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# China Report

POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

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GENERAL

JOURNAL VIEWS WAGE CONTROL IN USSR, EAST EUROPE

HK250730 Beijing SHIJIE JINGJI in Chinese No 9, 10 Sep 83 pp 71-76

[Article by Tian Guangzhan [3944 0342 0594] of the Economic Institute of the Sichuan Provincial Academy of Social Sciences: "A Comparison Between the Reforms in the Wage Control System of the Soviet Union and East European Countries"]

[Text] The wage control system is an important and integral part of the management system of the national economy and is directly related to increases in labor productivity and the development of the productive forces, and thus plays an important role within economic construction. At the heart of the wage control system is the wage system itself. For many years, the Soviet Union and East European countries have been carrying out many readjustments and reforms to the wage control system centered on the wage system. This article attempts to make a sketchy comparative analysis of some questions relating to reforms to the wage control system in three countries representative of the Soviet Union and Eastern Europe, namely the Soviet Union itself, Yugoslavia and Hungary.

I. Reforms in the Wage Control System

After the October Revolution, the Soviet Union established a centralized, state controlled wage control system and implemented a graded wage system. After the Second World War and the creation of the East European socialist states, these new countries imitated the Soviet model and also set up centrally controlled graded wage systems. Since the October Revolution, the Soviet Union has carried out no less than six major readjustments and reforms to the wage system. In 1919, the 35 grade wage system was implemented; in 1922, the 17 grade wage system was implemented; in 1928, the eight grade wage system was begun; and in 1981, the Soviet Union began a reform to the wage system that was to last for several years, during which they implemented throughout the country a progressive increase eight grade wage system which included a job wage system for those employed in government organizations, engineers and technicians and office workers. In 1956, "increased and reorganized wages" were implemented throughout the country and this also signalled the start of the reform the eight grade wage system to a six grade wage system. In 1972, new regulations concerning workers' remuneration were once again formulated along with universal implementation of a six grade wage system. Since 1972, during the last few years, there have also been some other minor readjustments carried out. By examining the way in which the Soviet wage control system has been reformed, the following few important points become evident:

1. Perfection of the wage control body. In order to improve centralized wage control and management, the Soviet Union established the Soviet Workers Committee not long after their victory in the October Revolution, this committee being the first national, unified body designed to regulate and control wages. Later, this body was eradicated for a time but practice proved that its absence was detrimental to wage control and thus, in 1955, a national and unified body designed to control wages was once again set up and was referred to as the Soviet Council of Ministers Labor and Wage Committee. In 1976, its powers and rights were expanded and its name was changed to the National Committee for Labor and Social Questions, while in all the allied republics, suitable republic labor committees were also set up. The function of all these bodies has been to strengthen the state's centralized control and unified planning of wages on the basis of changes in society's labor demands as well as the requirements of national economic development. Thus, the bodies draw up relevant wage plans, wage standards, wage grades, and labor quotas. At present, the Soviet Union's wage control organization is basically focused on departmental management and control.

2. Perfection of the graded wage system. The graded wage system includes various concrete wage stipulations such as technology grade tables, workers' wage grade tables, engineers, technicians and office workers grade tables, wage rate tables and wage/region coefficients. The wage grade table is drawn up centrally by the state and it restores complex labor to its original state as simple labor and thus is one way of calculating the amount and quality of labor. Since the decision in 1919 at the Central Council Meeting of the National Soviet Workers Council to draw up 35 grade tables, the state has made many large readjustments to the system. After several major readjustments and reforms, wage grades were simplified from 35 to six while the number of wage grade tables was reduced from an all-time high in 1956 of 1,900 to only 10, with the lowest wages being readjusted and the gap between the highest and the lowest wages being reduced. In addition, advantage was taken of the regulatory role that the grade wage system had on wages, in accordance with the needs of economic construction, with adjustments being made to wages at different times, in different regions, in different departments, and in different kinds of work. For example, during the period of industrialization, in order to speed up the development of heavy industry, the monthly average wages in the old industry were increased from 130 rubles in 1932 to 307 rubles in 1937, while wages in the coal mining industry increased from 120 rubles in 1932 to 302 rubles in 1937.

3. Changes in the form of labor remuneration. In the Soviet Union there are mainly two types of labor remuneration. One is the time wage and the other is piece rate wage. Under the time wage system, a worker's wages are determined by the actual time spent working and the extent of the worker's technological skills. Under the piece rate wage system, the worker's wages are determined by the quantity and quality of products produced. In order to mobilize the producers' enthusiasm even more and increase labor productivity, the Soviet Union has made further improvements and developments to the various forms of wages during the general readjustments and reforms that have been carried out on the wage system. The time wage system has been divided into two types--the simple time wage system and the time bonus wage system. The simple time wage system is based on the actual amount of work time fulfilled by the worker and the wage

rate. The time bonus wage system involves the payment of bonuses to those workers who exceed quotas and quality, and so on in the completion of their tasks. The piece rate wage system is divided into three types--the direct piece rate wage system, the piece rate bonus wage system, and the accumulative piece rate wage system. The direct piece rate wage system is worked out on the basis of an unchanging piece rate wage system is worked out on the basis of an unchanging piece unit price. The piece rate bonus system is worked out on the basis of the basic wage and a bonus system is worked out on the basis of the basic wage and a bonus on all exceeded quotas not exceeding between 30 and 40 percent of the wage. The accumulative piece rate wage system, in addition to the basic wage, remunerates the worker at between 50 and 100 percent above any exceeded piece quotas. In addition, a contract wage system has also been designed as a special style of the centralized piece rate wage system and in this system wages are worked out according to piece unit prices and predicted quantities, work progress, and quality, with a contract being signed and agreed on beforehand.

4. The establishment of a material reward fund and the implementation of a bonus system. In 1965, the Soviet Union began all-round economic reforms and during this time the country implemented the "new economic system." Thus, while the amount of profits that enterprises could retain was increased, a material reward fund and a bonus system was set up, and in this way workers' wages were linked up with the state of management and general running of the enterprises. According to statistics, between 1970 and 1980 the Soviet Union's enterprise material reward fund increased from 3.74 billion rubles to 6.71 billion rubles, an increase of 80 percent. In 1972, the number of workers to receive such awards represented 85 percent of all workers. In 1971, the reward fund represented 22 percent of workers' wages, 24 percent of engineers and technical workers' wages and, at the very highest, between 30 and 40 percent of workers' wages. From 1977 to 1980, the Soviet Union ratified two basic reward fund regulations and thus further strengthened the material rewards of the workers by fixing the reward fund system as a kind of wage system and this was reflected in the completion of production targets in enterprises.

In comparison to the Soviet Union's reforms to its wage control system, the reforms that have been carried out in Yugoslavia have been even more far-reaching and comprehensive, resulting in enormous changes. Beginning in the early 1950's, after Yugoslavia began to implement the system of worker autonomy, the country also began to gradually reform the centrally managed grade wage system, and in its place introduce the autonomous distribution control system.

Yugoslavia's income distribution system (in Yugoslavia the word income, not wages, is used) and the reforms that it has undergone can be divided into two stages. The first stage took place from 1950 to the beginning of the 1960's. During this period, partial reforms were carried out to the centralized wage control system as the autonomy system was being set up and thus workers began to enjoy partial distribution and allocation rights within their own enterprises, although the greatest proportion of funds were still in the hands of the state and were still centrally managed by the state. The early 1960's to the present day is counted as the second stage. After the 1960's, the workers' distribution and allocation rights increased as the constitution was announced and economic reforms developed and progressed and thus the centrally controlled state wage system was eradicated and the autonomous distribution control system was established.

The main features of this system are: 1) the workers enjoy complete autonomy in the distribution of income and, in accordance with Yugoslavia's principles of autonomous distribution, direct and unified control of enterprise income distribution by the central authorities no longer exists and this also includes distribution of income between the enterprises and the workers. Grassroots organizations make up the basic accounting units and distribution units and within these grassroots organizations, distribution rights are wielded by the workers. The distribution of individuals' incomes, the allocation of funds for production, expanded production, and elsewhere within the enterprises, as well as the distribution of income between the enterprises and the state, are all determined by the workers. 2) United workers' organizations represent the basic accounting units and these units carry out independent accounting and are solely responsible for all profits and losses. With close links between the workers' incomes, the quality and quantity of work done and the state of the enterprises' management, the result is that good enterprise management means more income and greater individual income for the workers, while if management is not good, then workers' incomes also drop. 3) Attention is paid to ensuring the lowest individual income and ensuring the state's income and social and public costs. For example if the individual worker income distributed by the enterprise is lower than the lowest guaranteed level, then the income is supplemented from a store fund. According to the law of the country, when united workers' organizations carry out income distribution they must first of all pay circulation tax and other taxes to the state as well as social and public costs.

Reforms to Hungary's wage control system are different from those in both the Soviet Union and Yugoslavia, and the reforms have mainly been characterized by the replacement of unified and centralized state control of the grade wage system by wage adjustments and regulations. The implementation of Hungary's wage adjustments system can be divided into three stages. 1) The pilot scheme stage. In 1957, Hungary began its reforms to the system of industrial management and control and at the same time the country also began to implement the shared profit system in its wage system (otherwise known as the share out bonus system). At the same time, pilot schemes were begun to test the average wage adjustment system. According to this system, enterprises had the right to determine workers' wages within the limits of state ratified highest and lowest wage standards, while within the enterprises' planning, the state determined the extent of increase in average wages. 2) The stage of generalized implementation. Following the overall economic reforms in Hungary in 1968 and accompanied by fierce debate and controversy, the average wage adjustment system was implemented throughout the country and at the same time the total wage adjustment system was also begun. After 1970, the total wage adjustment system was revised and popularized and in some departments and areas the two adjustment systems were integrated and implemented together. 3) The completion and perfection stage. During the economic reforms after 1976, major readjustments were made to the wage adjustment system and a wage adjustment system was established with four different means of adjustment.

The four main means of adjustment used in Hungary's wage adjustment system are: 1) Adjustments based on the average wage. The enterprise adjusts wage increases according to the average wages and growth index specified by the state. (The

growth index being wages plus profits divided by the number of workers). When compared to the preceding year, for every 1 percent increase in the index, the average wage can rise by 0.25 percent. 2) Adjustments based on the total wage. The enterprise adjusts the total wage according to the figures for total wages as ratified by the state and based on indications specified for new increases in production value. When 2 years are compared, for every 1 percent of newly increased production value, total wages may increase by 0.4 percent. For every drop of 1 percent, total wages are reduced by 0.3 percent. 3) State determined absolute average wage adjustment. The annual extent of increase permitted in average enterprise wages as determined by the central authorities. For example, between 1976 and 1978, the state determined that this increase could be 4.5 percent annually. 4) State determined absolute total wage adjustment. The annual extent of increase permissible in total enterprise wages as determined by the central authorities. For example between 1976 and 1978, the state determined that this increase could be 4.5 percent annually.

The following few regulations are included within Hungary's wage adjustment system: 1) The various means of adjustment within the wage adjustment system may be selected freely according to the characteristics of the enterprise doing the choosing, and this choice is then ratified by the state. In general an enterprise can only use one means of adjustment. Today, 55 percent of Hungary's enterprises are using the second means of adjustment while 15 percent are using each of the other three means of adjustment. 2) Regardless of which means of adjustment an enterprise uses and regardless of the state of the enterprise's management, increases can be guaranteed every year. For example, between 1976 and 1978, the increase was set at 1.5 percent. 3) Enterprises with good management are not permitted to allow their total "payable wages" to exceed the previous year by more than 6 percent. If the total does exceed this 6 percent limit, then the state imposes a high progressive tax on the enterprise.

Another measure which Hungary adopted in changing the wage grade system was to have the state draw up a "national wage chart for all businesses." The chart divided working conditions into four levels according to their ease or difficulty, while workers' technological standards were divided into six levels. Thus, 24 grades of workers wages were drawn up for the entire country. For each grade, adjustments could be made of 30 percent for the highest and lowest wages of that grade.

In addition, the kind of wage system selected for each enterprise was no longer determined centrally, but was decided by the enterprise itself. At present the most important wage systems are the time wage system, the piece rate wage system (divided into individual piece rates and collective piece rates), and the collective contract system. The state no longer determines the kind of wage or its amount for each enterprise, instead this is decided by the enterprise by examining and assessing the situation in other relevant businesses. In addition to basic wages, workers also receive various kinds of additional wages such as night shift costs, team leader subsidies, health subsidies, various bonuses, and end of year dividend share-outs as well as occasional material subsidies.

Thus, we can see that the readjustments and reforms carried out on the original wage control systems in the Soviet Union, Yugoslavia and Hungary have produced

three fundamentally different kinds of wage control systems. One is the Soviet Union's grade wage system which has now replaced the system of collective and central wage control. The second is Yugoslavia's autonomous income distribution system. And the third is Hungary's wage control system which is based on wage adjustments. These present differences are very closely linked to the guiding ideologies and theoretical bases which existed at the time of the reforms of the wage control systems in these three countries.

## II. The Theoretical Basis for Reforms to the Wage Control Systems

The Soviet Union, Yugoslavia and Hungary all had different theoretical bases on which they carried out their reforms and readjustments to their wage control systems. This mainly manifests itself in differences in understanding of the important theoretical problem of handling the system of ownership of the means of production.

Marx said, "The structure of distribution is entirely determined by the structure of production and distribution itself is a product of production and this is not only true in terms of targets but also in terms of form. Thus, as far as targets are concerned, the only things which can be distributed are the fruits of production and, as far as form is concerned, the specific form involved in production determines the special form of distribution and determines the form in which distribution is undertaken." ("Collected Works of Marx and Engels," Vol 12, p 745) Within the three aspects of production relations, distribution relations are determined by the system of ownership of the means of production and hence the wage control system which represents the style of the distribution relations is first and foremost determined by the system of ownership of the means of production.

Soviet theorists consider that ownership by all the people represents a very advanced form of ownership of the means of production. Ownership by all the people and state ownership fall into the same category. In other [word indistinct], the state owns the means of production on behalf of the entire working population and thus the state organizes management, and utilization and product distribution is thus mainly decided by the state while the state also carries out centralized and unified planning management for the national economy. As some Soviet theorists have pointed out, because of the basic economic function of production management within the system of public ownership of the means of production, "the state economy organizes and carries out management as a unified whole." (Lu Mian Cai Fu [7627 4884 6846 1133] "Political Economics," (Soviet) Published 1977, p 96) Thus, when the Soviet Union carried out its reforms to the wage control system, it steadfastly placed the state at the head of centralized waged control and, on this premise, aimed for consolidation and perfection. Like reforms in other areas of the management system of the national economy, reforms to the wage control system always focused on centralized and unified management.

In Yugoslavia, it is pointed out that Marx "envisaged an integrated body comprising free men," and that within this integrated body, people "would use commonly-owned means of production to carry out their labors, and furthermore, the strength of each individual worker would be consciously utilized as a part of a social labor force. . . . All the products produced by this integrated body would be social products and a portion of these products would be reused as the

means of production. This portion would still belong to society. Another portion of the products would be the means of subsistence, consumed by the members of the integrated body." ("Collected Works of Marx and Engles," Vol 23, pp 95-96) They believe that this is the only way in which there can be any direct integration between the workers and the means of production. They also believe that only direct possession is the true and absolute meaning of public ownership. Thus, this style of public ownership is known as "social ownership."

Yugoslav economists also believe that state ownership represents a low form of public ownership of the means of production while social ownership represents an advanced form of public ownership of the means of production and is also a form of production relations determined by the developmental level of the productive forces. "The true difference between the Yugoslav economic system and the economic systems of other socialist countries lies in differences in the fundamental production relations. Yugoslavia's economic system is social ownership and autonomy of the working people, in other words, autonomous production relations, while the economic systems in other socialist countries are characterized by state ownership and central management of the economy, in other words, state ownership production relations." (Ma La Ding Ke La Qi [4717 2139 0002 4430 1142] "Forms of Socialist Autonomous Production," (Yugoslav) p 66) Thus, it is not hard to understand why Yugoslavia has fundamentally discarded a centrally managed wage control system and in its place implemented an autonomous income distribution system.

As for Hungary, they have not given up state ownership but have made the state's centralized control and management of wages less rigid and have paid special attention to exploiting the adjusting function of economic mechanisms. During the economic reforms, a set of integrated principles were introduced which outlined centralized state control and at the same time allowed various economic mechanisms to fulfill their adjustment roles, in other words, principles integrating planning adjustment and market adjustments. Thus, in comparison with the Soviet Union's centrally controlled wage system, Hungary's wage adjustment system is far more flexible; and in comparison with Yugoslavia's autonomous income distribution system, it is far more stable.

### III. Evaluations of the Reforms to the Wage Control Systems

Because of difference in each country's historical, social, political and economic conditions, when one compares the theory and practice of reform with the wage control system in the Soviet Union, Yugoslavia and Hungary, the guiding ideologies and theoretical bases of the reforms are different and hence the measures adopted during reform and the results are also different. When evaluating the reforms to the wage control systems in these countries, it is not possible to discuss the extent of the reforms; instead, what should be examined is the extent to which the wage systems after reform have managed to promote development in the national economy and improvements in the people's living standards.

The true nature of reforms to the wage control system is a readjustment of the factors which limit a more rational and sensible wage control so that wage control and national economic development may be even more successfully coordinated and so that wages may be even more successfully used as an economic lever. Re-

forms carried out by these countries to their respective wage control systems are in fact solutions to the question of centralized or decentralized control and the question of administrative control or economic control.

