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6 March 1985

CHINA REPORT

AGRICULTURE

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NATIONAL

'SPECIAL' COMMENTARY ON READJUSTING PRC RURAL ECONOMY

HK080807 Beijing NONGMIN RIBAO in Chinese 28 Jan 85 p 1

["Special" commentary": "Positive Principle for All-Round Invigoration of the Rural Economy--on Readjusting the Rural Production Structure"]

[Text] Readjusting the rural production structure means readjusting the relationships of production between various trades in the rural areas. At the mention of readjusting, some people will refer to reducing the area and limiting production. This way of thinking is unrealistic because it is related to the old methods for guiding the development of the rural areas. In the past, agricultural products were in short supply and the rural production forces developed very slowly. To ensure the supply of some products urgently required by the state and the people, we had no alternative but to adopt the method of "giving up a pawn to save a knight," that is, to throw the limited materials and funds into the major production fields and to sacrifice or reduce some production fields to develop other production fields. But today it is wrong to regard the readjustment of the rural production structure as reducing or limiting production, as the tasks and practical conditions in the readjustment are different from those in the past. Readjusting the rural production structure is a positive principle for promoting the coordinated development of rural production and for maintaining the all-round invigoration and constant growth of the rural economy.

Productivity in planting is the basis for developing production in other fields in the rural areas. In the past, rural production could not develop fast because the crop productivity was low. Since the 3d Plenary Session of the 11th CPC Central Committee, planting has developed very rapidly due to the implementation of the output-related contract system on a household basis. In a short span of several years, the rural areas are beginning to produce sufficient and more than sufficient agricultural products. The problem of food and clothing no longer stands in the way. This has provided a golden, historical opportunity for the rural economy to shift toward the simultaneous development of farming, forestry, animal husbandry, sideline production, and fishery, and toward the comprehensive development of industry and commerce. Readjusting the rural production structure means that, on the basis of ensuring

the steady increases in crops, the products, funds, and surplus labor force provided by them should be used to develop animal husbandry and the agricultural and sideline products processing industry, as well as to exploit other emerging industries for the purpose of turning the increases in crops into the overall invigoration of the rural economy. We can say that this is the basic characteristic of the present rural production structural reform.

For many years, many problems have been left over from rural economic development in the course of ensuring the development of crops and stimulating grain production. Various agricultural products, animal husbandry products, and marine products are in great demand; large-scale land reclamation in mountainous areas and forests has caused serious soil erosion and ecological imbalance; the economy in pastoral areas is at a standstill; suburban areas are unable to bring their economic superiority into play; and various regions cannot use natural resources to develop their economy in the light of their specific conditions. In the past, it was unimaginable to change this situation. Without solving these problems, it would be impossible to ensure the constant and healthy growth of the rural economy. Now we have the necessary conditions for encouraging and supporting the rapid development of rural trades which are urgently needed. In this way, mountainous areas, forest areas, pastoral areas, lake areas, and suburban areas will be able to get rid of the label of being self-sufficient in grain, to bring the superiority of their resources and economy into play, to make up each other's deficiencies and to develop in coordination.

We should use systematic engineering to guide the readjustment of the rural production structure and to appraise the results of the readjustment. To judge whether the readjustment is successful, we should not merely look at the emergence of trades and the number of products. We should also consider whether the rural economy has developed in entirety and whether the rate of development is high. Readjusting the rural production structure will not cause any reduction or stoppage of the rural productive forces; instead, it will emancipate the latent, long-suppressed economic factors in the rural areas and enable them to become a mighty productive force. Persons engaged in rural work should not hesitate and should lose no time in making use of this excellent situation.

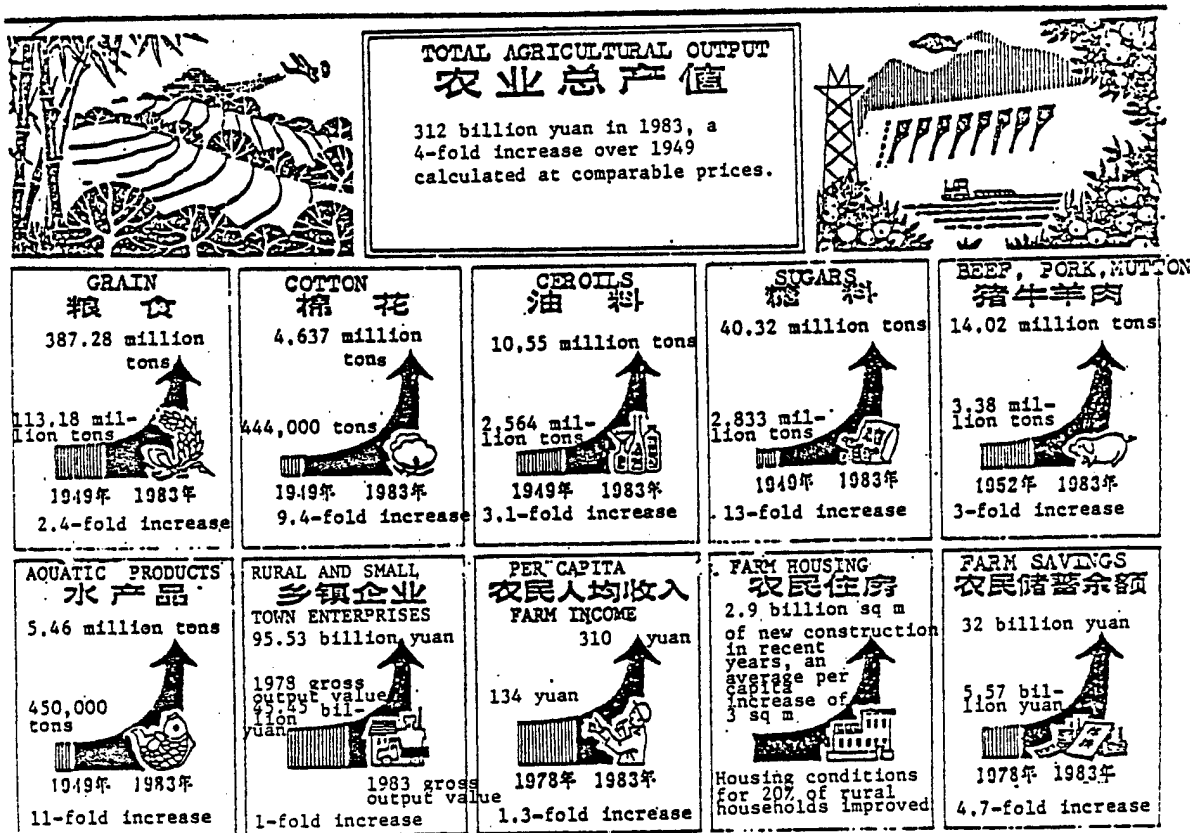
CSO: 4007/215

NATIONAL

GROWTH OF GVAO IN PAST 35 YEARS FOR SELECTED COMMODITIES

Beijing GUANGMING RIBAO in Chinese 29 Sep 84 p 2

[Text]



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NATIONAL

COMMENTARY URGES CONTINUED WORK IN GRAIN PRODUCTION

HK090436 Beijing NONGMIN RIBAO in Chinese 30 Jan 85 p 1

["Special Commentary": "We Must Certainly Not Relax Grain Production--Third Comment on Readjusting the Rural Production Mix"]

[Text] Since 1983, the "difficulties in selling grain" have become a universal phenomenon in the rural areas throughout the country. The peasants and the purchasing departments have complained a lot about this. This shows that China's grain production has entered a new period, turning from undersupply to oversupply.

The problem of surpluses has occurred when the average per capita output of grain just exceeds 800 jin. How should we comprehend the matter? The average per capita output of 800 jin is a low level which lags far behind that of the developed countries. The reason for the grain surpluses is that China's current consumption level is relatively low and the manner of consuming grain is rather simple. Grain has always been consumed directly in the form of grain rationing. Whenever the need for grain ration decreases, there are surpluses. Although some grain has been processed into fodder and transformed into meat, this accounts for only a small portion. If grain is transformed into meat on a large scale, it is difficult for the people to afford the cost. From a long-term point of view, as the people's consumption level is raised, they will have an increasing demand for meat, poultry, eggs, milk, and other products. The many purposes of grain will be constantly exploited and the current output of grain will be insufficient to meet the demands. Therefore, we must enormously enhance the capability of grain production to meet such demands and must never lower our guard at any time on grain production. Meanwhile, we must also be aware that the readjustment of the rural production mix is based on the sustained growth of grain production. Without the growth of grain production and without grain surpluses, it will be impossible to develop animal husbandry, aquatic products breeding, and the food processing industry; to restore to its former state the farmland reclaimed from the mountainous and pastoral areas, forests, and lakes; to help the suburban areas relieve their burden of self-supply of grain; and to give full play to the economic advantages of various localities. Consequently, we will fail to

readjust the rural production mix. Therefore, to readjust the rural production mix, it is necessary to firmly grasp grain production, continue to remove the obstacles and perfect the various production prerequisites in places where the conditions are suitable for growing grain, and constantly enhance the capability of grain production.

In order to expand the grain markets and develop various forms of grain consumption, it is also necessary to readjust the internal structure of grain production. The surpluses in the north are mainly maize and in the south mainly wheat and indica rice, which show that the varieties of surplus grain are relatively few in number. Some fine quality wheat and rice still have a good market and the supply often falls short of demand. Although the output of many food grains other than wheat and rice is limited, the masses consume a lot of these grains. In some localities, although green fodder and other forage grains have a good market, it is usually difficult and expensive for them to transform the grain into fodder. The readjustment of the grain production mix and the development of the fine strain forage grain and food grains other than wheat and rice will carefully be advantageous to the exploitation of new markets for grain consumption.

In order to ensure that the capability of grain production is not weakened, it is necessary to do a good job of regional planning while readjusting the rural production mix. In places where the conditions are ripe but where grain growing is not suitable, other crops should be grown instead of grain. In places where grain production is not suitable and where transport facilities are limited, they should strive to maintain self-supply. The places which have the advantages in growing grain should continue to support grain production, increase the output and improve the quality of grain, and achieve better economic results. The results of grain production are not so good at present because the relations of prices have not been appropriately straightened out. Therefore, all localities, in line with their own capabilities and conditions, should provide various services for grain production and support and arouse the peasants' enthusiasm for grain production. In light of their own conditions, the regional cooperative economic organizations can also adopt the methods of "using industry to complement agriculture," moderately concentrating the area of contracted land, and extending the scope of grain production to increase the income of grain producers.

CSO: 4007/215

NATIONAL

COMMENTARY ON CHANGING NATURAL INTO COMMODITY FEATURES

HK080140 Beijing NONGMIN RIBAO in Chinese 29 Jan 85 p 1

[Special commentary: "Turn Natural Superior Features Into Superior Commodity Features--More on Readjusting the Rural Production Mix"]

[Text] The enthusiasm of the broad masses of the peasants for developing production has been greatly increased since the relaxation of the rural economic policies. In just a few years, there has been a favorable change from a rural economy that had been stagnating for a long time and from having a serious shortage of agricultural and sideline products. But along with the gradual development of the rural economy into the commodity economy, some unprecedentedly new situations have emerged in these few years. Since 1981, there has been a reduction of output, stagnation of production, or slow development of production of silk, jute, bluish dogbane, oil crops, tea, flue-cured tobacco, and other products, due to the lack of a good market. In the past 28 years, cotton and grain have also generally found "little sale." In many cities and towns there has been a poor supply of pork, vegetables, aquatic products, and other products. The state has readjusted the prices, improved the circulation structure, smoothed out the circulation channels, and adopted some other methods, which has improved the situation but has not fundamentally solved the problem. On the contrary this has caused an excessive overstock of some materials, a shortage of storehouses, heavy financial burdens, and other phenomena. These problems warn us that in order to accelerate the development of agriculture, besides deeply carrying out the reform of the economic structure, we must coordinate well rural production relations and set up a rural commodity production system which suits consumption needs.

Commodity production is production for the purpose of sales. Whether the products can become commodities or not depends on whether the products can suit the needs of consumers or not. In the past, because the state implemented the system of the unified purchasing and planned purchasing of agricultural products and because there had been a long-term shortage of agricultural products, generally speaking the peasants did not need to know about the needs of the consumers and they did not need to worry about the sales of the various kinds of products they had produced. Such a situation has fostered among the producers the idea that increasing output is developing production, and that

the more products they can produce, the more social needs they can meet. Since we have begun to carry out commodity production, the situation has greatly changed. The consumers have now become the "emperors" who not only demand a steady supply of agricultural products, but also demand a variety of products and high-quality products. If the peasants continue to stubbornly carry out production according to their own will, they will suffer great losses because their products will not sell. In order to ensure that their products successfully become commodities, the peasants should readjust their production quotas and produced items according to the changing market needs. This kind of readjustment and change is a reform of the production system based on the overall situation of the rural economy. For historical reasons, the present rural production systems are not lively and are based on grain production. In line with the development of the urban and rural economies in the past few years, people now have much larger incomes than before, so people have increased consumption requirements for clothes, food, lodging, transportation, and other areas. For example, people want to dress well, eat nutritious food, live in spacious dwellings, and so on. In order to meet these needs, we must greatly develop animal husbandry, aquatic production, the processing industry and service trades, and improve the quality of products, as well as enrich the production system.

Commodity production only matches social purchasing power, not the daily needs of the ordinary people. If people want to buy things, they first need money. The producers can only sell their products when people have paid money. In order to ensure that more and more agricultural products can be sold and there will not be any "difficulties in selling" the products, we should improve the social purchasing power. However, in a city with a population of 200 million people, the consumption of agricultural products will still be limited even after we have greatly improved social purchasing power. From a long-term point of view, we must open up the rural markets for agricultural products and improve rural purchasing power. In order to achieve this, we should increase the non-agricultural population and greatly develop non-agricultural production, which is also an inevitable requirement of the present readjustment of the rural production system.

The rural areas of our country have rich natural resources and a big population. In the past we could not comprehensively make use of rural resources. Some of the resources were even seriously destroyed, which in turn seriously destroyed the ecologic balance, because the production set-ups were not active enough. The 800 million peasants could hardly become rich by working in narrow confines, so only by enriching the production set-ups and reasonably rearranging them could we fully open up and make use of the various resources of our big country, turn natural advantages into economic and commercial advantages, create more employment opportunities, increase the rural economic incomes, and enable the peasants to enter the "comfortable society" at an earlier date.

The readjustment of the rural production system is not only a requirement for the transformation of rural production into commodity production, but also a capital construction task for further liberating the rural productive forces.

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NATIONAL

LIAOWANG ON ADOPTING OPEN POLICY TOWARD GRAIN

HK081035 Beijing LIAOWANG in Chinese No 4, 21 Jan 85 pp 18-19

[Article by Ji Yecheng [1213 2814 2052]: "Adopt an Open Policy Toward Grain and There Will Be Vigor and Vitality Across the Board"]

[Text] At the national rural work conference which ended recently, Premier Zhao Ziyang said: The situation of agriculture is very good. The problems which have now emerged are mainly due to the fact that the structure of agriculture is not rational enough, the relations between different industrial sectors within the rural structure are not very well coordinated, and agricultural production is out of step with the needs of society to a certain extent. The speed of development of the production of grain exceeds the social needs for the time being. The solution is to adopt an open policy, and to expand the market regulation under the guidance of state plans. Let the peasants arrange their production in line with the market needs. In this way, there will be vigor and vitality in the countryside. If the policy of state monopoly for purchase and sales is still practiced, a wrong signal will be given to the peasants, which will be harmful to the change of the agricultural structure and will lead to a stalemate. Now, the CPC Central Committee and the State Council have decided: Beginning from 1985, apart from some individual agricultural products for which the state considers it imperative to practice state monopoly for purchase and sales, no departments and units are allowed to issue mandatory plans to the peasants. The state will practice a policy of ordering grain according to preferential prices and purchasing grain according to protective prices.

In face of the important reform of the system concerning our grain and other agricultural products, it is of vital importance to conduct some significant studies on the issues of grain.

Production of Grain Has Entered a New Stage

Our country has a large population, and the food problem has always been a major one. In the last 30-odd years since liberation, the party and government have always attached great importance to the development of grain production, and have achieved prominent results.

After the 3d Plenary Session of the 11th CPC Central Committee, our country comprehensively readjusted the policy on agriculture, corrected the "leftist" mistakes, and, in particular, implemented the system of contracted responsibility for production with remuneration linked to output, which greatly brought into play the initiative of the broad masses of peasants for production. Thus, the production of grain in our country has recorded a rather high speed of development. From 1979 to 1984, an increase of 31.5 billion jin of grain per year on the average was recorded in our country. In 1984, the total grain production in the country was in excess of 800 billion jin for the first time, thereby enabling the per capita possession of grain to reach the average world level for the first time. This demonstrates that the grain of our country has entered a new stage.

Then, why is it that the phenomenon of "excessive" grain production emerges at a time when the per capita possession of grain has just reached the 800 jin level? This is because the existing food structure of the people of our country still remains at the level of an old and traditional practice of taking grain as the main food. If grain alone is taken as food, 500 jin per capita will be enough. If meat, milk, and eggs are taken as the main food, the quantity of grain needed will be much greater. This is because the production of 1 jin of meat requires three or four jin of grain as forage. At present, an average of 44 percent of the total grain consumption of each person in Japan is for forage purposes, while such consumption in our country is only 15 percent. Furthermore, in addition to producing forage, the production of other kinds of quality food products also consumes a considerable quantity of grain. Therefore, the present "excessive" quantity of grain is only temporary and of low level. In spite of this, the present level of production has created a good beginning for the people of our country to effect the transition from "having enough food" to "having good food."

In addition, the level of production of grain in various localities in our country is not balanced. In our country, only three provinces--Jilin, Heilongjiang, and Jiangsu--record a per capita output of grain in excess of 1,000 jin, five provinces in excess of 800 jin, and there are still seven or eight provinces and regions in which grain is in short supply. Most of these provinces with grain in short supply are located in mountainous areas, the border areas, and the animal husbandry areas, and it is rather hard to transport grain into these regions. According to statistics, in our country there are about 60 million people who have not completely solved the problem of having enough to eat. Furthermore, the distribution of grain species is not rational enough. For a considerable time in the past, because of the tendency of seeking solely after quantity, there were greater quantities of high yield grain with poor quality. In recent years, there has been an annual shortage of 10 to 20 billion jin of wheat in the country, and there has been a comparative shortage in the production of millet and different kinds of beans which are highly nutritious and capable of fetching favorable prices in foreign exchange on the foreign market. Long-grained nonglutinous rice is in excessive supply and polished round-grained nonglutinous rice is in short supply, and the supply of superior quality rice fails to satisfy the demand. Also, supplies of the principal raw material for making beer--barley--and the raw material for making white spirit--sorghum--are not enough to satisfy the needs. All this demonstrates that the excessive supply of grain in our country is in the nature of structure, that is, it is caused by the irrational distribution structure and the irrational structure of varieties.

Since our grain production has reached the present level, we should grasp this very rare opportunity to effect great changes in the production of grain in terms of quality, species, and uses. We should never let people have the wrong idea that there is excessive grain production in our country, thereby dampening the enthusiasm of the peasants for growing grain.

Reform Is a Certainty of History

To change from stage monopoly for purchase to purchase by order and by offering preferential and protective prices is a strategic change in our system of grain and other agricultural products, and is a certainty of history—from self-sufficient production to commodity production. Rationed grain is changed to commodity grain, and the final product is changed to the object for processing. In the past, our agricultural products were in rather short supply, and it was necessary under these circumstances to practice the system of state monopoly for purchase of grain. It played the role of ensuring supply and supporting construction. However, with the development of production, its defects became increasingly evident. In this connection, the development of commodity production and the enhancement of economic results have now been affected in the rural areas, and it is high time that we changed this situation. Adopting an open policy toward grain and agricultural products is a thing which we hoped to practice and dared not practice in the past years. Now this policy can be practiced because the conditions are mature, and this is a very good thing.

When the policy toward grain is relaxed, there will be vigor and vitality in all aspects. In the first place, efforts will be made to enhance the quality and readjust the species of grain on the basis of a steady growth of the grain production. It is necessary to grow a greater quantity of superior quality rice, wheat, millet, beans, and barley, and adequately reduce the sown area of long-grained nonglutinous rice and corn. [word indistinct], industrial grain, forage grain, and greenfeed grain should be gradually classified, so that cultivation of suitable species can be specifically determined and methods of cultivation can be studied, and separate harvesting, purchase, storage, and transportation can be practiced. It is necessary to discard certain inferior species in time, and to plant industrial crops on the land which is suitable for this purpose but which was used for cultivation of other species. Those slopes, grasslands, and shallow lakes which are not suitable for planting crops should be used once again for production in forestry, animal husbandry, and fishery.

The management of grain should be carried on in accordance with the law of value, and good price for good quality should be practiced. It is of vital importance not to give the peasants the wrong signal of "I will purchase whatever you grow, and I will purchase whatever quantity you are able to produce," but to actively guide the peasants to conduct their production in line with the needs of the markets (including the international market), so that the production of a great multitude of households can be associated with the needs of the market and the society, and so that grain can be a commodity to a greater extent and on a broader scale. Only in this way, can the quality of grain be enhanced continuously, the number of species be increased, the economic results be better and better, and the enthusiasm of the peasants for growing grain be greater and greater.

We Should Base Ourselves on Local Transformation

As a kind of commodity, grain is about to enter the market. However, under the present condition that our communications and transportation are still rather backward, large-scale and long-distance transportation of grain is still a difficult and uneconomical job to handle. Freight charges for grain to be transported from the northeast to Guangzhou will be 0.03 yuan per jin. Although grain is in short supply in some remote and border areas in the southwest and the northwest, it is still hard to transport grain to these areas. For example, Jilin Province has an overstock of 13 billion jin of corn; if this entire surplus were transported into the interior areas, even if six goods trains were dispatched from Jilin each day with a carrying capacity 2,500 tons each, one whole year would not be enough to fulfill this task. Therefore, in a considerable period of time from now, it is necessary to uphold the principle of local transformation of grain as the main method, to be complemented by necessary long-distance transportation for regulation purpose, and it is not appropriate to place one's hopes on nationwide transportation on a large scale.

The main way of practicing local transformation is to develop the undertaking of animal husbandry. Let cows, sheep, pigs, chickens, ducks, fish and others eat grain, and people eat meat, eggs, and milk. Another way is to develop the food and wine-making industries.

Animal husbandry has always been a weak point in our rural economy. The proportion of the output value of animal husbandry in the total output value of agriculture has only increased 3.2 percent in the last 30-odd years. There are many reasons for the slow growth of the animal husbandry industry, but the low output of grain is an important factor. Now the supply of grain is beginning to rise, and, therefore, more and more grain should be used for forage purposes, so as to promote the rapid growth of the animal husbandry industry, increase the quantity of supply of food derived from animals, and improve the people's livelihood. The development of the animal husbandry industry can also increase the income of the peasants and help them get rich as soon as possible. In 1983, Haiyan County of Jiangsu Province used on behalf of its total output of grain, 449 million jin, as forage, and succeeded in producing over 100 million jin of meat and eggs, resulting in attaining over 1,140 million yuan of total output value for the animal husbandry industry, which raised the proportion in the total agricultural output value from 19.4 percent to 30.4 percent. In this county, there was no such problem as "having difficulty in selling outgrain," and, moreover, more than 80 million jin of grain from other counties was successfully "digested."

After grain has been transformed into meat and eggs, they can be further processed into various kinds of food products, such as canned goods, dried meat, dried meat floss, milk products, and so on and so forth. This will certainly promote the development of various industries such as food processing, commerce, services, and transportation. This path of using grain to promote animal husbandry, using animal husbandry to promote industries, and using industries to promote commerce will surely enable grain to become the material basis for enlivening the rural economy. Therefore, the readjustment of the prices of grain and animal products and the further relaxation of the policy toward the operation will surely promote the rapid development of the transformation of grain with focus on developing the animal husbandry industry.

At the same time, it is necessary to actively open up grain markets, and develop trading of grain as well as its food products; in addition, the localities should be given the decisionmaking power in developing their foreign trade business on grain, so that the all-round situation of grain will be imbued with vigor and vitality.

Table showing the Chinese per capita possession quantity of goods derived from animals versus the average figure of the world (unit: jin)

<u>Types</u>	<u>China</u>	<u>World</u>	<u>Percentage showing Chinese per capita figure versus world per capita figure</u>
Pork, beef, mutton	27.5	48.8	56.35%
Milk and milk products	4.3	218	1.97%
Eggs	6.6	13.1	50.38%
Aquatic products	10.7	33.4	52 %

Table showing the growth of the total output of grain in the country (unit: 100 million jin)

<u>Year</u>	<u>Output</u>	<u>Average per year</u>	<u>Quality of increase</u>	<u>Percentage of increase</u>
1953	3,336	1953-1957	124.5	3.5%
1955	3,669			
1957	3,900			
1978	6,095	1958-1978	104.5	2.1%
		1953-1978	108.3	2.4%
1979	6,642	1979-1984	315	4.1%
1980	6,411			
1981	6,500			
1982	7,090			
1983	7,745			
1984	8,000 (estimated)			

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NATIONAL

COMMODITY GRAIN BASE COUNTIES REPORTED DOING WELL

Beijing ZHONGGUO NONGMIN BAO in Chinese 30 Sep 84 p 2

[Article: "Marked Achievements in Commodity Grain Base Counties and Improvements in Picture for Areas with Shortfalls"]

[Text] There have been increases in the amount of grain sold under state purchase and excess purchase in commodity grain base counties throughout China ever since the Third Plenum of the 11th CPC Central Committee, and consumption levels for peasants in regions with low yields and lacking grain have improved.

In 1983 there were 943 counties which either sold over 100 million jin in state or excess purchase or which sold enough to assure at least 200 jin per capita for farm population consumption. This was an increase of 390 counties over 1978. Altogether, the output of these commodity grain counties comprised 64 percent of the nation's total output at an average of 1,126 jin per capita of farm population. The 147.92 billion jin sold at state or excess purchase amounted to 70.6 percent of national totals. In 1978, there were three counties which sold over 500 million jin of grain: in 1983, the figure was 26, of which the greatest sold 2,035,000,000 jin.

At the same time, the situation began to change in the 141 counties with grain shortfalls and low yields in 12 areas of Shanxi, Shandong, Hebei, Hubei, Shaanxi, Sichuan, Guizhou, Yunnan, Gansu and Ningxia. Grain output went from 51.37 billion jin in 1978 to 60.55 billion in 1983, while the per capita figure went from 395 jin to 517. In 19 of these counties the per capita output topped 1,000 jin.

12303
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NATIONAL

TECHNICAL REGULATIONS OF WHEAT CULTIVATION, ECONOMIC RESULTS

Beijing NONGYE JISHU JINGJI [ECONOMICS FOR AGRICULTURAL PRODUCTION TECHNOLOGY] in Chinese No 10, Oct 84 pp 11-14

[Article by Qiu Kangyu [5941 1660 5038] of the Henan Provincial Agricultural Department: "The Economic Results of Technical Regulations for Wheat Cultivation in Different Ecological Regions"]

[Text] To improve the economic results of wheat cultivation on the basis of research on cost reduction carried out over the past two years by the Henan Provincial High Yield, Stable Yield, High Quality and Low Cost Wheat Cultivation Cooperative Research and Extension Group and the Agricultural Economics Management Office in the Provincial Agriculture and Animal Husbandry Department, the number of base counties and demonstration districts increased from 15 to 18 in 1984 while accounting households expanded from 136 to 175. They adhered to actual production records during the research, did good original recording and recorded in detail the labor, materials consumption, primary technical measures, favorable and unfavorable natural factors and other impartial measures that were noted from the sowing of wheat to its harvest and storage. The base areas were carefully measured and outputs were recorded by household. Costs were calculated immediately after the harvest. The economic benefits of wheat production techniques were analyzed comprehensively on the basis of accounting using various economic indicators. The main points are summarized below:

I. Wheat Production Conditions in Different Ecological Regions

The 18 demonstration districts were scattered across 18 counties. The Shangqiu Demonstration District is a northeastern Henan marshy saline-alkaline ecology wheat growing region. The Puyang County and Tongxu County Demonstration Districts are in a northeast Henan wind and sand arid ecology wheat growing region. The demonstration districts in Anyang, Wenxian, Changge and Weishi Counties are in a riverplain irrigated ecology wheat growing region. The Shangshui County and Qixian County Demonstration Districts are in an eastern plains tidelands ecology wheat growing region. The Zhengzhou City Suburban Demonstration District is a Huang He irrigated paddy rotation wheat growing region. The demonstration districts in Shangcai, Yancheng, Xiping and Nanyang counties are in a central-southern/southwestern sandy black earth ecology wheat

growing region. The Gushi County Demonstration District is in a south Henan moist paddy rotation ecology wheat growing region. The Yanshi County Demonstration District is in a western hilly upland crops ecology wheat growing zone. The Neixiang County Demonstration District is in a hilly ecology wheat growing region. The Gaoxian County Demonstration District is in a western mountainous ecology wheat growing region. The 18 demonstration districts planted a total of 22,784 mu of wheat in 1984, 86 mu more than in 1983. Yields averaged 590.5 jin per mu, 15.6 percent higher than the 1983 figure of 512 jin. Total output was 13.455 million jin, up 1.831 million jin from 11.623 million jin in 1983, a 15.7 percent increase. Total output was higher than the previous year in 15 of the demonstration districts. Output increased by more than 30 percent in the following areas: by 42.8 percent in the Weishi County Demonstration District and by 36.5 percent in the Anyang County Demonstration District in the riverplain irrigated ecology region; and by 30.8 percent in the Gushi County Demonstration District in the south Henan moist paddy rotation ecology region. Output increased by less than 10 percent in the Yanshi County Demonstration District in the eastern hilly upland crops ecological region and in the Xiping County Demonstration District in the central-southern Henan sandy black earth ecological region. Output in the remaining demonstration districts increased by 10 to 30 percent. Total output dropped in the three demonstration districts in the Zhengzhou Suburbs, Neixiang County and Gaoxian County, falling 14 percent in Neixiang County, 10.7 percent Zhengzhou Suburbs, and 1.3 percent in Gaoxian County.

The wheat production situation in the 18 demonstration districts during 1984 was one of much rain before planting and planting at the wrong time, as well as one of a long dry period before the winter and during the spring, low temperatures, damage by diseases and pests and other natural disasters. Although the spike count was slightly less than in 1983, spike seed counts and seed weights were fairly good, so there was a substantial increase in the harvest, 15 percent higher the previous year. This was a difficult accomplishment.

II. Analysis of the Economic Results of Techniques

All of the 18 demonstration districts were able to adapt to local conditions and carry out production according to the "Technical Operations Regulations for Wheat Cultivation in Different Ecological Regions" and achieved fairly good technical results. According to statistics from Yancheng and seven other demonstration districts, yields in the districts were 578 jin per mu, 33 jin higher than the 545 jin per mu average yields across the respective counties. According to a survey in the Shangshui Demonstration District, yields were 58 jin higher than in the control fields, with excellent demonstration results.

The obvious improvements in economic results in the 18 demonstration districts is embodied in lower costs per mu and per jin, higher income and profits per mu, and higher labor productivity and cost-profit ratios. According to a survey of the 173 households in the 18 demonstration districts, costs were 57.26 yuan per mu, 3.39 yuan less than the 1983 figure of 60.65 yuan per mu. Costs per jin were 0.083 yuan, a drop of 0.013 yuan from the 1983 figure of 0.096 yuan. Income per mu was 115.08 yuan, 10.86 yuan higher than the 1983 figure of 104.22 yuan. Profits per mu averaged 55.23 yuan, an increase of 13.66 yuan

over the 1983 figure of 41.57 yuan. Each unit of labor produced 41.5 jin, an increase of 8.6 jin over the 1983 figure of 32.99 jin. Each yuan invested produced 10.4 jin of wheat, 1.4 jin more than in 1983. The cost-profit ratio increased from 68.5 percent in 1983 to 96.5 percent. The input/output ratio increased from 1:1.7 to 1:2. The actual method used was: 1) Careful selection of improved varieties. Some 70 percent of the demonstration districts' area was planted in the original generation of "7023". Added to planting in proper amounts, this gave full play to the potential of improved varieties to increase production. The amount of seed planted per mu was reduced by 12 jin from the figure prior to the extension of high yield, stable yield, high quality and low cost techniques, saving 3 yuan in seed fees per mu. 2) Spraying weed-killer saved three standard labor units per mu, and the amount of labor used per mu dropped from 7.6 in 1983 to 5.8 in 1984. 3) Rational fertilizer application. They planted green manure and Chinese milk vetch, applied 65 dan of mixed earth fertilizer, 10 jin of cake fertilizer and 75 jin of chemical fertilizer per mu. Based on the traditional experience of "once deep is better than three times, better during the year than the next year" and summarization of the special local characteristics of the strong fertility retention capabilities of the soil, they made one deep application of fertilizer. This not only saved 1.35 yuan in fertilizer costs per mu, but also reduced field work.

