in northeast China. The Manchus conquered China in 1644, and, as the ruling class, adopted Chinese ways, becoming virtually assimilated into the majority Han population since the overthrow of their dynasty (the Qing) in 1911.

Research conducted over the past 7 years in Jilin Province has resulted in studies of Manchu language, religion, music, dance, folklore and mythology. The data is extremely useful for the study of Chinese history and the Manchu nationality, said Fu Yuguang, director of the northeast minority-nationality cultures research office, a department of the academy.

Among the collections is a biography which includes the legends of the family of Nurhachi (1559-1626) who laid the foundations of the Qing dynasty.

"Omniscient and Omnipotent Goddess" and "God of Flowers and Water," two Manchu poems based on earlier folk tales, reflect the Manchus' ideas, feelings and pursuit of happiness.

Seven versions of the story, "Hongluo Woman," also a descendant of the oral tradition, relates the exploration of the local Changbai mountain and the Heilongjiang River, interwoven with love stories of the Nuzhens.

A book compiled by Manchu studies specialists describes more than 300 goddesses.

Also, the genealogies of 120 or so families adds historical data for the study of the Qing dynasty, said the director.

The Manchus are now scattered in Liaoning, Heilongjiang, Jilin and Hebei provinces, and the cities of Beijing, Chengdu, Xian and Hohhot, but many of them wish to set up their own autonomous region, said Pu Jie, vice-chairman of the Chinese National People's Congress Nationalities Committee and a Manchu himself.

CSO: 4000/262

NATIONAL AFFAIRS

COLLEGE TO AID FORMER COMMUNIST HEADQUARTERS

OW061426 Beijing XINHUA in English 1357 GMT 6 Jun 85

[Text] Beijing, 6 Jun (XINHUA)--A college has offered Yan'an seven technical research findings to help the former communist headquarters out of poverty. The East China Institute of Technology (ECIT) signed the contract with officials from Yan'an in Shaanxi Province last week at the first national technical trade fair here, which will close tomorrow.

Premier Zhao Ziyang and other leaders have praised ECIT's move when they paid a visit to the fair on the evening of 29 May.

The quick-return techniques include a liquid shoe polish, a flavorer for beancurd and glassware gilding. They would have sold for 700,000 yuan, according to an ECIT chemistry professor Wang Zeshan.

Yan'an was the communist headquarters during the 1937-45 anti-Japanese war, feeding the guerrilla forces. Despite government subsidies, its inadequate resources and transport still make it one of the poorest areas in China. Short of technology and market information, many firms there have recessed or closed.

"Yan'an was the cradle of the Chinese revolution, and its people sacrificed a lot for the people's republic," said Professor Wang. "It is our duty to help them develop economy and improve living standards."

Wang will go to Yan'an to help implement the findings.

The government has repeatedly urged financial and material assistance for poor rural counties, which include most wartime "revolutionary base areas."

CSO: 4000/262

## NATIONAL AFFAIRS

### NUMBER OF COLLEGE-EDUCATED CPC MEMBERS INCREASES

OW061416 Beijing XINHUA in English 1404 GMT 6 Jun 85

[Text] Hefei, 6 Jun (XINHUA)--Some 1,300 college students in Anhui Province have been admitted to the Chinese Communist Party since last year, according to a party official here today.

The figure doubled the total for the previous 5 years. Party members now account for 3 percent of the student population, up from 1 percent in 1978.

Party members with college education account for only 4 percent of the nation's 40 million. It is the party's strategy to admit more educated people, including college students, into the party for the country's modernization.

Li Shihai, a new party member and postgraduate of the Chinese University of Science and Technology, said "Party history and the facts I have seen in recent years show me that it is the Chinese Communist Party that works for the interests of the whole Chinese people."

The university's party organizations admitted 57 postgraduates and 285 college students to the party in the past year. These new party members are also model students in the schools.

In order to help students deepen their understanding of the Chinese Communist Party, Anhui University has organized 13 groups to study the party's constitution.

Nearly 1,000 students in the university have applied for party membership, and 75 were admitted in the past 5 months.

CSO: 4000/262

NATIONAL AFFAIRS

MIDDLE SCHOOL STUDENTS GET VOCATIONAL TRAINING

OW090312 Beijing XINHUA in English 0254 GMT 9 Jun 85

[Text] Changchun, 9 Jun (XINHUA)--Many middle schools in China are offering after-school vocational training to help graduates obtain employment, according to a national conference which just ended here.

An official said at the conference that the majority of middle school graduates, senior middle school graduates in particular, could not continue their studies at higher learning institutes. Efforts were therefore being made to equip them for employment in useful trades and professions while they were still attending school, he added.

Such training, covering tailoring, horticulture, repair of electrical appliances and tourism, was pioneered in Jincheng Prefecture, Shanxi Province, last year. It has now been extended to 10 provinces, municipalities and autonomous regions.

In Shanxi, nearly 5,000 middle schools, or 70 percent of the total, offer such training. There are more than 600 such study groups in the provincial capital of Taiyuan.

In Jilin City, Jilin Province, one-third of its 9,000 senior middle school students are taking vocational courses.

Some schools provide vocational training in cooperation with enterprises, which recruit workers from among the students.

After a year's study, 10 students at the Jilin City No 11 middle school have mastered watchmaking skills, and one 17-year-old girl student can now cook 50 Chinese dishes.

The conference, held between 3 and 6 June, summed up the experience over the past year and called for more schools to follow suit.

CSO: 4000/262

NATIONAL AFFAIRS

LABOR, PERSONNEL MINISTRY ON REUNITED COUPLES

OW070812 Beijing XINHUA in English 0745 GMT 7 Jun 85

[Text] Beijing, 7 Jun (XINHUA)--Over 580,000 couples who are government employees working in different places have been reunited over the past 5 years, according to the Ministry of Labor and Personnel. China had about one million such couples in 1980, an official said.

Last year alone 86,000 such couples were reunited in 16 provinces, municipalities and autonomous regions and in 28 central departments, he said. Most of them are secondary technical school or college graduates and hold technical positions.

However, the problem remained for 285,000 couples in these areas and units at the end of last year, he said. This is due to such factors as tight control over moving into cities, particularly big ones; the reluctance of some people to leave larger cities for smaller ones; inability to find suitable jobs in places where their husband or wife works; and the refusal of some units to grant transfers.

Chinese leaders have repeatedly called on governments at all levels to solve the problem as soon as possible.

In response, the official said, personnel departments across China help up to 200,000 couples each year reunite.

CSO: 4000/262

NATIONAL AFFAIRS

NATIONAL CONFUCIUS RESEARCH INSTITUTE SET UP

OW101110 Beijing XINHUA in English 1043 GMT 10 Jun 85

[Text] Beijing, 10 Jun (XINHUA)--A national research institute to scientifically evaluate and dialectically analyze Confucius and his thought was set up here today at the Confucian Temple. Confucius (551-479 b.c.) was a great thinker, statesman and educator, whose theories have influenced almost every aspect of Chinese society for 2,500 years.

Addressing the ceremony, institute Director Zhang Dainian said: "The ages of blind worship and criticism of Confucius are both past. Our task is to discard the feudal dross and extract the democratic essence of Confucianism."

Zhang, a Beijing University philosophy professor and Confucian expert, said emperors had adored Confucius as "the holiest sage and foremost teacher," some even posthumously creating him a prince [as received], a tradition harmful to free thinking and with seriously negative results.

However, said the 76-year-old scholar, the 1919 May fourth movement slogan "Down with the Confucian shop," though of anti-feudalist and anti-traditionalist significance, was not in the spirit of historical materialism. He said the attack on Confucius during the "cultural revolution" (1966-76) was a "presumptuous and ignorant" action which should be totally repudiated.

A nongovernmental establishment, the institute belongs to the Chinese Historical Research Society for the aged and has a membership of 240 Confucian experts all over the country. Its 31 advisors include well-known scholars like Liang Shuming and Hu Sheng, and the reputed philosopher Feng Youlan is one of its five honorary directors.

Today's ceremony was attended by Feng Youlan, Confucius' 76th and 77th generation descendants Kong Kingpeng and Kong Demao, and Harvard University Professor Tu Wei-ming.

Institute Secretary-General Sun Kaitai said Confucian studies were now brisk, with four national symposia since 1978.

A fifth, he said, is to be held from 11 to 14 June. Twice the expected number of papers have been submitted.

Confucius' hometown of Qufu in Shandong Province has restored the Confucian Temple and the statues of the sage and his pupils damaged in the cultural revolution.