Looking at the situation in the Soviet Union, the fact that reforms to the wage system were carried out on the premise of steadfastly maintaining centralized control have meant that in general, the system developed since reform is essentially no different from the system prior to reform. Reforms were mainly focused on further perfection of the grade wage system. Nevertheless, some of the policies and measures adopted during reform have had a definite effect on developing the national economy and improving the people's living standards. First of all, the determination during reform to perfect centralized and unified control of wages was of benefit to the state in its macroscopic control of wage and consumption levels and thus helped control the proportional relations between consumption and accumulation. This has been a very clear result of the Soviet Union's reforms. The ability in the Soviet Union to constantly keep accumulation below 30 percent and to ensure definite annual growth in the economy is very closely connected to this. Second, as a result of planned and unified readjustments to wages, the bottom figure for the lowest wage levels has constantly risen and, at the same time, mid-level wages have also increased, while the overall gap between the various wage levels has been decreased and this has played an important part in guaranteeing improvements in the people's living standards. According to statistics, the lowest wages in the various sectors of the Soviet Union's national economy were for a long time between 27 and 35 rubles. In 1961, the minimum wage was first increased to 40 rubles, and in 1965, it was once again increased to 45 rubles. In 1968, it was increased to 60 rubles, and in 1977, it reached 70 rubles. The average wages of most workers have also risen from 75.2 rubles in 1956, to 177.3 rubles in 1982, an increase of more than one fold. In 1956, the difference between the lowest and the highest wages was generally about 1:1.8 to 1:3.73. After readjustments this difference had shrunk to 1:1.58 to 1:2.1 in 1975. Third, during the process of reforming the wage control system in the Soviet Union, importance began to be attached to the role of material rewards and wages as economic levers. In addition, enterprises had certain autonomous rights involving wage control expanded, so that enterprises and workers would show economic concern for production. The change from purely administrative measures in wage control to increased use of economic measures to stimulate production development was extremely effective in mobilizing the enthusiasm of both enterprises and the producers and promoting increased productivity. The fact that the Soviet Union has begun to attach importance to exploiting the function of economic mechanisms within wage control is a breakthrough in the country's traditional system of wage control.

In order to make further use of wages as a form of stimulation and enticement, the Soviet Union decided during the Eleventh 5-Year Plan to replace the original wage fund index with a fixed wage index based on each ruble product and to change the form of labor remuneration with the result that the individual worker style of remuneration moved toward the collective labor style of remuneration and this was extremely effective in stimulating the workers to integrate the interests of the state, the collective and the individual. This will represent an important direction for future alterations and perfection of the wage control system.

It should be pointed out that there are at present many problems within the reforms to the Soviet Union's wage control system. As a result of over-hasty "levelling up" measures to decrease the gap between high and low wages, there are now serious instances of egalitarianism to be found and these are now the biggest obstacles to the implementation of the principle of distribution according to labor.

The establishment in Yugoslavia of the autonomous income distribution system represents a fundamental denial of the centralized wage control system. In the Yugoslav autonomous income distribution system, the powers to distribute income have been placed in the hands of grassroots united organizations and this has ensured that workers incomes are completely determined by the success of the enterprise's management and the extent of the enterprise's profits and losses. It fully embodies the concept of the worker as master of the means of production, equipped with determinative rights concerning production, management, and distribution and thus in general, the system represents a bold attempt to implement the socialist principle of distribution according to labor. At the same time, Yugoslavia has continued to pay a great deal of attention to guaranteeing the lowest worker wages and guaranteeing the people's fundamental living requirements and this embodies the superiority and advantage of socialist public ownership. However, from a macroscopic point of view, the fact that Yugoslavia has abandoned centralized state control of income distribution has created problems in the state's macroscopic control of the economy. The growth rate in incomes in Yugoslavia for many years has exceeded the growth rate in production and domestic inflation has soared. At the same time, the fact that the state no longer wields unified control over funds and that the authority for accumulation and expanded reproduction has been placed in the hands of enterprises has meant that the state's control over capital construction and the development of the entire national economy has been greatly weakened. These then, represent the most outstanding problems in economic development in Yugoslavia.

Hungary's wage adjustment system is unique. This system of control has weakened the state's centralized control of wages and expanded the autonomous rights of enterprises in controlling wages, and thus, to a certain extent, it embodies the integration and accordination of the state's interests and the enterprise's interests. This kind of system of adjustment embodies the principle of integration of planning adjustments and market adjustments with state planning as central to the entire system. In concrete terms, the existence within the wage adjustment system of a means of adjusting the average wage means that it is possible to guarantee annual increases in income for the enterprise and the workers, and also guarantee constant increases in the people's living standards. The existence within the wage adjustment system of the means of adjusting the total wage means that the enterprise's and the workers' incomes are linked to the condition of enterprise management and the results of each individual's labors. This has been very effective in encouraging the enterprises and the workers to improve and perfect management and administration as well as stimulating their production enthusiasm.

However, there are some shortcomings in this wage adjustment system. The use of four different means of adjusting wages is intended to ensure that the enterprises are able to shake off the effects on production caused by differences in

environmental conditions. However, whichever means of adjustment is used, the enterprise is still able to increase wages within 1.5 percent of the average wage, and this does not help improve production enthusiasm on the part of the enterprise or the workers. In the implementation of these various means of adjustment, the fact that it is impossible to fully come to grips with the principle of using different treatment for each enterprise has meant that new imbalances are produced between different sectors and businesses and these have hampered the expression of initiative in the enterprises. In the case of limitations on high wages and subsidies for low wages in particular, there has been a direct weakening of the role of the wage adjustment system as a stimulator. This meant that in 1980, Hungary found itself forced to carry out further improvements to the wage adjustment and total wage adjustment specified by the central authorities and drawing up new stipulations on the methods of planning the use of six means of adjusting wage increases, as well as eradicating guaranteed increases and relaxing the extent of increase in the total wage and changing the point of imposition of the progressive tax to 9 percent.

Today, there are still many imperfections in the wage control systems of all three of these countries which require continued readjustment and reform through practice. Judging by the overall situation and trends, it seems that the Soviet Union and East European countries are working hard toward the establishment of a wage control system which preserves the necessary amount of centralized control and, at the same time, gives rein to the regulatory role of economic mechanisms. In this sense, Hungary is already ahead of the other two countries.

CSO: 4005/95

NORTHEAST ASIA

JAPAN WILL 'WARMLY WELCOME' HU'S VISIT

OW250925 Beijing XINHUA in English 0800 GMT 25 Oct 83

[Text] Tokyo, 25 Oct (XINHUA)--Japanese Prime Minister Yasuhiro Nakasone said here today Japan is prepared to warmly welcome General Secretary Hu Yaobang of the Chinese Communist Party Central Committee who is to visit Japan next month.

He said this when meeting with the Bank of China delegation headed by governor of the bank Jin Deqin.

Nakasone said he was very satisfied with the cooperation and friendly ties developed between the two countries in the past five years since they signed the treaty of peace and friendship. He also extended heartfelt thanks to the Chinese Government for its cooperation in the recent Sino-Japanese Government members conference in Beijing which he said was a success.

Noting that the relations of friendly cooperation between the two countries have entered "the second state," the prime minister said he highly appreciated the efforts made by the Chinese Government in solving two problems existing in the economic cooperation between the two countries.

The two problems, he said, are patent and an agreement on investment protection.

Referring to the participation by the Bank of China and other Chinese agencies in the international organizations like the International Monetary Fund, Nakasone said this would help promote economic cooperation among different countries.

Later in the day, Japanese Finance Minister Noboru Takeshita met with the Chinese delegation.

The bank of China delegation arrived here on October 20 at the invitation of the Export-Import Bank of Japan, the Federation of Bankers' Associations of Japan and the Japan Association for the Promotion of International Trade. It is scheduled to leave here for home on November 11.

CSO: 4000/68

NORTHEAST ASIA

NAKASONE URGES TANAKA 'TO MAKE FINAL DECISION'

OW012100 Beijing XINHUA in English 1920 GMT 1 Nov 83

[Text] Tokyo, 1 Nov (XINHUA)--Japanese Prime Minister and President of the ruling Liberal Democratic Party (LDP) Yasuhiro Nakasone today strongly asked for the cooperation of the party's executive council in the Diet.

He told a LDP Executive Council meeting designed to break the three-week dead-lock in the Diet proceedings that he had urged former Prime Minister Kakui Tanaka to make a final decision on the possible resignation of his Diet seat, in their meeting on October 28. "Although I did not use the word 'resignation,' I gave (him) pertinent advice. I believe what I meant to say was understood (by him)," Nakasone said. He asked the executive council for cooperation to get the Diet debate back to normal. He said every effort must be made to adopt the tax-cut and other bills.

Two tax-cut bills were railroaded through the finance committee and the local administration committee of the House of Representatives yesterday afternoon with the absence of all the opposition Dietmen. The meeting of the two committees also decided to convene a full lower house session today to deliberate and adopt the two bills. This LDP decision touched off strong opposition from the opposition parties.

In a meeting this afternoon with chairmen of the Diet policy committees of both ruling and opposition parties, Hajime Fukuda, speaker of the lower house, urged the Diet to take quick actions in deliberating the tax-cut bill. He also said the lower house will hold a plenary session on November 4 to specifically discuss the bill.

Briefing newsmen after the meeting, Fukuda said that to iron out differences between the ruling and opposition parties it is necessary to dissolve the lower house so as to pave the way for a general election and win confidence of the people.

However, opposition parties reacted strongly toward his words, saying Fukuda's proposal was "unacceptable" because it did not mention their resolution bills concerning Tanaka's resignation.

CSO: 4000/68

NORTHEAST ASIA

JAPANESE RALLY FOR RETURN OF NORTHERN ISLANDS

OW011917 Beijing XINHUA in English 1559 GMT 1 Nov 83

[Text] Tokyo, 1 Nov (XINHUA)--The 15th mass meeting for the return of the northern territories was held in Tokushima today with a total of 900 people attending the meeting including representatives from Hokkaido.

The annual mass meeting was sponsored by Hokkaido. Hokkaido Governor Yokoji Takashiro stressed in his address to the meeting that the situation around the return of the northern territories was still severe as before, and there was the need to mobilize public opinion nationwide for a long-term, unswerving struggle.

A Japanese Foreign Ministry official pointed out at the meeting that the Soviet military buildup on the Japanese northern territories had hurted the sentiments of the Japanese people. [as received] The staunch and unshakable backing of the Japanese people was the mainstay for the Japanese Government in negotiations with the Soviet Union, the official said.

The meeting adopted a letter of appeal which expressed the "ardent hope" that the people of the whole country would help promote the negotiations for the return of the occupied northern territories and the final establishment of lasting peace and goodwill relationship between Japan and the Soviet Union.

CSO: 4000/68

NORTHEAST ASIA

JAPAN'S ABE INTERVIEWED ON WORLD SITUATION

OW271602 Beijing XINHUA in English 1406 GMT 27 Oct 83

[Text] Tokyo, 27 Oct (XINHUA)--Japanese Foreign Minister Shintaro Abe in an interview with ASAHI SHIMBUN yesterday said that the Soviet downing of a South Korean airliner and the U.S. military invasion of Grenada showed regional tensions, ASAHI SHIMBUN reported today.

Referring to the forthcoming visits to Japan by Helmut Kohl, chancellor of the Federal Republic of Germany, Ronald Reagan, U.S. president, and Hu Yaobang, general secretary of the Central Committee of the Chinese Communist Party, he said the talks with these leaders would cover the Soviet decision on the deployment of medium-range nuclear missiles in the Far East.

Speaking of the Japanese-Soviet relations, he said that there can hardly be any progress in these relations if Moscow still refuses to discuss the return of the northern territories.

The foreign minister also reiterated the Japan-U.S. security treaty and the necessity of strengthening bilateral coordination in the economic field with the United States.

CSO: 4000/68

NORTHEAST ASIA

RALLY IN JAPAN DEMANDS USSR RETURN ISLANDS

OW301616 Beijing XINHUA in English 1557 GMT 30 Oct 83

[Text] Chiba, 30 Oct (XINHUA)--More than five hundred Japanese people today gathered in a rally in this city, east of Tokyo, renewing the demand for the return of Japan's four northern islands occupied by the Soviet Union.

The rally was sponsored by 25 private organizations, including the national executive committee on the return of the northern territories, and noted Japanese figures.

Representatives from the mass organizations, former inhabitants of the four islands and representatives of the Japan Socialist Party, the Komei Party and the United Social Democratic Party spoke at the rally. They reiterated that the four islands are inherent territories of Japan, and sternly condemned the Soviet Union for its prolonged occupation of these islands and imposing a serious threat to the security of Japan and the whole of Asia by expanding military bases, increasing its military presence and holding large-scale military exercises there.

A resolution adopted at the rally calls on the Japanese people to close their ranks in demanding an immediate return of these islands by the government of the Soviet Union. It also urges the Japanese Government to speed up negotiations with the Soviet Union for an early recovery of these territories.

CSO: 4000/68

NORTHEAST ASIA

XINHUA CITES KIM IL-SONG ON KOREAN REUNIFICATION

OW291451 Beijing XINHUA in English 1418 GMT 29 Oct 83

[Text] Pyongyang, 29 Oct (XINHUA)--Korean President Kim Il-song has stressed that an important problem for the reunification of Korea is the replacement of the armistice agreement with a peace agreement and the withdrawal of the U.S. imperialists from South Korea.

He said this when holding talks with a delegation of the American Popular Revolutionary Alliance of Peru on June 30, July 1 and July 5, 1983. The remarks were published in NODONG SINMUN today.

"If Americans conclude a peace agreement with us and withdraw from South Korea, the Korean people will be able to reunify the country peacefully by their own efforts," he said. He added that "we have proposed many a time to the United States to have negotiations with regard to the question of replacing the armistice agreement with a peace agreement. But the U.S. authorities still refuse to respond to our proposal for negotiations."

"To frustrate the 'two Koreas' plot of the U.S. imperialists and achieve the reunification of Korea at an early date," he said, "the Sixth Congress of the Workers' Party of Korea put forward a proposal for founding the Democratic Confederal Republic of Koryo and the ten-point policy of the unified state and clarified that the confederal state should be a neutral one."

In other words, we made it clear that the DPRK will not be a satellite of any other country but be a completely independent and sovereign, nonaligned state dependent on no foreign forces. That our reunified country will not be a satellite of any other country means that it will not be a satellite of China or the Soviet Union nor a satellite of the United States or Japan. It will be best for our country surrounded by big nations to be a neutral nation after its reunification.

"We should prevent the division of our country into 'two Koreas' and reunify it by all means. If we fail to achieve the reunification of the country and hand down a divided country to the next generation, this will be a crime against history and posterity," he stressed.

CSO: 4000/68

NORTHEAST ASIA

BRIEFS

HALTING PROVOCATIONS URGED--Pyongyang, 31 Oct (XINHUA)--Yi Tae-ho, senior member of the Korean-Chinese side to the Military Armistice Commission, today urged South Korea to stop using the Rangoon explosion as a pretext for intensifying the situation on the Korean Peninsula. In the 422d session of the Armistice Commission called for by the Korean-Chinese side at Panmunjom, General Yi denounced South Korea's provocative actions in non-military zones and on the sea which, he said, had reached more than 1,760 in the short period from October 10 to 27. Charging the United States with supporting and abetting such provocations, General Yi said the United States should stop South Korea from continuing military provocations and other actions aimed at intensifying the situation. He said Pyongyang does not want to offend others first nor will it tolerate offences by others. [Text] [OW312145 Beijing XINHUA in English 1838 GMT 31 Oct 83]

CSO: 4000/68

SOUTHEAST ASIA/PACIFIC

SIHANOUK SCORES SRV'S 'ATROCIOUS WAR'

OW260748 Beijing XINHUA in English 0736 GMT 26 Oct 83

[Text] United Nations, 25 October (XINHUA)--Samdech Norodom Sihanouk, president of democratic Kampuchea, said here today that if Vietnam continues the atrocious war in Kampuchea, the Kampuchean people have no other choice but to go on fighting until the Vietnamese troops completely withdraw from his country.

Speaking on the situation in Kampuchea at the UN General Assembly, Sihanouk accused Vietnam of trying to colonize Kampuchea by gradual and systematic settlement of its nationals on Kampuchean territory. "Those Vietnamese settlers have brought about demographic imbalance which will threaten our national identity itself," he pointed out, adding that the Kampuchean people will never accept any related accords concluded between the Phnom Penh regime and Vietnam.

Internationally, the Kampuchean tragedy has jeopardized the security and stability of all the nations in South-east Asia, especially Thailand, he said. "To accept the Vietnamese 'fait accompli' in Kampuchea would be tantamount to replacing international law by the law of the jungle," he noted.

Commenting on the remarks of the Vietnamese foreign minister on 7 October that the UN resolutions on Kampuchea are "erroneous," he said this means that Vietnam "wants to impose by force of arms its expansionist policy on all the countries of the region."

He said, "after the total withdrawal of the Vietnamese armed forces from Kampuchea in accordance with the UN resolutions and the declaration of the International Conference on Kampuchea, all Kampucheans will participate in the general and free elections under the supervision of the United Nations."

He called on all justice-upholding countries to stand by the Kampuchean people in their struggle for independence, sovereignty, freedom and peace.