III. Exploring Routes to Improved Economic Results

In the structure of costs per mu for wheat production in the 18 demonstration districts during 1984, labor costs were 13.92 yuan, 24.3 percent of total costs per mu; the amount of labor used per mu dropped from 16.6 units to 13.92 units, a 16.1 percent decrease. Materials costs were 43.43 yuan, equal to 75.7 percent. Materials costs per mu dropped by 0.59 yuan over the previous year. Of these, seed costs were 3.87 yuan, 0.39 yuan less than the 1983 figure of 4.26 yuan. Fertilizer costs were 26.91 yuan, 1.29 yuan less than the 28.2 yuan figure for the previous year. Farm chemical expenses were 0.33 yuan, an increase of 0.13 yuan over 1983. Machinery services cost 3.56 yuan, 0.16 yuan more than in 1983. Irrigation services cost 1.55 yuan, 0.08 yuan higher than 1983. Draft animal power cost 3.99 yuan, 1.12 yuan higher than the previous year. Other direct expenses amounted to 0.55 yuan, 0.11 yuan less than 1983. Agricultural joint expenses were 1.29 yuan, 0.03 yuan less than in 1983. Management fees and other payments amounted to 1.34 yuan, 0.30 yuan less than the 1983 figure of 1.64 yuan. This cost structure shows that high yield, stable yield, high quality and low cost wheat cultivation techniques do actually control production costs and that labor and material inputs are gradually becoming more rational. At present technical levels in wheat, about 10 yuan in investments are needed to produce 100 jin of wheat. In the future, improvement of the economic results of wheat production should focus on the application of integrated high and stable yield, high quality and low cost technologies. In addition to the experience summarized over the past two years, some other questions deserve our attention:

1. We should pay attention to the integration of traditional and modern technologies.

Technical progress is a cyclical process of gradual development. We should scientifically analyze traditional techniques to determine their strong and weak points and pay attention to integrating them with modern techniques. The "Technical Regulations for Wheat Cultivation in Different Ecological Regions" in Henan Province summarized the traditional intensive cultivation techniques of the working people of China and absorbed a large amount of advanced modern techniques. They are a product of the integration of traditional and modern agriculture. They set the norms for wheat production in different ecological regions and raise the level of scientific farming by peasants. The four demonstration districts in the plains irrigation region paid a great deal of attention to land levelling, employed excellent intensive cultivation traditions and achieved early planting, deep plowing, cleaning, fineness, solidness and levelness and were able to have sufficient moisture for planting. On the basis of guaranteeing a rational spike count, they paid attention to conserving water, controlling nitrogen application and limiting the seed. Recently, they also concentrated on controlling nitrogen fertilizer and increasing the application of phosphate fertilizers and organic fertilizers, so that organic and inorganic fertilizers were integrated, and gave full play to the results of investments. At the same time, they also made great efforts to develop animal husbandry, using agriculture, gradually forming an excellent ecological cycle. Chaobao Hamlet in Wenxian County's Chaobao Township increased wheat yields per mu from 624 jin in 1983 to 783 jin, achieving high yields on top of high yields. Xixiahan Brigade in Qugou Township in Anyang County has made use of its advantages of considerable labor power to carry out intensive cultivation and management, used labor intensive wheat transplanting and cultivation techniques, used 5 to 7 more units of labor per mu than under conventional techniques, and increased output more than 100 jin per mu over conventional fields. On the basis of summarizing the traditional experiences in each demonstration district over the past several years, we also have paid attention to the continual application and extension of new techniques such as extension and application of chemical weedkillers, sowing in dry gullies, wide and narrow planting, simplified cultivation techniques, plastic membrane ground cover for wheat and other new techniques. They played a positive role in increased wheat yields. The Gaoxian County Demonstration District dealt with its special characteristics of dry and thin soil, did rational crop rotation, used summer fallow, restored sun drying of wheat, "used dog days rain during the spring," and brought in plastic membrane ground cover and other new cultivation technologies. Yields increased from 481 jin per mu in 1983 to 500 jin in 1984.

2. We should gradually set up indicators for management techniques.

Indicators for management techniques use a series of technical indicators to evaluate management levels. They are an important component in improvement of the economic results of agricultural production. Wheat yields are affected by spike counts, seed counts and seed weight. Each demonstration district can plant in appropriate amounts, integrate promotion and control of field management and derive an excellent yield structure according to the special characteristics of the variety, soil fertility and plan yield indicators. The Weishi

County Demonstration District did trial plantings of "Bainong 3217" and discovered that sowing 10 jin of "Bainong 3217" [per mu] was most appropriate. Planting 10 jin provided 270,000 mature spikes per mu, an average of 44.1 seeds per spike and a seed weight of 34 grams per 1,000. This was higher than sowings of 6, 8 and 12 jin. Profits were 88.20 yuan per mu. On the basis of integrating promotion and control in field management and raising seedlings before the winter, they did no topdressing or watering, restrained the seedlings for about 25 days, and watered them once when the tips of the two spring growth leaves appeared. They did no further topdressing with chemical fertilizer and used water to regulate the fertilizer. This method of management produced yields of 766.7 jin per mu, 13.9 percent higher than the 673 jin on control fields. Costs per jin were 0.08 yuan, 12.1 percent less than the 0.091 yuan figure for the control fields. Profits were 88.54 yuan per mu, 26.4 percent higher than in the control fields.

3. Pay attention to transforming organic structures and improve the ability to fight disasters.

Agricultural production is strongly affected by nature. This necessitates appropriate increases in investments, improvements in organic structures, strengthening capital construction on farmland, improved production conditions and even utilization of original project facilities to improve the ability to resist disasters. Shuiniuli Hamlet in Qixian County's Gaoyang Township had achieved electrification of drainage and irrigation by 1983. They drilled three additional wells in 1984, linked up the wells and canals, added a 100-watt transformer and overcame a drought to get wheat yields of 667.6 jin per mu, 13.7 percent higher than in 1983. Demonstration districts in Shangshui, Yanshi, Gushi and other counties showed that spraying the leaf surfaces with potassium dihydrogenphosphate, triacontanol, Bay Meb 6447 and other compounds can prevent lodging, resist diseases and insect pests, and can also increase seed weights per thousand and increase yields. Yanshi County's Dongcai Village sprayed potassium dihydrogenphosphate; the seed weight of each spike increased by 1.52 grams and yields per mu increased by 7.8 percent. The benefits from this technical measure were 10 times greater than investments. A survey in Chengguanzeng Village in Shangshui County showed that seed weights per 1,000 after spraying "Baining 3217" with Bay Meb 6447 and triacontanol were 2.2 grams heavier and that yields per mu were 41 jin higher.

4. We must improve the production quality of the peasants and reduce technical mistakes.

In a certain sense, the quality of a producer's management and production play a decisive role in achieving high and stable yields, high quality and low costs in wheat production. The correct technical decisions by producers can create excellent conditions for wheat growth and can promote increased production. On the other hand, a mistake in one technical link not only may affect output increases, but can also lead to reduced output. Xiawa Hamlet in Neixiang County's Suburban [Chengjiao] Township had to postpone planting times in 1983 because of climatic influences. They failed to select a spring variety suitable for late planting and early maturation and furthermore suffered from serious pest problems in the later stages. Monitoring was poor and yields per mu dropped

by 14 percent from 1982. Some of the peasant families in Chenfa Hamlet in Shangcai County's Yangtun Township did a poor job in land levelling, plowed too deep, did not harrow thoroughly and sowed the seed too shallow. This affected the germination of the wheat, produced many weak seedlings and produced yields of only 400 jin per mu.

5. We must pay attention to rational fertilizer application and reduce production costs.

At the current time, the consumption of live labor in wheat costs has dropped to about 15 units of labor per mu. There is only limited potential for further decreases, so part of the materialized labor has now become the core of cost reduction. Fertilizer makes up a major portion of materialized labor consumption, usually more than 60 percent. Despite the controls over seeds, farm chemicals, and drainage and irrigation in all of the demonstration districts, there still is a lot of blind action in fertilizer inputs, and fertilizer is not being applied in complete accordance with crop needs. A "balanced fertilizer method for crops" was tested in Shangshui, Yancheng, Nanyang and other areas in 1983, which reduced fertilizer costs and increased output. Planned yields for wheat in the Yancheng County Demonstration District in 1983 were 720 jin per mu. Based on soil fertility and seasonal nitrogen, phosphate and potassium needs, they rationally calculated amounts to supply, applied 100 jin of ammonium hydrogencarbonate, 120 jin of calcium magnesium phosphate fertilizer, and 5 cubic meters [blocks?] of crude fertilizer per mu. There was no lack of potassium fertilizer, so it was not applied. Yields were 729 per mu and fertilizer investments were 33.56 yuan per mu, 19.2 yuan less than in the previous year.

Achieving the high yield, stable yield, high quality and low cost production model in wheat cultivation and continually improving the economic results of wheat production is connected with each pre-production, production and post-production link in production and circulation and requires a lot of work. Operational regulations for different ecological regions also must be continually perfected and improved. From a systems viewpoint, agricultural production that concentrates on integrated techniques for different ecological regions can form even greater forces of production. For this reason, research on high-yield, stable-yield, high-quality and low-cost wheat production models is a strong economic force and will propel the development of wheat production in Henan into a new stage and bring about all-round economic prosperity in rural areas.

12539
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NATIONAL

ON REDUCING AWARD SALES OF GRAIN FOR GOVERNMENT PURCHASES

Taiyuan SHANXI CAIJING XUEYUAN XUEBAO [JOURNAL OF SHANXI FINANCE AND ECONOMICS COLLEGE] in Chinese No 5, Oct 84 pp 20-23

[Article by Yan Xiwu [2799 1585 2976]]: "A Review of Questions in Award Sales of Grain for Agricultural and Sideline Product Purchases"]

[Text] Grain is a primary condition for human existence, a prerequisite for expanded reproduction in society, a material preparation for the social division of labor, and the basis of societal existence and development. Lenin pointed out many times that "the most basic question in life is the grain question" ("Collected Works of Lenin," Vol. 27, p 405). "It is not hard to believe that the current grain question is a fundamental question of socialist construction as a whole" (Ibid, Vol. 29, p. 520). Stalin used the most popular and refined language when he called grain "treasure within treasure" and said that it "was a commodity that everyone must buy and without which it would be difficult to exist" ("Collected Works of Stalin," Vol. 12, p. 79). Comrade Mao Zedong also said that "people must eat. . . . Whether they are involved in industry, communications, education, capital construction or any other activity, none of them can do without grain." This gives grain a decisive and special position and role in the national economy. It not only can satisfy the daily consumption needs of people but also is an important material for stabilizing markets and guaranteeing construction. "Grain is the basis of prices" ("Collected Works of Lenin," Vol. 33, p 369). Grain prices hold a leading position in market prices, and the price of grain is the basis for setting the prices of other commodities. Fluctuations in grain prices cause the prices of other agricultural and sideline products to rise or fall. Comrade Chen Yun pointed out: "If grain is stable, everything under heaven is stable. If there is a grain shortage, there is a market shortage." "Grain is the most important material for stabilizing markets and guaranteeing construction, and there is no other material more important than grain at the present time" ("Selected Manuscripts of Chen Yun," pp 67, 111). This is an extremely profound and pertinent thesis. It can be seen that grain is closely related to reproduction. It is restricted by the social production process and restricts the whole process of social reproduction. Therefore, conscientious and upright grain distribution work and handling award sales of grain in purchases of agricultural and sideline products well are important aspects of replenishing the means of production and the live labor that was consumed in carrying out reproduction during the social reproduction process.

There is a fairly prominent contradiction between grain production and demand for grain in China at the present stage. The current policies for unified purchase and unified sales of grain will continue to play their appropriate role for a fairly long time to come. For this reason, award sales of grain have been a distributional tool in the hands of the state as well as an economic lever employed by the state in the economic foundation. In order to achieve its political, economic and social policy goals, the state may use award sales of grain as an economic lever to aid or restrict the production of agricultural and sideline products. This makes good work in award sales of grain for farm and sideline products extremely important in the economy at the present stage.

1. The Current Situation in Award Sales of Grain for Agricultural and Sideline Products

The state supplies appropriate amounts of grain to peasant households who plant industrial crops and to producers of agricultural and sideline products and guarantees their rational needs for grain rations in order to promote the development of agricultural production. The provision of award sales of grain for farm and sideline products sold to the state is necessary to promote economic diversification. However, award sales of grain for the purchase of farm and sideline products are too broad at the present time. They include too many types of products and involve excessive amounts. Everyone wants award sales of grain, to the point where there are some products unrelated to grain production that want reward sales of grain. Moreover, the scope of award sales has grown year after year and the standards are going higher and higher. In live pig purchasing, for example, there originally was an award sale of 30 jin of grain for each pig purchased. The current award sales standards are 0.5 jin of award sales of grain per jin of pig (live weight). A purchase of a 160 jin pig at live weight would require a bonus of 80 jin of raw grain, 2.7 times the original amount of stipulated award sales. In recent years, therefore, there has been a linear increase in award sales of grain for farm and sideline products and the amounts involved have multiplied. This has created enormous difficulties for the national grain balance. Jiexian County in Guangxi, for example, first implemented the method of award sales of grain for agricultural and sideline products in 1962. Total award sales of trade grain amounted to 522,100 jin over the entire year at that time. The amount had grown to 1.4975 million jin in 1971, 2.8351 million jin in 1980, 5.2395 million jin in 1981 and to 13.0323 million jin in 1982 (not including 7.308 million jin in award sales of grain and trade grain for sugarcane; if the award sales of grain for sugarcane are included, the figure is 20.33 million jin). There was a net increase in trade grain of 11.50 million jin between 1962 and 1982, a more than 20-fold increase. The rate and extent of this increase is quite startling.

When we began implementing the award sales method for farm and sideline products in 1962, the purchases only included 42 product types. When the Central Committee reapproved the award sales method for purchasing farm and sideline products in 1971, the scope of the award sales was expanded to include 67 types of products. Later, the provinces and autonomous regions

added to the number of products with award sales. According to statistics, there now are more than 136 types of products with award sales of grain. Award sales of grain have been set up for some agricultural and sideline products that are unrelated to grain production such as medicines, mountain products, furs and mao bamboo. Moreover, the standards have grown higher and higher and the amounts have increased as well. An example is an afforestation nursery in Jiaxian County, Guangxi. They received only a few 10,000 jin before 1980 and 449,900 jin in award sales subsidies. The amount increased to 1.5314 million jin in 1981, 1.8092 million jin in 1982 and more than 2.2 million jin in 1983.

II. The Negative Role of Indiscriminate Award Sales of Grain

Award sales of grain for agricultural and sideline products were first implemented in 1962. The contradiction between grain production and demand in China was particularly sharp at that time and the amount of grain available per person were extremely low. Commodity production was extremely deficient. Every family was concerned with grain and unified sales at that time, but grain was overly unified. It was treated as treasure. There was no dynamism or flexibility. People longed for grain and could only rely on the single source of award sales from the state. Since the 3d Plenum of the 11th CPC Central Committee, rural markets have been opened, the economy has been made dynamic and policies have been relaxed. At the same time, there also is a policy of permitting many channels of administration for the links in grain circulation. There has been a major change in the situation as a result. The use of the measures and methods of award sales of grain to stimulate the masses of commune members to sell farm and sideline products is now being weakened and has now become inappropriate. The negative role of indiscriminate award sales for certain products has been exposed.

First, it violates objective economic laws. The price of a product must be based on its value. Under socialism, the development of commodity production and normal circulation can be promoted only by setting prices of all types of agricultural and sideline products on the basis of their value. Only then can the balance in national economic planning be maintained and can there be balanced and coordinated development of all aspects of the social reproduction process and all sectors in the national economy. Indiscriminate award sales of grain made no distinctions. There were award sales of grain for every farm and sideline product, and if a particular farm or sideline product could not be purchased, the standards for award sales would be raised further. Award sales of grain were used as a panacea. This sort of thing is not only a bit vulgar, but also has weakened the role of prices as a lever for regulating the economy. As a result, enterprises were unable to calculate the costs of products correctly and evaluate the benefits from the product. Some were even distorted to the point of being unrelated to the value of the commodity. Moreover, farm and sideline purchasing departments merely passed on the normal circulation and price subsidies to grain departments and the state financial administration (the buying and selling prices were raised or lowered by grain departments, concealing the real cost of a product). The benefits of a product were not considered.

There was a situation where farm and sideline product purchasing departments, as well as supply and marketing and commercial departments made more money as they bought more grain, while the grain departments increased award sales of grain, handed out more subsidies and suffered and greater deficits.

Second, award sales of grain have taken on a monetary quality because of the differential between posted and market prices and the raising and lowering of prices in grain purchases and sales. The over-quota purchase price the state now pays for grain is close to the market price or the market price may even be lower than the state over-quota purchase price. It can be said that award sales of grain have begun to lose their meaning when the over-quota purchase price equals or approximates the market price. According to a survey of purchases of edible oils, tong oil, pine resin, live pigs, lumber and other types of products in Jiaxian County's Shatian and Liantang Communes in 1982, 78 percent of the peasant families who received award sales of grain immediately requested that grain sales departments sell it to the state as negotiated price grain or sold in on rural trade fair markets at negotiated prices after they had bought back the award sales of grain (information from all areas indicates that the turnover sales rate had reached about 90 percent). This repeated buying and selling of grain shows that award sales of grain actually are a price subsidy. Award sales of grain have now taken on a monetary quality.

Third, the amount of grain being sold has been increased substantially by the growing number of products with award sales of grain and by ever-higher award sales standards. This has increased the work load of grain departments and given the state an enormous financial burden. Moreover, it is hard to remove a farm or sideline product once it has been given award sales, and award sales standards only go up, never down. We must note that although there have been successive years of bumper harvests in grain production in China, the state has had to continue importing grain and the balance of payments for grain is still quite tense. Greater award sales only require greater imports and increased financial outlays. This will make it impossible for state revenues to increase in correspondence with the development of industrial and agricultural production, and there will be no way to guarantee investments in capital construction. If this continues for very long, the scale of key state construction projects will be affected and economic development will be impeded.

Fourth, it does not favor commodity circulation and economic management. Besides award sales of grain, certain types of products also receive award sales of industrial products, fertilizer and so on because of the excessive number of items with award sales. There are a lot of categories and the measures are complex. This has led to contradictions between enterprises, departments and regions (some areas have increased award sales of fertilizer for farm and sideline products in insufficient supply). Moreover, award sales certificates are used and managed differently across provinces, prefectures and counties. Some purchasing departments have even made fraudulent applications and claims or are obtaining award sales of grain by reporting farm and sideline products purchased at negotiated prices as

having been purchased at parity prices. At the same time, the masses of commune members have changed parity prices to negotiated prices and vice versa through rather circuitous means and are fed up with it. This has affected agricultural production to a certain degree and led to enormous waste of human, material and financial resources.

III. Start from Reality, Gradually Reform Methods of Award Sales of Grain for Agricultural and Sideline Products

The contradiction between grain production and demand has been alleviated at the present time. Grain supply work has been improved to an enormous extent, but per capita grain rations still are too low. The percentage of marketed products also is very low. The amount of grain per capita in our country was 648 jin in 1980, 2,000 jin less than in America, 600 jin less than in the Soviet Union, 900 jin less than in France, 1,100 jin less than in Rumania and more than 100 jin below the world average level (790 jin). At current production levels, the grain situation in China still is tense. We must keep a clear head. We cannot lower our guard or slacken our vigilance. We especially must oppose extravagant methods and "opening new mouths" [expanding the award sales system]. Apart from continuing to adhere to the principle of "absolutely no neglect of grain production, active development of the diversified economy," we also must proceed from reality and make reforms in the existing systems and methods used in award sales of grain for agricultural and sideline products. The method of the reform: The first step is to do further conscientious research to control and reduce the types of products that receive award sales of grain and lower award sales standards for certain types of products. There can be no award sales for products purchased at negotiated prices. We must explore the questions of which products should retain award sales and which ones should keep them temporarily, and redetermine which products should have them eliminated and which should have their award sales standards reduced or slashed. The second step is to use prices to replace award sales of grain. An example is raising purchase prices for farm and sideline products to reduce the sales of grain. We feel that is best to use money [as a measure of value] if we wish to correctly calculate product costs and evaluate the results of products. An example is that award sales of grain are essential for certain farm and sideline products. We feel that the method of state financial subsidies should be eliminated, and that the portion of the price differential between parity and negotiated prices for award sales of grain should be subsidized by agricultural and sideline product purchasing departments, with those who wish grain being required to pay money for it. This sort of reform would reduce the state's financial burden and also make it possible to correctly calculate the cost of a commodity so that prices more closely conform to value. Moreover, we should strengthen economic responsibility systems in enterprises to facilitate management and avoid any friction between enterprises, and we must eliminate the phenomenon of fraudulent applications and claims for award sales of grain.

In summary, award sales of grain are an historical product of overly unified [handling of] grain, and has played a positive role to a certain extent in the exchange and circulation of agricultural and sideline products. The state uses award sales of grain for farm and sideline products as a means of assisting production and encouraging the peasants to sell farm and sideline products. The problem at the present time, however, is that the scope of the award sales is too big and that the standards are too high. This not only violates the law of value and creates a loss of proportion between crops, but also leads to false phenomena in grain purchasing and sales and a loss of balance in reserves. We must not, therefore, see only the positive role of award sales of grain and ignore the negative elements of exceeding rational amounts and boundaries. It would be unrealistic, of course, to suddenly and completely eliminate award sales of grain for farm and sideline products. However, given the excellent turn of events in the grain situation in rural areas at the present time, there is no need to use insufficient reserves of commodity grain for award sales for unneeded farm and sideline products. Most products can be changed over to the price differential subsidy method. For the small number of farm and sideline products that truly deserve award sales of grain, the award sales standards of the past should be lowered and gradually brought under control in a planned manner in a series of stages. Elimination of award sales for certain products is not only possible, but essential as well. Following gradual growth in grain production in the future and changes in grain distribution systems and methods, the systems and methods used for award sales of grain for farm and sideline products should take on new forms and methods under the new historical conditions so that they better meet the needs of China's national situation and continued development of the national economy.

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NATIONAL

BAN YUE TAN ON REFORM OF RURAL PRODUCTION MIX

HK120451 Beijing BAN YUE TAN in Chinese No 1, 10 Jan 85 pp 27-30

[Article by the Economic Editorial Room: "What Is To Be Done for Rural Work This Year?"]

[Text] Beginning this year, the focus of China's rural economic work will be shifted from structural reform to the reform of the production mix, which will be a change of strategic significance.

It is the direction for rural economic development to establish a rational production mix and take the new road of all-round development of agriculture, forestry, animal husbandry, sideline occupation, and fishery and comprehensively run agriculture, industry, and commerce. Due to the restriction of various factors in the past, particularly when the "problem of having enough to eat and wear" were not solved, we could not advance with big strides along this road. Now the time and conditions for the all-round reform of the production mix are ripe.

The establishment of the new system centered on contracted responsibility with remuneration linked to output has aroused the initiative, enthusiasm, and creativeness of the 800 million peasants. The increase of output of grain, cotton, and edible oil by a big margin and the all-round reform of the economic structure focused on the urban economy have particularly provided the material basis and favorable conditions for the reform of the production mix. This is indeed a golden opportunity.

However, the development of rural production toward commodity economy is still uneven. For example, the quantity of products has increased but the quality is poor, the varieties are limited, the circulation of commodities is impeded, and there are difficulties in the sale, storage, and transportation of certain farm products. In the final analysis, it is due to the irrational production mix, to the relations between various departments which do not coordinate with each other, and the agricultural production which deviates from market and social needs. The following indicates the current state of production mix in the rural areas: The proportion of grain is greater than that of economic crops; the proportion of agriculture exceeds that of animal husbandry, sideline occupation, and fishery, and the proportion of primary industry is greater than that of second and tertiary industries. As the labor forces are concentrated on the farmland, it can only lead to poor economic results, low commodity

rate, and lack of competitiveness. On the basis of such a self-sufficient type of production mix characterized by "having enough to eat and wear," it would be impossible to attain the goal of doubling the output value of agriculture, put an end to the situation of "800 million peasants feeding themselves by tilling the land," and take the road to prosperity as quickly as possible. Through reform, we must enable the rural economy to shift from farming to all-round development of agriculture, forestry, animal husbandry, sideline occupation, and fishery; from putting stress on agriculture to comprehensively running agriculture, industry, and commerce; from producing primary products to precision processing and comprehensive utilization; and gradually establish a production system which is directly connected with the socialist commodity economy and which can produce the best economic, social, and ecological results. This is the key link to the attainment of commercialization, socialization, and modernization of agricultural production.

In order to readjust the production mix, it is extremely important to follow the law of economy and nature and carry out reforms according to market needs. At present we must take special note of doing well the following things:

1. We must never lower our guard on grain production. Abundant grain is the basis for readjusting the production mix. Owing to the grain shortage in the past, we could not do the things that we intended to do. With grain surpluses, we can now readjust the production mix over an extensive range. Therefore, in the readjustment of the production mix, we must never relax on grain production. Nevertheless, we must do the readjustment and transformation work well so that the peasants can get more benefits and increase their income. Concretely speaking, we must first ensure the sustained growth of grain production of the whole country on the basis of improving quality, increasing varieties, and meeting the market needs. Second, we must readjust the structure of grain production. The north should expand the sown area of dry rice instead of maize and resume the growing of cereals, soya beans, or ensiling corn. The south should expand the sown area of fine quality rice instead of poor quality rice. All localities should resume the production of rare grains and beans and develop various local special products to meet the needs of urban and rural markets. In some mountainous areas and other localities where the conditions are not suitable for growing grain, they should restore farmland to forests and pastoral land or grow other crops. Third, we must vigorously do well the work of transforming grain, that is, make use of the surplus grain to develop the fodder industry, animal husbandry, food industry, and other industries.

In order to adopt flexible policies for grain production so that the peasants can carry out production consciously according to market demand, the state will abolish the system of monopolized purchase and change it into planned purchase instead. The commercial departments will consult with the peasants before the sowing season and sign purchase contracts on the basis of equality and voluntary participation. After fulfilling the purchase quotas, the peasants will be allowed to sell their surplus grain freely in the markets.

2. We must vigorously develop animal husbandry. At present animal husbandry is still a weak link in agriculture and production in this field has failed to meet market demand. In the next 30 years, China should adhere to and implement the principle of vigorously developing animal husbandry and increase the proportion of animal husbandry in agriculture so that the position of animal husbandry can be promoted from a household sideline occupation to an independent industrial department.

In order to encourage the peasants to develop animal husbandry, the system of assigned purchase for live hogs should also be abolished. The state will allocate some grain or use other methods to support the peasants in running the fodder industry and developing animal husbandry. The state will also support and encourage the peasants in independently or jointly running small fodder processing factories.

3. The development of the industry for processing farm and sideline products is the only way to turn rural products into commodities and the main way for the rural areas to become rich. We must change the situation of rural areas merely selling primary products of low value and gradually establish a systematic industry which includes production, processing, storage, packing, and transportation of farm and sideline products. As we have not yet taken the first step in this field, it is time to vigorously conduct propaganda and engage in practical work.

The practice of many localities has proved that doing a good job in the processing industry can increase value, enhance comprehensive utilization, expand the market, and also bring along farming and breeding and promote specialization in farming and breeding. As some peasants say: "The processing industry is like the axle of a machine. When it starts moving, it brings along other industries."

In developing the processing industry, the initiative of the state, the collective, and the individual should all be encouraged. Where conditions permit, the individuals should be encouraged to run processing industries first. If it is beyond their capabilities, the collectives should be encouraged to undertake the responsibility. If it is beyond the capabilities of the collectives, the localities should be encouraged to undertake the responsibility. If it is beyond their capabilities, the state will undertake the responsibility.

4. We must establish a new type of relationship between the urban and rural areas. It would be impossible to reform the rural production mix without the support of the advanced productive forces from the urban areas. The restructuring of the national economy with the focus on the urban economy will break the pattern of industry—cities, agriculture—rural areas. Both the cities and rural areas should open their doors wide and provide conveniences for the exchange of commodities, technical personnel, and funds. The rural areas should use various forms and offer preferential conditions to attract funds, equipment, technology, and talented people from the urban areas, to develop cooperation in various fields, and to speed up their development. The rural areas can sign contracts with the units of different ownership systems in the cities to

jointly exploit the natural resources in the rural areas, run enterprises, and set up farm and sideline products bases. In addition, the rural areas should make full use of their advantages and strong points and run various undertakings that can be run in the cities and particularly in small towns. For example, they can open shops; run tourism, service trades, public transport, and amusement centers; and contract for transport, building, and highway projects.

5. We must enhance the mobility of funds, technology, and talented people. Funds, technology, and talented people are the indispensable basic factors for the reform of production mix and the development of the commodity economy. They determine to a great extent the progress of the production mix reform.

At present the shortage of funds, technology, and talented people has become a universal phenomenon. This problem should also be solved by tapping new sources through many channels. Through expanding the exchange and cooperation between different regions and trades and between the urban and rural areas, we must fully tap the latent potentials of the existing funds and technology and the available talented people. The peasants can go to the cities and other localities to establish contacts with scientific research institutes, institutions of higher learning, and enterprises; to attract funds, technology, and talented people from the urban areas; and to invite technical personnel from the urban areas to give them guidance or hold posts in the rural areas. They can also coordinate with the units in the urban areas to establish scientific research and production associations so that both parties run the risks as well as share the benefits.

We must seek effective methods to pool the funds lying idle in the hands of the masses to develop various construction projects. Apart from giving full play to the role of agricultural banks and credit cooperatives, it is necessary to moderately develop nongovernmental credit undertakings. In compliance with the relevant financial laws and regulations of the state, the rural areas may establish new collective or cooperative financial organizations. They can also muster funds to run joint enterprises, initiate communications work, establish investment and exploitation corporations, and develop the cooperative economy. Nevertheless, in pooling funds, we must adhere to the principle of voluntary participation and stress economic results. These organizations should also subject their business activities to management and supervision by the departments concerned.

The reform of the production mix is a tremendously arduous and complicated task. As it covers much ground, there is a great deal of work to be done. We hope that the broad ranks of cadres and masses in the rural areas will conscientiously conduct investigations and studies, adhere to the work style of seeking truth from facts, consciously follow the law of nature and the commodity economy, and do the work in this field well so that the rural economy will further develop in a coordinated manner and suit the market and social needs.

NATIONAL

PORK RATIONING DOES NOT INDICATE SHORTAGE

HK080613 Beijing CHINA DAILY in English 8 Feb 85 p 1

[By staff reporter Liu Dizhong]

[Text] A pork rationing system imposed over the past 2 months in most large urban areas will actually provide residents with more of the meat than last year, according to a senior official of the Ministry of Commerce.

Three municipalities--Beijing, Tianjin and Shanghai--and most provincial capitals began issuing ration coupons in December or January to each resident for 1 to 1.5 kilograms of pork a month.

During the upcoming Spring Festival on 20 February, the biggest celebration of the year in China, each resident will be allotted an additional kilogram of pork. The same bonuses are expected to be granted during three other holiday seasons--Labour Day on 1 May, National Day on 1 October and New Year's Day.

Jiang Xi, deputy minister of commerce told CHINA DAILY in an exclusive interview yesterday the rationing was aimed at stabilizing market supply of pork and ensuring sufficient holiday supplies.

Last year Beijing residents ate, on average, 19.2 kilograms of pork. Under the system, 21 kilograms would be allotted annually for each resident. It is unclear how long the rationing system will continue.

Rationing this year does not indicate short supplies, he said. By contrast, rationed pork for Beijing residents reached 25,000 tons this month, 3,500 tons more than consumed in the same period last year.

In March, Beijing will provide 18,900 tons of rationed pork for its 5.8-million city residents and for restaurants and enterprise canteens. That is a 22-percent increase over 1984 period.

The rationing was allocated on the basis of average amounts of pork consumed by urban residents. Generally, the rationed amount is a little above average consumption, Jiang said.

No restriction has been imposed on the amount of pork that people may buy at free markets, but the price in Beijing, for instance, is about 1 yuan higher than the state-set price of 2.4 yuan a kilogram. The price difference is much smaller in many cities, such as Chengdu, Jinan, Zhengzhou, Shijiazhuang and Changchun.

Rationing also does not apply to purchase of sausages, hams and preserved or canned pork.

Every year, the state earmarks large sums of money to subsidize pork, grain, cooking oil, eggs and other agricultural products. The subsidies are supposed to protect the interests of both the producer and the consumer.

Jiang said pork production has continuously increased in the past few years due to bumper crops of animal feed. The total output of pork last year, for instance, reached about 13 million kilograms, about 75 million kilograms more than in 1983.

Last year, the number of [word indistinct] totalled 300 million, or 3.79 million more than in the previous year, he said.

However, public demand for a better diet still far exceeds the increase of pork production.

Family feasts are at the center of the holiday celebrations, lasting from up to 4 days in urban areas and much longer in the countryside.

Both urban and rural residents can look forward to a more sumptuous holiday, Jiang said, adding that such painstaking arrangements are a big headache in a country with more than one billion consumers.

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NATIONAL

PROSPECTS FOR FORESTRY CONSTRUCTION OUTLINED

Beijing DILI ZHISHI [GEOGRAPHICAL KNOWLEDGE] in Chinese No 10, 7 Oct 84 pp 9-10

[Article by Lin Hua [2651 5478]: "Achievements and Prospects in Forestry Construction"]

[Text] Before Liberation, China underwent a long period of feudal rule. Moreover, it became a semifeudal and semicolonial nation following the Opium War. Forestry resources were subjected to serious destruction, while soil erosion and disasters from floods, drought, winds and sand were becoming increasingly serious. We inherited very few forest resources from old China. There were only a little over 1.2 billion mu of forests and 4 billion mu of barren hillsides and other land. The forest cover rate was only about 8 percent.

After the founding of New China, the party and the people's government paid close attention to forestry construction, established organs for managing forestry work from the Central Committee on down to local areas everywhere, and formulated a series of principles and policies for developing forestry. The state's leadership of forestry work has been further strengthened since the 3d Plenum of the 11th CPC Central Committee. The State Council made a decision concerning management of a system of shelter forests in China's three northern regions (the northwest, north and northeast). The Standing Committee of the National People's Congress issued the "Forestry Law (Trial)" in 1979, stipulating that March 12 become the nation's Arbor Day. The CPC Central Committee and State Council pushed forestry construction into a new stage with the "Decisions Concerning Certain Problems in Forest Protection and the Development of Forestry" on 8 March 1981. They also issued the "Instruction of Thorough and Solid Development of the Movement to Afforest the Motherland" this year, further liberated ideas, relaxed policies and promoted a new high tide in the development of forestry construction.

There have been great developments in forestry construction in China in the past 35 years. The national forest cover rate has increased from 8 percent shortly after Liberation to 12 percent, and the state has been supplied with 1.2 billion cubic meters of timber and 2.7 billion stalks of bamboo. Forestry is now developing into an industrial department with 24,000 units and more than 2.20 million employees that includes afforestation and forest care, timber transport, timber processing, forest chemicals and other areas. These achievements in forestry construction have assisted in national economic construction, improved the people's living conditions and made important contributions to socialist construction.