CSO: 4000/262

## NATIONAL AFFAIRS

## HENAN LEADERS AT MEETING ON POLICE TRAINING REFORM

HK060137 Zhengzhou Henan Provincial Service in Mandarin 1400 GMT 5 Jun 85

[Text] An on-the-spot meeting on reforming military training for the Chinese People's Armed Police opened in Zhengzhou, Henan, today. The opening ceremony was attended by 140 people including Yang Xizong, Li Jun, Liu Zhengwei, He Zhukang, Zhao Di, Zhao Wenfu, Song Zhaoshu, (Zhang Yongtang), (Zhang Jinqi), Tao Zhizhong, and Huang Hongrong, and responsible comrades of departments concerned.

Since its organization in October 1982, the Henan corps of the people's armed police has carried out initial probes and reforms of training contents, methods, and systems in close connection with the reality of the duties of the corps. This has been done under the leadership of the upper-level departments in charge and in light of the characteristics of the armed police. Relatively good results have been scored in these endeavors.

This conference is aimed at seriously implementing the general goal put forward by a leading central comrade of strengthening the training of the armed police and centering work on building an armed police with Chinese characteristics. The participants will watch demonstrations of shooting, apprehending people, and staff training given by the Henan corps of the people's armed police. They will learn from the experiences of the corps in reforming training, and focus on discussing and studying reforms of training for the armed police.

CSO: 4005/1024

NATIONAL AFFAIRS

JIANGNAN SHIPYARD MARKS 120TH ANNIVERSARY

OW050316 Shanghai City Service in Mandarin 0100 GMT 4 Jun 85

[Excerpts] Today is the 120th founding anniversary of the Jiangnan shipyard.

Yesterday more than 18,000 workers and staff of the shipyard, as well as Chinese and foreign guests, happily gathered at the Shanghai Gymnasium to warmly and ceremoniously celebrate the shipyard's 120th founding anniversary.

Present were Zhang Shou, member of the CPC Central Committee and vice chairman of the State Planning Commission; Chen Guodong, member of the CPC Central Committee and first secretary of the Shanghai Municipal CPC Committee; Hu Lijiao, member of the CPC Central Committee, second secretary of the Shanghai Municipal CPC Committee, and chairman of the Municipal People's Congress Standing Committee; Cai Shufan, chairman of the China Shipbuilding Industry Corporation; Ruan Chongwu, secretary of the Shanghai Municipal CPC Committee and vice mayor of the municipality; Zhu Zongbao and Li Zhaoji, vice mayors of the municipality; and responsible persons of central and local departments concerned.

Chen Yun, Xu Xiangqian, Nie Rongzhen, Chen Pixian, Bo Yibo, Liu Huaqing, Cai Shufan, Wang Daohan, and other leading comrades wrote inscriptions to mark the 120th founding anniversary of the Jiangnan Shipyard.

Comrade Chen Yun's inscription reads: Carry forward the glorious tradition and raise the shipbuilding level.

This inscription and the inscriptions by other leading comrades have greatly inspired the shipyard's workers and staff and have increased their confidence and strength in bringing about a new situation in shipbuilding industry.

(Chen Yinong), deputy secretary of the shipyard party committee, presided over the meeting.

Addressing the meeting, Cai Shufan, chairman of the China Shipbuilding Industry Corporation, said: [Begin recording] In response to the central authorities' call for entering the international shipbuilding market,

since the early 1980's the Jiangnan Shipyard has vigorously built and exported various kinds of ships according to international shipbuilding standards and the principles of international shipbuilding management. The shipyard has built more than 10 oceangoing bulk freighters as well as container and crane ships for Hong Kong, Singapore, Italy, Norway, and other countries and regions. It is now building a 65,000-ton oil tanker and a 64,000-ton bulk freighter. The design and construction quality of such ships has won unanimous favorable comments from international shipping circles and [words indistinct]. Thus, the shipyard has gained a good reputation. I hope that the Jiangnan Shipyard will continue to win victories in its competition with other shipyards; become a true standard, bearer in shipbuilding industry; and make new contributions to national defense construction, transportation, the development of marine resources, and Shanghai's economic development and prosperity. [End recording]

CSO: 4005/1024

NATIONAL AFFAIRS

BRIEFS

LOCAL ANNALS COMPILATION--Xian, 1 Jun (XINHUA)--According to a recent national conference on local annal planning work, 1613 counties in China are actively working at compiling local annals. New local annals will place emphasis on reflecting the spirit of the modern age. Twenty-six provinces, municipalities, and autonomous regions in China have set up organs to take charge of compilation work. [Summary] [Beijing XINHUA Domestic Service in Chinese 0025 GMT 1 Jun 85]

YOUTH RENDEZVOUS REQUIREMENT--Beijing, 7 Jun (XINHUA)--A social worker has suggested running more casual meeting places and clubs to facilitate social contacts between young people of both sexes. Gang Jian, writing in last week's GUANGMING DAILY, suggested the setting up of more tea rooms, and dance halls as meeting places for young people. The number of single people who are well over the normal marriageable age is causing concern among Chinese sociologists, who are looking for ways to reduce it in the next generation. There are 120,000 people over 30 years of age who are not yet married in Beijing alone. The sociologists are all the more worried as the match-making centers which sprang up recently have proved to be less successful than expected. According to Gang, only 36 of 1,053 couples so far introduced through the Wuxi Match-Making Center actually got married last year. The success rate in the much-publicized Zhaoyang District Introduction Agency in Beijing is a mere 10 percent, Gang said. Gang attributed this in part to a lack of finesse in the introductions. However, get-togethers or evening parties are much better than the match-making centers, according to Gang. "They enable people of both sexes to meet in a more casual way and reduce the social pressure." [Text] [Beijing XINHUA in English 1048 GMT 7 Jun 85]

COLLECTED WORKS OF PARTY FOUNDER--Beijing, 8 Jun (XINHUA)--A collection of works by Li Dazhao, one of the founders of the Chinese Communist Party, has been published by the People's Publishing House here. Li Dazhao, born in 1889 in Laoting County, Hebei Province, was one of earliest Chinese exponents of communism. He helped found the party in 1921 and was executed in Beijing in 1927 by warlord Zhang Zuolin. The "Collected Works of Li Dazhao," in two volumes, contains 437 articles on the Marxist philosophy, political sciences, economics, history and literature, featuring his contributions to the development of the theory of the Chinese revolution. Li's poems, letters and diaries are also included in the book now on sale throughout China. [Text] [Beijing XINHUA in English 1818 GMT 8 Jun 85]

PORNOGRAPHIC PUBLICATIONS BANNED--A ban on the import of all pornographic publications and materials has been ordered by the state to stem a growing inflow of pornography. The new regulations came into effect on Wednesday and were published by the Customs Administration in Beijing. They ban the import and export of all publications, films, video cassettes, photos, illustrations, aphrodisiacs and gadgets describing sex acts or being of pornographic nature. Works of art and materials for medical use were, however, excluded from the ban. Offenders violating the regulations are liable to fines ranging from 100 yuan (\$35) for nondeclared import of aphrodisiacs, printed matter or gadgets to 50,000 yuan (\$17,500) for large-scale trafficking of pornography. Major dealings in pornography will also lead to prosecution, the Customs Administration announced. [Text] [Beijing CHINA DAILY in English 8 Jun 85 p 3]

NAME FOR CHILDREN'S CENTER--Tianjin, 1 Jun (XINHUA)--The Tianjin Municipal Children's Activity Center opened today. The center was built with money raised by people in the municipality. Comrade Deng Yingchao wrote the name for the center, and Comrade Xu Xiangqian wrote an inscription and mailed it to the center, which reads: Foster lofty communist ideals, have firm faith from childhood, study hard, and scale the heights of science. [Excerpts] [Beijing XINHUA Domestic Service in Chinese 1738 GMT 1 Jun 85]

LEGAL STUDY AWARD MEETING--According to a station report, an award presentation meeting for the first legal system knowledge study competition, sponsored by the MINZHU YU FAZHI ZAZHI [DEMOCRACY AND LEGAL SYSTEM JOURNAL], was held in Shanghai today. Taking part in this competition were readers of all nationalities in the country's 29 provinces, cities, and autonomous regions; Hong Kong and Macao compatriots; and overseas readers, totaling more than 300,000 people. Sending congratulatory letters to the meeting were Wang Shoudao, member of the Standing Committee of the CPC Central Committee's Advisory Commission; Zhang Youyu, honorary president of the Chinese Law Society; and Wang Zhongfang, president of the Chinese Law Society. [Text] [Beijing Domestic Service in Mandarin 1200 GMT 31 May 85]