Sihanouk noted, "if Vietnam continues to act as it has done, and if it persists in disregarding the United Nations and the elementary international norms, it will be trapped further in the impasse and lose the remaining respect it had gained in the world not long ago through its struggle for liberation."

CSO: 4000/67

SOUTHEAST ASIA/PACIFIC

THAILAND'S UN ENVOY SCORES SRV ACTIONS

OW260822 Beijing XINHUA in English 0802 GMT 26 Oct 83

[Text] United Nations, 25 October (XINHUA)--Phiraphong Kasemsi, permanent representative of Thailand to the United Nations, said here today that the root cause of the Kampuchean problem "is the five-year-long Vietnamese military occupation of democratic Kampuchea."

Addressing the plenary meeting of the UN General Assembly this afternoon, Kasemsi said: "at present, there are approximately 180,000 Vietnamese troops occupying Kampuchea against the will of the Kampuchean people."

He said: "The Vietnamese invasion and military occupation of Kampuchea represents a flagrant violation of the norms of conduct in international relations and the UN Charter. It has created many specific problems for Thailand and other countries, the most apparent and tangible of all being the refugee problem."

The occupation of Kampuchea by Vietnamese troops, he said, also caused hostility in Southeast Asia, posing serious threats to the peace and stability of the international community as a whole.

"Only when there is a total withdrawal of foreign troops from Kampuchea, peace and stability can return to Kampuchea and the Kampuchean people will then be able to rebuild their country and bring back prosperity which once belonged there," Kasemsi stressed.

Referring to the settlement of 600,000 Vietnamese in Kampuchea, Kasemsi said: "This development is a matter of serious concern. It adds a new and ominous dimension to the foreign military occupation of Kampuchea."

He said that Thailand demanded that Vietnam desist forthwith from taking such action in violation of the 1949 Geneva Convention.

In the conclusion of his speech, the Thailand's representative urged all member states to vote in support of the draft resolution on the Kampuchean issue which was submitted to the general assembly by the Asean countries and other countries.

CSO: 4000/67

SOUTHEAST ASIA/PACIFIC

PHILIPPINE FOREIGN MINISTER ACCUSES SRV AT UNITED NATIONS

OW260855 Beijing XINHUA in English 0751 GMT 26 Oct 83

[Text] United Nations, 25 October (XINHUA)--Philippine Foreign Minister Carlos P. Romulo today accused Vietnam of ignoring the clear call of the United Nations for an end to its military occupation of Kampuchea.

In his speech at today's plenary session of the UN General Assembly, Romulo reaffirmed that democratic Kampuchea, as a member of the United Nations, is the victim of armed aggression by Vietnam in violation of the UN Charter. He pointed out that foreign military forces are continuing to occupy Kampuchea and by the sheer force of arms, they have imposed a spurious government on the people of Kampuchea.

He pointed to the fact that the Kampuchean people are still deprived of their right to have a government of their own free choice.

Romulo noted: "We maintain firmly our conviction that a just and lasting solution to the Kampuchean problem requires the withdrawal of all foreign forces from Kampuchea, the return to the Kampuchean people of their right to self-determination, and the restoration of the independence, sovereignty and territorial integrity of Kampuchea under appropriate international guarantees."

He said internal unity and cohesion among the members of the Kampuchean coalition headed by Samdech Norodom Sihanouk are increasingly evident and its ability to attract and mobilize popular support inside Kampuchea is no longer in doubt.

Romulo added: "The capability of coalition forces to engage in large-unit military operations not only in areas near the Thai-Kampuchean border but also deep inside Kampuchean territory." [Sentence as received]

"On a rough estimate, over 200,000 Kampucheans have moved into the areas controlled by the coalition forces, an excellent indication of the growing popular support for the coalition government," he said.

Speaking of the instability in Southeast Asia, Romulo stressed: the Asean countries maintain, and continue to maintain, that the problem of Kampuchea must be resolved on the basis of a comprehensive political settlement which is just and equitable to all the parties concerned.

SOUTHEAST ASIA/PACIFIC

UN DELEGATES CONDEMN SRV OCCUPATION OF KAMPUCHEA

Beijing XINHUA in English 0825 GMT 27 Oct 83

[Text] United Nations, 26 October (XINHUA)--Vietnam once again came under international fire at today's plenary meetings of the UN General Assembly as most representatives of 24 countries addressing the meeting condemned its military occupation of Kampuchea and demanded withdrawal of its troops from that country.

Malaysian representative Abidin Bin Sulong said that the invasion and subsequent occupation of Kampuchea by Vietnam "evokes the threat that small countries can be held to a ransom by the might of others. If this were to be accepted, then the fate of small countries would be placed in jeopardy."

He said that the presence of Vietnamese troops in Kampuchea had blocked the prospects for the realization of a zone of peace, freedom and neutrality in South-east Asia. "If Vietnam is genuine in its desire to live in peace and harmony with her neighbors, she must first agree to withdraw her forces from Kampuchea," Sulong stressed.

Singapore representative T. T. B. Koh said that the coalition government of democratic Kampuchea under the leadership of Samdech Norodom Sihanouk, has grown in strength and cohesiveness and won increasing acceptance of other countries.

Criticizing Vietnam for its attacks on the refugee camps along the Thai-Kampuchean border, Koh said: Vietnamese attacks on civilian refugees in border encampments, including schools and hospitals, "are below the minimum standards of human decency."

He invoked the internationally recognized Geneva convention that "the occupying power shall not deport or transfer part of its own civilian population into the territory it occupies," saying that the introduction of Vietnamese settlers into Kampuchea is a violation of the convention.

Bryce Harland, representative of New Zealand, said that so long as Vietnamese troops remained in Kampuchea there could be no peace there and the prospects for regional stability were put in jeopardy. "That situation is wholly unacceptable," he stressed.

Nepalese representative Uddhav Deo Bhatt noted that the withdrawal of all foreign forces would be the first essential step towards the restoration of the independence, territorial integrity and sovereignty of Kampuchea and of the right of the Kampuchean people to determine their own destiny.

Jamshed K. A. Marker, representative of Pakistan, accused Vietnam of maintaining a firm grip over Kampuchea by sustaining a regime of its choice in Phnom Penh. The pursuit of that objective had only served to aggravate the human suffering in Kampuchea, Marker pointed out.

Tunisian representative Taieb Slim said that the problem of Kampuchea constituted a grave situation, affecting not only the South-east Asian region but also international peace and security. He regretted that the withdrawal of foreign troops from that country had not taken place.

Australian representative Richard Woolcott said that his government has no intention of recognizing the Heng Samrin regime which was installed by the Vietnamese and has been kept in power by Vietnamese military forces.

Echoing the voices of the majority, representatives from Bahamas, Norway, Canada, Sudan, Nigeria, Paraguay, Egypt, Austria and Yugoslavia called for the implementation of UN resolutions on Kampuchea.

Cuban representative Rosario Navas Morata, however, described the debate on Kampuchea in the UN General Assembly "illegal," saying that any resolution that might be adopted in this connection by the assembly would have no legal validity without the presence of the representatives of the Heng Samrin regime.

Czechoslovakian representative Jan Strucka said that "Vietnamese volunteers" are in Kampuchea at the request of the "Kampuchean people" who are under the threat of "armed provocations by imperialist-supported forces."

Their views were repeated by representatives of Albania, Bulgaria, and Poland.

The Indian representative suggested that the Kampuchean seat be left vacant because of a lack of consensus.

The debate on the Kampuchean problem will resume tomorrow.

CSO: 4000/67

WESTERN EUROPE

FRG DEFENSE MINISTER WARNS AGAINST SOVIET MISSILES

LD212337 Beijing XINHUA in English 1451 GMT 21 Oct 83

[Text] Bonn, 20 Oct (XINHUA)--Federal German Defense Minister Manfred Woerner said today that both conventional and nuclear forces of the Warsaw Pact have far exceeded any defense need and the increase in the number of Soviet medium-range missiles is posing a special menace to the security in Western Europe.

Introducing the 1983 government white paper on security, he said that if the balance of East-West strength continues to develop in favor of the East, the West would find itself in a dangerous position of being blackmailed politically.

The security paper says that the deployment of new U.S. missiles should go ahead as scheduled if the U.S.-Soviet Geneva talks fail to find an agreement by mid-November. A postponement, the paper notes, could only diminish the prospect of any concrete result from the negotiations.

The paper urges the NATO alliance to improve its conventional defense capabilities so as to lessen dependence on nuclear weapons. It also underlines the necessity for the alliance to keep a limited capability of retaliation with chemical weapons as a deterrent to possible Warsaw attacks with the use of these weapons.

CSO: 4006/65

WESTERN EUROPE

UK LABOR PARTY LEADERS, LACK OF POLICIES VIEWED

HK181452 Beijing RENMIN RIBAO in Chinese 15 Oct 83 p 7

["Newsletter From Britain" by reporter Liang Lijuan [2733 7787 1227]: "Britain's Labor Party is Rallying Its Forces After a Defeat"]

[Text] The 82d annual session of Britain's Labor Party was held in Brighton from 2 to 7 October.

The Labor Party suffered the most serious defeat since its establishment in 1918 at the general election in June this year. As a result, its strength as the largest opposition party has been greatly weakened and is now being threatened by the third party, which might outweigh it in the Parliament. One of the main topics in the annual session was summing up the bitter experience of suffering a defeat in the general election and to rebuild the party.

The session held that the failure was mainly due to unpopular policies, separation within the party, and the inability of the party's leaders. First, the Labor Party has fallen short of the demands of the times and has continuously adhered to its out-of-date and impractical policies, resulting in a divorce from the electors. For example, on defense, the Labor Party has called for unilateral and unconditional abolition of all nuclear weapons, which gave rise to the electors' worry over Britain's non-defense position. As another example, it has all along advocated Britain's withdrawal from the European Community regardless of the fact that Britain joined the EC more than 10 years ago, has gained political and economic benefits, and finds it difficult to withdraw. The Labor Party also opposed the private ownership of enterprises. But the continuous heavy losses suffered by many enterprises have led quite a few of people to approval of private ownership.

Second, internal strife within the Labor Party has become more and more serious. Two and one-half years ago, some right-wing leaders withdrew from the party and established the Social Democratic Party to compete with the Labor Party. Recently, a controversy has been carried on for nearly 2 years within the party centering on expelling Trotskyists from the editorial department of the paper FIGHTER. In the general election, each faction stuck to its own view, resulting in the weakening of the Labor Party's fighting strength.

At the annual session, Kinnoch was elected the leader of the party and Hattersley was elected the deputy leader. At the age of 41, Kinnoch is the youngest leader of the party since its establishment. He delivered a speech at the session

announcing that the first thing he would do after becoming leader would be to hold a debate with Mrs Thatcher in parliament on opposing the reduction of public health funds. His speech greatly inspired those who attended the session. A famous 50-year-old writer, Hattersley joined the party more than 30 years ago and has much political experience. People expect that his assistance will play an important role in rebuilding the Labor Party.

What merits people's attention, however, is that the new leaders have not yet reached a consensus on their defense policy. On economic affairs, they have put forward no concrete policies except the safeguarding of various welfare policies. If the new leaders fail to put forward policies which can convince the electors, their future prospects will be bleak.

CSO: 4005/93

EASTERN EUROPE

GDR, CSSR DISCUSS DEPLOYING NEW USSR MISSILES

OW250435 Beijing XINHUA in English 0241 GMT 25 Oct 83

["Soviet Union To Deploy New Nuclear Missiles in Democratic Germany"--XINHUA headline]

[Text] Berlin, 24 Oct (XINHUA)--The Soviet Union and the German Democratic Republic have started preparatory work on GDR territory for the deployment of missile complexes of operational-tactical designation, the GDR Defense Council announced today.

The move has been taken according to a USSR-GDR agreement to maintain equilibrium in nuclear weapons between the Warsaw Pact and the NATO in Europe, the announcement said.

It added that as the United States is completing preparations for deploying Pershing-II and cruise missiles in a number of West European NATO member states, the Warsaw Pact countries are "compelled to take additional measures to ensure their security."

On the same day, Erich Honecker, general secretary general of the Socialist Unity Party of Germany, went to Czechoslovakia to discuss with Gustav Husak, general secretary of the Communist Party of Czechoslovakia, the deployment of new Soviet missiles in their two countries.

A joint communique issued at the end of the visit said the two countries are determined "to take all necessary measures in the interest of their own security and the defence of the socialist community."

Noting the deterioration of the international situation, the communique said the two countries and the Soviet Union have decided to begin preparations for the deployment of missile complexes of operational-tactical designation.

CSO: 4000/66

NATIONAL AFFAIRS

RENMIN RIBAO SUPPORTS ROLE OF PRESS CRITICISM

HK220758 Beijing RENMIN RIBAO in Chinese 22 Oct 83 p 1

[Commentator's article: "Press Criticism Can Accomplish Great Things"]

[Text] While vigorously publicizing good people and good deeds, the press has recently also strongly lashed unhealthy trends, and its criticisms have been rather lively. Here are a few examples of this:

ZHONGGUO NONGMIN BAO [CHINA PEASANTS' NEWS] exposed anomalies in chemical fertilizer supply in Henna's Kaifeng Prefecture.

XINHUA exposed the problems in violating commodity supply policies in Chongwenmen vegetable market, Beijing city, and a number of newspapers carried continuing reports on this.

BEIJING RIBAO published a list of some people enjoying medical treatment at public expense who have prescriptions made up without collecting their medicines.

BEIJING WANBAO published the numbers of some public vehicles driven to the Miyun reservoir for fishing.

GUANGMING RIBAO exposed the problem of certain illegal elements extorting travelers at the Dongdan ticket office of Beijing railroad station.

ZHONGGUO QINGNIAN BAO reported on how Zhao Guoxuan, a CYL cadre of Hebi city, maltreated his wife.

GONGREN RIBAO exposed the crimes of Liu Deyi, acting foreman of No 4 workshop of Dandong instruments plants, in taking revenge on and farming a young woman worker.

JINGJI RIBAO criticized the bad practice of certain people in Renqiu County, Hebei, in looting and stealing oil materials.

There are many other similar criticisms in the press, including the local press. Most of the criticisms and exposures deal with malpractices, and some deal with violations of law and discipline. With regard to the malpractices, some are rather serious in nature, and others are common occurrences that people "do not

mind"; however, since they harm the interests of the state and the people, they too should be put right. There are also new creations in the forms of criticism; some give the full facts; some first raise the problems, to attract people's attention; some directly publish auto numbers and demand that those under criticism "sit in the right seat"; some provide photos as well as text, or concentrate mainly on photos. Most of the criticisms have significance as typical cases and not only evoke a strong reaction among the masses but also attract attention from the leading organs concerned, right up to leading central comrades. Some leading organs seize on the typical cases criticized in the press and proceed to solve a number of problems, moving from the scope of an individual point to that of an area.

During this period critical reporting has been relatively lively, expressing the spirit of initiative of the press in correcting malpractices. As everyone knows, launching criticism in the press is by no means an easy thing. There is resistance not only from those under criticism but also from their "network of relationships," including certain leading cadres, and also from upper-level leading organs where there is serious bureaucratism. Some people sum up the troubles of a reporter writing a criticism as: getting involved in a lot of bother, wasting time, and running risks. This is very much in accord with reality. However, all journalists with a high sense of responsibility and initiative must "advance on Tiger Mountain even though they know the tiger is there." Many of the examples of press criticism listed above were only revealed as a result of the reporters going deep among the masses and the grassroots, making detailed inquiries, and going in hot pursuit of the facts. Recently XINWEN ZHANXIAN [JOURNALISM FRONT] commended a reporter who dared to wage struggle against malpractices; he encountered many difficulties in his work, someone even bugged his phone, and his child was beaten until his nose was black and his face swollen, but these things by no means shook his resolve to struggle. The people welcome the party needs reporters like this.

In order to stimulate the victorious progress of all-round party rectification and strive for a fundamental turn for the better in party work style and the social mood, it is imperative that the press launch criticism, bring into play the power of public opinion, and support the upright while driving away evil. The leading comrades of the Central Committee and State Council attach very great importance to the launching of press criticism, as do the leading comrades in many areas and departments. One provincial CPC committee secretary, in view of the fact that the local press failed to conduct criticism, pointed out that a newspaper that did not criticize was no good, and that it was essential to continually publish a number of negative typical examples of universal educational significance, and to criticize individuals, save some, and educate the majority. Those engaged in journalism should strengthen their sense of political responsibility; they should have revolutionary dash, fear no difficulties, give no thought to personal gains or losses, and boldly take up the weapon of criticism to wage resolute struggle against all behavior that harms the interests of the party, the state, and the people, and against all malpractices. Of course, to be effective, criticism must first be accurate. Attention must also be paid to this point.

CSO: 4005/94

NATIONAL AFFAIRS

DENG'S EXPOSITIONS ON ORGANIZATIONAL LINE VIEWED

HK261318 Beijing RENMIN RIBAO in Chinese 24 Oct 83 p 5

[Article by Jin Chunming [6835 2504 2494]: "An Important Change in Party History"]

[Text] The 8 years covered in the "Selected Works of Deng Xiaoping" (hereafter briefly called the "Selected Works") is an important historical period of our party, rectifying the overall serious "leftist" mistake of the "Great Cultural Revolution" and reaffirming the correct Marxist line, and also another great turning point of triumph over crisis in the history of the party. Comrade Deng Xiaoping's expositions are not only an important theoretical weapon to guide this turning point but also a brilliant record of the triumphant realization of this great turning point in history. The "Selected Works," which is rich in content and covers a wide field, is the correct direction for our party's integrating universal Marxist-Leninist theory with the concrete practice of the Chinese revolution under new historical conditions, is the crystallization of collective creations based on the CPC Central Committee's correct views, is the main fruit of the upholding and development of Mao Zedong Thought in the new period, and is a cherished spiritual wealth. This article deals with only the study of the relevant expositions in the "Selected Works" on organizational line, and explores, in one aspect, its guiding role in the realization of the great change in the party's history and its far-reaching effects on progress in the realization of socialist modernization.

