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USSR Report

PROBLEMS OF THE FAR EAST

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USSR REPORT

PROBLEMS OF THE FAR EAST

No 2, Apr-Jun 1986

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SOCIALISM'S PEACELOVING COURSE VS. IMPERIALIST 'AGGRESSION'

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 3-10

[Editorial: "Strategy of Peace and Progress"]

The importance of a political event is measured by the influence it exercises on historical process. And the 27th Congress of the CPSU was, unquestionably, an event of exceptional importance. For the Soviet Union it was a milestone highlighted by a discussion of the most crucial problems facing Soviet society. The Party's programme of accelerating the development of the USSR responds to the country's vital needs and calls for the consolidation of the Soviet people's efforts. As stressed in the CPSU Programme (new edition), "the greater the scope of the historical goals, the more important the interested, responsible, conscious and active participation of millions of people in achieving them".

The experience of the Soviet Union and the other socialist countries in building a new society vividly confirms that Lenin was right when he said that "living, creative socialism is the product of the masses themselves".¹

SOCIALISM'S CONSTRUCTIVE PLANS

The CPSU is concentrating its main forces and central attention on the country's social and economic development—on modernising the material and technical base through the use of the achievements of the scientific and technological revolution, and through the perfection of social relations, first of all in the economic field.

The task of the country's accelerated social and economic development was first formulated as an objective of immense historical importance at the April 1985 Plenary Meeting of the CPSU Central Committee, and immediately won the wholehearted support of the Party and the entire nation.

The concept of acceleration is present throughout the Political Report of the CPSU CC, the other documents of the 27th Congress, and in the delegates' speeches. Acceleration, says the Political Report, is "first of all raising the rate of economic growth. But that is not all. In substance it means a new quality of growth: an all-out intensification of production on the basis of scientific and technological progress, a structural reconstruction of the economy, effective forms of management and of organising and stimulating labour."

Acceleration calls for an active policy in the social field, for the consistent pursuance of the principle of social justice, perfection of social relations, modernisation of the work of the country's political and ideological institutions, a deepening of socialist democracy and resolute elimination of all inertia, stagnation and conservatism—of everything that impedes progress of society.

The main element that will ensure the success of acceleration is the living creativity of the masses coupled with the maximum utilisation of the potentials and advantages of the socialist system.

Acceleration of the Soviet Union's social and economic development is, indeed, the key to all the country's problems—immediate and long-term, economic and social, domestic and external. Successful accelera-

¹ V. I. Lenin, *Collected Works*, Vol. 26, p. 289.

tion will enable the USSR to attain the economic and social frontiers set in the new edition of the CPSU Programme and the Guidelines for the Economic and Social Development of the USSR for 1986-1990 and for the Period Ending in 2000.

These frontiers are highly impressive. By the end of the century, the country's national income will nearly double. So will its qualitatively reconstructed, i. e., modernised, productive potential. The productivity of labour will go up 130-150 per cent, the power-to-national-income ratio will go down by some 29 per cent, and the metal-intensity of production by nearly 50 per cent. This will signify the sharp turn towards intensification, higher quality, and greater efficiency.

The main instrument of intensification is scientific and technological progress, a radical modernisation of society's productive forces amounting to a profound reconstruction of the economy based on the latest achievements of science and technology, with break-throughs in the most advanced areas and a restructuring of the economic mechanism and the system of management.

The Soviet Union's imposing plans of social and economic development worked out by the CPSU are incontestable evidence that the country is firmly and consistently following a policy of peace and international cooperation. These plans can be carried out only in a peaceful environment, which attests to the close link between Soviet foreign policy and the strategic tasks at home: the nation's wish to work constructively and to live in peace with all other nations. "The principal objective of the CPSU's strategy in foreign policy," says the Resolution of the 27th Congress of the CPSU on the Central Committee's Political Report, "is to provide the Soviet people with the possibility of working under the conditions of a durable peace and freedom. For that reason the struggle against the nuclear threat and the arms race, for the preservation and consolidation of universal peace must remain the main direction of the Party's activity on the international scene in the future as well."

The worn out myth of a Soviet military threat spread by the propaganda machine of the imperialist powers is completely contradicted by reality. Indeed, how can a country be nurturing aggressive plans if all its energy and aspirations are directed towards peaceful construction?

Peace is not only an aim of Soviet foreign policy but also an essential factor of success in the implementation of the cardinal tasks facing the USSR. The updated Programme of the CPSU stresses that the peace policy worked out by the Party and consistently followed by the Soviet government, coupled with the strengthening of the country's defence capability, has yielded the people of the USSR and the vast majority of people on Earth the longest period of peace in the 20th century. In the future as well, the CPSU will do everything it can to safeguard peace as a condition for the constructive labour of the Soviet people. It will do everything it can to improve international relations, stop the arms race imposed by the imperialists and eliminate the nuclear threat hanging over the peoples of the world.

The clarity of the Soviet aims on the world scene (which spring from the class nature of the socialist system) predetermines the character of Soviet foreign policy, a Leninist policy of peace and cooperation among states. All the practical moves that the Soviet Union makes are subordinated to the attainment of these noble aims.

IMPERIALISM'S ADVENTURIST POLICY OF AGGRESSION

Unfortunately, the same cannot be said of imperialism's policy, above all that of US imperialism. Imperialism today is a carrier of grave peril. In Washington, the drive for confrontation in all fields has super-

ceded any wish for positive Soviet-American relations. The emphasis on force, on attaining military superiority, is more than apparent when we look at the unprecedentedly intense programme of nuclear rearmament and of development of other weapons of mass destruction.

US imperialism has redoubled military pressure on nations that have taken the path of independent development. The mass media are full of reports proving that Washington is following a policy of force and dictation, that it is asserting its military presence in regions it declares vital to US interests even though they are many thousands of miles distant from the borders of the United States.

The aggressive designs of the US imperialists need the backing of military bases and installations in foreign lands. At present, the USA has more than 1,500 of them in many different countries, with a permanent complement of more than half a million US servicemen. More than 300 military bases and installations are located in Asia and Oceania. Something like a hundred air force bases and airfields are located in areas adjoining the eastern and southern frontiers of the Soviet Union and the frontiers of other socialist states. There are nearly 30 naval bases and ports of call, dozens of arms depots (also storing nuclear arms), 100 command, monitoring, surveillance, and communication posts, and so on. Concentrated in the Far East and the adjoining part of the Pacific is a large US force with military bases located on islands in the Pacific region.

The Pentagon has arrogated the right to interfere in the affairs of other countries and regions, acting on the notorious "doctrine of neoglobalism" formulated within its walls. Convincing evidence of this is the US behaviour towards Libya, Central America, and elsewhere.

The USA is acting like an international policeman, a US television commentator announced proudly with reference to the events in Libya. Nothing could be truer. Never has it been more apparent that the US administration has chosen this none too respectable role for itself. Brazenly, crudely and cynically has it assumed the right to meddle in the internal affairs of other countries, and to deliver to them lessons in "democracy". If we take a close look, the obstacles to extinguishing conflicts in the world's points of unrest are all being raised by the United States. The US doctrine of participating in so-called low-intensity conflicts worked out by Pentagon ideologists stands for allround support of struggle against national liberation movements in developing countries with US involvement.

As noted by Mikhail Gorbachev, General Secretary of the CPSU CC, at his meeting with Chadli Bendjedid, President of the Democratic and Popular Republic of Algeria, Washington's aggressive and provocative policy has of late gained fresh impulse through the "doctrine of neoglobalism". The substance of that doctrine, Mikhail Gorbachev stressed, is total contempt for universally recognised standards of international relations. It is an impingement on the sovereignty of states, and the same old hopeless attempt at depriving peoples of the right to fashion their life as they see fit.

The devotees of that aggressive "doctrine" want to convince the world that it is nothing but a new stage in the fight for "democracy" and against "communist expansion". But they can no longer get away with this. The peoples have learned to spot the true designs of present-day world reaction. They can see that it is the same old imperial policy of subordinating, enslaving, disrupting and suppressing national liberation movements and regimes that have in some way displeased Washington.

Washington's aggressive policy is a challenge to the world public and a show of contempt for universally recognised civilised relations. It is provoking regional conflicts and creating a menace to international peace

and security. It is directed against all independent nations, and is also contrary to the interests of the people of the United States. The provocative acts that the United States is wont to commit against the newly-free countries of Asia, Africa and Latin America, countries that are striving to shake off their dependence on imperialism, are arousing indignation and outrage among the world public.

The Soviet Union, while supporting the developing countries in their arduous confrontation with imperialism, is doing everything it can to reverse the course towards greater international tension. Contrary to common sense, the USA is rushing to implement its Star Wars programme. To justify this they put forward the specious argument that SDI is a purely defensive programme. Actually, any "space shield" can be very easily converted into a "space sword". And the side that has one may eventually fail to resist the temptation of using it.

The intention of the United States to develop and deploy space strike weapons sharply broadens the armaments sphere and may cause a situation in which the course of events will no longer be shaped by the reason and will of statesmen but by military-technocratic logic. The development of new weapon systems is steadily reducing the chances for a political solution of the question of war and peace in the event of a crisis.

All too many facts show that the Strategic Defence Initiative is conceived as an instrument of aggression. The purpose of the research and development of new military-technological means and strike weapons intended for outer space, now under way in laboratories and testing grounds as per the Pentagon's orders, is clearly aggressive.

A special US Space Command has already been set up. It engages in such pragmatic activity as planning the use of space-based instruments for the navigation of ships and submarines, maintaining communications at top political and military level, gathering radio, photographic, weather and geodesic intelligence, and monitoring launches of strategic missiles. The testing of anti-satellite systems (ASAT) has begun under its control. The Command is planning to develop and deploy new types of space strike weapons in the immediate future.

Washington renounces a moratorium and is building up its nuclear stockpile. In doing so, it is flouting the opinion of the world community as set forth in a resolution of the 40th UN General Assembly calling for the immediate termination and prohibition of nuclear weapon tests which was adopted by an overwhelming majority (with only three countries, including the USA, voting against).

As stressed at the 27th Congress of the CPSU, the capitalist world has not abandoned its ideology and policy of hegemonism. Its rulers are still seeking revenge, and continue to indulge in illusions of military superiority.

The US Star Wars policy is pregnant with consequences of the utmost danger to the entire world. This makes it an adventurist, reckless policy of nuclear insanity, which the Soviet Union is countering with a policy of reason. The Soviet government is firmly set on a constructive search for effective practical measures leading to the limitation and reduction of armaments.

THE TASK OF THE DAY

Today new objective conditions have shaped on the international scene. Nowadays, no country can protect itself by means of even the most super-powerful defence initiatives. The arms race cannot be won any more than a nuclear war can be. Now security is increasingly a political objective, and it is attainable only by political, not military, means. The only possible form of contention between the two world systems is that

of peaceful competition and peaceful rivalry. That is the conclusion of both theoretical and practical significance arrived at by the Communist Party of the Soviet Union through an analysis of the character and scale of the nuclear threat today.

"The most acute problem facing mankind is that of war and peace," says the new edition of the Programme of the CPSU. "Imperialism was responsible for two world wars that claimed tens of millions of lives. It is creating the threat of a third world war."

The main aims of the Soviet Communist Party's strategy in foreign policy are explained in the CPSU Central Committee's Political Report to the 27th Congress. It is imbued with a spirit of realism and innovation, with a responsible approach to the problems of war and peace, and search for essentially new solutions. The Congress has approved the general line of the Party's home and foreign policy—the line of accelerating the country's social and economic development, and of consolidating world peace. Its fundamental provisions are based on the Programme of the CPSU, whose updated, new edition was adopted by the Congress. The documents of the Congress contain a concrete programme dedicated to the maintenance and consolidation of peace. It is based on a comprehensive analysis of the present state of world affairs. Fundamental conclusions of theoretical and practical importance have been drawn, making it patently clear that there is no alternative to the policy of securing lasting peace.

To beat swords into ploughshares is the cherished dream of mankind. And today, at this sharp turn in the history of civilisation, a realistic chance has appeared to translate this dream into fact. The way to do so is set forth in the Soviet proposals for destroying all nuclear and chemical weapons on our planet by the beginning of the 21st century, and for preventing the militarisation of outer space. These proposals are contained in the Statement of Mikhail Gorbachev, General Secretary of the CPSU CC, of January 15, 1986, and the Political Report of the CPSU CC to the 27th Congress.

Mikhail Gorbachev's Statement of January 15, 1986, sets forth a peace strategy designed to clear our planet of nuclear weapons before the end of the 20th century, to deliver mankind from the threat of nuclear catastrophe, and make certain its peaceful future. Nothing could be more necessary and loftier today. In its ascendant advance, humanity has attained unheard-of heights. Its potential of knowledge and experience makes it possible to achieve swift social progress. At the same time, however, imperialism is making use of the human genius to develop weapons of monstrous destructive force.

Twice in the 20th century militaristic quarters have pushed mankind into the vortex of world war. In both cases, people were faced with a choice between peace and slaughter. And in both cases militarism managed to eclipse reason. Today, however, the threat to mankind is of a new quality. The choice now is between peace and the total destruction of the human race, of civilisation. In the prevailing situation, statesmen and the public at large, and for that matter every individual, must, as soberly, as never before, assess the processes that are under way on the international arena, must draw the due conclusion, must understand their particular place and role in the bid to stop the slide into another war.

The Soviet Union holds that in international affairs a turn for the better is absolutely essential. The Political Bureau of the CPSU CC and the Soviet government have decided on a number of large-scale actions of a fundamental nature. "Their sense is to maximally help improve the international situation," says the Statement of Mikhail Gorbachev. "They are prompted by the need for overcoming the negative

confrontational tendencies that have been growing in recent years, clearing the path for the termination of the nuclear arms race on Earth and its prevention in outer space, for an over-all lessening of the war danger, for confidence to become an indissoluble component of inter-state relations."

The plan of concrete actions set forth in the Statement, strictly fixed in time, shows that the Soviet Union is striving to give no country any cause to fear for its security, to doubt the strictly defensive nature of the Soviet military doctrine. At the same time the Soviet Union and its allies must be equally sure that they are not menaced.

Acting on this thought, the 27th Congress of the CPSU said that the Soviet Union is in favour of taking mass destruction weapons out of circulation and reducing military capabilities to reasonable proportions. But inasmuch as the limitations are being fixed by the postures and actions of the United States and its allies, the fundamental position of the USSR may be defined by the following laconic and clear formula: the Soviet Union has no pretensions to more security but will not accept less.

Quite obviously, the US ruling circles have no constructive answer to the programme of peace and social progress advanced by the 27th Congress of the CPSU. That is why the men in Washington are so stubbornly clinging to their outdated policies. Certainly, they are aware that they can no longer afford to publicly oppose international negotiations. So they pretend to be in favour of them, but only if the USA can negotiate from "positions of strength."

It is hard to reach any accords within such a framework. Any constructive Soviet proposal is either rejected out of hand or invalidated by various "conditions" and "restrictions" on the part of the US. Let us recall that for many years Washington kept assuring the world it was in favour of reducing armaments, but that it was impossible because the Soviet Union would not agree to verification. The moment the USSR said it was open to verification, however, all the US interest in it evaporated.

The Soviet Union has displayed its high sense of responsibility for the future of peace by setting a moratorium on nuclear testing, to which it adhered for many months. The US administration, on the other hand, continues its tests and shows thereby that it has no such sense of responsibility. The Soviet Union has been doing everything it can to carry the idea of a nuclear-free world into effect, while the USA has been spurning this idea. Those are the facts, and they cannot be hidden from the public eye.

The 27th Congress of the CPSU has stressed once more that it is exceedingly important to find some solution and prohibit the spread of the arms race to outer space before it is too late. Constructive collaboration to that end between states and peoples worldwide is, therefore, becoming increasingly important.

The real dialectic of present-day world affairs consists in a combination of competition, of the historical contention between the two systems, and the mounting tendency towards objective interdependence and interaction of the world community. Those are the realities of the times that the foreign policy of the CPSU and the Soviet government is built upon. First of all, it takes into account the economic and political development of the socialist world system on which the future of peace and social progress depends more strongly today than ever before. Soviet policy is a policy of honest and open relations with all the Communist parties and countries of the socialist world, of comradely exchanges of opinion between them; of socialist economic integration, of closer political cooperation (of which interaction between the ruling Communist parties is the core), of improving and modernising the methods and forms of this inter-

action, of a mutual enrichment in thought, ideas, and experience concerning the building of socialism, and of search for mutually acceptable solutions for the most complicated problems.

The foreign policy of the CPSU and the Soviet government is also a policy directed to the unity of the world communist movement, a unity that has nothing in common with uniformity, that has no hierarchy, that rules out interference in the affairs of other parties, or the wish of any Party to assert a monopoly on the truth. It is a policy of strengthening the solidarity and cooperation of Communist and workers' parties in the fight for their common aims—peace and socialism, a policy of solidarity with the forces of social and national liberation, of close cooperation with the socialist-oriented countries, the revolutionary-democratic parties, and the nonaligned movement, and a policy of establishing contacts and cooperation with the social-democratic movement. Finally, it is a policy of expanding ties with all those who work against war and for international security, of closer cooperation with them for the sake of success in the battle against nuclear war which will benefit all mankind, every human being on Earth.

The focus of Soviet foreign policy in the years to come is centred on the programme for destroying mass annihilation weapons and preventing another world war set forth in the Statement of the General Secretary of the CPSU CC of January 15, 1986. The 27th Congress of the CPSU has underscored the importance of the Fundamental Principles of an All-Embracing System of International Security, as advanced in the CPSU Central Committee's Political Report.

These Fundamental Principles are a new word in world politics. They offer wide scope for productive activity by all governments and parties, public organisations and movements concerned for the future of world peace. They provide for a direct and systematic dialogue between the leaders of countries on both a bilateral and multilateral basis. Such dialogue is especially important between the permanent members of the UN Security Council, those five nuclear powers which bear a special responsibility for the consolidation of peace.

The Soviet Union is advancing new ideas, principles, plans and proposals aimed at ensuring security and cooperation among nations. But it has no illusions whatever and is not blind to the menacing world situation. The perseverance of the CPSU is yielding results. Opportunities are at hand to improve world affairs. But imperialism's aggressive militaristic wing is trying to perpetuate the confrontation and to give a new push to the arms race.

Speaking on Soviet TV about the need for halting nuclear tests, Mikhail Gorbachev said: "We have come to the conclusion that urgent action is required. It is not too late to halt the nuclear arms race. What is needed is the first big step in that direction. Halting nuclear tests could be such a step—first by the Soviet Union and the United States, and then also by the other nuclear powers. We attach tremendous importance to resolving this problem which affects the future of all peoples."