REGARDS TO TIANJIN CHILDREN--Xu Xiangqian, vice chairman of the Central Military Commission, recently wrote a letter to the (Xinlei) Publishing House and asked it to convey his cordial regards and festival greetings to the children in Tianjin Municipality. [Text] [Beijing Domestic Service in Mandarin 2230 GMT 31 May 85]

YOUNG FRONTIER WORKERS COMMITTEE--Beijing, 30 May (XINHUA)--An award meeting will be held in mid-June to highlight the activities of "decorating excellent sons and daughters of the frontiers with medals." Five thousand young men and women who are silently dedicating their youth in the motherland's frontiers will be decorated with "Excellent Sons and Daughters of the Motherland" medals. The activities were launched in October 1984. Yu Qiuli, member of the Political Bureau of the CPC Central Committee and director of the PLA General Political Department, serves as chairman of the selection guidance committee. [Excerpts] [Beijing XINHUA Domestic Service in Chinese 1521 GMT 30 May 85]

CHEN YUN INSCRIBES SHANGHAI MONUMENT--Shanghai, 30 May (XINHUA)--Today, over 1,000 people in Shanghai Municipality ceremoniously gathered to commemorate the 60th anniversary of the "30 May" Movement, and of the inauguration of the Shanghai Trade Union Council. Huang Ju, secretary-general of the Shanghai Municipal CPC Committee, addressed the commemorative meeting. A foundation-stone laying ceremony [dian ji yi shi 1156 1015 0308 1709] was held at the People's Park in the vicinity of Nanjing East Road, the site of the "30 May" massacre incident. The seven characters "Wu San Yun Dong Ji Nian Bei" [Monument Commemorating the 30 May Movement] on the monument were written by Comrade Chen Yun. [Excerpts] [Beijing XINHUA Domestic Service in Chinese 1612 GMT 30 May 85]

CHEN YUN INSCRIBES ALBUM--On the eve of the 60th anniversary of the 30 May Movement, the Shanghai Municipal Trade Union Council's Committee for Preserving Cultural Relics held a ceremony today to unveil a monument to the martyrs [ji nian bei jie mu yi shi] of the movement at the site of the 30 May massacre on Nanjing East Road on 30 May 1925. Over the past few days, people from various circles in Shanghai have attended report and discussion meetings to commemorate the 60th anniversary of the movement. The Shanghai Municipal Trade Union Council also compiled, and published, an album commemorating the 60th anniversary of the 30 May Movement. Comrades Chen Yun and Lu Dingyi wrote inscriptions for the album. [Text] [Beijing Domestic Service in Mandarin 1200 GMT 29 May 85]

BADMINTON TEAM MEMBERS EXHORTED--Beijing, 2 Jun (XINHUA)--Xi Zhongxun, honorary president of the Chinese Badminton Association, today sent a letter to the Chinese badminton team to the upcoming fourth world badminton championships, encouraging the players to display superb techniques and good sportsmanship in order to win victory in the world championships. Xi Zhongxun said in his letter: "The competitive fourth world badminton championships will soon be held in Canada. On the eve of your departure, I express my sincere wish for your success." He said: "The Chinese badminton team, which consists of players with excellent techniques, powerful strengths, and good sportsmanship, has scored outstanding achievements in many previous major badminton tournaments in the world, winning honors for the motherland as well as praise from the people of other countries." Xi Zhongxun urged the Chinese badminton players to "carry forward the tenacious fighting spirit and display superb techniques and good sportsmanship in the upcoming championships in order to win victory and promote friendship between the Chinese and people of other countries." [Text] [Beijing XINHUA Domestic Service in Chinese 1549 GMT 2 Jun 85]

CHILDREN'S HOSPITAL ANNIVERSARY--Beijing, 3 Jun (XINHUA)--China's largest children's hospital, the Beijing Children's Hospital, celebrated its 30th founding anniversary today. Entrusted by Peng Zhen, chairman of the NPC Standing Committee, Hu Yamei, director of the hospital, extended congratulations to all medical personnel of the hospital and thanked them for their tremendous contributions to the health care of the children of Beijing and the entire nation and for their industrious scientific research over the past 30 years. Hu Yamei called on everyone to continue their hard

work and make new contributions in the new period. The Beijing Children's Hospital, a general paediatric hospital, was built in the 1950's in response to a proposal by Peng Zhen, then mayor of Beijing Municipality. The hospital site was jointly selected by Comrade Peng Zhen and Zhu Futang, a noted paediatrician. Attending today's celebrations were responsible persons of departments concerned including Cui Yueli, Qian Xinzhong, Huang Shuze, Ma Dehai, Fan Chongyan, Chen Xitong, Jiao Ruoyu, Zhao Pengfei, Bai Jiefu, and Chen Haosu; Wu Jieping, Zhang Xiaoqian, Zhong Huilan, Zhou Huakang, Wu Yingkai, Ye Moshao, Xin Yulin, and other experts; and Li Guanghua, a Chinese American professor. [Excerpts] [Beijing XINHUA Domestic Service in Chinese 1238 GMT 3 Jun 85]

CONTEMPORARY CHINA BOOK SERIES--Beijing, 29 May (XINHUA)--Subscriptions to the four books to be published as the second batch of the large-sized book series "Contemporary China" [Dang Dai Zhongguo 3981 0108 0022 0948] are being accepted. These four books are: "Economic Management of Contemporary China" [Dang Dai Zhongguo De Jingji Guanli China, 3981 0108 0022 0948 4104 4842 3444 4619 3810], "Public Health Work of Contemporary China" [Dang Dai Zhongguo De Wei Sheng Shi Ye, 3981 0108 0022 0948 4104 5898 3932 0057 2814], "Maritime Work of Contemporary China" [Dang Dai Zhongguo De Hai Yang Shi Ye 3981 0108 0022 0948 4104 3189 3152 0057 7812], and "Forestry Industry of Contemporary China" [Dang Dai Zhongguo De Lin Ye 3981 0108 0022 0948 4104 2651 2814]. Soon to be published are "Industrial Arts of Contemporary China" [Dang Dai Zhongguo De Gong Yi Mei Shu 3981 0108 0022 0948 4104 1562 5669 5019 2611], and "Light Industry of Contemporary China (Volume 1)" [Dang Dai Zhongguo De Qing Gong Yi 3981 0108 0022 0948 4104 6535 1652 2814]. [Excerpts] [Beijing XINHUA Domestic Service in Chinese 1221 GMT 29 May 85]

HE YAOBANG SPEECH PUBLISHED--Issue No 5 of the 1985 XINWEN JIZHE [NEWS REPORTER] journal has come off the press. It carries Comrade Hu Yaobang's speech on the party's journalistic work at the CPPCC Secretariat meeting. [Excerpt] [Shanghai City Service in Mandarin 0100 GMT 22 May 85]

NEW JIANGSU UNIVERSITY--The Ministry of Education has formally approved the establishment of Huaihai University in our province's Lianyungang City. A university of multiple departments and disciplines, for the time being it will enroll 3,000 students who have to study for 4 years before graduation. Comrade Hu Yaobang gladly wrote the name for this university while inspecting Lianyungang City. After the Provincial CPC Committee and government decided to establish this university last year, the site survey, comprehensive planning, recruitment of instructors, and other preparatory tasks have been actively underway with enthusiastic support of the provincial and Lianyungang City authorities and related institutes of higher learning. [Text] [Nanjing XINHUA RIBAO in Chinese 25 May 85 p 1]

ANNIVERSARY OF GUANGHUA UNIVERSITY--Over 600 alumni of Guanghua University gathered at Huadong Teachers' University to celebrate the 60th anniversary of Guanghua University ceremoniously. Alumnus Yao Yilin, vice premier of the State Council, sent a message of greetings. Zhang Yaozhong, director

of the United Front Work Department of the Shanghai Municipal CPC Committee, attended and addressed the ceremony. Guanghua University is an institute of higher learning with a glorious history of waging struggles. In 1951 when readjustment was made for institutes of higher learning, Guanghua University and Daxia University merged as Huadong Teachers' University. [Text] [Shanghai WEN HUI BAO in Chinese 3 Jun 85 p 2]

NPC STANDING COMMITTEE TO OPEN MEETING--The 11th meeting of the 6th NPC Standing Committee will be opened at the Great Hall of the People this afternoon. It is reported that the meeting will examine a draft of the PRC grassland law and hear explanations on a number of draft laws and reports on several leaders' visits to foreign countries. [Text] [Beijing XINHUA Domestic Service in Chinese 0226 GMT 8 Jun 85]

PEASANTS-WORKERS PARTY MEETING--Beijing, 8 Jun (XINHUA)--The Chinese Peasants and Workers Democratic Party's conference on commending the advanced and exchanging experiences in serving the four modernizations, which ended today, has presented certificates of merit to 206 representatives of advanced collectives and individuals. In his closing remarks, Fang Rongxin, vice chairman of the Chinese Peasants and Workers Democratic Party Central Committee, praised the commended comrades for the fine qualities exhibited in their love for the party, the motherland, and socialism as well as for their work. He praised them for possessing lofty ideals and firm conviction, as well as an enterprising and industrious spirit. He called on all members of the Chinese Peasants and Workers Democratic Party to learn from their noble character and to make new contributions to rejuvenating the Chinese nation. Also present at the closing ceremony was Shen Qizhen, vice chairman of the Chinese Peasants and Workers Democratic Party Central Committee. [Excerpts] [Beijing XINHUA Domestic Service in Chinese 1207 GMT 8 Jun 85]

CSO: 4005/1024

NORTH REGION

PARTY, STATE SUPPORT EDUCATION IN HEBEI COUNTY

OW041145 Beijing XINHUA Domestic Service in Chinese 1518 GMT 31 May 85

[Excerpts] Shijiazhuang, 31 May (XINHUA)--Teaching articles and stationery collected by the General Offices of the CPC Central Committee and the State Council were recently delivered to Hebei's Pingshan and Yi Counties to support their education. Mass rallies were held in these two counties this morning to express their thanks for the support from Zhongnanhai.