I.

Changes in the political, ideological and organizational lines are three indispensable basic components of any great change in the party's history. But the order of changes in the three lines, the contents and the methods can vary with different situations and conditions.

The first major change in our party's history was its emergence after failure in the northern expedition to its rise in the Agrarian revolutionary war. The second major change in the party's history was its emergence after failure in the fifth anti-"encirclement" campaign to its rise in the anti-Japanese war. Compared with these two major changes in history, the third major change, with the 3d Plenary Session of the 11th CPC Central Committee as its main basis, has been marked by more sober, more conscious, and more planned features in handling relations among the political, ideological, organizational lines.

The 3d Plenary Session of the 11th CPC Central Committee convened in December 1978 was a great turning point of profound significance in the history of our party since the founding of the PRC. It marked our party's reaffirmation of the Marxist ideological, political and organizational lines. This turning point had been relatively adequately prepared for ideologically. Not long after the downfall of the "gang of four," Comrade Deng Xiaoping, with his scientific attitude and dauntless spirit, precisely pointed out: The "two whatevers" are incompatible with Marxism. He wrote a letter to the CPC Central Committee pointing out that we must use accurate and perfect Mao Zedong Thought as a guide for the whole party, the entire army, and the people throughout the country. This could be described as the earliest official opinion on the need to follow a correct ideological line clearly put forth within the party. Extensive discussions on practice as the only criterion for testing truth under the keen guidance and support of Comrade Deng Xiaoping and other proletarian revolutionaries of the older generation provided important ideological preparation for the historical turning point. Just as Comrade Deng Xiaoping pointed out: "The discussion of the criterion of truth represents basic construction. Without solving the problem of ideological line and without emancipating the mind, the correct political line cannot be formulated; nor can it be carried out or even if formulated." ("Selected Works," p 176)

The 3d Plenary Session of the 11th CPC Central Committee itself resolutely criticized the erroneous guideline of "two whatevers" and fully affirmed the need to completely and accurately grasp the scientific system of Mao Zedong Thought. It put great value on the discussion of the problem of the criterion of truth and affirmed the guideline of emancipating the mind, setting ourselves to thinking, seeking truth from facts, showing unity and looking ahead. It decisively stopped using the slogan of "taking class struggle as the key link," which is not suited to socialist society, and worked out a strategic policy decision to shift the emphasis of work to socialist modernization. The plenary session also elected additional members to the central leadership organ. As a review based on the results of practice shows, the then prominent problem was the solution of the matter of political line. The solution of the matter of the party's guiding ideology also followed a process. As far as a change in the organizational line is concerned, the 3d Plenary Session can only be interpreted as the beginning.

Historical experience tells us that a change in political line is the main factor determining whether the party can realize a major change. But without a change in ideological line as a theoretical and ideological foundation, and without a change in the organizational line guaranteed in regard to systems and cadres, this change cannot be effected thoroughly. Therefore, changes in the ideological, political and organizational lines must be successively carried out and complement each other. The lack of any one of the three will not do.

Therefore, not long after the 3d Plenary Session of the 11th CPC Central Committee, Comrade Deng Xiaoping, in his important speech entitled "The Realization of the Ideological Line and the Political Line Must Be Guaranteed by the Organizational Line," clearly pointed out: "The resolution to the problem of organizational line has been put on our agenda. If this problem is not solved, we are not worthy of Marx. With the old comrades around, the problem can be

solved relatively easily. If the problem is not solved by the time the old comrades are gone, the world will be in great disorder...the stability of China and the realization of modernization must be guaranteed by a correct organizational line. Only with people really upholding Marxism-Leninism-Mao Zedong Thought and cherishing party spirit as successors can there be a guarantee." (p 178)

It can be seen that to stress putting forth the problem of the organizational line at the opportune moment is not only a scientific summation of historical experiences but also a major problem posed by the development of the current objective situation that must be urgently solved in a satisfactory manner.

## II.

The problem of the party's organizational line covers many things. The main thing is how to uphold the principle of carrying out democratic centralism and collective leadership under new historical conditions. Comrade Deng Xiaoping also pointed out: "From the Zunyi meeting to the period of socialist transformation, the party Central Committee and Comrade Mao Zedong all the time paid relatively great attention to carrying out collective leadership and practicing democratic centralism, so that democratic life within the party was relatively normal. The pity is that these good traditions were upheld, nor were they formed into strict perfect systems...after the 1958 criticism of the campaign against rash advance and the 1959 "campaign against right leanings," the democratic life of the party and the state gradually became abnormal. Patriarchal phenomena like letting what a single person says go at a meeting, letting an individual decide on important matters, personality cult, placing individuals above the collective, and so forth continuously developed." (p 290) As a result, the party's democratic centralism and the principle of collective leadership became gradually weakened and even seriously disrupted, making it difficult for the party and the state to guard against and prevent the outbreak of the "Great Cultural Revolution." This is a painful historical lesson.

As we sum up historical experiences, faced with new tasks in socialist modernization, how should we properly handle the party's organizational line? Comrade Deng Xiaoping has given profound expositions in two aspects--the organizational system and the composition of cadres.

"A good system makes it impossible for bad people to throw their weight around, and a bad system makes it impossible for good people to fully do good and even causes them to follow the opposite direction." (p 293) People are often in the habit of attributing mistakes and bad deeds to the thinking, style, caliber and so forth of a certain leader. They very seldom bother to find out whether there are more hidden causes in regard to organizational systems. However, Comrade Deng Xiaoping is indifferent. Seeing through the essence of things, he clearly pointed out: "Various mistakes that occurred in the past were, of course, related to certain leaders' thinking and style. But problems in regard to organizational systems and work styles are more important. I do not mean that an individual has no responsibility. I mean that the leadership system and the organizational system are matters of a fundamental, all-inclusive, stable and long-term nature. The matter of the system bearing on whether the party and the state will change color must arouse great attention from the whole party." (p 293)

What are our main problems in regard to the organizational system? "As far as the leadership system and the cadre system of the party and the state are concerned, the main defects are: bureaucratism, overconcentration of power, patriarchy, lifetime tenure for leadership cadres and other phenomena of privileged treatment of various kinds." (p 287)

In the past, we also tried on many occasions to fight bureaucratism, but with scant results. What was the reason? Comrade Deng Xiaoping pointed out that the main reason was that we treated bureaucratism only as a problem of ideological style. We neglected to solve problems in regard to the system. "But if the problem of the system is not solved, the problem of ideological style also cannot be solved." (p 288) Which systems are related to bureaucratism? They are mainly those management systems with a high degree of power concentrated in the center introduced by us in the economic, political, cultural, social and other fields. In addition, our party and government organs had for a long period of time lacked strict administrative laws and regulations for everyone from the higher to the lower levels and a system of individual responsibility. The cadre system was less than sound. There were no standard practices in regard to employment, rewards and penalties, retirement, resignation and dismissal. People could only be employed and not discharged, promoted and not demoted. Organs were overstaffed. Good or bad performance made no difference. It is quite clear that we must fundamentally change these systems. Only thus can bureaucratism be effectively overcome, giving a boost to the progress of economic enterprises and various other undertakings.

Comrade Deng Xiaoping clearly pointed out that the defect of overconcentration of power existed within our party. He made a systematic and penetrating analysis of the matter. He pointed out on many occasions that the phenomenon of overconcentration of power was traceable to complicated social historical factors. The main factors were: 1) In the past, under the slogan of strengthening centralized party leadership, we "inappropriately and unanalytically placed all power in the party committee. The party committee's power was also often concentrated in a few secretaries and especially in the first secretary. In doing anything, the first secretary was put in command and in charge. Centralized party leadership often thus turned into individual leadership." (pp 288-289) 2) "Such a phenomenon has to do with the influence of feudal despotism in our country's history and also with the tradition of overconcentration of power in individual leaders followed in the party work of various countries during the period of the Communist International." (p 289) 3) The phenomenon also has to do with certain defects in our previous struggles against various trends. "In history, on many occasions we overemphasized party centralization and unity and overemphasized opposition to decentralism and the advocacy of independence. We very seldom stressed the necessary distribution of power and the need for decisionmaking power. We very seldom opposed overconcentration of power in the individual." (p 289) On the basis of the above penetrating analysis, Comrade Deng Xiaoping clearly raised the problem of "inappropriately overconcentrating power." He pointed out: "Since the party became the ruling political party throughout the country and especially since the fundamental completion of the socialist transformation of the system of private ownership of the means of production, the party's central tasks have been different from those before. The tasks of socialist construction are extremely heavy and

complicated. Overconcentration of power has become increasingly incompatible with the development of the socialist cause." (p 289) "Overconcentration of power interferes with the implementation of the socialist democratic system and the party's democratic centralism, the promotion of socialist construction, and the development of collective wisdom, and is liable to give rise to individual arbitration and disrupt collective leadership. This is also an important factor that leads to bureaucratism under new conditions." (p 281) Thus, Comrade Deng Xiaoping made a systematic clarification of the major problem of lack of adequate understanding on our part over a long period of time. This helped to greatly solve this problem.

Lifetime tenure for leadership cadres was not part of any system put down in black and white within our party. But it did exist. Just as Comrade Deng Xiaoping said, the formation of such a phenomenon "is in a way related to the influence of feudalism and also related to our party's failure all along to define proper measures for retirement and termination of services. In the period of the revolutionary war, all of us were still young. In the 1950's, we were in the prime of life. The problem of retirement did not exist. But later, we failed to seek a timely solution. This was a mistake." (p 291) At present, this problem has become an extremely urgent one calling for immediate solution and a "major problem bearing on the prosperity and vigor of our party and state." (pp 198-199) Therefore, the party Central Committee adopted a series of important measures: The secretariat of the CPC Central Committee was set up again, with the party Central Committee divided into the first and the second line. An Advisory Commission of the CPC Central Committee was established. Party and government organs at all levels were streamlined, with the system of retirement for cadres introduced. Recently, it was again proposed that relatively young cadres be promoted to form a third echelon. Thus, lifetime tenure for leadership cadres has actually been abolished.

As far as concrete appointments and removals are concerned, the reform of the organizational system is marked more by "a fundamental, all-inclusive, stable and long-term nature." (p 293) In August 1980, an Italian correspondent, Oriana Fallaci, asked Comrade Deng Xiaoping: "How can mistakes like the 'Great Cultural Revolution' be avoided?" Comrade Deng Xiaoping replied: "This calls for solving problems in regard to the system.... We are not studying ways to avoid the repetition of such a phenomenon. We are prepared to start with the reform of the system.... Only by doing so can problems be solved." (p 307)

Another important aspect of the organizational line is the composition of cadres. This is because "with the political line defined, people must concretely carry it out." (p 176) The problem of people is mainly one of cadres and especially one of leading groups at all levels.

Our ranks of cadres have been formed in many years of revolutionary struggle and have been subjected to a long period of training and testing. Generally speaking, they are relatively good. This, first of all, must be affirmed. But "we also must soberly see the situation in which our country is facing a tremendous task of modernization" and such a sharp contradiction that "our large numbers of existing cadres are not suited to the needs of modernization." (p 286) Comrade Deng Xiaoping said: "Now, our country is facing a serious problem. It is not the line of modernization and not whether or not the guide-

line is correct. Rather, it is the lack of a large number of trained people needed to realize this line." (P 193) Is it a question of our ranks of cadres not being large enough? No. "The problem is the irrational composition of cadres. There are too many cadres who lack technical knowledge and professional skills and too few cadres with technical knowledge and professional skills." (p 227) This is the crux of the problem.

How can this contradiction be solved? The only correct way is to take effective measures to speed up the realization of the call for more revolutionary, younger, better-educated and professionally more competent cadres. We must first start with the "modernization" of the leading groups. Comrade Deng Xiaoping said: "The realization of the call for more revolutionary, younger, better-educated, professionally more competent is a strategic need in revolution and construction and also our old cadres' most glorious and most sacred duty and is our final historical contribution to the party and a severe test of the party spirit of everyone of us. Therefore, this matter must be taken care of." (p 351)

On such problems as how to properly select successors and readjust leading groups at all levels, how to correctly recognize the criterion for the modernization of cadres and correctly handle the relations between being red and expert, and how to accelerate the realization of the modernization of cadres and what measures to adopt, and so forth, Comrade Deng Xiaoping has given many profound expositions. Newspapers and magazines have also devoted articles to large numbers of relevant problems. Thus, there is no need for me to again take them up here.

### III.

It is no simple task to solve the problem of organizational line. Various obstacles are bound to be encountered. But this is a major issue of profound significance. We must be determined to seek a thorough solution. This is an important idea repeatedly expressed in many speeches and articles by Comrade Deng Xiaoping. One speech was entitled "Streamlining Organs is a Revolution." The reform of the organizational line is indeed a revolution. Of course, by revolution here, we mean revolution in its broad sense and a revolution of the system, not against the people. Why is it necessary to elevate this problem to the level of "a revolution" for understanding?

1. The revolution bears on whether we can achieve the fundamental goal of communism. The communist cause is the most glorious and splendid enterprise in the history of mankind. Meanwhile, it is also the most arduous undertaking. This is a revolution more profound than any undertaken in the past. Therefore, it also requires a longer period of time before it can be completed. One or two generations of struggle are not enough. There must be many generations of hard struggle with persistence and brave sacrifices. This poses a strategic task. There must be successors to the communist cause carried on from generation to generation. Only in this way can it be carried through to its conclusion. This means that our ranks of cadres must be continuously revolutionized and made younger, with the new replacing the old in an endless stream like the flow of the Changjiang. For this very reason, Comrade Deng Xiaoping repeatedly has stressed the need for everyone to think and look a bit farther ahead and ponder

problems, with the fundamental interests of the party and the state of mind. He even equated the problem with the survival of the party and the state. He called on everyone to fully realize the importance of this problem. He said: "If this revolution is not undertaken and if old and sick people are allowed to stand in the way of relatively young, vigorous and capable people, then not only is there no hope for modernization but even there is the problem of the survival of the party and the state, with the safety of the party and the state threatened." (p 352)

2. The revolution bears on whether or not the socialist system can be continuously improved and whether we can give full play to the superior features of the socialist system. "Only socialism can save China. This is an irrefutable historical conclusion drawn from personal experiences by the Chinese people in the 60 years from the "4 May" movement to today." (p 152) Historical experience has showed that the socialist system is superior. Meanwhile, it also tells us that the existing socialist system is still not perfect. It must be continuously reformed and rounded out. Deng Xiaoping said: "If we do not take up this revolution and let the party and state organizations remain as they now are, with overlapping ramifications and redundant workers, with duties ill-defined, with many workers not qualified for their jobs, and with the lack of energy, knowledge, and efficiency, then we cannot possibly win the support of the people, including ourselves and the cadres below us. This is indeed a situation that can hardly be allowed to continue. It has really reached an intolerable stage. The people can no longer bear it. Nor can our party bear it." (p 351) A reform must be carried out. The goal of the reform is unusually clear: "To reform the leadership system of the party and the state and other systems is to give full play to the superiority of the socialist system and to accelerate the development of modernization." (p 282)

3. The revolution bears on whether we can thoroughly solve the problem of party style. Comrade Deng Xiaoping said: "I am in favor of what Comrade Chen Yun said. The problem of the party style of the ruling party bears on the survival of the party." (p 318) There are many causes for an unhealthy party style. A defective organizational system is an important factor not to be overlooked. For example, some cadres do not treat themselves as public servants of the people and instead regard themselves as masters of the people, seeking prerogatives and privileged treatment. This is an important manifestation of an unhealthy party style arousing great dissatisfaction from among the masses. How should we solve the problem of privileged treatment? Comrade Deng Xiaoping said: "To overcome the phenomenon of privileged treatment, we must solve the ideological problem and also the problem of the system." For example, every citizen is equal before the law and the system. Every party member is equal before the party constitution and party discipline. Anyone who offends the law must be investigated by the public security organ according to the law and handled by the judicial organ according to the law. No violator of the law can be above party discipline and state law. "Only by really persisting in achieving these goals can we thoroughly solve the problem of seeking privileged treatment and running afoul of discipline." (p 292) It can be seen that the important significance of the reform and improvement of the organizational system in thoroughly solving the problem of the party style cannot be overlooked.

The reform and implementation of organizational line is of far-reaching significance and has a great impact. But this cannot be all smooth sailing. "It involves a very wide area and involves the personal interests of large numbers of people. Various complicated conditions and problems are bound to appear. Multiple obstacles are bound to be encountered." (p 142) Comrade Deng Xiaoping figures that there might appear various conditions like the posting of big-character wall papers, the practice of factionalism, and even the holding of parades and demonstrations, and so forth. We should be adequately prepared ideologically for these and also seriously take good care of various concrete tasks. But first of all, we must have the determination and "be highly resolute" and "firm and unswerving."

"In my opinion, we should have confidence in victory. There is no other choice. For that matter, we cannot hesitate, compromise, or give up half way. No matter what happens, we must be firm and unswerving in this revolution." (p 353) This should be the fundamental stand and attitude that every party member and cadre adopts after studying Comrade Deng Xiaoping's relevant expositions on organizational line.

