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RED FLAG

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CHINA REPORT

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No. 20, 16 October 1982

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

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THE 12TH CPC NATIONAL CONGRESS WILL LEAD CONSTRUCTION TO VICTORY--ON
UNDERSTANDING AND MASTERY OF THE LAWS

Beijing RED FLAG in Chinese No 20, 16 Oct 82 pp 2-6

[Article by RED FLAG commentator]

[Text] In his recent talks with Comrade Kim Il-song, Comrade Deng Xiaoping said: "The role of the 12th congress is the same as that of our party's 7th congress. The 7th congress led the revolution to victory; the 12th congress will lead our construction to victory." This is a correct summary of the historical roles of the 7th and 12th congresses.

As for the view that the seventh congress led the revolution to victory, this has been proved by history and no comrade in our party disagrees with this view. However, are there good reasons for the judgment that the 12th congress will lead our construction to victory? What reasons is this view based on? Is it sufficiently well founded? In the first part of his speech at the 12th congress, Comrade Hu Yaobang answered these questions. In his opening speech at the congress, Comrade Deng Xiaoping pointed out: "Compared with the time when the eighth congress was held, our party's understanding of the law of our country's socialist construction is now much deeper, our experiences are much richer and our consciousness and steadfastness in implementing and carrying out our correct policies has been greatly heightened." Viewed from the implementation of the party's correct line and its series of principles, policies and measures, the question of what reasons form the basis of our judgment that the 12th congress will lead the construction to victory is precisely the question of whether we understand and grasp the law of socialist construction.

In his "Materialism and Empirio-Criticism" Lenin said: "As in any scientific field, in the epistemological field, we should also think in a dialectical manner. This means that we should not think that our understanding is fixed and will not change in the slightest; on the contrary, we should analyze by what means we can turn ourselves from knowing nothing to knowing something and from having an incorrect understanding to having a relatively correct understanding." ("Collected Works of Lenin," Vol 14, pp 98-99)

In the initial period following the founding of the PRC, our party led the people of all nationalities throughout the country to achieve, step by step,

the transition from new democracy to socialism, rapidly recovered the national economy, began economic construction in a planned manner and basically completed the socialist transformation of the private ownership of the means of production in nearly all the areas in our country. The sober understanding of the social structure of China and of the trend of historical development enabled our party to creatively chart a path of socialist transformation suited to the special features of China. However, at that time, we knew very little about the law of socialist construction. This has now greatly changed. The first part of the report to the 12th congress expounds, from the angles of ideology, politics, organization, economy, cultural and educational undertakings, military affairs and party building, on the tremendous achievements we have scored since the 3d Plenary Session of the 11th CPC Central Committee in bringing order out of chaos in our actual work and in making a clear distinction between the rights and wrongs of our guiding ideology. Through summing up the rich experience of the past 30 years, our understanding of the law of socialist construction in China has already undergone a process from being incomplete and incorrect to being comparatively complete and correct. Compared with the time when the eighth congress was held, our understanding is indeed much deeper and more correct. No law can be understood and mastered at a single stroke. No one has ever been able to see through and skillfully master the internal relationships of things at first sight. This has never been possible. However, we can now safely say with pleasure that our understanding and mastery of the law of socialist construction has already in the main undergone a process from knowing nothing to knowing something and from incomplete, incorrect understanding to comparatively complete, correct understanding.

This process cannot be plain sailing. Often there are many twists and turns including the struggle between correct and erroneous ideas and the struggle of correct ideas to overcome errors. Just as Comrade Mao Zedong said in 1962 at the enlarged central work conference: "During the period of democratic revolution, only after comparing the two victories and two defeats could we understand the objective reality in China. On the eve of and during the war of resistance against Japan, I wrote some articles, such as 'Problems of Strategy in China's Revolutionary War,' 'On Protracted War,' 'On New Democracy' and 'Introduction to the Communist,' and drafted some documents on policies and tactics for the Central Committee. In all these writings, I summed up our revolutionary experiences. These articles and documents could only be produced at that time, not earlier, because previously we had not gone through the great storms of the two victories and failures and had not gained sufficient experience; therefore we could not have understood the law of the Chinese revolution." Similarly, "we must also undergo a process before we can understand the law of socialist construction. We must proceed from practice and gradually undergo the change from having no experience to having some experience and from having relatively less to having relatively more experience. In this way, our understanding will leave the realm of necessity in which we do not understand socialist construction. We will gradually overcome our blindness, understand objective law, thus obtaining freedom and enabling our understanding to enter the realm of freedom." "We should be prepared to suffer many setbacks and failures caused by our ignorance of the law in order to obtain experiences which will enable us to achieve final victory."

Law is invisible and untouchable, and we can understand and master it only in practice. If we act in accordance with law in practice, we will win victory. This will be beneficial to our understanding and mastery of the law. If we run counter to law in practice, we will suffer defeat. This will also help us understand and master the law.

In discussing his book entitled "Questions Concerning the Soviet Socialist Economy" Stalin said: "When a law has not been violated, it remains idle and no one knows where it is. It exists everywhere, but we do not know its existence." "Generally speaking, a law can only be felt when it is violated, but violation of the law will inevitably bring about evils." Here he expounded on the idea that the punishment that people incur when they go against the law enables them to draw lessons from their failure. We find many such examples in people's daily life. For instance, when there is enough air, we do not feel the existence of air or its indispensability to our survival. However, when we are shut in a room where there is not enough air, we will find it difficult to breathe, and then, it is very easy for us to realize that air is essential for our survival. In order to understand objective laws, we need negative experience as well as positive experience.

In a country like China, which is populous and has a long and complicated history, while leading revolution and construction, we cannot but make repeated comparisons of victory and failure in order to understand and master the law of revolution and construction. Only thus can we complete the process from knowing nothing to knowing something and from incorrect to comparatively correct understanding.

For every communist, it is a very severe challenge to adopt a proper attitude toward victory and especially toward failures. Our party and many comrades have the experience of being carried away by victory, losing their modesty and prudence. What should we do when we suffer a failure? We firmly oppose the practice of wavering, becoming dejected, deserting or even betraying the revolution because of failure. When the great revolution in 1927 failed, many comrades died heroically. They are heroes and deserve to be called communist fighters. We must always remember them and learn from them. Under Chiang Kai-shek's White terror, there were also some people who became dejected, and lost faith in the revolution. Some of these people dropped out of the revolutionary ranks or retired from public life. Others published confessions in Kuomintang newspapers and some others even became traitors. Purging the party of those who betrayed it will make our party stronger, purer and more combatworthy. Moreover, we have to handle correctly the problem of how we should treat those comrades who are still loyal to the revolution but have committed mistakes. We do not approve the adoption of any absolute attitude toward these comrades or the practice of being satisfied merely with putting the blame on a few individuals and holding them responsible for the failure. On the contrary, we should act in the way that Comrade Mao Zedong told us. We should concentrate our efforts on analyzing the background in which the mistakes were committed, the details of the mistakes and their social, historical and ideological sources, and adopt the policy of learning from past mistakes to

avoid future ones, and curing the sickness to save the patient. It is a very unworthy "revolutionary" who becomes dejected, resorts to complaining and reproaching, is querulous and even refuses to carry out revolution any longer when the revolution suffers temporary setbacks. At the 11th congress of the Russian Communist Party (Bolshevik), Lenin said that the proletariat was not apprehensive of acknowledging the things that it had not done satisfactorily in its revolutionary cause as well as the things that it had done satisfactorily. He said: "We are not afraid to speak out about our weak points and we are capable of learning to overcome our weak points." ("Collected Works of Lenin," Vol 33, p 275) When we suffer a failure we should conscientiously sum up our experiences and resume work from the very beginning in a more prudent and persistent manner. Only this constitutes the revolutionary work style we communists must have.

In 1957 our country entered the period of all-round socialist construction. Since then, we have achieved great successes, but have also committed some mistakes, such as the expansion of the scope of the anti-rightist movement, the "Great Leap Forward," "struggle against right deviation" and especially the "Great Cultural Revolution" which lasted a decade and brought about the most serious setbacks and losses since the founding of our country. Our victories and failures have repeatedly educated us. The mistakes, setbacks and losses caused by our violation of the law of socialist construction have made us especially conscious of the importance of understanding and mastering the law and enabled us to draw even more profound lessons related to the understanding and mastery of the law. It is precisely because of repeated comparison between the victories we achieved and the failures we suffered after the 8th party congress that this 12th party congress was able to sum up the experiences of our victories, draw lessons from our failures, obtain relatively comprehensive views conforming to objective laws and formulate a correct line and a series of correct principles, policies and measures.

It is always the case that at first, only a few people understand and master the law; later, a relatively large number of people do so; and still later, most people begin to do so. It was Comrade Liu Shaoqi in Yanan who stated for the first time that we should respect the minority. This is an important idea that we have drawn from the historical experience of the Chinese revolution. Within our party, the law that governs the Chinese revolution was first understood and mastered by Comrade Mao Zedong and some other comrades of the old generation of revolutionaries. At first, there were only a few of these people. However, could the majority of the comrades within our party accept this correct understanding immediately, turning it into the common wealth of all the comrades in our party, without personally and repeatedly drawing lessons from both positive and negative experiences? Obviously, this was not the case. Our practice has already proved that Comrade Mao Zedong's understanding of the law of Chinese revolution and his ideas about the Chinese revolution are correct. Why, then, was he excluded from the central leading group after 1930 and especially after the time when the Provisional CPC Central Committee moved to the central soviet area? This was because at that time, most of the leading cadres did not realize that he was right. It was only after the failure of the fifth

anti-encirclement struggle and at the Zunyi conference when most of the leading cadres recalled the victories achieved under the leadership of Comrade Mao Zedong and earnestly drew lessons from both positive and negative experiences that they began to admit that Comrade Mao Zedong was correct, and clearly acknowledged his leading position in the Red Army and the CPC Central Committee. It was only after the Zunyi conference and after the historical turning point which followed it that we began to achieve one victory after another in our democratic revolution and finally established the PRC. During the 30 and more years since the founding of the PRC, our understanding of the law of socialist construction has been deepening and improving step by step. The CPC Central Committee concentrated the correct understanding of all the comrades in our party and led our construction cause from victory to victory. The party Central Committee itself is a collective. Due to the fact that Comrade Chen Yun has been engaged in economic work for a long time, it is appropriate to say that he is one of the first people to understand the law governing important issues in socialist economic construction. The speech delivered by Comrade Chen Yun at the Eighth CPC Congress in 1956 was extensively praised inside the party. However, after the campaigns of the "Big Leap Forward" and "opposing right deviations," his correct ideas on economic problems no longer worked. Since the 3d Plenary Session of the 11th CPC Central Committee, some strategic decisions and important measures proposed by Comrade Chen Yun have been accepted by the central authorities and have been proved to be more and more effective in practical work. Thus, most of our comrades profoundly realize that they should learn from Comrade Chen Yun's methods for observing economic phenomenon and handling economic problems. The new party constitution adopted by the 12th party congress makes a clear stipulation on the issue of respecting the minority. Our party forbids any form of personality cult. We should ensure that the activities of party leaders are supervised by the people and at the same time uphold the prestige of leaders who represent the people's interests. Every party member and cadre must resolutely carry out in their actions the decisions of the Central Committee and the party organizations, but at the same time, be allowed to have reservations and present their opinions to the party organizations, and even to the Central Committee. Our organizational principle is that the individual should be subordinate to the organization, the minority subordinate to the majority, the lower level subordinate to the higher level and the whole party subordinate to its national congress and its Central Committee; but at the same time the opinion of the minority should be respected. In discussing and making decisions on problems, party organizations should conscientiously consider the different opinions of the minority. By so doing we will be able to overcome our one-sidedness.

Marx and Engels said in their "Holy Family" that historical movements constitute the cause of the masses and that along with the deepening of historical movements the ranks of the masses will inevitably expand. The process of historical development is precisely the process of the expansion of the ranks of the masses who understand and master the law of social development. The victory of the socialist cause has greatly promoted the progress of this development and has opened up a wide sphere for the broad masses of people to master Marxism--the most scientific and revolutionary

theory--and thus become the masters of history. However, the masses of people cannot master the law of socialist society spontaneously. What has been proved by our practice is that in order to make the masses really master the correct line, principles and policies we should carry out the necessary propaganda, education and other work to enlighten them. This work should be carried out by adopting diversified methods in order to make it popular and acceptable, enabling us to guide the masses toward understanding and mastering the law through their personal experience.

It can be said that in all periods our cadres at all levels and on all fronts underwent positive and negative education and tests. What is especially heartening is that the college graduates and the cadres of similar educational standard whom we have trained since the founding of the PRC have grown up with the socialist cause. These people are at the prime of their life, know their profession well and have undergone positive and negative education and tests. Our cadres and our people are continuously making efforts to understand and master the law of socialist construction and an increasingly large number of them will become the conscious masters of the development process of history. This will enable them to play an increasingly important role in the development of our cause.

In his article entitled "Problems of Strategy in China's Revolutionary War," Comrade Mao Zedong pointed out that we should study the law of war, the law of the revolutionary war and the law of the Chinese revolutionary war. This means that we should study the problems related to the general and specific laws governing various categories and subcategories of wars. Similarly, we should also realize that we must study the law of construction, the law of socialist construction and the law of China's socialist construction. All the experiences that have been drawn on from the construction of other countries, especially that of other socialist countries, are important for us. We should assimilate the part of these experiences useful to us as reference. We should also enrich these experiences and develop them. However, we will be bound to fail if we mechanically copy these experiences. In the past, we copied the experiences of Soviet socialist construction. During the past few years, quite a few of our comrades affirm, without analysis, the experiences of certain foreign countries, but fail to pay attention to understanding and mastering the experience of China's socialist construction or to proceeding from China's reality. In his opening speech at the 12th congress, Comrade Deng Xiaoping said: "To integrate the universal truth of Marxism with the concrete realities of China, blaze a path of our own and build socialism with Chinese characteristics--this is the basic conclusion we have reached in summing up our long, historical experience." We should continue to research deeper into the general law of construction and of socialist construction. However, we should not be satisfied with the mere understanding of these general laws. We must understand and master the specific performance of these laws under China's conditions and we must understand and master the special laws governing China's socialist construction in different periods and spheres.

Our party is one which upholds struggle and action and a party characterized by the integration of theory and practice. Our understanding of objective

laws is not only aimed at gaining the ability to talk about, or obtain academic knowledge of them. For communists, the correct understanding of objective laws is aimed at observing the requirements of objective laws to make revolutionary changes to the world and lead the people to promote the development of history. Therefore, our correct understanding of these laws must lead to the formulation of the correct line, principles and policies and to the action of leading the masses of people, through our party, to implement them.

It is precisely because we have to combine our understanding with the conscious activities of the masses, in creating history that having mastered the theory, we should return to practice and apply the theory to our actions. Therefore, it is insufficient to have only a general line. We must also solve the problems concerning the actual implementation of the general line on various fronts and in all the areas of our work. This is an important difference between the 12th congress and the 8th congress. The line formulated by the 8th congress was correct, though it was not clear, definite or perfect. However, the concrete measures for implementing this line on all fronts and in all areas of our work had not yet been discussed at that time. At the enlarged central work conference, Comrade Mao Zedong said that in carrying out both revolution and construction our party must have a wholly convincing general line suited to objective conditions. However, we had also to formulate, under the guidance of the general line, a series of appropriate and concrete principles, policies and methods related to our work in all fields including industry, agriculture, commerce, education, military affairs, politics and party affairs. Only when we had formulated these principles, policies and methods, could we educate our cadres and masses, unify their understanding and enable them to do their jobs well. These words remain completely correct even today. The reason why the seventh congress led the revolution to victory is because it formulated not only a general line for the new democratic revolution, but also a series of principles, policies and methods for actually carrying out this general line on all fronts and in all our work. This enabled us to unify the thoughts and actions of the whole party after the seventh congress and quickly defeat Chiang Kai-shek. The report to the 12th congress puts forward our party's general task in the new historical period, that is, "to unite the people of all our nationalities to work hard and independently to achieve, step by step, the modernization of our industry, agriculture, national defense and science and technology and to make China a culturally advanced and highly democratic socialist country."

With regard to the understanding and mastery of the law of socialist construction, we have undergone the process from knowing nothing to knowing something and from incorrect to comparatively correct understanding. We have experienced both victory and defeat in this respect and have summed up both positive and negative experiences. More and more of our cadres and people have come to understand and master this law to varying degrees. In practice, we have gradually come to understand the law of socialist construction in general and the special law governing Chinese socialist construction. We have a more definite and complete general line and have worked out a series of guiding principles, policies and methods suitable

to various fronts, quarters and work. All of this guarantees that we will win still greater victory in our cause.

When discussing commanding battles, Comrade Mao Zedong said that the reason why people make mistakes in commanding battles is that their deployment and command in war and battles are not suited to the conditions of the time and place, and their subjective guidance is not suited to actual objective conditions; in other words, they fail to solve the contradiction between the subjective and the objective. For a revolutionary, solving the contradiction between the subjective and the objective is a very important task. It is inevitable that people will have different levels of ability. Militarily, doing a good job requires more victories and less defeats. For any party or individual, there is never complete accordance between the subjective and the objective. However, it is possible to achieve relative or basic accordance between them. If this is achieved, we will be basically, or on the whole, correct. Our understanding and mastery of the law of socialist construction will be further perfected and corrected in our practice. Just because of this, we can ensure that we will commit few mistakes or avoid committing big mistakes and that we will discover and correct our mistakes quickly.

In short, at present, our party, our party Central Committee and most of our cadres have a deeper understanding of the law governing our country's socialist construction compared with the period of the Eighth CPC Congress. Thus, we may conclude that the view that the 12th CPC Congress will lead construction to victory is expressed on a completely scientific basis. We shoulder the great task of the creation of a new overall situation in our socialist modernization. Let us continue to enrich and deepen our understanding of the law of socialist construction in order to score new historical achievements and new victories!

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COMMUNISTS MUST STRICTLY OBSERVE PARTY DISCIPLINE

Beijing RED FLAG in Chinese No 20, 16 Oct 82 pp 7-10, 37

[Article by Zhang Yun [4545 5686]]

[Text] From the day a man gets his Communist Party membership, he is not exempt from the necessity of observing the following regulations: "Individual party members are subordinate to the party organization, the minority is subordinate to the majority, lower party organizations are subordinate to the higher party organizations, and all the constituent organizations and members of the party are subordinate to the national congress and the Central Committee of the party." These four regulations are, on the one hand, the basic principle of the party's system of democratic centralism. They are, moreover, the iron discipline built on the base of the party members' high degree of consciousness. With Marxism-Leninism-Mao Zedong Thought as its guide to action, the CPC relies on this organizational principle and discipline to keep the ranks in good order and in step and ensure the implementation of the party's line, principles and policies in different historical periods. In this way, the CPC leads the people of the whole country to overcome the difficulties and hardships on our road and to continuously win new revolutionary and construction victories. In July 1982, at a seminar, Comrade Deng Xiaoping rightly pointed out: "Without discipline, it is impossible to dedicate ourselves heart and soul to the same cause. In the past, we relied on discipline to start a revolution. The discipline we relied on was a discipline based on political consciousness. Since the founding of the CPC, this has been the best practice."

The new party constitution passed by the 12th CPC National Congress imposed strict ideological, political and organizational demands on party members and cadres. These demands are stricter than the ones imposed by the former party constitutions. The new party constitution has placed the problem of strengthening party discipline in an extremely important position and has made some important new provisions. These have important significance for the party in power in the new historical period.

To Conscientiously Observe Discipline Is an Expression of Strong Party Spirit

The general program of the new party constitution makes the adherence to democratic centralism as "one of the three essential requirements" that must

be achieved in order to "strengthen party building, carry forward the party's fine traditions and enhance the party's combat strength." In addition, it demands that, within the party, democracy be given full play, a high degree of centralism be practiced on the base of democracy and a sense of organization and discipline be strengthened, so as to ensure unity of action throughout its ranks and the prompt and effective implementation of its decisions. Chapter I of the party constitution clearly stipulates that party members should "accept the party's program and constitution," and should also, "join and work actively in one of the party's organizations, carry out the party's decisions and pay membership dues regularly," "conscientiously observe party discipline and the laws of the state." Chapter VII of the party constitution clearly stipulates that "a Communist Party member must consciously act within the bounds of party discipline." In addition, it has made concrete provisions for the maintenance of party discipline. The question of whether or not the provisions of the new party constitution are being strictly implemented is closely related to the question of whether the Marxist-Leninist principles of party building and party organization are being adhered to and of what our party is being built into. All comrades must take this large problem seriously. We must most certainly not trivialize it.

We all know that as early as 1902 to 1904, when Lenin started to build the Russian Social-Democratic Labor Party (later, it was changed to the CPSU), he was engaged in a heated debate with Martov on the question of what kind of party should be built. At that time, Lenin and his comrades-in-arms defended the Marxist principle of the party's role, adhered to the ideas that the party had to be the advanced, conscientious and organized vanguard of the working class and that only those who accepted the party's program, supported the party materially and joined in one of the party organizations could become party members. He strongly opposed recruiting those who accepted the party's program but were unwilling to join in one of the party organizations and who did not, in fact, observe discipline, as members. The clique represented by Martov agreed that to accept the party program and to support the party materially should be the necessary condition for membership, but they did not accept that joining one of the party organizations and observing party discipline should also be a condition for membership. To counter the worship by people like Martov of the spontaneity of the labor movement and their attempting to appease the Russian intellectuals' fear of the proletarian sense of discipline and organization, Lenin clearly pointed out: "In the end, it is a matter of choosing between two alternatives: consistent application of the principle of organization, or the sanctification of disunity and anarchy." ("Selected Works of Lenin," Vol 1, p 456) The debate over the organizational principle for party building ended in the victory of Lenin's correct views and stand. The Bolshevik Party, which was built in accordance with Lenin's principle of party building, through arduous struggles, succeeded in gaining victory in the October Revolution and thus ushered in a new era in human history.

Our party was built in accordance with Lenin's principle of party building. In his essay, "On the People's Democratic Dictatorship," Comrade Mao Zedong tells us that our party has "three principal weapons to defeat the enemy."

The first of these is: "a well disciplined party, armed with the theory of Marxism-Leninism and using the method of self-criticism, which is linked to the masses of the people." ("Selected Works of Mao Zedong," Vol 4, p 1417) In addition, of the four notable characteristics of the party, he puts "disciplined" in the first place. In the crucial moment of the third revolutionary civil war period, Comrade Mao Zedong's mobilization order, with its unique style, placed "strengthening the sense of discipline" side by side with "the troops' advancing and one inch of growth in production" and considered them the necessary conditions for "constant and regular victory in revolution." The now widely known "The Three Main Rules of Discipline and the Eight Points for Attention" song emphasizes from the start, that "victory can be won only by keeping in step." Our party has successfully led China's revolution and construction from victory to victory. This fact cannot be separated from our party's adherence to Lenin's principle of party building and strengthening the sense of organization and discipline.