During their recent discussion on educational work, the Political Bureau and the Secretariat of the CPC Central Committee stressed that the whole party should attach great attention to education, and it should call on teachers and extend its regards to them during the new year and other festivals so as to improve the standard of social conduct of respecting education and teachers. Comrade Hu Yaobang also urged the General Offices of the CPC Central Committee and the State Council to take the lead to support the education of the old areas [lao qu 5071 0575] in Hebei with actual deeds. Teaching articles and stationery were thus collected by the two general offices, and they were delivered to Pingshan and Yi Counties by Yang Dezhong, first deputy director of the General Office of the CPC Central Committee, and Zhang Wenshou, deputy secretary general of the State Council.

CSO: 4005/1037

NORTH REGION

STATE COUNCIL PLANS EXPANSION OF BEIJING COLLEGE

OW041111 Beijing XINHUA in English 1039 GMT 4 Jun 85

[Text] Beijing, 4 Jun (XINHUA)--The State Council has planned to expand Beijing Medical College, the country's leading institution of medical education.

The expansion project will cost 85 million yuan, says today's HEALTH NEWS.

By 1990, the paper says, 79,600 square meters of buildings will be put up for 4,730 students and teachers, scientific researchers and administrators.

Another 49,000 square meters will be for living quarters.

The Beijing Medical College plans to admit more postgraduates and high-level researchers. It will also set up a first-class nursing department, the paper reports.

The school is the only medical school among the ten key universities that the State Council plans to expand, the paper adds.

CSO: 4000/271

MILITARY AND PUBLIC SECURITY AFFAIRS

NAVY FLEET COMMANDER AT COMMENDATION MEETING

OW210935 Hangzhou ZHEJIANG RIBAO in Chinese 14 May 85 p 1

["Special Dispatch From Ningbo by Ye Xuequan and Weng Damao"]

[Text] A Navy rescue brigade in Ningbo to which Zhang Dawu, "a model cadre devoting his life to the cause of the Navy," used to belong, recently fulfilled successfully an emergency salvage mission, thus making a new contribution to the people. The East China Sea Fleet and the emergency rescue boat dadui command decided respectively to award a Collective Merit Citation, Third Class to the salvage squadron which made a contribution to the execution of the mission; award Zhu Qihua, Zhou Hanhua, and Lu Weifu the Merit Citation, Second Class; award 10 people, including Wang Henggang, the Merit Citation, Third Class; and cite 5 people, including Zheng Shengyou, for their meritorious service. Xie Zhenghao, commander of the East China Sea Fleet, attended and spoke at the victory and award presentation meeting, held where the group is stationed, on the afternoon of 13 May.

At about 1600 on 14 April, a grave incident occurred of a tourist boat capsizing at Qingtian He Reservoir in Boai County, Henan Province. As soon as the Navy and the East China Sea Fleet assigned the emergency salvage mission to the emergency rescue boat group, the group immediately transferred personnel, led by Deputy Group Leader Wang Henggang, overnight speedily by special plane to the site of the incident more than 500 kilometers away. During the salvage operation, all cadres and fighters took their former group leader--"the model cadre devoting his life to the cause of the Navy," Zhang Dawu--as their example; brought into full play the revolutionary spirit of fearing no difficulties and hardships, and bloodshed and sacrifice; drew up a meticulous and careful plan; bravely struggled night and day; and stood all kinds of severe tests. After working tenaciously without letting up for 7 days, they finally fulfilled the salvage mission successfully, dispelled worries, and solve the difficulties of the masses and local governments in good time. They were highly praised by the Henan provincial party committee and government, Jiaozuo City, the party committee of Boai County, and the masses, all of which made requests for recording the meritorious deeds. Leading cadres of the Navy also praised the small detachment, saying that all of its

members are really up to the mark in ideology, technology, and work style, and that they have proved themselves to be fighters from the unit Zhang Dawu served with during his lifetime.

Commander Xie Zhenghao and Deputy Political Commissar Wang Junjie [3769 0193 2638] of the East China Sea Fleet presented medals, certificates of merit, and awards to the collective and individuals for outstanding contributions. In his speech, Commander Xie Zhenghao called on all units to learn from all comrades of the small salvage detachment; study their fighting work style of endorsing strict orders and prohibitions and reacting quickly, their revolutionary spirit of making tenacious struggles, their heroic spirit of fearing no difficulties and sacrifice, their noble moral character of modesty and prudence, and unity and cooperation, and their scientific attitude of making innovations and taking a realistic approach so that the flower of the spirit of Zhang Dawu will bear rich fruits.

CSO: 4005/1021

MILITARY AND PUBLIC SECURITY AFFAIRS

BRIEFS

CHENGDU COMPANY COMMANDER COMMENDED--Chengdu Military Region Commander Wang Chenghan and Political Commissar Wan Haifeng issued an order on 30 May conferring the title of model company commander on Comrade (Tao Runlin), commander of the Red 2d Company of a certain regiment, and ordering his promotion by one grade. Comrade (Tao Runlin) has performed outstandingly in combat, training, building spiritual civilization, and fulfilling various tasks since joining the army in 1973. He has been commended on many occasions. Since 1981 his company has been assessed by the division as an advanced company in education and training. In 1983 it was assessed by Chengdu Military Region as a standard-bearer company in building spiritual civilization. He himself has gained one second-class and three third-class merits. He has been assessed as a standard-bearer company commander by the division and regiment and as a standard-bearer grassroots cadre by the army. He has also been openly commended by the PLA general staff political, and logistics departments. [Excerpts]  
[Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 3 Jun 85]

ORDER TO AWARD ENGINEER--The logistics department of the Shenyang Military Region held a victory meeting to announce an order of awarding a merit citation to Tang Pan, senior engineer of an exploration design institute of a logistics camp, who won a state golden prize for his excellent designs. The order was signed and issued by Li Desheng, commander of the Shenyang Military Region and Liu Zhenhua, political commissar of the Shenyang Military Region. Tang Pan was also promoted from a five-grade state engineering technician to four-grade one. The cost of the underground oil depot was reduced and its construction period was shortened thanks to Tang Pan's good designs. He also offered experience in the construction of quality and beneficial underground oil depot to the state. [Text]  
[Shenyang LIAONING RIBAO in Chinese 14 May 85 p 1]

CSO: 4005/1021

TAIWAN

EXECUTIVE YUAN ON EXTRADITION TREATY WITH U.S.

OW021431 Taipei CNA in English 1414 GMT 2 Jun 85

[Text] Taipei, 2 Jun (CNA)--The Executive Yuan noted Sunday that the Republic of China [ROC] had undergone negotiations with the United States on the signing of Sino-American Extradition Treaty in the past 3 years.

The highest administrative body in this nation pointed out that prudent studies on political, legal and other problems which might result from the treaty must be made before an agreement could be reached because the two nations have no diplomatic relations now.

The Executive Yuan made the statement in a written reply to inter-relations by Legislator Hsiao Rui-cheng.

Regarding the Henry Liu murder case, the Executive Yuan indicated that the ROC Government has been handling the case in a fair and open manner according to the laws of the nation and has fully exchanged information about the investigation of the killing with the U.S. authorities.

On the extradition of suspects involved in the murder, it added that the government has stated that according to Article 4 of the Republic of China Extradition Law, the request for extradition should be refused if the criminals being requested for extradition are ROC nationals.

The ROC Government surely will handle the matter with great care, the Executive Yuan said.