The current year is highlighted by the 27th Congress of the CPSU which launched an initiative crucial for all mankind—the proposal for adopting the Fundamental Principles of an All-Embracing System of International Security. Furthermore, the UN has declared 1986 International Peace Year. This is of more than just symbolic significance. It focuses the world's attention on active and concrete steps that could help consolidate universal peace. A recent message of Mikhail Gorbachev to the Secretary-General of the UN says that "the nations can and must see to it that International Peace Year goes down in history as the year in which an all-embracing system of international security began to take shape, with each succeeding year until the end of the century becoming

a milestone along the road of mankind's complete liberation from nuclear weapons and the threat of universal destruction".

The 27th Congress of the CPSU has left a deep mark in the minds of the world public. The philosophy of shaping a safe world meets the wishes of all mankind. The platform of concrete action advanced by the Congress is an inspiration to people of goodwill. The ideas and resolutions of the Congress are important landmarks at the current stage of change in international affairs. They will in many ways determine the content of world politics and the course of events until the end of the present and beginning of the next century. "Our position is clear," Mikhail Gorbachev stressed in his appearance on Soviet television. "We hold that the world has come to a period of responsible decisions—yes, a period of responsible decisions. We will not abandon our policy of preserving and strengthening peace, which has been emphatically reasserted by the 27th Congress of the CPSU. Acting on the nation's will, the Soviet government will continue to build up its efforts for universal security. And we will do so interacting with all countries and their peoples."

The 27th Congress of the CPSU has again shown convincingly that socialism and peace, peace and construction, are indissoluble. "Socialism," Mikhail Gorbachev said, "would fall down on its historic mission if it failed to take the lead in the struggle for relieving mankind from the burden of military alarms and violence. The chief aim of Soviet policy is a safe and just peace for all nations."

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CHINESE CULTURE IN RUSSIA, USSR STUDIED

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 11-23

[Article by Academician S. L. Tikhvinskiy]

Editors' note:

The first international conference on Chinese culture sponsored by the Fudan University was held in January 1986 in Shanghai. It discussed a wide range of problems related to different historical periods of China's culture, and Sino-Western relationships and mutual influence. Much was said about Chinese assimilation of Western achievements in science and technology and about the influence of India and Buddhism on medieval Chinese culture.

Unfortunately, less attention was paid to the influence of the new Soviet culture from 1917 to 1949 and especially since 1949 until the early 1960s, as well as the influence of Western imperialist culture in the period of the Guomindang rule. There is no doubt, however, that after 1917 and particularly in the 1950s Soviet literature, theatre, ballet, cinema, painting and drawing as well as history and philosophy did leave their imprint on Chinese culture, to say nothing of the fact that in the 1950s Soviet technical and scientific assistance, which was helping China to lay down the foundations for industrialisation, was the only source of its modernisation.

Participants in the conference failed to concur on the concept of "culture" and its content. What is necessary, of course, is a historical and comprehensive approach to the definition of this concept, with due regard for data on material culture, literature, philosophy, ethnology, etc.

A hope was expressed that this and other points would be clarified at forthcoming meetings of Sinologists.

Below follows the speech given by Soviet Academician S. Tikhvinsky at the conference.

Various forms of inter-cultural influence such as translations of science and prose books, exchanges of art exhibitions, studies of material and spiritual cultures of other countries and peoples, publication of books on these problems and personal contacts between scholars and men of culture, help people from different countries learn more about each other and reach a better understanding.

In studying the history and progress of Chinese culture Soviet Sinologists are guided by the following thesis of Lenin expounded in his article "On Proletarian Culture": "Marxism has won its historic significance as the ideology of the revolutionary proletariat because, far from rejecting the most valuable achievements of the bourgeois epoch, it has, on the contrary, assimilated and refashioned everything of value in the more than two thousand years of the development of human thought and culture."¹

Soviet scholars treat various aspects of China's culture as an integral part of world culture, humanity's general treasure house. They lean on

¹ V. I. Lenin, *Collected Works*, Vol. 31, p. 317.

the heritage left by pre-revolutionary Russian Sinologists who have accumulated a wealth of facts about the ancient Chinese society.

STUDIES OF CHINESE CULTURE BY PRE-REVOLUTIONARY RUSSIAN SCHOLARS

As far back as the 17th and 18th centuries, at the early stage of Sino-Russian relations, Russian explorers sought information about the neighbouring country. Writings appeared on China's geography and policies. Steps were made to study the languages, history and culture of the Chinese, the Manchurians and other nationalities of the Qing empire.

Reports of the Russians who visited China in the 17th century (Ivan Petlin's mission in 1618-1669; Fyodor Baikov's mission in 1654-1657; N. G. Spafari's embassy in 1675-1678; etc.) furnished new information about China which quickly spread to Europe and enriched world science through translations of relevant descriptions, articles and traveller's diaries into European languages. For example, Fyodor Baikov's *Stateinyi Spisok*, (Copies of Articles) which mentioned many little-known aspects of Chinese life, was published among other descriptions of travelling experiences by the French geographer J. Teveneau in Paris somewhere between 1666 and 1672. Subsequently it was published in Latin, German, English and Dutch.

Chinese *objets d'art* brought to Europe by Portuguese, Spanish, Dutch, English and French merchants blended with the idealized images of China of the Qing and Ming dynasties created by European missionaries, made European aristocracy, especially French, crazy about the "Chinese style" (*chinoiserie*). The craze spread to the Russian czar's court in St. Petersburg as well. Buildings and garden structures "à la Chinoise" were put up in Oranienbaum and Tsarskoye Selo; "Chinese rooms" were opened in many palaces.

The first contacts of the Russian empire with China contributed to more knowledge about this country and the culture and life of its multinational population. As a result Sinology was put on a solid scientific basis with heavy emphasis laid on the study of Chinese culture.

In 1711 a religious Russian mission was established in Peking. Unlike Western missions it did not seek to convert the Chinese to the Christian faith. It sought, because of the lack of other channels, to disseminate scientific information about China in Russia and vice versa. Many of its members studied the Chinese, Manchurian, Tibetan and Mongolian languages to become translators of Chinese books into Russian or teachers of these languages. A great deal of work was done to translate Chinese and Manchurian historical treatises into Russian by I. Rossokhin (1717-1761) and A. Leontyev (1716-1786). A. Leontyev's translations were very popular in Russia in the second half of the 18th century. He translated two parts of Confucius's *Four Books* ("Daxue" and "Zhongyong", part of "Yijing" and "Laws of the Qing Empire"). Apart from books on history and law Leontyev introduced the Russian reader to Chinese material culture and ethnography, tea and silk production, and chess playing. In footnotes and comments to his translations A. Leontyev sought to interpret and explain Chinese reality and history.

Russian missionaries in Peking acted as interpreters for *Lifanyuan* [foreign relations office—S. T.] and taught Russian at the Russian language school that opened in 1725 at the Imperial Court's Office; they also translated Russian language textbooks for the school thus familiarising the Chinese with Russian culture.

Veniamin Morachevich, the head of the 11th Russian mission to China (1830-1840), in the 1820s, while a member of the previous mission, he taught Russian at this school and acquainted his students with Russian

culture and life. In the late 1830s, as recorded in the *Documents of the Ming and Qing Dynasties* kept in China's State Archives, the Qing government awarded him for his tutorship.

In 1845 the Russian Academy of Sciences used the good offices of the Russian mission in China to make a gift to that country of more than 300 Russian books on different subjects. They included textbooks and manuals for the Peking Russian School and "the best choice of books on Russian history, geography, statistics and agriculture, as well as on subjects ranging from military art to mathematics, astronomy, medicine, natural history, belles-lettres, etc."²

Policarp Tugarinov, head of the Russian mission at the time, commented on these books and their transfer to Lifanyuan officials as follows: "We bustled in concert only to show to the Chinese the best editions and geographical maps explaining to them what confidence our government placed in theirs, sharing with it such information that, according to the generally accepted view in China, should be kept secret from aliens".³

In the first part of the 18th century problems related to China and its culture attracted considerable attention in Russia to a large extent due to the activities of the outstanding Russian Sinologist N. Y. Bichurin (1786-1853). Bichurin familiarised the Russian reader with many Chinese sources and gave a detailed description of China's history, philosophy and culture emphasising their originality and high level. The then popular West European "theories" of that time claimed that Chinese civilisation was of Egyptian and Babylonian origin. Bichurin argued against this and lashed at foreign missionaries and West European scholars who maintained that the Chinese were "barbarians" and "ignorant" and who emphasized the merits of "Christian" nations.

N. Y. Bichurin's activities and works had a strong effect on the educated circles in Russian society, specifically, on writers, he was on friendly terms with the great Russian poet Pushkin, who wrote that "Father Iakinf's (Bichurin's name as a monk—S. T.) thorough knowledge and earnest labours have blazed our relations with the Orient"⁴. Influenced by his discussions with Bichurin, Pushkin petitioned the czar in January 1830 to let him go to China with the Russian mission, but was refused. Bichurin also met the Russian revolutionary democrats V. Belinsky and A. Hertzen, the writers I. Krylov, I. Goncharov and others. His numerous books, articles and translations furnished more information about China, its history and culture and was conducive to the appearance of the "Chinese theme" in the Russian literature of that time. For example, under Bichurin's influence, the Russian writer V. Odoyevsky wrote his fantastic novel *The Year of 4338*, which pictured, in the far future, Russian and China as good friends ready to give a joint rebuff to a menace from space.

As a truly humanitarian scholar, Bichurin highly respected China's cultural values and objectively portrayed the history of its peoples. Sometimes he over-idealised certain aspects of China's realities, which was pointed out by the Russian well-known critic V. Belinsky; specifically, in his review of Bichurin's book *China's Civic and Moral Condition*. On the whole, however, V. Belinsky highly appreciated this and other works by Bichurin. Though containing much interesting and then unknown news about the peoples of China, as a rule, Bichurin's works lacked the

² "P. I. Kafarov and His Contribution to Russian Sinology" (in memory of the centenary of his death). Proceedings of the conference, Part I, Moscow, 1979, p. 21.

³ *Ibid.*, p. 22.

⁴ A. S. Pushkin, "History of Pugachev's Mutiny"; Complete Works, Vol. 8, Moscow-Leningrad, 1949, p. 287.

analytical approach and critical evaluation which distinguished the publications of V. P. Vasilyev (1818-1900), the first Russian professor and Academician in Sinology, who founded a school of Chinese and Far Eastern problems in Russia.

V. P. Vasilyev studied the history and culture of China and compiled textbooks on Chinese literature and language. He had a very high respect for the Chinese. "There is every ground for claiming that China has everything to achieve the acme of intellectual, industrial and political progress,"⁵ he wrote in one of his books.

V. P. Vasilyev was one of the first in Russian and world Sinology to discern conservative dogmatic elements in Chinese culture; primarily, in Confucianism, with its traditions of complete obedience to elders and absolute submission to the authority of ancient sages. In his book *Essays on the History of Chinese Literature* he writes: "How zealous is Confucianism in guarding its power over the minds; it is not claimed to be a religion, but no religion has ever succeeded in keeping a nation in a closed circle of established ideas for two thousand years."⁶

Being critical of Confucian impact on Chinese culture as a whole, Vasilyev emphasised that "the best books become harmful when from an object of study they are made an object of cult and blind worship".⁷ *Mythical World Outlook and Myths of the Chinese*, by Vasilyev's disciple S. M. Georgievsky, is a book that still has value today.

Speaking of Russian 19th century studies of Chinese culture, mention of P. I. Kafarov (1817-1878, his monk name was Palladiy), should be made. He wrote many works on Chinese history, geography and culture. His two-volume academic Chinese-Russian dictionary, enlarged by P. S. Popov and published in 1888, after Kafarov's death, made him world-famous. The value of this encyclopedic dictionary was highly appreciated by Kafarov's contemporaries as well as later generations, including those who are interested in China's past now.

"The Russian Chinese studies in the 19th century," Soviet Academician V. M. Alexeyev wrote, "have played an important part in Sinology, facilitating access to the wealth of thinking and culture of the Great Chinese people."⁸

STUDIES OF CHINESE CULTURE BY SOVIET SINOLOGISTS

Accepting the ideas of the Great October Socialist Revolution of 1917 and placing their talent at the service of the people, the outstanding Russian Sinologists S. F. Oldenburg, V. V. Bartold and V. M. Alexeyev, whose research began before the Revolution, contributed greatly to the reappraisal of accumulated experiences and took an active part in developing new approaches and methods of Oriental studies based on Marxist-Leninist teaching.

From a complex discipline, Sinology (like other Oriental studies) has branched off into many separate aspects of which history, literature, philology and philosophy were most prominent. Each of them has made important progress, at the same time Soviet Sinologists continued to study the general problems and norms of Chinese culture.

Academician V. M. Alexeyev (1881-1951) was the most prominent explorer of comprehensive problems of Chinese culture. He had a profound

⁵ V. P. Vasilyev, *China's Discovery*, St. Petersburg, 1900, p. 162.

⁶ V. P. Vasilyev, *Essays on the History of Chinese Literature*, St. Petersburg, 1880.

⁷ V. P. Vasilyev, *Asia's Present-Day Situation*, Chinese Progress, St. Petersburg, 1883.

⁸ P. E. Skachkov, *Essays on the History of Russian Sinology*, Moscow, 1977, p. 286.

understanding of the organic relationship between history and modern culture. He was among the first in world science to turn to the grass roots of Chinese culture reflected not only in scientific works, but in popular beliefs, in prints adorning homes, in everyday utensils.

Academician Alexeyev's works on Chinese culture set an example of how culture of the past should be assessed from contemporary positions. This can be seen in his works written at different periods of time—on Pu Songlin's novels, on classical poetry and on the theatre. Academician Alexeyev sought to establish the status of Chinese culture among other world cultures. He was against any extreme approaches to this end, and not satisfied either with "Europeanising" Chinese concepts, or with placing a heavy emphasis on the specificity and exclusiveness of Chinese culture.

After the Great October Socialist Revolution of 1917, getting to know each other's culture better became a major trend in cultural relations between China and the peoples of the USSR. Among active supporters of this tendency in China were such outstanding cultural figures as the writer Lu Xin, President of the Academy of Sciences Cai Yuanpei, the painter Xu Beihong and the actor Mei Lanfang. The 1920s and 1930s witnessed the staging of Soviet plays ("Armoured Train 14-69" by V. Ivanov and "Roar, China!" by S. Tretyakov) and the showing of Soviet films ("Battleship *Potyomkin*", "Chapayev", "A Pass to Life") in China, as well as publication of Chinese-language editions of books by Soviet writers. On Lu Xin's initiative and with his direct participation, the following masterpieces of Russian and Soviet prose were translated into Chinese: *Dead Souls* by N. Gogol, *The Rout* by A. Fadeyev, *The Iron Stream* by A. Serafimovich, and other books, which produced a strong influence on Chinese intellectuals and young people.

Lu Xin attached special importance to Soviet literature's role in mounting the national liberation struggle of the Chinese people. He wrote: "...continious literary ties with the Soviet Union have triggered extensive literary links with the whole world."⁹

During the 1920s, 1930s and 1940s, Soviet scholars and cultural figures did much to familiarise the world public with the national liberation struggle of the Chinese people, its literature and arts and to publish many Russian-language editions of Chinese books. In 1929 a collection of Lu Xin's choice stories (translated by B. A. Vasilyev), including "The True Story of A-Kieu" and "Motherland", were published for the first time in Russian. Ever since then his novels and stories have appeared regularly in the Soviet Union either as separate editions or in the periodical press. An important contribution to the popularisation of Lu Xin's works in the Soviet Union was made by V. N. Rogov, then the head of the TASS office and Epokha Publishers' in Shanghai.

This period was marked by the extensive familiarisation of the Soviet reader with Chinese literature and arts, accumulation of knowledge and training of researchers. Among important contributors to the popularisation of Chinese culture in the Soviet Union in prewar years were N. I. Konrad, N. V. Kyuner, K. A. Skachkov, etc. In 1940 the USSR Academy of Sciences published an encyclopedia on China. Its compilation was essentially helped by the All-Union Society for cultural relations with foreign countries (VOKS) which sponsored regular exchanges of prominent people in culture and science between the USSR and China, as well as exhibitions and film reviews.

In this connection mention should be made of the exhibition of unique Chinese pieces of fine art in Moscow and Leningrad in 1940-1941.

⁹ Lu Xin, *Works*. Vol 2. Moscow, 1955, p. 102 (in Russian).

Apart from Soviet museums' collections (including the Museum of Oriental Arts) the exhibition included over 1,000 valuable monuments of ancient and modern Chinese art borrowed from China. When the Nazis started bombing Leningrad these exhibits, just like the masterpieces of the State Hermitage Museum, were lovingly sheltered and returned to China despite tremendous shortage of transport and guards caused by the war. In a cable to VOKS from Chongqing on September 23, 1942 Sun Fo, Chairman of the Sino-Soviet Friendship Society, wrote: "The *objets d'art* from China borrowed for the exhibition in the Soviet Union have arrived home safely. It is with profound gratification that I would like to thank you for your loity efforts in times of fierce fighting against fascism, and to express the hope that cultural relations between our countries will continue to develop on a larger scale."¹⁰

The reactionary Guomindang circles bent every effort to impede the Sino-Soviet cultural intercourse, whereas the Chinese progressives sought to extend it. "The cooperation of the Chinese and Soviet cultures," wrote Mao Dun to A. Fadeyev in 1940, "is useful to the Chinese nation."

The outstanding Chinese writer and scholar Guo Moruo, who attended the 220th anniversary celebrations of the USSR Academy of Sciences in 1945, did much to acquaint the Soviet public with the culture of fighting China. Upon returning to China he told a truthful story of Soviet culture to the Chinese readers.

In the foreword to the Russian translation of his *Notes on Visiting the Soviet Union*, put out in Shanghai in 1947 by the Epokha publishers, Guo Moruo wrote: "The fifty-day trip across the Soviet Union was the most unforgettable event of my life. I am happy that my lifelong dream has come true. I am even happier that the most varied dreams of my cherished ideals have been translated into the many realities that I saw in the Soviet Union. Those who have not been to this country can hardly imagine the kindness, courage, devotion and happiness in work that comprise the best qualities of Soviet people in all their breadth, depth and intensity."¹¹

"Most Chinese intellectuals", said the prominent Chinese scholar Hua Luogeng during his visit to the Soviet Union in 1946, "are very friendly towards the Soviet people and feel that friendship with the Soviet Union must underlie Chinese foreign policies... There is a great interest in China in Soviet economic and cultural achievements."¹²

After the formation of the People's Republic of China, cultural cooperation between the two countries based on orderly inter-state cooperation assumed larger proportions. In July 1956 the two nations signed an agreement on cultural cooperation providing for stronger direct ties between research institutions of both countries, joint research, and exchanges of research results and scientists as well as exchanges in the cultural field for mutual proliferation; promote the staging of plays, operas, ballets, etc. and arranging musical recitals; organising and holding exhibitions; and translating and publishing fiction and political and scientific literature.