Afforestation has been carried out on a wide scale since the nation was founded. Beginning in the 1950's, we began managing shelter forests in the northeast, eastern Nei Monggol, Hebei and southern Henan, and managed sea protection forests in Guangdong, Fujiang and other provinces. Beginning in 1978, the state also managed the "three norths" shelter forest system in the northwest, the far north and the western portion of the northeast that has become known as the "Green Great Wall." Some 75 percent of the first construction period (1978-1985) has been completed and an area of 66 million mu has been afforested. The various southern provinces are managing 80 million mu of timber forests, mostly China fir, and are developing 20 million mu of bamboo groves. There are now 40 million mu of industrial forests being managed nationwide. We have aerielly afforested 70 million mu of vast and sparsely populated mountainous regions with poor communications. A total of 4,065 state-run forests have been set up during the afforestation movement and are managing 690 million mu of land, including 100 million mu of newly-afforested land. We also are making great efforts to develop tree planting for the "four along sides" in the north and central plains regions.

In order to protect existing forests, the state formulated the principle of "universal shelter forests, key afforestation" in 1950, established forest protection organs and developed forestry management. In the area of forest fire prevention, we established a complete forest protection and fire prevention organization and strengthened fire prevention measures. The state now has about 6,000 specialized forest fire prevention personnel. They have cleared 135,000 kilometers of fire barriers, built 1,998 observation towers and set up more than 30,000 kilometers of special communications lines for fire prevention.

In order to prevent forest diseases and pests, the country has set up forest plant quarantine offices in the south and in the north, as well as a biological prevention center. They have established more than 500 forest disease and pest prevention stations, and more than 2,000 reporting stations (and points). In the area of prevention measures, they rely primarily on artificial prevention and medicinal [as published] prevention, and are moving in the direction of comprehensive prevention with an emphasis on biological prevention. The annual prevention capability has grown from 400,000 mu shortly after the nation was founded to more than 40 million mu.

Some 120 natural protection regions covering an area of 117 million mu had been established within forestry management departments by the end of 1983 to protect the natural ecology and precious animal resources. In order to strengthen international cooperation in this area, we participated in the "Treaty on the International Trade in Endangered Plant and Animal Species" and signed the "Agreement on Protecting Migratory Birds and Their Nesting Environments" with Japan. We also participated in the World Man and Biosphere Natural Protection Region Network.

More than 10,000 kilometers of forest railroads and more than 140,000 kilometers of highways have been built in state-owned forests to exploit and utilize forest resources and develop the forestry industry since the founding of the country. There are now 131 large and medium scale cutting and transport enterprises in state-owned forests with an annual lumber production

capacity of 30 million cubic meters. Annual lumber output in state forest plans has grown from more than 5 million cubic meters shortly after the nation was founded to more than 50 million cubic meters at the present time.

There have been major developments in the timber processing and forest chemical industries since the nation was founded. China now has an annual lumber sawing capacity of 14 million cubic meters. The artificial board industry (including plywood, fiberboard and shaving board) has grown rapidly since 1958, with current output of 1.39 million cubic meters, 60 times the amount shortly after the nation was founded. There are more product varieties, higher output and higher quality in the forest chemical industry. We are the largest producer and exporter of rosin in the world.

The forestry machinery manufacturing industry also has developed substantially. There are now more than 450 types of forest products. They have effectively promoted mechanization in forestry production and some of the products are being exported for sale.

There has been rapid growth in scientific research in forestry since the founding of the nation. The Central Forestry Research Institute was set up in 1952 and was expanded into the Chinese Forestry Sciences Research Academy with 12 research institutes, including forestry, timber industry, subtropical forestry, tropical forestry and other institutes. In the past 35 years, there have been 1,424 scientific and technical achievements in forestry, 86 of them receiving National Science Conference awards in 1978 and 95 receiving Ministry of Forestry awards in 1978 and 1981. Every province, municipality and autonomous region in the country has established forestry scientific research organs. China now has 679 scientific research units with a scientific research staff of more than 7,600 persons. This has formed a preliminary forestry scientific research system.

Even though obvious achievements have been made in forestry development in China, forestry development is far from being able to meet the needs of state construction and the people's livelihood. This is especially true when compared to nations with advanced forestry, where there is a great difference. The most prominent problem is that there are not enough forests, they are unevenly distributed, and there even has been disruption of the natural ecology in regions with few or no forests, causing serious destruction by sandstorms, flooding and drought. Timber production and supply cannot meet demand. And there are other problems. China now has an average forest area of 0.12 hectares and timber reserves of 0.1 cubic meter per person. These figures are equal to only 18 percent and 13 percent of world average percapita levels and come far from meeting the needs of national planning and the people's livelihoods.

After the 3d Plenum of the 11th CPC Central Committee, and especially after the magnificent program formulated at the 12th CPC Central Committee, it was proposed that a new situation in socialist construction be created, with forestry as one of the key points. To achieve this, the first ten years must be spent in laying a good foundation and creating the conditions, and then we must strive to enter a period of flourishing forestry construction in the following decade. We must strive to raise China's forest cover rate from the

current 12 percent to 20 percent by the end of the century. Lumber production must increase from 50 to 100 million cubic meters, timber output must double, and we must strive to quadruple the total value of forestry output on the basis of 1980. If these goals were achieved, there will be a substantial improvement in the natural ecological environment in most parts of the country, forest consumption will be controlled within the amount being grown, and the contradiction between lumber supply and demand will be alleviated somewhat. The problem of a lumber shortage and the peasants' cooking fuel problems also will be resolved to a considerable degree, and there will be substantial increases in the masses' economic incomes in forest regions.

Achieving the above goals will involve difficult tasks, but there are many favorable conditions. This is especially true of the fact that the Central Committee has made afforestation of the motherland a basic national policy. This is the fundamental guarantee for the rapid development of forestry construction. There is much hope for forestry construction, and forestry construction in China will certainly be able to create a new situation if we just work hard.

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NATIONAL

PROMOTING COMMODITY PRODUCTION TO REVITALIZE FORESTRY

Beijing NONGYE JISHU JINGJI [ECONOMICS FOR AGRICULTURAL PRODUCTION TECHNOLOGY] in Chinese No 10, Oct 84 pp 36-40

[Article by Yang Tao [2799 3447] of the Fujian Provincial Academy of Social Sciences: "Development of Commodity Production Is Essential for Invigorating Forestry Production in China"]

[Text] Agriculture in China is now undergoing a transformation from a natural economy to commodity production. Forestry is an important component of agriculture. Is forestry production, especially lumber production, a form of commodity production? Should it move toward commodity production? Should forestry be managed according to the laws of commodity production? Do planting, cutting, storage and transportation, processing, sales and other links favor the development of commodity production? I feel that it is essential that these questions be thoroughly discussed to gain a new understanding. This article will discuss the viewpoints of an individual as a reference for my comrades.

I

There have been enormous achievements in forestry production and construction in China since the founding of the nation and enormous contributions have been made to socialist construction, but there are still many problems. An example is serious destruction of forest resources and a low utilization rate for forest resources. There is an annual deficit of about 100 million cubic meters and the afforested area is gradually shrinking each year. There basically has been no reversal of the situation of continual degradation of the natural environment. From 1949 to 1979, the country afforested and protected more than 400 million mu with a protection rate of only 31 percent. No trees are growing on more than 900 million mu of afforested area. The rate of growth in afforestation has been slow, averaging 8.2 percent per year. At this rate, it will take more than 40 years to achieve a forest coverage rate of 20 percent and 100 years to reach 30 percent.

There are, of course, several reasons for these problems, but one very important one has been the lack of attention to the law of prices and a failure to treat forestry production as commodity production. This is manifested primarily in the following:

1. Forestry planning and management is actually simple administrative management and fails to acknowledge that state-run forestry production units are economic bodies with considerable independence and managerial decisionmaking rights. Nor does it acknowledge the managerial decisionmaking rights and decisionmaking rights for managing production by collectively-owned forestry production units and individual woodsmen, to the extent that it fails to acknowledge their property rights over forest resources. The result is that forestry production plans are determined at the top and sent down to each level, causing them to be detached from realities, sometimes to the point of issuing arbitrary orders and wantonly encroaching upon the rights of collectives and individuals. State-run forestry production units, collectives, and woodsmen do not have the right to plant according to local conditions, to determine amounts to cut, or to process and sell independently. They have none of the decisionmaking rights necessary for carrying out commodity production and exchange. This has seriously blunted their initiative and damaged their economic interests.

2. The management of forestry as an institution has meant that afforestation and seedling raising must depend on state fiscal outlays and unified purchasing and payments. Forestry units cannot depend on forestry itself to create the value needed even to maintain simple reproduction, much less accumulate enough themselves for expanded reproduction. This has restricted the development of afforestation and seedling cultivation. The nation invested 5.2 billion yuan in forestry between 1952 and 1980, equal to only 8.2 percent of total investments in agriculture. The limited amount of capital for afforestation and the large area to be covered means that the investment per unit area is far less than the minimum value of labor required. Moreover, the failure to calculate the value of forestry resources in China means that no rational forestry pricing system has been established. This has reduced income by more than 48 billion yuan since the nation was founded. If this money were invested in forestry production, we could plant an additional 600 to 700 million mu of high-quality forests, double or triple the area afforested and protected since the nation was founded.

3. A failure to acknowledge the principle of exchange at equal value for forestry products. Lumber is treated as valueless and prices are seriously detached from their value. "Low grain prices hurt the peasants, low timber prices hurt the forests." The masses say that "a log is worth less than a stalk of sugarcane." They naturally have no enthusiasm for

afforestation and seedling raising. Afforestation by the masses in many areas is done only for the purpose of making money, and they do not care for the product of their labor--whether or not the forest will grow and produce timber--meaning that they have not been concerned with quality, to the extent that afforestation has produced no trees year after year.

4. A failure to acknowledge the relationships of commodity exchange in timber circulation, which has led to the disjointing of forestry, industry and commerce. The separation of forestry management from the forestry industry, management of forests with an emphasis on forestry while neglecting industry, and the loss of proportionality between the forestry industry and forestry management have made it impossible to implement the principle of "taking forestry management as the foundation." The problem of "keeping separate accounts" for afforestation and the timber industry has not been resolved for a long time. Cutting in several state-run forests consists of rigid tasks, while afforestation is a soft task. In reality, they have become simple timber cutting yards.

II

Is forestry production under socialism commodity production? The answer is yes, definitely. This first of all is determined by the special characteristics of forestry production. When humans first began cutting primitive forests, the purpose was to meet their own needs, so forestry production during this era was not commodity production. As society developed, forestry production developed into commodity production when people began managing forests in order to sell timber and other forest products. The primitive forests themselves were not yet commodities, of course. In the modern era, forestry developed into artificial afforestation over a large area, and forests themselves developed into products of labor that were produced for exchange, the forests primarily serving exchange and not self-use. Forest producers obtain profits through the exchange of forestry products that are used for maintaining simple reproduction and expanded reproduction. Some are natural forests, but a certain amount of labor has been applied in the process of human protection, management and administration, so they also are products of labor. The most important thing is that the goal of forest management is exchange and that they all should involve commodity production, whether natural or artificial forests. There is no fundamental difference from forestry production as described above under socialist conditions.

Second, the ownership system in forestry in China at the current stage is a multilayered one, with state-owned forests, collective forests and individual forests. There also are forms of joint administration by three or two levels. State-owned forests cover 52 percent of the nation's total forested area and contain 75 percent of reserves. About two-thirds of the nation's lumber output under unified distribution is produced

in state-run forestry enterprises. Most of the forested areas in the northeast are state-owned forests. Collective ownership predominates in the southern provinces, making up more than 80 percent of the forested area and reserves, and 70 to 80 percent of lumber production. In Zhejiang Province, 96 percent of the forested area and 95 reserves are under collective ownership. Individually-owned forests are those around the houses of commune members, on private hillsides and private plots, and trees that are planted in other areas as directed by the collective. They are a subsidiary to and supplement of the socialist publicly-owned economy and currently make up only a small proportion. The development of forestry under individual ownership is an important economic policy in the rural areas of China. The CPC Central Committee has stipulated clearly that the period of contractual responsibility for afforestation of barren hillsides and beaches can range from 30 to 50 years or even longer in some areas. Contractual rights can be inherited or transferred.

The area of planned private hillsides and hillsides under contractual responsibility by commune members across the nation has reached more than 1 billion mu in the past 2 years. This undoubtedly will play an enormous role in increasing the afforested area by 1.18 billion mu and raising the forest coverage rate from the current 12 percent to 20 percent by the end of the century. State-run forestry enterprises are relatively independent economic entities. Collective and individual forestry is even more independent. Only by respecting the principle of exchange will state-run forestry enterprises be able to operate normally and will collectives and individuals be able to invest land, capital, labor and technology in forestry production.

Third, China is not rich in forestry resources, and they are distributed unevenly. This objectively requires exchange at equal value. In terms of the forest reserve area, Heilongjiang, Jilin, Yunnan and Sichuan provinces contain 49.5 percent of total national reserves. Of the country's 29 provinces and municipalities, 11 provinces and autonomous regions have timber surpluses, 7 provinces (regions) are basically self-sufficient or semi-self-sufficient, and 11 provinces and municipalities depend on supplies from other areas. Non-forest areas are able to obtain the timber they need and meet the needs of economic construction and the people's daily lives only through exchange at equal value for lumber and other forest products, and only then can forest areas obtain a certain amount of capital to invest in reproduction in forestry. If we violate the laws of a commodity economy and do not practice exchange at equal value, it will inevitable damage the initiative for developing forestry production in forest areas. The result will be that forestry will not be able to develop and non-forest areas will be unable to obtain lumber and other forest products.

Fourth, the development of artificial forests and establishment of commodity forest base areas is a world-wide developmental trend in forestry. New Zealand, for example, has adopted modern science and technology for intensive administration of artificial forests and established an irradiated pine commodity forest base area for expanding forestry production. They have focused on selection and breeding of improved varieties, selecting 1 seed from every 1,000, which is transplanted in a seed nursery after sowing. One sapling is then selected from every five saplings to serve as a parent tree and the seeds are sifted from it. They have paid attention to the land conditions of the trees, using machinery to level the ground, crush bushes and weeds, and cultivate the ground in order to improve the soil's physical and chemical properties. They have paid attention to weeding, fertilizer application, intercutting and other scientific forms of nature and management. After intercutting, 500 Kg of urea are applied per hectare in the standing forest, which can increase reserves by about 50 cubic meters. The implementation of a "nature system" and carrying out intercutting and culling during certain early periods can shorten the rotational cutting period by 10 years or so. They have adopted remote sensing and computers to monitor trends in forest resources and have practiced scientific management and administration. Through this series of technical measures, the amount cut in a 25 or 26-year old artificial forest could reach 630 to 665 cubic meters per hectare (equivalent to 42 to 44 cubic meters per mu). They have achieved rapid growth, excellent quality and high output, with output that is double or triple that in the artificially grown China fir forests in southern China. For this reason, although artificial forests cover 11.4 percent of the nation's total forested area, the timber output from artificial forests in New Zealand makes up to 94 percent of total national timber output. In this way, they are able to protect large numbers of natural forests, give play to their protective and social benefits, and maintain an excellent natural environment.

Forestry in China must take this road of intensive management. We should pay special attention to internal expanded reproduction, strengthen the nurturing management of middle-aged and young forests, and change the past situation of "stressing the external while neglecting the internal." This is the road to achieving permanent afforestation and perpetual utilization in mountainous regions, and is a path that can increase timber output as well as maintain an excellent natural environment.

China is a land of many mountains, and the development of commodity production in forestry will play an important role in developing and invigorating the economy of mountainous areas. The process of cultivating forests and developing commodity production in forestry is one that gives play to the ecological benefits of forests. If forests are cultivated and managed well, we will be able to achieve permanent afforestation and perpetual utilization in mountainous areas and to achieve the maximum

economic results as well as the maximum ecological benefits. This is especially true after the establishment of intensively-managed artificial commodity forest base areas, which will be able to provide most of the timber needed for economic construction and the people's daily lives, and it can protect more forests and give play to their ecological benefits. Otherwise, it will be quite difficult to achieve unity between the ecological and economic benefits of forests.

III

The development of commodity production in forestry requires reforms in the following areas:

1. The management of collective mountainous forests should further implement systems of assigning contractual responsibility for output to households, develop specialized households, key households and new joint bodies in forestry, and gradually make household administration the primary form for developing commodity production in forestry in collective forest areas.

After the implementation of systems of contractual responsibility for output in rural areas, household administration has become the primary form of management and specialized households and key households have become the most active force in developing commodity production. This trend also has begun to appear in forestry. At present, however, systems of assigning contractual responsibility for output to households are found only in industrial forests and on some barren hillsides. Most barren hillsides and beaches have not been contracted out. This is especially true in timber forests, which remain under predominantly unified management by collectives which do not dare contract them out. Some people feel that contracting will lead to overcutting and denudation. This view is very wrong. Most of the overcutting and denudation that has occurred in recent years was done at the urging of various levels of leadership, and there has been guided and planned cutting in excess of plans. All of this occurred under unified administration by communes and brigades. The appearance of overcutting following the contracting of trees in some areas arose because work was not done well, not because of the system of contractual responsibility for output. In reality, following the implementation of contractual responsibility for output, the responsibility for managing and protecting young and mature forests is held by households, with clear rights, responsibilities and interests. The masses have truly become the masters of the forests. This has basically eliminated the overcutting and denudation that was urged by each level. The quality of some collective middle-aged and young forests is low at the present time, a true case of the "half-cooked rice" caused by eating out of the big common pot in the past. The implementation of contractual responsibility for output by households will absorb the surplus labor and capital

of commune members in forestry, strengthen the nurturing of middle-age and young forests and improve their quality. This is extremely important for the development of forestry production.

2. Continue to relax policies according to the laws of a commodity economy and further motivate the initiative of the masses to develop commodity production in forestry.

First, we must respect the law of prices and implement a unified forestry pricing system and make rational adjustments in timber prices so that the socially-required labor consumed in forestry production is replenished and can even accumulate a bit for investment in reproduction. China still does not have a unified forestry pricing system. Although the timber purchase price in collective forests in the south includes a forestry price and the state-owned forests in the northeast and other areas collect a certain forest cultivation fee when selling timber, the amount of compensation is much less than the labor consumed in forestry management and production. According to surveys, the forest price per cubic meter of China fir in Fujian Province is 39 yuan (22 yuan for pine). From this amount, the bank deducts 35 percent (15 yuan) for a forest cultivation and renewal fee and an 8 percent (3.12 yuan) special products tax, leaving only 20.88 yuan (if they also must pay the unit owning the mountain a 30 percent land tax, this leaves only 9.18 yuan). Calculated at 10 cubic meters of lumber per mu, this would be only 208.8 yuan. Deducting 80 yuan per mu for afforestation costs, this leaves only 128.8 yuan. With a primary cutting after 25 years, the average yearly income per mu of mountain forest would be 5.1 yuan. The average income for planting tea is 60 yuan, and is 200 yuan for fruit trees. Moreover, they have a shorter production cycle. Planting trees, therefore, is far less economical than planting tea or fruit trees. Unless this situation is changed, no one will invest mountainous land, labor and capital in forestry production, and there will be no way to bring about substantial developments in forestry commodity production. For this reason, we must adjust timber purchase prices so that they consider compensation for afforestation costs and cutting and shipping costs. The benefits that peasants in mountainous regions receive must be no lower, and may even be higher, than the level for other economic crops.

Before adjusting timber purchase prices, some provinces (and regions) have implemented negotiated prices for non-standard timber and timber not under unified purchase. This was necessary and the results were good. The problem now is that we should resolutely adhere to the stipulation in CPC Central Committee Document No 1 (1984) that "most of the benefits should be distributed to the woodsmen." Many countries and communes still have their own decisions concerning the distribution and utilization of income from this source. They use a lot of different terms, make deductions at many levels and take out various kinds of deductions and taxes. This leaves only 10 or so yuan per cubic meter, so that the woodsmen get no benefits. This situation must be changed immediately.

Second, we must gradually reform the unified purchase and marketing system for timber so that planned regulation is the primary factor and market regulation is the secondary factor. The Central Committee has stipulated that the products from private hillsides should be handled by the commune members themselves and that, with the exception of amounts to be retained by the collective as stipulated in the contract and completing state purchase tasks, the remainder of the products from the responsibility hillsides should go to the contractor. This policy will inspire the masses to develop commodity production in forestry. Based on the spirit of this stipulation of the Central Committee, I feel that we should: 1) Change the unified purchase and marketing system to a requisition system; 2) Eliminate the system of having forestry departments serve as sales agents that unify non-unified distribution timber, non-standard timber and their semi-finished goods; 3) Open up a free market in timber as appropriate and permit a free market within a certain scale and amount for collectives and individual commune members to handle timber they have planted themselves, from their private plots, non-unified distribution timber, non-standard timber and their semi-finished products; 4) Broaden shipping management for timber. Otherwise, "handling the products themselves" will be meaningless. Of course, we should strengthen management when making reforms in the timber purchasing system and strive to avoid chaotic cutting and denudation. We cannot, however, refuse to act because of possible problems and thereby restrict the development of forestry production.

Third, we should broaden the management of cutting. The "Forestry Law" and other related documents clearly stipulate the amounts to be cut in collective forests and the rights over examination and approval. Application for permission to cut is not required for scattered trees on private hillsides or those owned by individuals. At the present time, however, the situation in many areas is that application must be made for permission for all cutting and that there must be a cutting permit. I feel that this will not only inhibit the masses in developing commodity production in forestry, it will also be difficult to achieve this in reality. At the same time, the cutting of scattered trees or cutting over a small area (less than 5 mu, for example) does not affect the natural environment. Giving the commune members some managerial decisionmaking rights will motivate them to plant trees.

3. We should gradually reform the forestry management system to adapt to the development of commodity production in forestry.

First, administrative and enterprise management should be separated. The development of commodity production in forestry will increase the tasks in administrative and economic work. The current system of combined administrative and enterprise management is obviously not suited to

development and the needs of work. After separating administrative and enterprise management, the primary responsibilities of forestry management departments at all levels of government should be propaganda and adherence to forestry principles, policies and laws, investigation and supervision, unified (macroeconomic) planning to develop forestry, forest resources, cutting mountainous forests, management of timber circulation and other administrative work. The actual administration and management of forestry production and economic work (microeconomic) should be organized and carried out by forestry enterprises. The administrative and managerial rights over the enterprise should be transferred down to the enterprise. Enterprises should be "untied" so that they can organize production and management activities according to the laws of a commodity economy in order to improve economic results and promote the development of forestry production.

Second, afforestation and seedling cultivation should be managed by enterprises. In order to correctly implement the principle of "taking afforestation as the foundation" and totally solve the problem of "keeping separate accounts" for afforestation and the forestry industry, and to rapidly increase forestry production, we must press ahead in transforming forestry production units into enterprise units and treat the products of forestry and forest resources as commodities, take economic results into consideration, be responsible for profits and losses, and practice independent accounting.

Third, timber production enterprises should jointly administer production, shipping and storage. The cutting, shipping, storage and allocation of timber is a comprehensive process of production and exchange. There should be unified leadership and unified management. For a long time, many of the cutting forests, truck teams and timber storage yards in collective forests in the south have been under separate jurisdiction by provincial, prefectural and county forestry departments. This artificially segmented the entire lumber production and exchange process into three stages, broke down the links between production, shipping and storage and created many contradictions, especially in having the province or prefecture manage timber storage yards and lumber allocation work. The mill price for allocation of lumber was set by the lumber storage yards. All of the lumber in a county was centralized and shipped to the lumber storage yard where the price was calculated according to an internal price. The price calculated according to the internal method was 20 to 30 yuan lower per cubic meter. This greatly harmed the interests of timber-producing countries that were responsible for afforestation, nurturing forests and cutting timber and obstructed the development of forestry production at the county level. Some counties produced several hundred thousand cubic meters of lumber but made very little profit or even suffered losses (the low price for the lumber was the primary reason). This naturally affected their enthusiasm for

developing forestry production. In the future, therefore, lumber allocation and supply work should be transferred down to the county, the mill price for lumber should be set by the county, and profit indicators can be established for each county. The county can directly engage in circulation and supply materials directly to units that need lumber so that the number of intermediate links is reduced. Lumber storage yards managed by the province or prefectures are now being handed down to the county, or they are taking on transportation tasks for the counties. Truck teams under prefectural management also should be transferred down to the counties. This will permit the county as a unit to manage production, shipping and storage of lumber as an integrated process, so that the entire forestry commodity production process is placed under unified management and leadership.

Fourth, there should be comprehensive management of forestry, industry and commerce. More than 200 joint forestry-industry-commerce enterprises have been set up across China in recent years. Practice has proven that this sort of management system favors the implementation of the principle of "taking afforestation as the foundation" and gradually achieving the use of forests to grow forests; it benefits rational resource use and forest protection and prevents chaotic cutting and deundation; it benefits development of the forestry products processing industry and promotes the development of commodity production in forest regions; and it invigorates the economy in production regions and increases the income of the masses. The problem at the present time is to unify our understanding, confirm the achievements, summarize experiences and accelerate our pace. I feel that we should strengthen integrated management of the papermaking industry and forestry by establishing papermaking forest base areas near papermaking plants and practicing cultivation for a fixed purpose, include construction of the base area in production costs, and carry out economic accounting. The scrap left over from timber forests, cutting forests and lumber processing mills around papermaking plants can be processed into raw material for making paper, and plans can be made to build a paper processing plant. Part of the profits from the paper mills and the paper products processing plants should be given to the forestry enterprises, which can greatly stimulate development of forestry and paper production in China.

12539

CSO: 4007/87

NATIONAL

RURAL, TOWN FOOD INDUSTRY BECOMES MAIN INDUSTRY IN RURAL AREAS

Beijing JINGJI RIBAO in Chinese 20 Oct 84 p 2

[Article: "The Rural and Small Town Food Industry Is Becoming the Primary Industry in the Rural Areas of China"]

Rural and small town food industries have assumed an important position in China's food industry. The total value of output in the rural and small town food industry nationwide reached 6.7 billion yuan in 1983, 4.5 times greater than in 1979 and nearly 12 percent higher than in 1982. There now are 250,000 food industry enterprises with a work-force of more than 2.5 million persons. About 2 million specialized households and key households in rural areas are engaged in food processing, equal to almost 10 percent of the nation's total number of specialized households and key households. Many specialized food processing villages have appeared, and there obviously is an enormous potential for developing the food industry in rural areas.

In recent years, and especially with implementation of CPC Central Committee Documents No 1 and 4 this year, the food industry has become one of the fastest growing sectors among rural and small town enterprises. The results of surveys in several areas show that this year's levels of output, value of output, product varieties, quality, taxes and other areas in rural and small town food industries are commonly exceeding those over the same period last year. The total value of output in these industries in Sichuan Province last year was 1 billion yuan, thus maintaining first place nationwide. The rate of growth in rural and small town food industries in some areas with good foundations and fairly rapid development such as Shandong, Zhejiang, Guangdong, Hunan, Henan and other provinces has exceeded 30 percent.

Related departments feel that the food industry is an important sector for future development of rural and small town enterprises. They must in every way possible satisfy the demand of the broad masses of

peasants for all types of food products and should serve the cities, assist exports, and become rationally distributed, each with its own special characteristics, to coordinate development of this primary industry in rural areas. They should work according to local conditions, be based on local resources, give play to their advantages, be small and decentralized, and primarily set up as joint enterprises by collecting peasant investments. They should make great efforts to develop food processing and food products, edible oils, dairy products, meat, poultry and aquatic products processing, egg products, liquor, beverages, vegetable products, spices, and so on.

12539

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NATIONAL

COMMENTARY ON PROCESSING AGRICULTURAL, SIDELINE PRODUCTS

Beijing ZHONGGUO NONGMIN BAO in Chinese 14 Oct 84 p 1

[Commentary: "Let Go, Allow the Peasants To Process Farm and Sideline Products "]

[Text] China has had bumper harvests of grain, cotton and oil crops every year since the 3d Plenum of the 11th CPC Central Committee, and there have been substantial increases in other farm and sideline products. The abundant agricultural harvests have both gladdened and worried the peasants. They are gladdened by the improvement in their lives, but they are worried by the inability to sell primarily grain farm and sideline products.

Apart from opening up circulation channels in every possible way, the basic route for solving the problem of overstocks of farm and sideline products in the long run is to actively develop multilayer processing of farm and sideline products to achieve energy transformation and increase the number of product types, and to use changes in consumption structures and improvements in societal consumption levels to digest farm and sideline products. We know that although human food requirements have limits in terms of quantity, the search for food quality and product types is relatively limitless, while the material basis for meeting this material need of people is a corresponding amount of farm and sideline products, primarily grains. We definitely cannot give up producing because of a temporary overstock in farm and sideline products. There have been "difficulties in selling grain" over the past two years in the rural areas of our country, but this does not mean that there is a grain surplus. It means instead that food processing and feed processing capacities cannot cope with the unusual new situation of the development of commodity production in rural areas. For this reason, great efforts to develop farm and sideline product processing industries not only can solve the current problem of finding outlets for grain, but can also further promote the development of agricultural and animal husbandry production.

Since the founding of the nation, most of the farm and sideline product processing industries in China have been "government operated" and were located in cities. They not only competed with the people and caused competition between town and countryside, but also had very low results and developed slowly. Overall, China has not eliminated its problems in farm and sideline product processing. We certainly must change the typical production structure where "rural areas provide raw materials for processing in the cities" and adhere to the principle of uniting the state, collectives and individuals, make full use of the surplus labor and capital in rural areas, and actively develop rural farm and sideline product processing industries.

A group of reports published today in this paper show that permitting the peasants to engage in farm and sideline product processing is an important route for enriching rural areas. We certainly must let go and develop specialized households and specialized villages for processing farm and sideline products, engage in grain processing (including feed processing), fiber processing, animal and aquatic product processing, vegetable processing, fruit processing and oil crop processing on a large scale. All of these forms of processing should be done locally by collectives and households, with the state providing the needed equipment and new technical guidance. The principle of service work in agriculture, animal husbandry and fisheries departments should be to change from directing cropping to key guidance for good work in breeding, farm and sideline product processing and sales. We can predict that if we just let go and allow the peasants to become involved, the farm and sideline product processing industry will flourish and develop.

12539

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NATIONAL

BRIEFS

TOBACCO INDUSTRY PRODUCTION--Beijing, 6 Jan (XINHUA)--China's tobacco industry in 1984 delivered to the state taxes and profits totaling 10.8 billion yuan. In the last few years, the tobacco industry has closed down some 300 low-efficiency small plants and thus improved its overall economic results. [Summary] [Beijing XINHUA Domestic Service in Chinese 0043 GMT 6 Jan 85 OW]

CSO: 4007/215

TRANSPROVINCIAL AFFAIRS

CONSTRUCTION, ECOLOGICAL BALANCE IN ZHEJIANG, FUJIAN MOUNTAINS

Beijing NONGYE JINGJI WENTI /PROBLEMS IN AGRICULTURAL ECONOMICS/ in Chinese
No 9, 23 Sep 84 pp 44-47

/Text/ To begin studying the problem of mountain area economy and ecological balance, we surveyed 8 communes and 10 production brigades in 6 counties of Zhejiang and Fujian from April to the beginning of July in 1983. Here I will summarize the report on the question of economics and ecology and various other aspects of the mountain areas in these two provinces.

I. The Present Economic Situation in the Mountain Areas of Zhejiang and Fujian and the Major Existing Problems

Since the 3d Plenum of the 11th CPC Central Committee, the broad mountainous areas of these two provinces have conscientiously implemented a whole series of correct guiding principles and policies for developing mountain areas, carried out the production responsibility system tying pay to production, and the people of the mountain areas, with the greatest enthusiasm, have developed mountain area production, taken the first steps in changing the fact of mountain area poverty and basically solved the problem of food and clothing for the people of the mountain areas. We should particularly point out that in recent years the economics of some counties, communes and brigades in mountain areas have developed quite well and there has been a noticeable improvement in the people's standard of living. For example, in Hongshan Commune in Zhejiang's Shaoxing City, the per capita income increased from 127 yuan in 1977 to 296 yuan in 1982, a 2.3-fold increase; in Jiande County, per capita income grew from 78 yuan in 1976 to 192 yuan in 1982, a 2.5-fold increase; in Fujian's Jian'ou County, the per capita income was only 94 yuan in 1978 but 187 yuan in 1982, or nearly a 2-fold increase; the per capita income for Longxi prefecture in 1978 was 67.75 yuan and 164.47 yuan in 1982 or a 2.4-fold increase; Sanming Prefecture had a per capita income of 84 yuan in 1978 and 156.9 yuan, a 1.8-fold increase; Changtai County had a per capita income of 112 yuan in 1978 while it reached 236.29 yuan in 1982, a 2.1-fold increase.

The mountainous areas of Zhejiang and Fujian already have a excellent start in economic construction. However we must recognize that there has been no fundamental change in the economic and educational backwardness of the broad mountain areas or in their ecological imbalance. If we want to bring basic improvement the material and educational lives of the people of the mountain areas, we

must still struggle bitterly to develop mountain area production. Now, the per capita income of most mountain area people is lower than that of people on the plains. Up to the present time there are still some mountain area counties and communes whose economies are still very poor and backward, and even today, there are still difficulties and problems of various kinds in some mountain area communes and brigades such as no roads, no electricity, little potable water, no schools, very few S&T personnel, etc. Here are several of the major problems still existing at present in mountain area construction, based on the survey of Zhejiang and Fujian and seen from the angle of ecology and economics.