CSO: 4000/259

TAIWAN

LEGISLATIVE YUAN APPROVES 1986 GOVERNMENT BUDGET

OW010209 Taipei CNA in English 1458 GMT 31 May 85

[Text] Taipei, 31 May (CNA)--The central government's spendings and revenues will total about NT dlr [new Taiwan dollar] 412.3 billion (U.S.\$10.3 billion) respectively in fiscal 1986, NT\$220 million less on each side of the ledger than first budgeted.

The Legislative Yuan Friday, after a third reading passed the central government's new budget and its implementation in the coming year beginning 1 July. The budget will be subject to approval by President Chiang Ching-kuo.

Tax revenues and monopoly business profits will lead the government's income, reaching NT\$260 billion, in the new fiscal year. Spendings for national defense and diplomacy will top all expenditures of the government, amounting to NT\$161.2 billion, or 39.1 percent of the total. Public investment and capital for part of the 14 KDY projects have been budgeted at about NT\$77.9 billion and social welfare, NT\$67.2 billion.

The government has also earmarked NT\$8.5 billion, or 2.1 percent of total expenditures, to raise salaries of government employees and militarymen by an average of 8 percent.

The Legislative Yuan, while screening the budget, reduced by NT\$220 million the funding of several government agencies, including monies devoted to the Economics Ministry's energy development fund and Taipei City's underground railway project.

CSO: 4000/259

TAIWAN

TAIPEI ON OCCUPATION OF USIS BUILDING IN SEOUL

OW050333 Taipei International Service in English 0200 GMT 2 Jun 85

[Station commentary]

[Text] Seventy-three Korean college students occupied the USIS building in Seoul for 3 days to protest what they called U.S. support for the Chon Tu-hwan government in the suppression of the rebellion at Kwangju 5 years ago. The protestors left the building peacefully Sunday without getting what they wanted; that is, an official apology from the U.S. Government.

The incident, however, was more or less an embarrassment to the Korean Government. First, the student protestors proved that they could invade a highly visible building even though it was guarded by the police. Second, the sit-in was a reminder that there are still people in South Korea who consider their president's rise to power as a result of his use of pure muscle.

The incident also demonstrated again that the students in South Korea remain a political force as it had been in the past century. It was largely campus revolt that led to the overthrow of the Syngman Rhee government over a quarter of a century ago. President Pak Chong-hui's seizure of power and the emergence of his successor also came in the wake of student unrest. In the past 5 years, campus unrest in South Korea remained as an active volcano with eruptions at unpredictable intervals. Student protests in Korea were not always justified.

Those involved in the USIS sit-in seemed to have little reason to explain their act. It may be true that much blood was shed in the suppression of the Kwangju rebellion, but it is doubtful that gentle methods could have persuaded the revolvers to surrender. President Chon moved troops to quell the uprising to restore order at a time when South Korea was in danger of slipping into a state of anarchy. Pyongyang would certainly have tried to exploit the chaos had the situation let it.

The students were also wrong in attributing the blame to the United States. American support for President Chon is for Korean security, not for him personally. It was for the same reason that the U.S. stood behind his predecessors.

The Chon government may be authoritarian by Western standards. Some of the restrictive measures as he has taken are necessary in view of the hostility of the North Korean communists.

The South Korean students even have less reason to protest against their government now because President Chon has been steadily relaxing political control in the past month with U.S. encouragement. The student protestors could not have chosen a worst time to register their discontent.

CSO: 4000/259

TAIWAN

FINANCE MINISTER ALLEGEDLY UNDER INVESTIGATION

HK080946 Hong Kong AFP in English 0932 GMT 8 Jun 85

[Text] Taipei, 8 Jun (AFP)--Taiwan's finance minister and his predecessor are allegedly under investigation for their alleged role in the illegal operations of a private bank which led to the country's worst business scandal involving the Cathay empire, a local newspaper reported today.

The Chinese-language ECONOMIC DAILY NEWS said that in a petition sent to the district court, a citizen accused Finance Minister Loh Jan-kang and his predecessor Hsu Li-teh of covering up the irregularities in the Tenth Credit-Cooperative (TCC).

The bank used to be owned by convicted business tycoon and legislator Tsai Chen-chou, who used to head Cathay Plastics which collapsed following his arrest in March, revealing a huge business scandal involving suspected corruption by high-ranking financial officials.

The daily said prosecutor Chen Tsun-ming had started reading all ministry documents concerning TCC to determine whether the officials were involved in the loan scandal.

Mr Loh, Mr Hsu and the prosecutor could not be reached for comment.

Mr Hsu resigned in April as economic minister to assume "administrative and moral responsibilities" for the scandal.

The high court yesterday upheld the jail term of 15 years imposed on the 38-year-old Mr Tsai by the lower court and tripled his fine to U.S.\$2.4 million for [issuing] bad checks.

The head of collapsed Cathay Plastics, one of the five sub-groups of the Cathay business empire, has also appealed another sentence of 15 years in jail for issuing 741 bad checks totalling U.S.\$12 million.

Mr Tsai is to be indicted this month for allegedly securing U.S.\$195 million in loans from TCC with forged documents and overvalued real estate, and for allegedly failing to return \$218 million he had borrowed from some 2,000 people, most of them his former employees, informed sources have said.

CSO: 4000/259

TAIWAN

TAIPEI ON SUSPENSION OF MIN CHUNG JIH PAO

OW100015 Taipei Domestic Service in Mandarin 2300 GMT 8 Jun 85

[Station commentary: "Press Reports Must Never Contravene the Basic National Policy"]

[Text] Dear listeners: Because of publication of reports by MIN CHUNG JIH PAO, a paper distributed in the Kaohsiung area, which apparently contravene the national policy and run counter to its purpose of publication as stipulated at registration, the Kaohsiung city government has asked permission from the Government Information Office of the Executive Yuan to suspend publication of MIN CHUNG JIH PAO for 7 days as an administrative disciplinary measure against the paper, in accordance with Item 1 of Article 40 of the Publication Law.

Upon release of this news last evening, the various news media have expressed concern, and the people have also attached importance to the incident. In releasing the news, the Information Office of the Kaohsiung city government said that MIN CHUNG JIH PAO has apparently seriously served propaganda of the enemy in its reports. Except for a 7-day suspension of publication for violation of the Publication Law, the department concerned will also investigate and affix criminal responsibility on the person or persons responsible, if they are found guilty of such, and mete out punishment according to the law. As a member of the news media, we are truly reluctant to see the regrettable fact of suspension of publication of MIN CHUNG JIH PAO. However, when we understand the true picture of the incident, we cannot but feel perplexed at the paper's treatment of press reports. Hence, we express support for the government's prompt and bold action in taking disciplinary measures against the paper.

In fact, most of the eight or nine press reports carried by MIN CHUNG JIH PAO on 7 June were devoted almost entirely to news on the Chinese Communist bandits. Two of these news reports were particularly prominent because they virtually sided with the Chinese Communists. Such news reports would make the readers wonder if they were living in a communist country. For this reason, many readers reported to the units concerned on the morning of 7 June and questioned the authorities as to why there is such a shockingly pro-communist newspaper on the bastion of national

recovery. Some readers wonder whether the reports are a result of carelessness on the part of the editors or writings by hidden communist agents. For this reason, the units concerned must thoroughly investigate the incident.

Our country cherishes democracy and freedom. In recent years, the government has particularly shown much respect for and adopted an enlightened attitude toward freedom of the press. Although the government has suspended and banned publication of some magazines, it has been very lenient in view of the opinions on public affairs carried by various publications, however, a handful of people with ulterior motives seek to take advantage of the government's leniency. They become insatiably aggressive in news reports and commentaries which often embarrass and make things difficult for the government. The disciplinary measure taken against MIN CHUNG JIH PAO has fully demonstrated the government's firm stand and resolve and served as a severe warning to improper publications. We fully realize that, in view of the country's difficult situation, the government's sanction against the control over opinion on public affairs which contravene the basic national policy is precisely aimed at protecting freedom of speech. If freedom of speech means to permit airing views of the enemy, the existence of the nation will be seriously challenged. Consequently, genuine freedom of speech cannot possibly be maintained for a long time to come. This is why we firmly believe that the disciplinary measure taken against MIN CHUNG JIH PAO will not mean retrogression or change on the part of the government with regard to respect for freedom of speech.

In accordance with Publication Law, the period of suspension of publication must not exceed 1 year. The suspension period for MIN CHUNG JIH PAO is only 7 days. We believe that, in making this decision, the government has carefully considered the case and decided to show leniency in meting out punishment for the paper. Hence, we hope that the responsible person of MIN CHUNG JIH PAO will calmly examine his mistakes, strive to improve operation of the paper, reformulate the paper's publication policy, and do his best in running the paper. Viewed in this respect, 7-day suspension of publication for MIN CHUNG JIH PAO should be a meaningful lesson.