The intensive contacts between and exchanges of men of science and culture in the 1950s were an essential factor facilitating the study of various aspects of Chinese culture in the Soviet Union in these and subsequent years.

It is noteworthy that Soviet publications in the fifties attempted to give a scientific interpretation and to generalize the process of creating

¹⁰ A. S. Tsvetka *Soviet-Sino Cultural Relations*, Moscow, 1974, p. 23.

¹¹ Guo Moruo, *50 Days in the Soviet Union*, Translated from Chinese by V. Rogov, 1947, p. 1.

¹² A. S. Tsvetka, *Op. cit.*, p. 24.

new culture in the People's Republic of China. This tendency was described in N. Fedorenko's "Essays of Contemporary Chinese Literature", L. Eidlin's book "The Chinese Literature Today", O. Glukhareva's and L. Menshikov's studies of modern Chinese arts, etc.

The results of Soviet research into Chinese culture of this period were summed up in a publication entitled "Problems of the Cultural Revolution in the PRC" (1960), compiled by a team of Soviet Sinologists with the assistance of prominent Chinese cultural figures, including Xia Yan, Ge Baoquan, and Hou Wailu.

The fifties were also marked by continued large-scale publication in the Soviet Union of classical and contemporary Chinese literature in Russian. From 1949 to 1958 alone, more than 3 million Russian editions of over 2,100 Chinese literary works were published in the Soviet Union, to say nothing of translated editions in the Ukrainian, Byelorussian, Uzbek, Georgian and other languages of the USSR.

In the mid-fifties Lu Xin's *Collected Works* was published in four volumes. All in all, from 1950 to 1975, Lu Xin's stories and novels in Russian and other languages of Soviet nationalities were published more than 60 times. Over 300 monographs, articles and reviews have been written on Lu Xin's writings by Soviet researchers. The Soviet people highly appreciate him as a great Chinese writer, a popularizer of world literature in China, and a translator of Russian and Soviet classics. A special volume devoted to Lu Xin in the "World Literature" Encyclopaedia, with a brilliant foreword by the famous literary critic and translator Prof. L. Z. Eidlin, had a printing of 400,000.

The following literary works have also run into mass editions: works by Mao Dun, Lao She, Zhao Shuli and a four-volume anthology of Chinese poetry; works by ancient classical writers Qu Yuan, Bo Juyi, Li Bo, Xin Qiji, Li Qingzhao, Liu Yong, Wang Wei, Meng Haoran, Cao Zhi, Tao Yuanming, Lu You, Xie Lingyun and Pu Songling; such novels as *The Triple Reign*, *A Dream of Red Mansion*, *Backwaters*, *A Journey to the West*, *Jin Ping Mei*, *Flowers in a Mirror*, *The Story of Yuefei*, *Three Brave and Five Just Men*, *Laocan's Travel*, *Flowers in an Evil Sea*; Tang novels, Yuan dramas, and others.

The "cultural revolution" in China disrupted creative activity for many years. Its leaders sought to isolate the multimillion Chinese people from its own centuries-long cultural heritage and from the cultures of other nations. It dramatically slowed down the progress of the new socialist culture which started after 1949. In such a situation Soviet men of culture and Sinologists actively supported and defended the genuine Chinese culture.

In a collective publication entitled *The Destinies of Chinese Culture* its authors bitterly remarked: "The cultural vacuum caused by the 'cultural revolution' has not been witnessed in human history for many centuries. The largest nation has been deprived of its many-thousand-year-old heritage; it has been isolated from the cultures of other nations; all its progressive culture ... has been subjected to public dishonour, whereas its architects and promoters have been persecuted in one way or another".¹³

Describing the terrible, tragic lot that befell many of those active in the cultural life including Lao She and Zhao Shuli, Tian Han and Deng Tuo, Wu Han, Li Da, He Luqing, Lu Ji and many other writers, musicians, playwrights, and scientists, the Soviet authors expressed the firm hope that despite all repressions the Chinese culture would survive.

Soviet literary critic and translator A. N. Zhelokhovtsev was an eyewitness of the "cultural revolution" in Peking. This is what he writes

¹³ *The Destinies of Chinese Culture (1949-1974)*, Moscow, 1978, p. 367.

in his book *Cultural Revolution at Close Quarters* about Lao She, a remarkable Chinese writer who never gave in to hongweibins: "Man is mortal. Literature is not. Lao She's books have been banned and burnt, but he will be read in China! And not only in China, but everywhere. His name cannot be erased from Chinese culture".¹⁴

Another Soviet literary scholar S. D. Markova, in her book about Chinese intellectuals reassures that the "cultural revolution" has not broken them down and that "they will seek to return to their people the best achievements of the past and the present at the slightest opportunity that may arise... And though the damage caused to Chinese culture in recent years is so colossal that it cannot be measured, Lenin's idea aptly cited in this context is irrefutable: "No matter how damaged is the culture it cannot be crossed out of historical record; it will be difficult to restore it, but no destruction will ever make this culture disappear completely. Parts and material components of this culture cannot be removed; it will only be difficult to restore it".¹⁵

Estimates given in today's China of the aftermath of the "cultural revolution" coincide to a large measure with those given by Soviet researchers in the late sixties and the seventies.

The lack of cultural ties with the PRC during the "cultural revolution" hampered the progress of Soviet studies in Chinese culture. Nonetheless, activities in this area did not cease. Universities of Moscow and Leningrad continued to train relevant specialists, whereas Soviet publishers went on printing modern and classic Chinese writings and literary criticism.

Here is an incomplete list of Chinese literature published in the Soviet Union during the period of the "cultural revolution" in China: Lao She, *Stories* (1965); *Divorce* (1967); *The Town of Cats' Papers* (1969); Mao Dun, *Disintegration* (1968); Bo Juyi, *Lyrics* (1965); Du Fu *Lyrics* (1967); *Pranks of an Idle Dragon*—16 tales from a 17th century collection (1966); *A Yuan Drama* (1966); Zazuan, *Sayings of Chinese Writers of the 9th-11th Centuries A. D.* (1969); *The Lay of Paintings From a Mustard Seed-Size Garden* (1969); *The Merry-Maker and the Sourcerer. Tang Novels* (1970); as well as the following works on literary writing: *Lao She's Early Writings* by A. Antipovsky (1967); *Lu Xin and His Predecessors* by V. Semanov (1967); *Tao Yuanming and His Poetry* by L. Eidlin (1967); *Wen Yiduo's Life and Writings* by V. Sukhorukov (1968); *Ancient Chinese Poetry and Folk Songs* by I. Lisevich (1969), and many others.

Despite altered conditions the Soviet-Chinese Friendship Society continued its large-scale activities to familiarize the Soviet public with Chinese culture. Guided by the consistent policies of the CPSU and the Soviet government aimed at good-neighbourly relations with China the Society kept on spreading and popularizing information on Chinese history and culture and the best traditions of the Chinese people, despite the lack of practically any contacts with China and its culture workers in the period of the "cultural revolution".

With the active assistance and participation of Soviet specialists in Chinese culture the Society organised meetings and exhibitions devoted to important events in China's history, outstanding leaders of the national liberation movement and famous Chinese cultural figures. Anniversaries of the following were marked: Sun Yatsen, Li Dazhao, Qu Qiubo,

¹⁴ A. N. Zhelokhovtsev, "Cultural Revolution" at Close Quarters. Notes of an Eyewitness, Moscow, 1973, p. 230.

¹⁵ S. D. Markova, *Maoism and Intelligentsia, Problems and Development (1956-1973)*, Moscow, 1975, p. 238 (V. I. Lenin is quoted from *Collected Works*, Vol. 36, p. 46, in Russian).

Lu Xin; modern writers Zhou Libo, Lao She, Ba Jin, Ye Shengtao; classic writers Li Bo, Du Fu, Bo Juyi, Li Qingzhao, Han Yu, Tao Yuanming; composers Nie Er and Xi Xinhai; painters Qi Baishi and Xu Beihong, and actor Mei Lanfang.

As contacts between Soviet and Chinese cultural figures and scientists and the friendship societies resumed, the Soviet society's activities have been galvanized.

In the past decades Soviet studies of Chinese culture have been following traditional lines, i. e. publication of the monuments of Chinese culture and translations of scientific literature and fiction. At the same time, more research has been done into the general problems of Chinese culture (its place in world culture, interaction of cultures, the role of traditions) as well as into Chinese literature, arts and languages.

In 1964 the Soviet Union started publishing a series entitled *Monuments of the Oriental Written Languages*. So far 80 books, including 14 Chinese and 6 Tangout classics, have been published, in particular: *Chinese Classics in Tangout Translation* (Lun yu, Meng zi, Xiao jing); *The Book of the Ruler of Shang Province* (Shang jun shu); *Sima Qian. Historical Notes: A Forest of Categories. Lost Chinese Leishu in Tangout Translation*; *The Newly Drawn Pinghua on the History of Five Dynasties*, etc.

This series devoted to the monuments of Chinese and Tangout literature has caused lively interest among Sinologists of other countries. The publication of these great works, as well as the whole series *Monuments of the Oriental Written Languages* occupy a solid and honorary position in Soviet and foreign Oriental studies.

Soviet scholars have done much to study and publish Chinese classics from Dunhuang. These manuscripts are scrutinized by researchers of the Leningrad division of the USSR Academy of Sciences' Institute of Oriental Studies. They have prepared a description of the archive and published the following manuscripts: *Monuments of the Sunwenxue Buddhist Literature* (1963); *Bianwen About Weimozu*; *Bianwen: Ten Blessed Omens* (1963); *Bianwen About Requit for Good Graces* (1972); and *Bianwen According to the Lotus Sutra* (1984).

The scientific value of the documents on Dunhuang's economic activities is unique. The first edition of the *Chinese Documents from Dunhuang* published in 1983 includes photo copies of the documents, their reconstruction (reading) translation, comments, tables of special hieroglyphic tracings and a research article.

Joint Soviet-Chinese studies of the unique sources of the two countries' history and culture could make an important component of Soviet-Chinese cultural and scientific cooperation. A step towards this goal was taken in 1985 when both sides agreed on a joint publication of the unique copy of the novel *A Dream of Red Mansion* handed over to China by the Soviet side through cooperation between the USSR Academy of Sciences' Institute of Oriental Studies and the Chinese Academy of Fine Arts' Institute of Studies.

Soviet researchers pay much attention to the laws of Chinese culture's development common with those of world culture, to the interaction of cultures at different stages of the historical process. These problems are dealt with in Academician N. I. Conrad's works in which he comes up with the idea of a "Chinese Renaissance"; V. Semanov investigates the penetration of foreign literature into China at the turn of the 19th century and its influence on Chinese culture; M. Schneider explores the interaction of Russian and Chinese literatures (*Russian Classics in China. Translations. Evaluations and Assimilation*), L. Cherkassky has written *Mayakovsky in China*, and so on.

A series of collective monographs authored by M. V. Kryukov, L. S. Perelomov, M. V. Soironov, N. N. Cheboksarov and V. V. Malyavin

gives much prominence to the formation of Chinese culture within a broad historical context (*The Ancient Chinese: Problems of Ethnogenesis*, 1978; *The Ancient Chinese in the Epoch of Centralized Empires*, 1983; *The Chinese on the Threshold of the Middle Ages*, 1979; *The Chinese in the 7th-13th c. c.*, 1984). A thorough examination of the major aspects of material and spiritual culture and of the internal and external factors affecting them leads the authors to a justified conclusion that China's contacts and relations with the rest of Asia had a profound impact on the whole Far Eastern region.

V. S. Starikov's book deals with the material culture of the Chinese (a study of the north-eastern provinces of the PRC). A wealth of facts from present-day life is used to show that the culture, language and home traditions of northern Chinese rest on the interacting elements of the ancient Chinese and other peoples.

Soviet archaeologists have used recent archaeological findings in the PRC in addressing general problems of China's history and culture. Their latest publications include a series of surveys of the Oriental Studies Committee working under the auspices of the USSR Academy of Sciences Presidium of the Siberian Division *Asian History and Culture; New Discoveries in China's Archaeology: Studies and Problems* (Novosibirsk, 1984) and *Ancient Chinese Cultures. The Neolithic and Paleozoic Periods and the Metal Epoch* (Novosibirsk, 1985).

These studies indicate that there has been no innate invariable or isolated element in Chinese cultural tradition. Like the cultural traditions of other peoples it has been continuously changing, improving and enriching with new elements from contacts with other peoples. Thus, the history of Chinese material culture supports the existence of laws governing the development of world culture.

In the past decades Soviet scholars have also been thoroughly exploring the place and role of tradition in Chinese history and culture, the conditions of its sustenance and how it affects the society. A wealth of specific facts has been analysed that are pertinent to the role of tradition in Chinese ideology, literature, arts and social and political activities. Traditions are very strong in the "Chinese mode of life" which is explained, specifically, by China's long-standing civilization and statehood, and the peculiarities of Confucianism. Among Soviet publications on this subject mention should be made of L. S. Vasilyev's book entitled *Cults, Religions and Traditions in China* (1970).

Research also indicates that many long-standing Chinese traditions which have survived until our time underlie many of the modern principles, standards of behaviour and stereotypes of thinking. With due respect to the best traditions of Chinese culture, such as humanitarianism, free thinking and atheism, it nevertheless must not be forgotten that some old traditions act as brakes on the progress of Chinese society.

Large-scale work is underway in the Soviet Union to familiarise the Soviet reader with the works of Chinese philosophers and to study the rich philosophical heritage of ancient and medieval China. In 1967 L. D. Pozdneyeva published her translation of the philosophical treatise by Yang Zhu, Liezi and Zhuangzi. In 1968, L. S. Perelomov's Russian translation of the full text of *Shang Junshu* together with the commentary came off the press. In 1972 a two-volume *Philosophy of Ancient China* compiled by Yan Hinshun, M. L. Titarenko and V. G. Burov ran into a large edition. In 1976 V. F. Feoktistov and V. G. Burov published their papers on Syun-tsi and Wang Chuanshan. A recent series of publications on Chinese philosophical, social and political thinking includes the following: *Confucianism in China. Problems of Theory and Practice* (1982); *The Human Problem in Traditional Chinese Teachings* (1983); and

M. L. Titarenko's fundamental research *Ancient Chinese Philosopher Mo Di, His School and Teachings* (1985).

Recent publications on different periods of Chinese history include the following: L. N. Borokh's research into socialist thinking in China; N. M. Kaluzhnaya's books on the history of the Ihetuans' movement; E. P. Stuzhina's monographs on the history of Chinese towns of the 11th-13th centuries and on Chinese craftsmanship of the 16th-18th centuries; S. G. Lapina's papers on Li Gou's treatise of the 11th century devoted to state management in medieval China; A. V. Meliksetov's research on the history of Guomindang's economic policies; etc. R. V. Vyatkin and V. S. Taskin have translated several volumes of Sima Qian's *Historical Notes* into Russian. Sun Yatsen's *Selected Works* have run into their second Russian-language edition.

Fruitful research into Russian Chinese relations is characteristic of the works and documentary publications of V. S. Myasnikov, B. N. Gurevich, etc.

Extensive studies of Chinese theatre have been done in the Soviet Union. A weighty contribution to research into the history and theory of Chinese theatre, drama and stage-acting has been made by V. F. Sorokin, B. L. Riftin, L. Z. Eidlin, N. T. Fedorenko, V. I. Petrov, L. N. Menshikov, S. A. Serova, I. V. Gaida and S. D. Markova. Many Chinese plays, both classical and modern, have been translated into Russian.

Chinese theatrical art has become closer to the Soviet public thanks to books written by famous Soviet actors and producers who visited China in the 1950s—S. Yutkevich, S. Obratsov, A. Afanasyev, etc. Mei Lanfang's performances in the Soviet Union were reviewed by S. Eisenstein, K. S. Stanislavsky, S. Tretyakov, etc. The following Chinese theatrical troupes performed in the Soviet Union: the Shanghai theatre of Peking musical drama in 1956; the Central Experimental Opera Theatre of the PRC in 1959; and a ballet troupe of the Central Opera and Ballet Theatre in 1961. After a long interval Chinese performers took part in the 1985 international ballet competition in Moscow. The same year a visiting ballet company from the Gansu province was successfully received by the Soviet audience.

In 1984 Chinese film makers took part for the first time ever in the Tashkent film festival of Asian and African countries. Their programme included feature films and documentaries. In 1986 regular demonstration of Chinese films in the Soviet Union will be resumed.

Soviet studies of Chinese fine arts has been a longstanding tradition based on investigations of the rich collection of Chinese *objets d'art* at the Hermitage Museum. As far back as the twenties, the outstanding connoisseur of Middle and Near East art B. P. Deniké, began studying Tang ceramics and medieval Chinese architecture. Chinese fine arts, ceramics, bronze, textiles and costumes have been intently studied by the staffers of the State Hermitage Museum in Leningrad and the Museum of Oriental Cultures in Moscow: Academician Alexeyev, Razumovsky, Kverfeld, Glukhareva, Kretchetova, etc. Much interest was aroused by the exhibition of Xu Beihong's paintings in Moscow in 1934.

In the fifties and later Soviet Sinologists published many papers on Chinese arts, including on engraving and etching (N. Chervova), folk art (O. Glukhareva), Ma Yuan's (12th c.) landscape paintings (N. Nikolayeva), Chinese folk print (P. Murian), Chinese landscape painting (N. Vinogradova), *gohua* painting and Qi Baishi's artistic activities (E. Zavadskaya), and medieval painting in China (N. Sokolova and K. Samosyuk). *China's Academy of Painting in the 10th-13th Centuries*, compiled by E. Zavadskaya and T. Postrelova from their own translations of the comments on Chinese painters and art theoreticians, as well as

works of other Soviet scholars, also contributed essentially to the studies of Chinese fine arts' theory.

Soviet painters, sculptors and art critics who visited the PRC in the 1950s have done a great deal of work to disseminate the Chinese fine art in the USSR.

Soviet studies of Chinese culture cover many aspects and problems. A wide range of problems relating to various areas of Chinese culture are discussed at the annual conference "Society and State in China", sponsored by the China division of the USSR Academy of Sciences' Institute of Oriental Studies, and at the annual session of the Leningrad section of the same Institute on "Monuments of Written Languages and Problems Pertinent to the History of Culture of Oriental Peoples", as well as at other meetings of Soviet Sinologists.

Soviet researchers seek to examine Chinese culture in the context of China's historical development, which explains the inclusion of special chapters on Chinese culture in general works on the history of China. For example, *Modern History of China* has supplement on Chinese literature relevant to this historical period. Besides these, the two editions of *Contemporary China's History* (1917-1927 and 1928-1949) treat the Chinese culture of the respective periods in their concluding chapters.