A. The forests are overcut and both the ecology and the economy are getting worse.

For a very long time, under the influence of "left" mistakes, biological resources of the mountain areas have been severely damaged, many valuable wild plant and animal resources have been devastated and some species even face extinction. The fairly large-scale indiscriminate and wanton felling of forests in most mountain areas has led to a marked decline in the forest vegetative cover rate and in the forest storage capacity, the worsening of the mountain area economy and the ecological environment, and exacerbated the occurrence and development of natural disasters in agriculture, bringing great economic losses. For example, the forest vegetative cover rate in Fujian was 49.3 percent in 1973 but by 1978 it had dropped to 39.5 percent; seen from the consumption of forest resources, according to statistics, in 1979, provincial consumption of forest resources reached 3.849 million cubic meters, which was 20.8 percent greater than the annual growth.

The year by year reduction of forest area in Fujian and the year by year increase in barren mountain and wasteland, has created a situation where the ecology and economy of the mountain areas grows worse and worse every day. For example, take the Jian Xi and Sha Xi Basins on the upper reaches of the Min Jiang. Because of overcutting of forests over many years, the water conservation capacity has declined. Comparing 1975 to the previous 20 years, the frequency of early spring drought has increased about 20 percent and the frequency of summer drought has increased about 40 percent. In the past, Pucheng County on the upper reaches of the Jian Xi had "10 dry-spells but 9 without worry" [a drought only once in 10 years]. In 1978 there were several rainless months and because the forests of surrounding mountains had been completely cut down, the springs dried up, 230,000 mu of the county's 550,000 mu of paddy rice were affected by drought and 80,000 mu had no harvest at all. The destruction of forests in the lower reaches of the Min Jiang has led to a gradual drop in the water level in the middle and lower reaches of the Min Jiang during the dry season. Over 30 years, the discharge of the Min Jiang has dropped 17 percent; at present the area affected by soil erosion in the province has grown by more than 50 percent since 1963; there has been a widespread increase in the amount of silt in provincial rivers and the downstream river beds have grown higher every year. There is severe silting of reservoirs. For example, take the Yongchun Niaooshan reservoir. Because there is no forest or grass cover in the reservoir area, in just a year's time, it has been silted up with mud and sand and been abandoned.

In our investigation of Zhejiang, we found a situation similar to that of Fujian.

B. The agricultural economic structure in the mountain area is not rational.

Whether the agricultural economic structure in the mountain areas is rational or not is one of the major factors determining the speed of development for productive forces in mountain areas.

In the 34 years since the founding of the republic, the agricultural production structure in the mountain areas has gone through many adjustments which have had a certain amount of success. But there are still many problems. Some irrational and unharmonious phenomena left by history will exist. At present, the agricultural production structure of the mountain areas is not suited to the mountain's natural resources, economic conditions or technical conditions. The proportions of farming, forestry, animal husbandry, sideline occupations and fishery are not rational and for a long time now, we have only stressed grain production and neglected the development of forestry, animal husbandry, sideline occupations, fishery and a diversified economy, and so have created a static situation of irrational land use and an uncoordinated agricultural economic structure. For example, Fujian is a province with many mountains and little arable land, with mountain land occupying over 80 percent of the province's total area, and the livelihood of close to 25 million people relies mainly on 20 million mu of cultivated land. According to 1982 statistics, the total output value of the cultivated land accounted for 56 percent of the total agricultural output value, the output value of the 70 million mu of forest land accounted for only 7.6 percent and the output value for fishery marine products was only 6.3 percent. In Fujian, 70 percent of the labor force is concentrated on 10 percent of the land. According to a investigation of Sanming Prefecture, the mountain land and water surface which make up over 90 percent of the prefecture's area have only about 20 percent of the labor force working there.

In Zhejiang, the mountain and hilly land constitutes 78.8 of the province's area, and 85 percent of this is forestry land, 15.3 percent is cultivated land, 6.2 percent is water surface and 2.7 percent is other. Seen from land composition, we should put primary emphasis on developing forestry and a diversified economy (including planting and aquatic breeding). Yet on the contrary, in the present agricultural economic structure, farming has a high proportion and the proportions for forestry, animal husbandry, sideline occupations and fishery are very low. According to a survey of the total output structure for agricultural production in 26 mountainous counties in Zhejiang, in 1982, the total output value was 13.76 billion yuan and of that amount the agricultural output value was 7.606 billion yuan or 55.2 percent of total output value (of this the output value for grain was 5.17 billion yuan or 37.5 percent of the total), forestry output value was 371 million yuan or 2.6 percent of total output value, animal husbandry output value was 1.92 billion yuan or 13.9 percent of total output value, sideline occupation output value was 3.214 billion yuan or 23.3 percent of total output value and fishery output value was 649 million yuan or 4.7 percent of total output value. Forestry and fishery use 82 percent of total land area and yet they produce only 7.3 percent of total output value. This unharmonious economic structure is one of the

major factors creating imbalance between economic development and ecological balance and interfering with the movement of the mountain economy of Zhejiang and the ecological system toward a benign cycle.

C. The level of productive forces in the mountains is low, the economy is still not well-off and most of the low-yield areas of Zhejiang are concentrated in the mountains. Up to 1978, the grain yield per mu for the 26 mountain counties was 200 jin lower than the provincial average level, and the distributed income for commune members in mountain areas was 24 yuan lower than the provincial average. Based on a survey by the Zhejiang provincial party committee, they recognized as poor counties those with per capita collective distribution of 50 yuan and 400 jin in ration grain. There are 11 of these counties in the province. In 1980, Fujian collectives distributed an average of 506 jin of ration grain to commune members yet the southeastern, northeastern and central prefectures averaged only about 450 jin. This shows that at present the standard of living for most mountain people is extremely low. Commodity production has still not achieved rapid development.

D. Mountain transportation is unused and blocked and circulation is impeded.

In recent years, under the guidance of the correct line of the 3d Plenum of the 11th CPC Central Committee, the transportation enterprises of the broad mountain areas have achieved certain new accomplishments. For example, in the 3 years between 1979 and 1981, they constructed 4,145 km of public roads. During this period, 10 counties got public roads between communes. This played a very important role in developing the mountain economy, developing mountain resources, changing the face of the mountains, raising the standard of living for mountain people, and improving the circulation of goods between the mountains and the towns. And yet even today, a considerable segment of the communes and brigades in the mountains have no transportation service. Up to the present, 15 of the 26 mountain counties have not been able to have transportation service between communes and 9 of the 13 poor counties have not been able to realize transportation service between communes.

Inconvenient mountain transportation has affected and restricted mountain commodity production. Agricultural and sideline products are not shipped out and the means of production and subsistence needed by the peasants are not shipped in, causing difficulties in buying and selling that have existed in the mountains to become even more outstanding and acute. In 1982, Zhejiang's Tonglu County produced more than 100,000 dan of reed and bamboo products, valued at 160,000 yuan, which was contracted and bought by the state last year. But last year the state did not purchase one single dan, causing large-scale overstocking and bringing a great loss to the economy. The masses said with displeasure that "if the state does not buy again this year, then we'll just cut down all the reed and bamboo." Or take the statistics from Chun'an, Lin'an and Jiande counties in Zhejiang which produced 350,000 dan of tea in 1983. The state purchased only 218,000 dan and 130,000 dan went unsold. At the same time, some commodity reward grain was abolished, bringing new difficulties to the food problem of mountain people. At present, there is also a trend among many mountain people to destroy tea and plant grain in order to solve the grain shortage. This is both detrimental to mobilizing mountain people's enthusiasm for commodity production and also creates difficulties for mountain economic development.

II. Speed Up the Channels for Mountain Economic Construction

According to the most recent survey of southern places, to speed up mountain economic construction and protect the ecological balance, we should start with the following several areas.

A. Developing forestry, energetically planting grass and speeding up the greening of barren mountains are key links in mountain economic construction.

In the past, due to the long-term influence of the "left" and the ideological strictures of "making grain the key," we all followed the same pattern of emphasizing grain production. In some areas, forests were destroyed and wasteland opened up and exploitative management methods were adopted with the result that both forestry and farming were harmed and the vegetative cover was severely damaged. The result was that the mountain economy and the ecological system followed a vicious cycle.

Since the 3d Plenum of the 11th CPC Central Committee, the Central Committee has given a great deal of attention to mountain area construction, particularly forest development. In addition, it formulated a series of correct guiding principles and policies and these were important elements in beginning the turnaround for the economy of the mountains.

The development of mountain forestry is an important matter in preserving the natural ecological balance and protecting the national territory for the benefit of the population. In developing forestry, we should combine the development and utilization of ecological balance with mountain economic construction. To make weaknesses into strengths and combine our shortcomings and advantages, we should pay attention to the basics, and must make changing the present damaged ecology a matter of top priority. That is, we must protect forests, develop forestry, plant trees and grass, develop animal husbandry, and through this increase fertilizer, increase grain production and reach the point where the agricultural ecological system moves toward a benign cycle. This is a major key program for curing poverty and achieving prosperity in mountain areas.

B. The establishment and amplification of various kinds of responsibility systems tying pay to production is a "golden key" for mountain economic construction.

In recent years, we have already had a good beginning for mountain economic and ecological balance in Zhejiang and Fujian. The implementation of various forms of the responsibility system tying pay to production plays a determining role in rapid agricultural development in the broad mountains.

On the question of the responsibility system, our present task is mainly a question of its further perfection. When we perfect various responsibility systems, we must first and foremost follow the economic and ecological rules of the mountains. If we willfully disobey ecological and economic rules, it is bound to lead to destruction of forests and to exacerbate the wanton reclamation of land and mountains, overgrazing and overfishing and is also bound to lead to even greater worsening of the ecology and the economy.

C. Speeding up the construction of public road in the mountains is an important prerequisite for bringing about a prosperous mountain economy.

Major factors affecting the slowness of economic development in the mountains are inconvenient communication and transportation difficulties. To do a good job with mountain economic construction and to realize a benign cycle in mountain ecology and economics, we must first bring major development to mountain communication and transportation enterprises. Zhejiang and Fujian must have tentative ideas and plans for mountain road construction. For example, the tentative plan for mountain roads in Shanxi is that by 1990 they will strive to realize oiled roads between counties, and by the end of the century have public roads between communes and motor transport between brigades. Starting now, they must repair dangerous bridges and roads and those already in good repair should be brought up to the technological standards for public roads, raise the proportion of paved surfaces, and at the same time, we must strengthen road maintenance and greatly increase the highway construction rate. This is an excellent plan. It warrants study and there is much that we can use.

D. The continued liberalization of economic policies is the key to developing the mountain economy.

CPC Central Committee Document No 1 in 1983 clearly pointed out that at present there are several remote mountain areas where the level of production is still very low and where the masses still have many difficulties in their livelihood. We must further liberalize the economic policies for these areas. This would be beneficial to hastening the development of a commodity economy in the mountains. For example, at present the problems which commonly exist in Zhejiang and Fujian are: 1) products cannot be sold; 2) reward sales of grain have been eliminated; 3) the low price of agricultural products. Originally, Zhejiang stipulated that with the production of 100 jin of tea, they give 37 jin of corn as a reward, and for each cubic meter of lumber produced they could reward 15 jin of grain. And grain was rewarded for chicken eggs, tea-oil, Chinese medicinal materials, raw lacquer, Chinese tallow tree seeds, charcoal, reed and bamboo. In recent years, because there have not been enough grain sales, they adopted measures that completely eliminated reward grain. Since then, it has led to a new situation of even greater grain shortages in the mountains and according to a report by the provincial agricultural committee, at present, in a few places the phenomenon has reappeared of destroying tea and opening up land to grow grain. We must pay attention to this problem and conscientiously study and resolve it.

E. Setting up a rational mountain economic structure is an important prerequisite for rapidly developing mountain economic construction.

In recent years, the adjustment of the agricultural economic structure in the mountains has achieved certain results but this is just a beginning and if we want to make the adjustment of the agricultural economic structure of the mountains fairly rational then it will still take a fairly long-term effort. I feel:

1. We must establish forestry in an important position in the economic structure and in the benign ecological cycle of mountain agriculture.

The development of forestry is the major direction for management. Conscientiously implement the guiding principle "make forestry the main thing, carry out both farming and forestry, diversify the economy, utilize comprehensively and develop in an overall manner." In the present situation, forestry still constitutes a very small proportion within the mountain economy and is very mismatched when compared to the size of mountain land area. For example, the mountainous area of Fujian takes up over 80 percent of the total land area, but the output value for forestry is only 7.6 percent of the total agricultural output value. In Zhejiang, mountainous land takes up 7.5 [sic] percent of the total land area but the output value for forestry is only 2.8 percent of that agricultural output value. This situation shows the present imbalance in the agricultural economic structure of the mountain areas.

Japan, too, is a country with many mountains and through 20 years of effort they have adjusted the agricultural economic structure in the mountains and promoted the rapid development of the Japanese national economy. According to 1974 statistics; of the total agricultural output value in the mountains, forestry accounted for 38 percent, and the proportion for farming fell from the former 54 percent to 31 percent, the proportion for animal husbandry increased from the former 8 percent to 22 percent and fruit trees, eggs and animal products were 9 percent of the total agricultural output value. We are a socialist nation and fundamentally different from the capitalist system of Japan and yet there is much that can be learned from the adjustment of their agricultural economic structure in mountain areas. We can see from the Japanese experience that the crucial problem, in essence, is that we must protect forests, develop forestry, rationally use mountain resources, develop mountain communication and transportation and raise the level of mechanization and at the same time, actively develop a diversified economy of fruit trees, forest and sideline products. Thereby, we can gradually create a mountain area agricultural economic structure based on forests as the most important thing.

To absorb foreign experience in light of conditions in Zhejiang and Fujian, I feel that in adjusting the mountain agricultural economic structure, we must first establish the position of forestry in the economic structure of the mountains, raise the proportion of forestry in the agricultural economic structure of the mountains, and establish an economic system with the overall development of farming, forestry, animal husbandry, sideline occupations and fishery. Specifically, the scale and the future goals for agricultural economic structure in Zhejiang and Fujian should be: forestry, 44 percent of the total output value; farming, 30 percent; animal husbandry, 8 percent; fishery, 6 percent; and industry and sideline production, 15 percent. And yet the natural conditions in the mountains districts are complex and diverse, and by no means should we use a arbitrary uniformity. Rather, we should start from the actual circumstances of the mountain areas, integrate the various advantages of the area and so determine the points to be stressed in development.

2. Fully utilize mountain resources, go all out with comprehensive utilization, actively develop a diversified economy and go the path of a unified economy combining agriculture (forestry), industry and commerce.

The broad mountain areas have extremely bountiful biological resources, but at present there is little use and a great deal of waste. According to incomplete statistics from agricultural departments for 1978, the national utilization rate for felled and processed surplus materials is only about 14 percent. If we were to use the "three waste" from mountain forestry and process them into finished products, it would be equivalent to producing 2 million m³ of lumber a year nationally, and calculating at 100 yuan per cubic meter, that would be a total value of 200 million yuan or one-half of the 400 million yuan that that nation invests each year in forestry. We can see from this that there is tremendous potential for developing comprehensive utilization in mountain areas. To this end, I recommend the following:

- a. Based on the knowledge of mountain resources and surplus materials, energetically develop comprehensive utilization and raise the utilization rate of the three wastes.
- b. To develop comprehensive utilization, we must adopt the guiding principle of integrating national, collective and individual and should permit the coexistence of a diversified economy and its constituent parts. The state can organize knowledgeable youth waiting for employment who belong to families of forestry center staff and workers to carry out processing management. And the state should provide some financial support.
- c. Clear out the circulation channels for mountain products and the products produced by the mountain people using the three waste materials, and the people should be permitted to link up with and sign contracts with the consuming areas and do their own marketing.

12452
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ANHUI

TOTAL GRAIN OUTPUT REPORTED INCREASING

Hefei ANHUI RIBAO in Chinese 2 Nov 84 p 1

[Article: "Anhui's Total Grain Output This Year Projected At Over 42 Billion Jin"]

[Text] Our reporter has learned as the Anhui Economic Trends Analysis Meeting came to a close at the end of October that Anhui's grain output has increased every year in the last 5 years breaking the 40 billion jin mark this year for the first time with a projection of over 42 billion. This will be up around 6 percent from last year. As of the end of September, total state purchases reached 5.8 billion jin, up 7.3 percent from the comparable period last year.

Despite such natural disasters as flooding and drought in the grain-producing regions along the Huai He and Chang Jiang, total grain output hit a new high, due primarily to the fact that rural regions were steadfast in their support of production readjustment structures and vigorous in developing new farm service industries as they became involved in reform.

In the course of improving its production responsibility system over the past year, Anhui had 15,000 people participating in technical contracts and supplying services which helped to spread new farm technology. Areas planted in hybrid rice grew by over 80 percent. Ground cover areas saw a 10.4-fold expansion. Areas where chemical herbicides were applied saw an increase of more than three-fold. There was a marked increase in foliage dressing of wheat. Utilization of these new techniques was met with notable increases in yield. At the same time, over 1,100 farm technique service companies have appeared composed mainly of peasant technicians, which have taken on responsibility for nurseries, mechanized tilling, crop protection and providing of improved strains. These companies play an important role in upgrading standards for scientific planting throughout the province.

12303
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ANHUI

GRAIN, RICE PRODUCTION STRESSED

Hybrid Rice Popularized

Hefei ANHUI RIBAO in Chinese 22 Nov 84 p 1

[Article: "Hybrid Rice Contributes to Anqing Prefecture's Late Rice Production; It Has Been Popularized On 2.3 Million Mu in the Past 8 Years and Increased Grain Production Over 800 Million Jin"]

[Text] After Anqing Prefecture changed from single to double rice cropping in 1954, it planted approximately 2.5 million mu of late rice a year and yield long fluctuated around 300 jin per mu. It began to introduce hybrid rice in 1976 and the late-crop yield first topped 414 jin per mu in 1979 and then 500 jin per mu in 1982. Having suffered the calamity of especially great damage caused by waterlogging in which 39.8 percent of the early crop was lost, the growing of hybrid rice was expanded to over 960,000 mu throughout the prefecture in 1983 and average yield reached 1,051 jin per mu, an increase of 230 jin per mu over that of single-crop rice; hybrid late-crop rice yield was 718 jin per mu, an increase of 251 jin per mu over that of conventional late-crop rice yield.

Anqing Prefecture has popularized hybrid rice on over 2.3 million mu in the past 8 years and increased grain production over 800 million jin, an average increase of 100 million jin of grain a year.

Hybrid rice was popularized in 1984 on 1.55 million mu throughout the prefecture and of this, the late crop grown on over 1.44 million mu was expanded 61 percent over that of 1983 and constituted 56.6 percent of the late-crop acreage. There were 8 counties throughout the province in which hybrid rice topped 200,000 mu in 1984. Anqing Prefecture had only the 2 counties of Susong and Huaining and it reached over 210,000 mu in 81 and 56 percent respectively of their late-crop acreage; it exceeded 150,000 mu in counties such as Dongzhi, Wangjiang, Taihu, Quanshan and Tongcheng. It abruptly increased in Zongyang County from 1983's 38,000 mu to nearly 150,000 mu, a very rapid development rate.

Grain Production Stressed

Hefei ANHUI RIBAO in Chinese 22 Nov 84 p 1

[Article: "Continue To Stress Grain Production"]

[Text] Under the conditions of the widespread appearance of "grain-selling difficulties" in rural areas, Mengcheng County has promptly led the peasants

to recognize the broad prospects for and continued to stress the development of grain production. This problem was dealt with promptly and should arouse serious attention in all areas.

Grain output throughout the country was estimated to be approximately 800 billion jin in 1984. It can be seen that the amount is very great, but based on the average population throughout the country, it is only 800 jin per capita which is lower than average world standards and the disparity is even greater in comparison to the world's economically developed countries. This kind of per capita grain standard not only cannot satisfy the need to vigorously develop animal husbandry and grain processing but is also inadequate for storing up grain against natural disasters. We know that China's per capita cultivated area is small, the ability of her agriculture to defend against natural calamities is low and neither her grain output per unit area nor percentage of marketable products are high, and if a certain amount of grain is not stored for future use, a great natural calamity could have a very unfavorable effect on the national economy and the people's livelihood. Judged from all viewpoints and under the conditions of being unable to ensure a steady increase in grain, it would thus be wrong to slacken grain production or to plant many other crops in grainfields. The economic results of growing grain are poor now and grain farmers cannot become prosperous quickly. In order to enable them to become prosperous as quickly as possible, the method most suited to overall interests and the peasants' immediate and long-range interests is leading the peasants to transform grain on the spot, increasing its value many times. It will still be necessary to plant certain cash crops on grainfields in some areas in order to satisfy the various needs of industry, the feed industry and the people's livelihood, but a steady increase in total grain output must be ensured.

When there is grain in our hands, our minds will be calm. We must continue to stress the mastering of grain production.

12267
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6 March 1985

ANHUI

HYBRID RICE DEVELOPMENT REPORTEDLY CONTINUES TO GROW

Hefei ANHUI RIBAO in Chinese 1 Nov 84 p 2

[Article: "Anhui's Hybrid Rice Develops Rapidly: Over 6.81 Million Mu Planted This Year, Up 80.5 Percent"]

[Text] Hybrid rice planting in Anhui went from 3,774,000 mu in 1983 to 6,813,000 in 1984--up 80.5 percent. Of this figure, single-crop hybrids amounted to 4,255,000 mu--up 81.3 percent; and double-crop late-maturing hybrids were up 79.1 percent at 2,258,000 mu. Anhui's hybrid planting was done in the two leading districts of Anqing and Chu counties, which saw new developments this year, with respective increases of 62.4 percent and 1.26-fold. In Lu'an County which had gotten off to a slow start with 163,000 mu in 1983, this year saw that figure jump to 760,000 mu--a 4.7-fold expansion.

As techniques for cultivating rice hybrids have spread and improved, Anhui's hybrid output has gone up quite rapidly. The 1981 average per mu was 720 jin. This improved to 893 jin in 1983. And this year, in spite of such various natural disasters as flooding, drought, and low temperatures in different locales, last year's level may be maintained. There have also been new improvements in techniques for hybrid reproduction and seed production, which have become gradually more centralized into a reproduction and seed production system. Outside of a few new combinations, Anhui is basically self-sufficient in hybrids. Moreover, it has shown successes in trials of new combinations, bringing in almost 20 new varieties in the past 2 years. Some of the better of these have already been put into production on large demonstration plots; and some will be planted over large areas next year.

12303

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ANHUI

ANHUI AUTUMN PLANTING REPORTED COMPLETED

Hefei ANHUI RIBAO in Chinese 15 Nov 84 p 1

[Article: "Anhui Province's Autumn Planting Duties Are Basically Completed; Compared to 1983, Summer Grain Acreage Is Decreased and Rape and Green Manure Acreage Expanded"]

[Text] Anhui Province's autumn planting duties have been basically completed. All areas in Anhui rationally planned the autumn planting crop distribution in 1984, appropriately decreasing the summer grain acreage and actively expanding the planting of rape and green manure. Throughout Anhui, 30.12 million mu of summer grain of 92.4 percent of the amount planned for all areas has been planted and it is estimated that 32.6 million mu or about 450,000 mu less than was planned for 1984 will be planted; 9.514 million mu of rape or 105.2 percent of the amount planned for all areas and 2.23 million mu more than was planned for 1984 was sown; 6 million mu of green manure or 60,000 mu more than was planned for 1984 was sown.

There was a lot of rainfall during the first 10 days of October 1984 which had a definite effect on the autumn planting. The masses of peasants overcame the difficulties of overcast and rainy weather, stressed rushing in the harvest and rush-planting and accelerated the pace of the autumn planting. The major wheat-producing areas had basically completed their summer grain planting duties by the end of October, the early and middle wheat crops constituted over 85 percent of this and all areas throughout Anhui had completed their rape sowing duties before the "Beginning of Winter." The wheat and rape planted before the end of October has an even emergence of seedlings now and is growing normally; the wheat and rape planted in the first 10 days of November has recently been generally soaked with rain which is very favorable to the emergence of seedlings.

Summer grain varieties have been suitably revised throughout Anhui and fine varieties such as Baofeng-7228, Boai-7422, Machang No 2, Yanshi No 9, Yuyuan No 1 and Yangmai No 4 constituting 70-80 percent have replaced varieties such as Taishan No 1 and Zhengyin No 1. Low mustard acid rape has been actively popularized in rape production.

In order to prevent and control destructive underground insects, all areas have actively used poison soil, poison bait and chemical seed dressing.

Suxian Prefecture's chemical seed dressing acreage is 4.03 million mu or 82 percent of its planted area, Fuyang Prefecture's poison soil acreage is 5.06 million mu or 44.8 percent of its planted area and the chemical seed dressing acreage throughout Anhui is 7.182 million mu or 63.6 percent of its planted area.

ANHUI

NEW PATTERN IN DEVELOPMENT OF ANHUI'S SMALL TOWN ENTERPRISES

Hefei ANHUI RIBAO in Chinese 14 Nov 84 p 1

[Article: "Great Developments in Anhui Province's Rural Family-Operated Industries, Joint-Household Enterprises; Total Output Value of Small Town Enterprises Throughout Anhui in First 9 Months of 1984 Abruptly Increased 150 Percent Over That of the Same Period in 1983"]

[Text] Family-operated industries and joint-household enterprises are springing up vigorously, enabling a new pattern to appear in the development of Anhui Province's small town enterprises. While the total output value of existing collective enterprises did not increase much, that of small town enterprises throughout Anhui in the first 9 months of 1984 abruptly increased 150 percent over that of the same period in 1983.

Based on the new conditions of peasants raising funds to set up enterprises, the Anhui provincial government and concerned departments promptly proposed at the beginning of 1984 that family-operated industries and joint-household enterprises should be regarded as a priority in developing small town enterprises and adopted supportive policies and measures such as offering preferential loans, relaxing controls on extra-planned industrial raw materials, appropriately readjusting raw material prices and facilitating production, supply and marketing. The number of family-operated factories and joint-household enterprises throughout Anhui abruptly increased to over 200,000 in only 9 months and the number of collective and small town enterprises throughout Anhui increased to over 260,000, a 400-plus increase over that of 1983. A group of villages in which every household operated enterprises appeared in all counties and there were over 900 industrial villages in Fuyang Prefecture alone in which nearly every household operated small factories.

Although the scale of family-operated factories and joint-household enterprises is small and output value low, there are a lot of them and their results are good; plus ease in raising funds has developed quickly, space has become more convenient and they have quickly become a major component part of Anhui Province's small town enterprises. The number of family-operated factories and joint-household enterprises in Fuyang Prefecture increased to over 83,000 in only a little over a year and their output value for the first 9 months of 1984 was nearly 300 million yuan or 58 percent of the total output value of small town enterprises throughout the prefecture.

Although there was only 1 county-level unit of Anhui Province's small town enterprises with a total output value exceeding 100 million yuan in 1983, there were 4 by the end of September 1984 due to the sudden appearance of family-operated industries and joint-household enterprises and it is estimated that there will be 10 by the end of 1984.

The great development of family-operated industries and joint-household enterprises has vigorously promoted change in the composition of the rural labor force and of industry. The number of Anhui Province's rural peasants engaged in industry now constitutes 10 percent of the total labor force, nearly a hundred percent increase over that of the end of 1983.

12267

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ANHUI

DEVELOPMENT OF BENGBU INTO 'FOOD CITY' REPORTED

Hefei ANHUI RIBAO in Chinese 22 Nov 84 p 1

[Article: "The City of Bengbu Is Being Built Into a 'Food City'; Food and Drink Categories Are Complete, Many Distinctive Cooked Foods Are Produced, There Are Many Local Snack Varieties"]

[Text] The blueprints for the city of Bengbu's "food city" are gradually being changed into reality. This was the deep impression left with us after interviewing Bengbu Mayor Long Nian [7893 1819] and covering Bengbu's food production and supply conditions. Enterprises in the five major categories of tobacco, alcohol, meat, sugar and grain are now flourishing in Bengbu, state-run food product industrial enterprises have increased from 31 in 1979 to 52 in 1984 with an output value of nearly half of the industrial output value throughout the city and profit taxes turned over to the higher authorities have reached over 200 million yuan a year or 56 percent of all municipal revenue; the number of collective food product enterprises throughout the city has increased to nearly 100 and the number of individual households engaged in food processing and management had topped 2,000; a group of new products with distinctive local features and famous local specialties have supplied the city one after another, the supply of milk and powdered milk has been opened and the biggest food store in the province also began doing a booming business in the flourishing Huai River region in October 1984; the recently established food product training school has recruited students and begun classes, and preparations for setting up a food product raw material base for eggs, poultry, fish, beef cattle and produce and a food products research institute are being intensified. This picture of prosperity shows that Bengbu's economic development has entered a completely new stage with the food industry as its mainstay.

Based on Mayor Long's recommendation, Bengbu began to organize its forces in 1980 to inquire into the strategic orientation of its economic development, did a lot of investigation and research and decided to build Bengbu into a light industrial city with the food industry as the dominant factor.

Since clarifying its guiding ideology, Bengbu has adopted the vigorous measure of "four simultaneous developments", i.e. "simultaneous development of small, medium and large enterprises, simultaneous development of ownership

by the whole people, collectives and individuals, simultaneous development of low-, medium- and high-grade products and simultaneous development of industry, agriculture and commerce" and has enabled the food industry to develop rapidly in the past four years. The major ways of "simultaneously developing small, medium and large enterprises" for instance are stressing transformation, innovation and tapping of potentialities for existing food product enterprises, introducing advanced technology and production equipment and expanding the scope of production. There have been as many as 50 technical projects a year throughout the city with an investment of under 20,000 yuan, and nearly all plants have them; the number of projects with an investment of over 20,000 yuan has risen to 63 in the past 4 years or so and 6 of these large-scale projects with an investment of over 5 million yuan such as the Joint Meat Plant's 10,000-ton production line, the No 2 Pharmaceutical Factory's vitamin C shop, the Fructose Plant's imported 10,000-ton starch production technology equipment and the Cigarette Factory's new expanded plant have all now been put into production or trial production. Through transformation and expansion, the Bengbu Distillery has developed into the biggest white spirit distillery in the country, the Cigarette Factory has developed into one of the 10 biggest in the country, the Joint Meat Plant's production scale has risen to 4th place in the country and edible oil processing capacity has improved enabling the Fructose Plant to become the biggest one in the country. The food industry output value throughout the city has increased 12.8 percent a year and profit taxes turned over to the higher authorities 13.5 percent a year since 1980. In "simultaneous development of low-, medium- and high-grade food products," production categories have reached 22 (of the 24 categories throughout the country, Bengbu only lacks the 2 of salt and tea manufacture) and there are nearly 500 varieties, 96 of which are beef, over 200 candy and cake, 9 beer and wine, 4 milk products, 14 legume products, 154 edible oil processing and 26 tobacco. In "simultaneous development of ownership by the whole people, collectives and individuals and simultaneous development of industry, agriculture and commerce," we have striven to tap potentialities in all areas of society and aroused the enthusiasm of all trades to develop food production. The fine edible oil food products which the food product enterprises of Bengbu's grain system supply to the market have now reached 150 kinds and aimed at Bengbu's few weak links of distinctive cooked foods, local snacks and famous fine pastries, the municipal government is going all out in encouraging all trades and individual households to invite famous teachers from all areas in the country to come to Bengbu or to send people abroad to learn the skills; Sichuan and Yang specialty vegetable restaurants, vegetarian restaurants, wild game restaurants, choice seafood restaurants and the Qiandianhou Lane Pastry Shop plan to introduce local snacks from 15 provinces before the end of 1984 and have now begun to do business in roast Beijing duck, instant-boiled mutton, Shandong hanging-oven sesame seed cake, Xuzhou chicken and rice soup, Lanzhou noodles, Shanghai Nanxiang small steamed stuffed buns, Tianjin dog steamed stuffed buns, Suzhou cake rolls and Guangxi-Guangdong vegetarian chicken. Mayor Long Nian led responsible people from all areas and offices subordinate to the city and reporters from newspaper offices and radio and television stations on the afternoon of November 10 in beating drums and gongs and rewarding three restaurants which had introduced local snacks from other parts of the country by presenting them with silk banners embroidered with words of praise; this was reported in the press and on television and set off a general upsurge of local snacks development in catering throughout the city.

ANHUI

BRIEFS

FAMILY FARMS--Land reclamation departments in Anhui Province have actively developed family farms. As of now, 8,152 family farms have been set up with 16,630 staff members and workers engaged in operating those farms, accounting for 26 percent of total agricultural labor force of the land reclamation departments. [Summary] [Hefei Anhui Provincial Service in Mandarin 1100 GMT 12 Jan 85 OW]

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BEIJING

BRIEFS

SUBURBAN PEASANT'S INCOME--Beijing, 25 Jan (XINHUA)--A recent sample survey by the Beijing Municipal Bureau of Statistics indicated that the per capita income of peasants in suburban Beijing reached 663 yuan in 1984, four times higher than in 1978, and 143 yuan more than in 1983. The labor force engaged in nonagricultural production in suburban Beijing surpassed that in agricultural production in 1984, and the income from nonagricultural production accounted for more than 75 percent of total income. [Summary] [Beijing XINHUA Domestic Service in Chinese 0832 GMT 25 Jan 85 OW]

CSO: 4007/215

GANSU

LI ZIQI STRESSES INCREASING PEASANT INCOMES

HK080211 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 7 Feb 85

[Excerpts] Highly encouraging news has come from Jiuquan Prefecture: Last year the average net income of the peasants there rose by 111 yuan, to reach a figure of 531 yuan for the whole year, thus striding into the ranks of advanced areas in the whole country.

The provincial CPC committee and government held a rally in Lanzhou on 7 February to present banners and awards to Jiuquan Prefecture and its subordinate Anxi, Jiuquan, Dunhuang, and Jinta counties, Aksai Kazakh Autonomous County, Subei Monggol Autonomous County, and Yumen City. The provincial CPC committee and government called on party committees and government at all levels in the province to learn from Jiuquan Prefecture's advanced thinking and experiences in achieving doubling and getting rich, and strive to develop the province's commodity production and promote the rural economy.