Every party member should, through the study of party history and the study of Lenin's and Comrade Mao Zedong's theory of party building, particularly the discussions on discipline, strengthen his understanding of the tremendous importance of party discipline. He should establish the firm concept of discipline and thoroughly understand that adherence to democratic centralism and the strengthening of party discipline is the key to organizationally maintaining and consolidating the party's high degree of political and ideological consistency, implementing the correct line, principles and policies of the party and promoting the party's combat strength. An important aspect in strengthening the training on the party members' party spirit is to continuously strengthen our sense of organization and discipline in revolutionary practice. Through conscientious observance of party discipline, our strong party spirit is shown. Only those who can achieve this can be called qualified Communist Party members. Those who disregard organization and discipline and stick to their old ways of doing things are not qualified to be Communist Party members. They cannot remain in the party.

Set Strict Demands With Regard to Major Issues and Do Not Deviate From Standards With Regard to Minor Issues

The discipline that should be observed by Communist Party members includes many things and there are many aspects to it. However, we can summarize it in two points: 1) what should be done, what is allowed to be done; 2) what should not be done and what is not allowed to be done. That means, we must conscientiously exert all our strength to do things beneficial to our party, the state and the people in accordance with the party's resolutions and demands. Moreover, we should also influence and mobilize other people to do the same thing. All the things which are not beneficial to the party, state and people must be those things not allowed by party discipline and the laws of the state, so we should resolutely not do them. In addition, we should supervise and warn other people not to do them and be brave in the struggle against the acts which violate party discipline and laws of the state.

On this point, the problem of how to handle major and minor issues should be emphatically discussed.

Basically, the major concern of a Communist Party member is to unswervingly adhere to the demands of the "admission oath," keep a firm proletarian revolutionary stand and dedicate his life to struggling for the implementation of the communist ideal. At the present stage, the major issue is to adhere to the socialist road, people's democratic dictatorship, leadership of the party and Marxism-Leninism-Mao Zedong Thought, to keep political consistency with the Central Committee and to unswervingly implement the party's line, principles and policies since the 3d Plenary Session of the 11th CPC Central Committee, especially the program to create a new situation in all fields of socialist modernization passed by the 12th CPC National Congress. It is necessary to protect the unity and unification of the party in the same way we protect our eyes, strictly observe the party constitution and the "Guiding Principles for Inner-Party Political Life" and struggle against all unhealthy tendencies inside the party and acts which violate party discipline and laws of the state and which endanger the party's cause. If a Communist Party member can make strict demands on himself in these major issues and not be influenced by his own emotions and the prevailing tendencies, he has observed the party's discipline in the political sense.

The party demands that every party member take a strong stand on major issues. In addition, he should also be careful about minor issues. For instance, everybody must straighten their ideological style, work style and life style, manage love, marriage and family life well, be upright and fair in handling people and business, under no circumstances commit crooked acts, refrain from the vulgar "study of connections," not pursue privileged living and not become corrupt, degenerate and so on. In other words, with regard to minor issues, it is also necessary to set "strict demands on ourselves" and not deviate from the standards of the party constitution and the "principles."

With regard to the major and minor issues, one is primary and the other secondary, but there is not a sharp line of demarcation between the two, they are interlinked. In the past, there was a popular saying: "A gentleman disregards the minor issues." It seems that as long as things are not going too badly with the major issues, it is all right and the minor issues are of little importance so it is not necessary to be too strict. Some find the excuse of "no gold is 100 percent pure, no man is perfect" to console themselves and have an easy conscience in "disregarding the minor issues." This is incorrect.

1. We materialists accept the objective fact that "no gold is 100 percent pure and no man is correct." In selecting and appointing people to posts, it is correct "not to discard a huge piece of timber just because one inch of it is rotten." Our comrades should be "lenient and forgiving in treating people" and not be too testy and critical. But, every party member should "set strict demands on himself," not be satisfied with being "basically qualified" or "barely qualified," compare himself with others

and spur himself on to a high standard and become a qualified Communist Party member. This is certainly possible. The countless revolutionary martyrs are our models. The emerging advanced people on all fronts are also good models for us to follow. Is there any reason not to strive in this direction?!

2. As far as development is concerned, small things can become great. "If a small hole is not mended, it becomes a big hole with a diameter of 1.5 chi," "one ant hole may cause the collapse of a thousand-li dike," such sayings vividly depict the importance of checking erroneous ideas at the outset. Inside our party, there are people who become morally degenerate. This starts with their "disregarding the minor issues." We have enough of such lessons. It is hard to imagine a Communist Party member having a dual personality, being devoted heart and soul to public interests in political life, but in private life being heart and soul devoted to private interest. In other words, he has no communist morality in his life, he is infected with the foul odor of the extreme individualism of the exploiting class, his valley of greed can never be filled, he leads a fast life. However, in political life, faced with major issues of right and wrong, he takes a clear-cut stand and devotes his life to implementing the communist ideal. Like water and fire, these two are incompatible, how can they "peacefully coexist"?

3. Our party is based in society and party members carry out their activities among the masses. The party's image formed in people's minds and the party's prestige determine whether the party's line, principles and policies are correct and whether they are advantageous to people. In addition, to a great extent they determine the activities of the party organizations at all levels and the performance of every party member. The masses not only "listen to their words" but also "observe their behavior." If the party organizations at all levels and every party member can meet the demands imposed by the party: proceed from the people's interests in all aspects, "be the first to be concerned about what should be worried about and be the last to enjoy themselves," think what the masses think about, be eager to meet the needs of the people and play an exemplary and leading role in all aspects, fear neither hardship nor death in upholding the cause of the party and the people, persistently think and act in one and the same way and be as good as their word, then, the people would wholeheartedly love and support the party and forever follow the party. However, if the party organizations and party members do not act in accordance with the party's demands, or even act in ways contrary to the party's demands, use discipline to deal with people but do not themselves keep within its bounds, speak in high-flown phraseology but fail to carry out their pledges, at every turn think of themselves before others and not be concerned about the people's welfare and suffering, "strive for fame in the central government and strive for wealth when they are out of it," have much interest in acting like high officials and overbearing bureaucrats and seriously cut themselves off from the masses, then, what remains of the party's prestige among the masses? Under such conditions, all magnificent ideals and plans cannot be realized. Thus, speaking of keeping the close ties between the party and the masses, it is necessary for party members to pay attention

to both the major and minor issues and to conscientiously observe party discipline in both aspects.

Strive To Form Habits So That They Become Natural to You

Many of our old party members have a common understanding that it is not difficult to observe discipline in doing something once, but it is difficult to observe discipline under all circumstances and conditions everywhere and at any time. But, this is exactly what the party and the masses require of us, which means it is necessary for us to play an exemplary role in observing discipline everywhere and at any time. What shall we do? The most important thing is to strengthen the training of party spirit, establish a firm concept of discipline, continuously promote our consciousness in observing discipline and strive to form a habit so that it becomes natural to us. In my 57 years of revolutionary practice, I have tried to find an answer. My conclusion is that principally it is necessary to make vigorous efforts in the following aspects:

1. Know the rules. It is necessary to vigorously grasp study, strive to familiarize ourselves with the party's program, the party constitution and the party's concrete rules and regulations (for instance, the "Guiding Principles for Inner-Party Political Life" and others), the line, principles and policies of the party, the resolutions, provisions and system of the party in all aspects, strive to have a pretty good idea of them and to speak and act in accordance with them. Otherwise, we can have no idea of what is right, what is wrong, what can be done and what cannot be done. In such a case, we are blind. We do not have anything to follow in doing or saying things. We are like a blind man who walks on the road. He bumps into a wall or falls on the ground, but he does not know why. In this way, how can we have consciousness in observing discipline and how can we play an exemplary role in observing discipline?

2. "Be watchful over oneself when one is alone." This is a piece of Confucian jargon from Chinese history, which means: Even when one is alone, one should be careful and observe moral principles. In his work "How To Be a Good Communist" Comrade Liu Shaoqi made use of this piece of jargon, he demanded that every Communist Party member: "Even when he is working on his own without supervision and is therefore in a position to do something bad, is just as 'watchful over himself when he is alone.'" In the period of the revolutionary war and in the 30 years since the founding of the PRC, many facts tell us that normally, when a party member violates discipline, he is not engaged in collective activities, or being watched by people everywhere. A party member violates discipline when he leaves the collective, when he carries out a task alone or when he is temporarily not under the supervision of the organization and his comrades. This tells us that under the latter conditions, it is all the more necessary for our party members to have firm revolutionary conduct and consciousness in observing discipline. Otherwise, it is easy for us to do something wrong. Exactly for this reason, we should strengthen ideology, consciousness and organization discipline training and cultivation so as to enable our party members to act the same whether alone or in living in the collective and to act the

same way whether they are free of supervision or whether they are being supervised by the organization or the comrades. In the Ming dynasty, Yu Qian wrote a poem "Song of Limestone." The poem said that people should be like limestone, which is not afraid of being ground to dust although it is hammered thousands of times and burned. As a result, limestone keeps its whiteness and purity. We communists can do not only that, we should be able to do better.

3. Self-examination. That means, it is necessary to master Marxist-Leninist weapon of criticism and self-criticism. Just as every day we wash our face and sweep the ground, we should always examine our conscience, see if we have performed acts and said things which violate party discipline and in an open-minded fashion ask for and listen to the opinions of others and welcome the supervision of the organization and the comrades. Whenever we discover our shortcomings and faults, we should determinedly correct them at once and should absolutely never shield them. The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" passed by the 6th Plenary Session of the 11th CPC Central Committee is an example of the communists' being practical and realistic in carrying out self-criticism. "It is not easy to rectify the party spirit, but it is even more difficult to carry out self-examination." When Comrade Chen Yi was still alive, he had a deep understanding of this problem. In his two poems "Qigu: The Hands Do Not Extend" and "Revealing My Mind on My 63rd Birthday," he talked of the proper attitude one should have in self-examination. What he said were words from the bottom of his heart. "Whenever I discover my mistakes, I am delighted and I am enlightened when I have painstakingly corrected them," "the best policy is to have courage, correct the mistakes and march forward again." ("Selected Poems and Songs of Chen Yi," People's Literary Publishing House, pp 89, 328, 330) When we carry out self-criticism, we should have such an attitude.

Make persistent efforts to know the rules, be watchful over ourselves when we are alone and criticize ourselves. In this way, we cannot feel that we are incompatible with the party's discipline and are unaccustomed to it. On the contrary, we can take the observance of discipline for granted and gradually form a habit so that it comes naturally to us. In this way, we can march from the realm of necessity to the realm of freedom.

At present, we are building a high level of material civilization. We should also strive to build a high level of socialist spiritual civilization. "Observance of discipline" is an important content in building a spiritual civilization. Lenin said: "Every new social order demands new relations between man and man, a new discipline.... With the beginning of the socialist revolution, discipline must be built on entirely new principles; it must be a discipline of faith in the organizing power of the workers and poor peasants, a discipline of comradeship, a discipline of the utmost mutual respect, a discipline of independence and initiative in the struggle." ("Collected Works of Lenin," Vol 27, p 481) In our building of socialist spiritual civilization, it is necessary to establish and observe such discipline. When there is such discipline and when all of us observe such discipline, we can have normal party political life and normal

political life in the entire state, we can have a stable and united political situation and good social order, we can fully promote the creativity and initiative of all the people and we can make the people and all the comrades of the party bravely march with one heart and one mind in the direction of building a modernized socialist state under the unified leadership of the Central Committee. Thus, Communist Party members should be the first to achieve what we ask the masses to achieve and the Communist Party members should resolutely not do what we ask the people not to do. In other words, if the Communist Party members want to be the vanguard of the construction of spiritual civilization, they must first of all strictly observe party discipline.

The 12th CPC National Congress has sounded the bugle call to create a new situation in all fields of socialist modernization. In order to more vigorously lead the people of the entire country to implement this magnificent program in the new period, our party will carry out an overall rectification of the work style and organization of the party. One of the important issues in party rectification is to further strengthen the party members' sense of discipline and sense of organization. I am an old member of the party, I am old and ailing like a candle flickering in the wind, but my heart is as stout as ever and I am unwilling to lag behind. I am willing to accept an overall examination of the party together with other comrades of the party. In addition, I will, in accordance with the demands of the new party constitution, continue to strengthen the study of theory and training of party spirit so as to uphold my revolutionary integrity in my later years and make myself worthy of the name of a Communist Party member. In observing party discipline, I am willing to encourage and supervise and be encouraged and supervised so as to strive together with other party members to play an exemplary role in observing discipline.

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HAVE LOFTY IDEALS, GOOD MORALITY AND KNOWLEDGE, OBSERVE DISCIPLINE

Beijing RED FLAG in Chinese No 20, 16 Oct 82 pp 11-15

[Article by Jia Chunfeng [6328 2504 1496]; passages within slantlines published in boldface]

[Text] In his report to the 12th CPC Congress, Comrade Hu Yaobang raised socialist spiritual civilization with communist ideology as its core as an important characteristic of the socialist system and strategically expounded the position and role of building spiritual civilization in the building of socialism. At the same time, he profoundly elaborated the two aspects of building spiritual civilization, that is, the dialectical relations of cultural and ideological building. This undoubtedly has great significance on the theory and practice of scientific socialism.

Like social civilization, spiritual civilization is a historical process of continuous development. By civilization, we mean the progress level and state of human society, including the two component parts of material civilization and spiritual civilization. We often talk about developed education, prosperous science, flourishing culture, and people's high political consciousness, firm belief and ideals, lofty morality and sentiments, devoted spirit, enhancement of sense of discipline and so on. These are all the manifestation of spiritual civilization. Before the emergence of the socialist system, spiritual civilization under the three kinds of social systems--slave, feudal and capitalist--were divided into class by private ownership and society and was restricted by the existence of exploitation. Therefore, it is inevitable that they have their historical and class limitations. Socialist society is a completely new stage in the development of human history. Under the socialist system, we are not only capable of inheriting all the outstanding achievements of culture and social morality of the past, but also capable of establishing an entirely new spiritual civilization which is fundamentally different than that of any former period. To sum up, this new type of socialist spiritual civilization is to train and bring up socialist new people with revolutionary ideals, morality, discipline and culture, among which revolutionary ideals are the spiritual mainstay, revolutionary morality is the norm, revolutionary discipline is an indispensable guarantee and culture is an important condition. The close integration and mutual complement of these aspects commonly indicates the requirements of the basic economic and political

system of socialism on the political consciousness, spiritual state, moral features and cultural cultivation of its social members.

/The spiritual state of our country and people is judged, first of all, by whether or not our people have revolutionary ideals and are encouraged by these ideals, and vigorously and effectively engage in the building of the socialist cause./ Ideals are people's social political standpoint and their world outlook centrally manifested in their fighting objective. It shows that people cherish and yearn for the glorious future. Different eras and classes have different world outlooks and people have different ideals. The proletariat is the most advanced and revolutionary class in human history. Communism--the great ideal of the proletariat and its vanguard, the communist party--reflects the inevitable trend of the development of history. Therefore, it has the greatest calling and mobilizing strength. The great ideal of communism will surely be attained. This is an objective law independent of man's will. But the road toward communism is arduous and tortuous. Whenever the revolutionary cause of the proletariat suffers temporary setbacks and needs most the encouragement of revolutionary ideals, there are usually some weak-willed people who waver in communist ideals and bring about a sense of illusion. This is a repeated phenomenon in the history of revolution. Meanwhile, historical facts teach us again and again that those who give up communist idealism at a time when the revolution suffers setbacks and fall behind the revolutionary ranks will certainly be eliminated by the historical trend. Only by adhering to revolutionary ideals and inspiring revolutionary enthusiasm can we once again follow the revolutionary cause and march toward the glorious future. Whether in revolutionary success and development or during temporary revolutionary setbacks, our veteran party members and revolutionaries adhere to communist ideals and have great determination, are fearless of sacrifice, plunge through fire and water and fight heroically to attain this ideal. Today, inspired and encouraged by this great ideal, the broad masses of party members and people are also using their creative work and labor to do their little bit to build communism. Historical and present facts have effectively proved that communist ideals are the powerful ideological strength for the victory of the people's liberation cause, and are the spiritual mainstay of the solidarity and militancy, hearts and minds of our people and country and the revolutionary soul fostering the continuous development of our socialist cause and opening up a bright future.

/Morality is closely related to ideals; to have ideals is to have morality. A country full of revolutionary idealism is bound to have revolutionary morality and customs. A man fostered with revolutionary ideals will consciously conform his deeds with revolutionary morality. On the contrary, those with illusions usually forfeit morality./ Ideology, principles or morals are not without foundation. Their emergence and development all have a profound social economic root. Communist morality is determined by the class status, class nature and historical tasks of the proletariat. It is impossible to expect every social member to be a communist at the present stage. But our socialist system is based on public ownership which regards the highest stage of communism as its objective. Therefore, we must energetically propagate and propose that the whole society use communist morality

as a norm of action for adjusting relations between men and between man and society. It is also imperative to educate party and league members and all advanced elements with communist morality and through them educate and influence the broad masses. The basic principle of communist morality is the principle of collectivism loyal to the communist cause; the devoted spirit of serving the people and a communist labor attitude. This principle expects people to insist that the interests of the people and the socialist motherland be superior to the interests of the individual, and whenever they contradict, the interests of the individual should unconditionally be subject to the interests of the people and the state. This principle also demands that people unite as one, help and love each other, fight and advance together, respect and enjoy comforts after others, find pleasure in helping people and sacrifice one's own interests for the sake of the people, masses and public in their work, labor and social life. All these have manifested in various respects the principle of collectivism that people should adopt toward the interests, cause and activities of the whole.

Morality covers a lot of ground; it includes professional morality of various trades and professions. Engels once pointed out: "As a matter of fact, each class and each trade has its own morality." ("Selected Works of Marx and Engels," Vol 4, p 236) Professional morality is a summarization of the norm of behavior of people's own peculiar work and labor engaged in a certain profession. This type of morality has the characteristics of certain concrete professions or trade activities. Different professional morality reflects the professional psychology, habits, tradition and responsibility formed according to different professions and trades and represents certain differences of moral behavior and consciousness caused by different professions and trades. Professional morality is related to the development of the division of labor in society and has a long formation and developmental history. In our country, professional morality is a necessary complement and concreteness of the principle and norm of our revolutionary morality. In the past few years, along with the work of bringing order out of chaos in the field of moral ethics in our country and along with the development and restoration of the fine tradition and work style of our party and country, professional morality in various trades and professions is being established and perfected under the unified guidance and influence of the principle of communist morality, such as service regulations in service trades, village rules and regulations in rural areas, scientific moral standards for scientific and technological workers, regulations for literary and art workers and so on. Our socialist modernization cause is a cause of a whole that is complicated and coordinated. With its different methods, each profession joins with the entire socialist modernization cause and serves the entire socialist cause and the people. Society has its special requirements for the various professions. Professional morality determines the specific responsibility the people of different professions must undertake in the entire socialist modernization cause. This is favorable for impelling the sense of honor and dedication of people to hold fast at their posts, to bind people to observe certain professional order and discipline, to encourage people to unite and cooperate, perfect their skills and gain professional proficiency, and to raise their working capability and efficiency, and labor techniques and efficiency. Facts show that under the

guidance of the principle of communist morality, proceeding from the needs of the profession and meeting the concrete conditions and accepting the capability of the profession, and by adopting easy and effective, vivid and vital methods, the professional morality formulated and perfected by the various trades and professions has and will play a greater role in developing socialist spiritual civilization, thus further attaining the stability and unity of society and doing a good job in the building of all fields of socialist modernization.

/Revolutionary discipline is a manifestation and guarantee for revolutionary ideals and morality. There is unity in having ideals, morality and observing discipline, whereas forfeiting ideals, degenerating morality and violating the law and discipline are also grouped together./ This is a truth of real life. Anyone who sabotages social morality must be censured by public opinion and when the case has developed to a certain seriousness, he must be punished according to state law and discipline. Legality, discipline and morality belong to the category of the norm of behavior. Morality depends on public opinion, people's faith, traditional customs and educational influences to maintain and exert its role; whereas state law and discipline depend on administrative execution and compulsory means to maintain and exert their role. These two roles complement each other in society; neither can do without the other. The realization of revolutionary ideals and the exertion of revolutionary morality are both guaranteed by law and discipline. Our party, army and people have always had the tradition of observing discipline. What do the unity and powerful fighting capacity of our party and the implementation of the party's principles and policies depend on? One of the most important factors is firm discipline. Our fine tradition of observing discipline was seriously sabotaged in the 10 years of internal disorder. The building of socialist spiritual civilization carried out at present is precisely for the purpose of resuming and promoting this fine tradition. There is party, political and military discipline; there is discipline for each factory, production team, shop, school, leading organ and mass organization, and there is also professional discipline for all trades and professions. Freedom and discipline are unity of opposites. This is also the case with right and duty; none of them must be separated. Our people enjoy freedom and rights within the limits of the constitution and law, but they must also be consciously bound by discipline. Only in this way can the whole society be a coordinated whole unit, can all parts of society organically cooperate with each other and form into a fine production, work, study and life order and ensure the smooth progress of the building of socialist modernization.

/Knowledge is an important aspect in the substance of socialist spiritual civilization and also an important condition for forming scientific ideals and belief, lofty moral sentiments and a conscious sense of discipline./ We cannot build socialism or attain the lofty ideal of communism by relying on illiterate or semi-illiterate people. Long ago Engels said that the socialist cause of the proletariat needed lawyers, "and also doctors, engineers, chemists, agronomists and other specialized personnel, because we must not only administer the political apparatus, but also administer the entire social production. Therefore, what we need is not beautiful words but

abundant knowledge." ("Collected Works of Marx and Engels," Vol 22, p 487) Marx and Engels specially stressed that only by developing education can we train people who are developed in an all-round way. Lenin pointed out: "We must build socialism by retaining all the culture left over by capitalism. We must retain all the science, technology, knowledge and art. Without these, we cannot build communist society." ("Collected Works of Lenin," Vol 4, p 348) Stalin once sneered at the innocent mood of praising their own illiteracy and sharply pointed out: "I hold that we simply cannot make any progress without eliminating these savage and uncivilized phenomena and the savage attitude toward science and learned people. The working class cannot genuinely become masters of their country if they do not free themselves from illiteracy, bring up their own intellectuals, master science and manage the economy according to scientific principles." ("Collected Works of Stalin," Vol 11, p 64) The building of socialist modernization has put a higher demand on the people's level of cultural and scientific knowledge. Without constantly raising the level of scientific knowledge of the whole society, it will be impossible to attain the grand objective of building modernization, it also will be unfavorable to the formation, consolidation and development of scientific ideals and belief and revolutionary morality. With knowledge, people can thoroughly understand the law of social development, consciously master scientific world outlook and methodology and be developed in an all-round manner. To be sure, while developing culture and raising the educational level of the people, we must adhere to the guidance of Marxist scientific theory, and eradicate the influence of capitalist, feudal and reactionary decadent culture. In the light of class struggle still existing within certain limits in our society, class struggle in the international field will inevitably find expression in our country. The serious cultural smuggling is a phenomenon not to be ignored. The decadent culture of capitalism, such as films, cassettes, periodicals, photographs, records and so on with brutal, reactionary, degenerate and obscene substance is bound to contaminate our social mood, poison the people's souls and cause revolutionary idealism to waver, corrode revolutionary morality and disintegrate revolutionary discipline. To resist the corrosion of capitalist and reactionary culture is necessary in order to safeguard and develop the basic economic and political system of socialism and build socialist spiritual civilization and enable people to have ideals, morality, culture and to observe discipline.