Reference annuals such as, for instance, the yearbook *The Peoples Republic of China: Politics, Economics, Ideology* begun in 1973 by the USSR Academy of Sciences' Institute of the Far East have a special chapter on culture and education in the PRC. This chapter reviews major developments and trends in Chinese culture (literature, theatre, films, fine arts) that take place every year, thus keeping Soviet Sinologists and the general public abreast of the current trends in this area.

Annual reference indexes of Soviet literature on China drawn up by the USSR Academy of Sciences' Sinological library provide information on publications dealing with Chinese culture as a whole as well as its individual fields (specifically, literature, the arts, and the language).

The 1981 indexes (issued in 1984) contain information on more than 20 books along with 150 articles, translations and reviews on problems of Chinese literature, arts and language.

Studies of the Chinese language constitute an essential trend in Russian and Soviet research into Chinese culture. As far back as the 1830s the first Russian textbook on Chinese grammar was compiled by N. Ya. Bichurin. In the 1930s Chinese linguistics became an independent discipline within the framework of the studies of Chinese culture. The Leningrad school of Chinese linguistics was headed by A. A. Dragunov, a disciple of Academician V. M. Alexeyev. The Moscow school was led by talented pedagogues V. S. Kolokolov, I. M. Oshanin, N. N. Korotkov and B. S. Isayenko who both taught and did research on grammar and phonetics. A special alphabet was developed in the 1930s by Academician Alexeyev and a group of Chinese communists living then in the Soviet Union to help eliminate illiteracy among Chinese working people residing in the Soviet Far East. This alphabet was used to print a Chinese-language newspaper *Workers' Road* (Gongren zhilu). Apart from the Chinese language, studies are made in the Soviet Union of the Tangout language (in 1963 N. A. Nevsky was awarded the Lenin Prize for compiling a dictionary of the Tangout language), the Dungan, Chuan and Tibet languages. M. V. Sofronov's monograph deals with the role of language in Chinese society. Many papers on Chinese syntax and morphology have been published by prof. V. I. Gorelov. Extensive studies of the languages of various non-Khan nationalities in China are conducted under the guidance of corresponding member of the USSR Academy of Sciences V. M. Solntsev.

1983-1984 witnessed the publication of a four-volume *Large Chinese-Russian Dictionary* culminating the long-term effort of a team of compilers and editors led by Prof. I. M. Oshanin from the USSR Academy of Sciences' Institute of Oriental Studies.

The idea to publish a *Large Chinese-Russian Dictionary* "a dictionary of the entire Chinese world-cultural legacy" originated with Academician V. M. Alexeyev, who started, with a team of Leningrad Sinologists, to put it into effect in the late 1930s. World War II interrupted this work, but in 1956 it was resumed and has now been brought to a successful finish. The four-volume dictionary contains some 250,000 words and phrases of the contemporary national Chinese language. It also includes many archaic words (from ancient Chinese as well) frequently used in contemporary texts. The dictionary is designed to facilitate reading and translating Chinese texts and research into Chinese history, literature and language. It will undoubtedly be of great help to Soviet Sinologists in their investigations promoting the mutual understanding and friendship between our two countries and peoples.

The recent trend towards gradual improvement of relations between the Soviet Union and the People's Republic of China has provoked a fresh interest in each other's culture and literature. There is also a tendency towards growing mutual exchanges of people of the arts and science, exhibitions of books, *objets d'art*, etc.

Scientific and cultural personages of the Soviet Union and China must increase their constructive contribution to better mutual understanding, goodneighbourly relations between our peoples and countries and to peace on the planet.

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COOPERATION, NOT CONFRONTATION KEY TO ASIAN SECURITY

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[Article by Professor I. I. Kovalenko]

In the aggressive schemes of the imperialist quarters of the USA and other countries an ever greater importance has been attached to the Asian Pacific region (APR). In recent years US and Japanese efforts have been noticeably intensified toward setting up a regional structure that would ensure a higher level of economic, political and military attachment of the countries there to Washington and Tokyo.

The turn of the policy pursued by the imperialist quarters in respect of the Asian Pacific region is not accidental. Today the region accounts for more than 55 per cent of the capitalist countries' industrial output. As many as 67 per cent of automobiles, 77 per cent of TV and radio sets, 50 per cent of aluminium, 54 per cent of steel, and two thirds of ships and synthetic fibre are produced there.

Whereas in 1982 the volume of US trade with the APR countries amounted to 27.7 per cent, in 1984 it reached 31 per cent, or \$169 billion. During the past five years US investments in the APR have gone up by 65 per cent to reach \$30 billion.¹

Japanese monopolies started vigorous activity in the region. They have deeply penetrated all spheres of the economies of the ASEAN countries and gained a firm foothold in the so-called new industrialised countries—South Korea, Hongkong, Singapore, and Taiwan.

Relying on their military-political might, the USA and Japan are trying to set up a new pattern of international relations in the Asian Pacific region under their aegis, first of an economic character, to be followed by a military and political one. This pattern is to oppose the growth of the national liberation movement in the countries of the region, and hamper the march toward peace and social progress.

Making use of major economic, military and political changes in the APR, the United States, with Japan's help, is seeking to turn the region into another, Eastern, front of struggle against the socialist countries, the Soviet Union above all. The setting up of such a front is meant to be a "Pacific community" that, according to its architects, is presupposed to pass a number of stages in its development.

At the first stage of putting together the Pacific community, with the purpose of inculcating the concept of Pacific regionalism in the minds of the peoples, the imperialist quarters launched a large-scale advertising campaign. While now, at the second stage, practical measures are being taken to create the organisational structures necessary to make Pacific regionalism operational. In the majority of countries in the capi-

¹ See *International Affairs*, 1985, No. 12.

talist zone of the Pacific, committees or associations have already been established and are functioning with the participation of high-ranking government officials who have been unofficially set the task of promoting further studies and development of the "Pacific unification concepts". A general regional conference on the problems of a Pacific economic community has been set up and is now in operation. Within its framework "working groups" have been established with the purpose of elaborating practical recommendations in the fields of trade, investment, exchange of technology, and so on.

At present the task is to examine all the problems linked with the further functioning of the Pacific community at the level of interstate relations. For example, Chun Doo Hwan, the South Korean dictator, set forth a proposal to convene a conference of the leaders of the eleven Pacific capitalist states and to hold such conferences on a regular basis in future.

An analysis of the Pacific community concept shows that it has been planned, primarily, to consolidate the positions of the monopoly bourgeoisie of the USA, Japan and other economically developed countries in the APR, to quell the national liberation movements and halt social progress, and to oppose the Soviet Union and other socialist countries. George Shultz, the US Secretary of State, said blatantly that the interests of the USA and its friends in the region demanded an impressive and permanent US presence in all zones of the Pacific.²

The idea of a Pacific community that the Western imperialist circles are trying to impose on the peoples of the Asian Pacific region is opposed by the Soviet Union's concept of equitable and mutually-beneficial cooperation of all states of the region regardless of their social system, level of socio-economic development, or size of territory and population.

The Soviet stand as regards the Pacific community stems from the Soviet Union's proposals concerning a comprehensive approach to the problems of Asian security advanced by Mikhail Gorbachev, General Secretary of the CPSU Central Committee, on May 15, 1985 during his meeting with Prime Minister Rajiv Gandhi of India.

It is common knowledge that the main content of the Soviet proposals is aimed at reducing confrontation in the Asian Pacific region, weakening military-political tension there, settling the existing crisis situations by peaceful means, lowering military activities of the great powers, decreasing gradually the number of nuclear armaments and their eventual complete elimination.

The creation in the region of an atmosphere of confidence and good-neighbourliness, and the setting up of mutually-advantageous and equitable cooperation within the framework of peaceful coexistence is a major component of the Soviet concept of Asian security. Instead of creating a closed military-political grouping under the signboard of "Pacific community" in the APR, efforts of all the countries there, irrespective of their social systems, should be joined in quest of reliable ways toward a lasting peace and international security.

Favouring global detente, the strengthening of peace and international security, and broad cooperation on a mutually-advantageous basis, the Soviet Union also includes in this the Asian Pacific region where, as in Europe, complicated processes are taking place, which are connected with the broadening of some states' military-political activity, particularly the USA, and the saturation of that region with nuclear-missile weapons. Here, too, as in Europe, there exist two different approaches to ensure peace and security. On the one hand, the USA, its allies and partners (primarily Japan and South Korea) are building up their milit-

² *The Department of State Bulletin*, September 1984, p. 5.

ary might. They accelerate the arms race, steer toward sharpening the military-political confrontation with the countries of socialism and the forces of national liberation, and seek to change the existing parity of forces in their favour. On the other hand, the USSR, its friends and allies are active in that region, opposing the aggressive line of US imperialism with the policy of peace and detente, and developing goodneighbourly relations between all countries of Asia and Pacific.

"The Soviet leadership," Mikhail Gorbachev pointed out, "attaches much importance to the Asian Pacific region. The Soviet Union's longest borders are in Asia; here we also have devoted friends and reliable allies—from neighbouring Mongolia to socialist Vietnam. It is highly important for this region not to be a source of tension, a sphere of military confrontation. We are in favour of a broader political dialogue between all states located here, in the interests of peace, goodneighbourliness, mutual trust and cooperation."³

The CPSU and the Soviet state are convinced that the historic dispute between socialism and capitalism should not be resolved by force of arms. The interests of the peoples demand that international relations be based on peaceful competition and equal cooperation. The Soviet Union calls on the USA and its NATO partners to ignore the existing differences, abandon the stereotypes of the cold war and come to realise the simple truth that in the nuclear-missile age peace cannot be based only on military force and incessant build-up of ever new types of armaments.

The Communist Party and the Soviet government proceed from the fact that the problems facing the contemporary world can and should be solved only by the joint efforts of all countries and peoples interested in preserving peace. An active political dialogue at all levels is needed, primarily at the level of states and governments. Public and political forces and movements which have been taking an increasingly active part in solving the problems of war and peace can also make an important contribution to the cause of peace and security.

All countries, regardless of their social system, ideological views, level of socio-economic development and defence potential, today, as never before, should display a political will toward broader international cooperation, and understanding of their high responsibility for the future of human civilisation and the very existence of life on earth.

It goes without saying that halting the race of the nuclear arms and their subsequent complete elimination, as envisaged by the Soviet programme of nuclear disarmament, would exert a positive influence on the entire international situation. The level of confrontation between the two socio-economic systems would go down and favourable conditions would emerge for developing equitable and mutually-beneficial cooperation between them.

In his Statement of January 15, 1986, Mikhail Gorbachev advanced a concrete programme for the complete and general eradication of nuclear weapons by the year 2000, which would deliver mankind from the threat of self-extinction, and ensure reliable security for the current and coming generations. As is known, the programme encompasses a whole range of new initiatives bearing on all major trends and spheres of activities in the interests of disarmament, restoration of confidence, and strengthening the prospects for the peaceful future and progress of nations. The implementation of the initiatives put forward by Mikhail Gorbachev will not only deliver mankind from the impending nuclear danger but also make it possible to allocate more money to improve people's living standards. The militaristic slogan of "arming instead of develop-

³ *Pravda*, Nov. 28, 1985.

ment" is opposed by the Soviet Union's demand of "disarmament for the sake of development".

"Discontinuation of the arms race, eradication of nuclear and chemical weapons, and a substantial reduction of the military spending of states," the Soviet government's Memorandum, The International Economic Security of States—an Important Condition for the Improvement of International Economic Relations, stresses, "are a most reliable and efficient source of means, so necessary for the economic and social needs of the developing countries, for solving such global issues facing mankind as overcoming economic backwardness, eliminating vast zones of famine, poverty, epidemics and illiteracy; meeting the growing demands of mankind in energy, raw-material and food resources; protecting the environment; and peaceful development of the World Ocean and outer space."⁴

However, under different pretexts, many prominent statesmen and political leaders of the USA and other NATO countries reject the Soviet initiative aimed at delivering mankind from nuclear weapons by the end of the century, and still hope to gain the upper hand over the Soviet Union and the entire socialist community via the arms race. Opposing the development of international cooperation, they take an obstructionist stand in relation to any Soviet proposal directed toward relaxing world tension, continue to sow mistrust and suspicion with respect to peaceful statements of the Soviet Union, and to intimidate the people with the invented Soviet "military threat".

The imperial policy of aggression and diktat pursued by the US administration leads to the aggravation of the situation in the APR, to conflict situations and even local wars, instances of which are abundant throughout the entire postwar history of Asian and Pacific countries.

Let us note that it was the USA, seeking to strangle the Democratic People's Republic of Korea, and to turn the entire peninsula into a stronghold of US aggressive strategy in the Far East, that unleashed a war in Korea. True, the adventure was a disgraceful failure, but its consequences still make themselves felt. All efforts by the leaders of the DPRK, of its friends and allies to solve the Korean issue by peaceful means have not yet succeeded.

The situation in Indochina, where US imperialism and its accomplices left an awful legacy, is still explosive. It is precisely the USA that is directly responsible for the wounds of Indochina continuing to bleed.

The USA apparently has not drawn the proper conclusions from its setback in Vietnam and other countries of Indochina. It is again galvanising old conflicts in Southeast Asia, provoking fresh ones and making a hue and cry around the notorious "Kampuchean problem". This is a dangerous game which may lead to new complications in the region.

A strained situation prevails in Hindustan. US imperialism has more than once provoked Indo-Pakistani conflicts, and is now trying again to aggravate relations between these two major Asian countries. Democratic and peaceloving forces of the world will have to do much to thwart US dangerous plans, aimed at destabilising the situation in the region and around it.

The problem of establishing a lasting peace in the Indian Ocean basin, which until recently had been a preserve of colonialism, is one of the most acute issues in the Asian Pacific region. Present-day neocolonialists are unwilling to withdraw after so many centuries of domination. They

⁴ *Pravda*, Jan. 28, 1986.

continue to pursue their old "divide-and-rule" policy, stirring conflicts between nations not only in the subcontinent, but also outside of it. The USA has declared the Indian Ocean its "third strategic zone" (after Europe and Asia), and, having built about thirty bases and strongholds there, is turning it into its springboard. Due to the obstructionist policy of Washington, the proposals set forth by Sri Lanka 15 years ago to turn the Indian Ocean into a peace zone have not yet been realised. Demilitarisation of the Indian Ocean would be a tangible contribution to ensuring peace and security in the Asian Pacific region.

The Democratic Republic of Afghanistan is another victim of intrigues by external political forces, the USA above all. Due to the gross imperialist interference in its internal affairs, the people of Afghanistan have not yet acquired the so much desired peace and tranquility. It is self-evident that the ensuring of security in Asia would be extremely difficult until peace is restored on the Afghan soil, which is currently enveloped in the flames of battles in defence of the just cause.

For more than twenty years an armed conflict has been under way in the Middle East, where Israeli aggressors, enjoying the active support of the USA, mete out brigandage and violence against the peaceful population of the occupied Arab lands. The Iran-Iraq war is in full swing in the same area, objectively playing into the hands of US strategists and their Israeli allies.

The elimination of these conflicts would pave the way toward implementing the idea of all-Asia security and would improve the situation on the continent and the world over.

A characteristic feature inherent in the emergence and evolution of all these conflicts is that the USA uses them to sharpen its confrontation with the Soviet Union. To attain its aim it applies a variety of methods, including greater military presence in a hope to influence the development of the conflict and its one-sided settlement in the interests of the USA, artificial linkage of different situations in order to bring a more concentrated pressure to bear on the USSR, and attempts to monopolise the processes of political settlement of conflict situations in order to ensure American interests to the optimum.

If these methods produce no fruit, the USA uses its armed forces. It has been calculated that after World War Two, the United States has resorted 226 times to the use of its armed forces, in one way or another, in Asia. In 33 cases the USA was on the brink of using nuclear weapons and actually used heavy armaments eighteen times. In other situations the presence of US armed forces was used to put pressure on governments of various countries. It was also calculated that ships of the US Navy took part in 177 such actions, while the ground-based airforce was used 103 times.⁵

As far as the Soviet Union is concerned, it takes a stand which is directly opposite to that of the USA. The USSR is striving, first and foremost, to prevent conflicts from becoming worldwide. In other words, it does all within its power to localise and halt them from the very beginning so that they do not involve other regions and countries.

The USSR is a resolute opponent of conflict situations to be linked with the global confrontation between the Soviet Union and the United States. It comes out for their settlement in the interests, above all, of those peoples who are victims of the aggression.

However, it would be erroneous to reduce the whole matter only to a technical approach to the settlement of conflicts. The main thing is to take timely measures to exclude conflicts at all, and if they have emerged, it is imperative to find the ways and means of their settlement quick-

⁵ *International Affairs*, 1982, No. 2.

ly by peaceful and political methods. When solving such a task, the collective efforts of the countries concerned (those drawn into a conflict or linked with it directly or indirectly) are necessary. That is why it is imperative to use the existing international mechanisms, including the United Nations.

As for the Soviet Union, it places its entire huge industrial potential and defence capability at the service of the cause of peace and security of nations. The present-day economy of world socialism, with its gigantic scope, is a reliable material guarantee for peace and cooperation in Asia and elsewhere.

The New Edition of the CPSU Programme sets the task of doubling the USSR's industrial potential by the year 2000 and qualitatively and radically renewing it. This means that by the end of the century the Soviet Union will become an even more powerful state, capable of defending not only itself, its friends and allies, but also of giving a fitting rebuff to any aggressor who dares to violate the peace and security of nations in order to put the yoke of colonial slavery on them again.

The Soviet Union keeps a close eye on the developments in Asia and takes all the necessary measures to stabilise the situation there. It is obvious to the USSR that the United States ruling circles, with the active support of the Japanese leaders, are covertly striving to set up a close economic grouping under the name of a "Pacific community", which is to be transformed into a militaristic bloc.

The political circles in the Soviet Union believe that if such a course of events in the Asian Pacific region, where the interests of many states clash and intertwine, is not stopped, the result may be the emergence of one more extremely dangerous hotbed of tension and open confrontation in the world.

The Soviet people are convinced that beneficial and allround economic and political cooperation, rather than the state of being opposed to each other, in accordance with affiliation to this or that socio-economic system, should be the basis for friendly relations, for firmer confidence and better mutual understanding among nations in that part of the world. Such an approach implemented, there can be no place for blocs and counterblocs, for close economic, let alone military-political groupings, no matter under what guise they are set up.

Like other peoples of the world, the peoples of the Asian Pacific region need security and peace to develop equitable cooperation in politics, economy, science, technology, culture and the arts. The expansion of mutually-advantageous cooperation among states, both with similar and different social systems, would undoubtedly exert a beneficial influence on the overall political situation in Asia and the Pacific.

Lenin attached great significance especially to trade and economic cooperation among countries with different social systems, seeing in this an indirect guarantee for peace, an "economic and political argument against war".⁶

The Soviet government holds that despite differences in political systems, ideologies and world outlook, peoples of the Asian Pacific region have common vital interests and face similar problems. Joint effort and economic and trade cooperation are needed to solve them since it is much more difficult and even impossible to tackle them on one's own. The Soviet Union is ready at any moment to start an exchange of opinion with all the countries concerned in that part of the world, on the development of equitable and mutually-beneficial, socio-economic, scientific and cultural cooperation.