Provincial CPC Committee Secretary Li Ziqi made a speech. He warmly praised the achievements of Jiuquan Prefecture in achieving doubling and getting rich and fully affirmed its experiences. He also expressed the hope that still more prefectures, counties, and cities taking the lead in getting rich would emerge throughout the province. Gansu should speed up agricultural development and strive to achieve doubling of the peasants' net annual income within 5 years.

CSO: 4007/215

GANSU

GANSU LEADER DISCUSSES RURAL INCOME QUESTION

HK080213 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 7 Feb 85

[Excerpt] Jia Zhijie, deputy secretary of the provincial CPC committee, said at the provincial conference on rural work and township enterprises on 7 February: The provincial CPC committee has decided that the average peasant income should be doubled again in the next 5 years, to reach 426 yuan by 1988, and that total output value of the township enterprises should reach 3 billion yuan by that year.

The standard of living of Gansu's peasants has greatly improved since the 3d Plenary Session of the 11th Central Committee. Average net income increased from 101 yuan in 1979 to 213 yuan in 1983, doubling in 5 years. Total output value of the township enterprises was 780 million yuan last year.

Jia Zhijie stressed in his speech: To ensure a big increase in rural average incomes and in the development of township enterprises in the next 5 years, it is necessary to promote the target management method, meaning that the general goal and task should be mapped out for all areas, sectors, or departments, which should in turn map out the general goal and task for their subordinate grass-roots units, thus ensuring the fulfillment of the general goal and task.

Jia Zhijie said: The provincial CPC committee and government have also decided to commend and reward counties which make big and rapid progress and achieve notable results in the course of attaining these two goals.

CSO: 4007/215

GUANGDONG

CIRCULAR ISSUED ON FISHERY ADMINISTRATION

HK131049 Guangzhou NANFANG RIBAO in Chinese 30 Jan 85 p 1

[Report by Fu Zhong [4569 0022]: "The Guangdong Provincial Government Issues a Circular on Properly Strengthening Fishery Administration"]

[Text] Recently the Guangdong Provincial Government issued a circular demanding various localities strengthen fishery administration.

The "circular" stipulates: Fishing boats (including Hong Kong and Macao mobile [registered in both the mainland and Hong Kong or Macao] fishing boats and Hong Kong, Macao, and Taiwan fishing boats) violating regulations will be dealt with according to the relevant regulations by fishery administrative departments. Fishing boats violating regulations which are seized by public security departments, judicial departments, naval departments, and frontier inspection departments should be handed over to fishery administrative departments. Under special circumstances, they can be dealt with without being handed over to fishery administrative departments. But the regulations concerned should be strictly observed. Fishery administrative personnel should perform their duties impartially. Duty fishery administrative personnel should be in uniform and abide by discipline. In handling boats which violate regulations, they should be polite, produce their fishery administration and inspection cards, and make notes on details of violations. Regulation violators who are fined should be given time to pay the fine. It is impermissible to use the means of production and livelihood on board their boats (including television sets, walkie-talkies, and recorders) as mortgages for their fines, nor is it permissible to retain their Hong Kong or Macao identity cards or other documents irrelevant to fishery administrative regulations. The owner of the boat concerned should sign or seal the document in which details of violation are recorded. Regulation violators can appeal for revision within a given time if they do not agree with the punishment meted out to them. Fishery administrative personnel are not allowed to extort or purchase fish or any other goods from boats violating regulations. Weapons used to equip boats for fishery administration should be put under the strict care of appointed persons, and no shooting is allowed except in self-defense.

The "circular" explicitly stipulates: Hong Kong and Macao mobile fishing boats can berth and replenish in the following 10 ports: Shekou, Nanao, Yantian of Shenzhen City; Xiangzhou, Wanzai, Wanshan, Dangan, Guishan of Zhuhai City; Aotou of Huiyang County; and Huidong County port. Hong Kong and Macao mobile fishing boats and Hong Kong, Macao, and Taiwan fishing boats are allowed to pass through forbidden fishing zones for medical treatment, to take shelter from the wind, or for normal shipping.

GUANGDONG

BRIEFS

HAILSTORM DAMAGE--Maoming City was hit by a hailstorm on the evening of 7 February, causing serious damage. According to statistics, 347 townships in 37 districts in Gaozhou, Dianbai, and Huazhou counties and the city outskirts were hit by hailstorms and tornadoes. Two people were killed and 84 injured, over 1,100 houses collapsed, and the roofs of 20,000 houses were damaged. Over 81,000 mu of crops were damaged. At 2300 on 7 February, Kaizhuang, Xiangyang, and Gangzhong townships of Shuikou District and Mucun township of Changsha District in Kaiping County were hit by a squall line and hailstones. Trees were blown down along 1 kilometer of road and a bus traveling from Guangzhou to Zhanjiang was overturned. Two of the 43 passengers were seriously injured, and 27 were slightly injured. According to comrades of the provincial meteorological departments, parts of the province have been hit by thunderstorms, high winds, tornadoes, and hailstorms in recent days due to a severe atmospheric disturbance. Such weather in South China usually occurs in March. More weather of this type is expected, and the province should watch out for this. [Excerpts] [Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 9 Feb 85]

AUSTRALIAN LIVESTOCK EXHIBITION--Guangzhou, 9 Jan (XINHUA)--An Australian livestock technology exhibition opened at Guangzhou's foreign trade center on 8 January. The exhibition was sponsored by the China-Australia Trade Promotion Association. On exhibit were fodder processing equipment, beef processing equipment, and other equipment and technologies related to livestock breeding and processing. The exhibition will end on 14 February. [Summary] [Beijing XINHUA Domestic Service in Chinese 0835 GMT 9 Jan 85 OW]

SPECIALIZED HOUSEHOLD COMMENDED--Recently Comrade Ren Zhongyi exchanged words with (Liang Ermei), the province's outstanding specialized household and a fishery expert in (Xintan) District, Shunde County, congratulating her for exceeding 3,000 jin in fish output per mu and promising to visit her in the future when he has time. (Liang Ermei) once topped the province in the output of pond fish per mu. She was elected the province's outstanding specialized household last September and was commended by the provincial CPC committee and government. During the commendation meeting, Comrade Ren Zhongyi met all the outstanding specialized households. He asked (Liang Ermei) if she can exceed 3,000 jin in the output of pond fish per mu for 1984. (Liang Ermei) said she would make additional efforts to achieve this target. After the commendation meeting, (Liang Ermei) returned to her hometown. She has adopted advanced technology in fishery work, reformed the structure of fingerlings, explored and used new bails, and added mechanical equipment for ponds. As a result, her net output of pond fish per mu for 1984 was as high as 3,023 jin and 7 liang, attaining the target set by Comrade Ren Zhongyi. [Text] [Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 5 Feb 85]

GUANGXI

GUANGXI LEADER STRESSES RURAL READJUSTMENT

HK270211 Nanning Guangxi Regional Service in Mandarin 1130 GMT 26 Jan 85

[Excerpts] Guangxi Regional CPC Committee First Secretary Qiao Xiaoguang recently carried out investigation and study in Liuzhou Prefecture and city. Together with local leading comrades, he studied questions of how to promote readjustment of the rural production mix and spread some urban industries into the rural areas and develop township enterprises.

When hearing reports from leading comrades of Liuzhou prefectural, city, and county CPC committees on the situation in various sectors, Comrade Qiao Xiaoguang pointed out: It is necessary to readjust the rural production mix at various levels and promote readjustment of the agricultural, production, and manpower structures. We must act according to natural and economic laws, protect and promote ecological balance, and gradually bring the rural economy into a benignant cycle.

He said: We must readjust crop cultivation in light of local conditions and develop industrial crops. Regarding what crops to grow, we must look at local suitability, market needs, and the best economic results.

Comrade Qiao Xiaoguang also inspected some factories in Liuzhou City and township enterprises not far away. He demanded that, for the sake of its own more rapid development, urban industry provide technology, talent, and equipment for the township enterprises, and extend its operations to the rural areas.

Comrades of the prefecture, city and counties mentioned that in the wake of the development of rural commodity economy, some specialized households and economic combines are demanding to enter the towns to set up factories and run businesses. Comrade Qiao Xiaoguang said: We must further relax the policies in this respect. We must draw the peasants into the cities to run factories and businesses and operate tertiary industry. Funds should be raised for the construction of agricultural trading centers and infrastructural facilities in small towns. The cities must formulate plans to create the necessary conditions for drawing the peasants in.

CSO: 4007/215

GUANGXI

CONFERENCE ON AGRICULTURAL ISSUES HELD

HK020418 Nanning Guangxi Regional Service in Mandarin 1130 GMT 1 Feb 85

[Excerpts] A Guangxi rural work conference concluded in Nanning on 31 January after 10 days in session. After serious study and discussion, the participating comrades deepened their understanding of the spirit of the national rural work conference. They pledged to seize the favorable opportunity to actively readjust the rural production mix, reform the system of purchasing agricultural products, and promote relatively coordinated development of agricultural production, to ensure that agriculture--the foundation of the national economy--will play a positive role in invigorating the region's economy and rejuvenating Guangxi.

The meeting was convened on 22 January by the regional CPC committee and government. Leading comrades of the party and government of the region Qiao Xiaoguang, Wei Chunshu, Qin Yingji, Huang Yun, Jin Baosheng, Ou Jiwen, Zhang Shengzhen, Wang Zhuguang, Wu Keqing, and Liu Ming attended the meeting. Comrade Wang Zhuguang conveyed the spirit of the national rural work conference and also spoke on behalf of the regional CPC committee and government on implementing the spirit of that conference and on the region's rural work tasks for 1985.

In recent years the rural areas of Guangxi have established and developed cooperative economy based on household operations. The peasants' enthusiasm and creativity in getting rich through hard work have risen each year. All kinds of specialized households and villages and economic combines characterized by commodity production have appeared in large numbers. Agricultural production has developed. However, the problem of irrationality in the rural production mix still exists. Viewing the region as a whole, we have not yet extricated ourselves from the fact that rural undertakings are over-focused on agriculture, agriculture is over-focused on crop cultivation, and crop cultivation is over-focused on grain crops. Unless these problems are solved, it will be impossible to attain a rational layout of the agricultural structure and the rural areas will not be able to get rich.

In readjusting the rural production mix, we must carry out three readjustments under the guidance of the principle of not relaxing grain production and actively promoting diversification: Within crop cultivation, handle properly the relationship between grain and industrial crops, and expand the proportion of the latter; within agriculture as a whole, solve the problem of weakness of forestry, animal husbandry, and fisheries; and within the whole rural economic setup, institute joint agricultural-industrial-commercial operations and vigorously develop secondary and tertiary industries.

In order to translate readjustment of the rural production mix into action, the region must turn over some grain land to sugarcane, fiber crops, tobacco, peanuts, fruit, fish-breeding, and forestry. We must solve the problems of preventing and curing livestock diseases and developing fodder production, and promote the development of animal husbandry.

We must reform the system of state monopoly purchase and assigned purchase of agricultural products. The most fundamental way to readjust the rural production mix and ensure relatively coordinated development of agriculture is to open things up, practice regulation by market mechanism, and let the peasants arrange production according to market needs.

We must speed up the development of township enterprises. Although these enterprises have developed in the region in recent years, the speed has been slow and the level rather low. This is mainly because people's minds are not sufficiently emancipated and the policies have not been opened up. To bring about a great development of these enterprises, the leaders at all levels must be clear about a number of questions in guiding ideology: 1) The rural areas rely to a great extent on township enterprises in order to get rich. It is essential to further eliminate leftist influence. 2) In developing township enterprises, we cannot just focus our vision on the enterprises formerly operated by the communes and brigades. We must vigorously develop enterprises run by households, combinations of households, or specialized villages. 3) Township enterprises involve various sectors. All trades, sectors and departments must actively provide them with support and services.

The meeting also studied further relaxing policies in mountain and forest areas, enlivening rural finances, improving the efficiency of use of capital, developing and perfecting the rural cooperative setup, and strengthening service and leadership for rural work, and issued corresponding regulations.

CSO: 4007/215

GUANGXI

PEASANT GRAIN STORAGE, EQUIPMENT DESCRIBED

Sichuan LIANGSHI CHUCANG /JOURNAL OF GRAIN STORAGE/ in Chinese No 5, 25 Oct 84
pp 50-53

/Article by Lai Juncai /6351 6511 2088/ of Grain Bureau, Sanjiang County,
Guangxi: "Designing Peasant Household Grain Storage Rooms and Equipment"

/Text/ The first question to be solved in peasant household grain storage is the storage room. Because grain storage was under the unified management of the brigade in the past, some storage room designs were drafted irrationally and could not perform the functions of insect, rot and vermin resistance. As a result, grain losses were really shocking. In my county for example, the summer 1974 harvest had just been stored when we responded to a call from seven production brigades in the Honglu Brigade for an inspection, which revealed that grain stored only 3 months had suffered losses from rot amounting to almost 50,000 jin due to poor design and a lack of management know-how. These losses amounted to three percent of the brigade's total storage figure, and it is estimated that over the course of a year, adding losses from insects and rodents, losses would not be less than five percent. Although peasant sense of responsibility is much stronger now, whether among the large majority of individual peasant households which have storage rooms or those who do not, still, storage work is in the last analysis technical work. Without well-made storage rooms and basic knowledge about how to care for the grain, successful storage of grain cannot be guaranteed. Since 80 percent of China's grain is stored in the villages, the condition of the grain stored in peasant households is a matter affecting the physical and mental wellbeing of the whole people. Recently, leading comrades in the Politburo have explicitly indicated that "storage by the people to replace storage by the state" is to be well implemented. As grain and oil storage gradually moves from the state to the villages (peasant households), the problems concerning peasant storage rooms and equipment must be solved.

China is a vast country, and peasant customs for storing grain differ greatly from north to south and from east to west. But each region has its strong points. Overall, storage room design is not scientific enough. Village storage rooms in the provinces of Guagxi, Sichuan, Hunan and Hubei are designed to be 4 to 10 square meters. They are sometimes called "storage rooms," "warehouses," or "utility rooms" (since grain and other farm articles are all placed in the same place). Some are dark and humid and lack ventilation. Some are

excessively dry. Most have no arrangement for controlling moisture. Some are located along with farm tool, fertilizer, and even pesticides, and stored in this way easily become infested. Moreover, moisture contents vary and rodent damage can easily take place in such haphazard conditions. How are peasants to construct storage rooms which are both economical and secure? The present writer will offer his own crude opinion, merely to solicit better ones from others. We will present two separate methods for constructing and using storage rooms.

I. Design, Construction and Use of a One-Room Storage Unit

At present most storerooms are attached to peasant living quarters. Yields are growing year by year, and more and more specialized grain and dual households are cropping up. Existing storage rooms are inadequate to meet developing needs. Specialized households with the requisite means should construct a separate store room, which we call the one-room storage unit.

(1) Selecting the one-room storage unit: The location should be elevated and dry, have proper drainage and ventilation, be situated to the south and facing north and be skirted with the drying areas. Evergreens should be planted nearby both to beautify the area and to reduce the effects of sunlight on the grain.

(2) Building the one-room storage unit: (see Fig 1) in general, it should be built of lumber or brick, as is the example in Fig 1. Flat stones serve as a foundation. The lowest 1 meter should have walls 0.38 meter in thickness, and above that should be 0.24 meters thick. A glass window is located at the 2-meter level and measures 1 meter x 0.6 meters. The flooring is of three layers of tamped earth or concrete, covered with 5 mm of asphalt to prevent moisture, and then spread with a 30-mm layer of dried sand, followed by a layer of newly-kilned brick, filling the cracks with adequate proportions of paper tissue /zhijin 4786 4585/ and lime white mixed with brown sugar. The moisture-prevention layer inside the room should have a 5-mm layer of asphalt, finally brushed with paper tissue as a finish. Everything must be dry before the room can be used. Advantages: a) low cost, and readily available materials, b) ease of location and full use of space, since the grain can be stored to a depth of 2 meters; c) ease of closure, with the effect of preventing rot, insect or rodent infestation (can also be used for fumigation against pests).

(3) Design of the one-room storage unit. (Fig 2) It will generally have a capacity of 40,000 jin of grain (or rice). The building area is 17.5 square meters and height is 3 meters. Asphalt moisture-prevention layer. Fired brick and dry sand for flooring. Glass windows for ventilation front and rear. Ceiling is slatted paper tissue. Dormer has a removable blind to permit ventilation and remove moisture from the tile ceiling. Plan has exterior walls stuccoed with a sand mixture upon which limestone has been sprayed to reduce heat. Construction cost should be around 2,000 yuan, about right for a specialized grain household.

II. Inhouse Bin-type Storage Room

Any portion of a room in a house can be used, but generally it will be downstairs where access is convenient for adding or removing grain. (Excessive western sunlight means excessive drying, so that location should not usually be selected.)

Building Method: Select an area within a room 2 meters deep and 3 meters long to be divided into two sections so that two different grains can be stored (see Fig 3 for the inhouse bin-type storage room). Base for the wall is of flagstone, upon which wall is built. Wall is 2 meters high and 0.24 meters thick. The newly-built wall should be integrated with the existing brick wall with steel rods or bricks. The front face of the new wall has two adjustable doors for adding grain. The flooring has moisture prevention, as in the figure. The cover is a board of 0.02 meters in thickness or removable cover. If wood is unavailable, it can be made of 3 cm thickness of concrete. The bin has one large and one small port, for increasing light and ventilation.

Advantages of the inhouse store room: 1) Economical use of materials and cost (about 400 yuan); occupies only 6 square meters, so even the smallest peasant households can have one. It can be installed right where the present storeroom is located. 2) High utility: grain can be added right from the top; capacity of about 10,000 jin of grain. Large farm tools can be placed on the top. Two types of grain can be stored at once. 3) Small in area, easy to fumigate, and to ventilate; good protection against rodents, insects and rot. 4) Overcomes the peasant habit of placing grain with other things and toxic substances.

III. Other Equipment for Peasant Household Grain Storage

There are many kinds of equipment for peasant households to store grain. In the south, wooden buckets and bins, crockery, bamboo enclosures and baskets, and small urns built of concrete are popular for storing grain. Fig 4 shows a wooden bin about 80 cm high x 120 cm long x 70 cm wide which can hold around 700 jin of grain. It is covered, and small enough in volume for easy movement and fumigation. Crockery is best for rodent and insect prevention, but can usually store only about 100 jin or so, so it is best for storing small, finished or seed grains. If storage is for over 6 months it should be sealed, with about 3 cm of space left open. A layer of plastered paper, old newspaper, or nylon is placed on top of the grain, followed by a 2 to 3 cy layer of wood ash or sand and then covered. Chinks in a bin should be filled with old newspapers, to prevent insect infestation.

IV. Using Storage Rooms and Equipment

Once a storage room or piece of equipment is finished, the paper tissue should be tested by pressing with the thumb for dryness before adding any grain. The grain should meet state standards for moisture and adulterants when it is put in. If not it must be further dried and winnowed. Moist or excessively infested grain should not be stored, so as to prevent raising the humidity or infestation rate of the storage facility. A full storage bin should be quickly sealed with nylon and a gram of zinc phosphide mixed with 40 parts household

vinegar used to fumigate every 1,000 jin. The residue is removed 5 days later, at which time the results can be checked. If the results are good, the grain can be sealed for long-term storage.

All in all, design, construction and use of storerooms in peasant households must be based on the principles of tight closure, ventilation, waterproofing and low moisture, and be safe, economical and effective. In addition, construction should be simple, with readily available materials, and be such that the masses of peasants will welcome it. This is the guideline for our design. Thus, design and construction should be based on local conditions. If it meets the above requirements, it will be feasible. Because of marked differences in the cost of labor and materials in various regions, along with the fact that the vast majority of peasant households can handle things on their own, the expenditures suggested by the author may be subject to regional variations and are only included for reference.

Cited materials: "Rural Construction Handbook" by Jiang Zhengrong /3068 2973 2837/, China Industrial Construction Publishing Company (June 1983).

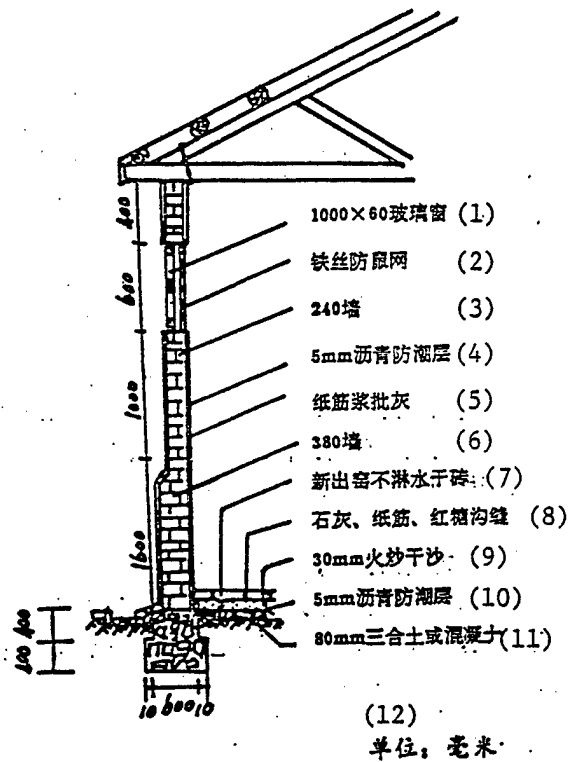


图1 单间库房设计剖面图
(13) 比例: 1:500

Fig 1. One-room Storage Unit Design, Cross-Section

Key:

- | | |
|---------------------------------|---|
| 1. Glass window | 8. Limewhite, paper tissue, brown sugar grout |
| 2. Wire mesh rodent screen | 9. Baked dry sand |
| 3. Wall | 10. Asphalt moisture proofing |
| 4. Asphalt moisture-proof layer | 11. Tamped earth or composition |
| 5. Paper tissue surfacing | 12. Unit = mm |
| 6. Wall | 13. Scale |
| 7. Newly-fired dry brick | |

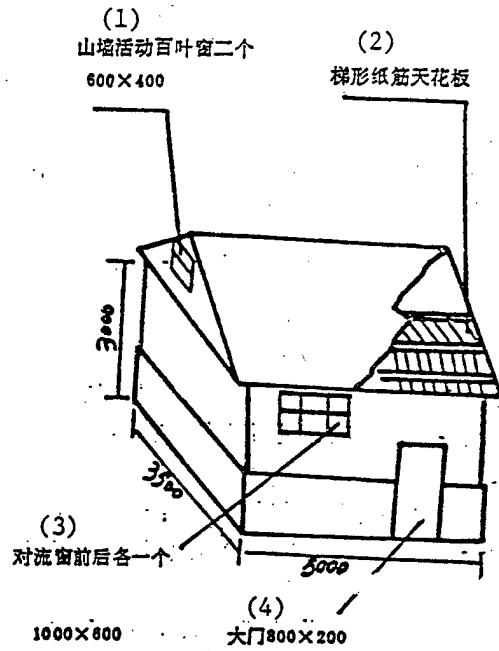
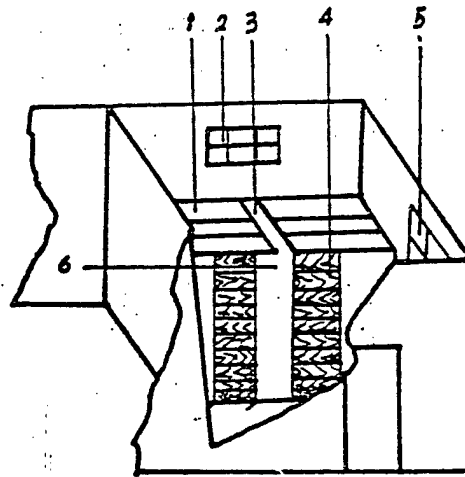


图2 单间库房外观图 单位: 毫米

Fig 2. One-room Storage Unit Exterior (unit = mm)

Key:

- | | |
|---------------------------------|---|
| 1. Two removable dormer blinds | 3. Circulation windows (front and rear) |
| 2. Slatted paper tissue ceiling | 4. Front door |



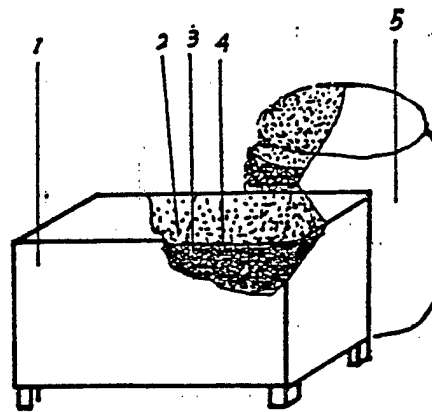
- | | |
|--------------|------------------|
| ①木板或水泥盖板(活动) | ④600×20闸板门 |
| ②1000×60玻璃窗 | ⑤家庭双开窗 |
| ③240隔墙长2000 | ⑥240墙身高2000长3000 |

图3 室内柜式库房图 单位:毫米

Fig 3. Inhouse Bin-type Storeroom (unit = mm)

Key:

- | | |
|---|---|
| 1. Plank or concrete cover
(removable) | 4. Adjustable doors |
| 2. Glass window | 5. House windows |
| 3. Partition | 6. 2,000-mm high and 3,000-mm long wall |



- | | |
|-------------|-----------|
| ①有盖的木柜。木桶均可 | ④合入库标准的粮食 |
| ②草木灰或干砂 | ⑤瓷缸或铁桶均可 |
| ③尼龙或纸 | |

图4 农户其他装具储粮图

Fig 4. Other Storage Equipment for Peasant Households

Key:

1. Covered bin or bucket
2. Ash or sand
3. Nylon or paper
4. Standard grain
5. Crockery or metal tub

12303

CSO: 4007/105

GUIZHOU

BRIEFS

LIVESTOCK, POULTRY BREEDING--According to statistics by the end of last year, the total number of livestock and poultry breeding specialized households in Guizhou Province was 98,940 and was 46.2 percent more than in 1983. [Summary] [Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 24 Jan 85 HK]

RURAL COMMODITY PRODUCTION--The province's commercial departments made tremendous efforts to develop rural commodity production and readjust the mix of farm products in 1984 by upholding the guiding thought of leading production and a prospering economy. According to incomplete statistics, 25 units in the province established information organs to store information. They supplied some 1.7 million jin of various economic crop seeds, 4.61 million tons of nursery stocks, and 720,000 jin of [words indistinct]. They also supplied some 17,700 jin of priority chemical fertilizers. [Excerpt] [Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 27 Jan 85]

CSO: 4007/215

HEBEI

STRESS ON PREWINTER MANAGEMENT OF WHEAT FOR SUMMER HARVEST

Shijiazhuang HEBEI RIBAO in Chinese 21 Nov 84 p 1

[Article: "Winter Wheat Planted"]

[Text] According to the preliminary statistics of the department concerned, more than 34.8 million mu of winter wheat were sown last fall in the whole province; the sown area was basically the same as that of last year.

This year, the winter wheat seeds are better in quality. Compared with the quality of last year, there are three outstanding characteristics: 1. There are more wheat fields with assured water and there are large sowing areas with sufficient moisture in the soil. 2. Areas using, and quantities of, high-quality fertilizer, have increased compared with that of last year. 3. The variety distribution tends to be more rational. The growth of areas of high-yield varieties adversity-resistant varieties and varieties meeting consumers' needs have reached 31.7 mu, which is 91 percent of the total area in wheat.

The responsible person in our province's Agricultural Department indicates that since wheat is the main grain crop of our province, we must make a major effort to stress wheat production. Last fall, the wheat in our province had complete emergence of seedlings. This good seedling condition will be a good base for obtaining a bumper wheat harvest next year. But, due to the late maturing period of crops sown in the fall, the sowing time was belated, the area sown late to wheat has increased more than 1 million mu compared with that of last year. Besides, in the whole province there are more than 6 million mu of wheat fields with insufficient moisture in the soil both in the base and on the surface; this is unfavorable for cultivating wheat which will have seedlings before winter strong enough to survive the winter. For these reasons, all localities must overcome a blind optimistic mood, must stress strongly the prewinter management of wheat, and must make a major effort to popularize the new technique of using a thin layer of earth to cover wheat. We must use a variety of ways and means to create a new scene in provincial summer grain production.

12705
CSO: 4007/107

HEBEI

JIMIAN NO 8 TO REPLACE LUMIAN NO 1

Shijiazhuang HEBEI RIBAO in Chinese 21 Nov 84 p 1

[Article: "Jimian No 8 Has Become Main Cotton Variety"]

[Text] The responsible person of the Provincial Cotton Production Office told this reporter that starting next year, the cotton varieties of our province will undergo the sixth alteration, using Jimian No 8, which is suitable for spinning medium-count yarn, to take the place of Lumian No 1. According to our present seed supply situation, it is possible that next year there will be from 6 million mu to more than 7 million mu of Jimian No 8 planted.

In the last 2 years, the situation of provincial cotton production was very good. Last year, the gross output of ginned cotton reached 1.5 billion jin, double that of 1982. Based a variety of investigations, this year will be another bumper cotton harvest, with gross output even greater than that of last year. For the whole province, it is already clear that production will be greater tht the market possibilities.

In order to open up cotton markets and increase its competitiveness on markets and increase its competitiveness on markets at home and abroad, it is necessary to work hard to raise the cotton quality so that it the flourishing state of cotton production in our province will be maintained.

Since the founding of the People's Republic of China, there are already five alterations of cotton varieties in our province. Each alteration was developed to raise the quantity and quality of cotton output. At present, Lumian No 1 variety is sown on about 75 percent of the cotton area in the province. Although this variety is better for bumper harvests and adaptability, its fiber quality is poor and far from meeting the needs of the textile industry both at home and abroad. Jimian No 8, which is bred by our province, has gone through experiments in comparison with other varieties in the Huanghe River valley for 2 years and also practical production on land for growing field crops in the province. The results are outstanding; it has not only high output but good quality as well. It is recognized by the Material Bureau of the Textile Industry Department that this Jimian No 8 variety, after several years of experiments, has shown that, with the exception of a slight thickness of texture in the cotton quality, its degree of maturity can always be more than 1.6 its strength is between 3.6

and 4 grams and its length its length [of fiber] is mainly from 27 to 28 mm; it is a good, new variety, the right material suitable for spinning medium-count yarn.

The Agricultural Bureau of the Department of Agriculture, Animal Husbandry and Fishery expects to take Jimian No 8 as the developing variety of the present high-quality cotton base. Our province has decided that in 1985, the main cotton area in the central and southern regions will replace Lumian No 1 with Jimian No 8. The area of Lumian No 1 in the whole province will be reduced to the minimum, and 6 million to more than 7 million mu of Jimian No 8 will be planted. A preliminary confirmation is given that in the 17 counties, a high-quality cotton base county will be established jointly by the province and the locality in order to achieve as soon as possible the strategic shift of our provincial cotton production with the main purpose of improving quality. At present, every locality, county and township is actively redistributing good seeds and teaching techniques.

12705
CSO: 4007/107

HEBEI

MAJOR EFFORT DEVOTED TO DEVELOPING FOOD PROCESSING INDUSTRY

Shijiazhuang HEBEI RIBAO in Chinese 14 Nov p 1

[Article: "Food Processing Industry Development"]

[Text] In order to meet the necessity of improving the peasants' life, the Shijiazhuang region is devoting major efforts to developing the food processing industry. Up to the end of last September, there were 16,430 food processing enterprises and setups in the whole region; there was a 93 percent increase compared with that of the same period of last year; the annual grain processing was more than 200 million jin which was 12 percent of the grain procured in the whole region; there were more than 400 varieties of foodstuffs, their output value reached 115 million yuan an increase of 35 percent compared with the same period last year.

In order to develop the food industry, the Shijiazhuang region has stressed reliance on the urban areas to take an active role in introducing specialists and new techniques into the region. As of this year, numerous leading cadres who are in charge of economic affairs in all counties and townships have gone to ask veteran cadres whose ancestral homes are in the Shijiazhuang region to give counsel and suggestions for developing the food industry; in addition, they have also actively contacted persons overseas. By the end of last September, from big cities like Shanghai, Guangzhou and Tianjin and foreign countries and regions like the United States, Japan and Hong Kong, they introduced and imported 16 technical items for the food industry with investments of more than 48 million yuan. Furthermore, they successfully engaged more than 100 technicians from everywhere in China to help improve technique and increase varieties. Haocheng Township engaged three master workers from Shantou City in Guangdong, thus, 35 new varieties of moon cakes and 52 varieties of pastries with southern flavors were manufactured, they were warmly welcomed after being put on the market. Attention was given simultaneously to introducing these varieties and developing foods of traditional famous brands that are competitive. The two counties of Zhanhuang and Xingtang are rich in Chinese dates, this year they built a candied dates factory with an annual output of 1.5 million jin and 3 million jin, respectively. Ten food items which are nearly a lost art have appeared throughout the region. Now, there are 24 categories of food which have already got into the international market.