In our socialist society, the system of exploitation no longer exists. In the means of production, public ownership has replaced private ownership. We have attained the principle of distribution according to work and the fundamental interests of the whole people coincide. This determines that our people can increasingly form common revolutionary ideals, morality and discipline and consciously develop culture in the whole society. But this does not mean that the establishment of the basic economic and political system of socialism will enable the whole society and every member of society to spontaneously have such common revolutionary ideals, morality and discipline and spontaneously maintain it forever. In order to enable more and more members of society to become laborers with ideals, morality, culture and who observe discipline, we must consciously carry out a series of painstaking and untiring efforts when confronting new conditions and

problems emerging at any time. We must clarify muddled ideas and erroneous understanding of some people in their ideals, morality, discipline and culture.

/It is necessary to understand the relationship between adhering to communist ideals and morality and carrying out the present economic policy./ Since the 3d Plenary Session of the 11th CPC Central Committee, we have adopted the policy of opening to the outside world and enlivening the domestic economy. Facts have proved that by carrying out this policy, we have achieved marked results in vigorously developing our national economy. We must fully affirm this achievement. But, we must also be fully aware that "opening" and "enlivening" has put forward a new question on adhering to the education of communist ideals and morality. For example, some people say: "Idealism is vague and remote; it is better to be practical!" To these people, preaching idealism is but empty words; it is not as good as having benefits, such as bonuses, housing and furniture. Is communism remote and an empty thing? As a social system, the complete realization of communism is, of course, a future matter. But as a movement, it started long ago with the founding of our party and the consequent new democratic revolution carried out throughout the nation. At present, we have developed to the initial stage of communism--socialist society. The work and life of each of us are closely related with the gradual realization of communist ideal. From this point of view, communism is not a vague and remote thing that is within sight but beyond reach, but closely linked with the destiny of each family and individual. With regard to "benefit," we certainly do not reject personal benefit. We have always stressed giving consideration to the state, collective and individual. But here we have a problem of how to correctly put in the relationship between present and future, individual and society, and the state, collective and individual. If we reject communist ideals and engage in "everything for the purpose of money," advocate the so-called "people die for wealth, and birds die for food" and infuse our minds with egoism, then we will lose our ability to resist sugar-coated bullets, confuse our objective and forfeit our revolutionary will and fighting strength; all kinds of unhealthy tendencies and dishonest practices will expand and the phenomena that only existed in the old society will be revived. In this way, the whole society forfeits its revolutionary vigor and vitality. How then can we guarantee the socialist orientation in the building of modernization?

Our present economic policy, formulated and executed under the guidance of communist ideals and world outlook, is a concrete step and measure for attaining the great objective of communism. These two do not contradict but complement each other. We should neither immediately implement policy for the higher stage of communism, just because we practice the communist ideological system, nor abandon communist ideological education because we are implementing the present economic policy.

/It is necessary to correctly handle the relationship between discipline and creativity./ With regard to enhancing discipline, some people think that it binds people's creativity and is incompatible with people's initiative and enthusiasm. Marxism holds that man's creativity and discipline are closely

connected--"perfect when both combine and suffer when both depart." It is inevitable for man living in a certain society to have this or that kind of social relationship with other people. In the course of changing the objective world, if a man needs freedom to exert his initiative and creativity, there must be certain bounds for his words and deeds; that is, there must be certain discipline to restrict any improper freedom. Otherwise, people's social activities will not be ensured, their genuine creativity and initiative cannot be fully exerted or may even be offset and strangled. Discipline exists in every social system. It has different nature and conditions in different social systems. Just as Lenin said: Any new social system requires a new relationship and discipline between men. From the beginning of the socialist revolution, discipline should be built on a new basis. This is a discipline of comradeship, of each respecting the other and of exerting initiative and creativity in the midst of struggle. Some people feel it difficult to understand the practice of regarding revolutionary discipline as the main content of socialist spiritual civilization. In fact, the realization of revolutionary ideals requires that the potential wisdom and capability of the people be tapped to the greatest extent and that their initiative, creativity and devoted spirit be brought into full play. It will be impossible to attain the grand objective of communism without this initiative and creativity, which is guaranteed by organizational discipline. Therefore, whether our sense of discipline is firm or not is an important part in judging a man's spiritual mood; and whether our social discipline is strict or not is another important aspect in measuring the state of spiritual civilization of a society.

Socialism is a movement that advances toward communism. This movement cannot be conducted by merely increasing material wealth. We must concentrate forces in developing socialist economy and do a good job in the building of material civilization. But we cannot set sights only on material and not on man. In the final analysis, the purpose for developing our socialist economy is for man and not material. It is absolutely true that material wealth can make people happy, but it can also degenerate them. The crux of the matter is to do a good job in building socialist spiritual civilization and make great efforts to enable our people to have ideals, morality, culture and to observe discipline. This is a lofty task. All our party members, league members, advanced elements and members of society must consciously shoulder this historical task. Let us start now and from ourselves and influence and lead the people around us to make the greatest efforts in building a high level of socialist spiritual civilization.

CSO: 4004/6

EXCERPTS FROM SPEECHES AT A FORUM ON STUDYING THE DOCUMENTS OF THE 12TH CPC NATIONAL CONGRESS

Beijing RED FLAG in Chinese No 20, 16 Oct 82 pp 16-28

[Text] Editor's note: On 24 and 25 September, our journal invited some comrades of the theoretical, scientific, educational and literary and artistic circles to a forum on studying the documents of the 12th CPC National Congress. From this issue on, we will publish excerpts of the speeches by the participants. This issue will conclude all speeches by the comrades of the economic circle.

Lu Jiayi [4151 0857 6932]: "Strengthen Unity and Coordination, Do a Good Job in Scientific Research"

The socialist scientific cause is an important component part of socialist spiritual civilization. Development of our scientific, cultural and other causes will not only greatly help along the building of socialist material civilization, but will also remarkably enhance our level of spiritual civilization. Therefore, every person working in our scientific research departments is a builder of the socialist spiritual civilization.

How to more strongly push ahead the scientific cause under the socialist system? To achieve this, we can only depend on our superior socialist system and our socialist consciousness. We must unite as one, share work and cooperate with one another under the unified leadership of the party, thus giving full play to our efficiency with our limited manpower and material resources.

Now, our number one headache is the disputes over trifles among our comrades and the practices of shirking responsibility, pushing it onto one another. This is an obstacle to the realization of our common goal and a negative factor which goes against communist ideology. In the case of the Chinese Academy of Sciences, endless haggling and shifts of responsibility are reflected in two areas, concerning external and internal relations, respectively.

Let us deal with the external relations first. Everyone knows that our country's professional scientific research contingent is composed of five different sectors--industry, national defense, local scientific research bodies, institutes of higher learning and the Chinese Academy of Sciences. In the 1950's, these five sectors had cooperated well. At that time, with Premier Zhou as our chief commander, Chairman Mao as our pilot who devised strategies in light of the overall situation, and Comrades Chen Yi and Nie Rongzhen as our direct leaders, successively, all of us worked with one heart and one mind and achieved great successes. Why could we quickly reap remarkable results in tackling the grand project of "A bomb, H bomb and satellite" in the early 1960's? I think that this was mainly because all of us had united and pooled our efforts under a common aim instead of disputing over trifles and pushing responsibility onto one another, thus dispersing our force. This was really a good lesson which deserves to be learned. However, the "Great Cultural Revolution" destroyed this trend of unity and coordination. Today, when we are making our efforts to create a new situation in all fields of socialist modernization, we should try our best to resume the fine style which was prevalent at that time.

Ownership by the department cannot be adopted in scientific research. A single department or unit, for example, a scientific research unit or an educational unit or any other department, cannot possibly do the whole job ranging from basic theoretical studies to application, popularization and mass production of research results. Only when the five sectors make concerted efforts can each individual, each department and each system effectively play its own role in the collective division of work and thus overcome difficulties one after another. If we do nothing about the practice of endless haggling and shifts of responsibility and retain ownership by department, we can hardly achieve anything in our scientific research. I truly found that in order to solve this problem, we must strengthen the building of socialist spiritual civilization in our contingent. And, first of all, our comrades who are holding leading posts should arm themselves with communist ideology. Although we are facing problems concerning the system and some defects existing in the working system and regulations, in specific policies and in other fields, we should not blame all problems on the system. Without the guidance of a good ideology, even a good system can hardly work. Although we oppose the tendency to effect the transition to communism prematurely, we should still always advocate communist style, communist morality and communist ideology.

Now, let us talk about the internal relations. In a meeting, Comrade Hu Yaobang said: The Academy of Sciences should mainly be run by you scientists. All of you should pool your efforts. This is a problem which really deserves attention. According to my understanding, such joint efforts concern several aspects, namely, technical research, professional work management, administration, party work and ideological and political work. If all these works do not center around a common aim and are carried out separately, the practice of disputing over trifles and pushing responsibility onto one another will prevail. Of course, these aspects are different from one another in terms of the division of work, their specializations and the importance of their roles; and these are differences between

individuals in their ability. This is a normal phenomenon. However, all departments and all individuals have a common goal, a common ideal and a common guiding ideology, and all our works center around a common key link. It is this common faith that links us together to fight for victory. I think that in order to solve the problem of disputing over trifles and shirking responsibility, all of us must first strive for our common goal and arrange our work around the central task; second, we must courageously shoulder heavy loads and tackle key problems, or willingly play minor roles to assist main roles to complete key tasks; and third, we must respect, support and help one another. In brief, one of the principal roles of our ideological and political work is to function as the bond among our comrades and a catalyst in our cause.

Peng Peiyun [1756 3805 0061]: "Education Is an Essential Prerequisite for Building Material and Spiritual Civilization"

It was pointed out in the report to the 12th CPC Congress that education and science are key points of strategic importance in economic development as well as an important aspect of socialist spiritual civilization. This was the first time in our party's history that such importance was attached to education. We comrades working on the front of educational work, warmly hail the correct program laid down by the 12th congress and are determined to strive to create a new situation in the educational cause.

In the last few years, more and more comrades have acknowledged the position and the role of education in socialist modernization. So far, however, some comrades still attach importance to economic work alone while overlooking education, or just schedule educational development behind economic development. They do not know that although educational development is restrained by economy, education may, in its turn, have a tremendous reaction on economic development. From a long-term point of view, the success or failure of education will have an important bearing on the overall situation of the socialist modernization construction and on our nation's future. Unaware of this, we will inevitably commit historical mistakes. The report to the 12th CPC Congress stated: "The key link to the four modernizations rests on the modernization of science and technology." And education is the foundation for the cultivation of scientific and technical personnel. In order to develop the economy and improve economic returns, we need an adequate number of skilled workers, scientific and technical personnel and administrative staff with socialist consciousness. And, in order to build the socialist spiritual civilization, we need a massive contingent of intellectuals. All these rely on the popularization and enhancement of education. Today, in investing "expenditures" in education, we are just aiming at cultivating a labor force of high quality, so that this force will be able to play a greater part in production in the future. As the most fundamental capital construction of a country, education needs a long turnover cycle. Therefore, it must go ahead of other undertakings in our socialist construction and prepare a reserve of qualified personnel during the first 10 years for a new economic restoration in the next 10 years.

The report to the 12th CPC Congress pointed out that the popularization of education is the essential prerequisite for building material and spiritual civilization. This statement touches the core of the problem. To raise the scientific and cultural standards of our whole nation, we must start with primary education. As long as primary education is not popularized, new illiterates will keep on emerging. If the quality of primary education fails to improve, the quality of secondary and higher education will inevitably be affected, and thus a vicious circle within the educational field will take shape. As the popularization of education is a "matter of prime importance" which has a direct effect on the destiny of the whole nation, it must be dealt with conscientiously.

In order to adapt to and serve economic construction more effectively, our educational work must undergo readjustment and reform step by step and in a planned way, and a socialist educational system with Chinese features must be gradually established. We are now planning to concentrate our efforts for a while on educational work in rural areas. Our country has a population of 1 billion, of which 800 million are living in rural areas. Since agriculture will be the strategic key point of economic development in the next 20 years, how to adapt educational work in rural areas to the needs of rural socialist construction and cultivate a new generation of peasants with socialist consciousness, culture and production skills is a very important problem which badly needs to be solved. In the past, we did not pay enough attention to the studies of educational work in rural areas. This is a shortcoming which should be overcome. At present, our major task is to vigorously popularize primary education and carry out structural reform of secondary education. The student recruitment system and the graduates distribution system in those institutes of higher learning and secondary technical schools which mainly aim at meeting the needs of rural areas should also be reformed, so that students from rural areas can find their way back to their hometowns.

The readjustment and reform of higher education involve very arduous tasks and very complicated problems. We are considering concentrating our efforts on the following matters: working out the plan for cultivating qualified personnel, and readjusting various proportions so as to adapt to the needs of the economic and social development; setting up different systems of and various requirements for higher education, adopting different forms of running schools, actively developing unconventional educational forms such as television schools, broadcasting schools, correspondence schools and so on; reorganizing liberal education so that it can help better in economic construction, political work and the building of spiritual civilization and can provide a contingent of revolutionary, young, educated and professionally competent cadres.

All schools of various categories at various levels throughout the country must further improve their teaching quality and adhere to the principle of all-round development in moral, intellectual and physical education. We must, particularly at present, emphasize educating the vast number of students with communist ideology so as to enable them to resist the corrosion of bourgeois ideology, see through erroneous ideas of every description

and thus grow into a new generation of communists in the new situation when the policy of opening the door to the outside world and enlivening the economy at home is being carried out. We educational workers must fully realize that we are shouldering an especially glorious and important mission of providing youngsters with communist ideological education and that, being both Red and expert, we must impart knowledge as well as educate people.

In order to create a new situation in educational work, we must also enhance our revolutionary vigor, improve our efficiency, go deep into the reality of life and work in a down-to-earth manner. At the same time, we hope that the party and government leading comrades of various departments in various places can put educational work on the important agenda, just as they have done with agriculture, energy production and communications, and seriously investigate and solve various problems existing in education work. At present, they should particularly assist in reorganizing the leading bodies of the educational system; select those "experts" who are enthusiastic about and are familiar with educational work, to hold the leading posts; try every means to increase educational funds and improve the conditions of schools; further implement the policy toward intellectuals, enhance the social status of teachers and improve their living and working conditions so as to more effectively mobilize the initiative of the vast number of teaching and administrative staff. Since our country's educational cause is large in scale, and since the state cannot take care of everything, we have to mobilize the whole society to engage in the job. At the same time, we must work out the relevant principles and policies and some basic rules and regulations so as to ensure that all areas of society can play more active roles under the unified planning of the state.

Zhang Guanghou [1728 1684 0624]: "Cultivate Scientific and Technical Personnel With Communist Ideology"

In his report to the 12th CPC Congress, Comrade Hu Yaobang set the building of a high degree of socialist spiritual civilization as a strategic guideline for socialist construction. This was a very correct and necessary decision. Here I would like to talk about my understanding of the building of socialist spiritual civilization from the viewpoint of the cultivation of qualified personnel.

The key to the four modernizations is modernization in science and technology. To fulfill this task, we need to cultivate a vast number of scientific and technical personnel. I am a researcher in basic mathematical theories. Is it enough for me to just do a good job in my own field? In view of the course of struggle of some accomplished mathematicians and my own experience, I truly realize that one's accomplishments are the fruits of many factors. These factors can be generally classified into three aspects, namely, moral, intellectual and physical education. I am not going to talk about the role of physical education here. As far as morality and intelligence are concerned, all our accomplished predecessors were not only equipped with an enviable and rich store of knowledge, but also with moral integrity, which is worth being followed. In fact, it was the latter

which enabled them to build their rich store of knowledge and to make great contributions. It is one-sided or even wrong to simply attribute their achievements to chance and their gifts such as intelligence, talent and luck. Take me as an example. Is it simply because I have had a rather solid foundation in mathematics that I have been able to engage in mathematic studies and thus have achieved certain successes? The answer is no. I was born into a worker's family and led a very poor life in the old society. I began to work as a child laborer in the Kailuan coal mine when I was 8 or 9 years old. At that time, I never thought about or, to put it bluntly, could not possibly think about studying mathematics. My highest goal at that time was nothing more than to become a technical worker in the coal mine. However, my poor living in the old society led to my hard-working spirit and tenacious character. After liberation, I had the opportunity to go to junior secondary school. Although I began to be interested in mathematics then, I did not think about taking mathematic studies as my career. I had only an idea in my mind: I am determined to devote my life to the party's revolutionary cause under the party's guidance; I will do anything with which the party entrusts me. It was at that time that I laid down a solid foundation in politics and began to link my destiny with the party's cause. Only when I went to senior secondary school did I make up my mind to devote my life to mathematics research for my motherland. But, on the other hand, I was also prepared to respond at any time to any call of the party. I think that it was during the above three periods when I laid foundations in various aspects. One's path is by no means smooth. Mishandling at a single link may have serious effects on one's lifetime cause. When the Lin Biao and Jiang Qing counterrevolutionary cliques were running amok, I bore pressure in my academic research due to the unfavorable political climate, as well as having faced seriously difficult working and living conditions. The spiritual support which spurred me to carry on scientific studies was the communist ideal. I understand that the party has paid very much for cultivating me. So, I must not spend the people's money freely and just let my life slip idly by. My own course of growth is a good example to demonstrate the important role of socialist spiritual civilization in the cultivation of a qualified person. In order to become a qualified person in the field of science and technology, one has to devote considerable effort to strengthening scientific and technological studies as well as improving political understanding.

No matter what career in which we are engaging, the ideology guiding our work must be nothing other than communism. Personal fame and gain, for example, can be an effective incentive to temporarily push one to work hard in scientific and technological fields. However, the effect of such an incentive cannot be sustained and is limited or even dangerous. There are numerous examples to illustrate the bitter experiences in this respect. Because the socialist system has been founded and developed in our society under the communist ideological system, any nonproletarian ideology existing in our minds can actually conflict with reality. If we uphold these wrong things instead of overcoming them with communist spirit, we will surely run into snags and be foiled everywhere. Thus, we will not only take to evil ways politically, but will also be utterly disheartened since we will always suffer setbacks. Only by arming ourselves with communist ideology can we everykeep our revolutionary spirit young.

Li Yanjie [2621 3601 2638]: "Educate the New Communist Generation in Proletarian Love"

To build a high level of socialist spiritual civilization is a common task of the whole party and all the people of the country. Teachers should be active propagandists of spiritual civilization and communist teachers should be more active and spontaneous propagandists because, first of all, we are communists and, second, teachers. A teacher should possess the morality of a teacher and love his pupils and teach them knowledge and cultivate them, that is to say, he should cultivate a new communist generation with proletarian love and get them to understand that the glorious cause is to liberate all mankind and that the best ideology is to fight all his life for the cause of communism.

A communist teacher should not take teaching as a means for making his living. He is a builder of spiritual civilization devoted to the cause of communism. Having this understanding, he will perceive the sense of responsibility and will not only sit in his study writing books or teaching in the classroom, but will also be deeply rooted among the youth, attaching importance to their healthy growth. As I told the life stories of Lu Xun and Wen Yiduo, I was frequently moved by their spirit of selflessness in the educational cause. They were illuminating, like a burning candle, the road to advance for youth. They could do it in the old society, which was an abyss of darkness, but why can we not do it in the socialist society? I am determined to take them as examples and strive to do more work for the people. At present, apart from teaching in the classroom, I make public reports for the youth in order to make close contact with the young people and to absorb political nourishment from them.

In recent years, I have received several hundred youths who came to visit me and 7,000 letters from them. Through these contacts and correspondence, I have come to realize that although their hearts were heavily broken during the 10 years of turmoil, they are never demoralized and most of them are willing to follow the party and are ready to accept ideological education in communism. Actually, the splendor of communist thought is shining among the advanced youth. For instance, Zhang Jun from Shaanxi, only 19 years of age, seeing a powder magazine burst into flames, rushed to the fire on four occasions within 5-6 minutes and saved 86 bags of detonating powder. Feng Jianhu, a telephone office worker from the railway department, is 20 years old. One day, as he was working beside the railway, he suddenly discovered a small girl picking out unburned coal from among cinders along the track. Meanwhile, a train was rapidly approaching the girl and was only 40 meters away. At this critical moment, he raced against the train, took the child in his arms and came rolling away from the track together with her. Thus, a life was saved from the jaws of death. People consider him a figure like Ou Yanghai.

Chinese youth possess revolutionary tradition. In particular, since the 3d Plenary Session of the 11th CPC Central Committee, encouraging change has taken place in the political ideology among the youth. Perplexed at the 10 years of internal disorder, they have woken up and after pondering things and

making comparisons, have come to realize that the CPC is great and have strengthened their ideal and faith in communism. While some people have lost confidence in the rectification of bad party style, there is a student of 18, full of enthusiasm of fighting for communism, who joined the CPC. He expressed in unequivocal terms: "I join the party because vice still exists in the world. Why would we need the party if the whole world were bright?" This is the "fresh blood of the party body," the new and healthy force that is capable of waging uncompromising struggles against vice in the party.

As teachers and gardeners devoted to cultivating the new communist generation, we should try by every possible means to contact the youth and be their bosom friends; the common things existing between them; educate them by having a definite object in view; discover their positive factors and encourage them to advance. In the past few years, in connection with teaching classical literature, "making the past serve the present," I have inserted moral education in intellectual and aesthetic education. I strive to adopt the method of "what is taken from the youth is used in the interest of the youth." I cite the advanced deeds of the youth to compile books, to make reports and to encourage the youth in the school and in society to learn from each other.