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NATIONAL AFFAIRS

PRC CENTRAL PARTY SCHOOL ON SOCIALIST SOCIETY

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["Discussions on the Basic Principles of Scientific Socialism," No 10--article by the compilation group of the scientific socialism teaching and research center of the Central Party School: "The Basic Characteristics of Socialist Society"--passages within slantlines published in boldface]

[Text] The study of the basic characteristics of socialist society is in essence the study of what is socialism, and of the most basic and most essential characteristics of socialist society, and what distinguishes socialist society from other societies.

According to the viewpoint of scientific socialism, the characteristics of socialist society are not fantasy deduced from certain established principles, but scientific conclusions based on objective practice. In order to understand the characteristics of socialist society, it is necessary to base ourselves on the theory of historical materialism on the general structure of society. Social structure is an organic body formed by a certain economic form and political and cultural systems. Therefore, in studying and describing the characteristics of socialist society, it is necessary to start from these three aspects.

What is socialist society actually like? There is a process in the development of understanding the history of the development of scientific socialism. Generally, it was first based on the study of the contradictions in capitalist economy and its developing tendency, and later the practical experiences of socialist construction; and the understanding has been incessantly deepened. The 12th CPC National Congress has further summed up the practical experiences in our country of the international communist movement and of socialism, and has arrived at a new level of understanding of the basic characteristics of socialist society. Here, we shall make a concise analysis on the inference of the political report made at the 12th CPC National Congress on this problem:

/1. The elimination of the exploiting system./ This is the most fundamental characteristic of socialist society, distinguishing it from any other societies. The laborers are combined with production means; and these are two of the most essential factors in social production. The particular form and method of such combination divides the social structure into different economic stages. In a slave society, feudal society and capitalist society, though they differ in form and method of combination, there is one thing in common, namely, the exist-

tence of the possession of labor of one part of the people by another. Socialist system aims to rid the whole of society of exploitation and class antagonism forever, and establish the equal and mutual aid relationship between men.

/2. The public ownership of production means./ The determining difference between socialist and capitalist systems lies in the organization of social production basing itself on the practice of the public ownership of all production means. This is the objective demand of the socialization of production form, and also the predominant condition for the elimination of class antagonism and exploitation. In any country, after socialist revolution takes place, there will be a course of development from a lower to a higher form. Every stage should conform to the level of development of the social productive force. For instance, in some countries originally underdeveloped economically, after they have entered socialist society, the public ownership of production means can only be an economic form in a dominant position; and we cannot imagine their economic system to be purer than pure in a short period of time. Nor can we deny the necessity of the existence of various types of economic elements under the condition of the dominant position of the public ownership, or deny the public ownership of production means as the basic characteristics of socialist society because of a variation in economic layers.

/3. Distribution according to labor./ This refers to the principle and system of the distribution of consumer materials after various social deductions have been made from the total output of social production. The distribution according to the quantity and quality of labor is based on the public ownership of production means, and the negation of "distribution according to capital," namely, the exploiting system, and its nature is "the exchange of equal labor" between laborers on an equal footing in socialist society.

The principle of distribution according to labor develops with the incessant development of socialist economy. In the underdeveloped stage of socialism, the ownership system has many layers. Therefore, distribution according to labor will be affected by the difference in the nature of the ownership system and in production conditions. Under the condition of the existence of commodity production, it will also be affected by the value and profit realized by a separate enterprise. It needs a historical process of development to achieve complete "exchange of equal amounts of labor."

/4. The development of the national economy in a planned way and in proportion./ "In a planned way" means that, on the basis of the public ownership of production means, the society conducts self-conscious control and regulation of the production process in accordance with the target advantageous to all the members of society. "In proportion" means to distribute social labor based on a certain proportional relationship, so as to enable the whole society to obtain the amount of products conforming to the quantity of various needs. This is a negation of the anarchic state of capitalist social production, and an important expression of the advantages of socialist economy. Under the condition that there still exists commodity production in society, socialist planned economy can hardly rid itself of the effects of market, value and price. Therefore it is imperative to adopt the principle of taking planned economy as primary, with market regulation as supplement.

/5. A highly developed productive force and a higher productivity than capitalism./ Starting by investigating the law of development of the material productive force of capitalism, Marx and Engels found the objective ground for the inevitable realization of socialism. They believed that a highly developed social productive force is the necessary premise of the socialist system. However, because of the specific historical conditions, countries comparatively backward economically, such as Russia and China, entered into socialist society before developed capitalist countries. This does not and cannot change the objective law of the development of society. Socialist society is not an abstract kingdom of equality. Although a highly developed productive force and a higher productivity than capitalism are not yet reality, they are a must. Socialism based on a backward productive force is incomplete, and not consolidated. Therefore, the 12th CPC National Congress stresses. "A highly developed productive force and higher labor productivity are the inevitable demand and the ultimate result of the development of socialism"; this is also the characteristics of socialist society. This has indicated the correct orientation for the development of socialism.

/6. The political power of the working class and the laboring people./ The political power of the state is still necessary in socialist society as the primary stage of communism. This is because class struggle still exists to a certain degree; besides, it is necessary to exercise dictatorship over the enemy at home and safeguard the security of the socialist country. This state can only be the political power representing the working class and the laboring people, who account for the overwhelming majority of the population. It is imperative for this political power to practice a high level of socialist democracy, so as to ensure that the development of various undertakings can conform to the will, interests and needs of the people, enable them to strengthen their sense of responsibility as masters and bring their initiative into full play. This is the basic characteristic in the politics of socialist society.

/7. Socialist spiritual civilization with communist ideology as the core./ Spiritual civilization includes the two aspects of culture and ideology. The development of socialist culture and the heightening of the cultural level of the masses of people are the motivating force for the construction of socialist material civilization. Ideological construction with communism as its core is an important condition to ensure the advance of socialism toward the target of communism. Without such spiritual civilization, it will be impossible to build socialism.

The basic characteristics of socialist society outlined by the 12th CPC National Congress are the common nature of socialist society, and have universal truth. However, the concrete form expressed by every characteristic is the individuality of socialist society, which varies in the different stages in the development of socialist society and in different countries. In terms of time, with the change of socialism from underdeveloped to developed and from a lower to a higher stage, every characteristic will inevitably find expression in different concrete contents and forms. In terms of space, every nation building socialism will inevitably carry its own characteristics in economic organizational form, type of political power and culture. It is necessary for us to persist in the principle of the unity of individuality and common nature, and build socialism with Chinese characteristics.

NATIONAL AFFAIRS

ZHANG ZHIXIU RECALLS WARTIME MEMORIES OF CHEN YI

HK250918 Beijing RENMIN RIBAO in Chinese 19 Oct 83 p 5

[Article by Zhang Zhixiu [1728 6896 4423]: "Some Episodes in the Life of Comrade Chen Yi"]

[Excerpts] I.

As a native of Jiangxi, I joined the Red Army in the Hunan-Jiangxi Soviet area. During the Long March, in which I joined as a fighter of the Red Army, I heard that Comrade Chen Yi had remained in Jiangxi, commanding and carrying on guerrilla warfare. I graduated from the Red Army University in Yanan in 1937, after the anti-Japanese war broke out, and was later assigned to work with the New Fourth Army. In November that year, I met Comrade Chen Yi in an old-fashioned hotel in Nanchang City, Jiangxi Province, which was then used as the general office of the Eighth-route Army. On seeing me, he, with his big, strong hands, tightly held mine and spoke to me in a cordial voice with a heavy Sichuan accent:

"How are you Comrade Zhang Zhixiu? All of you have been working hard. You have completed the 25,000-Li Long March, and now come back to the south to establish the New Fourth Army. We warmly welcome you to join us."

Comrade Chen Yi told me: "You are a native of the Hunan-Jiangxi border area. We would like you to go back there. Just go to work with Comrade Tan Yubao's units!"

To carry out Comrade Chen Yi's directive, we travelled day and night to see Comrade Tan Yubao in the Hunan-Jiangxi border area. Under the latter's leadership, we promptly concentrated the guerrilla forces of the Red Army from different locations, regrouped them into a big unit, and ordered them to move to and stand by in the South Anhua base on the anti-Japanese frontline.

II.

The New Fourth Army was officially established in Nanchang in January 1938. All guerrilla forces formerly distributed over different provinces in the south were then grouped into three units (the guerrilla forces in the area to the north of Changjiang formed the fourth unit). All three units, each consisting of two regiments, were ordered to assemble in Yansi near Tunxi in Anhua Province.

In order to strike relentless blows at the Japanese enemy, the party Central Committee and Comrade Mao Zedong ordered the three units under the New Fourth Army in South Anhui to penetrate as soon as possible the enemy's rear in the area to the south of Changjiang, to build a guerrilla base centering around Maoshan Mountain, to approach the outskirts of Shanghai and Nanjing step by step, and thus to threaten the heartland of the area occupied by the enemy. Comrade Chen Yi resolutely carried out this correct strategic guideline laid down by the party Central Committee.

In order to ensure that the main force could move smoothly into the enemy's rear area, Comrade Chen Yi personally gave assistance to Comrade Su Yu, transferring troops and cadres from the first and second units to form an advance unit, in which I was also appointed to be a reconnaissance staff officer.

Penetrating the enemy's rear in the area to the south of Changjiang, our advance unit witnessed various savage acts of the Japanese enemy on our beautiful motherland. We reported all these circumstances to the headquarters of the army. Soon afterward, in May, Comrade Chen Yi personally led the regiment under the command of Fu Qiutao and that under the command of Zhang Zhengkun to enter Zhenjiang, Jurong, Danyang, Jintan and other areas. In July, Comrade Zhang Dingcheng also led the third and fourth regiments of the second unit to enter Jiangning, Dangtu, Lishui, Gaochun and other areas.

The complete victory in the battle at the Xinfeng railway station near Zhenjiang on 1 July 1938 was closely related to Comrade Chen Yi's attaching importance to reconnaissance before the battle.

In face of strong enemies, Comrade Chen Yi could always grasp the opportunity to inflict heavy casualties on the enemy. One of the best examples was the battle in Zi County during the initial period of the liberation war, which resulted in the annihilation of the KMT's No 1 swift operation column and the occupation of the county.

### III.

As a mature statesman, Comrade Chen Yi attached great importance to the party's united front work during the protracted revolutionary war. Wherever the army arrived, he always liked to pay a visit to local personages of different social strata. He had a large circle of friends who ranged from enlightened personages to less enlightened ones or even reactionary people. Willing to make friends with everyone, he would never refuse anybody if there was a political or military need and the conditions existed.

Some 12 years have passed since Comrade Chen Yi's death. His lofty revolutionary morality and style and his great contributions to the party and the state will be indelibly engraved on the memory of the people.

CSO: 4005/94

NATIONAL AFFAIRS

SUMMARY OF EVALUATIONS OF ZUO ZONGTANG

HK260224 Beijing RENMIN RIBAO in Chinese 21 Oct 83 p 5

["Academic Trends" column: Summary by Yu [5038]: "Hunan SHI YUAN XUEBAO Features Pen Talks on Evaluation of Zuo Zongtang"]

[Text] Eight essays on the "Pen Talks on the Evaluation of Zuo Zongtang" were featured in HUNAN SHI YUAN XUEBAO [HUNAN NORMAL COLLEGE JOURNAL] No 3, 1983. In its comments, the editorial department of the journal says that it is hoped that through discussion, an appropriate historical materialistic evaluation will be reached on Zuo Zongtang.

In his article "There is No Need to Fina a 'Label' for Zuo Zongtang," Zhao Shiwei [6392 0013 1014] said: In the first part of his life, Zuo Zongtang was a great slaughter, incurring heavy blood debts, and one of the important reactionary figures of the ruling clique. In the latter part of his life, he fell in with the wishes of the people, becoming one of the very few progressives within the ruling clique, and a patriot rendering meritorious service to the nation. It is obvious that from a historical materialistic view, the latter part of his life was more important. The author holds that if need be, it is necessary to make concrete and appropriate evaluation on the various aspects of his life, while labelling is unnecessary.

In his article "The Label for Zuo Zongtang as 'Pro-French Group' Should be Abolished," Wang Cheng-ren [3769 2110 0088] said: In the earlier stage of Zuo Zongtang's life, he colluded with and depended on the French aggressors, and had a pro-French tendency, but he was not so far gone as to be called one of the "pro-French group." In Zhejiang, he colluded with the French aggressors and organized the "Changjie army" to suppress the Taiping army, which was an expression of the counterrevolutionary policy of "relying on foreign soldiers to help in the suppression" on the part of the Qing government. In the initial stage of the Fujian ship building bureau, Zuo Zongtang put the French Riyige [2480 1942 2794] and Degebei [1795 0344 4301] in important positions, resulting in the serious situation in the ship administration bureau that "everything has to rely on foreigners, the system has to follow foreign countries, and the materials have to be imported." Nonetheless, subjectively speaking, Zuo Zongtang actually held the guiding idea that "better to employ than borrow, better to buy than to employ, and better to build them ourselves than to buy them," and "to be able to use foreigners, but not to be used by them." Subjectively speaking, his aim was not to meet the needs of the French invaders, but to attempt to build an independent national defense industry in China, making her adopt the road of becoming powerful.

Zuo Zongtang had all along adopted a different attitude toward foreign aggression from that of Li Hongzhang; he was dauntless, and strongly patriotic. Not only did he oppose the aggression of Tsarist Russia, Japan and Great Britain, but also that of France. His actions during the Sino-French War also proved that he was not one of the "pro-French group," but a patriot.

In the article "Zuo Zongtang's Merits Greater Than His Faults," Pi Mingma [4122 2494 7802] said: The two aspects, reactionary on the one hand, and patriotic on the other hand, were unified in the same Zuo Zongtang. A person is always a solid entity, with many dimensions, and not a one-dimensional plane. People's thinking was governed by a one-sided, rigid deduction, such as feudal rulers were betrayers of the state, Confucians would inevitably betray their country, and so on. Actually, feudal rulers had as common nature suppression or reign over the people; they did not always possess the common nature of betrayal. We should fully affirm those people who made historical contributions to the independence of the Chinese nation and for the integrity of the territory of the motherland. Just as we cannot negate Yue Fei's role in resisting Jing's invasion just because of his part in suppressing Yang Mo, nor can we negate or depreciate Zuo Zongtang's historical merits in restoring Xinjiang just because he suppressed the Taiping army and Nian army.

In his article "Zuo Zongtang, a Reformer," Chong Hanxi [1504 3352 3886] said: In recovering Xinjiang, Zuo Zongtang was also a reformer. On the eve of the advance, he first grasped the key problem of picking troops. In the course of military actions in recovering Xinjiang, Zuo Zongtang did a large amount of work in the reform of Xinjiang's politics, economy, and culture. In political reform, we should first mention the preparation in the establishment of Xinjiang as a province. Although the establishment of Xinjiang as a province took place after Zuo Zongtang left the northwest, he had laid the foundation and the conditions were ripe for establishment when he recovered Xinjiang. The reform of Zuo Zongtang in politics also gave expression in his advocacy of "equality for the Hui nationality," putting forth the nationality policy of "treating the Hui nationality with equality" as a state policy of long reign and stability. He also put forth some policies rich in the significance of reform in reviving Xinjiang's economy, and relieving the burden of the people. The first policy was "letting the people occupy on their own" cultivable land without claim of previous ownership; the second was reform in the levy system, with the land divided into nine grades, and the poll tax abolished, while a new tax system was adopted with a rate of one against 11, "increasing in accordance with the number of mu of land." In culture and education, he abolished the old method that there was only religious education, with the authority of education under the control of imams, gave instructions that various localities should initiate literature, abolished teaching materials with only religious scriptures, and issued textbooks with contents similar to those compiled for Mongolian children in the interior. Besides, he also increased the enrollment for the imperial examination system in the northwest region.

In the article "Zuo Zongtang's Economic Ideas in His Later Years," quoting some of Zuo Zongtang's speeches, Dong Caishi [5516 5591 2514] said that Zuo advocated the operation of enterprises by civilians. First, Zuo Zongtang regarded the running of enterprises for civilian use as a means to broaden sources of income and improve the standard of living for the state. Second, under the guiding idea

of "teaching the people to promote what is beneficial," but not to "contend with the people for benefits," he encouraged the support of merchant-run enterprises, and opposed bureaucrat-run enterprises. This had something to do with his idea of bringing benefit to the people on the one hand, and with his drawing lessons from the repeated failures of Li Hongzhang and others in their strong advocacy of bureaucrat-run enterprises or merchant-run enterprises under bureaucratic supervision on the other. Third, in view of the insufficient capital among Chinese merchants, the principle that "bureaucrat-run enterprises take the lead, while merchant-run enterprises follow" was advantageous to the development of national capitalism.

The author also cited examples to point out that in the economic field, Zuo Zongtang resisted the economic invasion of foreign countries, and took the establishment of modern enterprises as a means to resist foreign economic invasion, and to recoup the privilege and sovereignty of the state. Because of the victory in this struggle to safeguard the privilege and sovereignty of the state, the contention of the big powers for their right to set up factories and manufacture in the trading ports was postponed for more than 10 years, and the development of national capitalism was protected.