To protect freedom of the press is the government's responsibility; to pursue freedom of the press is the press circle's duty. Nevertheless, news reports and commentaries must never contravene the basic national policy. This should be the common creed for all journalists. Under this premise, we also hope that no disciplinary measure will be taken against the newspapers in the future.

CSO: 4005/1022

3 July 1985

TAIWAN

## GARRISON COMMENDS CREWMEN OF HIJACKED BOAT

OW080556 Taipei Domestic Service in Mandarin 2300 GMT 6 Jun 85

[Text] The Taiwan Garrison command announced on 6 June that the Keelung-based Hungchi No 1 fishing boat returned safely to Taiwan after being hijacked last month in waters off Tungyin by Chinese Communists. The Chinese Communists used the fishing boat as shield to enter Tungyin to collect information but were later subdued by five sailors of the boat, who seized the communists' weapons.

On behalf of General Hao Po-tsun, chief of the general staff, General Chen Shou-shan, commander-in-chief of the garrison command, awarded NT\$100,000 to the fishing boat on the morning of 6 June, encouraging the bravery, and patriotism of the fishermen.

The garrison command disclosed that in order to ensure the safety of our fishermen and protect them from the communist bandit fishing fleet's hijacking, looting, and other unlawful activities, the government will take stronger measures, including unannounced searches, expulsions, and arrests against Chinese Communist fishing boats that enter our territorial waters and threaten the safety of our fishermen.

General Chen Shou-shan said: Motivated by patriotism and conscience, the crewmen of Hung Chih fishing boat No 1, disregarding their own safety, rose to seize the weapons from the bandits who were collecting information about our defense works in Tungyin and threatening our national security. The crewmen's vigilance and heroism deserve commendation.

General Chen said: The Chinese Communists' act of using a fishing boat to loot the catch and collect military information about us is undoubtedly a piratic act which fully exposes the Chinese Communists' lie about a peaceful united front. Our countrymen should heighten vigilance against the communist bandit conspiracy and jointly safeguard the safety of the base for national reinvigoration.

CSO: 4005/1022

TAIWAN

BRIEFS

DUTCH BUILT SUBMARINES--Taipei, 11 Jun (CNA)--Construction on two submarines the Republic of China has ordered from Holland is well under way and they are expected to be delivered on schedule in early 1986, the Control Yuan reported Tuesday. The Control Yuan cited the Defense Ministry's written reply to questions it had submitted. As of last February, the Defense Ministry said in its reply, the first of the two subs was 62.3 percent completed while the second was at the 55.2 percent mark. Payments for the subs have been made in installments according to the schedule, the ministry said. The ministry has dispatched specialists to Holland to keep an eye on their construction. The foreign and economics ministries have also extended necessary assistance, it said. The matter of progress on the submarines had come up recently as the Control Yuan was holding a review of administrative improvements the government had achieved last year. [Text] [Taipei CNA in English 0241 GMT 12 Jun 85]

AGRICULTURAL AGREEMENT WITH INDONESIA--Taipei, 6 Jun (CNA)--The cabinet approved in its meeting Thursday the second revised agricultural cooperation agreement with Indonesia. According to the revised cooperation pact, the Republic of China will deploy Chinese specialists on shrimp-raising and vegetables, and specialists with organizational expert in farmer's cooperative organizations, and farming village construction programs to Indonesia. Under a provision of the revised agreement, the name of the Chinese farm demonstration mission will be changed to "The Republic of China Farming Demonstration Mission stationed in Djokjakarta, Central Java." The new agreement also requires the Republic of China to work out working plans and set budget target for local governments in Djokjakarta and Java as matching funds to those offered by the ROC Government for the farm cooperation programs in Indonesia. The revised agreement was signed here by Chinese and Indonesian representatives of the Chinese Chamber of Commerce in Jakarta, and the Indonesian Chamber of Commerce in Taipei on 10 May this year. [Text] [Taipei CNA in English 1432 GMT 6 Jun 85]

TAIWAN-OHIO TIES--Chung Hsing New Village, Central Taiwan, 7 Jun (CNA)--The state of Ohio, the United States, became the 23rd sister state or province of Taiwan province after the signing of an agreement to this effect between the two Friday afternoon here. Taiwan Governor Chiu Chuang-huan and Dale L. Locker, director of the Ohio State Department of Agriculture and Forestry, on behalf of the two sides, signed the agreement

in the chambers of the Taiwan Provincial Government. Chiu stated after the signing ceremony that the Republic of China and the United States have been traditional allies and bilateral relations in the fields of economy, trade, culture and others will be closer and closer through the sisterhood relationship between Taiwan Province and the state of Ohio. In response, Locker noted that he hopes that the signing of the sisterhood relationship will not be just an agreement on paper, but will keep the peoples of the two sides in step as they strive for common ideals as sisters in a family. The American official stressed that there are many similarities between the ROC and the United States and both Chinese and American people love freedom and peace. He expressed special respect for the republic of the Republic of China for their efforts in maintaining lasting world peace in the past decades. [Text] [Taipei CNA in English 0254 GMT 8 Jun 85]

CSO: 4000/259

3 July 1985

## HONG KONG MEDIA ON CHINA

## JOURNAL NOTES 'QUIET' REASSESSMENT OF MAO ZEDONG

HK311930 Hong Kong CHENG MING in Chinese No 92, 1 Jun 85 pp 22-23

[Article by Hsu Wen [1776 7186]: "Reassessment of Mao Zedong Is Being Carried Out Quietly"]

[Text] Previously, the Propaganda Department of the CPC has tried to "thoroughly negate the Cultural Revolution," but recent economic problems have obliterated the propaganda drive to do this. Some people have even seized this opportunity to attack the economic reforms and the open-door policy, trying to "divert the spearhead of the struggle."

However, many insightful people do not follow this trend. They continue to create conditions and remove obstacles in order to carry forward the work of "thoroughly negating the Cultural Revolution."

If the Cultural Revolution is to "be thoroughly negated," Mao Zedong must be thoroughly criticized. Previously, a drive to "negate the Cultural Revolution" could not continue once it touched things involving Mao. The criticisms of Lin Biao and the "gang of four" could not be extended to criticism of Mao. Even when a special assessment of Mao's historical functions was made, it would merely mention his minor errors and evade mentioning his major mistakes and crimes. That is why the Cultural Revolution could not be negated thoroughly for many years in spite of the ringing call for doing so.

"The Pain Brought About by Wisdom"

Recently things have been developing quietly. Some articles or written opinions on thoroughly criticizing Mao Zedong have been made public in varied ways. According to the criteria set by Deong Xiaoping for assessing Mao's role, Mao Zedong was different from Lin Biao, Kang Sheng, and the "gang of four." Mao just committed some mistakes but his intentions were good. But Lin, Kang, and others were premeditated evildoers. Mao did not act in collusion with them. However, two theoretical journals on the mainland recently published two articles which mercilessly exposed Mao's scandals during the Cultural Revolution and criticized him by linking him with Kang Sheng and the "gang of four."

In the March issue of the newly founded QINGNIAN LUNTAN [YOUTH FORUM] Wang Ruoshui published an article entitled "The Pain Brought About by Wisdom." The title itself gave much food for thought. It literally implied that the consciousness of the intellectuals brought them pain in their hearts. This is China's contemporary tragedy.

Wang Ruoshui is an "old journalist" in the younger generation of the CPC. He worked for RENMIN RIBAO for nearly 30 years. After the "13 September incident" in 1971, the Lin Biao clique and its propaganda system--the "two newspapers and one journal"--were smashed, and Zhou Enlai took over RENMIN RIBAO. Wang Ruoshui then became one of the leading editors for RENMIN RIBAO.

In his article "The Pain Brought About by Wisdom," Wang Ruoshui said: I was glad to hear that Premier Zhou instructed us to criticize the "leftist" trend of thought in 1972. A few days later, however, Zhang Chunqiao and Yao Wenyuan summoned the responsible people of RENMIN RIBAO and gave the opposite instruction. Who should we follow in this matter of principle? At that time, I thought that we should follow Premier Zhou's instruction! Seizing the opportunity when Zhang and Yao were not in Beijing, I compiled and published a full page of anti-leftist articles in RENMIN RIBAO. This created a serious event which deeply vexed Zhang and Yao, who then decided to punish me.