We should hold high the banner of the 12th CPC National Congress and unite more comrades with the view of doing a good ideological job for the youth. Recently, the All-China Federation of Trade Unions and the Beijing Municipal CYL Committee organized youth friendship training courses, and I am responsible for art education. More than 100 propagandists from Beijing and other localities of the country joined these two training groups. Since the study, all of us have made certain improvements ideologically, theoretically and in the art of lecturing. There is a big number of socialist civilization building lecturers who will become friends of the youth and are to be welcomed by them. We are also going to run well self-study universities under the party so that the present 250,000 students in training courses will become more socialist-minded and professionally proficient and more active builders of socialist spiritual civilization.

Xu Xing [1776 5429]: "Building Socialist Spiritual Civilization Corresponds to the Desire of the Party and People"

We are studying the 12th CPC Congress documents. In the study, I profoundly perceive that politically and theoretically, the party Central Committee has thoroughly discussed the significance, role, content and key point of building socialist spiritual civilization and the important measures for promoting the building of socialist spiritual civilization. This has made our minds clearer and our vision broader. Now, I initially review my study experiences in the following three points:

1. Comrade Hu Yaobang clearly pointed out in his report to the 12th CPC National Congress: "Socialist spiritual civilization is an important characteristic of socialism and an important manifestation of the superiority of the socialist system." I think that these two phrases can be considered

as a key point of important significance for building socialist spiritual civilization. The expositions on building socialist spiritual civilization by the party Central Committee have enriched the theory of scientific socialism and have defined the core of communist ideology for socialist spiritual civilization. The elimination of the system of exploitation and the establishment of the public ownership system for the means of production, distribution according to work, the development of national economy according to plan and proportion and the political power of the working class and laboring people are the characteristics of socialism. This enables us to have an all-round and complete knowledge. It can be considered that only by completely and thoroughly understanding socialism can we be able to comprehend socialism, socialist spiritual civilization and the strategic significance of building a high level of socialist spiritual civilization in the socialist cause. It is impossible to develop socialism without this spiritual civilization.

2. The strategic policy posed by the party Central Committee on simultaneously building material civilization and socialist spiritual civilization corresponds to the desire and demand of the people as well as to the law of socialist development. Since the 3d Plenary Session of the 11th Central Committee, the party Central Committee has led the people of the country to bring order out of chaos and has carried out a key change in the focus of party work. This has provided the people with a definite orientation, goal, ideal and spiritual power and has aroused the people's enthusiasm and knowledge for creating a new life in the building of socialism. Many advanced figures are seen in all fields. They are characterized by their firm faith in the cause of communism or their spirit of devoting themselves to it, their patriotic and collective spirit of socialism, their communist spirit of sacrificing their own interests for the sake of others; they are so devoted to public service as to forget their own interests, attaching great importance to the public interest and protecting public ownership. This advanced ideology actually exists in our daily life and vigorously affects and changes the concept and spirit of the people, and brings along the whole society. Numerous facts have proved that the building of socialist spiritual civilization accords with the desire of the party and people and is in line with the trend of history.

3. Now, our present task is to earnestly follow the orientation and track provided by the Central Committee and to carry forward more effectively the socialist spiritual civilization cause (including ideological and cultural undertakings) in accordance with the measures and demands put forward by the Central Committee. In this glorious undertaking, we propagandists, theoretical workers, educational workers, scientific workers, literary and art workers, journalists and publishing workers are shouldering very important tasks. Under the leadership of the Central Committee, we should conscientiously study the relations between the building of socialist spiritual civilization and the job of our departments, make clear the demands put to us by the spiritual civilization and understand how we can further improve our work, in accordance with the characteristics existing in the job of our department, in order to make due contributions to socialist spiritual civilization and to effectively avoid the unfavorable factors in socialist

spiritual civilization which might emerge in work, and to resist the corrosive influence of decadent factors. Only thus will we have clearer ideas and under the unified plan of the party, make continuous efforts and strive to cultivate more members of society by converting them into laborers with ideals, morality, culture and discipline.

Luo Guojie [5012 0948 2638]: "Strengthen Education in Communist Morality"

The report of the 12th CPC Central Committee says that communist ideology is the core of socialist spiritual civilization. Education in communist morality will play an important role in the building of socialist spiritual civilization. Under socialist conditions, communist morality is the spiritual link for establishing new relations between the people. Communist morality generally comprises five universal points of significance and the most important standards. First, to wholeheartedly serve the people, that is, to ardently love the people, attach great importance to the people and proceed in all cases from the interests of the people. Second, the communist attitude toward labor urges all laborers to take labor as a glorious task of a citizen and to observe labor discipline in order to make more contributions to socialist construction. Third, to protect public property and to acquire the socialist concept of public property as sacred and inviolable. Fourth, to adhere to science and the truth, to urge people to study hard, to acquire scientific theory and to persist in the truth and to develop it in practice. Finally, to uphold socialist patriotism and internationalism. It urges people to protect the national dignity and national interest, and to link the national interest with the general interests of the whole of mankind. These several standards are indispensable to communist morality.

We stress communist moral education because it is linked to the remolding of people's ideology under socialist conditions. While building socialism, we must constantly improve people's material living standards and, at the same time, we should make our new generation people with ideals, morals, culture and discipline. Only thus can we guarantee that socialist construction will not lose its way. The building of material civilization is an indispensable basis for the creation of spiritual civilization, but on no account must we consider that the building of spiritual civilization is of little importance. Practical life will constantly and clearly show that if the people do not remold their ideology and cultivate lofty communist morality, it is entirely impossible to develop socialist modernization and to advance along the track toward a high level of communism.

The undertaking of communist moral education must be integrated with the practical problems that people are facing in their work, study and labor, and they must be patiently and painstakingly inspired and guided. Only thus can sympathy for communist morality be aroused in the hearts of the people and can they understand the importance of heightening their morality, so that an increasing number of members of society can conscientiously bring their deeds in line with communist morality.

Zhou Taihe [0719 1132 0735]: "Strengthen and Perfect the Economic Responsibility System"

In his opening speech at the 12th CPC National Congress, Comrade Deng Xiaoping called on the whole party; for a time to come, four tasks have to be tightly grasped, and the reform of organs and economic systems must be considered as an important task. The reform of the enterprise administrative system comprises an important part of the whole system reform. In order to arouse the initiative of enterprises and laborers, the system of job responsibility must be implemented in management and administration in state-owned and collective enterprises. In recent years, while implementing the eight character policy of national economic readjustment, restructuring, reorganization and upgrading, the economic responsibility system which has been carried out by the industrial enterprises in responsibility, power and profit, has achieved some results by enhancing the initiative of the enterprises, improving them and raising economic returns. In order to strengthen and perfect it, we hold that at present, the following questions have to be resolved:

1. The enterprises which are implementing the economic responsibility system must, first of all, strengthen planning and administration, must be responsible for the plan provided by the state and must run well the business of the enterprises in accordance with the requirements of the state's plan. Therefore, leading cadres of the enterprises have to acquire economic knowledge, know how to plan and to run the business, first be responsible for running the enterprises well and strive to achieve the best economic returns. Our national economy puts planned economy in the leading role. Enterprises, as grassroots units of economic activity, must completely fulfill the state's plan. Therefore, enterprises must convert the state's plan into their own plan, putting it in the light of their own practical conditions. Only by planning production will we be able to run our businesses well. At the same time, we must also implement the complete plan down to every post at all levels and to every person. That is to say, we must strictly carry out the economic responsibility system. How can we run an enterprise if we entirely depend on the state, do not assume responsibility for the profit and loss or do not stress economic returns? We should employ those who know how to plan and run the enterprises or are specialized in taking "strategic problems" into account. Raw material and fuel sources and product sales volume must also be taken into full account. Naturally, it is impossible to make all decisions by the enterprise in planned economy; it is important that the leading cadres of the enterprise understand the state's economic situation and gain a clear idea of the state's plan and market development and hold themselves responsible to the state. In the fall of last year, Comrade Zhao Ziyang pointed out that in order to implement well the economic responsibility system, it is important to combine the implementation of the economic responsibility system with the strengthening of planning and administration so that the enterprises will be able to operate in the light of the state's plan and the demands of society. The most important experience acquired by the Shoudu Iron and Steel Company in implementing the economic responsibility system is that it arranges production in accordance with the state's plan and requirement, every level

assumes responsibility, and each of them is responsible for the task until it is completed and pledges to fulfill the state plan in an all-round way. The economic administration departments must also be economically responsible to the state and must assume responsibility for fulfilling state plans.

2. Enterprises should have a certain decisionmaking power. Such power must be given to the enterprise so that it may have initiative in running its administration well and may fully bring this initiative into play. Since 1979, we have expanded decisionmaking power in some pilot project enterprises, enabling them to have power in marketing some products, in utilizing retained profits, in issuing bonuses, in appointing and removing cadres at middle level and so on. This has increased vigor in the enterprises and revived them. In 1981, we implemented the economic responsibility system by setting profit quotas for enterprises and adopting measures of reward linked to profits to the staff members and workers. All localities have adopted various forms of retention of profits and reward in the light of their own conditions. This has further aroused the initiative of the enterprises and workers and improved the administration and management of the enterprises. In the future, following the process of administration system reform, the decisionmaking power of enterprises will be continually practiced and developed. For instance, marketing power to some extent is to be given to the enterprise and a system of good price for good quality will be imposed. This will serve to closely link production and marketing, to improve quality, to expand the market and to raise the social economic returns.

3. Implement the principle of distribution according to work. The egalitarianism existing in distribution has for years seriously affected the initiative of staff members and workers. The implementation of the economic responsibility system and the principle of material interest has partially eliminated the evils of egalitarianism inherent in wages over a long period of time. A bonus principally comprises reward in excess of labor quota. Before the reform of wages is completed in an all-round way, the division of bonuses into categories serves to adhere to the principle of distribution according to labor. Why is the economic system of labor responsibility well received by the people? One of the most important factors is that people urge the implementation of the principle of distribution according to work. If the total amount of bonuses must be put under control and distribution according to labor must be handled well, what is to be done? According to some units' experiences, bonuses should not be leveled out among units and the distribution of bonuses for individuals might have to be increased or decreased.

As regards distribution of profits for enterprises, the relations between the state, the enterprise and the laborer should be handled correctly. In order to guarantee that the state can concentrate financial resources for energy, communications and other construction, the principle of turning over a greater proportion to the state should be implemented in the distribution of profits. In the distribution of the three retained funds in the enterprises, a rational proportion between production funds, welfare funds and staff and workers' bonuses should be stipulated in the light of the

enterprises' specific conditions. A considerable amount of production funds should be ensured so that the enterprises can constantly improve their technology and tap their potentials.

4. Conduct enterprises' readjustment in an all-round way and simultaneously carry out necessary reform. The economic responsibility system should be stressed at all levels, from the leading organs to the enterprises. Only by completing enterprise readjustment and all basic tasks will the economic responsibility system be stabilized and gradually perfected. At the same time, the necessary reforms indispensable to completing the economic responsibility system should be vigorously experimented with at selected points or optionally arranged. Reform within an enterprise should be linked with the reform of the entire industrial administration system, and the relations between the part and the whole should be improved. With the constant progress of production technology, they should be constantly improved. A complete and specific system and measures must be found and adopted to suit industrial characteristics, to further arouse the initiative of the enterprises and staff members and workers and to bring about an overall upsurge in the socialist economy.

You Lin [2589 2651]: "Planned Economy Is a Basic Feature of Socialist Economy"

The general program of the party constitution and Comrade Hu Yaobang's report have reaffirmed that the socialist economy can and must develop in a planned and proportionate way. They pointed out that it is absolutely necessary for us to have a planned economy based on public ownership.

What is referred to as the planned economy is coordinated development of social economy based on unified planning. Production is socialized under the capitalist system. However, the means of production are still owned by the capitalists individually. Therefore, an extremely acute contradiction has occurred. Planned division of labor is practiced in the capitalist enterprises, which is characterized by being well organized. However, the production of the whole society, being dominated by the spontaneous division of labor, is in a state of anarchy. Thus, the market has become the only form of mutual contacts and the only regulator of production and circulation. The spontaneous market regulation maintains the proportional relationship heeded for the development of capitalist economy, but this is achieved through the frequent disruption of proportion and serious economic upheavals and crises. The establishment of socialist public ownership has made planned economy an objective requirement and opened the possibility for its realization. The planned development of social economy shows that social relations of production no longer rule people as an alien force. They have become jointly owned and brought under the control of the people working together. People's economic activities are no longer prompted by an unknown force but are conducted according to schedule. This constitutes a great leap in the history of mankind. Planned economy comes into being on the basis of public ownership. It also shows, from an important aspect, the nature of socialist production relations. Therefore, it is entirely correct to regard the planned economy as a basic feature of socialist economy.

Some comrades have summarized the basic feature of socialist economy as the commodity economy. This is open to doubt. Everybody knows that commodity production and exchange have been in existence for thousands of years. They are a common phenomenon of the widely different modes of social production. Viewed from the general character of commodity production, they only reflect a mutual relationship between commodity owners. They do not contain more complicated relationships. The essence of capitalism cannot be summarized as a commodity relationship. When criticizing the attempt of philistine bourgeois economists to sum up the relationship between the interested capitalist parties as a simple relationship brought about by the circulation of commodities, Marx pointed out: "If we only know the abstract categories of commodity circulation shared by these modes of production, we are still unable to understand the different features of these modes of production, nor are we able to make a judgment on these modes of production." ("Complete Works of Marx and Engels," Vol 23, p 133) This is because, in the capitalist economy, the law of commodity ownership has been transformed into one of capitalist ownership. It is all the more impossible to summarize the essence of socialist economy as a commodity relationship. In China, it is necessary to vigorously develop commodity production and exchange. However, if we summarize our economy as a commodity economy, it is necessary to regard all state enterprises as independent economic entities possessing all the functions and competence of commodity producers and owners; to regard, under socialist conditions, the most fundamental relationship among people as one of exchange of commodity equivalents and not one of joint ownership and labor; and to regard the factor controlling our economic activities as being primarily the law of exchange at equal value (which, in fact, is an exchange of equal labor) and not the basic socialist economic law and the law of planned development. This will obscure the distinction between the socialist and capitalist economy.

Will it hamper the development of commodity production and exchange if we do not summarize the socialist economy as a commodity economy? No. On the contrary, it will help commodity production develop along the socialist path. In "Questions of Soviet Socialist Economy," Stalin pointed out that we should never regard commodity production as something which independently exists without relying on the surrounding economic conditions and that commodity production exists in several different societies and serves different social systems. In China, commodity production depends on the economy of socialist public ownership, which develops in a planned way and in which the state economy holds a dominant position. It serves the socialist system. Only by clarifying this point is it possible for the developing commodity production to become socialist commodity production beneficial to socialism.

Sun Shangqing [1327 1424 3237]: "Step Up the Study of Economic Structure for the Realization of Strategic Objectives"

The report to the 12th party congress pointed out that, in the period of the Sixth Five-Year Plan, an important job to which we must devote our main efforts is to continuously readjust the economic structure and, in the period of the Seventh Five-Year Plan, to continuously complete the

rationalization of the economic structure in various fields. Here, the gradual rationalization of the economic structure has been put forward as a very important task for laying a solid foundation and accumulating strength in the first decade and for creating the necessary conditions for a new period of vigorous development in the second. A rational economic structure is an important condition for achieving better economic results and faster speed of development. What is referred to as a rational economic structure should be one which not only promotes current economic development, but one which is also beneficial to future economic development. It includes structures of both the productive forces and the production relations. In order to ensure the realization of our strategic objective, it is necessary to study well all these structures and raise scientific proposals for these structures.

Rationalization of industrial structure is a basic condition for the proportionate and coordinated development of the national economy. The report to the 12th party congress has stipulated the strategic priorities of economic growth such as agriculture, energy and transport and education and science. It has not only set definite demands on the current readjustment of economic structure, but has also shown clearly the orientation for the rationalization of industrial structure in the next two decades. Our task is, on the basis of major achievements scored in the readjustment of industrial structure over the past few years, to study the trend of future changes in China's industrial structure and raise proposals for the industrial structure in different stages of development so that the structures of various departments, such as agriculture, light industry, heavy industry, communications and transport, building industry, commerce and the service trades, become the best structures for the realization of strategic objectives. It is also necessary to penetratingly study product structure. Quadrupling the gross annual value of industrial and agricultural production is not tantamount to quadrupling the output of all products. It is impossible to quadruple some products, such as energy and certain raw materials. However, it is possible to increase the output of some other products, such as machinery and electronics and petrochemical products, by several, a dozen or even several dozen fold. Within a trade or profession, the growth of various products will also differ in thousands of ways. This makes it necessary to study proposals concerning product structure in order to make sure that the development between the various departments or within the department itself helps to improve the economic results of society.

The realization of strategic objectives should primarily depend on technological progress. It is necessary to study, in light of China's conditions characterized by a huge labor force and a relatively low technological level in production, proposals for China's technological structure so that there is a rational ratio between automatic, semiautomatic, mechanized, semimechanized and manual operations. It is also necessary to study changes in the respective stages of development and to formulate scientific proposals in coping with the situation in order to continuously raise, while expanding employment, labor productivity and the technological level.

When expounding the necessity of upholding the leading position of the state economy and developing different economic forms, the report to the 12th party congress has also scientifically defined the various basic principles for China's ownership structure. It has also called for the rational distribution and development of different economic forms in order to invigorate the urban and rural economy and to make life more convenient for the people. This makes it necessary to set up a rational ownership structure. Therefore, it is necessary to study proposals for the ownership structure which conforms to the productive forces in different stages of development in order to correctly bring into play its positive role in promoting the development of production forces. Undoubtedly, this is also an important subject facing economics.

The research task of economics is diversified. It is also extremely strenuous. So long as we penetratingly study and correctly understand the guidelines of the documents of the 12th party congress and implement them in various research tasks, we will certainly be able to create a new situation in all fields of socialist modernization and make our contributions.

Liu Guoguang [0491 0948 0342]: "The Economic Program of the 12th Party Congress Reflects the Requirement of the Objective Economic Law"

Now I would like to discuss with you, from the requirement of economic law, my initial understanding of the guidelines of the economic program expounded in the 12th party congress.

1. Let us look at this problem from the requirement of basic socialist economic law. Since the 3d Plenary Session of the 11th CPC Central Committee, our party, when formulating new economic principles and policies, has placed the aim of socialist production in a very important position. It was pointed out in the report to the 12th party congress that, on the basis of quadrupling the gross annual output of industrial and agricultural production, efforts should be made to increase the income of the urban and rural population several times over so that the Chinese people will be comparatively well-off both materially and culturally. The report explicitly pointed out that the means to this end can only be the vigorous development of production. The report also made important stipulations in various fields, such as increasing production and practicing economy, the accumulation and distribution of funds, key construction projects and technological transformation. All these will help to meet the requirement of basic socialist economic law in a relatively satisfactory manner.

2. Let us look at this problem from the requirement of the law of developing the economy in a planned and proportionate way. Lenin pointed out: What is referred to as planning is a balance constantly and conscientiously maintained. The report to the 12th party congress pointed out: "China has a planned economy based on public ownership." That is to say, it is necessary for China's economy to constantly and conscientiously maintain its proportionate development. The economic program of the 12th party congress has made important stipulations in two areas--the readjustment of ratio and structure and the reform of planning. With respect to the readjustment of

ratio and structure, the report pointed out that it is necessary to regard agriculture, energy and transport and education and science as the strategic priorities in China's economic growth in the next two decades and, centering around the national economy, carry out readjustment and rationalization of the various economic structures. With respect to planning reforms, the report pointed out that it is necessary to determine, according to different circumstances, the limits and scope of the three different forms of planning, namely, mandatory planning, guidance planning and regulation by market mechanism, and, on the basis of strengthening state unified planning and overall balance, continuously bring into play the supplementary role of regulation by market mechanism. So long as we succeed in establishing a scientific planning system which conforms to China's conditions, we will be able to realize in a better way the requirement of the law of developing the economy in a planned and proportionate way.

3. Let us look at this problem from the requirement of the law that the relations of production must conform to the nature of productive forces. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has, on the basis of upholding the leading position of the state economy, encouraged and supported the urban and rural collective economy and the individual economy within a certain limit and has allowed the coexistence and development of different economic forms, thus promoting the prosperity of urban and rural economy. The economic program of the 12th party congress has affirmed this orientation, explicitly pointing out the necessity for China to maintain different economic forms for a long time to come. It has also more conscientiously applied the law of production relations conforming to the nature of productive forces to the rational distribution and development of different economic forms, with the state economy as the main body. In addition to the different economic forms, the report to the 12th party congress has also dealt with different forms of management and has set forth the task of continuously achieving rationalization of organizational structure of enterprises. These policies and measures will certainly further improve China's socialist relations of production and thus promote further development of the productive forces.

4. Let us look at this problem from the requirement of the law of value. The report to the 12th party congress has further expounded the scope and ways of functioning of the law of value. 1) The scope of the spontaneous regulatory role of the law of value is limited to the production and circulation of some products not listed in the plan. A complement to planned production and circulation, it plays a subordinate and secondary role but is also essential and beneficial. 2) State planning consciously utilizes the scope of functioning of the law of value, including the production and circulation of products listed in the plan. But whether in mandatory planning or in guidance planning, we should constantly study changes in market supply and demand, and constantly make use of such economic levels as pricing, taxation and credits to guide the enterprises in fulfilling state plans. This part of the planned production and circulation is the main body of China's national economy. All these are of great importance to the implementation of the principle of ensuring the leading role of planned economy, which is supplemented by regulation by

market mechanism, and to the vigorous development of socialist commodity production and exchange, thus bringing about an all-round upsurge of the socialist economy.

Li Zhengzhong [2621 7201 0022]: "Uphold the Principle of Relying Mainly on the Planned Economy and Supplementing It With Regulation by Market Mechanism"

The principle of "relying mainly on the planned economy and supplementing it with regulation by market mechanism" expounded in the report to the 12th party congress is a scientific summing-up of the experience gained in China's socialist construction in the past three decades and more. This principle, which has satisfactorily integrated a strong sense of principle with a high degree of flexibility in socialist economic management, should be made an orientation for reforming China's economic management system.

A socialist society should practice the planned economy; it cannot do otherwise. This is because the planned economy is the objective requirement of mass production and the inevitable consequence of the supersession of capitalist private ownership by socialist public ownership. Just as Lenin said: "Socialism is inconceivable without planned state organization, which keeps tens of millions of people to the strictest observance of a unified standard in production and distribution." ("Selected Works of Lenin," Vol 3, p 545) It was explicitly pointed out in the report to the 12th party congress that the planned and proportionate development of the national economy is an important feature of socialism. This shows that in upholding socialism, it is necessary to uphold the planned economy. We should not confuse with the planned economy some imperfections or even some shortcomings and mistakes in planning, still less should we negate the planned economy because of this. Naturally, in order to uphold the planned economy in a more satisfactory manner, it is necessary to strengthen and improve management, raise the standard of planning and improve the system and methods of management. Only in this way is it possible to bring into full play the superiority of the planned economy.