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CSO: 4007/107

HEBEI

BRIEFS

GRASS CULTIVATION INCREASES--Shijiazhuang, 19 Jan (XINHUA)--According to a national meeting on grass cultivation held by the Ministry of Agriculture, Animal Husbandry and Fishery, China cultivated and improved 27.1 million mu of grassland in 1984, 8 million mu more than 1983. Total acreage of cultivated and improved grassland has reached 72.96 million mu. [Excerpt] [Beijing XINHUA Domestic Service in Chinese 0747 GMT 19 Jan 85 OW]

PARTY MEETING--On the morning of 8 February, Du Runsheng, director of the rural policy study office of the CPC Central Committee Secretariat, made a special visit to Shijiazhuang to deliver a guidance report on economic theory to the comrades attending the provincial conference of prefectural, city, and county CPC committee secretaries. Provincial CPC Committee First Secretary Gao Yang presided at this report meeting. Comrade Du Runsheng mainly expounded on questions of rural reform. His report was in three parts: 1) the far-reaching significance of the second stage of reforms in the rural economy; 2) the dual character of rural commodity economy; 3) develop and perfect the rural cooperative system in accordance with the principle of voluntariness and mutual benefit and the demands of commodity economy. Comrade Du Runsheng's report greatly satisfied the participating comrades, since it was penetrating and linked theory with reality. [Text] [Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 8 Feb 85]

CSO: 4007/215

HEILONGJIANG

BRIEFS

INDIVIDUAL-RUN HOUSEHOLDS--By the end of 1984, the total number of individual-run industrial and commercial households in Heilongjiang Province had increased to 310,000, doubling that of 1983. They have 390,000 employees, accounting for 1.2 percent of the province's total population as against 0.6 percent in 1983. By the end of November 1984, they had paid more than 33 million yuan of taxes to the state, 160 percent more than in 1983, and purchased 2.5 million yuan of treasury bonds. [Excerpts] [Harbin HEILONGJIANG RIBAO in Chinese 1 Jan 85 p 3 SK]

AGRICULTURAL OUTPUT--In 1984, agricultural output value in Fujin, Hulan, Baoqing, Hailin, and Tieli Counties, and Daqing, Jiamusi, and Shuangyashan cities, Heilongjiang Province, doubled the 1980 figures. In Fujin County, per-capita income was 607 yuan, per-capita commodity sales were 3,200 jin, and the per-capita hog sales were 0.2 head. The county afforested 150,000 mu, a 3-fold increase over 1980. In Hulan County, agricultural output value increased by 164.2 percent, and afforested areas increased by 100,000 mu. [Summary] [Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 10 Feb 85 SK]

PLASTIC-COVER CULTIVATION--Heilongjiang Province has scored marked achievements in popularizing the technology of breeding crops under plastic covers. In 1984, the acreage of farmland on which this planting method was used reached more than 268,000 mu. The variety of crops reached 49 categories, including vegetables, melons, and other cash crops. In applying this technology in 1984, the province scored an output increase worth 13.4 million yuan. [Excerpts] [Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 12 Feb 85 SK]

NEW GRANARIES--In 1984, with 61 million yuan of investment allocated by the state and the province, the 264 granaries in Heilongjiang were expanded to increase their capacity by 1.6 billion jin by the end of November. [Summary] [Harbin HEILONGJIANG RIBAO in Chinese 12 Jan 85 p 2 SK]

DAIRY PRODUCTS--Heilongjiang Province has developed its dairy product industry rapidly. In 1949, the province had 7,200 milk cows, which were increased to 203,000 in 1984, making the province become a major area to produce dairy cows, and ranking it first in the country in the number of dairy cows. The province's annual milk output has increased to 410,000 tons, with the per capita amount

reaching 13 kg, ranking first in the country. The province has also laid a fairly solid foundation in raising oxen. In 1984, it succeeded in breeding 520,000 female oxen, of which 280,000 were first-, second- and third-generation improved oxen, ranking first in the country. Since the 3d Plenary Session of the 11th CPC Central Committee, the province's dairy product plants have increased from 34 to 105, also ranking first in the country. Its output of dairy products increased from some 10,000 tons in 1979 to 35,000 tons in 1984, amounting to more than 25 percent of the nation's total and ranking first in the country. [Summary] [Harbin HEILONGJIANG RIBAO in Chinese 19 Jan 85 p 2 SK]

CSO: 4007/215

HENAN

HUANG HE WATER CONSERVATION COMMITTEE MEETS IN ZHENGZHOU

HK260713 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 24 Jan 85

[Text] From 16 to 23 January the Huang He Water Conservation Committee of the Ministry of Water Resources and Electric Power held a meeting in Zhengzhou on the work of harnessing the Huang He. The meeting studied the problems of how to correct the guiding ideology in the work of harnessing the Huang He, how to do well in reform of the work of harnessing the Huang He, and made arrangements for the work of harnessing the Huang He in 1985.

Li Boning, adviser to the Ministry of Water Resources and Electric Power, and Wang Huayun, adviser to the Huang He Water Conservation Committee, attended the meeting and spoke.

The meeting pointed out: The urgent tasks of the current work of harnessing the Huang He are to ensure safety by flood prevention and to rationally utilize water resources. Therefore, it is necessary to continue to implement the principle of abolishing what is harmful and promoting what is beneficial, to regard flood prevention and the inspection of the embankments as the main work, to rationally exploit and utilize water resources, to vigorously do well in water and soil conservation and water sources protection, and to guarantee safety in flood prevention and water resources for the four modernizations.

The meeting emphasized that in the work of harnessing the Huang He, it is essential to emancipate the mind, to boldly carry out reform, to eliminate all old irrational styles which hinder the workers' enthusiasm and affect the raising of economic results, and to control the work of harnessing the Huang He with economic measures and scientific methods in order to attain the aim of speeding up the harnessing of the Huang He and raising economic results.

The meeting also made specific arrangements for the work of harnessing the Huang He this year. The meeting pointed out: Temperatures this year are relatively low. We must pay close attention to the development of [words indistinct]. We must also make good preparations against floods at an early date. All antiflood projects and materials which are arranged this year must be completed before the flood season. We must further improve the hydrologic testing facilities, must try to produce testing instruments which suit the characteristics of the Huang He, must vigorously apply new technology, and must enhance our ability to predict a big flood. Moreover, we must do well in communications work and embankment construction work. In survey, planning, and design work, we must lay stress on the upper and lower reaches. We must

concentrate technical backbone elements and must guarantee the completion of the comprehensive analysis of hydrology, mud, sand, waterpower calculation, and economic results of silt on schedule in accordance with the requirements for the design of the (Xiaolangdi) handed down by the Ministry of Water Resources and Electric Power. We must vigorously cooperate with the universities, colleges, and scientific research units concerned to conduct mock tests. We must complete the design sketch of the (Xiaolangdi) project with high standards and high quality.

CSO: 4007/215

HENAN

HENAN GOVERNOR AT CONFERENCE ON RELIEF THROUGH PRODUCTION

HK281335 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 27 Jan 85

[Text] From 23 to 26 January, the province held in Zhengzhou a conference on relief through production. The conference conveyed and studied the spirit of relevant documents of the central authorities, the provincial CPC committee, and the provincial government. It also summed up the experience, of and achievements in, carrying out relief work through production over the previous period. Furthermore, it has arranged the relief work from the Spring Festival up to this year's spring wheat harvest.

The conference held: Over the previous period, because we grasped firmly the relief work through production, the social order of disaster areas was stable. This is closely related to the close attention of the CPC Central Committee and the State Council, as well as to the efforts of cadres at various levels, particularly those at the grassroots. However, there are still some areas which have not converted the provincial CPC committee's and provincial government's thinking of taking both stopgap and radical measures into the direct actions of cadres and masses. Some places have not spent enough efforts on focusing on the practice of tiding over a disaster by production, and on the principle of greatly diversifying operation and commodity production.

In order to further do well in relief work through production, the conference urged: From now until the spring wheat harvest, we must, in the work of carrying out relief work through production, further strengthen our leadership. We must depend on the practice of tiding over a disaster through the masses' production, and focus on mutual aid, while being aided by necessary relief and assistance from the state. We should take the opportune moment to readjust the rural industrial structure, in particular, the structure of the planting industry. We must also take effective measures through various means to make sound arrangements for victims' livelihood, so as to strive for a bumper summer grain harvest and to build a foundation for changing the face of the disaster areas.

Governor He Zhukang attended the conference and made a speech. He stressed: In relief work through production, we should implement the spirit of reform, replacing the provision of gratuitous relief by relief that is repaid; so that we can spend relief funds in a better way and improve the economic results.

CSO: 4007/215

HUBEI

AGRICULTURAL REFORM PRODUCES RECORD OUTPUT VALUE

HK290829 Beijing RENMIN RIBAO in Chinese 26 Jan 85 p 1

[Report by staff reporter Wang Chu [3769 2806]: "New Situation Seen in Hubei's Agriculture Last Year"]

[Text] In 1984 Hubei's agriculture finally climbed from a U-shaped valley to a new height. Last year the province's total industrial and agricultural output value topped the 50 billion yuan figure for the first time. Of this, agricultural output value accounted for 16.5 billion yuan.

Total grain output reached 45 billion jin, an increase of more than 5 billion jin over the previous year, and topping 900 jin per capita.

Cotton output reached 10.6 million dan, an increase of more than 35 million dan over the previous year. The output of oil-bearing crops was more than 10 million dan.

The cadres and masses said: "This new breakthrough has been made because the leaders of the provincial CPC committee emancipated their minds and relaxed the policies and because the cadres at all levels led the masses in working in a down-to-earth way.

An important base for commodity grain, cotton, oil, fowl, eggs, and aquatic products for the whole country, Hubei's rate of agricultural development had been slower than that of the neighboring provinces in the previous 5 years. The cumulative rates of agricultural development of Anhui and Jiangsu to the east, Sichuan to the west, and Guangdong to the south were from 30 to over 50 percent, while the growth rate of Hubei Province, which is situated in the middle reaches of the Chang Jiang, was less than 26 percent. This was lower than not only the growth rate of the 11 provinces in the south but also the average national growth rate.

In January 1984 Guan Guangfu, secretary of the provincial CPC committee, who had occupied the post for only 1 year, put before the Standing Committee members this pressing "chess game" in the shape of the letter U.

In the effort to accelerate Hubei's agricultural development, what was the first step to be taken?

The fact-finding groups dispatched earlier to various parts of the province returned; feedback was collected from various channels and, mobilized by the provincial CPC committee, experts, professors, and "highly knowledgeable persons" stepped forward to offer advice.

The members of the provincial CPC committee Standing Committee were pondering and so were the cadres at all levels.

Just at this moment, Comrade Hu Yaobang arrived in Hubei on an inspection tour. After conducting investigation and study in western Hubei mountain areas, Huanggang County, and Huangshi City, Comrade Hu Yaobang pointed out the causes of the problems in Hubei's agriculture: "Too few channels, too many restrictions, limited capabilities, and a low level of technology." He also earnestly pointed out: "Hubei's 'leftism' has its historical origins."

Comrade Hu Yaobang's remarks struck home. The Hubei Provincial CPC Committee promptly relayed his remarks to the CPC committees at all levels and the more than 48 million people.

The members of the provincial CPC committee Standing Committee conscientiously straightened out the influence of "leftist" ideas in light of party rectification. They came to realize that owing to their failure to smash the trammels of "leftist" ideas, they had not paid enough attention to agriculture, and that because they had sought stability and feared disorder, they had failed to implement in an all-round way the party's policy of making the people rich. For this reason, the provincial CPC committee decided that while continuously stabilizing and perfecting the system of contracted responsibilities with payment linked to output, they should quicken the pace of readjusting the distribution of agriculture and remove the barriers on, give the green light to, and relax the policy toward, various undertakings, such as developing the aquatic products industry, supporting the development of various specialized households, and so on. At the same time, they should unfold in an all-round way trial comprehensive reform in nine rural counties and cities.

The steps to eliminate "leftism" were taken correctly. There was an immediate improvement in agricultural work, which had failed to move forward for many years. In 1984 more than 670,000 mu of cultivated land was returned to lakes, so that the fish farming areas reached more than 4.88 million mu; more than 400,000 mu of cultivated land was returned to forest or pasture the afforested areas reached more than 5.7 million mu, new man-made grassland was more than 230,000 mu....

In order to turn the elimination of "leftism" into the conscious actions of cadres at all levels, the Standing Committee of the provincial CPC committee held that only by respecting the pioneering spirit of the masses in their practice was it possible to effectively smash the trammels of "leftism." To this end, the principal leading comrades of the provincial CPC committee led fact-finding groups in going down to grassroots units, summing up the experiences of the masses, removing the various barriers which had obstructed the development of rural commodity production, and giving the masses the green light to get rich.

If the elimination of "leftism" was the first step, then grasping township enterprises and relaxing policies was the second. Hubei was inferior to Jiangsu and other advanced provinces in the development of agricultural economy. An important reason for this was the backwardness of its township enterprises, which people called the "defect among defects." Guan Guangfu said: "The backwardness of township enterprises in Hubei Province lies in the existence of too many "leftist" conventions in the ideas of leading cadres." He recommended to the whole province the example of Anlu County energetically developing township enterprises. Breaking away from the closed conventions of "drawing on and processing local resources and marketing the products locally," the Anlu County CPC Committee took advantage of the county's abundant resources in grain and building materials to develop the four types of mills and the building materials industry and sold the products throughout the country. It succeeded in increasing its output value by 700 percent in 1 year.

Spurred on by the experience of Anlu County, various kinds of joint enterprises and household industries were set up, with one household bringing along several and those households bringing along a village. In light of their advantages and characteristics, the various localities set up township enterprises, each with special features of its own. This is an important link in speeding up the development of township enterprises. Last year there were 250,000 household industries and joint enterprises of different types throughout the province, whose total output value was expected to reach 1.4 billion yuan. Last year Hanchuan County set up more than 11,000 household plants and more than 80 specialized villages. The three food products factories and 625 household food processing plants in Yanghe District, Yincheng County, turned out 256 kinds of traditional food, condiments, and instant food, absorbing and consuming more than 12 million jin of local grain. According to statistics from the relevant departments, Hubei Province processed 4.5 billion jin of local grain last year, 80 percent of which was transformed into other products by township enterprises and specialized households. At present there are more than 4,000 kinds of township industrial products.

When inspecting Hubei's rural areas for the second time early last December, Comrade Hu Yaobang fully affirmed the joint enterprises and household industries in Hubei.

Because Hubei adheres to the elimination of "leftism" and the open-door policy, it will not be long before Hubei stands in the forefront of the country in agricultural economy.

CSO: 4007/215

HUBEI

LEADER EMPHASIZES NEW RURAL SITUATION

HK090267 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 8 Feb 85

[Excerpts] A gathering to commend representatives of specialized households opened in the Hongshan Hall, Wuchang, this morning. Present were responsible comrades of the provincial CPC committee, advisory commission, people's congress Standing Committee, government, and CPPCC Guan Guangfu, Shen Yinluo, Wang Qun, Qian Yunlu, Han Ningfu, Tian Ying, Wang Ruisheng, Zhou Huanzhong, Li Fuquan, Zhang Xiulong, Wang Libin, and Li Wei; and responsible comrades of Wuhan Military Region and its air force and Hubei Military District (Tao Runhou), (Wu Changyou), and (Bao Yunlan).

The gathering opened with Vice Governor Tian Ying reading out central Document No 1 of 1985. Provincial CPC Committee Secretary Guan Guangfu then delivered a speech entitled "Show Your Talents for Developing the New Situation in the Rural Areas." He said [begin recording]: This gathering is being held following the transmission of this year's Document No 1 of the CPC Central Committee and State Council. The central Document No 1 makes an all-round and profound analysis of the new situation in the rural economy throughout the whole country and sets out the new tasks in rural work in the coming period, together with 10 policies for further enlivening the rural economy. This is another historic central document on rural economic work. By implementing the 10 policies contained in the document, we can further emancipate the rural productive forces and greet a new upsurge in the rural economy, bringing agricultural production to a new stage of developing commodity economy. [end recording]

Comrade Guan Guangfu's speech was in three parts:

1. The new situation and tasks in rural economic development. Since the 3d Plenary Session of the 11th Central Committee, as a result of 5 years and more of successful reform experiences, the growth of agricultural production in China has greatly exceeded our expectations, and the momentum of the development of rural commodity economy is becoming ever stronger. We are now entering a new stage, a stage of organizing production geared to market needs and of completely readjusting the rural production mix. The main characteristics of this new situation are as follows: [phrase indistinct], and the shortage of grain and cotton, which lasted a long time, has completely eased. 2) The rural economic structure is now developing from purely field cultivation to an all-round comprehensive economy, opening up broad prospects for the peasants to get rich. 3) There has been a great development in specialized households in number and quality.

2. The great contributions of the specialized households, and the party's policies on specialized households. The specialized households are something new that has emerged in the practice of rural economic reforms. When they first appeared, the CPC Central Committee attached great importance to them and fully affirmed their important status and role in developing rural commodity economy. Our provincial CPC committee has adopted the attitude of fully affirming, vigorously supporting, boldly developing, and resolutely protecting the socialized households. This has been the provincial CPC committee's consistent attitude, and has also been its consistent demand on the party organizations, party members, and cadres throughout the province. The provincial CPC committee demands that party and government organs at all levels, all departments, and all rural work cadres serve the specialized households in 10 respects and uphold the 10 prohibitions. We believe that so long as this is done, the specialized households in Hubei will be able to develop and flourish still more vigorously.

3. New hopes and demands on specialized households. A new situation has appeared in the rural economy, and new tasks have been proposed. Specialized households, as a backbone force in rural economic construction, should meet the demands of the new situation as soon as possible in thinking and work, and strive to fulfill the new tasks. 1) We hope the specialized households will become commodity producers geared to market needs. 2) We hope that specialized households will strive to become outstanding peasant entrepreneurs. 3) We hope the specialized households will also strive to become talented hands in readjusting the production mix. 4) We hope the specialized households will become pioneers in new fields of production in the rural areas. 5) We hope the specialized households will become civilized households in building the two civilizations.

The participants held group discussions on Comrade Guan Guangfu's speech in the afternoon.

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HUBEI

BRIEFS

SPECIALIZED HOUSEHOLDS DEVELOP--Since the 3d Plenary Session of the 11th CPC Central Committee, agricultural machinery specialized households in Hubei Province have developed relatively quickly. Over the past 6 years, peasants have raised funds of 1.5 billion yuan by themselves to purchase motive power agricultural machines totaling 4.12 million horsepower, at an average increase of 687,000 horsepower per year. The level of increase during these 6 years is 200 percent more than the average level before 1979. By the end of last year, the gross motive power for agricultural use had reached some 12 million horsepower and peasants had some 180,000 tractors, some 500,000 motive power machines, and approximately 1 million sets of agricultural tools. The agricultural machinery specialized households comprised approximately 700,000 people. At today's meeting of the representatives of agricultural machinery specialized households, Wang Hanzhang, vice governor, spoke, extending greetings to the representatives of the outstanding agricultural machinery specialized households coming from all places throughout the province. [Summary] [Wuhan Hubei Provincial Service in Mandarin 1100 GMT 4 Feb 85 HK]

OIL-BEARING CROPS--According to statistics compiled by the provincial Statistical Bureau, the gross output of oil-bearing crops throughout Hubei Province in 1984 was 11,071,000 dan. Of this, the output of oil-bearing crops of superior quality, including peanuts and sesame, amounted to 4.15 million dan, accounting for 37.4 percent. The output of peanuts in Dawu, Hongan, and Macheng Counties, which are the main peanut production areas, accounted for 41 percent of the province's output of peanuts. The output of sesame in Xiangyang County, reached 189,000 dan last year, an increase of 46,000 dan over the preceding year. [Summary] [Wuhan Hubei Provincial Service in Mandarin 1100 GMT 11 Feb 85 HK]

CSO: 4007/215

HUNAN

BRIEFS

BUMPER HARVESTS--According to a recent provincial meeting on cash crops, in 1984 the province made remarkable achievements in cash crop production, achieving increases in the production of cotton, ramie, sugarcane, flue-cured tobacco, silkworm cocoons, tea, chrysanthemum, fruits and so on. Except for flue-cured tobacco, all others have reached all-time high levels. The gross output value of cash crops last year was over 2.74 billion yuan, an increase of 19.6 percent compared with the previous year. [Summary] [Changsha Hunan Provincial Service in Mandarin 0000 GMT 30 Jan 85]

FODDER TARGET FULFILLED--In 1984, the province's fodder industry accomplished an output volume of 71,234 tons, or an output value of 385 million yuan, thereby doubling the output value 6 years ahead of schedule. The reasons for this are that the province has popularized the manifold contracted economic responsibility system, and has expedited the import of foreign technology and equipment. [Summary] [Changsha Hunan Provincial Service in Mandarin 0000 GMT 30 Jan 85 HK]

CSO: 4007/215

JIANGSU

BRIEFS

PEASANTS' INCOME INCREASE--According to the Jiangsu Provincial Statistical Bureau, the net income of Jiangsu's peasants in 1984 increased by big margins to an average of 447.1 yuan per capita, showing an increase by 90.5 yuan, or 25.4 percent, over the previous year. [Summary] [Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 5 Feb 85 OW]

AQUATIC PRODUCTS--The total quantity of aquatic products produced in Jiangsu Province reached 540,000 dun last year, 50,000 dun more than in the previous year. Fish ponds with a total area of 150,000 mu were built or improved from November last year until now. [Summary] [Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 16 Jan 85 OW]

GRAIN PURCHASE--Nanjing, 6 Jan (XINHUA)--As of the end of 1984, Jiangsu had purchased and put in granaries over 20 billion jin of grain, an all-time record. [Summary] [Beijing XINHUA Domestic Service in Chinese 0040 GMT 6 Jan 85 OW]

CSO: 4007/215

JILIN

LOCAL GRAIN STORAGE EXPANSION URGED

Beijing JINGJI RIBAO in Chinese 30 Oct 84 p 2

[Article: "Jilin Enthusiastically Tackles Storage Work for New Grain; Expands Grain Acceptance and People-for-State Storage Substitution Capabilities"]

[Text] Jilin's grain departments, which have witnessed another bumper crop this year, have overcome difficulties through a spirit of reform and enthusiastically tackled storage preparation work for the new grain. The years of bumper grain harvests have made storage work extremely difficult. At the beginning of this year, the province's grain departments summarized the previous year's grain procurement work experiences conscientiously. They proposed that grain departments in all prefectures and counties opt for local storage and not wait for or rely on others, and that the preparatory work for storing the new crop should begin as early as possible. Results came after more than half a year of effort. Up to the present, the province's storage system has built 98,000 sq m of new enclosed storage facilities, 225,000 sq m of drying areas, and 138 new or enlarged requisition stations, increasing overall acceptance capacity for the new grain by 3 billion jin. They have also adopted the method of having the people themselves do the construction with public assistance, and have continued to expand people-for-state storage substitution capabilities. This year the department has dispersed 25 million yuan in loans to help peasants put up corn cribs; and of a projected 1 million such cribs of a storage capacity of 10,000 jin each to be constructed, some 538,000 are already completed thus far this year. In this manner, people-for-state substitution capabilities should surpass 8 billion jin, more than twice what it was a year ago. The 16 procedures at each warehouse or storage facility such as arrival, inspection for quality, weighing, unloading and accounting have also been simplified for the convenience of peasants selling grain. This year over 800 microcomputers were installed and used at various warehouses and facilities throughout the province, which greatly raised efficiency.

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JILIN

BRIEFS

SUNFLOWER SEED PRODUCTION--Jilin Province reaped a bumper harvest of sunflower seeds in 1984. By 25 December 1984, peasants had sold 905.78 million jin of sunflower seeds to the state, creating a new record. [Excerpt] [Changchun JILIN RIBAO in Chinese 2 Jan 85 p 1 SK]

TOBACCO DEVELOPMENT--Jilin Province plans to properly expand tobacco-growing areas. In 1984, the province produced 260,000 boxes of cigarettes and made over 134 million yuan of profits. In 1985, the province plans to produce 280,000 boxes of cigarettes. [Summary] [Changchun Jilin Provincial Service in Mandarin 1030 GMT 31 Jan 85 SK]

CSO: 4007/215

LIAONING

LIAONING MAPS OUT 1985 TASKS OF RURAL WORK

SK020053 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 31 Jan 85

[Excerpt] After a 7-day session, the rural work conference sponsored by the provincial CPC committee concluded in Shenyang City on 31 January. Prior to concluding the conference, Comrade Sun Weiben, secretary of the provincial CPC committee, delivered a summing-up speech.

During the conference, participating comrades held that the conference was full of the atmosphere of emancipating minds. Policy measures discussed and adopted at the conference will certainly play an active role in turning the provincial rural economy into an open and commercialized one.

The rural work conference sponsored by the provincial CPC committee put forward the following central tasks for provincial rural work in 1985: While implementing in an all-round way the spirit of the 3d Plenum of the 12th CPC Central Committee, efforts should be made to carry out Central Document No 1 of 1985 and to seize up the current and rare opportunity in history to reform in a down-to-earth manner the system of state-monopolized and fixed-quota purchase of farm products. It is necessary to boldly readjust the production structure in rural areas, to vigorously develop commercialized agriculture, and to accelerate the pace of quadrupling the total agricultural output value so as to further enable rural areas to generally become wealthy.

The conference pointed out: The basic guiding ideology of readjusting the production structure in rural areas is to enforce the open-door policy and to enliven the economy. In readjusting the production structure, we should boldly develop the secondary and tertiary industries in rural areas, animal husbandry, and foodstuff and feed industries. Efforts should be made to set up coordinative systems among the undertakings of planting, breeding, and processing so as to achieve a harmonious balance among the proportions of various undertakings.

The conference held that the 1985 target set forth by the provincial CPC committee in regard to achieving a 50-percent increase in the total output value of village-owned enterprises across the province is feasible.

The conference urged the economic development zones in southern Liaoning and along the coastal line and the suburban districts of large- and medium-sized cities to make their production and processing arrangements in line with the

needs of both foreign and domestic markets. While doing a good job in planting grain crops, the key marketable-grain bases in northern Liaoning should also boldly enforce the open-door policy to develop new industries. Mountainous and backward areas should all the more enforce the open-door policy and adopt every way and means to develop vegetable production in order to overcome their poor status and become wealthy.

The conference pointed out: In line with the principle of mutual benefit and prosperity, efforts should be made to eliminate various barriers in an effort to promote economic cooperation between urban and rural areas. Urban industries should boldly popularize their advanced technology among rural areas that should also boldly set up technical coordination with urban units. The conference held that this is an important measure full of strategic significance for pushing forward the economy in Liaoning Province.

The conference pointed out: We should conduct in a big way the work of setting up economic and technical coordination with domestic units and introducing outside funds and technology. We should master the method of boldly utilizing foreign exchange and introducing foreign capital, technology, and advanced equipment. We should also master the method of being good at setting up economic coordination with units inside and outside the province and engaging in mutual development.

The conference pointed out: In line with the needs of developing the commodity economy in rural areas, efforts should be made to reform all former systems, organizations, and forms established under the system of state-monopolized and fixed-quota purchase so as to foster a new form suitable to the socialist commodity economy.

The conference held that the experience gained by Haicheng County in conducting reforms in a comprehensive way among economic systems should be popularized throughout the province.

The conference held that the decision adopted by the provincial CPC committee in regard to generally enforcing the responsibility systems in financial revenues in 1985 among cities, counties, and districts throughout the province has a vital bearing on enlivening the economy.

CSO: 4007/215

LIAONING

REVISION OF ENTERPRISE STRUCTURE PROMOTES AGRICULTURAL ECONOMY

Shenyang LIAONING RIBAO in Chinese 27 Oct 84 p 1

[Editorial: "New Type of Rural Enterprise Structure Urged"]

[Text] At present, the rural economy in the whole province is facing a common problem: to revise enterprise structure and to promote economic development of commodities. This is the second step in the important reform of the rural economy after the overall realization of linking planned output with contract liability. The stress on this step has a constructive influence on the speed of carrying out agricultural modernization and on the question of whether thousands and millions of peasants get rich fast.

To revise enterprise structure is an urgent necessity for further development of the rural economy. The universal practice of linking planned output with contract liability has brought a fundamental change to rural conditions followed by many new situations and new problems. Along with higher agricultural labor productivity and increased peasant income. Large amounts of surplus labor, surplus labor time and surplus funds have appeared in the rural region, and these surpluses need a new outlet. Vast numbers of peasants can no longer feel content to be in the state of just having enough to eat and wear, they want to get rich as fast as possible, but under the present situation of the singleness of rural enterprise structure, it is difficult to satisfy their wishes. The single rural enterprise structure also cannot meet the necessities and demands of the urban economy, the people's standard of living and foreign trade and exports on the increasing growth of the rural economy; it is even impossible to carry out the magnificent goal of quadrupling gross agricultural output value by the end of this century. So, it is necessary to reform the traditional agricultural enterprise structure, to transform from a single, self-sufficient type, closed structure to an economically diversified, socialized commodity production type, open structure in order to be on the path of developing a socialized agriculture with Chinese characteristics. If linking planned output with contract liability would cause the vast number of peasants to have initiative in production and operation, to make the most of their initiative and creativity, then, revising enterprise structure will offer them ample scope for their abilities and develop commodity economics on an even greater scale. If the first step of reform has caused the peasants to have enough to eat and wear, then the second step of reform will cause the peasants to get rich fast and well.

Generally speaking, there are three administrative levels in revising the rural enterprise structure: 1) the planting structure must adjust the proportional relations between grain and industrial crops; 2) the general agricultural structure must adjust the proportional relations among farming, forestry, animal husbandry, sideline production and fishery; 3) the whole rural agricultural enterprise structure must adjust the proportional relations between agriculture and industry, commerce, transportation and construction. Now, the increasing shortcomings are exposed in the enterprise structure formed by history. For years it was right that we put great stress on grain production, because our province does not have sufficient grain. Now, since grain production has reached a state where purchase and sale are more than just balanced, we ought to start to remedy the shortcomings exposed. With regard to the planting structure, when grain is compared with various industrial crops, the proportion of industrial crops tends to be small; and the proportion of rice and flour is also small in grain production. Therefore, there are the problems of transforming coarse food grain to rice and flour, poor quality to high quality and low yields to high yields. Furthermore, at the same time as stabilizing and raising grain production, a major effort should be made to develop various kinds of industrial crops so that the planting structure will meet the needs of national economic development. Speaking from the angle of general agriculture, there are still about 10 million mu of mountain areas, grasslands, water surfaces and marshes waiting to be exploited and utilized. As for places which have already been exploited and utilized, it is also necessary to raise the operating and managing standard in order to vigorously develop forestry, animal husbandry and other livestock breeding. In towns and townships, industry, transportation, commerce, construction, construction for the catering service and repair trades are an even weaker links.

The difference is extremely great compared with Jiangsu Province and Shanghai Municipality. As a matter of fact, in our province, there are the elements, such as natural resources, labor resources, economics and geographic basis, and material and technical basis to provide excellent conditions for the growth of industrial and commercial enterprises of towns and townships, agriculture, forestry, animal husbandry, sideline productions, fishery, etc., thus making it possible to open up many new production fields. Under the guidance of a series of general and specific policies since the Third Plenum of the 11th CPC Central Committee, the state of rural enterprise in our province has begun to change in recent years and a new situation of developing the commodity economy has started. It is only a good beginning, we must guide action according to circumstances to continue this change gradually in order to form a vital and efficient new type of rural enterprise structure in which there will be coordination of planting proportion, overall development of agriculture, forestry, animal husbandry, sideline production, fishery, etc. and also overall agricultural, industrial and commercial operations.

The revision of the rural enterprise structure needs and adjusting process, it not only has a broad set of connections but also involves problems of system, policy etc. and it will certainly be more difficult and more

complicated compared with the first step in the reform. It is hoped that comrades of all levels who lead rural work deepen their understanding, strengthen their faith and place the revision of enterprise structure on their own agenda. They must put stress on this work practically in the same way as was done in the work to implement linking planned output with contract liability. They must go on with a thorough study and investigation, know the realistic situation in all aspects of the local region and sum up their experiences and lessons to work out correct regulation of revising enterprise structure and put it into practice systematically. The key to making the revision of the enterprise structure a success lies in working from reality and suiting measures to local conditions. Every place has its own different conditions and for the revision, attention must be paid to making the most of local advantages. It is important to take the advantages and abandon the disadvantages; if conditions are suitable for grains, then produce grains; if conditions are suitable for forests, then do forestry; if conditions are good for planting fruit trees, then start orchards; if conditions are suitable for industry, then develop industry. Take the commodity base as an example. We must plan and work on increasing grain yield and its processing and transformation, but we must not work in such a way as to weaken or even abandon the increase of grain production in order to operate production items which lack favorable conditions. The revision of the rural enterprise structure concerns the overall situation of the national economy, thus it is necessary to deal this matter with an active but careful attitude; to rush headlong into mass action or to "cut with one blow," which means to give equal treatment without discrimination is absolutely forbidden. The initiative of developing the commodity economy or peasants is a strong driving force for the revision of enterprise structure; both have a mutual cause and effect relationship; they also supplement and complement each other. The revision work must take the promotion of the development of commodity economy as a key link to arouse into action the various integrated economic bodies which are state-run, collective, individual etc. in order to have a still larger supply of the various products needed by both the state and the people. At present, we must place stress on township and town industries, transportation and commerce; we must organize increasing numbers of peasants to enter the fields of town and township industries and transportation enterprise to bring along the overall development of the rural economy.

"The Decision Concerning Reform of the Economic System of the Party Central Committee" passed by the Third Plenum of the 12th CPC Central Committee is the guiding principle of the reform of the whole economic system and, it has indicated further the directions for both urban and rural restructuring. It is necessary to study this important document seriously in order to master the guiding ideology of the reform, to be definite and clear about its aims, to link it with the local actual situation and to carry out correctly the general and specific policies of the restructuring of the system. Thus, the various rural reforms, which include the revision of enterprise structure, will be pushed further to a new stage, causing a new leap in the realization of the rural economy.