⁶ V. I. Lenin, *Collected Works*, Vol. 31, p. 457

Cooperation could also spread to such important spheres as the development of productive forces, fuller and more rational use of the workforce, the utilisation of new sources of energy, including nuclear energy, improvement of the means of transportation and communication, the search for new forms of trade, economic and financial relations with due account of the interests of the developing countries.

The Soviet Union possesses powerful productive forces and material resources, the bulk of which are concentrated in Siberia and the Far East, an area that is part of the Asian Pacific region. For this reason it could become an important partner in extensive business cooperation with economically developed states, such as the USA, Japan, Canada, Australia and also the ASEAN countries. The completion of the Baikal-Amur Railway provides access to the as yet untapped rich deposits of oil, coal, gas and other energy-bearing materials, located in the eastern part of the Soviet Union. Siberia and the Far East are also extremely rich in timber, iron, copper, asbestos, bauxites, rare metals, diamonds and other valuable minerals. This opens up broad vistas for expanding the international division of labour, as well as for trade, economic, scientific and technical cooperation with Asian and Pacific countries.

The CPSU is steering now toward the development of the resources of Siberia and the Far East and their more active involvement in the national economy. The New Edition of the CPSU Programme reads in part: "Accelerated development of the productive forces in *Siberia and the Soviet Far East* remains a component part of the Party's economic strategy. In developing new regions it is of special economic and political importance strictly to ensure the comprehensive fulfilment of production tasks and the development of the entire social infrastructure so as to improve people's working and living conditions." And also: "In charting economic development prospects, the CPSU proceeds from the need to improve *foreign economic strategy* and more fully to utilise the possibilities offered by the mutually advantageous international division of labour."⁷

This means that the Soviet Union will be active in developing economic cooperation with all countries, including those in the Asian Pacific region. The experience of such cooperation with Japan has demonstrated that it is mutually beneficial and rather promising.

It is clear that the solution of these complicated and comprehensive problems will demand a new approach to the organisation of economic cooperation, the overcoming of different prejudices and government-imposed limitations still existing in some capitalist countries. To merely hope that the interests of advantage and business enterprise will finally gain the upper hand over all the other considerations is insufficient. Concentrated efforts from both sides are imperative.

The Soviet Union has established a Council for Coordinated Studies of Asian-Pacific problems. It consists of prominent scholars, political and public figures, and staff members of different organisations. The Council is to elaborate the possible measures that the USSR could take in the fields of politics, economics, science and culture as regards the Asian Pacific region; to study problems of cooperation with the APR countries, and of participation in international undertakings organised on a regional and national basis (for example, by the conference on the problems of a Pacific economic community) with the purpose of regularly discussing the urgent problems of peace and security in the region and of developing mutually beneficial cooperation.

The developing countries are also interested in the progress of regional cooperation as a way toward overcoming economic backwardness and weakening economic dependence. Such cooperation is predetermined by

⁷ *The Programme of the CPSU (New Edition)*.

the objective needs for developing the productive forces because the joining of economic efforts and the utilisation of the advantages provided by the division of labour are the only possibility for many young nation states to attain genuine independence in the building of their national economies. Experience shows that the strengthening of political and economic ties among newly-free countries, the signing of multinational agreements, the development of intra-regional trade, coordination of actions in foreign trade, productive cooperation and other regional measures contribute to socio-economic progress.

Joint economic efforts by the developing countries on a regional basis are becoming a leading trend in their economic development. The economic benefit from this is evident. Some experience of cooperation at the subregional level, i.e., within the framework of separate groups of countries, has already been accumulated. For example, the countries of South-east Asia, which are ASEAN members, have scored considerable success and moved closer to the integration of their economies than other states of the region. Initial success is being made by the Regional Cooperation for Development, an organisation which includes Iran, Turkey and Pakistan, as well as the South Asia Association of Regional Cooperation which unites India, Pakistan, Sri Lanka, Bangladesh, Nepal, the Maldives Republic, and Butan.

The Economic and Social Commission for Asia and the Pacific (ESCAP), acting as a permanent body of the UN Economic and Social Council, could be of importance for the APR countries' economic development and cooperation. Today ESCAP unites 44 states as full-fledged associated members, among them six trust territories of Pacific islands. Four states—Britain, the USA, France and the Netherlands—are non-regional members of the Commission. Representatives of the Council for Mutual Economic Assistance attend ESCAP sessions as observers. In accordance with the UN Charter, the Commission is assigned to render assistance to the developing countries of Asia and the Pacific in improving their economies, carrying out industrialisation and training skilled personnel.

The Commission has become the venue for discussing urgent economic problems relating to regional cooperation of the Asian Pacific countries and the choice of the most effective means of industrialisation of the states of the region, improving their agriculture on the basis of cooperation, developing intra-regional trade, finding ways for using surplus workforce, encouraging small and artisan industries, and so on.

In recent years a number of large-scale regional projects have been accomplished within ESCAP. They are of great importance for the economic development of member countries. Considerable amount of work has been done with the aim of giving them help in promoting their national economies.

Such agencies as the Asian Institute of Economic Development and Planning, the Asian Council for Industrial Development and other economic centres, which for the time being are dominated by imperialist powers, could play an important part in boosting the economies of the Asian Pacific countries. Representatives of the imperialist powers hamper economic cooperation within ESCAP, seeking to use projects, elaborated by the Commission, for attaining their own selfish ends.

The Soviet Union is active in giving assistance to the young states of the region in setting up key branches of industry, chiefly in the public sector. Equitable and mutually beneficial economic and other ties with the socialist countries help the young nation states carry out successful offensive on the positions of Western powers, which are compelled to make certain concessions and adapt themselves to the changing situation.

According to UN statistics, the overall volume of Soviet economic aid to the developing countries in 1983 equalled 1.2 per cent of the USSR's gross national product. This is the biggest figure, since no developed capitalist state spends more than one per cent of its GNP for economic assistance to the newly-free countries.

Trade, economic, scientific and technical cooperation between the USSR and developing countries is a new type of international economic relations that are based on mutual advantage and noninterference in each other's affairs.

The development of equitable and mutually beneficial cooperation between countries with different social systems and different economic levels in the Asian Pacific region is very important for achieving general security in Asia. It would create a favourable climate for elaborating and adopting political decisions in the interests of peace and goodneighbourliness in the region. The policy of the Soviet government has been aimed precisely at solving this important task.

The Soviet public proceeds from the fact that only along the lines of broad-scale cooperation of all the countries of Asia and the Pacific it is possible to build a reliable foundation for strengthening their comprehensive cooperation which, in turn, would contribute to a joining of efforts in their quest of constructive solutions to the security problems in the region. This would favourably influence not only the situation there but would be a weighty contribution to the preservation and consolidation of universal peace.

The improvement of bilateral and multilateral relations between countries and peoples is a major direction towards relaxing tension, rapprochement and consolidation of confidence between them. The Soviet Union devotes primary significance to the strengthening of the unbreakable ties with the fraternal socialist countries of Asia, regarding them as its reliable friends and allies in the struggle for common goals and ideals, and for the strengthening of peace and international security.

Particularly strong ties of friendship connect the Soviet Union and the Mongolian People's Republic. The fraternal Mongolian people, as always, continue to stand alongside the Soviet Union in the struggle against imperialism and reaction, and for peace and international cooperation.

Mongolia makes an important contribution to ensuring peace and security in Asia on a collective basis. The Mongolian People's Republic has advanced a number of constructive proposals toward bolstering peace and security in Asia. Back in 1981 Mongolia set forth a proposal to conclude an international convention on mutual non-aggression and non-use of force in relations between Asian Pacific states. This crucial initiative was supported vigorously by the Soviet Union, India, the Democratic Republic of Afghanistan and a number of other Asian states, as well as by influential international non-governmental organisations.

The People's Revolutionary Party and the Government of Mongolia, actively support Mikhail Gorbachev's concept of a comprehensive approach to Asian security. When on an official visit to Moscow in August 1985, Zhambyn Batmunkh, General Secretary of the Central Committee of the MPRP, stated: "The proposal advanced by the Soviet Union concerning the general and comprehensive approach to the strengthening of peace and security in Asia deserves special attention. We believe that this proposal envisages a joint quest of the ways toward ensuring Asiatic security on the basis of joining the efforts of all Asian states, big and small, with due account of the experience accumulated by Asian countries

themselves and states from other continents, with Bandung and Helsinki being a case in point.

"We are firmly convinced that the development of a broad dialogue between Asian states could promote joint elaboration of the fundamentals for an international instrument to ensure peace and security on this continent."⁸

The Democratic People's Republic of Korea is an important ally of the Soviet Union in pursuing peace and security in Asia. The DPRK has consistently favoured a peaceful unification of Korea, giving a firm rebuff to the aggressive schemes of South Korean reaction, US imperialism and Japanese militarism. The Soviet Union proceeds from the fact that the struggle waged by the Korean people for the normalisation of the situation in the peninsula, is an important component of struggle for general Asian security, for peace and social progress.

It is noteworthy that the Soviet proposal on a comprehensive approach to Asian security evoked a positive response among the Korean public. For example, Kim Cher Sak, First Deputy Chairman of the All-Korea National Peace Committee, stated that the "Korean peace champions... support the Soviet idea on a comprehensive approach to the problems of security in Asian and Pacific countries and joining their efforts in the interests of security in that region".⁹

Heroic Vietnam marches shoulder to shoulder with the Soviet Union in the struggle against the enemies of peace and stability in Asia. Today, the Socialist Republic of Vietnam, the Lao People's Democratic Republic and the People's Republic of Kampuchea comprise an outpost of socialism and a bulwark of peace, security and stability in Southeast Asia. The leaders of Vietnam, Laos and Kampuchea energetically supported the Soviet initiative toward general Asian security, and are working actively for its implementation.

The joint Soviet-Vietnamese Declaration signed in Moscow, as a result of the visit to the USSR of a Party and government delegation of the SRV, headed by Le Duan, stresses: "The two sides have confirmed their adherence to the concept of turning Asia into a zone of peace and equitable cooperation, and spoken in favour of invigorating the quest of constructive mutually acceptable ways toward solution of the problems of ensuring peace and security on that continent. The sides are convinced that these goals can be attained by joint efforts of all Asian states on the basis of a comprehensive approach, by means of bilateral and multilateral negotiations and exchange of opinion."¹⁰

The Eleventh Conference of Foreign Ministers of Kampuchea, Laos and Vietnam, held in Phnompenh on August 15-16, 1985, gave full support to the Soviet proposals on strengthening peace and security in Asia.

The joint Soviet-Lao Communique released in August 1985 on the results of the working visit to the USSR of Kaysone Phomvihane, General Secretary of the People's Revolutionary Party of Laos Central Committee and Chairman of the Council of Ministers of the Lao People's Democratic Republic reads in part: "The Soviet Union and Laos have consistently favoured turning Asia into a continent of peace, stability, neighbourliness and cooperation. They support the joining of efforts of Asian states' search for mutually acceptable and constructive relations toward settling outstanding problems by means of bilateral and multilateral consultations, and the holding, in future, of a general Asiatic forum to examine the

⁸ *Pravda*, Aug. 30, 1985.

⁹ *Pravda*, Sept. 21, 1985.

¹⁰ *Visit of a Party and Government Delegates of the Socialist Republic of Vietnam to the Soviet Union*, Moscow, 1985, pp. 40-41 (in Russian).

entire set of problems relating to ensuring security and equitable cooperation of Asian countries."¹¹

The Republic of India holds a prominent place in shaping the destiny of Asia, and in strengthening peace and security of the continent. The policy of peace, pursued by India, has won it high prestige in the international arena. It strives to create the conditions for all countries of Asia to live in peace and neighbourliness. The peoples of Asia welcome India's policy aimed at attaining the goals for which they are fighting themselves: elimination of all forms of colonialism, discontinuation of aggressive imperialist wars, consolidation of national independence of the newly-free states and improvement of the international situation.

Soviet-Indian cooperation has become a major factor in world politics. While working for peace and security of nations, the USSR and India maintained that relations between all states, including those in Asia and the Pacific, should be based on such principles as renunciation of the use of force, respect for the sovereignty and inviolability of the borders, non-interference in each other's domestic affairs, equality and mutual cooperation. There is a strong similarity of views between the USSR and India regarding the ensuring of security in Asia and the Pacific. The two countries deem it necessary to combine the struggle for national interests with the struggle for preventing clashes between countries of the region. The concept of the Indian public concerning the ways toward strengthening peace in Asia and the Pacific and the Indian Ocean coincides with the fundamental principles underlying the Soviet concept of collective security in Asia and the adjacent areas.

The Soviet Union supports India's efforts directed at stabilising the situation in South Asia. The USSR is a consistent proponent of setting up relations of durable peace and neighbourliness between India, Pakistan, Bangladesh and Sri Lanka, holding that this would be a considerable contribution to the improvement of the political climate in the whole of the Asian and Pacific region.

The USSR regards India as a reliable ally in implementing the Soviet initiative concerning the search for a comprehensive approach to ensuring Asian security. For example, the Indian *Financial Express* called the Soviet proposal an "interesting idea" and pointed out that it has an even deeper content than one would think at first sight. We, the paper went on, will hear quite a lot about this during the coming months.¹² The *Indian Express*, another influential paper, appreciated the Soviet initiative and stated that India could discuss this problem with Pakistan, the USA and the DRA. The paper went on to say that to reject the proposal would be a mistake: it contains many possibilities and deserves careful examination.¹³

The Democratic Republic of Afghanistan is in the forefront of struggle for peace and security in Asia. The April Revolution of 1978 opened up to the Afghan people a road toward eliminating the age-old backwardness, implementing large-scale socio-economic transformations, and establishing a new, democratic society. However, US imperialism and its accomplices are going out of their way to block the road of social changes to the Afghan people. They spend hundreds of millions of dollars to aid counterrevolutionary gangs that are formed on the territory of Pakistan and sent to Afghanistan to undermine the country from within, to wreck its economy, and murder and intimidate its population. This is how, in blood and suffering, a new Asia is emerging, Asia which wants to live in conformity with the laws of peace and social justice.

¹¹ *Pravda*, Aug. 29, 1985.

¹² See *Financial Express*, May 29, 1985.

¹³ See *Indian Express*, May 30, 1985.

The improving relations between the Soviet Union and the People's Republic of China are of great importance for bettering the political climate in the Asian and Pacific region, which is only natural considering that the USSR and the PRC are not only the biggest countries in Asia, but also the greatest powers in the world. The destinies of peace and security of nations throughout our planet largely depend on the state of their relations. It is of importance that the present-day Chinese leadership states that it strives for peace and security of nations, opposes the arms race, and favours a relaxation of international tension and the improvement of relations between states along the lines of peaceful coexistence.

Mikhail Gorbachev stressed: "We welcome the stand of the People's Republic of China that opposes militarisation of outer space, and its statement not to be the first to use nuclear weapons."¹⁴ The PRC's stand is at loggerheads with the aggressive policy of imperialism, its urge toward aggravating the international situation and establishing world domination. This creates objective requisites, if not for joint, at least, for parallel actions in defence and international security. The Chinese leaders have not yet pronounced their attitude toward a new Soviet initiative concerning a comprehensive approach to Asian security. However, they cannot but realise that the new Soviet proposal does not contradict the PRC's statements on its striving for peace and international cooperation. It remains to be seen what direction the PRC's foreign policy will take in the Asian Pacific region and what its stand will be as regards the Soviet policy directed at strengthening peace and security there along collective lines.

The Soviet Union calls on the People's Republic of China to join its efforts in quest of reliable ways toward peace and mutually beneficial cooperation on the basis of the joint actions of Asian states. The USSR hopes that the PRC leadership will respond positively.

The 27th CPSU Congress noted a certain improvement of relations between the USSR and its great neighbour, socialist China, and the possibility, despite different approaches to a number of international issues, to develop cooperation on an equitable basis without infringing the interests of third countries. The Congress was convinced that the reserves of such cooperation are tremendous because they meet the vital interests of the two countries, and that the most precious things—socialism and peace—are indivisible for the peoples of the two states.

Such an economically powerful country as Japan could play a tangible role in ensuring peace in the Far East and the Asian Pacific region. Tokyo's ruling quarters, linked with the USA by a military-political treaty, for the time being are following in the footsteps of the US foreign policy, playing into the hands of Washington and its aggressive foreign policy. However, the situation in Japanese-US relations is not so cloudless. Given the mounting economic contradictions between the two allies—competitors and the growth of anti-war sentiment in Japan where powerful socio-political forces are in operation, considerable changes may occur. These forces oppose a return to the militaristic past and favour the development of the country along the path of peace and neutrality.

Although the Soviet proposal on joining efforts in looking for ways to ensure Asian security did not find full support from the official quarters of Japan, the country's broad socio-political forces met it with understanding and approval. The Socialist Party of Japan—the biggest opposition party—regards the Soviet initiative as a reasonable approach to the improvement of the situation in Asia and the Pacific. The joint communi-

¹⁴ *Pravda*, Nov. 28, 1985.

que on the results of negotiations between the CPSU and the SPJ in September 1985 says that the "SPJ treated with understanding the explanations concerning the content of the Soviet concept of ensuring peace and security in the Asian Pacific region."¹⁵

The Japanese press gave broad coverage to the proposal made by Mikhail Gorbachev, General Secretary of the CPSU Central Committee. For example, in commenting on the new Soviet initiative, the newspaper *Mainichi*, wrote that "there are no reasons to oppose the holding of a conference to exchange opinion and find constructive solutions to the problems of security in Asia." The paper believes that of late there are palpable shifts toward peace and mutual understanding in the continent: the ceremonies in Indonesia on the occasion of the 30th anniversary of the Bandung Conference, the drive for the setting up of a nuclear-free zone in the South of the Pacific, and the continuation of a dialogue in the Korean peninsula. The paper wrote: "The proposal by the Soviet leader is within the framework of that trend." *Mainichi* emphasised that "today it is inconceivable to solve the problems of ensuring peace in the region—in Asia and the Pacific—without the USSR."¹⁶

According to the newspaper *Yomiuri*, Shintaro Abe, Foreign Minister of Japan, told the Commission on Foreign Affairs at the Upper Chamber of Parliament that "we should not reject the idea just because it was advanced by the Soviet Union." However, the Minister set forth a number of preliminary conditions for Tokyo's participation in such a conference, including Washington's participation in it and the "consistent implementing by the USA and the USSR of the policy of disarmament."¹⁷

The Soviet Union believes that an improvement of Soviet-Japanese relations would promote the bettering of the overall political climate in the Far East and in Asia. Therefore, the USSR takes active steps toward placing these relations on the road of mutually beneficial cooperation in all spheres.