The report to the 12th party congress listed three forms of planning: mandatory planning, guidance planning and regulation by market mechanism (that is, the enterprises flexibly arrange their production according to changes in market supply and demand). These three forms are in fact the crystallization of the principle of relying mainly on the planned economy and supplementing it with regulation by market mechanism. The adoption of the three planning forms conforms to China's reality and the distinguishing features of socialist planned economy. In the present state of our country, there are still two forms of public ownership, the state economy, which occupies the leading position in the entire national economy, and the collective economy of the working people. At the same time, there is also the individual economy of urban and rural working people. Socialist commodity production and exchange still extensively exist. Mass production is still uneven in different departments and localities. Under these circumstances, we cannot adopt a single planning form but should adopt the forms of mandatory planning, guidance planning and regulation by market mechanism according to different circumstances.

The three forms are integrally related with one another and none of them can be dispensed with. They have different status in the planning system. Mandatory planning occupies a leading position. Only with the coordination of mandatory planning can guidance planning and regulation by market mechanism play their proper roles. However, the realization of mandatory planning is inseparable from the coordination and supplementation of guidance planning and regulation by market mechanism, particularly guidance planning. This is because guidance planning has a fairly extensive scope and also plays an important role in promoting the proportionate development of the national economy.

The CPC Central Committee has stressed the implementation of mandatory planning in a certain scope. This is not an expedient measure. I agree with the view that mandatory planning is an important feature of the planned economy. This view conforms with the Marxist principle of planned economy. The planned economy calls for readjustment in the proportion of social reproduction through the economic plans. It goes without saying that these plans should be implemented by the leading economic bodies at various levels and all the economic organizations. The national economic plan is not a general appeal but a program of action for mobilizing a mighty force to realize the strategic tasks of the party and state for economic development. If we do not have mandatory planning as well as its binding force, we do not have a planned economy. Naturally, we do not mean that the greater the scope of mandatory planning the better. The scope of mandatory planning should be determined according to actual circumstances. At the same time, in mandatory planning, we must also "strive to make it conform to the objective reality, constantly study changes in market supply and demand, consciously make use of the law of value and such economic levers as pricing, taxation and credits to guide the enterprises in fulfilling state plans, and give them varying degrees of powers to make decisions as they see fit."

He Jianzhang [0149 1696 4545]: "Build a Socialist Economic System With Chinese Characteristics"

In his opening speech to the 12th party congress, Comrade Deng Xiaoping said: "To integrate the universal truth of Marxism with the concrete realities of China, blaze a path of our own and build socialism with Chinese characteristics--this is the basic conclusion we have reached in summing up long, historical experience." What characteristics does socialism with a Chinese style have? In his report to the 12th party congress, Comrade Hu Yaobang gave a general description of these characteristics. My impression is that, viewed from the economic system, socialism with a Chinese style should comprise the following two aspects:

1. With respect to the structure of ownership, we should implement the principle of maintaining, on the basis of the absolute predominance of socialist public ownership, different economic forms for a long time to come. Comrade Hu Yaobang said: "As the level of development of the productive forces in our country is on the whole still fairly low and uneven, it is necessary to maintain different economic forms for a long time to come."

Our lesson in the past was that we blindly sought "continued revolution" in the relations of production, departing from the specific conditions in the development of China's productive forces. After the socialist transformation of the private ownership of the means of production was basically completed, we were again busy undertaking a "poor transition" without so much as summing up the experience, consolidating the gains in victory and correcting the shortcomings in our work. By the time the "gang of four" was smashed, in both cities and towns there was almost exclusive economy under ownership by all the people; in the rural areas, there was nothing left except the collective economy of the people's commune, which integrated government administration with economic management. This practice was divorced from China's national conditions and brought about serious consequences. Since its third plenary session, the CPC Central Committee has rectified this "leftist" guiding ideology, reaffirming that ownership by the whole people and by the collective are two basic forms of socialist public ownership. The socialist state sector occupies the leading position in the entire national economy. It is necessary to vigorously develop the collective economy, including the cooperatives financed and run by young people and other residents. We must encourage the appropriate development of the individual economy of urban and rural working people within limits prescribed by the state and under supervision by industrial and commercial administration. In agriculture and industrial and commercial enterprises, it is necessary to set up and popularize various forms of the responsibility system, including the system of responsibility for profit and/or loss in some of the state enterprises. It is precisely due to the implementation of a series of correct policies which conform to the development of China's productive forces that the economy has been initially invigorated. This has played a useful role in promoting urban and rural economy and in making life more convenient for the people. At present, it is necessary to consolidate and improve the agricultural production responsibility system and explore diverse and better forms of cooperative economy. It is necessary to explore and formulate a set of specific systems and methods which conform to the characteristics of industry and commerce and which not only ensure the unified leadership by the state but also bring into play the initiative of enterprises and their staff and workers. With respect to some problems that crop up in the course of developing the cooperative economy financed and run collectively and the individual economy, we should also make efforts to solve them and strengthen management over them.

2. With respect to the planning system, it is necessary to implement the principle of "relying mainly on the planned economy and supplementing it with regulation by market mechanism" and practice the method of integrating mandatory planning with guidance planning and flexible arrangement of production. Mandatory planning is aimed at enabling the state to directly control and allocate the necessary material and financial resources for the planned and proportionate development of the national economy and the stability of the people's livelihood. However, it is neither possible nor necessary for the state (including the various departments and localities) to assign mandatory targets to various economic forms and several hundred thousand enterprises for a great variety of products. At present, there are only 140-odd kinds of industrial products administered by the State

Planning Commission which, if we add the industrial products administered by the various departments, come to about 500. There are more than 250 kinds of goods and materials for unified distribution by the State Planning Commission and State Administration of Supplies and there are only about 580 kinds of goods and materials administered by the various departments. Therefore, in addition to mandatory targets, it is entirely necessary to have guidance targets and to allow enterprises to arrange their production flexibly in accordance with market conditions. What merits further study at present is the respective scope and limits of mandatory plans, guidance plans and regulation by market mechanism. It is particularly necessary to explore ways to implement them for various products and enterprises in various departments and localities. It is necessary to draw up a system of targets which is provided with a scientific basis and a list of products for management at different levels. This is a very complicated and meticulous job. Furthermore, the questions of how to effectively apply the economic levers to realize the guidance plans and how to correctly effect regulation by market mechanism are important subjects facing us.

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APPROPRIATELY POOL FUNDS TO STRENGTHEN CONSTRUCTION OF MAJOR PROJECTS

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[Article by Gui Shiyong [2710 0013 6978]]

[Text] In his report to the 12th party congress, Comrade Hu Yaobang put forward the magnificent goal of quadrupling the gross annual output value in industry and agriculture by the end of this century. For the sake of gradually realizing this goal, an important problem we must solve at present is to concentrate the necessary funds on the construction of major projects. This is an important measure for getting rid of the weak links in the national economy and for ensuring the continued growth of socialist production at the rate we have anticipated.

I

Appropriately concentrate funds to strengthen the construction of major projects is the urgent demand of further strengthening economic readjustment as well as the objective need of long-term economic development.

In recent years, we have carried out a series of major readjustments to the national economy and the serious imbalance in the past in the proportion between consumption and accumulation as well as between agriculture, light industry and heavy industry have become more or less basically coordinated. However, the task of economic readjustment is by no means over, and there are still many problems in the national economy which require solutions. One outstanding problem is that such basic facilities as energy and communications are not in keeping with economic development. In recent years, because of the restriction of all sorts of conditions, the development of energy production has slowed down. However, the phenomenon of serious energy waste has not changed much. In the preceding 2 years, because some heavy industrial enterprises did not have enough production tasks, a portion of their energy was transferred to support the development of light industry. Thus under the condition of no increase or even a slight decrease in the total amount of energy supply, the whole economy still achieved a certain rate of growth. This year, along with the quicker pick-up of heavy industry, the energy shortage has worsened. At the same time, communications and transportation capacities are very much out of line with the increase in freight volume, a great deal of coal has piled up in the mining areas and

cannot be shipped out, and the phenomenon of ships and cargoes laid up in ports is rather serious. These conditions show that when there has been a greater improvement in the proportion between consumption and accumulation and between agriculture, light industry and heavy industry, the focus of economic readjustment work should be shifted toward further solving the problem of the internal structure of agriculture and industry and toward coordinating the relations between energy and communications as well as other departments and progressively alleviating the tense situation in energy as well as communications and transportation. This requires us, while at the same time progressively strengthening energy and communications construction and actively increasing the production and supply of energy, to realistically and effectively develop and save energy.

Concentrating the necessary funds to carry forward the construction of major projects is not only the demand of further carrying out economic readjustment, but more importantly, it is the need of ensuring long-term economic development. Proceeding from the historical experience of our economic construction as well as actual social economic conditions, our economic development henceforth should mainly rely on carrying forward technical transformation, improving management and administration and giving full play to the role of existing enterprises. We definitely cannot, as in the past, rely mainly on putting in huge investments to build large numbers of new enterprises. We must not have the slightest doubt or vacillation on this point. However, this definitely does not mean that we can neglect the building of new enterprises or that we can underestimate the important significance of the construction of new projects which are carrying forward socialist modernization. Our rich natural resources are at present poorly utilized, and there are still many resources requiring exploration and development. Our agriculture field's ability to combat natural calamities is still very weak, and many basic production conditions must be progressively improved. Our industrial technology is still rather backward, and such basic facilities as energy and communications must be strengthened. Many developing industrial departments also require faster development. Our economic distribution is still not very rational, and we must continue to improve it in a planned manner. The solution of all the tasks mentioned above requires us to energetically carry forward the technical transformation of existing enterprises. At the same time, we must construct the necessary new enterprises in a planned manner and reconstruct and expand many of the existing enterprises. Otherwise the expanded reproduction of society cannot smoothly develop.

Take the solving of the energy problem for example. We must give priority to the saving of energy, and at the same time, tap as fully as possible the potentials of existing coal mines and oil fields, and strive to increase the production of energy. We should see that our country's energy shortage is to a very large extent caused by the serious waste of energy. Therefore, we must hold fast to saving energy as a long-term strategic policy. However, this does not mean that the additional energy required for future economic development can be wholly solved by practicing frugality. This is not the case. Large-scale saving of energy involves carrying out the reorganization as well as the technical transformation of the whole industry

and also requires a procedure. In this procedure, economic growth as well as the increase of energy consumption by the people must certainly be guaranteed by a definite amount of additional energy sources. This requires us, based on needs and possibility, to strengthen energy construction as well as relevant communications construction. In the next decade if we cannot prepare the necessary energy sources, communications and other essential material conditions for vitalizing the economy in the 1990's, then we will encounter great difficulty in achieving the strategic dispositions for the whole economic development. The construction of energy sources and communications will require a great deal of money and take a long time. We must make appropriate arrangements well in advance. On this question we would rather make the estimates more difficult and the preparations more adequate than are actually required, for this will be more to our advantage.

Strengthening the construction of major projects requires a considerable amount of money. Where does this money come from? As China is a socialist country, construction funds must rely mainly on internal accumulation. The basic path of accumulating funds is by developing production, raising economic benefit and opening up sources of revenue. In other words, we must first have ways of making money. Only with the development of production, the raising of economic benefit and the increase of public wealth can we keep on improving the livelihood of the people, and at the same time, accumulate more and more construction funds. If we deviate from developing the economy to raise funds, we will be attending to trifles to the neglect of essentials and will be unable to properly solve the question of funds. At present, regardless of whether in the field of production, communications or circulation, the waste of manpower, material resources and financial resources is very serious. Many technical and economic indices are very much lower than those of the economically developed countries, and even not as high as the better level we have reached in the past. There is extremely great potential for increasing production and practicing economy in various fields. If policies are on the right track and work is effectively carried out, it is entirely possible to create more material wealth by making use of the existing financial and material resources and thereby provide an enormous source for the accumulation of funds. The emphasis on ways to make money definitely does not mean we must not pay attention to ways of accumulating funds. It is just the opposite. After wealth has been created, the rational distribution carried out regarding its various uses is of great important significance to whether or not the necessary funds can be accumulated and whether or not the coordinated and sustained development of the national economy can be promoted. In particular, in such a populous and backward country as ours where the average per capita national income is still very low, China is still faced with the strenuous task of improving the livelihood of the people and pushing forward the modernization. Under these conditions, the making of overall planning and arrangement and the correct handling of various proportions in the distribution of national income are of prime importance. An important manifestation of the superiority of the socialist economy over the capitalist economy is that it can concentrate necessary financial and material resources for solving those urgent and immediate problems and thereby promote faster development of the economy. Based on the per-capita

economic index, China is still a poor country and not very well-off in many respects. However, if the funds scattered throughout the country can be rationally centralized, it will become a very impressive force and many important things can be done. This is precisely the strong point of a large country such as ours. If we take advantage of and give play to this strong point, it will play a very important role in pushing forward our socialist modernization. The task we are faced with at present is to appropriately readjust the relations of distribution so as to concentrate necessary funds to strengthen the construction of major projects on the basis of energetically developing the economy and striving by every means to increase national income.

II

For the sake of accumulating necessary funds to guarantee the construction of major projects, we must first continue to handle properly the relations between consumption and accumulation and make unified arrangement for the livelihood of the people as well as production and construction in accordance with the principle "first, feed the people and second, build the country."

In recent years, for the sake of correcting the previous mistake of placing one-sided emphasis on production and construction to the neglect of the people's livelihood, we have adopted a series of measures such as greatly raising the purchasing prices for agriculture products, expanding labor employment in cities and towns, readjusting the wages of workers and staff members and implementing the bonus system to more quickly raise the standard of living of urban and rural people. According to statistics, compared with 1978, the 66-percent increase in the net income of individual peasants and the 44-percent increase in the total wages of workers and staff members in 1981 have both greatly surpassed the 22-percent increase in the gross output value of agriculture and industry and also the 35-percent increase in the total output value of agriculture and light industry for the same period. In these 3 years, the 26-percent increase in the average wage of workers and staff members has surpassed the 7-percent increase in the labor productivity of all personnel of enterprises for the same period. Almost all the new increases in national income during these 3 years have been used for increasing consumption and there has been no increase in accumulated funds. For the sake of evidently improving the longstanding rather low livelihood of the people and thereby arousing the enthusiasm of the masses for production, this practice has been necessary. However, this practice can only be carried out within a specific and relatively short period, and should not and cannot continue forever. If we keep on improving the livelihood of the people to an extent in excess of that of the production growth and labor productivity and use all of the increase in national income on consumption, the accumulation of funds is bound to be affected and production and construction will be impaired. In this way, production will not be able to increase more quickly and the livelihood of the people will not continually improve. We should see that a very great change has already taken place in the condition of the economy as a result of the readjustment in recent years. On the one hand,

the income of the overwhelming majority of urban and rural people has evidently increased and varying degrees of improvement have appeared in their material and cultural life. On the other hand, capital construction investment by the state has already been cut to a minimum. For the sake of ensuring the continued development of the economy, we must make appropriate increases in the future. The price subsidy shouldered by state finance has already taken up more than 30 percent of financial income, and this cannot be increased further in the future. The increase of purchasing power in society for several years has surpassed the increase in commodity supply volume, and the daily increase in surplus purchasing power is affecting the stability of market prices. These conditions explain the inadvisability of continuing the method of freezing accumulated funds to greatly increase consumption funds practiced in recent years, and the proportion between consumption and accumulation should be basically stabilized. Along with the development of production, the consumption level of the people will continue to increase in the future. However, the margin of increase should no longer surpass but should be lower than the margin of production increase. It should be suited to the increase in the production and supply of consumer goods. The accumulation rate may also be appropriately lowered a bit further, but this must be on the premise of increasing the indispensable absolute amount of accumulation. Only in this way can we continue to improve the livelihood of the people, and at the same time guarantee the essential expansion of production and construction and thus enable the livelihood of the people as well as production and construction to be closely linked together, promote each other and push forward the coordinated development of the national economy.

Proceeding from this kind of new condition and demand, for a number of years to come, the increase in the income of the peasants should rely mainly on developing agricultural production and lowering production costs, and should no longer rely mainly on raising the purchasing prices for agricultural products, lowering the base figure of requisition by purchase of assignment and expanding the range of negotiated prices. At present, the productivity and economic benefit of our industry are still rather low, our ability to accumulate funds is not very high, and a process is needed to change this condition. Therefore, the accumulation of a considerable part of the funds needed for giving impetus to modernization must still rely on agriculture. This is not only the bounden responsibility of the broad masses of peasants but also tallies with their fundamental interests. If we do not take into consideration the capacity of the national economy but continue to raise the purchasing prices of agricultural products, this will certainly raise the costs of industrial production, increase the subsidy of prices and reduce the accumulation of funds. This is detrimental to overall economic development. Moreover, by constantly raising the purchasing prices for agricultural products under the condition that industrial efficiency cannot be correspondingly increased, it will also be difficult to have enough industrial goods to exchange with the peasants. In this way, either the peasants with money will not be able to buy the industrial goods they need for the prices of industrial goods will also be readjusted upward. Such conditions are detrimental to economic stability and development, and in the final analysis, also detrimental to the development of agriculture

and the continued improvement of the peasants' livelihood. For the sake of enabling the increase in production to be suited to the development of production, the extent of increase in the wages and bonuses of the workers and staff members should be lower than that of the production increase and labor productivity. If we want to increase income, we should concentrate efforts on raising labor productivity and lowering costs. We definitely cannot indiscriminately issue bonuses and subsidies without taking into consideration the actual increase in production and profit. Only in this way can we improve the livelihood of the workers and staff members and at the same time accumulate necessary funds, and can we balance market supply and demand, stabilize prices, guarantee the continued development of the national economy and create a more solid material basis for unremittingly improving the people's welfare.

When we say that we must appropriately control the increase in consumption based on the new situation, this definitely does not mean that we need not pay attention to the necessity and possibility of improving the people's livelihood. Ours is a socialist country, and our basic goal in carrying out production and construction is, in the final analysis, to satisfy the daily increasing material and cultural needs of the people. This is a basic principle we must always uphold. In recent years, although there has been a great improvement in the people's livelihood, many problems still exist. In the countryside, there has been not much of an increase in the income of the commune members of some poor and low-yield production teams, and the livelihood of the peasants in some areas affected by serious natural calamities is still very difficult. In cities and towns, the burden of some workers and staff members with low wages, less bonuses and many mouths to feed is still very heavy. For many families, housing is still in very short supply. Especially, the material treatment and working conditions for middle-aged intellectuals and workers playing a key role on various fronts are rather poor. We must attach great importance to these problems and adopt measures to solve them step by step. The standard of living of people throughout the country is also still rather low at present, and it must be progressively improved along with the development of production. The reason we emphasize accumulating necessary funds for carrying out construction is precisely for the sake of guaranteeing the continued improvement of the people's livelihood. We must appropriately link together the immediate and long-term interests of the people. In our country, we not only must not force down the normal consumption of the people to expand production and construction, but we also must not squeeze out or take over essential construction funds to improve the people's livelihood. We not only must not wait until we have made a success of construction before turning back to improve the people's livelihood, but we also must not wait until we have become better off before carrying out construction. The only correct policy is to take into consideration both construction and the people's livelihood so that they will develop in harmony.

III

For the sake of concentrating necessary funds to carry out the construction of major projects, we must also correctly handle the relations of funds

allocation between the central departments, localities and enterprises. We not only must guarantee essential extra financial resources, but we must also enable the state to be in control of comparatively more funds.

For a long time, our defect in this respect was that because of overconcentration at the central departments, localities and enterprises lacked the necessary extra financial resources. This has on the one hand fettered the initiative of the localities and enterprises, and on the other hand, encouraged blind command in economic management and resulted in many negative consequences in economic development. In the past, the proportion occupied by local income in state financial income was rather low. This has now been increased. In the past, very little of the net income was retained by state-run industrial enterprises. Now this has been increased to about 12 percent. These changes, in addition to other reform measures, have played a very useful role in giving play to the initiative of the localities and enterprises and livening up the economy. The present problem is that some of the reform measures cannot be linked up. Many units do not strictly observe the financial discipline of the state. They arbitrarily increase the proportion of the profits retained by the enterprises and even cut off the income which should be handed over to the state, causing the allocation and use of funds to be unduly scattered. In 1981, the funds controlled by localities and enterprises outside the budget roughly equalled half the state financial income, and only about half of the total investment in capital construction of units owned by the whole people in the country was directly controlled by the state. On the one hand, state finance was in straitened circumstances and did not have enough funds for the construction of major projects. On the other hand, many units did not utilize the funds in accordance with the plans and policy demands of the state and blindly went in for projects aimed at purely expanding processing capacity. Such weak links as energy sources and communications in the national economy could not be properly strengthened, technical transformation focusing on energy conservation could not be quickly developed, and high energy consumption trades which should have been put under control continued to develop. Obviously, unless this state of affairs changed, the planned and proportionate development of the national economy would be adversely affected.

China has a vast territory and numerous enterprises. The conditions of various localities are vastly different, and moreover, changes are always taking place. For the sake of guaranteeing that localities and enterprises will be able to organize production activities in line with local conditions, we must give them the proper power including the necessary financial power. Especially as the economic development in the future will mainly be turned to intension, the emphasis will be placed on replacing the equipment of existing enterprises and technical transformation. This means that it is even more necessary to give essential power to the enterprises and localities so that they can improve their management and administration and raise their production technique in a manner suited to their own specific conditions. At the same time, we must also see that the power of socialist enterprises and localities is under the planned guidance of the state. The power for working out a nationwide comprehensive balance, its amount as well

as its application, must contribute to and definitely not hinder the coordinated development of the whole economy. At present, such basic facilities as energy sources and communications are backward. However the transformation and construction of most of these basic facilities cannot be shouldered by the localities and enterprises and they must be planned, prepared and conducted in a unified manner by the state. At the same time, the present price system is not very rational. To a very great extent, it restricts our utilization of the economic lever to guide the enterprises and localities in making rational use of funds. The organizational structure of our enterprises is also not very rational, and the setup of many enterprises is very unrealistic. Such enterprises should be closed, their operations suspended, be merged into other enterprises or shifted to other types of production, and we must carry out reorganization and integration in accordance with the principle of specialized cooperation. All this explains the inadvisability of handing too much financial power to the enterprises and localities under the present condition. Otherwise, it will be difficult to use the limited funds where they are needed most and the development of projects highly beneficial to the national economy will be affected. Judging from the general situation at present, localities and enterprises already have too much financial power. We must make appropriate readjustments so as to guarantee that the state will still be able to concentrate necessary funds for the construction of major projects.