In his article "The Core of Zuo Zongtang's Ideology was Patriotism," Zhou Xueshun [0719 1331 5293] said: Zuo Zongtang was born to a "poor" family, with three generations who had passed the imperial examination at the county level. He himself had thrice gone to the capital city to take part in the examination at the highest level, but every time, he failed to win an honor, and in the end gave up the imperial examination. Influenced by the education of the He brothers, He Changling and He Xiling, from age 17, he had devoted himself to the study of government for the purpose of application. When the Opium War broke out, he strongly advocated resistance against Great Britain to save the nation, and breathed the same air as Lin Zexu, head of the pro-resistance group in the forefront of the battlefield. He was indignant when Qi Shan engaged in intrigue resulting in great harm to the nation. He studied "Sheng Wu Ji" [5110 2976 6068] written by Wei Yuan [7614 3293], and "Hai Cuo Tu Zhi" [3189 0948 0956 1807] by the same author based on "Si Zhou Zhi" [0934 3166 1807] with Lin Zexu as the chief translator, which inspired him all the more with patriotism. In the 1870's, the rebellion of Agubo [7793 0657 2672] was pacified, and the plot of Great Britain and Russia to split Xinjiang from the motherland was smashed. After the Sino-French war broke out, Zuo Zongtang and others sent in a memorial for the impeachment of Li Hongzhang, who surrendered and betrayed the nation; later, he died of illness in the forefront of the battlefield during the Sino-French war.

In his article "How Can We Account for the Appearance of Such an Outstanding Patriot as Zuo Zongtang?" Geng Xhixin [5105 0099 0207] said: There were profound social conditions for the existence of such a patriot. First, the times of Zuo Zongtang's life was set in the period of the transition of our country's decline to a semi-colonial and semi-feudal society, when the Chinese nation was at a grave moment, confronting national subjugation and genocide. It was under such social and historical conditions that such characters as Zuo Zongtang were produced. Second, basically, the patriotism of Zuo Zongtang sprouted with the invasion of Western capitalism, and deepened and formed with the national crisis. Third, the signing of the 1901 treaty was a demarcation line of the obvious

change in the foreign policies of the Qing government. After the signing of the treaty, the Qing government became an out-and-out "court of foreigners," and it was impossible for such people as Zuo Zongtang to appear.

In his article "The Evaluation of Zuo Zongtang From the Methodological View," Du Jingguo [2629 4842 0948] said: Zuo Zongtang strongly opposed the absurd idea of Li Hongzhang and his ilk on giving up Xinjiang. Had it not been for Zuo Zongtang, who came out boldly to wage desperate struggles against foreign aggressors, a large piece of territory of our motherland would have become foreign land, and Tsarist Russia would have long been glaring like a tiger eyeing its prey outside the Yumen, Guan [jade gate].

The author also indicated that in modern China, the essence of patriotism was different from what it was before. To basically protect the nation from foreign invasion, it was imperative to learn from the West, and to adopt the road of reform and development. Differing from the ways of comprador bureaucrats of Li Hongzhang and his ilk in doing their best to elbow out and suppress the development of national industry, Zuo Zongtang held that bureaucrat-run enterprises and merchant-run enterprises under bureaucratic supervision should not be a long-term measure, though they might exist for the time being; in the long run, they should all be operated by merchants. While engaging in the Westernization movement in Gansu, Zuo Zongtang also focused on "experiments" in every aspect. He was an outstanding patriot, on an equal footing with Lin Zexu.

CSO: 4005/94

NATIONAL AFFAIRS

RENMIN RIBAO RECALLS DEEDS OF ZHANG LIANKUI

HK240814 Beijing RENMIN RIBAO in Chinese 19 Oct 83 p 5

[Article by Lu Dong [0712 2639], Han Chunde [7281 4783 1795], Zheng Hantao [6774 3352 3447], and Wang Li [3769 4539]: "A Brave Warrior in the War Years, a Practical Worker in the Period of Construction--Reminiscences of Comrade Zhang Liankui"]

[Text] More than 5 years have elapsed since Comrade Liankui left us. He devoted his life to the undertakings of the people's liberation and the construction of the national defense industry, thus writing down the glorious history of a loyal revolutionary fighter.

I.

Comrade Liankui was born in 1913 in Dingxiang County, Shanxi Province. When he was studying at Beijing Teachers' University, he organized the "Hepingmen Association of Physical Culture." Through activities in physical culture, he united the patriotic teachers and students so as to develop the activities of resistance against Japan and of national salvation. He joined the CPC in 1935. In the "9 December" movement which shook the whole country, he was one of the organizers who formed the great contingent of Hepingmen marchers. He walked in front of the ranks of the marching masses, holding aloft a great banner in his hands.

After the war of resistance against Japan broke out in 1937, the party organization decided to send Comrade Liankui back to Shanxi. He successively held the posts of secretary of Dingxiang County CPC Committee, director of the organization department, deputy secretary, and secretary of the 2d local CPC committee under the Beiyue Regional CPC Committee. In close cooperation with the responsible comrades of the Northeast Shanxi Military Subarea, he mobilized the broad masses to set up party and government organizations, organized the united front to resist Japan, helped the people to conduct reduction of rent and interest, eliminated traitors and fought against stubborn elements, unfolded guerrilla warfare, and created a new situation within a short period of time, with the result that the base areas of northeast Shanxi were quickly consolidated and developed.

After 1940, in order to cope with the needs in our struggle against the enemy, the base areas in northeast Shanxi were divided into two regions--Henan and Hebei, with the Hutuohe running between them. Comrade Liankui concurrently held the posts of secretary of the Henan Regional CPC Committee and political commissar of the regional detachment. In 1942, the main forces of the region were moved to some other place and the situation was very grim. Comrade Liankui said: "Our party organization's task is to do mass work. Without the masses, there would be no base area at all. The more severe the struggle, the closer we should be to the people." He led the regional CPC organ and detachment to persist in the struggle against the enemy. In order to bring about a new situation in the struggle, he led the regional detachment to penetrate the stubborn enemy's rear area--Yangqu, Shoyang and Yuci--and succeeded in opening up a new base region. In 1944, when attacking Dingxiang City, he was the first to ascend the city wall, thereby capturing the puppet magistrate alive and seizing a large quantity of materials and equipment for military and civilian use.

After the victory of the War of Resistance Against Japan, Comrade Liankui concurrently held the posts of secretary of the regional CPC committee and political commissar of the regional military subarea. The party sent him to work in the Taiyuan central group of the military mediation department, and he was appointed chief representative of the CPC. Along with Comrade Xu Guangda and other comrades, on behalf of the leading cadres of the military areas of Shanxi-Hebei-Shandong-Henan, Shanxi-Suiyuan and Shanxi-Chahaer-Hebei, he waged struggles face to face against the representatives of the United States-Jiang-Yan side.

During the war of liberation and in the initial period of the founding of the country, Comrade Liankui was transferred to take part in military work. He successively held the posts of the director of the political department and deputy political commissar of the first column of Shanxi-Chahaer-Hebei military area, deputy political commissar and political commissar of the 66th Army. The army, in which he was one of the leading cadres, fought on many fronts in the North China area, covering thousands of li. They fought successively in the Xinding, Chanan, Baobei, Shijiazhuang, Ping-jin-zhang and Taiyuan campaigns, winning numerous battle achievements. In the campaign for the liberation of Taiyuan, he went to the front in person and organized a shock brigade to ascend the city wall first, thus gaining the primary merit of "vanguard in ascending the city." Comrade Xiao Xinhuai, the army commander, often said in his lifetime that although Comrade Liankui had been a college student, he was brave in fighting.

In October 1950, the army he was in joined the volunteers and went to the battle front in Korea. Because the war was fought without adequate preparations, the initial results were not good. The leading cadres promptly summed up these experiences, strengthened the political leadership, and developed education in patriotism, internationalism and revolutionary heroism, so that the troops could maintain high revolutionary morale and the faith in victory. In the second campaign, and especially in the third campaign to penetrate through the line of the 38th parallel, and in the blocking action at Wuyinshan during the fourth campaign, the army Comrade Liankui was fulfilled in all its fighting tasks with distinction and was subsequently commended by the headquarters of the Chinese Volunteers and by Comrade Peng Dehuai. In October 1951, when the army was on

the eve of returning to the motherland, Comrade Liankui was awarded a 2d class medal of freedom and independence by the supreme people's assembly of the Democratic People's Republic of Korea.

## II.

In 1952, Comrade Liankui was transferred to work in the national defense industry. He successively held the posts of bureau director, vice minister and deputy secretary of the party group of the second Ministry of Machine-Building Industry, deputy minister of the first Ministry of Machine-Building Industry, deputy minister of the first Ministry of Machine Building Industry, minister and secretary of the party group, vice minister and deputy secretary of the party group of the third Ministry of Machine-Building Industry, standing vice minister and deputy secretary of the party group of the fifth Ministry of Machine-Building Industry.

When Comrade Liankui was in charge of the weapons industry, the war to resist I.S. aggression and aid Korea entered a critical stage, which demanded that the weapons industry should produce more and better weapons and ammunition to supply the needs at the front. However, with regard to the weapons industry at that time, its basis was weak and its conditions were crude so that the industry could hardly meet the requirements. Therefore, Comrade Liankui mobilized the cadres in various organs and technicians to make investigations deep in the key areas so as to resolve the practical problems in production. Not long after that, a new phase emerged in the entire weapons industry, with the production rapidly increased to support the front. The types, quality and quantity of weapons increased rapidly and the weapons and ammunition badly needed at the front were transported to the battle fronts without interruption. Shortly after that, the equipment of our army was to be standardized. However, the production facilities and technological expertise of the weapons industry at that time could not meet the needs. Comrade Liankui led the comrades in the weapons industry to conduct technical transformation in all the enterprises and to make an overall renewal of technology. In accordance with technical data, serious efforts were exerted in the trial-production and assessment of all the parts and finished products, and the raw materials also underwent strict inspection. After over a year's continuous efforts, a new phase had emerged in the enterprises. The first batch of standardized weapons were finalized and manufactured, and the army was thus well equipped, resulting in a change of the backward state of our army being equipped with "multi-nation brand" weapons.

At the end of 1953, Comrade Liankui served as vice minister of the second Ministry of Machine-Building Industry, responsible for the capital construction work of national defense. At that time, we lacked the requisite competent personnel and experience in developing large-scale capital construction. Starting from grasping the work in the leading group, Comrade Liankui organized contingents to take charge of prospecting and design, installation of equipment, and preparations for setting up factories. Good work was done in discussing and verifying the feasibility of the construction plan, selecting sites for factories, surveying and designing, making plans for carrying out engineering work, and other preparatory measures. Beginning from 1955, large-scale capital construction work started, and within 2 or 3 years, the first batch of our aircraft factories and a complete range of electronic equipment and weapons factories were set up one after another.

In these factories, the first generation of our jet-fighters, the first generation of tanks, artillery and other important military equipment were manufactured.

At the beginning of 1958, the first and the second ministries of machine-building industry were integrated and a new first ministry was formed. Comrade Liankui was assigned the task of assisting Comrade Zhao Erlu and was responsible for the comprehensive work in the industry of national defense. He actively organized the construction of professional education institutions, trained competent specialized personnel in a planned way, and conducted rotational training of the old cadres. In the course of implementing the policy of "integration of military and civil operation," Comrade Liankui actively organized the production of commodities for civil use, opened up suitable channels of supply, production and marketing, and within a short period of time, a large quantity of products geared to urgent needs in industry as well as in agriculture were produced, thereby vigorously rendering support to the development of the national economy. In our country, the first tractor, the first air compressing machine, and the first small cross-country motor vehicle were all produced in enterprises under the national defense industry, which bridged the gaps in our manufacturing sector.

### III.

Throughout his life, Comrade Liankui was extremely loyal to the party and to the people, and was open and aboveboard in every respect. His words and deeds were in conformity with the interests of the party. From the war years to the period of economic construction, he held successively many leading posts in various departments. When he was the "team leader," he was a good leader, setting outstanding examples to others; and when he was an assistant, he fulfilled his assignments with positive results. He firmly implemented the principle of collective leadership, and actively upheld the solidarity and unity of the leading groups with the overall situation in mind. He was frank, aboveboard, selfless, and fearless. He adhered to principles, was strict with himself, never claimed credit for himself and never put the blame onto others.

Comrade Liankui consistently and loyally carried out the party's policy toward cadres and he never strove to form a small circle of people toward cadres and he never strove to form a small circle of people around him. A man of integrity and modesty, he was considerate toward others, treating comrades from different quarters with the same sincerity and good will. He was clear about what to love and what to hate, and cared for other comrades better than for himself. During the arduous struggle against the enemy's mopping up operations, a comrade contracted tuberculosis with pulmonary cavity symptoms. When Comrade Liankui learnt about this, he promptly asked the only doctor with the detachment to remain behind to do his best to save the comrade's life. As a result, the comrade was saved from the brink of death.

All his life Comrade Liankui listened to the party and obeyed its assignments. When he was in a certain trade, he loved the work and made a thorough study of its characteristics. Even in the war years, he always carried books along with him, conscientiously studied revolutionary theories and correctly implemented the party's general and specific policies. The horse given to him by the organization became a tool for carrying books. When he took up the post in economic work, he studied technical knowhow and management expertise all the more eagerly.

Although he was busy, he would manage to use his spare time to review basic theories and to learn new knowledge. When he visited a factory or a research institute, he was always modest enough to learn from the technical personnel, professional cadres and workers. As a result of his diligent study, he accumulated rich experience and became an expert in administering the national defense industry.

During the "Great Cultural Revolution," although Comrade Liankui was attacked and his health changed for the worse, he cast off his personal interests and did his utmost to resist the interference and sabotage by Lin Biao, Jiang Qing and their ilk. After Lin Biao usurped the leadership in the national defense industry, he planned to expand recklessly large-scale military projects regardless of the difficulties in the national economy. Comrade Liankui adhered to principles and fearlessly put forward his personal opinions in accordance [with] the practical situation. Because of this, he was unjustly blamed and slandered. The wanton acts of Lin Biao and his gang caused great loss and waste to the state, and also left the weapons industry in great confusion. Many comrades felt grieved at this. Recalling the past events, they all express their admiration for the deeds of Comrade Liankui who, under very hard circumstances, dared to put forth his opinions and actively did a lot of remedial work. After the smashing of the "gang of four," Comrade Liankui was elected member of the standing committee of the 5th CPPCC. Although he was afflicted with a lingering disease, he showed constant concern for great events of the party and the state, and for the consolidation of the weapons industry, until his last breath. Comrade Liankui said in his lifetime that whoever made a contribution to the party was the happiest man of people. This was precisely the motto that he observed all his life.

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NATIONAL AFFAIRS

PAPER WARNS OF REVIVAL OF FEUDAL ACTIVITIES

OW211231 Beijing Domestic Service in Mandarin 0200 GMT 20 Oct 83

[Excerpts] ZHONGGUO NONGMIN BAO [CHINESE PEASANTS NEWSPAPER] reports: The party committee of Hongan County, Hubei Province, has led the people of the county in firmly checking revived feudal and clannish activities since this past spring festival. In engaging in feudal and clannish activities, some people willfully disseminate rumors to distort the party's policies. In places where feudal and clannish activities are rampant, the masses' burden is heavier, social order is poor, and party and state policies and laws are undermined. To stop feudal and clannish activities, the county has promoted education on adhering to the four basic principles, the socialist legal system and communist morality and habits and has mobilized the masses to oppose feudal and clannish activities.

In a 20 October editorial entitled "Strengthen Ideological and Political Work and Seriously Wipe Out Pernicious Feudal Influences" the paper says: In places where feudal and clannish activities are rampant, the policies and laws of the party and the people's government are difficult to enforce. Such activities pose serious obstructions to building socialist spiritual and material civilizations, to developing socialist democracy and to perfecting the socialist legal system. We must never allow this feudal and clannish corpse to be resurrected, it stresses. The editorial continues: We must firmly overcome laxity in ideological and political work, educate the masses with communist ideology and help them to differentiate communist and socialist ideology from bourgeois ideology and adhere to the four basic principles. We must also educate the peasants on the party's rural policy in order to enable them [to] understand that the policy of enlivening the economy is to enable us to better build socialism and a prosperous and powerful nation.

The editorial concludes: It is essential to resolutely strike at criminal activities disguised as feudal and clannish activities. Serious criminals must be punished promptly and severely according to law and must never be shown leniency. Grassroots party and government work must be stepped up to investigate and study thoroughly the new situation and problems that have evolved in the wake of implementation of the production responsibility system and to sum up experience in solving problems in order that the demands of the new situation can be met quickly.

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## NATIONAL AFFAIRS

### NONPARTY FIGURES SUPPORT CPC RECTIFICATION

OW261339 Beijing XINHUA Domestic Service in Chinese 1456 GMT 24 Oct 83

[Excerpts] Beijing, 24 Oct (XINHUA)--Comrades attending the group discussions at the nonparty figures forum sponsored by the CPC Central Committee have pointed out that the CPC Central Committee's decision on party rectification enjoys the support of the people and boosts popular morale. This is a matter of prime importance which has an important bearing on the prosperity and development of the country.

The atmosphere in the eight group discussion rooms on 22 and 24 October was very warm. Each comrade tried to gain the floor to speak before the others. They unanimously pointed out that since the 3d Plenary Session of the 11th CPC Central Committee, the CPC has led the people in eliminating chaos and restoring order throughout the country. As a result, our country has achieved remarkable results in all areas. The condition of the CPC itself has markedly improved, and its prestige has been greatly enhanced. The CPC is now able to meet the requirements for an overall party rectification.