12705
CSO: 4007/107

LIAONING

BRIEFS

GRAIN OUTPUT--In 1984, the total grain output of Liaoning Province reached 28.52 billion jin, an increase of 27.7 percent over 1978. Of this, the output of paddy rice was 6.62 billion jin, an increase of 60 percent over 1978. [Summary] [Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 30 Jan 85 SK]

TECHNOLOGY POPULARIZATION--Liaoning Province has witnessed marked economic results in popularization of agricultural technologies. In 1984, a total of 85 new technologies were popularized in agriculture, forestry, animal husbandry, sideline production, and fishery. Initial statistics and a sample survey show that the popularization of these technologies brought 370 million yuan of additional income to the province, which was 430 times the funds allocated by the province in 1984 to subsidize the technological popularization. Popularization of these technologies helped the province increase its grain and soybean output by 2.3 billion to 2.7 billion jin; ginned cotton output, 60,000 dan; fine-breed animals, 850,000 head; and aquatic products output, 2.55 million jin. [Summary] [Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 10 Feb 85 SK]

CSO: 4007/215

NEI MONGGOL

BRIEFS

GRASSLAND CONSTRUCTION--In 1984, the Nei Monggol Region artificially planted 6.1 million mu of grass, and planted 1.34 million mu of grass by means of airplanes, increasing by 57.7 percent and 110 percent respectively over the previous year. The region also built 4.4 million mu of pastoral farms and produced 13.5 million jin of grass seeds, 110 percent and 86.7 percent more than the previous year, respectively. In 1984, more than 10 million yuan was raised by individuals to plant grass. Meanwhile, the region allocated 7 million yuan, and various leagues, cities, banners, and counties allocated 10 million yuan to support the masses to develop grass growing. [Summary] [Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 10 Feb 85 SK]

GRAIN PROCUREMENT--As of 31 December 1984, Nei Monggol Autonomous Region had procured more than 2.7 billion jin of grain, overfulfilling the annual grain procurement task and increasing the 1983 figure by 230 million jin. As of the end of 1984, the region had procured more than 930 million jin of wheat and more than 40 million jin of paddy rice, showing increases of more than 30 million jin and more than 23 million jin, respectively, compared with 1983. [Summary] [Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 15 Jan 85 SK]

CSO: 4007/215

NINGXIA

SECRETARY AT CONFERENCE ON ENLIVENING RURAL ECONOMY

HK050619 Yinchuan NINGXIA RIBAO in Chinese 23 Jan 85 p 1

[Report: "The Ningxia Regional CPC Committee and People's Government Hold a Rural Work Conference on Reforming the Industrial Set-up and Further Enlivening the Rural Economy"]

[Text] The regional rural work conference held by the regional CPC committee and people's government opened in Yinchuan on the morning of 22 January. The principal task of the meeting was to relay and implement the spirit of the national rural work conference, to study and draw up the specific policies and regulations for implementing in our region the spirit of the national rural work conference, to exchange the experiences of township enterprises and specialized households in developing commodity production, to discuss and draw up the relevant regulations for supporting and protecting specialized households, and to commend the advanced.

Present at the meeting were secretaries of the CPC committees of various prefectures, cities, and counties (districts); the deputy secretaries of commissioners, vice mayors, and deputy county (district) heads in charge of agriculture, and the responsible persons of the relevant departments of the region and various prefectures, cities, and counties.

Ma Yingliang, vice chairman of the regional people's government, presided over the meeting. Li Xuezhi, secretary of the regional CPC committee, spoke at the meeting. He said: The CPC Central Committee has issued three documents No 1 in the past 3 years. It has also issued a document No 1 this year, laying down the specific policies for further enlivening the rural economy, which enjoy the ardent support of the people and fall in with their wishes. In our rural work this year we should further relax the rural economic policies, reform the management system, solve the lack of coordination in switching rural production to the commodity economy and, under the guidance of state planning, expand the role of regulation by market mechanism in order to suit rural production to market needs, stimulate the rationalization of the rural industrial setup, and further enliven the rural economy. He called on the participants to concentrate their efforts on studying the documents well, to emancipate their minds, and to discuss the major project of the rural reform in our region. Comrade Cai Zhulin, member of the regional CPC committee Standing Committee, relayed the spirit of the national rural work conference.

CSO: 4007/215

QINGHAI

HOUSEHOLD FARMS, LIVESTOCK FARMS DEVELOPMENT

HK040839 Xining Qinghai Provincial Service in Mandarin 1100 GMT 3 Feb 85

[Text] Farms and livestock farms of the agricultural reclamation system in our province have now set up 1,016 household farms and livestock farms. The number of the workers' households which have set up household farms and livestock farms, accounts for 58.7 percent of the total number of the workers' households of the agricultural reclamation system.

Under the premise of ownership and workers' status remaining unchanged and under the leadership of a state-run farm and livestock farm, a workers' household farm or livestock farm run by a household or jointly by households is regarded as a production unit or a business unit and is an economic collective which submits a fixed amount of tax and profit to the state and assumes sole responsibility for its profits and losses.

In August 1983, when Premier Zhao Ziyang was inspecting the Xinjiang Production and Construction Corps, he pointed out: It is necessary to set up workers' household farms. Since then Golmud Farm, Guinan Livestock Farm, and (Zhaozichang) Livestock Farm in our province have set up a large number of household farms and livestock farms one after another. After more than 1 year of practice these household farms and livestock farms have initially shown their superiority in that the commodity rate is high, workers' income is great, and their contributions toward the country are great.

After setting up her household farm, (Xu Zhengshu), a female worker of the Hexi Branch Farm of the Golmud Farm, has increased her annual income, which is some 200 percent more than her original annual wages. In the existing farms and livestock farms, 10,000-yuan households have emerged.

Practice has proved that the establishment of workers' farms and livestock farms is the necessary way for state-run farms and livestock farms to become prosperous and for workers to get rich as soon as possible.

From 24 to 29 January, the provincial conference in Xining on agricultural reclamation work pointed out: Running well household farms and livestock farms is the starting point of reform of the agricultural reclamation enterprises. The agricultural reclamation system throughout the province must universally set up workers' household farms and livestock farms.

SHAANXI

COTTON RESERVE FIASCO INVESTIGATED

Report of Investigation Group

Xi'an SHAANXI RIBAO in Chinese 30 Aug 84 pp 1, 2

[Article by the Shaanxi Province CPC Committee Investigation Group: "Seven Million Jin of Spoiled Stored Cotton Has Been Investigated; This Is a Serious Quality Accident Created by Bureaucratism and Chaotic Management; Shaanxi CPC Committee Investigation Group Proposes Determining Those Personnel Who Are Responsible and Giving Them the Necessary Disciplinary Punishment"]

[Text]

I

The state decided to store 40 million jin of cotton in Shaanxi in 1982. Of this amount, 8 million jin was placed in warehouses while the remaining 32 million jin were stored for the state by cotton-producing counties. Commercial departments agreed in the last half of 1983 to transfer the cotton stored locally for industrial use. When industrial departments received the cotton in September of 1983, they discovered that it did not meet quality standards and that there were serious problems with 7 million jin of the cotton. Although the industrial and commercial departments discussed the problem was never fundamentally solved. Some textile plants asked provincial and prefectural fiber inspection organs to arbitrate.

We discovered during our investigation that 4.669 million jin of the 32 million jin of cotton in storage had fairly serious quality problems. This amount included 615,400 jin of surplus cotton that was handled through discussions between industrial and commercial departments. There were 140,100 jin of white cotton intermixed with layers of yellow cotton that could not be inspected. Some 3.9135 million jin were inspected through arbitration by fiber inspection organs. The economic losses totalled more than 1 million yuan.

II

The occurrence of such serious quality problems in the stored cotton was due primarily to:

1. An incorrect working style in management, fraudulent practices and substituting poor quality products for good quality ones. This mainly involved

the following methods: 1) Raising product grades and substituting inferior quality cotton for high quality cotton. The Wujiabao and Mazhuang lint cotton processing plants in the former Xianyang City engaged in fraudulent practices and willfully raised the product grade of a total of 690.952 jin of cotton, of which 144,400 jin was stored cotton. Such erroneous methods also exist in other lint cotton processing plants. 2) Mixing yellow cotton with white cotton and switching yellow cotton for white cotton. State cotton inspection standards stipulate that yellow and white cotton of different grades cannot be mixed together. Of the 946,900 jin of fingering cotton transferred to the No 2 state-run cotton mill by the Wujiabao and Mazhuang lint cotton processing plants, an inspection by fiber inspection organs showed that 527,800 jin or 55.7 percent was yellow cotton that had been mixed in. Some 80 percent of a shipment of more than 500,000 jin of cotton from the Wujiabao Lint Cotton Processing Plant that was sent to the No 2 state-run cotton mill was yellow cotton or yellow cotton mixed with white cotton and included 154,100 jin of yellow cotton. They willfully removed the yellow cotton label when the contract certificate was issued and replaced it with one of fingering white cotton. 3) They ignored state standards and willfully mixed in poor grades. On the pretext of "simplifying work," former plant manager Liu Zhikun [0491 3112 0981] of the Wujiabao lint cotton processing plant divided six shift sampling personnel into three processing teams, but did not tell the samplers that they were responsible for quality requirements. In order to get larger "impurity reduction bonuses," some of the three teams opened wide the gates of inspection and willfully lowered impurity ratios. Some basically ignored impurities and merely filled in impurity ratios to meet their own needs. Some took the average impurity ratio values of another team and used them as the results of their own "impurity measurements." As a result, the three teams received "impurity reduction bonuses" totally 539 yuan from February to April. Each person received a bonus, while the state suffered a loss.

2. Management and administration was chaotic, regulations were not followed, rules were violated and there was neglect of duties. During the cotton buying season, many of the purchasing units violated regulations by not making inspections according to the "single test and five determinations." They guessed at amounts, bought cotton at night and mixed a lot of inferior and yellow cotton into the stack of cotton. In 1982, the Mazhuang lint cotton processing plant contracted for the processing of 59 batches of cotton, but inspected only 11 batches. Only a few of the 59 cotton inspection requests were filled in according to regulations. When accepting the certificates, the certificate issuers in the Xianyang City Cotton, Tobacco and Hemp Company failed to take large samples, made no inspections and did no checking. They "reported whatever the processing plant said." A large number of temporary laborers hired during the cotton buying season were commune and brigade cadres and leaders of the lint cotton processing plant. They hired their relatives and friends, gave them no training and assigned them to unfamiliar tasks, causing many mistakes and accidents. A large amount of "gift cotton" and "relationship cotton" [for official favors, etc.] also appeared.

3. There was a failure to assume responsibility, protection of subordinates and serious bureaucratism. First of all, the Shaanxi Cotton, Tobacco and Hemp Company ignored the ideology of and failed to earnestly implement the notice

concerning warehouse storage of cotton that was jointly issued by the Ministry of Commerce, Ministry of Finance, Ministry of Railways, the People's Bank of China and the Agricultural Bank of China and approved by the State Council in December 1982 (Joint Document No 12 on Commodity Cotton (1982)). They did not take measures to guarantee the quality of stored cotton as required in the notice. It was only in March 1983, when wrapping and storage was completed, that deputy director Wang Hanwen [3769 3352 2429] led the related cadres to the unit handling the storage and, "looking at the flowers from the back of a horse" [perfunctorily], took a look at the amount being stored and safety procedures. There basically was no inspection of quality.

After September 1983, when all the textile mills began mentioning the quality problems with the stored cotton, the provincial company emphasized that the "cotton basically meets standards." The industries called for a solution to the problem and stressed negotiations on their part, but [the company] never took an active attitude, so they wrangled over the problem for a long time.

When the negotiations stopped, some of the textile mills applied for an arbitrated solution by fiber inspection organs. A joint meeting of the industrial and commercial departments was convened by the former Xianyang Prefecture Cotton Inspection Office on 20 December 1983 and it was decided that they would arbitrate. Because deputy director Wang of the Shaanxi Cotton, Tobacco and Hemp Company telephoned Liu Shangjian [0491 1424 0313], deputy director of the former Xianyang Prefecture Supply and Marketing Cooperative, and asked him to intervene, however, there was no way for the arbitration and investigation to proceed.

On 4 January 1984, after a strong request by the state-run No 2 cotton mill, the Shaanxi Economic Commission decided to give responsibility to the Shaanxi Fiber Inspection Bureau to help the former Xianyang Prefecture Cotton Inspection Office in a second attempt to arbitrate and investigate in the state-run No 2 cotton mill. After the publication of [the editorial] "We Cannot Cheat the State by Switching Inferior Cotton for Good Cotton" in the SHAANXI RIBAO on 21 January, the Shaanxi Cotton, Tobacco and Hemp Company sent a reply to the state-run No 2 cotton mill stating that they could not accept the results of the arbitration. They then sent back the arbitration and inspection credentials of the Baoji Cotton Inspection Department.

From the time the problem of the stored cotton became known up to the time it was reported in RENMIN RIBAO, no leading cadre from the Shaanxi Cotton, Tobacco and Hemp Company had gone to the site to have a look. They continued to hold on rigidly to "one inspection is good enough" up to the time that the Shaanxi CPC Committee Inspection Group convened a conference of the main responsible persons in the Shaanxi Cotton, Tobacco and Hemp Company on 11 April 1984. They shielded and connived with their subordinates, shifted responsibility to cotton inspection departments and claimed no responsibility themselves.

The Wujiabao and Mazhuang lint cotton processing mills are units under the direct jurisdiction of the former Xianyang City Cotton, Tobacco and Hemp Cotton (the Wujiabao lint cotton processing plant is separated from the company only by a wall). The serious quality problems created by fraudulent

practices in these two mills during the process of purchasing, processing and packaging the cotton were never investigated or dealt with by the company, and it only turned a deaf ear. All of the inferior quality stored cotton that was shipped out by the two lint cotton processing mills was confirmed and certified by the company.

III

We recommend the following for dealing with the situation described above:

1. The stored cotton that was sold to the state by cotton management departments in Shaanxi was of inferior quality, mislabelled, and inferior quality substituted for good quality, involved fraud, created serious economic losses and involved serious questions. Those personnel responsible must be sought out. We propose giving the necessary punishments to the following personnel:

1) Former Party Secretary Comrade Ma Guangwen [7456 1684 2429], who had over-all responsibility for work in the Shaanxi Cotton, Tobacco and Hemp Company, failed to supervise and inspect the storage of cotton turned over by the state, paid no attention to quality, displayed an irresponsible bureaucratic working style toward the party and the people, and has leading responsibility for creating this quality accident in the stored cotton. We propose that he be punished with an internal party warning.

2) Deputy director Comrade Wang Hanwen, who was in charge of administering cotton storage for the Shaanxi Cotton, Tobacco and Hemp Company, divided up warehouse and supply work, did not take responsibility for arranging for implementation of cotton storage tasks, and ignored the question of quality inspections for the stored cotton, leading to the substitution of inferior quality for high quality and fraud in grass-roots units, with serious consequences. Comrade Wang Hanwen must assume direct leadership responsibility for this. We propose that he be given a stern warning within the party and that a serious administrative mistake be recorded.

3) Comrade Wang Yi [3769 5030], Manager of the Shaanxi Cotton, Tobacco and Hemp Company, did not deal earnestly with this problem according the spirit of the Central Committee concerning party consolidation after the quality problems of the stored cotton appeared, but instead adopted a bureaucratic attitude, did not go to have look himself, failed to adopt measures to deal with it, and even telephoned the former Xianyang Prefecture supply and marketing cooperative and told them to block the arbitration and inspection. He failed to consider opinions that could have aided in solving the problem, causing the industrial and commercial departments to wrangle for a long period and never reach a solution.

4) Comrade Zhang Zhifang [1728 1807 5364], deputy secretary of the party branch and manager of the former Xianyang City Cotton, Tobacco and Hemp Company did not take responsibility for her work, was seriously bureaucratic, and has primary leadership responsibility for the quality accident with the stored cotton. She ordered lower levels to change accounting reports, handed out bonuses and materials indiscriminately and made serious mistakes. We

propose giving her a stern warning within the party and the administrative punishment of removing her from her position as manager.

5) Comrade Cheng Jiangong [4453 1696 0501], deputy director of the former Xianyang City Cotton, Tobacco and Hemp Company, was negligent in his work, did not take responsibility for the cotton inspection work he was assigned, switched inferior goods for high quality goods and defrauded units below him, and had direct leadership responsibility for the serious quality accident that was caused by chaotic management. We recommend that he be given the administrative punishment of having a serious mistake recorded.

6) Party branch secretary Meng Zhenya [5536 2182 0068] and former plant manager Sun Xianzhen [1327 0341 3791] of the Mazhuang lint cotton processing plant engaged in fraudulent practices in purchasing, processing and other links with the stored grain, substituted inferior goods for high quality goods, and have primary leadership responsibility for the economic losses suffered by the state. We recommend for punishment that Meng Zhenya be removed from his party post and that Sun Xianzhen be removed from his post as plant manager.

7) Liu Zhikun, former plant manager and party branch secretary at the Wujiabao lint cotton processing plant has primary leadership responsibility for fraud and the serious losses created by switching inferior goods for high quality goods, and had a poor attitude in investigating and dealing with the problem. We recommend that he be punished by being placed under party supervision for 2 years and being removed from his position as plant manager.

8) Li Shijie [0491 0013 2638], head of the former Xianyang City Cotton, Tobacco and Hemp Company Cotton Inspection Section, responsible persons Yin Anmin [1438 1344 3046] and Yi Zhonglin [2496 1813 2651] of the Mazhuang lint cotton processing plant, and cotton inspection group director Guo Jingzhu [6753 2417 2691] and accountant Jiang Baodong [1203 0202 2639] at Wujiabao violated regulations and should be dealt with by the Shaanxi capital district CPC Committee.

2. Based on the stipulations contained in article 26 of the "Articles for Management Standardization in the People's Republic of China" and paragraph 3 of article 5 of the "Management Methods for Product Quality Supervision and Inspection in Shaanxi Province (Trial)" and the actual situation in Shaanxi, the results of the arbitration and investigation by the provincial and prefectural fiber inspection organs should be upheld. Of the 4.669 million jin of stored cotton with fairly serious quality control problems, the 615,400 jin of surplus cotton that was handled through negotiations between the industrial and commercial departments should be dealt with according to the opinions of the original discussions. The economic losses of the 3.9135 million jin of stored cotton that underwent arbitration and investigation must be borne by cotton management departments, and we ask that the Shaanxi Economic Commission supervise its implementation. The 140,100 jin of cotton that could not be inspected because of serious mixing and interlayering of yellow cotton must be taken back by the lint cotton processing plant and reprocessed.

3. Comrade Wu Guanghua [0702 0342 5478], deputy director of the Shaanxi Commerce Office made some mistakes in investigating this quality accident in stored cotton, and we recommend that Comrade Wu Guanghua investigate the problem during the party consolidation.

Notice Issued on Case

Xi'an SHAANXI RIBAO in Chinese 30 Aug 84 p 1

[Notice Issued by Shaanxi Provincial CPC Committee: "Notice of the Shaanxi Provincial CPC Committee Concerning the Problems of Quality Accidents in Stored Cotton"]

[Text] The Shaanxi Provincial CPC Committee's "Report on the Problem of Quality Accidents in Stored Cotton" is now being announced throughout the province. We ask that party committees and related leading comrades examine it earnestly and that they organize party members and comrades in related departments to discuss and absorb lessons from it. The disciplinary punishments for the related personnel proposed in the "Report" have been approved by an expanded session of the Standing Committee of the Shaanxi Discipline Inspection Committee and we hope that party organizations in the related units will conscientiously implement them.

We had uncovered a group of cases of bureaucratism since party consolidation began, some of them extremely serious ones that have caused startling losses and that provide food for thought. The serious quality accident with stored cotton is a typical case. We not only uncovered incorrect working styles in managerial ideologies, chaotic administration and management and other serious problems in some grassroots economic work units, but also exposed serious bureaucratic attitudes and irresponsibility toward the party, the state and the people on the part of some leading organs and leading cadres. Several leading cadres in the Shaanxi Cotton, Tobacco and Hemp Company and responsible persons in the former Xianyang City Cotton, Tobacco and Hemp Company were derelict in their duties and did not adhere to Joint Document No 23 on Commodity Cotton (1982) issued by the Ministry of Commerce and four other units. They showed no concern for the problem, were apathetic and even went to the point of errors like willfully shielding and protecting lower levels. These are serious questions. They not only caused serious economic losses, but also had unfavorable political effects. It is entirely necessary that the related personnel be given disciplinary punishment.

Bureaucratism is a major problem that permeates our political life. It greatly damages trust in the party, seriously damages socialist construction, and harms the party, the state and the people. We must struggle with it resolutely and eliminate it completely. The existence of bureaucratism is of course related to defects in management systems. It is, however, also related directly to the ideology and work styles of some leading cadres. Whether or not cadres in leadership positions make the mistake of bureaucratism and whether or not they are seriously bureaucratic is determined primarily by the ideology and consciousness of the individual and by the kind of attitude they take toward the affairs of the party and the people. The bureaucratism of

irresponsibility toward the party and the people is a prominent expression of impure ideology and an impure party character. Many comrades at the present time do not hate bureaucratism as much as they hate using the position for personal benefit, lining their pockets or other incorrect practices. They often take a permissive attitude toward bureaucratism, sometimes to the point of concealing it or absolving people of it. This situation must resolutely must be changed. Based on the spirit of the Central Guidance Committee's Document No 9, the provincial CPC Committee has called for an investigation of bureaucratism to be an important question during consolidation. Units that have not yet begun party consolidation also should adhere to this spirit in preparatory changes prior to consolidation and concentrate on solving prominent problems in this area. Party committees at all levels should begin immediately to systematically investigate and check one by one those cases of losses due to bureaucratism that occurred within their units. They should investigate the matter, determine responsibility and adopt economic, party discipline, administrative discipline and even legal measures to deal with them resolutely. Those who have direct responsibility for serious bureaucratism or who regularly permitted it should be dismissed from their posts if necessary and those who should be brought to justice should face justice. There can be no leniency or appeasement. At the same time, we should use investigations of this type of case to summarize experiences and lessons, to earnestly consolidate grassroots economic organizations, to be thorough in systems reforms, to resolutely stamp out all types of corrupt practices, to pull out bureaucratism by its roots and to guarantee thorough party consolidation and reform.

12539
CSO: 4007/102

SHANDONG

SU YIRAN SPEECH ON RURAL ECONOMIC DEVELOPMENT

SK020113 Jinan Shandong Provincial Service in Mandarin 2300 GMT 31 Jan 85

[Text] At the provincial rural work conference on the morning of 31 January, Su Yiran, secretary of the provincial CPC committee, made a speech entitled "Several Orientations for Developing Shandong Rural Economy."

Talking about our overall rural economic structure, Comrade Su Yiran said: I am thinking over whether or not Shandong should set up an open, compound and ecotype rural economic structure linking trade with industry and agriculture. We should thoroughly break free from the state of a closed economy and put our rural economy in the sphere of national and international markets. We should pay special attention to demands of export trades and set up a rural economic structure linking trade with industry and agriculture. The word compound means to thoroughly change the unitary agricultural structure and to make an overall development in various industries. The word means to thoroughly change the previous state of vicious circle and to set up an ecological agricultural structure of virtuous circle in keeping with the law of nature.

Comrade Su Yiran said: Since the 3d Plenum of the 11th CPC Central Committee, our province has achieved great successes in the readjustment of the agricultural structure and, especially, made remarkable achievements in the readjustment of grain and cotton plantation structure. However, along with the development of commodity economy, we must continue to readjust the industrial structure in line with the market changes to produce the commodities that markets need. We cannot confine the readjustment within the plantation structure but should take into consideration the readjustment in a wider and deeper sphere.

He held: With regard to crops, we should concentrate on solving the problem concerning having too much grain crops and too little cash crops.

Among the total 120 million mu of farmlands in the province, we plan to grow grain on half of them and to develop cash crops on the other half. With regard to the development of cash crops, we should reduce cotton fields and vigorously develop the production of peanuts and cauliflowers.

With regard to forestry and fruit growing, we should further relax the restrictions of the policies on mountainous and forest areas, successfully turn cultivated lands on the mountainous areas and on the slopes into forest areas in planned and step-by-step manners, and accelerate the development of fast-growing and high-yielding forests and the building of shelter belts on the plains. We should concentrate on developing the production of such dry and fresh fruits as apples, hawthorns, and red jujubes on parts of grain fields.

With regard to animal husbandry, we should advocate the development of state, collective, and individual owned farms and enthusiastically support and develop households engaged in animal raising on a large scale. We should vigorously develop the raising of herbivorous animals and poultry and lean-meat pigs so as to make our livestock products enter the international markets as soon as possible.

With regard to fishery development, we should take sea and fresh water breeding as a key plan, vigorously develop precious marine products and strive to realize the annual production target of 3 million tons of marine products.

Comrade Su Yiran also placed special stress on developing various industries in rural areas. He said: Viewing from our rural situation, we should center the development of various industries on processing agricultural and sideline products, construction and building material industries, tertiary industry, communications and transportation industries and energy and mining industries. By doing so can a vitalized rural industrial structure be formed, can the province ceaselessly open new avenues for production, and can the rural economy be enlivened comprehensively.

Comrade Su Yiran finally urged leading comrades at all levels to strengthen their instructions on the development of rural macroeconomy.

He said: In conducting a comparison between modern and traditional agriculture we could find much change in the agricultural structure and production. This tells us to properly and basically change the methods in leading rural economic work and to break free from a series of traditional ideas and practices. In short, we should realize three changes. 1. We should change the ways of making policies from experience to basing them on science and information. 2. We should change the ways of principally relying on administrative means to economic means. 3. We should change the microeconomic instructions to macroeconomic instructions. This way, our work instructions can keep with the objective law of the modern agricultural development, and comrades in charge of rural work can gain the initiative to lead modern agriculture.

CSO: 4007/215

SHANDONG

TASKS FOR RURAL AREAS MAPPED OUT

SK300702 Jinan Shandong Provincial Service in Mandarin 2300 GMT 29 Jan 85

[Excerpts] In his speech delivered at the provincial rural work conference, Li Zhen, deputy secretary of the provincial CPC committee and vice governor of the province, pointed out: The key task faced by the province is to conduct reforms in the structure of rural production and business.

Comrade Li Zhen stated: Though our province has achieved greater development in commodity production, its capability to meet the needs of markets and society is very poor. In line with the demand of markets, we should continuously conduct readjustment in the days to come. Efforts should be made to continuously implement the principle of never ignoring grain production and continuously developing the diversified economy in order to accelerate the pace of developing agriculture, forestry, animal husbandry, sideline production, and fisheries in an all-round way; to set up production networks among planting, breeding, and processing; undertakings; and to form a comprehensive management system among agriculture, industry, and commerce.

Comrade Li Zhen pointed out: In readjusting the structure of production and business, we must proceed from the actual situation in the province and adapt our measures to local conditions in order to bring into full play the local strong points. We should respect the right to self-determination of the masses and boldly let the masses choose their own business freely. In line with local material resources and market demand, we should readjust the structure of production and business in a reasonable manner. To this end, he put forward the following concrete tasks:

1. We should readjust the quota of cotton production and do a good job in turning cotton fields to other production. The state cotton assignment for 1985 is 220 million dan, 10 million dan less than the 1984 procured volume. We must do a good job in guiding peasants to actively and resolutely readjust their cotton production in line with the state assignment and in ensuring that peasants increase their incomes steadily.
2. We should vigorously grasp grain production and do a good job in processing grains into other commodities.
3. We should develop animal husbandry.

4. We should develop undertakings involving forestry and fruits. From now on, we should further relax restrictions in policies and have localities realize the diversified economy step by step with the emphasis on developing forestry and with a system of coordination among the fields of agriculture, forestry, animal husbandry, industry, and commerce.

5. We should develop aquatic production. Efforts should be made to uphold the principle of regarding as a main task the breeding work and paying simultaneous attention to the production of breeding, fishing, and processing.

6. We should develop the industry of processing.

7. We should develop the undertakings of construction, making building materials, and mining.

8. We should organize the surplus labor forces to develop tertiary industries and support peasants, individuals, and collectives to open the business of commerce, transport, culture and education, public health, tourism, and other service, transport, culture and education, public health, tourism, and other services in order to expand the service realm. Efforts should be made to vigorously develop township-and-town-run enterprises. We should treat all enterprises equally, including joint-venture or individually-run enterprises and should equally encourage or support both collectives and individuals to open business.

CSO: 4007/215

SHANDONG

FURTHER REPORT ON LI ZHEN'S RURAL WORK SPEECH

SK310409 Jinan Shandong Provincial Service in Mandarin 2300 GMT 30 Jan 85

[Text] At the provincial rural work conference, Li Zhen, deputy secretary of the provincial CPC committee and vice governor of the province, stressed in his speech that the various policies aimed at opening and enlivening the rural economy should be implemented conscientiously.

Comrade Li Zhen said: In order to enliven the rural economy we should relax restrictions and carry out market regulation. Now is the best time for relaxing restrictions. The general guideline of the 10 policies on further making the rural economy flourish issued by the central authorities this year is to open and enliven it. The system of state monopolized and fixed-quota purchases of farm products should be reformed, and the regulatory role of market should be expanded under the guidance of state plans in order for peasants to gear their production to the needs of markets. Carrying out market regulation means to act according to the law of value and to gradually relax price control. The central authorities decided that beginning this year the state will no longer assign purchasing quotas for all farm products, except for a few categories of products. The state monopolized purchases of grain and cotton will be abolished, and the state purchases on a contract basis will be implemented. In this way, farm products will no longer be divided and sold by various departments according to the categories of products, but will be directly circulated through various channels. Departments in charge of selling and processing farm products, and farm products consuming units can sign contracts of purchases directly with peasants. Peasants can also sign sales contracts directly or indirectly through cooperative organizations with departments concerned. No units or individuals are allowed to intervene in this. We should learn to use financial means and pay close attention to financial work. The rural cooperative system should be established and improved vigorously in the principle of voluntary participation and mutual benefit and in line with the needs of the commodity economy. Rural specialized households, including those engaged in large-scale production, and villages of specialized production are new emerging things, which should be actively supported and developed, and should be protected so that their legal rights and interests will not be infringed upon. The various forms of associations, which are a trend in the development of commodity production, should also be encouraged and supported. However, the association should be organized in the principle of voluntary participation and mutual benefit. Compulsory participation and indiscriminate transfer of property and manpower are not permitted.

When we want to collect funds to develop various undertakings in rural areas, we should consult with the masses in a democratic way and should develop according to our capacity. No units or individuals are permitted to collect unwarranted funds from peasants and increase their burden. The reform of the system of supply and marketing cooperatives should be further carried out successfully in order to truly turn them into economic entities which carry out independent accounting and hold the sole responsibility of their losses and profits, and which are operated independently by the masses in a democratic way. In developing the commodity economy, we should implement the open-door policy, which means to open to foreign countries and to other areas, provinces, and municipalities of the country. We should further relax control over export of farm and sideline products, gradually establish a trade-industry-agriculture production structure, and make great efforts to arrange for the export of farm and sideline products and processed goods. In the meantime, we should vigorously import various fine quality goods, advanced technology and equipment, and funds from abroad to develop our rural economy.

Comrade Li Zhen called for establishing and developing new socialist relations between urban and rural areas, and blazing a road of urban-rural cooperation, mutual promotion, and common development and prosperity.

Comrade Li Zhen said: During the past few years, some areas in our province have bravely probed ways of urban-rural cooperation and common development and have accumulated many good experiences. As far as the whole province is concerned, however, there are still many obstacles to the contacts between urban and rural areas. Some of our leading comrades still do not fully understand the overall situation of the urban and rural economy, and lack mental preparation and necessary measures for the ever-growing urban-rural economic and technical exchanges. We should note that the development of the rural commodity economy badly needs the support and coordination of advanced urban productive forces, and that the overall reform of the urban economy badly needs the abundant industrial materials and the wide markets of rural areas. This requires us to eliminate the barriers between urban and rural areas, and make them open their doors to promote their mutual economic cooperation. We should give full play to the central role of cities and towns, and gradually establish an economic system in which cities lead counties and towns lead villages. Urban industrial enterprises should transfer the processing of the products and spare parts which can be processed in rural areas to rural areas in a planned and step-by-step manner. We should work out different credit and tax policies for rural and urban areas in order to encourage the industries more suitable for rural areas to leave cities. New projects to be developed in the future should be distributed to the suitable rural areas. Rough processing of farm and sideline products should be undertaken mainly by rural areas at and below the county level. Great efforts should be made to spread talented people and technologies to rural areas. Last year, the provincial CPC committee and government formulated policies encouraging scientific and technical personnel to work in islands, mountainous areas, and township enterprises and also organized pertinent prefectures and cities to render support suited to the development of islands and mountainous areas. All localities and departments concerned should conscientiously implement

these policies and step up their support. We should further strengthen construction of small towns, which serve as a bridge connecting urban and rural areas and a forward position for commodity exchanges. All localities should first map out plans for building small towns; second, give a green light for specialized households and associations to engage in industrial production and commercial activities in cities and towns; and third, vigorously develop specialized markets. We should accelerate the overall reform at the county level. Counties are an area where urban and rural economies combine, a basic unit with fairly complete social economic functions of our country. The successful overall reform of counties will be conducive to the economic contacts between urban and rural areas, and will promote the mutual development and mutual prosperity of urban and rural areas. We hope that all localities will bravely probe ways for the overall reform of counties, and strive to achieve a great breakthrough and great results in a short period of time.

CSO: 4007/215

SHANDONG

RURAL WORK CONFERENCE ENDS

SKO20521 Jinan Shandong Provincial Service in Mandarin 2300 GMT 1 Feb 85

[Excerpt] After a 9-day session, the provincial rural work conference concluded in Jinan City on 1 February. The conference stressed that efforts should be made to earnestly implement the policies of enforcing the open-door principle, allowing flexibility in production, and enlivening the rural economy and to further conduct reforms among rural economic systems. It is necessary to make production arrangements in line with social demands in order to rationalize the structure of production and business in rural areas and to continuously maintain or develop the prevailing situation in rural areas throughout the province.

Attending the conference were more than 300 persons, including responsible comrades from various prefectures and cities; directors of the rural work departments; secretaries of the agricultural and industrial commissions; secretaries of various county party committees; and responsible persons from the provincial level departments concerned. Attending the conference were leading comrades of the provincial CPC committee and the provincial people's government, including Su Yiran, Liang Buting, Li Changan, Li Zhen, Yang Yanyin, Zhou Zhenxing, Zheng Weimin, Xu Shulin, Ma Shizhong, Lu Hong, and Zhu Qimin.

Comrades Su Yiran and Li Zhen delivered speeches at the conference.

During the conference, participants earnestly studied the 10 policies issued by the CPC Central Committee and the State Council in regard to further enlivening the rural economy and the spirit of the national rural work conference. They summed up and exchanged their new experience gained in conducting reforms in rural areas, discussed and analyzed the new questions they face, and put forward the concrete measures for the second step, focusing on bringing about a change in the structure of rural production and business and developing the commodity economy.