We must combine economic readjustment with strict financial and economic discipline, and wage a struggle against such offenses against law and discipline as random spreading of costs, cutting off income, evading taxes and wantonly increasing profits retained by enterprises. All practices running counter to the existing policies, systems and regulations of the state should be conscientiously corrected, all forms of tax evasion must be plugged up and all income which should be handed over to the state must be collected. At the same time, while continuing to implement the existing financial system and guarantee the proper decisionmaking power of the enterprises, we must also appropriately readjust the proportion of the allocation of central and local financial income as well as the proportion of profits retained by the enterprises in accordance with the actual conditions of different areas and trades. In the use of funds controlled by the state, we must also make appropriate concentration. We must emphasize using funds for the construction of such basic facilities as energy sources and communications and appropriately increase investment in the field of intellectual development. Construction in other fields should mainly be arranged by the localities, departments and enterprises based on their own funds and possible bank credit. In doing so, we are definitely not trying to slip back to the old rut of over-rigid control. In the process of concentrating funds, we should take into account the rational needs of enterprises and localities so that they will have the extra financial resources to do some of the things, which are not advisable to be carried out by the central departments, in a manner suited to local conditions, and thereby bring their initiative into full play. Moreover, we also cannot merely rely on this method of financial concentration of funds to guarantee the construction of major projects. We must also properly give play to the role of banks in raising and utilizing funds, and through bank credits, centralize idle funds

in society and use them in a planned manner for production and construction. At the same time, the state must also implement administrative and economic methods to guide the orientation of the localities and enterprises in the use of their own funds and encourage them, by means of various forms of economic alliance, to use the funds where they are needed most by the state. In particular, we must use the funds for replacing the existing enterprises, carrying out technical transformation, conserving energy, cutting down the consumption of raw materials, improving product quality, strengthening the comprehensive utilization of resources and controlling pollution, and not simply trying to expand production capacity. In this way, under the condition of strictly controlling the scale of fixed capital investment of the whole society, we will be able to free funds for strengthening the construction of major projects, push forward the technical transformation of key enterprises and properly integrate and combine these two aspects. In the allocation of financial resources, we should take into consideration the needs of these two aspects as much as possible and guard against paying attention to one aspect and losing sight of the other.

On the question of rational allocation and correct use of funds, we must firmly establish the thought of "coordinating all the activities of the nation like pieces in a chess game." At present, many of the localities, departments and enterprises want to keep some funds to do more of the things they would like to do. This demand is understandable. However, if we do not take resolute as well as realistic and practical measures to guarantee the construction of essential major projects, such basic facilities as energy sources and communications will not go forward, excessive energy consumption will not go down and it will be difficult to enliven the overall situation of the national economy. Under this condition, the development of the various parts will certainly be greatly affected. Conversely, only with the appropriate concentration of funds to strengthen the construction of major projects can the proportion between supply and demand in such fields as energy sources and communications be coordinated with each passing day, and can there be favorable external conditions for the development of various localities and enterprises.

CSO: 4004/6

THE TWO CIVILIZATIONS MUST BE GRASPED SIMULTANEOUSLY

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[Article by Sanming Municipal CPC Committee Secretary Yuan Qitong [5913 0796 1749]]

[Text] In his report to the 12th party congress, Comrade Hu Yaobang pointed out that it is a strategic principle of our socialist construction to build a high material civilization simultaneously with the building of spiritual civilization. He stressed: "Whether we are able to persist in this principle is related to whether socialism will thrive or fail." In recalling practice over the past few years, we have deeply realized that the principle of "grasping the two civilizations simultaneously" put forth by the CPC Central Committee is correct and this principle has pointed out the orientation for realizing the socialist modernization program of our country. The following are some experiences gained in the work carried out by Sanming municipality in implementing the strategic principle of the CPC Central Committee.

Sanming municipality is a newly arising industrial city in Fujian Province. It has made certain achievements since it was constructed in 1958. However, as a result of the influence of "leftist" guiding ideology and sabotage during the 10 years of turbulence, the construction of the city left much to be desired. For example, the housing situation was tight, the number of commercial centers were limited, traffic was congested, public order was chaotic and there were limited cultural and recreational facilities. The masses said the city was characterized by no electrical lighting, uneven roads, ineffective telephone facilities and an unstable social order. Industrial and agricultural production was seriously affected. Following the 3d Plenary Session of the 11th CPC Central Committee, we eradicated "leftist" guiding ideology and stepped up our leadership over work in various aspects. Thanks to this work, the city began to take on a new look.

Since last year, we have studied the directives of the CPC Central Committee on "grasping the two civilizations" and have realized that in order to build the city into an industrial city with "political stability, economic prosperity, advanced culture, a beautiful environment and convenient life," it is necessary to grasp the building of material civilization simultaneously with the building of spiritual civilization. Work in these two aspects must

be arranged in a unified manner so that they will also be able to develop simultaneously. The building of the two civilizations covers many aspects such as politics, economy, culture and ideology. In carrying out the building of spiritual civilization, it is necessary to solve urgent problems and carry out work more effectively so as to promote the development of material civilization. We have based ourselves on the spirit of the directives of the CPC Central Committee and the demand of the masses and have spared no efforts in improving environmental hygiene, cleaning the environment, planting trees and beautifying the city. Efforts have also been made to improve social safety in a big way and traffic order, carry out municipal construction, repair roads, construct housing, add commercial centers and build parks and cultural and recreation facilities. At the same time, we have also launched mass campaigns of "learning from Lei Feng and fostering new habits" and "five stresses and four beauties." In March this year, we also launched a large-scale civility and courtesy month drive across the city. Thanks to these efforts carried out over the past 2 years, the city has taken on a new look while the people's living standard has been improved considerably. The newly built housing facilities cover 330,000 square meters, equivalent to the total space of the housing facilities built in the past 2 decades and more. More than 270 new commercial service centers have been added; this figure is more than double the previous number. In downtown areas, 16 streets and lanes have been built or repaired. In addition, we have also constructed waterways totaling 6,000 meters in length and built 21 latrines; we also have built and expanded 8 parks and scenic spots and planted 500,000 trees. Considerable achievements also have been made in improving hygiene and restoring social order. The sanitation situation has been greatly improved. In the first 8 months of this year, cases of epidemic diseases were 40 percent less than the same period last year. Social safety and public order have been greatly improved. In the first 8 months of this year, the number of criminal cases dropped by 41 percent compared with the same period last year. Undesirable work styles in commercial and service trades, characterized by "inaccessibility, reluctant attitudes, offensive remarks and delays in work" have begun to change. More than 25 percent of the total population in urban areas have taken part in the activities of "learning from Lei Feng and fostering new habits" and they have done much work in the interests of the people. A new atmosphere has emerged in party work style and the people's work style throughout the city.

Changes in the outlook of the city, improvement in the people's life, particularly improvement in ideological consciousness, have enabled the broad masses of cadres and people to fully display their socialist initiative and promote production in a big way. Gross industrial output value in 1981 was 9.3 percent higher than 1980, while agricultural output value increased by 18.3 percent. The average per capita collective income of commune members increased by 36 yuan to reach 190 yuan. Financial revenue increased by 7 percent. Gross industrial output value has continued to grow this year. In the first 8 months of this year, it was 18 percent higher than the same period last year, while the figure for March, June and August was the highest monthly output value in the 24 years since the city was built.

The great changes experienced by the city over the past 2 years proves that the two civilizations promote each other and are indispensable. Spiritual civilization must have material civilization as its foundation and the building of the former can in no way depart from material conditions. At the same time, the building of material civilization cannot depart from the building of spiritual civilization; the latter not only has a tremendous motivating role for the former but also guarantees that the former will develop along a correct orientation. With regard to the work of a city, there is no doubt that, first of all, it must do a good job in production and economic work, as these are basic tasks. But to grasp economic work does not automatically mean that a good job is being done in socialist construction. It is only when we are able to grasp socialist material civilization simultaneously with grasping socialist spiritual civilization that we are carrying out socialist construction in an overall way. So spiritual civilization represents an important feature of socialist material civilization and is an important manifestation of the superiority of the socialist system. Without the construction of socialist spiritual civilization, we will not be able to build material civilization well; even if we are able to build spiritual civilization, it will not last long and cannot be consolidated; it may even be eliminated. This situation has been proved through historical experience. Therefore, the thinking and method of putting these two civilizations in contradiction and neglecting the building of spiritual civilization are incorrect; neither is it right to consider grasping spiritual civilization as grasping a minor matter instead of an important matter.

To grasp the building of the two civilizations well, particularly the building of spiritual civilization is in fact a revolution of transforming traditions and habits and transforming society. The aim of this revolution is not only to change social outlook but also to change people's spiritual outlook. Therefore, it involves every family and every member of society. Following the 10 years of turbulence, the problems of "dirt, chaos and backwardness" in the city were very common and serious and social order was seriously damaged. In addition, there were also the influences of various wrong ideologies, old habits and old traditional concepts. Therefore, there were many difficulties confronting us in the building of the two civilizations. We understand from our practice that we can implement the guiding ideology of "grasping the two civilizations simultaneously" well and make new achievements in the building of the two civilizations only when we are able to work with revolutionary zeal.

In order to work with revolutionary zeal, it is imperative to oppose the thinking of attempting and accomplishing nothing and the attitude of fearing to overcome difficulties. It is also imperative to foster the ideology that considers everything from the point of the interest of the people and to carry out work well. Each task must be carried out faster and achievements must be made. We have done our work in this way and consequently many construction items have been speeded up. For example, we built the Qiling Mountain Park on a total space of more than 600 mu at the top of the mountain in only 1 year. The building of street flowerbeds of more than 2,000 square meters on 3 major streets was completed in only 2 weeks.

To work with revolutionary zeal, it is also imperative to oppose irresponsible attitudes and to advocate the attitude of daring to shoulder responsibility and to solve problems. In order to solve the problems of dismantling and removing houses to give way for the extension project of the Hongqi Road North and Dongxin Road II, leading comrades from the municipal party committee, municipal government and municipal construction departments visited Xubi Estate on five occasions in August last year to investigate the situation of the masses and to carry out meticulous ideological work. As a result, the old problems of dismantling and removing more than 40 houses were resolved and the projects of the two streets that had been delayed for 8 years were at last completed. Dismantling work in other sections of the projects have also been resolved one after another following meticulous ideological work.

To work with revolutionary zeal, it is also imperative to oppose the work style in which cadres confine themselves to their offices, from where they give guidance irrespective of reality, and to encourage leading cadres to go deep into reality, carry out work on the spot, set examples through their own deeds and solve difficulties wherever they crop up. Over the past year and more, we have organized leading cadres to carry out work at the grassroots level on more than 10 occasions. On the eve of the last Spring Festival, leading comrades from the municipal party committee and municipal government, with exception of a few comrades who remained on duty, led more than 1,200 cadres above the level of deputy bureau director throughout the city to carry out work on several fronts to grasp the situation of market supply at the grassroots level, grasp the work of cultural and recreational activities of the masses, transform the scenery of the city, improve social safety and public order and arrange industrial and agricultural production during the holidays. As a result, we have been able to promote the work of various departments, improve the people's material and cultural lives and train cadres and promote the relationship between the party and the people. Exemplary deeds of cadres have educated and encouraged the masses of people who have consequently been able to enlighten their spirit and increase their confidence in socialist construction and the party.

Communist ideology is the core of socialist spiritual civilization. The primary task of building socialist spiritual civilization is to educate people with communist ideology and communist morality so that more and more members of society will become workers with ideals, morals and culture and who abide by discipline. Because of the grave consequences of the 10 years of turbulence, this kind of education is particularly pressing at present. We have grasped this work in connection with other work and with emphasis on party ideological building and the ideological and political work of the masses.

The building of party ideology supports the building of social spiritual civilization. The ideological level and work style of the broad masses of party members, particularly party cadres, have a direct effect on the ideology and morality of the whole society. Therefore, improvement in the ideological level of the broad masses of party members and basic improvement in the party's work style play a decisive role in the building of

socialist spiritual civilization. Over the past year and more, we began this work among the standing committee members of the municipal party committee while party organizations at various levels began the work of rectifying the party's work style as the key subject in organizational activities. This work includes the following: 1) Party members have been organized to study a series of directives of the CPC Central Committee and carry out education on persisting in the five basic principles so as to solidly foster communist ideals and concepts. 2) Following the principle of rectifying work style and the principle of party constitution and inner-party political activities, education has been strengthened on party character, party discipline and party work style and criticism and self-criticism launched. At the same time, party members have been educated on how to maintain the purity of their ideology; this work has been carried out in connection with measures to hit at criminal activities in the economic sector and to fight against corrosion. 3) The combat capability of party organizations and the ideological level of party members have been tempered and improved through practice in the building of the two civilizations. Work has also been carried out to regularly check, examine and appraise the ideology, work style and practice of all party organizations and members throughout the city. During the launching of civility and courtesy month, the municipal party committee organized more than 800 cadres above the level of party branch members at grassroots level across the city to conscientiously study the directives of the CPC Central Committee. At the same time, all party members were organized to take part in the building of the two civilizations; in this work they have played the roles of both propagators and fighters. Thanks to the vanguard and exemplary roles of all party members, the civility and courtesy month was carried out smoothly.

People are the masters of history as well as the builders of the two civilizations. It is only when people are armed with communist ideology and moral concepts that they can display to the utmost their initiative and creativity and promote the constant development of the building of the two civilizations. Therefore, we have proceeded from reality and used various methods to carry out education on revolutionary ideals, morality, discipline and law and education on social morality, professional morality and marriage and family morality among cadres and masses in various trades, particularly among youths. The masses were organized to work out various rules and regulations on the civilizations as criteria for their deeds. This work is aimed at enabling people, in their common social life, to consciously follow communist spirit, correctly handle the relationships among the state, collective and individuals, correctly handle the relationships among people and foster collective and patriotic ideology and the sense of responsibility as the masters of their own country. We have also taken active measures to lead the masses in launching the campaign of "learning from Lei Feng and fostering new habits" and creating civilized units so as to foster good morality. We have also taken a clear-cut stand in commending and supporting new people and new things that have demonstrated communist spirit and have hit at bad habits and traditions and undesirable persons and things. In order to carry out ideological work well and promote the work of various aspects, we have since May last year transferred more than 6,600 people from government organizations and enterprises

and formed them into 10 propaganda teams. These teams are assigned certain work in certain places for maintaining social safety and environmental hygiene, public traffic order and to help in service trades and eliminate spiritual pollution. These teams have carried out ideological and political work at the grassroots level to become a backbone force in the building of the two civilizations. Great changes have taken place in social practice thanks to education. During the civility and courtesy month over 100 advanced units and over 4,000 activists emerged.

Marxism states that the basic purpose of socialist construction is to meet the increasing needs of the people's material and cultural life. In the final analysis, the purpose of doing a good job in the building of the two civilizations is also to realize this goal. Therefore, we carry out our work according to the specific conditions of our city, grasp the work that is urgently needed by the masses and solve problems so as to do more and better work. The present Hongxing shopping center is built on the site of a former rubbish dumping ground that had seriously affected municipal scenery and environmental hygiene over the past many years. Measures were taken to clear the rubbish and build a shopping center with 27 state-owned and collective shops as well as individual shops that sell food and daily necessity goods. In this way, we have not only removed the heaps of rubbish but also improved the scenery of the city, activated the market, brought convenience to the masses, arranged employment and added income for the state. Basing themselves on the desires of the people and their own specific conditions, various trades have taken measures to solve such problems as housing; coal supplies; vegetable supplies; commercial centers; traffic; recreation activities, such as movies, operas and television programs; latrines; and sports activities. As all problems have been gradually solved, a more convenient living environment for the masses consequently has been formed. Through their own experiences, the broad masses of people deeply understand that to "grasp the two civilizations simultaneously" is not only in the long-term interest of the state and the nation but is also in the interest of each member of society and therefore they have become more determined in building the two civilizations.

However, the work we have done over the past 2 years is far from enough. We only have made limited and initial achievements in the building of the two civilizations and these achievements are still far from what is demanded by the party. But we understand that these achievements represent a good beginning. Now, the broad masses of cadres and people are able to measure their work from the point of the two civilizations and relate their various concrete work with the long-term goal. This situation has provided us with a better ideological foundation for building the two civilizations on a larger scale in the future. At present, it is imperative for us to do a good job in studying and disseminating the spirit of the 12th party congress. In particular, we must do a good job in studying and disseminating the importance of building a high socialist spiritual civilization, in carrying out the activities of the "five stresses and four beauties" and in further displaying the initiative of various departments and units so as to further overcome the conditions of "dirt, chaos and backwardness." I am fully confident that with the encouragement of the spirit of the 12th party congress and under the guidance of the correct principles of the CPC Central Committee, we will be able to make new achievements in the building of the two civilizations.

SERIOUSLY CARRY OUT THE WORKERS' CONGRESS SYSTEM

Beijing RED FLAG in Chinese No 20, 16 Oct 82 pp 38-41

[Article by Yu Yannan [2456 3601 0589]; passages within slantlines published in boldface]

[Text] China's experiences in socialist construction illustrate that the workers congress system under the control of party committees has raised the working class' sense of mastery and responsibility, as well as activating their enthusiasm to manage affairs and correctly set up the basic organizational style of socialist enterprise. The "Provisional Regulations of the Workers Congress in State-Owned Industrial Enterprises" drawn up by the CPC Central Committee and the State Council (referred to hereafter as "the regulations") clearly outline the powers of the workers' congress based on state governmental policies and laws and planning demands. These powers relate to enterprise production, management and distribution as well as cadre surveillance, election, recall, etc. This is the successful result of the party's guidance of the working class in the development of socialist democracy and carrying out the systematization of the democratic management of enterprise. Furthermore, it is an embodiment of our party's total reliance on and trust in the working class under the historical conditions of modernized construction. After the publication of the regulations, every region and department quickened the pace of introducing the workers' congress system. Up until the end of last year, the number of enterprises and units that had introduced the workers' congress system stood at around 101,000. Most medium and large-scale industrial enterprises in Beijing, Tianjin, Shanghai, Shenyang, Harbin, Guangzhou, Nanjing and Chongqing had all basically completed the popularization of the system.

In the last year, many enterprises have been working very seriously in accordance with the regulations and the workers' congress has played an active role in improving administration and management, correctly solving internal enterprise contradictions, strengthening surveillance of cadres, etc. However, in national terms, the general situation concerning the introduction of the workers' congress system is not well balanced. The proportion of well organized workers' congresses is small and a great many work units have set up workers' congresses which display varying degrees of formalism and perfunctoriness and of which, of course, most workers are very critical. Thus, the pressing task which now faces today's enterprises

is to satisfactorily and completely put the workers' congress system into effect and ensure that the working masses are able to enjoy all the democratic powers outlined in this system.

/I. Continue to raise the consciousness of the broad mass of cadres, in particular the enterprise leaders, regarding the importance of implementing the workers' congress./

Some work units which have already set up workers' congresses but without success, find that the main reasons for this lack of success lie with the leading cadres of the units. Many leading cadres are not accustomed to putting workers' congresses into action and fear the power of such congresses as well as the loss of their own power. In some enterprises, party organizations have taken on the work of the workers' congresses themselves and insist that all affairs, whatever the size, must be discussed by the party committee, getting the consent of the workers' congress afterward. Some leading administrative cadres only want to make use of the workers' congress when they are faced with problems that they themselves cannot solve, such as only partially fulfilled production quotas, and thus are not in the least interested in allowing the workers to enjoy their democratic powers, feeling that democratic management with everyone having a say will hinder the realization of the foreman responsibility system. Some people even feel that enterprises should be in complete control of foremen and managers appointed by the state, with workers powerless to participate in management. All this illustrates that some people have a confused understanding of or misconceptions about recognizing workers' positions as masters of the enterprise and the reasons for carrying out democratic management in socialist enterprises as well as the basic relationship between state-employed personnel and the working masses. Such misunderstandings must be quickly clarified.

Democratic management is a necessary part of the socialist system of public ownership of the means of production and is, indeed, a reality of it. Distribution according to work is another reality of such a system. The establishment of the socialist system of public ownership of the means of production means the thorough eradication of the relationship of exploiters and exploited, laying a material foundation for the workers to become masters of enterprise management. For the workers to become masters of the means of production is by no means an empty, abstract concept; there is a very full and concrete content to it. It includes the need for workers to have authority and power when involved in enterprise production, administration and distribution activities as well as the election, surveillance and recalling of the enterprise leadership; in other words, anything related to enterprise management or the workers' personal interests. Thus, the workers should use suitable channels and means to participate in actual and not merely nominal enterprise management. If workers only have labor rights within an enterprise and are deprived of management rights, then their position as masters of the enterprise has not been fulfilled or, if it has, then in name only. Mao Zedong pointed out that we should not come to understand the power of the people to mean only labor powers, education and social security. The workers' power to manage the state, enterprise and

cultural education is the most basic of powers. If democratic management is not carried out in our socialist enterprises, then the working masses are not able to involve themselves in important economic activities, are not able to carry out surveillance of enterprise leaders or carry out the democratic election or recalling of enterprise leaders within the specific limits laid down by the laws and regulations. Thus, how does the fact illustrate itself that the workers are masters of the means of production and in charge of enterprise management? Hence, in very basic terms, supporting democratic management means also supporting the workers as masters of the means of production and, also, the socialist system of public ownership of the means of production.

State-run enterprises belong to the whole nation and the workers in such enterprises are part of the nation. Not only do they, along with the rest of the population, possess the means of production of their enterprises, but they also make direct use of the means of production in their enterprises and carry direct responsibility for organizing all affairs in the enterprises. Power and responsibility cannot be separated. Because of the workers' closer relations with the enterprise's means of production, the production process and production results, they have a more direct and greater right to say how these means of production should be organized and used, how production technology should be improved and how economic efficiency should be raised, than other workers in enterprises and than other workers in general. Thus, while the management of state-run enterprises manifests itself through unified state plans, policies and decrees, through instructions from higher authorities and through the direct role played by the directors of the enterprise, democratic management of the enterprise by the workers and staff is also necessary, in accordance with the rules and regulations set by the state and higher authorities and through proper organizational forms. These two are not contradictory but should combine and work together to unite the interests of the state, the collective and the workers, thereby ensuring the quality of state-owned enterprises and helping the workers become masters of their work while fuelling their enthusiasm and creativity.

At present, the workers' congress system is a fundamental system guaranteeing that the working class will act as masters of our society. By making use of the workers' congress system, the workers can make use of democratic powers in their enterprise to become the masters of their situation and this is an important part of the move to strengthen socialist democratic construction. But the leaders in some enterprises have forgotten that the party should direct and support the workers' move toward mastery over their affairs and such people wrongly feel that giving power to the workers' congress and allowing the working masses to exercise power will destroy the leadership of the party committee. This is completely wrong. Ignorance or deprivation of the workers' democratic rights will not be tolerated. Such people are in fact not recognizing the workers' position as masters of their affairs and they have forgotten that they themselves have been appointed by the state and the people to take up their public office of duties and they either consciously or subconsciously place themselves in a position above the people. They do not realize that if the

workers in an enterprise do not become the masters of their affairs then their sense of responsibility and their enthusiasm toward politics and production will suffer greatly, indeed may be eliminated completely. Full expression of the workers' production enthusiasm is one of the fundamental advantages of the socialist system. We should do a lot of serious thinking about the extent to which the advantages of the socialist system give expression to such things, as well as the basic position of cadres within a socialist state. Misconceptions and mishandling of such things should also be thoroughly corrected.