Many comrades pointed out that on behalf of the CPC Central Committee, Comrade Peng Zhen specifically declared that the CPC's party rectification drive will solve the problems only within the CPC, it will never rectify the democratic parties or personages. This sets our minds at ease because the CPC has put all its cards on the table. We should have absolutely no misgivings that the party rectification drive will make us the target of criticism or attack.

While taking the floor, Jia Yibin, vice chairman of the Central Committee of the revolutionary committee of the Chinese Duomintang; Ma Bi, standing committee member of the NPC; Zhao Zili, standing committee member of the CPPCC National Committee; Zhang Jingli, vice chairman of All-China Federation of Industry and Commerce; Jin Shanbao, vice chairman of the Jiusan Society Central Committee; Ye Shengtao, vice chairman of the Central Committee of China Association for Promoting Democracy; Ye Zhishan, standing committee member of the Central Committee of the China Association for Promoting Democracy; and others offered many valuable ideas on how to thoroughly get rid of the three types of persons and how to prevent perfunctoriness.

Those who took the floor also criticized those people engaging in spiritual contamination. They pointed out that the fundamental improvement of party style

relies on party rectification; the fundamental improvement of the general mood of society relies not only on the taking of strong measures against criminal activities in the economic sphere and cracking down on various criminal activities but it also relies on the resolute elimination of spiritual contamination. The CPC Central Committee first of all criticized those within the party for engaging in spiritual contamination so as to overcome the weakness and laxity in leadership. This is wise and correct. Yet we must call upon all citizens to pay great attention to the question of spiritual contamination. This question is serious because even though those engaging in spiritual contamination are few in number, thousands upon thousands of people are victimized. It is necessary to take measures to put an end to spiritual contamination, or else in the eyes of the people we will become irresponsible. It is everybody's duty to help rectify the party; it is also everybody's duty to eliminate and boycott spiritual contamination.

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NATIONAL AFFAIRS

NATIONAL CIVILIZED VILLAGES FORUM OPENS 27 OCTOBER

OW310257 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 27 Oct 83

[Text] A national forum on building civilized villages and townships in rural areas opened in Suzhou City, Jiangsu, today, under the auspices of the propaganda department and the Secretariat's Rural Policy Research Office under the CPC Central Committee.

More than 160 persons attended, including comrades in charge of rural propaganda and other work from the propaganda and rural work departments under the provincial, municipal and autonomous regional CPC committees; responsible comrades of concerned departments from PLA units, and representatives of advanced organizations in building civilized villages and townships. Present as observers were more than 40 persons, including responsible comrades of various cities and some propaganda departments from this province, as well as model organizations.

The important speeches by Comrades Deng Xiaoping and Chen Yun at the 2d Plenary Session of the 12th CPC Central Committee were conveyed to forum participants on the morning of 27 October. The forum was addressed by Comrade Xie Hua, director of the Rural Policy Research Office of the CPC Central Committee Secretariat. He said: It is necessary to use the guidelines of the 2d Plenary Session of the 12th CPC Central Committee to direct our forum. We should keep in mind the realities of rural work, ideological and political work in the rural areas, and the task of building civilized rural areas, and the task of building civilized rural villages and townships. We should study how to firmly adhere to the four basic principles, step up ideological and political work in rural areas, and educate the peasants in patriotism, collectivism, socialism and communism so that they can resist all forms of spiritual pollution. Moreover, we should sum up the creative experiences of the masses and lead the activities of building civilized villages and townships so as to develop them along the correct orientation so that we can play our role in the great struggle to build a new socialist, countryside with Chinese characteristics.

On how to strengthen ideological and political work and step up the building of civilized villages and townships, Comrade Xie Hua dealt with the following four points:

1. It is necessary to closely integrate education in communist ideology with education in current policies and put the task of raising the peasants' socialist

consciousness in the first place in the course of building civilized villages and townships;

2. It is imperative to closely combine the task of building a material civilization with that of building a spiritual civilization;

3. We should closely integrate our efforts to step up building grassroots party organizations with the task of building civilized villages and townships;

4. It is necessary to combine general calls for action with specific guidance.

The forum was presided over by Comrade (Wang Shouren), director of the Propaganda Bureau under the CPC Central Committee's Propaganda Department on the morning of 27 October.

CSO: 4005/94

## NATIONAL AFFAIRS

### FORUM HELD ON 1898 WUXU REFORM MOVEMENT

HK010812 Beijing RENMIN RIBAO in Chinese 28 Oct 83 p 5

["Academic Trends" column: "New Situation in the Study of the 1898 Wuxu Reform Movement"]

[Text] An academic forum on the 1898 Wuxu reform movement and Kang Youwei and Liang Qichao, jointly initiated by the Guangdong Provincial Association of Social Sciences and the editorial department of LI SHI YAN JIU [HISTORICAL STUDY] of the Chinese Academy of Social Sciences, was held from 21 to 28 September 1983 in Guangzhou, Xinhui and Nanhai.

How to view the relationship between the 1898 Wuxu reform movement, the westernization movement, and the 1911 revolution is a problem which called for many comments from participants. One view held that although the reformist faction opposed the westernization faction and revolutionaries headed by Sun Yat-sen, their connections should not be denied. In fact, the 1898 Wuxu reform movement was not only the continuation and development of the westernization movement, but also created favorable conditions for the later revolutionary movement of the bourgeoisie. It played the role of forming a connecting link between what preceded and what followed. But another view held that the relationship between the revolutionary movement of the bourgeoisie and the 1898 Wuxu reform movement was not a relationship of the former carrying on and inheriting the latter, but that they developed simultaneously, because Sun Yat-sen established the "Revue China" society abroad 1 year before Kang Youwei submitted a written statement to the emperor. He put forward the political program "expel the Manchus, restore Chinese rule, and establish a federal republic," and then launched the anti-Qing armed uprising.

The nature of the 1898 Wuxu reform movement is the problem which the historical circle has discussed most in recent years. All participants expressed their views and held heated discussions. One view held that the 1898 Wuxu reform movement was a weak bourgeois revolution because, although the reformists advocated peaceful and nonviolent means and methods, politically they called for civil rights, the convening of a national congress, and a constitutional monarchy, and, economically, raised the proposal of "building the country by developing commerce," so as to develop national capitalism. Their final aim was obviously the replacement of the backward feudal system by the advanced capitalist system. In this sense, the "reform movement" was of a revolutionary nature. But another

view held that although the 1898 Wuxu reform movement was a progressive and patriotic reformist movement, whether it can be described as a revolutionary movement of the bourgeoisie is open to question. Because the reformists did not carry out violent revolution. Instead, they publicly opposed peasant revolutions, such as the Taiping heavenly kingdom, and bourgeois revolutions, such as the Great French Revolution. Moreover, they also viciously cursed the ascendant revolutionary movement of the bourgeoisie in China. Therefore, in a strict sense, the reform movement cannot be called a revolution. Still another view held that the 1898 Wuxu reform movement was but a reformist movement because the movement was mild and conservative and developed gradually.

How to make an appropriate estimation of the activities carried out by Kang Youwei and Liang Qichao during the 1898 Wuxu reform movement was another major topic discussed at the form. There existed no fundamental differences among the participants on a basis assessment of Kang Youwei and Liang Qichao. People held that it was due to their concern over the country and the people that Kang and Liang advocated the "reform movement." As principal initiators of the movement, their patriotic spirit and revolutionary proposals were not only valuable at that time but can also be made full use of even today. While practice proved that they were by no means mature and subtle politicians, it also proved that they were outstanding thinkers and propagators. They were the first to carry out the movement of criticising feudalistic Chinese and old teachings using Western and new teachings of capitalism in modern China. Their achievements in the modern ideological liberation movement should not be underestimated. However, people had different opinions on their concrete proposals and activities. For example, on their proposal for constitutional monarchy, one view held that at that time revolutionary democrats called for replacing the feudal imperial system by the republic system through "national revolution," directing their spearhead at the Qing government, a running dog of the imperialists.

But Kang and Liang, by raising the proposal for constitutional monarchy, were actually maintaining the old system and did not touch it at all. Obviously, this was because Kang and Liang cherished illusions about the Qing government. Another view held that it was inappropriate to think that constitutional monarchy was inferior to the proposal for establishing a republic without making concrete analysis, because according to the practical situation at that time, constitutional monarchy was more suited to China's conditions, as it could restrict feudal autocracy and made it possible for the bourgeoisie and its representatives to share political power. On the problem that Kang and Liang did not mention the convening of a national congress during the "100-day reform movement," one view held that it indicated their retrogression. But another view held that the fact that Kang Youwei and others temporarily withheld the convening of a national congress and the adoption of a constitution in the face of powerful pressure from all parts might have something to do with their tactics. In all fairness, in circumstances in which preparations had not been made, convening a national congress in haste might not have brought about positive results. For this reason, their proposal for establishing a system bureau was practical.

People also held discussions on such problems as the class foundation of the reformist faction, the relationship between different political forces during the 1898 Wuxu reform movement, and the cause for the failure of the movement, and raised some valuable ideas.

CSO: 4005/94

NATIONAL AFFAIRS

TRADE UNIONS SHOULD RESIST SPIRITUAL POLLUTION

HK011112 Beijing RENMIN RIBAO in Chinese 29 Oct 83 p 4

["Newsletter" by RENMIN RIBAO reporter Xiao Du [2256 3256]: "Preventing Spiritual Pollution is an Important Task of Trade Unions--Sidelights on the 10th National Trade Union Congress"]

[Text] Many of the delegates to the 10th National Trade Union Congress told me that it should become an important work of trade unions to educate the staff and workers to adhere to the four cardinal principles and to prevent and eliminate spiritual pollution.

There is an increased number of young workers at present. They constitute 60 percent or even 80 percent of the total number of workers in many factories and enterprises. They have the strong points of being quick in accepting advanced things. However, there are also some young people who have shortcomings and who are easily influenced by decadent ideas. It is therefore necessary to conduct socialist and communist education and help them raise their political awareness and strengthen their ability to resist corrosive influences. The delegates held that there is a lot of work for the trade union organizations to do in this respect. There are 290,000 trade union cadres, 140,000 workers' libraries, 1,500 local workers' schools, 110,000 basic level workers' schools, and 25,000 cultural centrals and clubs throughout the whole country. Some delegates say that these fronts must be used to publicize Marxism-Leninism-Mao Zedong Thought, spread scientific and cultural knowledge, improve the quality of the staff and workers, and mobilize and organize the broad ranks of staff and workers so as to prevent all sorts of spiritual pollution. Now the trade unions are all localities are carrying out "reading activities to vitalize China." Many trade unions have made full use of their libraries, billboards and newspaper walls to repudiate bourgeois liberal ideas and publicize socialist spiritual civilization. In line with the production and workers' life, some trade unions have also organized the workers in studying modern Chinese history and conducting patriotic education.

Among the delegates to the current congress, there are library assistants who are willing to serve as a "stepping stone" for the workers to scale new heights in science; there are projectionists and announcers who are willing to fulfill their duties in enriching the workers' cultural life and willing to bear responsibility and blame; there are also many trade union activists who have used socialist spiritual civilization to occupy the cultural and recreational fronts.

Beginning from 1979, the Guangxi Wuzhou paper mill signed contracts with Hong Kong merchants on production of craft paper. Every year this mill imported more than 1,000 tons of used books and waste paper as raw material. There were many reactionary, obscene, and absurd things printed in the used books and periodicals. When the mill discovered that some workers were poisoned by reading the filthy books in the course of disposing of the material, the trade union, in coordination with the CYL organizations, conducted political and ideological education among these workers and raised their ability in distinguishing good from bad. Now, the young workers of this mill are no longer interested in these "filthy things," because they have the ability to resist them. Comrade Ma Hongsen, vice chairman of the Federation of Trade Unions of Ningxia Hui Autonomous Region, is right in saying that the trade union must have the courage to uphold justice, hit at all evil trends, and prevent spiritual pollution.

Some delegates also said that the working class in China had a glorious revolutionary tradition and a fine moral character. The workers detest most theatrical items that are prepared in a rough and slipshod way that try to please the people with claptrap, particularly those that cater to vulgar interests. Zhang Dianxuan, vice chairman of Henan Federation of Trade Unions, and Wu Quanying, secretary of the party committee of the 11th mine of Pingdingshan mining bureau, told me the following two stories: A certain theatrical team went to perform in Jianghe machine-building plant in Henan. Because the plot of the play was not healthy enough, the workers were annoyed after watching. The leading comrade of the theatrical team made a self-criticism and performed a list of healthy programs. The workers were satisfied and sent off the team. The second story is about a certain art troupe of Loyang City, which went to perform in the 11th mine of Pingdingshan City. As there were many unhealthy and vulgar motions on the stage, many workers left before the play was finished. Consequently, the art troupe had to leave the mine ahead of schedule.

The delegates held that in addition to the resistance of unhealthy tendencies in theatrical performances, it would be more important to use healthy things to replace them.

Xu Wei, chairman of the federation of trade unions of Nantong City, Jiangsu Province, talked about her experience in this respect. She said: The "hobby group" activities sponsored by the workers' club of the second cotton mill in Nantong were greeted by the workers. The writing team of the club prepared a play entitled "Typical Problems." After watching the play, the workers were deeply moved.

CSO: 4005/94

NATIONAL AFFAIRS

WORKERS TO IMPROVE IDEOLOGICAL, POLITICAL WORK

OW251357 Beijing XINHUA in English 1216 GMT 25 Oct 83

[Text] Beijing, 25 Oct (XINHUA)--Concrete ways to help China's 110 million workers, two-thirds of whom are under 35 years old, to grasp the meaning and importance of their work to the building of socialism were recommended by a senior communist party official today.

Lin Jianqing, deputy director of the research center of the secretariat of the Central Committee of the Chinese Communist Party, was addressing the 10th National Trade Union Congress now in session here.

The party Central Committee issued in July this year a program for ideological and political education of workers and staff in state-run enterprises, he said.

Ideological and political education among workers, it says, should be done in a systematic way for activists and day-to-day discussion should be based on current problems.

The program says that workers are required to concentrate on study well the three basic courses in "Modern Chinese History," the "Basic Knowledge About Scientific Socialism" and "The Chinese Working Class" over the next few years. [sentence as received] They will be drawn from their work to study the courses in rotation.

At a later stage the study would cover basic theories of Marxism-Leninism and Mao Zedong Thought, socialist democracy and legal system, communist ethics, and the latest world achievements in science and technology.

The day-to-day education aimed especially at young industrial workers would include the current political and economic situation, government policies, factory discipline and good examples from factories and workers.

Lin Jianqing said, the method was to combine theory with practice, democratic discussion and persuasion, linking ideological education with economic work and using both criticism and commendation.

"Ideological and political education is intended to make the workers aware of their historical responsibility for the future and destiny of the state," Li Jianqing said.

The economic performance of China's 380,000 enterprises was decisive for the growth of the national economy. "We need not only modern science and technology and advanced managerial systems," he said, "but also effective ideological and political education among workers to build up a contingent of workers who are advanced ideologically, disciplined and skilled."

"Through better ideological and political education," he said, "the 110 million Chinese workers should be imbued with lofty aspirations, and become disciplined and matured morally and intellectually." This was an effective measure to oppose ideological contamination.

Lin Jianqing praised those workers who criticized unhealthy articles, films and plays and who were creating poems, novels and plays that reflect the new life of the working class.

A correct understanding of the new generation of workers was a major task for the party and the trade unions at all levels, he stressed.

These young workers should be helped to "become the worthy new generation of the Chinese working class," he told the delegates.

He stressed the need to relate education in patriotism, collectivism, socialism and communism with the real thinking of the workers. "We should help workers to distinguish the beautiful from the ugly so that they favor the good and oppose what is ugly, vulgar and self-centered," he stated.

CSO: 4000/69

## NATIONAL AFFAIRS

### SELF-EMPLOYED MODEL WORKERS URGE SOCIALIST MORALS

OW311259 Beijing XINHUA in English 1210 GMT 31 Oct 83

[Text] Beijing, 31 Oct (XINHUA)--Three model self-employed laborers now in Beijing have appealed to their counterparts across China to help develop socialist moral standards through devoted service to the people.

Xu Yuling from Xi'an in Shaanxi Province, Wang Li from Jinzhou in Liaoning Province and Luo Xinghai from Shanghai were among 14 self-employed people who recently attended the Tenth National Trade Union Congress as guest delegates. "We are neither educators nor propagandists," Xu Yuling, said in an interview with XINHUA, "but our services will show people proper socialist behavior."

Xu started a stall selling "jiaozi"--boiled dumplings with minced meat and vegetable fillings--three years ago in downtown Xi'an. She now earns about 200 yuan per month. "Once a customer ordered a bowl of noodles, saying he was too ill to go elsewhere to get it and my stall was nearest his hotel," Xu said, "instead of turning him away, I cooked a bowl of noodles for him."

Similar stories were told by Wang Li, 19, who repairs televisions, radios and household electrical appliances. On the eve of the Spring Festival last year, a soldier asked her to do rush repairs on his company's only television set so the men could watch the festival-eve specials. Wang immediately examined the set and found a damaged part. "It so happened that I did not have a replacement at hand, and by that hour all the repair shops had closed," she said. "So I cannibalized my family TV and used the needed part in the soldier's set."

Xu Yuling and Wang Li admitted that good services attract more customers and bring in more money. But, they said, good services lead to good human relations and help improve the general mood of society.