The conference held that the transformation of rural production and business structures and the establishment of a reasonable and highly effective economic structure in rural areas constitute the striking task currently faced by rural areas throughout the province.

CSO: 4007/215

SHANDONG

SUPERIOR COTTON VARIETY USED TO INCREASE PRODUCTION

Beijing ZHONGGUO NONGMIN BAO in Chinese 18 Oct 84 p 1

[Article: "Readjust Crop Mix and Develop Improved Species of Cotton: Dezhou Region Decides To Use New Improved Strains To Gradually Replace Lu Variety No 1"]

[Text] Next year will mark the beginning of a "cutback" in the planting of Lu No 1 Cotton which had so much to do with increased yields in Shandong's Dezhou Prefecture. It is to be replaced with the newer Lu Nos 2, 3 and 6 which are better in quality.

Dezhou Prefecture had cotton sown on 4.82 million mu this year, of which Lu No 1 was used on 3.5 million. From the standpoint of yields over the last few years, this strain developed by the Shandong Cotton Research Institute which won a national first prize as an invention had high yields and adaptability, and played a primary role in turning around the backward cotton-production situation in the prefecture and in increasing farm income. However, it is low in fiber strength and degree of maturity, so that it cannot be woven into fine or high-quality yarn. The three newer strains developed by the institute cited above underwent extensive local testing and appraisal, and are all higher in fiber quality than Lu No 1, basically better suited to textile industry requirements, and equal or better in yields. Lu No 6 is notable in that it meets industry needs and has the adaptability and yield features of Lu No 1. As a result it has met with popular approval. The prefecture currently has seed supplies for around 490,000 mu of Lu No 2 and Lu No 3 and 10,000 mu of Lu No 6 in order to facilitate widespread planting next year. It has also signed individual contracts with local cotton farmers for 260,000 mu of the above-mentioned three varieties. Concerned departments are also preparing for manifold increases in reproduction of Lu No 6 to bolster resources of seed for fundamentally replacing Lu No 1 with the new variety in 1986.

12303
CSO: 4007/97

SHANDONG

COMMENTARY ON USE OF SUPERIOR COTTON STRAINS

Beijing ZHONGGUO NONGMIN BAO in Chinese 18 Oct 84 p 1

[Commentary: "Renew Varieties, Stress Both Quantity and Quality"]

[Text] Shandong's Dezhou Prefecture is starting to use new cotton varieties in a determined effort to increase yields of high-quality cotton. This move is both correct and timely.

China's socialist modernization and the standard of living of her people require high-quality cotton, just as they require high-quality farm products, such as grain and oils. But prior to the Third Plenum of the 11th CPC Central Committee, since problems of providing enough to wear and to eat had not yet been solved, emphasis was necessarily placed on quantity of grain, oils and cotton rather than on quality. Now the situation has changed. There is enough to eat and to wear. This is a historic change, and one which provided the right conditions for using high-quality strains while ensuring that farm product yields continued to rise.

All levels of Dezhou Prefecture's leading organs have taken hold of this favorable opportunity to guide farmers toward opting for the improved cotton varieties and for higher quality cotton. This has been in complete accord with the requirements posed for planting in China's general trend away from self-sufficient and semi-self-sufficient economics toward broad-scale commodity production. It is beneficial to the nation and to the people. It will both increase people's incomes and fulfill the ever-increasing demands of exports and consumption levels in society.

Innovations in farm product varieties require special efforts by agricultural science personnel. Those of the Shandong Cotton Research Institute a few years back developed the Lu No 1 variety which was used on an area exceeding 10 million mu throughout China and contributed extensively to the rise in China's cotton production. Still, they did not fall back into complacency but continued their efforts and came forth with improved strains higher in fiber quality and yield than Lu No 1, creating the preconditions for cotton variety innovation. Improving strains of cotton also depends on breeding good strains and on hard work by popularization workers. Without their sweat, the improved strains would still not be blooming all over.

Dezhou's switch to improved strains on a large area bodes well for increasing the quantity and quality of farm products. We are convinced that this sort of thing will crop up in other places, and that currently used stores of seed for cotton, oil, grain and other products will be gradually replaced with other varieties even higher in yield and quality.

12303

CSO: 4007/97

SHANDONG

DEZHOU COTTON SIDELINE PRODUCT PROCESSING INDUSTRY DEVELOPED

Jinan DAZHONG RIBAO in Chinese 17 Nov 84 p 2

[Article by Gao Jijie [7559 0679 2638]: "Comprehensive Utilization and Intensive Processing Increases Value Many Times; Dezhou Prefecture Develops Cotton Sideline Product Processing Industry"]

[Text] Development of the cotton sideline product processing industry has been stressed by Dezhou Prefecture. The use of cottonseed oil residue to produce nonpoisonous asphalt and alcohol acid paint has now been successfully put into production and 3,000 and 200 tons of these respectively will be produced by the end of 1984. The technique of using cottonseed shells as a culture medium to grow edible mushrooms in has been further popularized and the cultivated area has reached 300,000 sq m. In addition, six major projects such as using cottonseed oil residue to separate three acids (oleic, linoleic and palmitic) and one oil (glycerine) and to make alcohol acid varnish, whale-brain oil and synthetic wax and using cotton firewood to produce soundproof ornamental shutters and cotton phenol industrialization to eliminate poison have been listed on 1984's S&T plans throughout Shandong.

Dezhou Prefecture is one of the key cotton-producing areas in China and its total output constitutes nearly one third of that throughout Shandong. Successive bumper cotton harvests have produced large amounts of sideline products with 1.9 billion jin of cotton firewood, 1 billion jin of cottonseed, 200 million jin of cottonseed shells, 500 million jin of cottonseed cake, 40 million jin of cottonseed oil residue and 90 million jin of short-nap cotton cloth being produced in 1983 alone. Except for a part which was used for fertilizer and fuel, most of these sideline products were discarded in the past and some even created environmental pollution. If modern S&T is used to comprehensively utilize and intensively process there sideline products, their output value will be over 100 percent higher than that of ginned cotton itself. The prefectural party committee and the administrative office have thus strengthened the leadership work in developing this new economic field since the end of 1982 and formulated development plans for the comprehensive utilization of cotton sideline products. They have put qualified scientists and technicians in important positions, combined "introduction from outside" with "internal integration" and achieved remarkable results in a fairly short period of time.

.In the course of scientific research, much attention has been paid by Dezhou Prefecture to the work of economic and technical proofs such as whether technology is feasible, raw and processed materials can be based on domestic supplies, economic results are good, responsible units are qualified to fulfill duties and successes can be popularized and applied, and blindness has thus been avoided.

12267

CSO: 4007/117

SHANDONG

BRIEFS

GRAIN OUTPUT--Shandong Province procured 10.63 million jin of grain by the end of December 1984; procured 31.53 million dan of cotton by 25 January 1985; and procured 795 million jin of peanuts by 20 January 1985, increasing by 36.3 percent, 32.2 percent and 8.9 percent, respectively, over the corresponding periods in the previous year. [Text] [Jinan Shandong Provincial Service in Mandarin 2300 GMT 10 Feb 85 SK]

CSO: 4007/215

SHANGHAI

FLOOD PREVENTION SCHEME STUDIED

OW050747 Beijing XINHUA in English 0715 GMT 5 Feb 85

[Text] Shanghai, 5 Feb (XINHUA)--A scheme to protect Shanghai from the worst possible floods in 1,000 years is being examined by officials and experts here.

The existing dykes and other facilities protect the city from the worst floods recorded in the past century, officials here said.

Shanghai, China's largest industrial port, is on the Huangpu River near where it joins the Yangtze estuary to flow into the East China Sea.

The city has had 11 serious floods this century. A storm on 1 September 1981 raised the flood crest above the city's downtown area.

Eight centimeters more would have reached the warning mark, officials said.

Also Shanghai has been sinking, slowly but steadily, since 1921 due to excessive pumping of underground water.

The scheme will cost 800 million yuan. When complete in 10 years it will be equal to the worst flood recorded in 1,000 years.

Dykes will be strengthened and raised along 181 kilometers of the Huangpu, to protect the city from flood crests of up to 6.27 meters, compared to 6.1 meters now.

Meanwhile, a sluice gate will be built downtown where the Huangpu receives Suzhou Creek.

The Minhang Industrial District on the outskirts will be independently protected.

Shanghai's industrial output accounts for one-ninth of China's total. It trades with 160 countries and regions.

CSO: 4007/215

6 March 1985

SHANGHAI

NATIONAL AGROTECHNIQUE EXCHANGE FAIR HELD

OW080927 Beijing XINHUA Domestic Service in Chinese 0901 GMT 6 Feb 85

[Text] Shanghai, 6 Feb (XINHUA)--As agrotechniques are being turned into commodities in many areas, scientific and technical units in various areas should seize this opportunity to promote technical development by opening up technical markets to quickly turn agrotechnical achievements into productive forces. This was the information released by the First National Agrotechnique Exchange Fair held in Shanghai from 1 to 5 February.

At this fair, comrades from agricultural research units in the country's 28 provinces, cities, and autonomous regions exchanged experiences in developing agricultural, animal husbandry, and fishery techniques, and discussed new ways to further enliven the market for agrotechniques in the new situation, where readjustment of the rural industrial structure is under way.

The participants noted that China's achievements in agricultural production and agricultural research illustrated the great potential and broad prospects for the agrotechnique market. They urged all areas to make good use of the following feasible and effective methods of conducting technical transactions: 1) Transfer of achievements, including marketing of products on a trial basis, consists mainly of making compensatory transfers of achievements and techniques to peasants. 2) Technical services, including scientific and technical consultation, technical contracts, surveying and analysis, and training of qualified personnel, consists mainly of providing compensatory services to peasants by using science and technology, intellectuals, information, and equipment. 3) Scientific research units and agricultural production departments should cooperate in developing scientific and technical achievements, importing technology, and running joint-venture enterprises. 4) Efforts should be made to develop economic relations among enterprises and regions, and to carry on research and trial-production programs of other regions and departments.

The participants were of the opinion that attention should be paid to the following in developing agrotechniques and in opening the market for them: The target of service must be properly selected; in developing techniques, there must be favorable conditions and special characteristics; adhere to the principle of equality and mutual benefit; abide by the state policies, laws and decrees concerned.

A total of 366 items of technical services, transferred achievements, and experimental products of the agricultural research units in various areas of the country were displayed at the fair. Agreements, or initial agreements, were concluded to buy 221 of them.

During the fair, many comrades suggested that various areas should, according to the needs of the situation, establish agrotechnique markets of different scales, and other centers for exchanging information in agrotechniques, and for transacting agricultural scientific and technical achievements.

CSO: 4007/215

SHANXI

READJUSTING RURAL PRODUCTION STRESSED

HK290121 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 28 Jan 85

[Excerpts] On the morning of 28 January Wang Tingdong, member of the Standing Committee of the provincial CPC committee, conveyed to the provincial CPC committee work conference the spirit of the national rural work conference, saying: The focal points for rural work this year are to base our work on Shanxi realities, creatively implement the relevant central documents of 1985, promote rationalization of the rural production mix, and greet a new situation of developing rural commodity production. Comrade Wang Tingdong spoke on the following points regarding this question:

1. Integrate reform of the urban economic structure with the rural reforms. It is necessary to fundamentally change the traditional concept of completely separating agriculture from industry and the rural areas from the cities.
2. All functional organs and administrative departments must carry out synchronous reforms and do everything possible to protect the peasants' enthusiasm. All kinds of direct and indirect methods must be adopted to ensure sustained growth in the peasants' incomes. The first stage of rural reform was a reform of the commune setup, and its links with other sectors were relatively simple. The second stage involves reforming the circulation and pricing systems of commodities, and has closer ties with the national economy as a whole. The peasants profoundly believe that the central policies will not change; they are only afraid of being strangled by various departments. Departments which did relatively well in supporting rural reforms in the past have new points of unsuitability this year, and must continue to carry out reforms. Departments which did not do this work well enough in the past must all the more learn the lesson this year and be open-minded in delegating powers and careful in providing service.

Many of [words indistinct] methods and regulations of the economic departments uphold the monopoly way of doing things and the management of a closed-style natural economy. Now we must organize an open-style, invigorated economy, expand regulation by market mechanism, and develop commodity economy. Of course, this must certainly not be misinterpreted as permission to neglect the establishment of regulatory controls.

The departments must also seek to provide high-quality service for the peasants. At present they must in particular help the peasants to solve difficulties in grain conversion work.

3. Delegate powers to the counties. The county is the unit that integrates urban and rural economy. It is a basic unit in which China's social and economic functions are relatively complete. The counties should be given more decisionmaking powers. We must strengthen management by county-level government and its ability to coordinate the economy.

4. Promote the rationalization of the rural production mix. In doing this, it is necessary to adopt different measures in light of different situations, bring internal potentials into full play, and select optimum production policies.

5. Leading cadres must keep clear heads, speak the truth, seek truth from facts, and be responsible to the people and society.

CSO: 4007/215

TIANJIN

RURAL WORK CONFERENCE CONCLUDES

SK050025 Tianjin City Service in Mandarin 0030 GMT 4 Feb 85

[Excerpt] The 7-day municipal rural work conference ended on the morning of 3 February. The conference pointed out: In 1985, municipal rural work should be aimed at vigorously developing foodstuffs production, enabling the people to become prosperous, fulfilling the doubling task, building new residential quarters, and reforming the rural industrial structure with the spirit of transformation in order to make rural areas more civilized and lovely.

Attending the conference were Zhang Zaiwang, Li Ruihuan, Wu Zhen, Tan Shaowen, Yan Dakai, Yang Jingheng, Xiao Yuan, Liu Zengkun, Wang Xudong, Chen Yiyi, Xing Yanzi, Li Zhongyuang, Zhao Jun, Lu Da, Nie Bichu, Liu Jinfeng, Li Lanqing, Wang Enhui, Tan, Songping, [as printed] Zheng Wantong, and Lu Xuezheng.

During the conference, Comrade Li Ruihuan personally convened a series of symposiums, and solved the practical problems existing in the current work. Comrade Wu Zhen made a report on the rural work on behalf of the municipal CPC committee and the municipal people's government. Comrade Liu Jinfeng relayed the guidelines of the national rural work conference.

The conference conscientiously summed up and exchanged the new experiences gained in the 1984 rural reform. The conference maintained: Last year, big changes took place in the municipal rural situation; new breakthroughs were made in commodity production, focusing on foodstuffs; rapid development was made in town- and township-run enterprises; the economic contacts between urban and rural areas became more brisk; initial achievements were scored in imports and in internal cooperation; new progress was made in the rural scientific and technological work; and the building of rural and urban areas developed vigorously. In 1984, the total industrial and agricultural output value of Baodi, Jinghai, Nanjiao, Beijiao, Xijiao, and Hangu was twice the figure for 1980. The 1984 per capita income of Ninghe, Baodi, Dongjiao, Beijiao, and Dagang increased by more than 100 yuan over that in 1983.

The conference analyzed the new situations in rural economic development, and worked out the tasks for 1985. This year, the people's needs regarding vegetables, milk, and eggs should be satisfied; the production level of aquatic products, meat, melons, and fruits should be raised; the gross rural industrial and agricultural output value should be twice the figure for 1980; peasants' per capita income should increase by 70 yuan over 1984; and new progress should be made in the building of the two civilizations in rural areas.

XINJIANG

CONFERENCE DISCUSSES RURAL WORK QUESTIONS

HK020333 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 1 Feb 85

[Excerpts] A rural work conference convened by the regional CPC committee which concluded today pointed out that readjusting the production mix, reforming the system of procuring agricultural products, vigorously developing commodity production, and striving for a bumper harvest for the eighth successive year are the focal points in Xinjiang's rural work this year.

The meeting held: Taking a general view, the foundation of the region's rural economy is weak, the level of production is rather low, and the production mix is very uncoordinated. This is mainly shown by the fact that there is plenty of grain but little meat, and animal husbandry is particularly weak. Township enterprises made a late start. Their foundation is weak and their development slow. We have not taken full advantage of our superior features in production of grapes, melons and so on. Forestry production is extremely weak. The problem of goods and clothing in some remote pastoral areas has not yet been solved. The income of herdsmen is everywhere lower than that of the peasants.

After study and discussion, the participating comrades unanimously held that the key to transforming this state of affairs lies in carrying out the following readjustments on the basis of the spirit of the central document No 1 of this year: 1) Readjust the cultivation setup, and develop production of grapes, melons, and other fruit, to take full advantage of the region's superior natural features. 2) Readjust the whole structure of agriculture and vigorously develop animal husbandry; it is urgent to transform the weakness in the region's animal husbandry. The key to doing this lies in relaxing the policies and giving the herdsmen more decisionmaking powers. 3) Vigorously develop township enterprises. This is a focal point in readjusting the rural production mix. 4) Develop forestry in light of local conditions. This must be grasped as an important strategic measure for improving the ecological environment and benefiting posterity.

Comrade Li Jiayu made a work report at the meeting. Comrade Wang Enmao spoke at the conclusion.

CSO: 4007/215

XIZANG

MEETING ON ENRICHMENT THROUGH HARD WORK CONCLUDED

HK110627 Lhasa Xizang Regional Service in Mandarin 0500 GMT 11 Feb 85

[Excerpts] The Xizang regional symposium of advanced individuals and collectives in getting rich through hard work solemnly concluded in Lhasa on 10 February. Regional CPC Committee First Secretary Yin Fatang announced the opening of the final session at 1550.

The representatives attending the symposium issued a letter of proposal to all peasants and herdsmen in the region. Pagbalha Geleg Namgya, vice chairman of the regional CPPCC, gave five views on how upper-strata patriotic figures and religious work could make contributions to the region's economic construction. Regional CPC committee secretary Redi put forward seven hopes regarding the efforts of the peasants and herdsmen to fulfill ahead of schedule the glorious task of doubling average incomes within 3 to 5 years.

Also present were responsible comrades of the party, government, army, and CPPCC including Yangling Duoji, Ba Sang, Wang Xinqian, Jiangcun Luobu, Dan Zeng, (Jiang Hongquan), Shengqin Luosang Jianzan, Xuekang Tudengnima, Lang Jie, Peng Zhe, Yang Zongxin, Pu Qiong, and Zheng Ying.

In his speech, Comrade Redi highly evaluated this symposium. He said: As a result of this meeting, the representatives have got a clear idea on the orientation of getting rich through hard work, strengthened their confidence to get rich through hard work, and opened a glorious chapter in the history of the efforts of the region's peasants and herdsmen to get rich through hard work. He put forward the following hopes to the representatives who are about to return to their posts:

1. Further emancipate the mind and eliminate leftist influences. The peasants and herdsmen throughout the region, especially the specialized households which get rich through hard work, must bring about a great change in their thinking. They must fundamentally eliminate various ideological worries such as wanting to get rich but not daring to, fear of revealing wealth, and fear that policies will change. They must dare to break down old conventions, change old methods, discard the traditional concept of simply growing crops or raising livestock, be bold in accepting new ideas, understand new things, and embark on new paths, to meet the needs of developing commodity economy.

2. Act in light of local conditions and take advantage of local superior features in vigorously developing commodity production. Although there are now 46,000 specialized households in Xizang, this only represents about 13 percent of the peasant and herdsman households in the region. The degree of enrichment is insufficient. Hence it is essential to make ever greater efforts to tap potentials, actively develop new undertakings, promote diversification, and open up broad roads for generating and creating wealth. The specialized households should fully play an exemplary role and pass on their experiences in getting rich.

3. Bring into full play the role of applying and popularizing science and technology.

4. Be leaders in building socialist spiritual civilization in the rural and pastoral areas. The specialized households must actively send their children to school to acquire knowledge of culture and science, and strive to bring up a new generation of peasants and herdsmen suited to economic development. Where possible, specialized households can group together to run schools, or else individuals can run them.

5. Promote a new socialist lifestyle. After becoming rich, the specialized households should have new ideals and goals. They must dare to get rich and also dare to display their wealth and make notable changes in clothing, diet, housing, consumer goods, hygiene and so on. They should fully demonstrate a new mental outlook after getting rich through hard work.

6. Actually publicize the spirit of this symposium.

7. Strengthen leadership and improve work style. Party committees and government at all levels and the cadres must stand in the forefront of reforming the economic structure, devise specific ways, measures, and goals for getting rich through hard work, and provide the peasants and herdsmen with support and assistance in material, technology, capital, information, manpower, and so on.

CSO: 4007/215

YUNNAN

EDITORIAL PROMOTES STRUCTURAL REFORM, QUADRUPLING

Kunming YUNNAN RIBAO in Chinese 30 Oct 84 pp 1-2

[Editorial: "Reform Industrial Structures, Multiply Agricultural Output"]

[Text] A provincial conference on multiplying agricultural output convened by the Yunnan CPC Committee and the Yunnan People's Government made new demands for readjustment and establishment of new industrial structures in rural areas and accelerating the pace of agricultural development. This is an important topic that should be explored, studied and resolved by CPC committees and government offices at all levels.

Yunnan Province has had widespread reforms of agricultural management systems in rural areas centered on systems of contractual responsibility for output quotas by households since the 3d Plenum of the 11th CPC Committee. After 6 years of practice, these thoroughgoing reforms have changed management systems that do not suit development of the forces of production in agriculture, and they have fairly thoroughly overcome the long-term problem in agriculture of "eating out of the big common pot," "egalitarianism," "managing to death," "overly strict restrictions" and other maladies. This has inspired the peasant masses and agriculture has had 5 consecutive years of bumper yields and bumper harvests. More than 790,000 specialized households, key households and alliances have appeared across the province, equal to 14.6 percent of the total number of peasant households. This has accelerated progress in the "two transformations." Now, potential in agriculture is being exploited and the agricultural situation is unfolding.

The problem now is how to achieve the tasks of multiplying output proposed by the 12th CPC Central Committee. Reliance on traditional cropping obviously is not the answer. Total grain output in Yunnan in

1980 amounted to 17 billion jin. Doubling this amount would be 34 billion jin, while quadrupling it would be 68 billion jin. If we multiply in this way, it will be impossible to achieve the goals for the year 2000 and the reality will not be a wealthy one, either. We cannot rely on traditional industrial structures and increased production of elementary products if we wish to multiply agricultural output. We must instead rely on establishing new industrial structures and moving from one to eight lines of activity, meaning cropping as well as breeding, mining, processing, commerce and shipping services, the coal and electric power industries and the building materials and construction industries. Processing and reprocessing most of the elementary products and raw materials provided by agriculture, forestry and animal husbandry would greatly increase the value of agricultural output and make achieving the task of quadrupling agricultural output entirely feasible.

There are two imbalances in agricultural production in Yunnan at present. One is a regional imbalance in development, while the other is a developmental imbalance between industries. The regional imbalances are apparent in that percapita net incomes for the agricultural population may reach about 400 yuan in areas where commodity production has developed fastest, but there still is an impoverished region with a population of about 10 million persons where percapita net incomes are below 120 yuan and where grain rations are only 300 to 400 jin. Moreover, there is an additional area where, although grain rations are 500 to 600 jin per person, percapita net incomes are only a little over 100 yuan.

This shows that the production structure in these regions is irrational. They plant only grain and have not developed industrial crops, much less forestry, animal husbandry or industrial and sideline production. The development between sectors since the 3d Plenum of the 11th CPC Central Committee has involved the implementation of systems of contractual responsibility for output quotas by households. The utilization rates of cultivated land have been raised, cropping has been opened up and grain output is increasing. Primary industrial crops also have developed fairly quickly, but there also are some limitations. Forestry management systems have been put in order but there are many restrictions in processing and circulation. In animal husbandry, large animals have been given to households, but cows and sheep still basically are not handled as commodities. There have been no major breakthroughs in rural areas in the processing industry, mining, the coal and electric power industries, or commerce and shipping. This shows that, if we wish to fundamentally eliminate poverty in poor areas and have all the peasants in Yunnan become rich even more quickly, then we must readjust and establish new production structures in rural areas.

Improved labor productivity and the development of production following implementation of systems of contractual responsibility for output quotas by households has begun to cause changes in the economic structure of agriculture, including labor structures, industrial structures, consumption structures, exchange and circulation structures, technical structures in agriculture and other areas. A division of labor and activities and the development of commodity production is changing the past situation of most labor being used on the land with "labor tied to the fields and carts and horses used for farming." Only 35 percent or so of the labor force in areas where commodity production is most developed and where land is limited is engaged in cropping. Reality has proven that readjustment and establishment of new production structures in rural areas is the key to multiplying agricultural output and an inevitable developmental trend, as well as an urgent need of the peasant masses. Leading cadres at all levels certainly should notice that reforms in rural economic structures, changes in the labor force and establishment of new industries are important rural policies following the implementation of systems of contractual responsibility for output quotas by households, and that it is an important question of strategic significance. During the next stage of reforms, they must earnestly concentrate on the central link of transforming industrial structures and make readjustment and establishment of new industrial structures in rural areas the order of the day, do intensive surveys and research, earnestly probe and summarize experiences, and do it fast and well.

12539
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YUNNAN

PROGRESS IN LIVESTOCK INDUSTRY DISCUSSED

Kunming YUNNAN RIBAO in Chinese 10 Sep 84 p 1

[Article: "Develop Specialized Livestock Raising, Implement Scientific Management: Rapid Development and High Results for Yunnan's Livestock Industry"]

[Text] In 1983, Yunnan's livestock on hand, large and small, surpassed 91.48 million head, and output value reached 1,368,000,000 yuan for the entire industry, representing increases of 4.86 million head and more than 710 million yuan, respectively, compared with 1978. The proportion of production value for livestock relative to total agricultural production value went from 16.39 to 19.87 percent, second only to planting, in the same period.

Last year 7,713,000 large and small animals were slaughtered, for a total of 468,000 tons of meat produced, up 25 and 95 percent, respectively, from 1978. Fur and egg products almost doubled. Per capita increases for meat and dairy products were over 80 percent. At the present time, meat supply has been opened up in over two-thirds of the counties and cities throughout the province. Such local delicacies as Xuanwei hams, dengchuan milk-leaf [rushan 0050 2082], Lunan milk-cakes, and Shaotong dried beef are in all the markets, catering to the material needs of the people. Some peasants have begun to focus primarily upon livestock and to become well-off through their own hard work.

Yunnan has natural advantages for developing a livestock industry. Yet in 1949 there were only some 8,300,000 head in the whole province with a production value of 125 million yuan. In the 35 years since the founding, the livestock industry has developed. It was especially after the Third Plenum of the 11th CPC Central Committee that cutrate sales of animals from collectives to household industries with prices guaranteed were implemented in a big way. All levels of party and government leadership supported priority and specialized livestock feeding households as a major measure to develop the industry. They provided assistance with technology, funds and livestock and poultry breeds, further sparking farmer enthusiasm to develop livestock as a commodity. There also appeared economic cooperatives for raising livestock. Consequently, there was an ever-increasing supply of commodity livestock products supplied by Yunnan's industries to the nation and the market.

There have also been major advances in livestock veterinary S&T. Currently there are almost 800 personnel throughout the province specializing in large- and middle-sized animal veterinary science. When other talented veterinary workers are added to this number, the number throughout the province approaches 9,000, a 20-fold increase or more over 1951. Livestock veterinary research institutes and veterinary medicine factories have been established. Cold storage and warehouse facilities for veterinary medicines have been located around the province along with 29 pestilence inspection stations. Hog cholera, swine lung epidemic, and bovine chubai [0427 2408] disease have been effectively controlled, reducing previous mortality rates by two-thirds. At the same time, there have been notable successes with improving domestic species. A battery of base counties for producing slaughter animals, wool, leather, dairy products, and commodity pork have been established, creating conditions for further accelerating development of livestock commodity production.

12303

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ZHEJIANG

WANG FANG SPEAKS AT ZHEJIANG RURAL WORK MEETING

OW020446 Hangzhou Zhejiang Provincial Service in Mandarin 0400 GMT 1 Feb 85

[Text] The Zhejiang Provincial Rural Work Meeting began in Hangzhou City on 29 December. [as heard] Wang Fang, secretary of Zhejiang Provincial CPC Committee, gave an important speech on the morning of 1 February. In his speech, Comrade Wang Fang pointed out: In the over 5 years since the 3d Plenary Session of the 11th CPC Central Committee, our successful economic reform in rural areas has brought about great development of production in all fields. In addition, the full implementation of the reform of the economic structure centering on urban reform has provided extremely favorable conditions to rural economic development and the second stage of rural reform. He urged rural areas to further improve management system and readjust agricultural and industrial structure. He said: We should further emancipate our minds and get rid of all ideological obstacles that hinder the development of commodity economy. While continuing to eliminate the leftist influence, we should regard the elimination of the narrow idea of small-scale production as an important task of rural ideological building work.

Attending today's meeting were leading comrades of the provincial CPC committee, provincial Advisory Commission, provincial Discipline Inspection Commission, provincial government, and provincial CPPCC committee, including Luo Dong, Shen Guifang, Zhang Xiufu, Li Dexin, (Wa Jilian), Tie Ying, Zhang Jingtang, Chen Zuolin, Shen Zulun, and Wang Jiayang. The meeting was presided over by executive vice governor, Shen Zulun. Responsible persons of all units of all prefectures, cities, counties as well as provincial-level organs, totaling more than 1,000 people, attended the meeting.

CSO: 4007/215

ZHEJIANG

WANG FANG SPEAKS ON ZHEJIANG'S RURAL WORK

OWO21014 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 1 Feb 85

[Text] The Zhejiang provincial conference on rural work began in Hangzhou on 29 December 1984. On the morning of 1 February, Wang Feng, secretary of the provincial CPC committee, delivered an important speech.

He said: [Begin recording] The No 1 document for 1985 has put forward the guiding ideology and the policy on further invigorating the rural economy. Its main point is to change the rural system on unified or fixed state purchases, further loosen price controls, act according to the law of value, make full use of market regulation, and further develop commodity economy.

For scores of years, we have urged peasants to carry out production on the basis of state plans. Peasants produce whatever the state needs, while the state purchases whatever peasants produce. Now we must carry out production based on market demand and produce whatever the market needs. We must truly guide rural production onto the path of developing a commodity economy. This is a tremendous change, since we will do away with the practice of everyone eating from the same big pot. We must fully realize the great significance and the arduous nature of this change, and do a good job in exercising our leadership in bringing it about. [end recording]

In his speech, Comrade Wang Feng pointed out: In the 5 years since the 3d Plenary Session of the 11th CPC Central Committee, the successful experience in carrying out rural economic reforms has brought about overall developments in production. The reform of the economic system, with cities as its focal point, has provided favorable conditions for the development of the rural economy and for the second step in rural reform. It calls on the rural areas to reform their management system and readjust the setup of production.

We must further emancipate our thinking and remove all ideological obstacles that are harmful to the development of a commodity economy. While continuously eliminating the influence of leftist ideas, we must regard the elimination of the narrow view of small-scale production as an important task in strengthening the field of ideology in rural areas.

Wang Feng also dwelled on the reform of the system with regard to the unified or fixed state purchases of farm produce, and other issues on how to improve the quality of basic-level cadres in the countryside and how to reform the superstructure. Comrade Wang Feng spoke on the requirements to meet the needs in carrying out the second step of reform in the countryside.

He said: [begin recording] The leadership at all levels must remain sober-minded at all times, display a high sense of responsibility to the party and to the people, and correct all types of erroneous trends so as to smoothly and healthily carry out reforms and further develop our current favorable situation. [end recording]

Attending today's meeting were leading comrades of the provincial CPC committee, the provincial Advisory Commission, the provincial Planning Commission, the provincial government, and the provincial CPPCC committee Luo Dong, Shen Guifang, Zhang Xiufu, Li Dexin, Ma Jiliang, Tie Ying, Zhang Jingtang, Chen Zuolin, Shen Zulun, and Wang Jiayang.

The meeting was presided over by Shen Zulun, permanent vice governor of Zhejiang. More than 1,000 people attended, including responsible persons in various prefectures, cities, and counties and the leading comrades of provincial-level organs.

CSO: 4007/215

ZHEJIANG

AGRICULTURAL ZONING BASIS OF AGRICULTURAL MODERNIZATION

Hangzhou ZHEJIANG RIBAO in Chinese 18 Nov 84 p 1

[Article: "Provincial Agricultural Zoning Results"]

[Text] Zhejiang has obtained preliminary agricultural zoning results. We learned from the provincial agricultural zoning work meeting which closed yesterday that up to now the provincial-level resource investigation on agricultural climate, water, forestry and the improvement and utilization of red and yellow soil was preliminarily completed, that county level agricultural zoning work was fully under way and that Fuyang, Yiwu, Cixi and other counties had already passed the process of examination and acceptance.

Years of practice on utilization of provincial agricultural zoning results has proved that agricultural zoning is an important basis for developing and reasonably utilizing agricultural resources, for developing the rural economy by suiting measures to local conditions and realizing the modernization of agriculture. Lin'an County utilizes the climate resource of its mountain area's cool, rainy summers to add more than 400 mu of tomatoes, string beans and other mountain vegetables. This year in one season, Shangxi Township has supplied Hangzhou with 560,000 jin of mountain vegetables. Under the guidance of agricultural zoning, fish farming in reservoirs and mountain ponds has also developed fast; last year in this county, the output of freshwater fish reached 46,000 dan, tripling that of 1981. Based on the comprehensive investigation results of resources in coastal regions, Cixi County has transformed the original low-yield salt pans and wasted slush into fish ponds, the cultivating area of freshwater fish of this year has already expanded to more than 3,300 mu, the output is more than 10,000 dan and the profit gained is more than 800,000 yuan. Furthermore, this county has reformed the crops mix, interplanting and intercropping of cash crops of more than 1,600 mu of cotton fields, and output value has doubled that of one-crop farming.

Vice Governor Shen Zulun [3088 4371 0243] spoke at the meeting. He indicated that agricultural zoning work should meet the demand of rural economic development and make new breakthroughs. He asked the leaders of all levels to deepen their understanding still further, take efficient measures, focus on weaknesses and quicken the pace of agricultural zoning work under the premise of ensuring both quality and quantity.