Investigative materials illustrate that, at present, relations between cadres and the masses in some enterprises are very uneasy. The workers lack the democratic powers that are their right and this has already influenced their political and production enthusiasm. In China's enterprises the problem of cadre/masses relations is to a large extent a question of party/masses relations. The main reason for bad cadre/masses and party/masses relations lies in the lack of basic alterations in party lines. Some leaders and cadres use underhand means to arrange favorable positions for their children. Promotion, housing and other questions affecting the interests of the working masses are abused by these people for themselves and their relatives. These wrongful activities directly injure and destroy the moral of the working masses and directly harm the image of the party in the eyes of the working masses. Under such conditions, the workers desire with even greater fervour stricter surveillance of the cadres and leaders. A major reason for the insistent demands of the workers to introduce the workers' tribunal system is that such a congress would provide them with a tribunal to help them realize their democratic rights. These demands made by the working masses are very reasonable and fully in accord with the party's aim of achieving a high level of socialist democracy in China. China's cadres, especially those involved in the running of enterprises should take a serious and deep look at the workers' position, their demands and their voice and come to grasp the essence and significance of the CPC Central Committee and the State Council's move to realize the workers' congress system and should, with a high degree of political responsibility, move forward with the working masses to strive to realize the workers' congress system.

/II. Lay out and improve the regulations for the workers' congress system and ensure that the working masses fully enjoy the democratic powers set up for them within such a system./

Historical experience tells us that acquisition of correct knowledge, the establishment of a set of important principles and the transference of such knowledge and principles into the minds of the masses and getting the masses to accept them so that they become a part of the behavior of the masses, is often a repetitive and tortuous process of development. Democratic management developed as an important principle in the early 1950's in China and indeed the workers' congress system was put to a trial run in several enterprises. As a result of a variety of reasons the system had its ups and downs until after the 3d Plenary of the 11th National People's Congress the party officially produced the "Provisional Regulations for the Workers'

Congress in State-Owned Industrial Enterprises"—a decisive and significant step in the systematization and legalization of the system of democratic management. But the coming into being of these regulations did not solve everything, for the actual implementation of these regulations still requires a great deal of work. Every region, every department and every unit should draw up and complete feasible and detailed rules for the implementation of the regulations, based on the actual situation in which they are involved. In addition every article and every clause of the regulations should be made concrete so that when the workers in an enterprise make use of their democratic powers, there exist concrete methods to be followed. Without the application of detailed rules things laid out in the regulations cannot be implemented very easily, nor can investigations be conveniently carried out. For example, the regulations state that the workers' congress has the power to decide workers' housing distribution. In the course of implementation an enterprise can make this more concrete and based on the actual regulations and the realistic situation of that particular work unit, additional and subsidiary rules may be drawn up: 1) the workers' congress should discuss and decide those who are to sit on the housing committee and ensure that duties are carried out correctly based on the support of the principles drawn up by those who have faith in the masses; 2) conditions for housing allocation should be decided by the workers' congress; 3) concrete plans for housing allocation must be decided by the workers' congress and then announced to the workers. Such plans include how many houses are to be built, the conditions for housing allocation and who gets what. With these supplementary rules, the working masses are able to fully exercise their democratic powers in the allocation of housing.

After the publication of these regulations, the party Central Committee went on to publish "Provisional Regulations for the Working of Foremen in State-Owned Factories" and "Provisional Regulations for the Work of Chinese Communist Industrial Enterprises Grassroots Organizations." These three sets of regulations brought about new sets of rules for the internal leadership and management system in China's industrial enterprises. Questions such as how these three sets of regulations should be linked, how the workers' congress system, under the command of the party committee can be united with the foreman responsibility system under the command of the party committee within one single enterprise and how the party committee can command but not completely monopolize or take over all need more detailed and concrete regulations and should be incorporated into the restructuring of the economic system to gradually try to establish a complete system of rules and regulations.

Today, the workers' congress system has been spread throughout the country and in the process of carrying out this system the working masses must construct and advance. The new and fresh experiences that they have gained should be timely assimilated and propagated so that the workers' congress system can be improved on. In recent years some enterprises have taken the assessment of cadres as an important role and function of the workers' congress, and this is something which we should watch very carefully. Under the leadership of the party committee one electric locomotive repairs

factory carried out cadre evaluation and assessment activities in their workers' congress throughout 1980 and 1981. The cadres of this factory felt there was no essential difference between cadres and workers and that one should not allow cadres to criticize workers without workers being able to criticize cadres. Cadres who originally had misgivings about such system now say that "The system whereby the workers' congress criticizes cadres is very good, for in this way both the cadres and workers are able to express what otherwise would have been suppressed inside themselves. They can then come to a mutual understanding and make forward progress. Working in this way everyone is able to carry out factory affairs much more successfully." The experiences of other work units who have also put such assessment programs into operation also suggest that strict assessment of cadres over a set period of time by the workers' congress is a very viable and feasible method of strengthening workers' surveillance of cadres and should be popularized throughout the country's enterprises. Of course, during the process of cadre assessment, the workers must be taught to correctly make use of their democratic powers and to correctly handle cadres' faults and mistakes. In situations where conditions are ripe, a transition must be made from the masses' assessment of cadres to the democratic election of cadres within specific limits.

/III. The working masses should actively participate in democratic life such as the workers' congress and ceaselessly strengthen their own ability to master their affairs./

The direct democracy that the workers' congress represents is an important component part of socialist democracy. Because socialist democracy is a new kind of democracy in the history of mankind and because of the lack of a democratic tradition in old China because of the rule of the exploitative classes, the ordinary masses lack training in democratic life. In addition to this, the 10 years of social chaos under the anarchistic rule of Lin Biao and the "gang of four" which tried to pass itself off as socialist democracy has still not been entirely cleared up. Thus today, China's working masses still lack experience in how to correctly and effectively make use of this new style of democracy known as the workers' congress to strengthen the democratic management of enterprise. The workers should concentrate on checking their own weaknesses in this area and actively try to learn and understand so that they may increase their own democratic accomplishments and strengthen their ability to be masters of their affairs. The past 30 years of cultural education has meant that the present cultural level of the working masses is much higher than it was during the early years of new China. Indeed, a certain level of cultural knowledge is a vital condition for a democratic life style. The advantage of our position is that our workers do not participate in management as separate individuals but participate in management by organizing together and collectivizing their knowledge and strength. Some people feel that while division of labor still exists in the present stage of China's development, the restrictions of the division of labor prevent workers from understanding enterprise production, administration and distribution and other facets of the overall enterprise situation. They feel that the workers do not possess the necessary skill and knowledge for such areas and for these reasons should not

participate in enterprise management. Such an opinion is both incorrect and one-sided. For one thing, worker representatives possess the character of the working masses, meaning not only individual workers involved in production but also engineers and technological personnel, administrators, leading cadres and other work personnel. Of course, production workers represent the greater part. By organizing these people together and pooling their wisdom and strength it is often very easy to solve problems that individual cadres found insoluble and thereby ensure that decisions to major enterprise problems are in the best interests of the working masses and reflect in a more all-round and accurate way the regularity of objectivity. When Lenin discussed the task of developing socialist democracy he said: "We can complete this task, we can teach the infinite number of working masses to manage the state and manage industry, we can develop real work and we can destroy the deep-rooted prejudices that have existed for so long amongst the working masses, namely that administration of the state is a matter for the privileged few and is a refined skill." ("Complete Works of Lenin," Vol 28, p 405) Under the guidance of the party, China's working class is perfectly capable of coming to understand and learn the economy, politics, cultural and other social tasks necessary for administering the state.

Those workers elected as worker representatives should of course strive hard to learn and understand the knowledge and ability needed to be their own masters. On the one hand such representatives should make full use of their naturally intimate relationship with the working masses and should possess rich practical experience. On the other hand, they should actively learn the party line and party policies and the necessary knowledge for the administration and management of an enterprise, as well as the basic facts related to socialist democracy and the legal system. Only in this way can the worker representatives correctly and effectively exercise the democratic powers laid out in the workers' congress system and thereby live up to the trust and expectations placed in them by the working masses. Cadres and leaders on every level of the enterprise should make conditions favorable for the worker representatives to learn and establish necessary conditions for the fulfillment of their own duties. Workers' representatives should of course, without doubt consciously accept the correct guidance of the party committee and make conscious efforts to preserve the rightful authority of the foreman and conscientiously support the struggle against such incorrect phenomena as anarchy, out and out egotism and selfish departmentalism.

We believe that, fired by the enthusiasm of the party, the workers' congress system may be carried out and practiced more keenly and more widely throughout the country that the working class will play an increasingly important role in the establishment of a high degree of socialist democracy.

CSO: 4004/6

HOW TO STUDY THE FOURTH PART OF THE REPORT TO THE 12TH CPC NATIONAL CONGRESS

Beijing RED FLAG in Chinese No 20, 16 Oct 82 pp 42-45

[Article by RED FLAG Editorial Office for Theoretical Education; passages within slantlines published in boldface]

[Text] The subject of establishing a high level of socialist democracy mentioned in this section is one of the basic aims and tasks of the new historical era of the party. Here we will look at the important content and basic principles involved in establishing this high level of socialist democracy. In studying this section we must grasp three major points:

1. The major significance of establishing a high level of socialist democracy.
2. The main content of establishing a high level of socialist democracy.
3. The relation between class struggle and establishing a high level of socialist democracy.

/In studying the first point, a deeper understanding may be achieved in two ways. 1) Why is the establishment of a high level of socialist democracy a fundamental aim and task; and 2) integration into reality and correct misconceptions concerning the question of democracy./

The report says that the construction of socialist material and spiritual civilization depends on the continued development of socialist democracy for support. One of our fundamental aims and tasks is to establish a high level of socialist democracy. The fact that the party has made the establishment of a high level of socialist democracy a fundamental aim and task arises from the fact that China is a nation where the people are masters of the state and our socialist cause is the common cause of all the people. Only with a high level of socialist democracy will it be possible to raise the masses' sense of mastery and allow them to fully exercise their powers in managing the state and to ensure that developments in all our undertakings conform with the interests, the will and the expectations of the people, and to ensure effective dictatorship over the handful of hostile elements who seek to destroy our socialist undertakings. In this way we will promote the smooth progress of the establishment of socialist cultural

and spiritual civilization. Some comrades wonder why it is only a high level of democracy which is our fundamental aim and task and why not a high level of centralization as well. The reason is because the high level of democracy of which we talk relates to the question of the fundamental system of our country or state and the question of the position of the masses within the state. From a Marxist point of view, the most important and basic implication of socialist democracy is that the entire population should enjoy the highest degree of power for managing the state on the basis of the public ownership of the means of production. In the "Communist Manifesto" Marx and Engels pointed out that "the first step in the workers' revolution is to elevate the proletariat classes to the position of ruling classes in the struggle for democracy." ("Selected Works of Marx and Engels," Vol 1, p 272) Lenin said: "Democracy is a form or style of a state." ("Selected Works of Lenin," Vol 3, p 257) The Constitution of the PRC states that all the power of the PRC belongs to the people. Taking democracy as the fundamental state system, it cannot be placed along with centralization and thus "a high level of democracy" and "a high level of centralization" cannot be mentioned together. Democracy and centralization are questions of form of government and are thus also questions of organizing every level of government in accordance with the principles of a system of democratic centralization. Within these limits, we should bring about a link up between a high level of democracy and a high level of centralization and thus put into practice a high level of centralization on the broad base of democracy.

Since "a high level of democracy" refers first and foremost to a state system why then is the establishment of a high level of socialist democracy taken as only a fundamental aim and task? Why is no mention made of dictatorship? We should remember that China is run on a system of the people's democratic dictatorship. Such a system, as the report pointed out, ensures that the workers, who represent the vast majority of the population are masters of the state and also guarantees that efficient dictatorship is carried out against the small proportion of enemy elements intent on destroying the socialist cause. Today, class relations in China have already changed a great deal. The exploitative class has already been eradicated. Class struggle is no longer the major social contradiction and most social contradictions are now no longer of the nature of the class struggle. Because of this, we can use the principles of the system of democratic centralization to solve contradictions. Under such circumstances the establishment of a high level of socialist democracy and the development of democracy among the people both take on an even greater importance. The most important task of China's political construction is thus to develop the socialist democracy already established, both gradually and sequentially. The greater the development of the people's democracy, the greater the efficient dictatorship over the small hostile element within our society. Thus, making the establishment of a high level of socialist democracy the most important of our aims and tasks does not mean that the dictatorship over the small hostile element will be ignored; rather it includes such dictatorship.

Not everyone understands fully the importance of establishing a high level of socialist democracy. If we take a look at the class nature of China's system of the people's democratic dictatorship we can see that in historical terms it is the most democratic system and is incomparably superior to capitalist democracy. It is the democracy of the masses replacing the democracy of the small minority, it is true democracy replacing false democracy. As Lenin said, this new style of socialist democracy "is a hundred times more democratic than any bourgeois democracy." (Ibid., p 634) If one does not understand this, then one has not grasped the most fundamental things of a Marxist country's doctrines. But the system of socialist democracy and democratic life itself has a developing and constantly improving process to it. The several thousand years of feudal society in China have meant that economics and culture are fairly backward and lacking in democratic tradition. Despite the great work carried out by the party since the founding of new China in terms of establishing socialist democracy, the construction of a democratic system was seriously influenced by the later emergence of "leftist" errors. What was particularly disastrous to the socialist democracy were such counterrevolutionaries as Lin Biao and Jiang Qing who tried to set up a fascist so-called "total dictatorship." The result of this was that some comrades became very accustomed to any and all kinds of undemocratic phenomena and lacked the necessary faith in the development and fulfillment of socialist democracy. Since the 3d Plenary Session of the 11th Central Committee, the party has corrected these "leftist" mistakes and has continuously made the establishment of a high level of socialist democracy the most important aim, carrying out repeated mass education and making use of many large-scale measures.

Nevertheless, we should remember that the "leftist" influence has not been totally eradicated in terms of the establishment of socialist democracy and there are still many ideological barriers which must be overcome. Both the establishment of a people's system and the development of a democratic life style are very far removed from the demands of establishing a high level of socialist democracy and thus we still have a long period of hard work ahead of us. On the other hand the democracy problem is still being disrupted and attacked from the right. Some people cannot recognize the fact that socialist democracy is in its essential character incomparably better than bourgeois democracy, nor do they recognize that bourgeois democracy "is a heaven for the rich but a trap and a hoax for the poor and the exploited." Such people praise bourgeois democracy and freedom to the skies, speak of it highly without analysis and even oppose the four fundamental principles in order to laud the freedom of the bourgeoisie. If we allow such mistaken rightist thinking to spread unchecked, we will find ourselves in a situation of anarchy with a shattered, disunited political situation. These two incorrect ways of thinking are mutually influential. When we study we must take care to bring things into line with reality and take another step forward in overcoming these deviations and come to fully understand the importance of establishing a high level of socialist democracy and supporting the correct development of socialist democracy.

/In studying the second important point, we should come to a deeper understanding of the following four points on the basis of bringing together

theory and practice. 1) Restructure and improve the democracy system and allow democratic life to pervade every area of society according to the principles of the system of democratic centralization; 2) the systemization and legalization of socialist democracy; 3) develop peace, unity and mutual assistance between races, based on socialist race relations; 4) continue to consolidate and strengthen patriotic unity./

All the power in our country belongs to the people and when exercising this power the people must follow the principles of the system of democratic centralization. The system of democratic centralization means centralization on the basis of democracy and the mutual bringing together and unification of democracy under the guidance of centralization. This is the fundamental guiding principle of completing the democratic system and developing democratic lifestyles. Only with centralization based on democracy can we correctly embody the interests and will of the people and only with democracy under the guidance of centralization can we ensure that the people will effectively exercise their democratic powers or rights. In the past, some people said that democracy and centralization were diametrically opposed to each other, saying that with democracy there was no need for centralization and with centralization there was no need for democracy, not understanding that the two are dialectically united. These one-sided and mistaken views create confusion in the support for the principles of the system of democratic centralization and they should be cleared up as soon as possible. Only if we carry out the principles of democratic centralization in full can we successfully restructure and improve the political system and the system of leadership in China and ensure that every level of the state organs is established on a broad democratic base and with a high level of centralization effective leadership and organization of socialist construction. Socialist democracy still needs to expand into every area of the people's political, economic, cultural and social lives. In order for the people to be masters of the state, not only must they exercise their powers in managing the state, they should directly enjoy differing degrees and different types of managerial powers in their participation in political, economic, cultural and social activities, so that on a broader basis and to a greater extent they may make use of democracy to govern themselves, educate themselves, and on the basis of the principles of socialist democracy establish and develop equality between people and correct relations between individuals and society. These, then, are all important for the establishment of a high level of socialist democracy. In order to establish a high level of socialist democracy we must strengthen the construction of the socialist legal system, so that socialist democracy is institutionalized and codified into laws. Institutions and laws are both fundamental, all-round, stable and long lasting. Only by firmly establishing the democratic powers used by the people to be masters of the society through legalization and institutionalization can we attain any definite guarantees for socialist democracy. No doubt, some of the mistakes we made in the past were connected with the incorrect ideology of some of our leaders but they were also undoubtedly connected to the fact that the democracy system and its legalization were not complete. Today, we have the ability and the need to strengthen the construction of the legal system and to establish and improve on all the various systems of democracy

and to establish relevant political, economic and social rules and regulations so that the working masses may have a clear standard by which to carry out surveillance of the cadres as well as restraining their own behavior and pouncing on all illegal activities in every legal way possible, and thereby ensure good political, economic and social order.

With a fully institutionalized and legalized system of democracy the people will have laws they may depend on and a set of rules by which they may live. One of the most important principles of the socialist system of democracy and its legal system is that everyone is equal in the eyes of the law. If everyone works in strict accordance with the system of democratic centralization and the legal system, it may appear troublesome and restricting but in the final analysis it is beneficial to the people. Lawlessness appears very much simpler and more "free" but in actual fact it can only serve to help a small minority of degenerates. By amassing all the experience gained in this area, in particular that gained through the Cultural Revolution, the new party constitution clearly states that the party must act within the sphere of the constitution and the law. Everyone from the central party down to the grassroots level must act in accordance with the constitution and the law. Only by starting from the party body itself can we make the people understand the importance of a correct social attitude toward the legal system.

Further promotion of the socialist relations of equality, unity and mutual assistance between all our nationalities is another important aspect of the establishment of a high level of socialist democracy in China. Racial questions within a socialist epoch are basically a question of relations between working people of every race. In the past we have made mistakes with the question of race, especially during the Cultural Revolution with the broadening of the class struggle which did serious harm to many minority race cadres and working people. We did not attach enough importance to the question of autonomous powers for minority races. After the smashing of the "gang of four," and in particular since the third plenary session of the party committee, the party has done a great deal of work in implementing race policies and thereby restoring good race relations. China is a multi-nationality country founded and united with the joint efforts of many races. In addition to the Han race there are over 55 other national minorities making up 6 percent of the total population, with their homes covering between 50 and 60 percent of the total land area of China. Our socialist cause is the common cause of every race in China and only by activating all races and joining together can we speed up the modernization of the motherland. Mao Zedong said, "The unification of the country, the unity of the people and the unity of all the races of China represent the fundamental guarantee for the success of our cause." ("Selected Works of Mao Zedong," Vol 5, p 363) Based on Marx' racial theory and the realities of China's present situation, we should give attention to solving three major problems in our aim to promote racial equality, unity and mutual assistance:

- 1) autonomy of national regions: improve and strengthen the legalization of autonomy for national regions and ensure that party and national policies of autonomy are successfully implemented according to the realities of the situation in each national minority region and at the same time consolidate

democratic equality and unity between nationalities; 2) gradually eradicate inequalities between races in terms of politics, economics and culture and aid national minority regions to develop their economy and culture while actively striving to train and select national minority cadres; 3) recognize racial differences and nurture the special characteristics of each race. Handle racial contradictions carefully and oppose great nation chauvanism as well as local national chauvanism.

Another fundamental part of the move to establish a high level of socialist democracy in China is to consolidate and strengthen a united and patriotic front. According to Marx, only by liberating the whole of humanity can the proletariat class liberate itself. The importance that the party places on a unified line is on a par with liberating the whole of humanity. The united and patriotic line in China today is stronger and broader than it has been before. The party continues to support various policies along with other democratic factions and parties, such as "long-term mutual coexistence and mutual surveillance," and "show utter devotion and mutually share honor or disgrace," and in addition the party practices equal treatment of people outside the party as well as discussion of all affairs and mutual learning. This is a basic channel for strengthening the political alliance between party and nonparty and is in addition an important embodiment of the broadening of the great socialist democratic lifestyle. In our studying we must come to fully understand the importance of a united and patriotic line ruled by a strengthened party and the need to gradually eliminate the influence of "leftist" thinking while seriously implementing all possible policies related to a unified front.

/In studying the third important point we can concentrate on three questions in order to understand things more fully. 1) Fully understand the party's basic appraisal and basic direction in terms of the question of class struggle in the present historical stage of China; 2) the need to support the policy of "two hands" in this present historical stage; and 3) prevent and overcome two main types of errors and thereby strengthen the construction of socialist democracy./

Since the 3d Plenary Session of the 11th Central Committee the party Central Committee has made some estimates concerning the class struggle in China's present historical stage and as a result has come up with correct policy directions. After the destruction of the exploitative class as a class, class struggle was no longer the main contradiction of our society and thus we can no longer use the slogan "take class struggle as the key link." Nevertheless class struggle will continue to exist within certain limits because of various domestic factors and international influence and indeed may even sharpen under certain conditions. Practical experience tells us that this prediction is correct and tallies with the reality of the situation. Today, the sphere of the people is greater than ever before and now represents 99.9 percent of the total population. The target of our class struggle is that small percentage of the population which may be considered as an enemy element which is intent on the premeditated destruction of the economy, politics, ideology and culture as well as the overturning of the socialist system. The class struggle today is basically represented by the

struggle of the people against this minority element. Such a small enemy element cannot hope now to represent a class in itself and thus the struggle against these few is not the same as the struggles in the past which were struggles of class against class. The activities of these elements reflect desires both within China and abroad to destroy the socialist cause and thus the struggle against them is of a very special nature. With this in mind we must clearly come to differentiate between contradictions between ourselves and the enemy and contradictions between the people, so as to avoid repeating the past mistakes of enlarging the scope of the class struggle. Thus we must prepare ourselves mentally for a long-term struggle and ensure that democratic dictatorship is exercised over these enemies and that a Marxist class viewpoint is upheld in handling the current social contradictions and other social phenomena that have the nature of class struggle.