This was echoed by Shanghai piano repairer Luo Xinghai, who said money is not everything though it certainly is indispensable. In the past three years, he has done free repairs on 78 organs, six pianos and 19 accordions owned by poorer kindergartens.

"There is now a tendency to do everything for money," he said. "A little self-sacrifice on our part is needed to supplement education by the party and the government."

Shanghai has more than 35,000 self-employed laborers and that number is sure to increase under the current policy of encouraging middle school leavers and other jobless young people to become self-employed, the piano repairer said. "Individual laborers often move from door to door to offer their services," he said. "They should have a sense of responsibility for the improvement of social conduct."

While stressing the need to improve their services, the three workers called on individual laborers across the country to be honest in business and observe the law. Specifically, they said, self-employed laborers must not try to profiteer through deceit, must be honest in reporting their business turnover and must pay their taxes.

Xu Yuling is vice-chairperson of the Association of Self-Employed Laborers in the Xincheng District of Xi'an. While upholding the legitimate rights and interests of its 3,000 members, she said, the association sees to it that their taxes are duly paid and rules and regulations on environmental and food hygiene are observed. "The association sends out groups of volunteers from time to time to see whether transactions are made at prices fixed by the government," Xu said.

"A morally developed person is bound to be a law-abiding and honest citizen," she added.

The young woman runs her stall alone. As its owner, purchasing agent, cook, waitress and bookkeeper, she works almost nonstop from early morning till night throughout the year.

Asked whether she wanted a different job, most ideally one in a state-owned factory with secured wages and fringe benefits, she said: "My present work is heavy, but I don't want to quit because I know self-employed laborers and state factory workers have equal responsibility to society."

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EAST REGION

MUNICIPAL GOVERNMENT UNDERGOES STRUCTURAL CHANGE

Shanghai JIEFANG RIBAO in Chinese 29 Jul 83 p 2

[Article: "Reduction of 19 Government Departments Planned; Shanghai's Structural Change Will Be Divided Into Three Steps; Mayor Zhu Reports the Structural Changes to the Shanghai Municipal People's Standing Committee"]

[Text] Structural changes in Shanghai's government departments will be earnestly carried out step by step and with leadership. Yesterday, Mayor Zhu Daohan [3137 6670 3211] gave a report concerning this work to the Third Plenum of the Shanghai Municipal Eighth People's Standing Committee.

Mayor Zhu Daohan said that the readjustment and reform integrates the circumstances of a gradual reform in the economic system, and it emphasizes a solution to the following few problems: It successfully readjusts the leading group and gradually brings about doing things in a revolutionary, young, knowledgeable and specialized way; it simplifies the administrative structure and reduces levels of administration; it brings about a division of labor in the party government; it reduces staff; it fully brings into play the role of old cadres, and it trains cadres and enhances the quality of cadres.

In order to ensure that there be no mistakes with the structural changes and the present production work, Mayor Zhu Daohan says that based on the essence of the relevant directives of the Central Committee, State Council and party committees, and after repeated study, Shanghai's structural change will be divided into three steps. Step one: beginning at the end of September they will readjust the leading groups at every level, and will also bring about a partial change in the structure. Step two: starting in the third quarter of this year, every work department of the municipal government will undergo structural readjustment. Step three: in the fourth quarter and the beginning of next year, the government structure, based on stipulating the organizational structure but not the number of personnel, will appropriately arrange the leave and retirement of cadres and will begin training cadres. At the same time, step by step it will carry out structural changes at the regional and county level.

Mayor Zhu Daohan said that the government will take the existing 79 work departments, will make preliminary calculations, differentiating between

different circumstances and according to different requirements, will adopt different methods for retaining, merging and canceling, and will reduce the number to approximately 60 departments. The present work departments can roughly be divided into four categories. In the first category are departments that must be retained, or their administration and management, overall coordination, statistical supervision and legislative enforcement must be strengthened. The second category includes departments whose work is fairly simple and which have some overlapping responsibility in the division of labor. It is planned for them to be gradually cut down and merged. In the third category are departments that, according to the policy of the separation of government and enterprises, must change to an actual economic enterprise management bureau, judge the difference in their circumstances, and gradually carry it out. The fourth category includes departments that are planned to be constructed. For example, based on the city planning office, we will establish a Shanghai Municipal Planning Commission, etc. According to the regulations of the State Council, we must also set up a Shanghai National Safety Office, a Shanghai Municipal Auditing Office, and other new organizations. Mayor Zhu Daohan stated that according to the relevant documents of the central authorities and the laws and regulations of local organizations, the municipal government's work departments will be set up, and will be submitted to the State Council for examination and approval. Moreover, the city's existing AD HOC (nonpermanent) organizations also plan to carry out the necessary reorganization.

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EAST REGION

SHANGHAI STRENGTHENING CADRES' POLITICAL-IDEOLOGICAL WORK

Shanghai JIEFANG RIBAO in Chinese 2 Aug 83 p 1

[Article: "Strengthen and Improve Political-Ideological Work; Shanghai Municipal Propaganda Department Requires Political Work Cadres to Study a Compendium"]

[Text] The Shanghai CPC Municipal Propaganda Department recently issued a circular and required political work cadres of party committee organizations of all levels to earnestly study the CPC Central Committee's relevant written instructions and "A Compendium of Political-Ideological Work for Workers of State-Run Enterprises (draft)." It requires that they strengthen and improve political-ideological thought, and better serve the building of the two civilizations.

The circular of the Shanghai Municipal Propaganda Department Stated that on July 1, the CPC Central Committee reported to the National Workers Political-ideological Work Conference in which they drafted "A Compendium of Political-Ideological Work for Workers of State-Run Enterprises (draft)." The Shanghai Municipal Propaganda Department will jointly study with other relevant ministries and commissions the manner in which the city will carry out both the written instructions and the "draft Compendium" of the Central Committee. The Propaganda Department will raise specific measures and regulations, and after receiving approval from the city commission, will again pass it down and give instructions. At the same time they hope that all levels of party committees, especially enterprises and party committees at the grassroots level, will organize their political work cadres to earnestly study both the written instructions and "draft Compendium" of the Central Committee, and based on the gist of these documents, will integrate the reality of their own units and departments, do things in order of importance and emergency, and step by step stress the strengthening and advancement of their units' and departments' political-ideological work.

The circular points out that an important reform of the party regarding the political-ideological education of enterprise workers is to release them from work for training and systematic education. In the past 2 years, many enterprises at the grassroots level held training classes in political ideology for young workers, and in succession trained several thousand young workers, receiving excellent results. Enterprises and units at the

grassroots level must proceed from their own enterprises' specific conditions, adopt realistic measures for running a school and, step by step and with leadership, hold political-ideological training classes for young workers, and cause this to become an important form for enterprise workers to carry out a systematic education in communist ideology. Those units that have already held political-ideological training classes must further sum up their experiences of running a school, train the personnel who run the schools and cause the political-ideological training classes to improve. "The Political Reader for Young Workers" compiled by this department has already been published by the Shanghai People's Press, and can be used as draft teaching material for political-ideological training classes.

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DENG XIAOPING'S INTERPRETATION OF 1954 CPC PURGES VIEWED

Hong Kong CHENG MING [CONTENDING] in Chinese No 71, Sep 83 pp 57-58

[Article by Du Feng [2629 3536]: "The Mysteries Surrounding Gao Gang [7559 1511] in 'The Selected Works of Deng Xiaoping'"]

[Text] The More You Read, the More "Mysteries"

Of all the "Ten Struggles Between Lines" within the CPC, I have always felt the Gao Gang affair to be the one most fraught with "mysteries."

Three years ago, I wrote an article about the Gao Gang question (published in CHENG MING, November 1980) in which I discussed some connections between Deng Xiaoping and the Gao Gang affair. Just recently while reading "The Selected Works of Deng Xiaoping," I discovered a piece which mentioned this affair (the title of the article in Deng's work is "Some Views on the Drafting of 'A Resolution on Some Questions Concerning the Party Since the Founding of the Nation'").

I had originally thought that by reading Deng's piece I could uncover the roots of many of those mysteries, never imagining that after reading it the mysteries would be even more profuse.

Deng Xiaoping's Version of the Gao Gang Affair

Deng Xiaoping has the following to say in his article about the Gao Gang affair: "There was nothing wrong with the questions of Gao Gang and Rao Shushi [7437 3359 4258], but it is still an open question whether or not it should be construed as having been an out-and-out struggle of lines. I was very clear about this situation. After Comrade Mao Zedong had brought up the split of the central leadership into two lines at the end of 1953, Gao Gang was active in an extremely positive way. First he got the support of Lin Biao and only then dared to act as he did. At that time the northeast was his own. It was Lin Biao in the Xian area and Rao Shushi in Henan. As far as the southwest was concerned, he managed to rope me into formal talks with him, in which he said that Liu Shaoqi was immature, trying to get me to go in with him to topple Comrade Liu. I made myself clear. Liu Shaoqi's position in the party had been shaped by history; and overall, Liu Shaoqi was all right. It was inappropriate to try to change a position like this which had been shaped by

history. Gao Gang also held talks with Comrade Chen Yun, telling him that if there were deputy chairmanships up for grabs, they both should get one. The way things were going, both Comrade Chen Yun and I knew the problem was a serious one and went immediately to Comrade Mao Zedong to tell him how we felt and to get his opinion. This conspiracy and deception of Gao Gang to engineer the downfall of Comrade Liu Shaoqi by means of a deal was most odd, so the struggle against Gao Gang went rather well. The questions of Gao Gang and Rao Shushi were dealt with leniently. Nobody really got hurt and some cadres were deliberately protected. All in all, it would have been impossible not to have exposed and dealt with the Gao/Rao problem. In hindsight, it was handled correctly as well. Yet, what exactly was the line which Gao Gang had held? In my view he really did not have one at all, so it is difficult to say there was any struggle between different lines. Give the matter some more consideration."

#### The Relationship Between Lin Biao and Gao Gang

After reading through Deng's article, I had a feeling there were three inexplicable mysteries of note.

The first was about how Gao Gang "got the support of Lin Biao." Did Mao Zedong know at the time that Lin Biao had "initially supported" Gao Gang? If he did, why didn't he topple Lin Biao as well at the same time? Later on he promoted Lin to be Minister of Defense and, during the Cultural Revolution, anointed him his "successor." Keep in mind that after Lin Biao's plane crashed at Wenduerhan in 1971, Mao Zedong revealed a letter he had written to Jiang Qing, supposedly in 1966, which hinted that he had already seen through Lin Biao's duplicity. The only reason he hadn't exposed Lin was because "this kind of talk cannot be made public, with the left talking the way it is. To do so would just quell their ardor and give aid to the rightists. Our task now is to selectively (completely would be impossible) topple the rightists from the whole party and the whole nation. In 7 or 8 years we can raise another campaign against the bastards, and after that, carry them out again and again." According to this logic, the reason Mao Zedong did not overthrow Lin Biao along with Gao Gang was because he didn't want to quell the ardor of the leftists and wanted to keep him around to fight the rightists? But this logic will not stand close scrutiny--it is merely a joke passed down through history.

If Mao Zedong had not known about Gao's relationship with Lin, did Deng Xiaoping know about it at the time? If he did, why then didn't he expose Lin to Mao? (It was Deng who had given Mao the report on the Gao Gang question.) If Deng did not know at the time, then how did he come to find out about it later on?

#### Gao Gang's "Criminal Activity"

The second mystery concerns Gao Gang's "Criminal activity." Whenever Gao Gang is criticized for his "criminal activity," it always concerns his setting up "an independent kingdom" or else his "conspiracy with the Soviets." Yet Deng Xiaoping's article contains not a single word on these two great "criminal activities." Did Gao Gang actually commit these "crimes"?

Deng Xiaoping's discussion talks primarily of Gao Gang's "crimes" in two respects: first, that in his discussions with Deng, Gao said that "Comrade Liu Shaoqi was immature," and wanted to join with Deng to "overthrow Liu Shaoqi." The second was that Gao Gang sought out Chen Yun and said that "if there were deputy chairmanships up for grabs, we should each get one." Deng Xiaoping feels that these activities of Gao Gang amounted to "striking a deal" and were "conspiracy and deception" and so were "most odd."

As far as the substance of what Deng says on these two points is concerned, there does not seem to be enough to constitute any "crime". Gao Gang's statement about Liu Shaoqi being "immature" and his opinion that Liu was a pure individualist is nothing fabricated. As far as the doling out of deputy chairmanships is concerned, have the Chinese communists not created a number of deputy chairmanships in the central leadership? The key to the questions has nothing to do with "substance," but rather "style." When Deng says that he and Gao "held formal discussions" what does he mean by "formal discussions"? How did Gao Gang express himself such that Deng assumed that he had not "sought him out for a talk" but for "formal discussions"?

The Role Played by Mao Zedong

The third mystery is Mao Zedong's movements.

When I was in Beijing, I ran into someone who was connected to the Gao Gang affair. According to his knowledge, Gao Gang had been instigated to overthrow Liu Shaoqi by Mao Zedong himself. I mentioned this point in my article 3 years ago, which reads as follows:

"In the summer of 1953, the CPC opened a national conference on financial and economic work, and another on 10 September on organizational work. During these two conferences and for a time before and after them, Gao Gang was engaged in a number of activities, the most important of which was advocacy of his 'military party theory,' which said that the CPC was divided into two parties--one which was the 'party based on localities and the Army' and the other which was the 'party of the white regions.' He stressed that 'the party was built by the Army,' the implication of which was that the 'party of the white regions' was a nonentity. Who did the 'party of the white regions' refer to? By inference, it pointed to Liu Shaoqi.

"These activities of Gao Gang, besides being due to the contradictions which always had existed between him and Liu Shaoqi, were, more importantly, instigated by Mao Zedong.

"Gao Gang was somewhat dissatisfied with the fact that Liu Shaoqi had become the first assistant in the CPC. He sent Mao a letter demanding that the first assistant in the party should be a rotating responsibility. At the same time, he was exposing Liu Shaoqi, saying that in 1945 when Mao Zedong went for the talks in Chongqing, he had brought up the slogan of a peaceful new democratic period and wanted to reduce the size of the PLA.

"Mao Zedong accurately assessed the contradictions between Gao and Liu and thought to use these contradictions for his own purposes. First, he sought out Gao Gang to talk about his dissatisfaction with the 'Cabinet' clique of Liu Shaoqi and Zhou Enlai, and let Gao Gang make contacts with several people about secretly forming a cabinet to replace Liu and Zhou. This suggestion of Mao Zedong went right along with Gao's own feelings in the matter, and he went right to work on it in all quarters. He sought out the leading people in the large CPC regions such as Peng Dehuai in the northwest, Deng Xiaoping in the southwest, Rao Shushi in Henan and Lin Biao in Shaanxi with the idea of being a liaison in forming a cabinet. Deng Xiaoping did not go along very much with Gao Gang's methods at the time and so approached Mao Zedong to talk about it.

"After Mao had heard Deng Xiaoping out, he immediately put on an expression of distaste for Gao Gang, and then allowed Deng to go advise Rao Shushi, Peng Dehuai, and Lin Biao to avoid Gao Gang. Except for Rao Shushi, the others all went along with Deng's opinion and ignored Gao Gang.

"By the time the situation had reached this stage, Mao Zedong weighed the pros and cons and made up his mind to sacrifice Gao Gang.

"On 24 December 1953 in a meeting of the central Politburo, Mao Zedong suddenly brought up the question of an 'underground headquarters.' He also immediately moved for opening the Seventh Plenary Session of the Central Committee of the CPC Fourth Party Congress. However, to avoid a direct confrontation with Gao Gang, he made up some excuse for not attending the meeting which he had just proposed, and let Gao Gang's rival, Liu Shaoqi, preside at the meeting instead.

"Of course Gao Gang and Rao Shushi were taken aback by this resolution for a Seventh Plenary Session of the Central Committee of the Fourth Party Congress. Since they were unwilling to 'lower their heads and admit guilt,' Mao Zedong entrusted Zhou Enlai to head a discussion meeting on the Gao Gang question in October of 1954, and entrusted Deng Xiaoping, Chen Yi, and Tan Zhenlin [6223 7201 2651] to head a discussion meeting at the same time, on the Rao Shushi question. At these two meetings exposure and criticism of Gao and Rao continued; and under the intense pressure, Gao Gang finally killed himself.

"From 21 to 31 March 1955, Mao Zedong smugly presided over the opening of the CPC Party Congress. At this meeting, Mao gave the keynote address and the concluding speech. Deng Xiaoping gave a report on the antiparty alliance of Gao Gang and Rao Shushi; and the congress passed a resolution on it. It was decided to rescind Gao and Rao's party membership and to revoke all of their positions both inside and outside the party." (Originally published in CHENG MING, November 1980.)

#### Deng Xiaoping's Two Directives

In his own writings, Deng Xiaoping never put down a single word about how Mao Zedong first instigated Gao Gang to overthrow Liu Shaoqi and later on abandoned him as a sacrifice. It is said that in 1980 Deng issued two directives on the Gao Gang affair: The first was that questions about Mao Zedong's

lifestyle and political machinations were not to be harped upon. Second, the way Gao Gang and Rao Shushi were dealt with at the time was hardly excessive.

Obviously, Deng is going to abide by his own directives in his own writings; not only does he not talk about Mao, but also stresses over and over: "There was nothing wrong with exposing the questions of Gao and Rao," "so the struggle against Gao Gang went rather well," and "the questions of Gao Gang and Rao Shushi were dealt with leniently."

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END