The visit of Eduard Shevardnadze, Soviet Foreign Minister, to Japan (January 1986) demonstrated that the two sides possess considerable opportunities for improving the situation in the Far East and in the entire Asian Pacific region, and also for improving Soviet-Japanese relations. The future of relations between the USSR and Japan looks more optimistic, despite the existing complicated problems. The divergencies and differences will apparently remain but they should not be dramatised. It is necessary to work for an improvement of relations between the two countries step-by-step.

Recently, Japan made a certain shift towards establishing contacts with the USSR along different lines, including on a government level. The exchange of personal messages between the leaders of the USSR and Japan in September-October 1985 and January-February 1986, exchange of parliamentary delegations, reciprocal visits of statesmen and political leaders, enlivening of economic, cultural, scientific and technological relations attest to the fact that the ice has begun to melt. However, this has not yet brought about joint cooperation on the key issues of our day and age, i. e., the protection of peace, the discontinuation of the arms race and the relaxation of international tension. The Soviet Union is ready to follow an active line in future toward the solution of this problem.

In his report at a Session of the USSR Supreme Soviet (November 1985), Mikhail Gorbachev said: "We are in favour of improving relations

¹⁵ *Pravda*, Sept. 21, 1985.

¹⁶ *Mainichi*, May 25, 1985.

¹⁷ *Yomiuri*, June 1, 1985.

with Japan, and are sure that such a possibility is real. It stems already from the simple fact that our countries are close neighbours. The interests of the USSR and Japan in eliminating the nuclear threat—this principal issue—cannot but coincide.”¹⁸

Public forces, progressive classes and their political parties have been playing a great part in the struggle for peace and social progress today. More than half a century ago Lenin called the revolutionary movement in Asia a combustible material in world politics. He attached much importance to the awakening of Asian peoples and emphasised their tremendous contribution to the final outcome of revolutionary battles. Lenin's brilliant forecast is coming true. Under the onslaught of national liberation movements the colonial empires collapsed and scores of the earlier oppressed peoples became conscious builders of a new life and active participants in solving the major world issues.

Much has changed in the great Asian continent. The storm of the national liberation revolutions has changed the image of Asia, led to a radical breakup of international relations, brought to the forefront the task of struggle for the elimination of the vestiges of colonialism, and the implementation of large-scale socio-economic changes. To solve this historic task the peoples of Asia need a just democratic peace that is based on respect for the rights and interests of all peoples. Despite all obstacles erected by imperialist reaction, this struggle for peace is gathering momentum. Even broader circles of the Asian public—democratic parties, trade unions, massive organisations of the working people, uniting women, youth, intellectuals, middle strata—are becoming involved in it.

The efforts by millions of people belonging to most diverse political parties and organisations, the people of different political views and religious beliefs are to merge in a broad movement for the strengthening of peace and security in Asia along collective lines. Experience shows that when Communists and Social Democrats, representatives of the national liberation movements and of revolutionary-democratic parties, atheists and believers, pacifists and humanists, businessmen and bourgeois leaders uphold the principles of peaceful coexistence they can cooperate successfully in the struggle for peace.

The problems of ensuring peace and security in Asia along collective lines have been discussed on a large scale at different meetings of peace activists, trade union, women's and youth forums. At the same time it should be admitted that the public forces of Asia will have to do a great deal of work to advertise the idea of collective security in Asia among the broadest masses, including those who have no clearcut concept about the goals and principles of building peace along collective lines or have been led astray by imperialist propaganda, which is seeking to distort Soviet proposals and describe them as an urge of the USSR to establish its hegemony in the Asian Pacific region.

A representative international conference, “Forty Years of the Victory Over Japanese Militarism and the Tasks of Struggle for Peace in Asian and Pacific Countries,” was held in Khabarovsk in September 1985. Its delegates discussed the burning issues of ensuring peace and security in the APR. Mikhail Gorbachev's Message of Greetings to the conference read in part: “The five principles of peaceful coexistence (‘pancha shila’) which were recognised in the world as a norm of relations between states with different social systems were formulated and proclaimed on the

¹⁸ *Pravda*, Nov. 28, 1985.

basis of the tragic experience of World War II on the ancient soil of Asia. It was here that the spirit of Bandung came into being and initiated the Afro-Asian solidarity movement and the nonaligned movement which has now turned into an important factor of world politics.

"The Soviet Union has advanced many concrete proposals aimed at improving the situation in Asia and establishing there the spirit of peaceful coexistence, neighbourliness, respect for sovereignty and noninterference into the internal affairs of other states.

"The Soviet Union highly appreciates and supports the constructive peaceful initiatives of other Asian countries bearing on different aspects of security of the continent at large or the improvement of the situation in particular regions. We express hope that Asian states will join their efforts in order to elaborate together a general and comprehensive approach to the problem of security of Asia and the adjacent Pacific and Indian Oceans.

"I am sure that public and political forces and organisations in the Asian Pacific countries, together with all progressive forces of the planet, will be even more active in the struggle for the discontinuation of the arms race, the elimination of the threat of a world nuclear war and eradication of nuclear weapons, for an improvement of the international situation."¹⁹

The International Conference, "For Peace and Security in Asia and the Pacific", which was attended by representatives of 25 countries and also by envoys of a number of international organisations of peace activists, was held in Sydney (Australia) in October 1985. The Declaration adopted by the forum stressed the resolve to launch a struggle for security in the Asian Pacific region and favoured the creation of a zone of peace, security, neighbourliness and cooperation there. The conference supported the idea of convening, on an ever broader foundation, a forum with the participation of representatives of organisations of peace activists from all countries of the region. The Conference also welcomed the idea coming from Asian states to set up a system of security zones, which would be a major contribution to the struggle for averting a nuclear war.

The comprehensive approach to the problems of Asian security was discussed in detail at the international conference devoted to the 30th Anniversary of the Bandung Conference (Dar-es-Salaam, June 1985), at the session of the World Federation of Trade Unions' General Council (Moscow, September 1985), and at other international and regional conferences.

The clergy also participates in discussing the problems of Asian security. This fact is corroborated by convocation of the February 1986 Asian Buddhist Conference for Peace in Vientianne, the capital of the Lao People's Democratic Republic. The Conference was attended by 206 representatives of religious and secular national organisations of the APR and Europe as well as by representatives of twelve international organisations. Participants in the Conference approved the Soviet programme of nuclear disarmament up to the year 2000, expounded in Mikhail Gorbachev's Statement of January 15, 1986, and passed a resolution in support of the Soviet peaceful initiative. The Conference decided on measures for further invigorating Buddhist leaders' efforts with the aim of promoting broad involvement of believers in anti-nuclear, anti-war movement.

All this testifies to the fact that the Soviet initiative concerning a comprehensive approach to Asian security evoked a wide response in the world, including among the Asian and Pacific peoples, who are be-

¹⁹ *Pravda*, Sept. 5, 1985.

coming increasingly aware that their peaceful future can be ensured by the joint efforts of all democratic and peaceful forces interested in developing peaceable and mutually advantageous relations.

The quest for ways of attaining Asian security is not a smooth process. According to Mikhail Gorbachev, the elaboration and implementation of the concept of Asian security is a long-term task. Its carrying out requires a stage-by-stage approach—from simple to the more complicated.

One should bear in mind the complex and contradictory situation in Asia and the Pacific. First and foremost, it is necessary to take account of the unsettled nature of many problems inherited from the colonial past. They include unresolved territorial issues between countries of the region, the division of certain countries, the existence of racial, religious, intertribal and other contradictions, and the interference of imperialism in the domestic affairs of the developing countries. The existence of numerous foreign bases and military alliances, the impact of imperialist propaganda contaminating the political atmosphere in the region create impressive difficulties on the way of reaching accord on the problems of Asian security.

However, the European experience of struggle for security and cooperation on the continent demonstrates that, provided there is goodwill, it is possible to overcome successfully these and other difficulties and find mutually acceptable solutions for all countries of the region.

The opponents of detente in the Asian Pacific region will continue to look for different pretexts in a bid to discredit and reject realistic and well-thought-of proposals of the Soviet Union concerning a comprehensive approach to Asian security. All these attempts, however, are doomed because strong forces, exerting a powerful influence on the course of contemporary development, support the implementation of the Soviet concept of comprehensive security in Asia and the Pacific.

Above all, these are the forces of world socialism working consistently for the relaxation of tension, for a restructuring of international relations along the lines of peaceful coexistence and for ensuring peace and security on the basis of collective efforts.

These are forces of national liberation which need peace and tranquility for the elimination of the centuries-old backwardness and swift movement along the road of peace, democracy and social progress.

This is the nonaligned movement which is becoming increasingly active in the struggle for strengthening peace and international security, for developing equitable and mutually advantageous cooperation between the countries of the developing world and the states which have attained a high level of economic, scientific and technological progress.

This is the indefatigable struggle of all peace forces and public movements coming out in defence of peace and security for all countries, big and small, for all states regardless of their social systems.

This is the realistically-minded leaders of Western countries who understand the need to deal with the problems in the international arena on the basis of the principles of peaceful coexistence as the standard of relations of states with different social systems.

Finally, one should bear in mind the immense wish of the Asian and Pacific peoples themselves to live in peace and see their region free from a permanent threat of a nuclear war and imperialist interference.

The Soviet Union proceeds from the premise that there is no question which cannot be solved if all countries concerned firmly adhere to the positions of preserving peace and preventing a nuclear war, if they act jointly, following the reasonable standards of international contacts and cooperation.

SHEVARDNADZE'S VISITS TO JAPAN, DPRK, MONGOLIA ASSESSED

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[Article by Professor M. S. Ukraintsev: "Important Visits"]

In the second half of January 1986, Eduard Shevardnadze, a member of the Politburo of the CPSU Central Committee and Minister of Foreign Affairs of the USSR, paid official visits to Japan, the Democratic People's Republic of Korea, and the Mongolian People's Republic. Those visits became evidence of a more vigorous Soviet policy in the East, manifested first and foremost in a new, higher level of state-to-state contacts.

Examining overall tendencies in Asia and the Pacific we see that the role of that region in world politics has grown as a result of a number of political and economic factors. For instance, Western Europe's share in the industrial output of developed capitalist countries decreased from 46 to 43 per cent over the past decade, and there has been a slow down of the integration process in it. Western Europe generated half of the world output of science-intensive products up to the mid-1970s; now the figure is 30 per cent. The EEC produces a mere 9 per cent of the world output of advanced computers. With their low growth rates, the United States no longer considers the West European economies its number one partner.

Asia and the Pacific, which have been least affected by the crisis, are already absorbing more than half of the US exports and generating about 85 per cent of the US imports. For the USA, that region has become the most important area of foreign-economic contacts in the science-intensive fields, such as robotics, electronics, software, fibre optics, the automotive industry and high-technology metallurgy.

The next few years will see the further shift of the advanced branches of US industry toward the Pacific coast and the economic reorientation of the USA to the Pacific as a region with the highest economic growth rates.

The entire imperialist military and political system, founded by the USA and its NATO allies during the 1940s and 1950s, is growing more and more discordant with this global shift of fundamental economic interests and foreign economic contacts toward the Pacific. The orientation of the US military and political system to Europe and of its major economic interests and contacts to the Pacific constitute an ever growing contradiction. That is why the US Administration would like to restructure its military and political system in the Pacific to back US interests and therefore has stepped up its foreign policy and diplomatic activities in that region.

For the Soviet Union, in view of these developments, the importance of its Eastern policy, its relations and cooperation with the Asian and Pacific countries is growing. Rather than having confrontation and tensions worsen in that area, the USSR would like to see it become a scene of peaceful and mutually beneficial cooperation.

Japan is the second largest economic power in the capitalist world, and has highly developed science and technology. It has asserted itself as the second largest capitalist economy in terms of GNP and continues to consolidate its economic positions. At the same time, Japan's striving to boost its political role on the world scene to match its strong and ever growing economic potential, and to gain more influence in international politics, objectively compels it to broaden its international contacts, in particular, to develop relations with the Soviet Union. These objective factors explain the recent activation of Soviet-Japanese contacts.

Initiated in the autumn of 1985, the exchanges of messages between Mikhail Gorbachev, General Secretary of the CPSU Central Committee, and Yasuhiro Nakasone, Prime Minister of Japan, are playing a substantial and positive role.

In the course of Foreign Minister Eduard Shevardnadze's Tokyo visit, the Japanese hosts reaffirmed their invitation to Mikhail Gorbachev to pay a visit to Japan, and the Soviet side invited the Japanese Prime Minister to pay a visit to the USSR. Yasuhiro Nakasone, during the past few months, has more than once stated his readiness to visit the Soviet Union. As for a return visit of Japanese Foreign Minister Shintaro Abe to the USSR, it may well take place as early as this year. Agreement was reaffirmed on the restoration of regular consultations at least once a year between Foreign Ministers of the two countries.

A joint communique also endorsed the practice of consultations between the foreign ministries of the two countries at the "working level" of deputy ministers, department heads and experts. Such working consultations were made "diplomatic practice" at the time when political dialogue was broken off, and experience has demonstrated their value.

Questions related to the latest Soviet initiative, put forward by Mikhail Gorbachev in his statement of January 15, 1986, were central issues on the agenda of the Soviet-Japanese talks in Tokyo. It would not be an exaggeration to say that Mikhail Gorbachev's statement set the tenor of the talks and the visit as a whole.

"Today in Moscow a statement by Mikhail Gorbachev was released, which expounds a bold, realistic, fundamentally new in concept and radical in terms of the measures proposed, alternative to the nuclear threat, to the development of space weapons, chemical weapons and conventional armaments based on new physical principles and comparable in their effects to nuclear weapons", Eduard Shevardnadze said at a reception in Tokyo on January 16, 1986. The statement formulates the truly great goal of entering the third millennium without weapons of mass destruction. That goal is not merely proclaimed. The programme proposed by us points to a clear and concrete way to achieve it. The Soviet Union calls for ridding the earth of all types of weapons of mass destruction in three stages, over the 15 years to the end of the 20th century.

"At the first stage the nuclear weapons of the USSR and the USA capable of reaching each other's territories are to be cut by half. At the meeting of Mikhail Gorbachev and US President Ronald Reagan at Geneva that formula was accepted as the basis for drafting an agreement at the Soviet-American talks on nuclear and space weapons.

"At the second stage the other nuclear powers are to join this process.

"Nuclear weapons are to be eliminated universally and completely by the end of 1999. Herein lies the great historical importance of our initiative and its unique practicability.

"A radical solution of the problem of medium-range weapons is envisioned. There should be neither Soviet nor American missiles of this

class in Europe. Agreement to this effect could be sought in principle already now."¹

The Soviet Foreign Minister outlined the position of the Soviet government on its missiles in the Eastern part of the country. He noted our country's readiness to freeze their number and stressed that their level "is directly dependent on the military-strategic situation in that region. If the number of nuclear weapons countered by our missiles diminishes, we will have fewer missiles in the East... It stems from the very nature of our proposal that there will be no nuclear weapons here as well."²

Eduard Shevardnadze emphasised furthermore that a Soviet unilateral moratorium on nuclear explosions had been in effect since August 6, 1985. The moratorium had expired on December 31. "Guiding itself by the desire to create auspicious conditions for the fulfilment of the programme of nuclear disarmament, our country has decided to extend this moratorium to March 31. A new chance is thus given to the United States."³ Eduard Shevardnadze expressed the hope that Washington would follow the Soviet example.

The detailed explanations offered by Eduard Shevardnadze were heard by the Japanese leadership with much interest, and Tokyo's initial official reaction, on the whole, could be considered positive. The Japanese leaders, in particular, stressed the scope of the Soviet proposals and their concrete nature and noted that the United States should respond adequately to them. Special attention was accorded to the Soviet position on verification. The desire of the Soviet leadership to find practical solutions to the most urgent problem of our time, the complete elimination of nuclear, chemical and other weapons of mass destruction, was appreciated.

Japanese political parties also responded positively to the Soviet initiatives, as was stated by the leaders of the Communist and Socialist Parties and other opposition forces in their conversations with the Soviet visitors. The Japanese public's response to them was enthusiastic as well, especially since the Japanese are particularly sensitive to the issue of nuclear weapons, a sort of "nuclear allergy" which Washington cannot cure no matter how hard it tries.

Of course, the situation should be evaluated realistically. The Japanese leaders will most likely continue to look back over their shoulders at the US position since they are tied to Washington by a military and political alliance, which, according to Tokyo, constitutes the "cornerstone" of Japanese foreign policy. This orientation explains, in particular, Japanese statements in support of what is called a "global approach" to nuclear disarmament, an idea which in the American interpretation expresses exactly their desire to find as many reservations and "linkages" as possible to avoid real progress towards nuclear disarmament.

Another important result of the exchanges of opinion was that the Soviet warnings over the possible participation of Japan in the US "star wars" programme were made known directly to the Japanese leadership. The Japanese tried to justify themselves and said that no decision had yet been taken on that score and that Japan has not gone beyond the point of "understanding" the SDI concept. However, it gradually became clear that the Japanese government, using concern over a possible technological lag of Japan as a pretext, had begun more and more openly and perseveringly to prepare the ground for involvement in the "star wars" plans. This myopic position can hardly be defined as genuine concern for the real security of the Japanese people.

¹ *Pravda*, Jan. 17, 1986.

² *Ibidem*.

³ *Ibidem*.

The sides naturally attached much attention to Asian problems. The Japanese have not revised their erstwhile, mostly pro-American positions. Certainly no drastic change could be expected considering Tokyo's strong dependence on US policy in that region. This explains the Japanese arguments on the buildup of the Soviet armed forces in Asia, which allegedly had an adverse effect on the situation there (the Japanese pretended to be unaware of the regional build-up of the US military potential, primarily in terms of nuclear missiles). Statements were also made that the idea of a comprehensive approach to Asian security was impracticable.

At the same time a noteworthy circumstance emerged in the talks: the Japanese have obviously set their sights on regional dominance and would like to revitalise their diplomacy. Sooner or later, their ambitions will diverge from the tasks set by Washington. Then, it would be even less welcome to Tokyo if Japan were "bypassed" in matters of ensuring Asian security. Thus, the Japanese position on comprehensive measures to prepare an Asian forum, may not be their final one.

During Eduard Shevardnadze's visit, agreement in principle was reached on bilateral consultations on the situation in Asia. In this sense, Japan's efforts to develop cooperation in Asia and the Pacific within the framework of a "Pacific community" should be taken account of. The negative aspects of the plans concerning the structure of that "community" and the desire of its architects to establish it as another closed organisation pursuing a policy of confrontation, naturally worry the peaceloving forces in the region.