#### Mao Zedong Himself Also Opposed the Step to Criticize Leftism

Wang Ruoshui said that in those days, he assumed that opposing the criticism of "leftism" was just Zhang and Yao's personal opinion, so he decided to lodge a complaint with Chairman Mao against Zhang and Yao without bothering about the consequences.

"It never occurred to me that Chairman Mao himself did not agree with criticizing the 'leftist' trend of thought. As a result, I became a target of intensive criticism."

In December 1972, Wang Ruoshui and other leading editors of RENMIN RIBAO were summoned to a room in the Great Hall of the People to listen to a critical and admonishing talk. Jiang Qing, Zhang Chunqiao, and Yao Wenyuan were enraged with the journalists, with Premier Zhao sitting aside embarrassed and having no way to defend the newspapermen. "Jing Qing scolded me for 'trying to split the central leadership;' and Zhang Chunqiao denounced me as an 'ultra-rightist.' Criticized along with me was Hu Jiwei. Afterward, the newspaper office organized a campaign to greatly criticize both of us, and the scale of this criticism campaign was larger than any other criticism movement before."

Unexpectedly, a similar farce was staged in the newspaper office of RENMIN RIBAO once again more than 10 years later, and Wang Ruoshui and Hu Jiwei were the main victims again. They were denounced as an "evil force" and a "representative of the evil trend" and were even discharged

from their posts. The only difference between the two occasions was that they were not charged with the crime of "splitting the central leadership" and were not subject to a mass criticism campaign.

This is a historical lesson, and is also sarcasm in history.

Therefore, Wang Ruoshui said in his article: "Upon being criticized, I was shocked at the beginning; then I began to think deeply and painfully; finally I came to see the real nature of the 'Cultural Revolution' I had once supported enthusiastically!"

Here we do not need to consider whether Wang Ruoshui tried to voice grievances for suffering another round of criticism. From his article we can find something new and special in his way of treating Mao Zedong's role. Previously, when an article mentioned Mao's role during the Cultural Revolution, it would just cast all the blame on Lin Biao and the "gang of four" without holding Mao responsible for anything. If Mao's responsibility could not be evaded, Mao would just be said to have "committed some mistakes in his later years." Moreover, the contradiction between Mao and Zhou has never been mentioned, and what has been confirmed is just the fact that the "gang of four" tried to topple Zhou.

It is clear now that Mao was not fooled by the "gang of four" but just purposely made use of the gang to attack Zhou Enlai so as to consolidate his autocratic rule. He never liked to discuss the party's line, principles, and policies; instead, he was merely set on using sinister and cruel means to deal with comrades different opinions in the party and was bent on pursuing his reactionary feudal socialism.

He Zizhen Offers a Piece of Advice to Mao Zedong

The words and deeds of Mao Zedong are by no means his only mistakes committed during the Cultural Revolution. As the CPC propaganda asserts, he committed mistakes prior to the Cultural Revolution. His cruel persecution of Peng Dehuai has been known to all for a long time. Now, when "thorough negation of the Cultural Revolution" is being advocated, many articles related to Mao Zedong's behavior like to praise him by citing the example of Peng Dehuai, describing how Mao Zedong showed loving care for Peng even after he was thrown out, and saying that Mao had heart-to-heart talks with Peng on many occasions and even feted him. Consequently, Peng was greatly moved. If this is really true, Peng Dehuai would not have died a tragic death.

The WENHUI SUNDAY SUPPLEMENT recently published an article entitled "A Meeting Between Mao Zedong and He Zizhen on the Lu Shan," a meeting which took place during the 1959 Lu Shan conference. A paragraph in the article is related to Peng Dehuai.

When He Zizhen (the former wife of Mao Zedong, whom Mao met at that time on the Lu Shan behind Jiang Qing's back) had just stepped into the gate, she heard Peng and Mao quarrelling and "yelling in rage." Peng Dehuai

said: "I have made an investigation and have the right to speak." Mao said: "Comrade Dehuai, you are too stubborn and are liable to commit mistakes." When Peng was going to leave, He Zizhen stepped toward him. Peng immediately stretched out his hands and gripped He firmly, but did not utter a sound. He Zizhen saw there were tears in his eyes. After Peng's departure, He entered the sitting room and said to Mao: "I just found Comrade Dehuai as if he...." "He is frank, but there is only one thing about him," said Mao. Then he tapped his temple and said: "Obstinate." "Peng said that I was not modest, and I replied, 'I remain unchanged, do you want to act as Wei Zhi [7614 1794]?'"

"Runzhi," said He Zizhen sincerely and earnestly, "Do you often say 'Blame not the speaker but be warned by his words?' I think that we would rather have one more chatterbox than one more flatterer. There is only one Wei Zhi in Chinese history. It is not easy to have such people."

"As you are not a member of the central leadership, you are not in the know," said Mao disapprovingly with a listless smile. He went on to say: "There are two kinds of speakers. One has good intentions, and the other bears ill will. The former is not guilty, but meritorious; but the latter is not and should be punished."

As the tragic fate of Peng Dehuai shows, it is obvious that Mao Zedong took him as the one who bears "ill will" and has "to be punished." It can thus be seen that Mao Zedong was terribly suspicious of his colleagues and mistrusted them. His remark that "I remain unchanged" actually shows that Mao Zedong had [word indistinct] "changed." This article is an old report in the form of reportage and has no comment, but the development of history has already judged the rights and wrongs of the case between Peng and Mao. There is no need to point out the cause of the problem.

#### Mao Zedong Broods Over Yang Xianzhen

If we say that the tragic fate of Peng Dehuai resulted from his quarrel with Mao Zedong, then the fact that Yang Xianzhen was left in the cold vividly shows Mao Zedong's real attitude toward "comrades within the party."

The first issue of SHEHUI KEXUE PINGLUN [SOCIAL SCIENCE REVIEW], which came off the press recently, published an article by philosopher Lin Qingshan, which revealed parts of a complicated legal case of philosophy occurring within the CPC in 1964.

On 29 May 1964, Lin Qingshan published an article entitled "One Divides Into Two and Two Combine Into One," which he jointly wrote with Ai Hengwu. This immediately caused a great disturbance and made Mao Zedong angry, because Yang Xianzhen, president of the CPC Central Committee party school, had looked over the article before it was published.

Kang Sheng, Mao's brain trust, buckled on his armor and went into battle. He published a critical article entitled "'Two Combine Into One' Is Not Dialectics." Then Jiang Qing came forward to stir up trouble. This contention between academic circles immediately became a political event.

Lin Qingshan wrote: One day in mid June, I suddenly received a notice saying that Chairman Mao and other central leading comrades would have a photo taken with all students and lecturers of the CPC Central Committee party school at the Great Hall of the People. After entering the meeting hall, Chairman Mao shook hands with the president, vice presidents, and student representatives of the party school standing in the front row. Coming face to face with Yang Xianzhen, Mao suddenly dodged aside and shook hands with Ai Siqi. People all noticed this unusual subtle action done as if by prior agreement. I was particularly reflective at that moment and I asked myself what this really meant? This was an ill omen. All those who were closely related with our revered Yang greatly worried about his fate. Following a critical article first published by GUANGMING RIBAO, the teaching and research group in philosophy of the Central Committee party school went all out to take part in this critical movement. This event clearly shows Mao Zedong's envy and hate against "those who disagree [with] his views" and his narrow-mindedness as well. All this shows that all his remarks are only what is "pleasant to the ear."

It is hoped that these articles will make a breakthrough in a thorough assessment of Mao and thorough elimination of the strong feudal ideology within the CPC. As long as the party is built in a democratic way and the state is run by law, China will certainly be prosperous.

CSO: 4005/1025

HONG KONG MEDIA ON CHINA

ZHAO, THATCHER ON HONG KONG

OW032028 Beijing XINHUA in English 2015 GMT 3 Jun 85

[Text] London, 3 Jun (XINHUA)--China and Britain today pledged to seriously and thoroughly implement the Sino-British joint declaration on Hong Kong and develop their friendly and cooperative relations in all fields. The pledge was made during a 2-hour-long session of talks between visiting Chinese Premier Zhao Ziyang and British Prime Minister Margaret Thatcher at 10 Downing Street.

A spokesman for the Chinese delegation said that in the talks which proceeded in a very cordial and friendly atmosphere, the two leaders stressed that Sino-British relations have entered a new period with the Sino-British joint declaration on Hong Kong put into force. The two countries signed the declaration last December and exchanged instruments of ratification last month. The two leaders also exchanged views on the international issues of common concern.

Before their talks, Premier Zhao and Prime Minister Margaret Thatcher signed an agreement on economic cooperation and another on cooperation in the peaceful uses of nuclear energy.