We must support the continued implementation of the basic party policies in dealing with the question of class struggle and understand its importance for establishing a high level of socialist democracy in China. For it will ensure and help develop the democratic powers of the people as well as exercise effective dictatorship over the small number of enemy elements in our midst. Within China, one can still see the existence of class struggle and on the international scene we can still see imperialism and hegemony. Therefore, we must not ignore the function of dictatorship in China, or the construction of the people's army, police bodies, law courts and prisons and other such instruments of dictatorship. The strengthening of such tools of dictatorship is not contradictory to the establishment of a high level of socialist democracy, but is in fact an important guarantee of such a democracy, but is in fact an important guarantee of such a democracy. In our studying we should increase our understanding and correctly unify our thinking to fall into line with the scientific estimates and predictions and basic policies of the party in relation to the present stage of class struggle in China.

An important new phenomenon in the present class struggle is illegal activities in economic and other areas of life, which have arisen under the new policies in China designed to open the country up to foreign countries and enliven its own economy. Both foreign and domestic class enemies are using poisonous bourgeois ideology to carry out a destructive battle against us. Such serious illegal activities have already begun to erode our cadres, harm the party, the government and the army as well as the good name of the country. They are poisoning the people's thinking and polluting the social order as well as destroying economic construction and affecting social order and preventing the proper implementation of policies aimed at opening up to foreign countries and enlivening the economy.

Whether or not we can carry out a successful struggle against such illegal activities is related to the success or failure of China's socialist modernization program and the prosperity or decline of the party and the country. Because of the decisive policies undertaken by the party this struggle has already seen initial success. But because of specific historical conditions, the struggle will be a long one. Thus we have decided that during this new

era of development of the socialist cause, we must use both hands. One hand supports the open-door policy and the move to revitalize the economy and the other hand supports the move to fight all illegal activities within economic and any other areas. Because of the illegal activities in economic and other areas, it is possible that less attention would be given to the open-door policy and the invigoration of the economy. On the other hand if we only concern ourselves with these invigoration policies then we ignore the struggle against illegal activities in economic and other areas. Both these possibilities are incorrect and should not be allowed to occur and thus in our studying we must link everything to reality and rid ourselves of these incorrect ways of thinking.

As far as class struggle is concerned, we must seek to prevent and overcome two main incorrect ways of thinking. Since the Third plenary session the party has made several new tactical policies and in so doing has corrected the former mistaken policy of "taking the class struggle as the key link" and criticized the idea of "using the class struggle to study and analyze everything." Instead, the party has promoted the task of improving the system of socialist democracy and strengthening the legal system of socialism. This is entirely correct but some rightists misinterpret the party line and incorrectly believe that the class struggle no longer exists and that the class viewpoint of Marx is no longer applicable and even feel that the fight against economic and other types of corruption is not a class struggle. Even more serious is the fact that some people even turn a blind eye to the small number of bad elements and their illegal activities as well as the corruptive invasion of bourgeois ideology. Some people still have not rid themselves of the fetters of the concept of "making the class struggle the key point" and thus, with the appearance of economic corruption and the invasion of poisonous bourgeois ideology, they are unable to handle the situation correctly and feel that only with politicalization can the problem be solved. Such ideas as these are all wrong. In our studying we must link everything with reality and look at historical and present experiences. In this way we can strengthen our watch against bourgeois corruption and support the purity of communist education as well as overcome the rightist mistake of ignoring the existence of class struggle. Furthermore, we must respect the socialist legal system and use the weapon of the law to strike out at bad elements and thereby avoid a return to the old road of "taking the class struggle as the key link" and overcome "leftist" mistakes.

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HOW TO STUDY THE FIFTH PART OF THE 12TH CPC CONGRESS REPORT

Beijing RED FLAG in Chinese No 20, 16 Oct 82 pp 45-48

[Article by RED FLAG Editorial Office for Theoretical Education; passages within slantlines published in boldface]

[Text] This part of the report expounds on the basic principles and policies of China's relations with other countries, the major questions of our relations with other countries at present and the important principles of developing the relationships between our party and other communist or working-class parties. In our study, we must grasp the following four main points:

1. The basic point of departure for our country to handle its relations with other countries.
2. The five principles of peaceful coexistence have consistently guided China in its efforts to develop relations with other countries.
3. Resolutely opposing imperialism, hegemonism and colonialism together with other Third World countries is our sacred international duty.
4. The important principles of developing relationships between our party and other communist or working-class parties.

/While studying the first main point, it is advisable to deepen our understanding in three aspects: 1) China's foreign policy fully reflects the integration of patriotism and internationalism. 2) We must have a further understanding of the correctness of our foreign policy by recalling the past and contrasting it with the present. 3) Adherence to an independent foreign policy must go through struggles./

China's foreign policy is based on Marxism-Leninism-Mao Zedong Thought. It proceeds from the fundamental interests of the people of China and the rest of the world and fully embodies the integration of patriotism and internationalism. Being patriots, in relations with other countries we must resolutely safeguard our national interests or dignity, and we definitely cannot tolerate any encroachment of them. Being internationalists, we must realize our national interests in the course of safeguarding the overall

interests of mankind and definitely not infringe upon the overall interests of mankind for the sake of narrow national interests. Therefore, in international activities we must always have the overall interest of the world in mind, support all undertakings conducive to safeguarding world peace and promoting human progress and try our utmost to make our own contributions in this respect. In addition, as for the Chinese people who are struggling for socialist modernization, world peace and human progress are indispensable international conditions and a vehicle of support. In the past, we always stressed that aid among all nations was reciprocal and that the just struggles of the people of other countries have helped the Chinese people and in turn the Chinese people have also helped the just struggles of the people of other countries. In the future we will continue to support this view and act in such a way. It is precisely because the basic point of departure of our foreign policy is based on patriotism and internationalism that it is completely different from the diplomacy of capitulationism and humiliation which was pursued by the reactionary rulers in old China in the face of imperialist aggression and oppression, and is also completely different from the expansionist and hegemonist policies practiced by some big nations which rely on strength to overpower weak nations. It is an embodiment of the integration of patriotism and internationalism. On the basis of adhering to our persistent principled stand, flexible methods and steps are adopted in light of the development of and changes in the situation. In handling our external relationships, we uphold principles and also keep our promises and mean what we say. Being diametrically opposed to the practices which regard the intercourse between different countries as a political game or as playing "cards," in its dealings with other countries China always has a long-term stand and firm principles, follows an overall long-term strategy and is definitely not swayed by expediency or by any external pressure or by anybody's instigation or provocation. Our foreign policy has weathered all sorts of tests in the changing international situation and has gained prestige and made more and more friends throughout the world.

In order to have a deeper comprehension of our independent foreign policy, let us look back at the bitter history of more than 100 years after the Opium War in 1840 in which China was subjugated to the aggression of colonialist and imperialist big powers compelled China to sign unequal treaties by force of arms, willfully trampled upon our sovereignty, divided our territory and plundered our wealth; moreover, in order to exchange the recognition and support of the imperialists, the reactionary decadent Qing dynasty, the northern warlords and the KMT government would not hesitate to sell our state sovereignty and betray national interests. As a result, China became weaker and weaker and became impoverished. It was not until the founding of the PRC that this history of national betrayal and humiliation was thoroughly ended. After the PRC was founded, the Chinese people really stood up. China carried out an independent external policy, participated in discussing and resolving international affairs on an equal footing, continuously gained new and tremendous achievements in international activities and its international status rose rapidly. On the basis of the five principles of peaceful coexistence, China has in the past 33 years, since the founding of the PRC, established diplomatic relations with more than 120 countries, developed economic and commercial intercourse and cooperation in

various fields with more countries and regions, and has thus provided our socialist construction with favorable international conditions. In the course of our study, we must have a deeper comprehension of the principles and characteristics of our foreign policy through recalling the past and contrasting it with the present and lay an ideological foundation for doing a further good job in the foreign affairs work and developing relations with other countries.

Under the present conditions, in order to adhere to an independent foreign policy it is still necessary to go through severe struggles. Internationally, the superpowers which carry out a hegemonist policy will always try to rely on their military and economic strength, which occupies a dominant position, to put pressure on China, menace the security of our country, interfere in our internal affairs and be unwilling to handle their relations with our country in an equal manner. The process of our adherence to an independent foreign policy is a process of struggling against hegemonism. Domestically, in a situation in which we follow a policy of opening to the outside world, in the dealings with foreign countries, some party members and cadres, seriously corrupted by foreign ideas, depart from the correct stand, lose moral quality and national dignity, infringe upon the state's interests to seek personal gains and even sell secrets and betray the motherland; still other people stubbornly worship foreign things and fawn on foreign powers and lose the national confidence and their self-respect. While studying we must proceed from realities, pay attention to waging struggle against this sort of phenomena and eradicate their influence.

/While studying the second main point, it is advisable to have a deeper understanding of the necessity of adhering to an independent foreign policy in social and ideological foundations; at the same time, it is also necessary to understand that the five principles of peaceful coexistence are not only applicable to handling our relations with countries having different social systems but are also applicable to handling our relations with socialist countries./

The five 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 have consistently guided China in its effort to develop relations with other countries. China first put forth and has persistently upheld these five principles which have opened up a new path of developing international relations. The characteristics of previous foreign relations were that big nations could bully weak ones at will; big nations could wantonly oppress small ones; some big nations and even one or two superpowers could dominate world affairs and manipulate the fate of the vast numbers of other countries. China has consistently held that all countries, whether big and small or powerful and weak, must be equal in the international arena and matters that concern the world must be jointly settled through consultation among all nations; that the sovereignty and integral territory of a country must be respected and no country whatsoever has the right to serve as an international gendarme or to brandish the baton and no country is allowed to

occupy other countries' territories and interfere in the internal affairs of other countries. In past years, China has strictly abided by the five principles of peaceful coexistence and never occupied a single inch of foreign land, never infringed upon the sovereignty of another country or imposed an unequal relationship upon another country and has proclaimed that under no circumstances will it seek hegemonism. We have a solid social and ideological foundation in doing things in this way. In terms of social foundation, we have established in China the socialist system with the people being the masters of the country. This provides a social foundation for carrying out a peaceful policy in external work. There does not exist in China the monopolistic capitalist class which needs to grab super-profits in other countries or the militarist force which serves this class, so there is no need whatsoever for China to commit aggression against another country or to expand its territory. In terms of the ideological foundation, we uphold proletarian internationalism, firmly believe that "a nation cannot become free and at the same time continue to oppress other nations" and "no people on earth who enslave a nation can escape punishment." ("Collected Works of Marx and Engels," Vol 4, p 410; Vol 18, p 629) Therefore, in our external intercourse, we have all along strived for safeguarding unity and friendship among the people of all countries and will definitely not oppress and enslave another nation. We have persistently supported the struggle for liberation of the oppressed people and nations and are convinced that communism will ultimately be realized throughout the world and strictly follow the principle of "revolution cannot be exported." In accordance with the historical materialist viewpoint, only the people of the country concerned can decide the fate of their own country. The revolution of a country must rely on the political consciousness of the people of the country concerned and it cannot and also must not be forcefully imposed on the people from the outside.

The five principles of peaceful coexistence are applicable to our relations with all other countries. The report separately expounds on China's relations with Japan, the United States and the Soviet Union. Although conditions vary from country to country, our relations with them have a common spirit, that is, adherence to the five principles of peaceful coexistence. In his opening speech to the 12th CPC Congress, Comrade Deng Xiaoping pointed out: "While we Chinese people value our friendship and cooperation with other countries and people, we value even more our hard-won independence and sovereign rights. No foreign country can expect China to be its vassal, nor can it expect China to swallow any bitter fruit harmful to China's interests." This is an expression of the Chinese people's firm stand of upholding the five principles and safeguarding the interests of the motherland and national dignity.

In our external relationships, we uphold principles and wage appropriate struggle against the practices of those countries which deviate from the five principles of peaceful coexistence. This will be conducive to the consolidation and development of relations based on the five principles rather than damaging our normal relations with those countries. If we do not do so and further allow the phenomena which run counter to the five principles to develop unchecked, then the relations which have been

established and developed will also possibly regress and even be in danger of heading for a diplomatic breakdown. Such are the relations between China and the countries which have different social systems from China's. In our relations with other socialist countries, on the basis of sharing identical goals and an identical basic stand and viewpoint, there will possibly emerge differing comprehensions and even differences of opinion on some matters, and therefore it is also necessary to solve the differences and contradictions of both parties concerned on the basis of the five principles of peaceful coexistence and through consultation based on an equal footing so that the bonds of friendship, unity and close cooperation can be continuously consolidated and developed.

/While studying the third main point, we must deepen our understanding in three aspects: 1) Opposing imperialism, hegemonism and colonialism is the common task of the people of all Third World countries. 2) The unity and cooperation between China and other Third World countries has a historical and practical foundation. 3) Mutual cooperation among Third World countries is of great significance./

One characteristic of the present international situation is that the old system of colonialism has disintegrated but its remnants are far from being eliminated; the imperialists and colonialists are still attempting to safeguard their vested interests in their former colonies and vassals. The superpowers that practice hegemonism pose a new threat to the people of the world. Their pursuit of global domination is the main source of instability and turmoil in the world. Therefore, opposing imperialism, hegemonism and colonialism and striving for complete equality and reason in political and economic relations among nations are the common demands and fighting tasks of the people of the world, and in particular the people of the Third World countries, and the most important task of the people of the world today is to oppose hegemonism and safeguard world peace. China is against all wars of aggression, including the world war being fomented by the superpowers, and all local wars of aggression which the superpowers instigate or back and regard supporting all victim countries and people in their struggle against aggression as its own international duty.

China belongs to the Third World and the unity and cooperation between China and the vast numbers of other Third World countries has a profound historical and practical foundation: 1) China has experienced sufferings similar to those of most other Third World countries. Historically, China and most other Third World countries were for a long time subjected to colonialist and imperialist aggression and oppression. In the struggle for national liberation, they stood on the same front line to oppose a common enemy and they went through thick and thin and enjoyed the joy of victory together. 2) China and most other Third World countries are faced with common problems: in the international political arena, they are menaced and jeopardized by hegemonism; in international economic relations, they are unjustly and unequally treated by the old international economic order; and domestically, they are faced with, to varying degrees, the problems of economic poverty and cultural backwardness left over by history. 3) China and other Third World countries are faced at present with common tasks:

first and foremost, they should defend their national independence and state sovereignty and actively develop their national economies so that they can back up their political independence with economic independence. With a common basis, we can share a common destiny with Third World countries and sincerely treat each other and cooperate in a friendly manner.

Mutual cooperation with Third World countries, and in particular economic cooperation, will contribute to breaking the old unequal international economic order. The so-called old international economic order is in essence an economic system under which the international monopolistic capital of the developed capitalist countries monopolizes the production, trade and finance of the world and exploits developing countries. Through the export of capital and transnational corporations--monopoly enterprises of an international character, the developed countries control the production of important products of quite a few developing countries and grab super-profits in developing countries. On the international market, in the trade between the developing countries which mainly export primary products and the developed countries which mainly export manufactured goods, the continuous widening of the scissors difference in exchange prices and the artificial forcing down of prices for many raw materials by the developed countries have made developing countries sustain a great loss. In financial and monetary fields, inflation and remittance fluctuations of the West have made foreign exchange reserves of developing countries suffer losses, and high interest and harsh terms on capital loans have added weight to the financial burdens of developing countries. In order to reform this old international economic order, apart from striving to solve problems through negotiation with developed countries (the South-North dialogue), developing countries are strengthening their mutual economic cooperation (South-South cooperation). This is of great significance. It is conducive to establishing a new international economic order based on genuine equality and mutual benefit as well as fairness and rationality and to promoting developing countries to self-reliantly and steadily get rid of the relationship of economically hanging on to the coattails of developed countries. From a long-term point of view, "South-South cooperation" has a broad prospect. Today China and many other Third World countries have been fruitfully putting an end to their respective economically and technically backward features. This is a new force in the world economy which has a reservoir of potential. If China is economically prosperous and flourishing, it will surely make more contributions to the development of "South-South cooperation" and the prosperity of the world economy.

/While studying the fourth main point, it is advisable to deepen our understanding of the important principles for our party to handle its relations with foreign communist or working-class parties in light of the historical experience of the international communist movement./

The principles for our party to handle its relations with other communist or working-class parties are in strict conformity with Marxism, adherence to independence, complete equality, mutual respect and noninterference in each other's internal affairs. This is not only a summing up of the historical experiences of our party in handling its relations with foreign

communist parties but also an assimilation of the historical experiences, both positive and negative in the international communist movement.

The history of the international communist movement has told us that the socioeconomic conditions and political conditions of every country are complicated and multifarious. The problems of revolution in any country, such as strategy, tactics and organizational forms, should be decided by the country's communist party or other working-class party under the guidance of Marxist principles and in accordance with the country's actual conditions and they should be tested and perfected in the continuous practice of revolutionary work. The reason why the Chinese revolution could be victorious is because our party was good at integrating Marxist universal principles with the concrete practice of the Chinese revolution, that is to say, China self-reliantly defined its own line, principles and policies. In his opening speech to the 12th CPC Congress, Comrade Deng Xiaoping pointed out: "Both in our revolution and construction, we should also learn from foreign countries and draw on their experience. But mechanical copying and application of foreign experience and models will get us nowhere. We have experienced many lessons in this respect. To integrate the universal truth of Marxism with the concrete realities of China, blaze a path of our own and build socialism with Chinese characteristics--this is the basic conclusion we have reached in summing up long, historical experience."

The historical experience of the international communist movement has also proved that any attempt by one party (no matter how high its seniority and prestige are) to decide the internal affairs of other parties, to forcefully issue orders or to run the internal affairs of other parties will always produce poor results and can only lead to setbacks or failures in the revolutions of the countries concerned. In maintaining contacts among the communist parties of different countries, one must only rely on the truth of Marxism to convince others rather than resorting to administrative means. As for the practice of one party willfully interfering in the other parties' internal affairs and even compelling other parties to submit to it by force of arms, it can fundamentally run counter to proletarian international principles and undermine the very foundation of the international communist movement.

Of course, it is still quite necessary for all communist parties to exchange views and help each other on the basis of mutual respect and complete equality. Each party has its own strong and weak points. Each party is encouraged to learn from each other's successes and failures and draw useful lessons from them.

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ATTENTION SHOULD BE PAID TO IDEOLOGICAL AND POLITICAL WORK AMONG EDITORIAL STAFF

Beijing RED FLAG in Chinese No 20, 16 Oct 82 p 49

[Article by Wen Zhao [2435 6856] and Che Yanming [6508 1750 2494]]

[Text] Comrade Liu Shaotang's article "Ideological and Political Work Among Writers Should Be Strengthened," which was published in RED FLAG No 13, 1982, raised a seriously acute problem: Among a very small number of people in literary and art circles, there exists an erroneous tendency to think very highly of oneself and feel cocky toward the party. The article states: "Only when ideological and political work among writers is strengthened, can we produce good works of literature and art, foster a good work style and promote the greater flourishing of socialist literary undertaking." We consider that the article's argument is extremely apposite. However, we have one point to add: We must also simultaneously strengthen ideological and political work among editorial staff and strive to heighten their sense of political responsibility.

A completed item of work, although it reflects the ideology and political tendency of its writer, it is nevertheless necessary to go through the medium of the editor to use the work to influence and educate the people. Therefore, editors must have a sharp ability to discriminate and a high level of sense of political responsibility. What kinds of work should be published and what kinds of work should not be published? This is a question of principle concerned with whether or not the party's literary undertaking can be safeguarded. It is a pity that in a few publications, some works of literature and art unexpectedly appeared which had a low style and even had extremely absurd content. These works seriously damaged our party's image and the image of socialist new people, brought pollution to the spiritual life of the masses of the people and had an extremely harmful influence on the vast numbers of readers. One of the important reasons why it was possible to publish these works is that some working editorial personnel failed to strictly examine and conscientiously distinguish these works, or they based their decision to publish the work merely on the reputation of the writer. It even happened that the publication of some works of literature and art was entirely due to the fact that the editor responded sympathetically to the thoughts of the writer.

We can see from this that it is not enough to strengthen ideological and political work among writers alone. While providing more effective party leadership in literary and art works and strengthening ideological and political work among the writers, further vigorous efforts should still be made to strengthen ideological and political work among working editorial personnel. Only in this way can we ensure the publication of more works which fill people with enthusiasm and can we restore and develop the glorious tradition of revolutionary literature and promote the greater flourishing of socialist literary undertakings.

Editor's note: After reading Comrade Liu Shaotang's article "Ideological and Political Work Among Writers Should Be Strengthened," Comrades Wen Zhao and Che Yanming proposed that "attention should also be given to ideological and political work among editorial staff." We consider their opinion to be quite correct. It must be said that their opinion is not only applicable to the editors of literary and art newspapers and editorials but also to the editorial staff in such fields as new publication and theoretical propaganda. In the last few years, great advances have been made in newspaper and periodical publication work and many comrades on the editorial staff have done their utmost to serve as a link between writer and reader and play the part of a discrete matchmaker. They have thus done a lot of work. However, there still exist some problems in editorial work. Apart from those things mentioned by Comrade Wen Zhao and Che Yanming in their letter to us, according to readers' letters, there are still a small number of people who hanker after the indulgence of all sorts of unhealthy practices, such as the "study of relationships." For example, a few people try their best to publish the manuscripts of their old acquaintances, friends and classmates, regardless of quality. And there is a tacit agreement between different editors that you publish my work and I will publish yours. Some editors even indulge in flattering each other in an unprincipled way. What is more, they act willfully in accordance with their personal tasks, viewpoints and tendencies, they abandon principles, act without regard for the consequences and so on. They do not, as they ought to, regard the newspapers and periodicals which they are involved in editing as the party's propaganda front. All these practices not only make the quality of publications inferior but also have a directly harmful influence on the readers. We are happy to see that this problem has aroused the attention of the departments and units concerned. Quite a few units have examined and summed up their own editorial work and are strengthening ideological and political work among the editorial staff in the light of their respective actual conditions. Through the examination and summing up work, the vast numbers of editorial working personnel have also acquired a deeper understanding of the glorious responsibility which they bear, and they are adding to their achievements, overcoming their mistakes and vigorously encouraging editorial professional morality so that together they can push the building of socialist spiritual civilization forward. Of course, intensifying ideological education among editorial staff is a long-term task. With regard to this question, this magazine wishes to encourage other fraternal newspapers and periodicals in our endeavor.