The talks in Tokyo demonstrated anew that the Japanese leaders have no intention of dropping the artificially inflated "territorial question", which they actually have kept using as a brake on the development of Soviet-Japanese relations. Claiming a part of the Soviet Kurile Islands, the Japanese said that in order to establish relations of friendship between Japan and the Soviet Union, it was necessary to conclude a peace treaty which would meet this unlawful demand. Although they understood that the "territorial question" could not be resolved outright, they thought it important to continue discussions on it.

The Soviet side stated that the USSR had never refused to enter talks on a peace treaty but that its position on Japan's territorial claims was unchanged. The attempts of the Japanese side to record the existence of a "territorial question" in the joint communique were rejected. The Soviet-Japanese communique does include a point on the continuation of talks on a peace treaty. It says that under the agreement formulated in the joint Soviet-Japanese statement of October 10, 1973, "the ministers conducted talks concerning the concluding of a Soviet-Japanese peace treaty, including questions which could constitute its contents." The ministers agreed to continue these talks during the next consultative meeting in Moscow.

Without refusing talks, the Soviet Union will continue jointly with Japan to look for realistic ways to strengthen the legal foundations of bilateral relations on the basis of our proposal on signing a treaty of goodneighbourliness and cooperation and other Soviet initiatives aimed at a drastic improvement in bilateral relations.

The talks in Tokyo also covered questions of the development of bilateral relations in various fields, primarily trade and the economy. The sides reiterated their intention to contribute to the further expansion of trade and economic relations between the USSR and Japan on the basis of mutual benefit and signed another five-year agreement on trade turnover and payments for 1986-1990, and a convention on avoiding double taxation of incomes. The sides also agreed to raise the annual consultations on trade and economic questions to the level of deputy foreign trade minister on the Soviet side and deputy foreign minister on the Japanese.

All this is intended to encourage the further expansion of Soviet-Japanese economic contacts.

Japan's share in the Soviet foreign trade, just as the Soviet share in the foreign trade of Japan, is not more than two per cent, a figure obviously below the level of economic development and trade potentialities of both countries. The past few years have seen lower growth rates of Soviet-Japanese trade and the bilateral trade turnover even slumped in 1983-1984. According to preliminary estimates, bilateral trade in 1985 was worth about 3.2 billion rubles, which means an increase of some 10 per cent over 1984. The implementation of the current and future projects of Soviet-Japanese economic cooperation is important to further growth. But not everything depends on the Soviet Union: Japan must go its part of the way as well.

The Soviet side put forward a number of proposals at the meetings of the Soviet-Japanese and Japanese-Soviet committees on economic cooperation (the tenth meeting took place in Moscow in late April, 1986), among them the development of timber resources along the Baikal-Amur Mainline, and the mining of asbestos. There are other proposals which are still being negotiated, such as the modernisation of a number of plants built with Japanese assistance and the conclusion of the fourth General Agreement on Timber.

The overall improvement in Soviet-Japanese relations is creating favourable preconditions for the development of cooperation in the fields where the Japanese have made especially impressive progress, such as electronics and robotics. This is difficult, of course, because the Japanese, largely due to US pressure, continue to restrict cooperation in these fields. Moreover, there is talk about toughening these restrictions and "bans". Nevertheless, it appears that Japan is quite aware that cooperation in these important areas is mutually beneficial.

Agreement was reached at the talks that the third session of the Soviet-Japanese commission for scientific and technological cooperation would be convened in 1986. That commission has been inactive for a long time because of Japanese "sanctions" and the resumption of its meetings actually means the "defreezing" of a bilateral intergovernmental agreement on scientific and technological cooperation.

Fishing is an important aspect of Soviet-Japanese relations. The Soviet Union and Japan are among the world's leading fishing powers. The Japanese catch more than 12 million tons and the Soviet Union 10 million tons of sea produce. The Japanese traditionally obtained a considerable share of that catch (up to 20 per cent) in the Northern Pacific. When 200-mile economic zones were introduced, both the Soviet and the Japanese fishing operations were drastically affected.

Washington would like to keep the Japanese fishing fleet out of its economic zone to make the Japanese buy sea products caught by Americans. Large Japanese fishing companies operating in the American zones have to buy sea produce directly in the fishing areas. They do so because they have large floating factories and eventually even make a profit.

Our fishing relations with Japan are also regulated by agreements, under which the Japanese annually secure large catch quotas in our 200-mile zone and separate salmon catch quotas in the high seas outside the Soviet economic zone. The Soviet fishing fleet also is given the right to fish off the Japanese shores.

Quite often, however, difficulties arise in fishing relations between the USSR and Japan. They can be tackled in constructive discussions with due respect for the principle of mutual benefit and on the basis of care for the prospects of long-term cooperation between the two countries so as to ensure the protection and growth of fish stocks and other

maritime resources. Agreement between the foreign ministers of the Soviet Union and Japan to abide by that approach is therefore of basic importance.

Before the Soviet Foreign Minister's visit there was lively discussion on the forthcoming talks by the Japanese press. Many observers urged the Japanese government to take serious approach to bilateral dialogue and to think of ways to improve Soviet-Japanese relations. But some statements sounded as rather preconditions for a joint communique, were actually aimed at blocking progress in relations between the two countries.

The talks in Tokyo were successful and useful. "We want the sails of our relations," Eduard Shevardnadze said, "to be filled by a fresh fair wind, fair in the sense of moving in the same direction, toward a peaceful and safe world for all." The visit meant the resumption of a direct political dialogue between the USSR and Japan. It was agreed to raise the level of state-to-state contacts, to extend the practice of consultations on international problems, to intensify trade and economic relations and to resume scientific and technological cooperation. These results meet the interests of both sides.

The Politburo of the CPSU Central Committee noted at its meeting on January 30 that the results of the visit "are providing auspicious conditions for the improvement of Soviet-Japanese contacts."⁴

VISIT TO THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

Eduard Shevardnadze was given a cordial reception and shown warm hospitality during his visit to Korea from January 19 to 23. The Soviet Foreign Minister had a meeting with Kim Il Sung, General Secretary of the Central Committee of the Workers' Party of Korea and President of the Republic. They had a sincere, friendly conversation, which lasted more than two hours, and the Korean leader gave a dinner in honour of the visitor. Eduard Shevardnadze passed on a personal message from Mikhail Gorbachev to Kim Il Sung, and the sides had a detailed discussion on questions of Soviet-Korean relations with emphasis on the need further to improve and expand them.

The sides informed each other of progress in various fields of building socialism in their countries. Kim Il Sung spoke highly of the policy of the Soviet leadership and stressed the enterprising and dynamic character of Soviet foreign policy. Eduard Shevardnadze congratulated the Korean people upon their impressive success in building socialism.

Eduard Shevardnadze had talks with Kim Yong Nam, a member of the Politburo of the Central Committee of the Workers' Party of Korea, a Deputy Premier of the Administrative Council and the Minister of Foreign Affairs of the republic. The two ministers signed a Treaty on the Demarcation of the Economic Zone and Continental Shelf and an agreement on mutual travel of Soviet and Korean citizens. The sides noted with satisfaction that relations between the CPSU and the WPK and between the USSR and People's Korea were constantly developing and growing stronger. The visit of Kim Il Sung to the USSR in May 1984 and the summit talks held then gave a strong impetus to their development.

Indeed, relations between the two countries have been given a new meaning since the talks in Moscow: the level of contacts in every field was raised, they have become more substantive, exchanges of information about the domestic and international affairs of both countries were resumed, cooperation in the struggle against imperialism and for peace

⁴ *Pravda*, Jan. 31, 1986

and socialism was coordinated, trade and economic cooperation, including preparations for the construction of a large atomic power plant in Korea with Soviet assistance was expanded, and cultural contacts grew broader. Speaking about Soviet-Korean relations, Eduard Shevardnadze said: "I am pleased to note that the traditional, time-tested friendship of the Soviet and Korean peoples has risen to a new level over these years, that the cooperation and interaction of our countries in building socialism and on the international scene have broadened and expanded. Our states are standing shoulder to shoulder as they counter the attempts of the imperialist forces to escalate world tensions, to whip up the arms race and to endanger peace in outer space."⁵

The sides agreed that the Soviet-Korean Treaty of Friendship, Cooperation and Mutual Assistance, which has been in effect for almost a quarter of a century, is crucial to the advance of their relations and to the maintenance of peace in the Far East. They also expressed the confidence that the Treaty would continue to play a great role in checking the aggressive intrigues of the imperialist forces, and reiterated their resolve strictly to respect their commitments under the Treaty. Kim Yong Nam stressed that the strengthening and development of the great Korean-Soviet friendship, forged in the joint struggle against imperialism and for the triumph of the great cause of peace, socialism and communism, and formalised by the Treaty of Friendship, Cooperation and Mutual Assistance, constitute the unshakable policy of the WPK and the unanimous will of the Korean people.

Exchanging views on the urgent problems of our time, the sides expressed their serious concern over the adventurist course pursued by the imperialist powers, first and foremost by the USA, in their attempts to achieve military superiority and to prepare for another world war and over their efforts to escalate the arms race and to project it into outer space. Such actions are bound to destabilise the entire strategic situation, to escalate world tension and to create a great threat of nuclear catastrophe.

The USSR and People's Korea stated that in the current complex international situation the further consolidation of the forces of world socialism, the international communist and working-class movement and their more vigorous joint actions on the world scene were a major condition for continued peace and security. They reiterated their mutual resolve to continue steadily strengthening the unity and cohesion of the socialist countries and to promote their solidarity with the struggle of the developing and non-aligned states and also with the struggle of the democratic, anti-war and anti-nuclear movements against the policy of aggression and war and for peace and security of the world.

The Korean side energetically supported the position of the Soviet Union at the Soviet-American summit in Geneva and the broad and constructive programme of measures formulated by the USSR jointly with the other Warsaw Treaty member countries for ending the arms race on earth, for preventing its spread into outer space, for the radical build-up of stability and for greater trust in relations among states. Special emphasis was laid on the importance of the statement made by Mikhail Gorbachev, General Secretary of the CPSU Central Committee, on January 15, 1986, in which he pushed forward a complex of new concrete Soviet initiatives aimed at bringing about a drastic turn for the better in the development of the international situation and at reversing the growth of negative, antagonistic tendencies that had been the trend in the past few years. Mass rallies took place in Korea in support of the Soviet initiatives on the elimination of weapons of mass destruction.

⁵ *Pravda*, Jan 21, 1986

Special importance was attached to discussion of the situation in the Far East and in Asia as a whole. The sides pointed out the growing danger of the aggressive course of the United States, bent on turning Asia and the Pacific into another scene of military and political confrontation with socialist countries. The sides strongly denounced the escalation of war preparations by the USA in that region, the growing militarist tendencies in Japan, the use of South Korea as a site for nuclear weapons, and the attempt to establish a military and political alliance of the USA, Japan and South Korea along the lines of NATO.

The Soviet side approved the decision of the Korean government not to conduct major military manoeuvres in the North after February 1, 1986, and to halt all military exercises for the duration of the talks between North and South. Both sides characterised the imperialist forces' policy of perpetuating the division of Korea, and the continued occupation of South Korea by the United States as factors contravening the national interests of the Korean people and posing a threat to peace in the Far East. Eduard Shevardnadze reiterated the Soviet Union's continued solidarity with the policy of the WPK and the government of People's Korea, aimed at securing the withdrawal of American troops from South Korea and the reunification of the country on a peaceful and democratic basis without outside interference. Support was given to the DPRK's proposals on the establishment of a Democratic Confederal Republic of Koryo through dialogue and negotiations between the parties concerned, on the substitution of the armistice agreement for a peace agreement in Korea, on drawing up a declaration on non-aggression between North and South, and also the constructive steps taken by Pyongyang to promote a broad peace dialogue between the two parts of the country.

Eduard Shevardnadze singled out the importance of the proposal of the DPRK government on the withdrawal of all nuclear weapons and US troops from South Korea and on the establishment of a peace and nuclear-free zone on the Korean Peninsula since the implementation of these proposals would meet the spirit of the accords reached at the Soviet-American summit in Geneva and constitute a substantial contribution towards stronger security in Asia and the Pacific.

The Korean side energetically supported the Soviet Union's idea on a joint search for a comprehensive approach to the solution of the problem of Asian security and pledged to cooperate with the USSR and other countries for the convocation of an Asian forum.

The sides stressed the positive character of the initiatives of socialist and nonaligned countries on ensuring peace and security in Asia and the Pacific, such as the establishment of a zone of peace in Southeast Asia and the establishment of a zone of peace and equal cooperation in the Indian Ocean. They noted the growing role of the nonaligned movement as a major international force of our time in the struggle against the arms race, for stronger world peace, for the development of equal and mutually beneficial international cooperation and for the establishment of a new international economic order. The USSR and the DPRK will remain in solidarity with the struggle of the peoples of the nonaligned states against imperialism, neocolonialism, racism, Zionism and apartheid and for stronger political and economic independence. The USSR and the DPRK stated their solidarity with the Arab peoples, the peoples of Southern Africa and the Caribbean, who are countering imperialism and standing up for their freedom and independence.

They stated their solidarity with the people and government of Afghanistan in their defence of the achievements of the April 1978 Revolution.

The sides expressed deep satisfaction with the results of their talks and characterised them as an important contribution to the strengthening of Soviet-Korean friendship; they called for further improvement in the

cooperation of the two countries on the international scene. In their view, the further planned development of cooperation between the foreign ministries of the two countries and regular consultations on the more important international issues are especially useful.

Eduard Shevardnadze extended to Kim Yong Nam an invitation from the CPSU Central Committee and the Soviet Government to pay an official visit of friendship to the Soviet Union. The invitation was accepted.

MEETINGS IN MONGOLIA

On January 23, a Soviet airliner brought Eduard Shevardnadze to Ulan Bator for an official visit of friendship to the Mongolian People's Republic, which ended on January 25.

On January 24, Eduard Shevardnadze had a cordial meeting with Jambyn Batmunkh, General Secretary of the Central Committee of the Mongolian People's Revolutionary Party and Chairman of the Presidium of the Great People's Khural of the Mongolian People's Republic. Eduard Shevardnadze gave Jambyn Batmunkh a friendly message from Mikhail Gorbachev, and held talks with Mangalyn Dugersuren, a member of the MPRP Central Committee and Minister of Foreign Affairs of Mongolia, on various aspects of Soviet-Mongolian relations and on urgent international problems. The meeting and talks went on in an atmosphere of fraternal friendship, complete mutual understanding and unanimity on all questions under discussion.

The sides informed each other of the progress in the fulfilment of the two parties' policy of accelerating the socio-economic development of their countries, and of the political, economic, and organisational activities carried out to achieve that goal. They noted with satisfaction that relations of fraternal friendship and comprehensive cooperation between the USSR and Mongolia, based on the principles of Marxism-Leninism and socialist internationalism, had become all-embracing and continued to grow steadily on the firm legal foundation of the Treaty of Friendship, Cooperation and Mutual Assistance, the 40th anniversary of which was recently formally marked in both countries. The sides spoke highly of the Treaty, which promotes the interests of the socialist community as a whole and constitutes an important factor in ensuring peace and security in the Far East and in all of Asia.

Exchanging opinions, the sides stressed the exceptional importance of the results of the August 1985 meeting between Mikhail Gorbachev and Jambyn Batmunkh, and, in particular, also of the signing of a Long-Term Programme for the Development of Economic, Scientific and Technological Cooperation between the Soviet Union and Mongolia to the Year 2000, for the further expansion and higher efficiency of manifolded cooperation between the two parties, countries and peoples and for the elevation of the entire complex of Soviet-Mongolian relations to a new, higher stage.

Discussing international affairs, the sides were unanimous in their evaluation of the world situation, the causes of dangerous tensions and the ways of resolving key international problems. "Mankind entered the year 1986 in the encouraging atmosphere of opposition to the further aggravation of international tension," Jambyn Batmunkh said at a reception in Ulan Bator. "This became possible thanks to the purposeful foreign policy efforts and constructive steps of the countries of the socialist community, primarily the Soviet Union." The USSR and Mongolia reaffirmed that they would continue to contribute in every way to the strengthening of the unity and cohesion of the countries of the social-

* *Pravda*, Jan 25, 1986.

ist community and to the broadening of their cooperation in every field, and that they would also continue firmly to repulse the imperialist attempts to split it. They stated that now more than ever before, the joint efforts of all countries and peoples to accomplish the main task of averting the threat of nuclear catastrophe and working out guarantees for a lasting peace were of the utmost importance. Both sides stressed the urgent need to put an end to the arms race on earth, to prevent its spread into outer space, to carry on purposeful struggle for disarmament and to develop relations of goodneighbourliness and cooperation among states.

The Mongolian side pointed out the fundamental importance of the understanding formulated in the joint statement of Mikhail Gorbachev and Ronald Reagan that nuclear war should never be started and that everything possible should be done to avert either nuclear or conventional war between the USSR and the USA, and that the sides would not seek military superiority. The Soviet Union and Mongolia expressed their shared conviction that the practical fulfilment of the accords reached at the Geneva meeting constituted one of the principal means of improving the international situation.

The Mongolian People's Republic enthusiastically welcomed and supported the complex of new concrete proposals put forward by Mikhail Gorbachev in his statement, including those on the stage-by-stage complete elimination of nuclear weapons by the year 2000 complemented by an agreement on the prohibition of the development, testing and deployment of space strike weapons; on the extension of the moratorium on all nuclear explosions; on the elimination of chemical weapons during the current century; on giving an impetus to the existing system of negotiations in its entirety and on securing effective results from the mechanism of disarmament. The implementation of these major initiatives and other disarmament measures proposed by the Soviet Union and other socialist countries could rid mankind forever of the threat of war.

Eduard Shevardnadze said that it was with deep satisfaction that the USSR welcomed the constant growth of Mongolia's prestige on the world scene and thought highly of its contribution to the common efforts of the socialist community in the struggle for peace, security and cooperation in Asia and all over the world.

The situation in Asia was a subject of detailed discussion. The sides stated their conviction that dangerous tensions in different parts of that large continent prompted the need to promote a broad dialogue and to pool the efforts of Asian countries to ensure firm peace and security for all the peoples of Asia and the Pacific and to prevent the forces of militarism and aggression, trying to incite mistrust and armed confrontation among individual countries, from having their way. The concrete and constructive proposals of the USSR, Mongolia and other socialist and nonaligned states, including the Bandung principles, constitute a sensible alternative to the escalation of tensions in Asia. Mongolia is energetically supporting the Soviet idea of a comprehensive approach to ensuring peace and security in Asia and is taking practical steps for its implementation. "The comprehensive approach to the solution of the problem of peace in Asia and the Pacific organically incorporates Mongolia's offer to countries of Asia and the Pacific to conclude a convention on non-aggression and mutual non-use of force," Eduard Shevardnadze said. "It is our conviction that the conclusion of such a convention by the countries in which about two-thirds of the world population live would improve considerably the situation both in the region itself and in the whole world."⁷ These peaceable goals are also promoted by the proposals of

⁷ *Pravda*, Jan. 25, 1986.