Among those present at the talks were Vice-Premier Tian Jiyun and State Councillor and Foreign Minister Wu Xueqian on the Chinese side and Secretary of State for Foreign Affairs Geoffrey Howe on the British side. The two leaders are scheduled to hold another round of talks on Thursday.

CSO: 4000/261

3 July 1985

## HONG KONG MEDIA ON CHINA

## NATIONALITY TO BE MAIN ISSUE IN SINO-PORTUGUESE TALKS

HK041304 Hong Kong AFP in English 1232 GMT 4 Jun 85

[Text] Beijing, 4 Jun (AFP)---The nationality of Macau's Chinese inhabitants is expected to be the main issue when Sino-Portuguese talks on the future of Macau begin in April or May next year, a source close to the Portuguese Embassy said here today.

Last month Portugal and China announced they would begin negotiations next year on transferring the tiny Portuguese-administrated enclave on the South China coast to Chinese rule. "The talks are likely to begin in April or May after a period of preparation beginning this autumn," the source said. "The main issue will be nationality. Other problems concerning the transfer of administration will also be addressed, but nationality will take up most of the time," the source added.

A spokesman for the embassy here said that Macau's population, variously estimated to number between 350,000 and 450,000, included about 100,000 ethnic Chinese entitled to Portuguese nationality.

The source said that Lisbon was anxious lest Macau's change in status trigger an exodus of Macau Chinese who have the right to settle in Portugal. "Portugal is a small country with its own economic problems. Even if only 20,000 or 30,000 of these people choose to go to Portugal it would be a very great problem" the source said.

Portuguese sources here said that Lisbon had been surprised last month when Beijing raised the question of Macau during a visit by Portuguese President Antonio Ramalho Eanes.

The Chinese initially suggested that the two sides announce a date for the start of the talks, but the Portuguese objected and identical statements released by the two sides said merely that talks would start "in the near future."

Nationality was one of the thorniest issues in Sino-British negotiations on the future of Hong Kong, which lies just across the Pearl River estuary from Macau.

The 2 years of talks resulted in a joint declaration that the British-run territory would be taken over by China in 1997.

Chinese officials have said that Hong Kong should serve as a model for the resolution of Macau's future.

China and Britain eventually agreed to express their different views on the nationality of Hong Kong residents with "British Dependent Territories Citizen" (BDTC) status in two attached "memoranda" rather than in the joint declaration itself.

Whereas Hong Kong's BDTC passport-holders have no right of abode in Britain, most Chinese born in Macau are entitled to settle in Portugal.

CSO: 4000/261

HONG KONG MEDIA ON CHINA

HONG KONG INTERNATIONAL ARBITRATION CENTER AUTONOMY SUPPORTED

HK310519 Hong Kong SOUTH CHINA MORNING POST in English 31 May 85 p 20

[Text] China has thrown its weight behind the setting up of an independent and autonomous international arbitration centre in Hong Kong. This was revealed last night by a five-member delegation of the centre's steering committee when they returned from a visit to Peking.

The committee's chairman, Mr Justice Hunter said at Kai Tak: "They (Chinese authorities) fully appreciated the importance of independence and autonomy if an international arbitration centre is to be set up in Hong Kong."

A senior Chinese official has said China expects Hong Kong to become a leading international centre not only in the financial field but also in arbitration services.

"Given the location, language and judicial system of a centre in Hong Kong, the CCPIT [China Council for the Promotion of International Trade] officials said the centre will be fully used by Chinese contracting parties," Mr Justice Hunter said.

"The CCPIT has also reassured that they will send experienced Chinese arbitrators to join the centre to tackle arbitration matters involving China.

"We are now sorting out details of cooperation between the two places.

"The centre is expected to be officially opened in September."

Other members of the delegation were Mr Brian Tisdall, secretary-general of the centre, and Mr J.P. Lee, Mr Robert Greig and Mr Peter Chan, councillors at the centre.

CSO: 4000/261

3 July 1985

HONG KONG MEDIA ON CHINA

HEBEI PROVINCE REPLACES PARTY SECRETARY, DEPUTIES

HK040515 Hong Kong SOUTH CHINA MORNING POST in English 4 Jun 85 p 7

[Article by David Chen]

[Text] Two more provinces have announced a new leadership line-up in a series of party, people's congress and governmental sessions over the past 2 weeks in the current national campaign to rejuvenate the leadership.

Jilin, one of the northeast provinces, has a new governor, Mr Gao Dezhan, who is believed to be in his early 50s and a college graduate. He succeeds Mr Zhao Xiu, who was elected chairman of the province's people's congress, replacing elderly Mr Yu Ke.

In Hebei, an agricultural expert, Mr Xing Chongzhi, has taken over the party committee leadership from incumbent Mr Kao Yang. Until October 1982, Mr Xing was a vice-minister of agriculture before he was transferred to Hebei as a deputy party secretary to attack the serious agricultural problems that have been plaguing the province.

The three other incumbent deputy party secretaries were re-elected at a recent session, with a new standing committee of 12, eight of whom have college backgrounds.

There was no indication from a provincial radio broadcast, which disclosed the changes, of what has happened to the original provincial party secretary, Mr Gao Yang.

The Jilin changes have also been relatively drastic--particularly in the provincial people's congress. Mr Zhao Xiu, who is in his 60s, has moved from the provincial governorship to take over the chairmanship of the provincial people's congress from the incumbent Mr Yu Ke. Mr Yu (75) has asked to retire and will probably join the province's growing advisory committee.

Resigning with him are two deputy chairmen, Mr Yang Zhangtao and Cui Cai as well as a number of members of the congress's standing committee.

In the provincial government itself, an elderly vice-governor, Mr Hou Mingguang, also gave up his post.

Mr Gao Dezhan, the new governor of the northeast province, with its seat of government in Changchun, is an alternate member of the party Central Committee, having been elected at the 12th National Party Congress 3 years ago. It is believed that Mr Gao may be elected a full member of the Central Committee in 2 years' time.

In the next 2 months more provincial changes, affecting the governments and party committees, are expected to be announced, paving the way for the National Party Conference due in September.

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## HONG KONG MEDIA ON CHINA

## BEIJING UNIVERSITY CUTS POLITICAL STUDY BY HALF

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[Text] Beijing, 7 Jun (AFP)--Faced with sagging student interest, China's top university is to cut the hours devoted to political study by nearly half, the president of Beijing University said here today.

Beijing University President Ding Shisun, 57, said the changes had been possible because the Education Ministry, for the first time since the communist revolution in 1949, had relaxed its powers of setting ideological study requirements for all universities. He said his institution planned to streamline ideological education in an effort to revive interest and make courses "more relevant to the practical problems faced by the students."

The changes include fewer required courses, more electives, and a cut in the number of political credits required for graduation, Prof Ding said in a meeting with foreign reporters here today.

China's most prestigious educational institution, Beijing University has been at the forefront of momentous political and Soviet changes throughout this century.

The cut in political study is part of a nationwide educational reform announced last month that includes a reduction in the number of hours--now nearly 40--that university students are required to spend in class each week.

Prof Ding stressed that ideological study remained necessary and said that because of the number of students involved the cut in hours would be implemented gradually.

"In China we still think it is necessary for students to have a correct political viewpoint, so although we are reducing the number of hours of studies we will continue to have requirements," he said.

He declined to say if anything would be eliminated from the courses but that the reduction in hours of political study would avoid repetition, since Chinese high school students already are required to take 80 hours of political instruction per year.

According to now-discredited Maoist educational ideology of the 1960's embodied in the slogan "better red than expert," political study and practical revolutionary experience were the mainstays of a proper education.

Explaining the changes, university social science section chief Su Zhizong said that ideological requirements for social science students at Beijing University would drop from 16 credits to nine while for science students would be trimmed from the current 12 to eight. One credit equals one hour of class per week for a year. Depending on the major, 140 to 150 credits are required for graduation.

Four politics courses that are still required include scientific socialism, China's socialist economic construction, the economy of imperialist and capitalist countries, and the philosophy of historical and dialectical materialism, Mr Su said.

The reduction in political study follows an announcement last month of a sweeping educational reform that calls for a gradual extension of compulsory education through 9th grade and a gradual end to free university education for all but truly needy students.

Prof Ding said that the students at Beijing University were pleased with the reforms.

Beijing University was rocked by rare student protests last year when students complained of poor teaching methods, bad food and nighttime electricity cutoffs that interfered in their study.

Prof Ding said that students were now satisfied that efforts had been made to meet their demands and that some now said the food was "all right."

A mathematician who was a visiting scholar at Harvard University in the United States 2 years ago, Prof Ding took up his post in March 1984 on the instructions of the State Council headed by Premier Zhao Ziyang.

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END