Vietnam, Laos and Kampuchea on improving the situation in Southeast Asia and establishing relations of goodneighbourliness with the ASEAN countries; by the DPRK's proposals on the peaceful reunification of the country, the normalisation of the situation in the Korean Peninsula, the establishment of a nuclear-free zone there, and its decision to halt military manoeuvres; by the efforts of many Asian and African countries to secure the establishment of a peace zone in the Indian Ocean; and by the proposals of the government of the Democratic Republic of Afghanistan on the complete and unconditional termination and guaranteed non-resumption of armed or any other intervention in the internal affairs of Afghanistan, which would pave the way to the normalisation of relations between that country and its neighbours.

The sides shared the belief that solutions to the urgent problems facing mankind were effectively promoted by growing cooperation between socialist countries and the nonaligned movement, a major force in the struggle for peace, against the arms race and for the restructuring of international economic relations on a fair and democratic basis. Special emphasis was laid in this context on India's energetic and constructive policy in world affairs and its contribution to the consolidation of the nonaligned movement on an anti-war, peaceable basis and to the enhancement of its international prestige.

The Soviet Union and Mongolia reiterated their desire to normalise and improve relations with China, which could help improve the situation in Asia and the Pacific, on the basis of the principles of equality and goodneighbourliness and without prejudice to the interests of third countries. They called on all the states of the region to contribute energetically to a search for ways to strengthen the foundations of universal security and to seek to make a practical contribution toward the establishment of a zone of goodneighbourliness, peace and cooperation in the vast region of Asia and the Pacific.

In the course of the visit Eduard Shevardnadze and Mangalyn Dugersuren signed an agreement on simplified procedures for the crossing of the state border by Soviet and Mongolian citizens living in frontier regions.

Eduard Shevardnadze extended to Mangalyn Dugersuren an invitation from the CPSU Central Committee and the Soviet government to pay an official visit to the Soviet Union, and the invitation was accepted.

Both sides expressed their profound satisfaction with the results of the exchange of opinions between them and their conviction that Eduard Shevardnadze's visit would contribute to the further strengthening and broadening of fraternal friendship and comprehensive cooperation between the Soviet Union and Mongolia and to the greater efficiency of cooperation between the foreign ministries of the two countries in promoting the interests of peace and socialism.

The Politburo of the CPSU Central Committee heard and approved at its meeting on January 30, 1986, Eduard Shevardnadze's account of his visits to Japan, the DPRK and the Mongolian People's Republic.⁸ These contacts will be followed by new meetings with the leaders of many Asian and Pacific countries, their purpose being to work gradually toward the establishment of a vast zone of lasting peace, security for all, goodneighbourliness and mutually beneficial cooperation in that region.

Pravda, Jan. 31, 1986.

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40TH ANNIVERSARY OF USSR-MONGOLIA FRIENDSHIP TREATY MARKED

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[Article by V. A. Arkhipov: "Historic Landmark in the Fraternal Alliance of the Soviet and Mongolian People"]

On January 15, 1986 the Soviet and Mongolian peoples marked the 40th anniversary of the Treaty of Friendship and Mutual Assistance Between the USSR and the MPR, a treaty symbolising the friendship and fraternity of our peoples and the triumph of proletarian, socialist internationalism. The jubilee occurred in the same year as the congresses of both the CPSU and the MPRP, and the commencement of new five-year-plan periods and a new, historically important stage in the development of the two fraternal countries, which lends it special importance.

The 40th anniversary of this historic document coincides with the 20th anniversary of the 1966 Treaty of Friendship, Cooperation and Mutual Assistance, which it organically continues, and also with the 50th anniversary of the 1936 Protocol on Mutual Assistance. The peoples of both countries see a special meaning in the historical continuity in the development of Soviet-Mongolian relations.

The signing and renewal of the Soviet-Mongolian treaties and the Agreement have always been the dictates of time, and in full conformation with the vital interests of our two peoples. They were rooted in concrete conditions and development levels prevailing in Mongolia. At the same time they vividly reflected the continuous and onward development of our two countries and the peoples.

The 1946 Treaty became a major landmark in the inalienable alliance and fraternal friendship of the Soviet and Mongolian peoples, a natural outcome of their steady development. It opened up broad, unheard-of prospects for the prosperity of people's Mongolia and was of epochal importance for its allround progress.

The treaty was concluded in the very beginning of the first year of peaceful, creative labour in our two countries, when the whole of mankind was celebrating the great victory over German fascism and Japanese militarism and was cherishing new hopes and aspirations. The treaty played an outstanding role in translating socialism into reality in ancient Mongolia. The document had been prepared by the entire course of development of Soviet-Mongolian relations over the preceding years.

By that time, the democratic stage in the people's revolution had successfully ended in Mongolia and the political foundation of the people's republic had been markedly consolidated. Foreign capital was completely ousted from the national economy and a foundation was laid down for industry, the credit and finance system and the socialist sector. Drastic changes had occurred in the socio-class structure of the society. The feudal class was liquidated. The national working class and a stratum of the people's intelligentsia began to emerge, and their alliance with the working *urats* (cattlebreeders) grew stronger.

The 1946 Treaty was a major factor contributing to achieving some fundamental objectives of the new, socialist stage in Mongolia's development, such as setting up cooperatives, carrying through a genuine cultural revolution, developing research, turning Mongolia into an agrarian-industrial nation and involving her in international politics. The treaty made it possible for Mongolia to formulate these major socio-economic tasks and cope with them successfully. It only took the life-span of one generation for Mongolia to traverse the yet unexplored and thorny path of development from medieval backwardness and humiliation to progress and national rebirth, from feudal relations to the socialist system. This is what makes the 1946 Treaty so important for the destiny of the Mongolian people.

Soviet-Mongolian friendship has translated into reality the Leninist ideas of the equality of all nations; it is proletarian, socialist internationalism in action. It is an immense material force in building a new life, in bringing the Mongolian people closer to socialism. This friendship is a powerful source for the prosperity of socialist Mongolia. It involves lively, mutually beneficial contacts among the broad popular masses, and is their spiritual wealth. In this lies its essence and greatness.

Each stage in Mongolia's history and her friendship with the Soviet Union are inalienable. The triumph of the popular revolution, the country's passing from feudalism to socialism and the deepening process of building up the material and technical base of socialism are a concentrated expression of the growing strength of our friendship, of its ever richer fruits.

"The Mongolian and Soviet Communists," said Zhambyn Batmunkh, General Secretary of the MPRP CC, in his speech at the 27th CPSU Congress, "have been bound forever by the common ideals and goals in the joint struggle, by the common, inseverable historic destinies. All this comprises a firm foundation of our traditional fraternal friendship."

With every new stage in the MPR's development, Soviet-Mongolian friendship and cooperation, as embodied in today's socialist reality, enter a new, higher level, and ever new creative possibilities are opened up, which grow in scope and dynamism.

The present stage in the development of Soviet-Mongolian friendship and cooperation is characterised by the deepening process of the two countries' drawing closer together, their all-embracing nature, the participation of whole peoples, their rich content and variety of forms, their development on a long-term, perspective basis. The mechanism of our fraternity and cooperation involves varied spheres of society's life, such as economic, cultural, scientific and technical.

Social practice, and joint labour give birth to new, more effective forms of cooperation. We find them through collective efforts and together determine the most correct and successful ways of bring out the broadest possibilities and reserves of our relationship. The most promising and effective one is establishing and developing joint enterprises. Their important mission is to augment Mongolia's economic potential, further deepen the economic integration of the two countries, enhance the maturity of the Mongolian working class and educate the working people in the spirit of internationalism. Mongolia's workers and specialists learn to master high technology and contemporary methods of labour organisation and economic management. Soviet workers and specialists within international work collectives provide an example for the Mongolian people of the socialist way of life and enable them to get to know the best traits of the Soviet man.

Direct links between departments, local bodies and work collectives play an important part in further deepening Soviet-Mongolian friendship

and cooperation. They offer good opportunities for learning and applying rich Soviet experience and promote broader contacts between working people from both countries.

Referring to Soviet-Mongolian relations, Mikhail Gorbachev, General Secretary of the CPSU CC said that "participating in them are the broadest strata of working people united by the comprehension of the common historical destinies of our peoples, by the feelings of mutual liking and respect."

The meeting of Mikhail Gorbachev and Zhambyn Batmunkh, held in Moscow in August 1985, marked a new stage in the further development of fraternal friendship and allround cooperation between the USSR and the MPR. It demonstrated once again the complete unity of the CPSU's and MPRP's positions and views on all questions, and reaffirmed their joint resolve to continue to consolidate and expand our friendship and allround cooperation. The meeting produced a historic document—the Long-Term Programme of the Development of Economic and Scientific and Technical Cooperation Between the USSR and the MPR for the Period up to the Year 2000. This programme raises Soviet-Mongolian relations to a higher level and outlines a perspective for socialist Mongolia, its new image on the threshold of the 21st century. The elaboration of the programme has become possible at the present-day stage in the development of Mongolia and Soviet-Mongolian relations. They, in fact, have produced this form of cooperation.

The programme is closely linked with the recently adopted Comprehensive Programme of Scientific and Technical Progress in the CMEA Member-States for the Period up to the Year 2000. The MPRP and Mongolian government highly praised this programme aimed at resolving the truly revolutionary task of achieving the highest level of science, technology and production in the basic areas of scientific and technical progress and thereby enhancing considerably the international positions of the world socialist community. The Comprehensive Programme includes a special provision regarding a speedier levelling of the economic performance of the MPR with that of the other fraternal countries.

Today they refer to the Mongolian People's Republic as a "country that has leaped over centuries". And rightly so. Some 60-odd years ago feudalism reigned supreme in Mongolia, foreign trading and usury capital held key positions in her economy, and primitive nomadic cattle-breeding was virtually the only economic sector. Following the popular revolution in 1921, Mongolia, in a historically short period, has turned into an agrarian-industrial country engaged in the successful building of socialism. This has become possible thanks to the selfless work of the Mongolian people, the wise leadership of the MPRP, and the international assistance and support of the fraternal socialist countries, above all the Soviet Union.

Under the leadership of the Mongolian People's Revolutionary Party which follows Leninism, the Mongolian people have made the historic transition from feudalism to socialism, bypassing the capitalist stage of development. This would have been out of the question, had the MPR not relied on the class alliance and comprehensive cooperation with the USSR, the first socialist country. Friendship and brotherhood with the CPSU, with the Soviet Union, with the heroic Soviet people are the greatest achievement of the Mongolian working people. The entire development of Mongolia is closely linked up with the establishment and consolidation of Soviet-Mongolian relations initiated by the great leader and

teacher of working people all over the world, Lenin, and the legendary leader of the Mongolian people's revolution, Sukhe-Bator.

The Agreement on the Establishment of Diplomatic Relations Between Revolutionary Mongolia and Soviet Russia, signed on November 5, 1921, was a historic event of major importance for the future of the Mongolian people, for developing and strengthening fraternal friendship between the Mongolian and Soviet peoples.

On the day of its signing Lenin received the Mongolian delegation at the Kremlin, met with Sukhe-Bator and gave valuable advice and recommendations as regards practical matters to ensure further development of the people's state in Mongolia. The only correct path for the working people of Mongolia, Lenin said, was the struggle for their country's state and economic independence in alliance with the workers and peasants of the RSFSR. These behests of the great leader have been consistently followed by the MPRP in its everyday life. This is how Soviet-Mongolian relations have been shaped, which have become a model of inter-state relations of a new type, based on the principles of class solidarity, full equality and mutual assistance between big and small nations.

Following the triumph of the revolution, the Mongolian people had to carry out profound social and economic changes, destroy the old, precapitalist relations in the country and ensure the complete liquidation of feudalism.

That was not an easy task, it had to be solved in a complex external and internal situation, in the setting of fierce struggles against the overthrown class. But the allround political, economic and military assistance by Soviet Russia helped defend and consolidate the revolutionary gains of the Mongolian people.

Influenced by the ideas of the Great October Socialist Revolution, Mongolia's working people rose up to struggle for their national and social liberation. That struggle was headed by the Mongolian People's Revolutionary Party (MPRP). In July 1921, the Mongolian People's Revolution brought representatives of the toiling *arats* to power. The revolution was anti-imperialist, anti-feudal and democratic and became an inseparable part of the world revolutionary process launched by the October Revolution in Russia. The history of establishing and developing the sovereign Mongolian state that had opted for the socialist path of development, is closely linked with its firm alliance and allround cooperation with the Soviet Union. Relations between our two countries are unprecedented in world practice, having become inter-state relations of a new, socialist type. These relations were further developed within the framework of the world socialist community. This phenomenon lends special historic significance to Soviet-Mongolian cooperation.

Friendship and cooperation between the Soviet and Mongolian peoples have survived many trials caused by enemy encirclement. They were consolidated by the blood of our two peoples shed on the battlefield. Friendship with the Soviet Union strengthened Mongolia's sovereignty and enhanced her international prestige.

In the postwar period, Soviet-Mongolian relations were legalised by the Treaty of Friendship and Mutual Assistance Between the USSR and the MPR, signed in 1946 in Moscow. The treaty gave a new impulse to achieving strategic objectives in the socialist stage of Mongolia's development, effecting further profound social and economic changes in the country, and ensuring complete victory for the MPRP's strategic policy of bringing Mongolia from feudalism to socialism, bypassing the capitalist stage. Relying on allround cooperation with the Soviet Union, and its disinterested assistance, the Mongolian people, led by the MPRP, had expanded the state sector, established *aral* cooperatives, carried through

the cultural revolution, ensured the triumph of the socialist relations of production in the economy, and turned Mongolia into an agrarian-industrial state.

In 1966, another treaty was concluded—the Treaty of Friendship, Cooperation and Mutual Assistance Between the USSR and the MPR. By that time Mongolia had entered a new phase in her development, when the building of the material and technical base of socialism neared its completion. The treaty reflected qualitative changes in Mongolia's internal life and international position. This document opened up a new historical perspective in expanding and deepening relations between the Soviet Union and Mongolia. Our two countries reaffirmed their resolve to continue to consolidate their unbreakable traditional friendship, develop allround cooperation and fraternal mutual assistance on the principle of socialist internationalism. The Soviet Union and Mongolia agreed to continue to develop and deepen economic, scientific and technological contacts both on a bilateral basis and within the framework of multilateral cooperation between socialist countries, including within the Council for Mutual Economic Assistance (CMEA), and to expand scientific, cultural and other ties.

The Soviet Union and Mongolia were pioneers in establishing and developing socialist inter-state relations. They were the first to put into practice many new forms of cooperation, later to be widely used in relations between other socialist countries. Alongside joint enterprises, these forms of cooperation include coordination of economic development plans, direct contacts between ministries and departments, direct friendly ties between Soviet autonomous republics, regions and towns and Mongolian *aimaks* (settlements) and towns, and some other forms and areas of cooperation, ensuring continuous expansion and deepening of mutually beneficial and effective ties between the two fraternal countries.

The allround economic cooperation and disinterested internationalist assistance of the fraternal socialist countries, primarily the Soviet Union, play an important part in developing Mongolia's national economy and fulfilling the economic tasks set by the 18th Congress of the MPRP.

Mongolia's entering the Council for Mutual Economic Assistance in 1962 turned a new page in her relations with other socialist countries. This opened up new opportunities for Mongolia to expand economic cooperation on a multilateral basis within the framework of the international socialist division of labour. A new era began for the socialist community when in 1971 the 25th CMEA Session adopted the Comprehensive Programme for Further Deepening and Improvement of Cooperation and Development of Socialist Economic Integration of CMEA Member-Countries. The programme provided the necessary requisites for accumulating cooperation experience in various fields of the national economy of the CMEA members, drawing up five-year plans for multi-faceted integration, elaborating long-term target programmes and improving the methods of integration.

The Comprehensive Programme for the Development of Socialist Economic Integration and the long-term target programmes of cooperation provide for help to Mongolia in tackling many vital economic problems. These include measures to accelerate Mongolia's economic development and increase her economic efficiency, particularly by way of jointly building and running industrial and other projects in Mongolia with financial, material and technical assistance rendered by other CMEA countries, providing assistance in bringing earlier built projects up to rated capacity, providing easy-term credits, rendering assistance in developing mineral and forest resources, science and technology, applying scientific and technological achievements in production, training national personnel, and

raising the skills of workers and engineers. Specifically, between 1981 and 1985 many economically important projects in agriculture, forestry, consumer and food industries, civil engineering, transport and communication, and the mining industry were built or expanded in Mongolia with technical and economic assistance from the Soviet Union and other socialist countries.

The Soviet Union assisted Mongolia in building and commissioning 340 major agricultural, industrial and cultural projects during the Seventh Five-Year-Plan period. Major joint ventures, such as the Erdenet Ore-Mining and Processing Plant, the first stage of the Heat and Power Plant-4 in Ulan Bator and the Baganur Open-Pit Coal Mine were commissioned during the past four years, as well as carpet and food factories in the town of Erdenet, a ceramics factory, a house-building plant, knitted-wear and spinning factories in Ulan Bator, and irrigation systems. In addition, many thousands of square metres of housing and numerous cultural amenities were built during the past five-year-plan period.

Direct contacts between Soviet republics and regions and Mongolian *aimaks*, between towns, ministries, departments, economic, scientific and cultural establishments are of major importance. This makes it possible to sharply increase the introduction of advanced production methods and carry through measures to increase output, conserve material resources and improve production techniques.

Most importantly, Soviet-Mongolian relations have always been based on the principles of equality and mutual benefit. This is borne out by steadily increasing trade between the Soviet Union and Mongolia. The Soviet Union accords considerable assistance in developing Mongolia's industry and agriculture by delivering machinery and equipment and various consumer goods. The scale of border trade is expanding and its structure improving.

The 19th MPRP Congress held in May 1986 became an important milestone in Mongolia's history. The congress summed up the endeavours of the party and people over the period since the 18th Party Congress and set new economic and social objectives to be achieved by the country in near future. The Congress was held in the atmosphere of the growing political and creative activity of the Mongolian working people.

During the course of active preparations for the 19th MPRP Congress and following it, the Mongolian people spoke with sincere gratitude of the connection between their achievements and successes and the friendship and fraternity of the CPSU and Soviet people, a friendship and fraternity that dates back to Lenin and Sukhe-Bator. Lenin's advice that the only correct path for the working people of Mongolia was the struggle for state and economic independence in alliance with the workers and peasants of Soviet Russia, and Sukhe-Bator's directive that the working people in Mongolia and in Soviet Russia should be the pillars for the existence and prosperity of the Mongolian state, have been corroborated by Mongolia's postrevolutionary history and successes in rapid and comprehensive social progress.

Mongolia successfully develops her economic ties with the fraternal socialist countries, the CMEA members, which provide sizable assistance in building socialism in the MPR. Specifically, during the Seventh Five-Year-Plan period, Hungary helped reconstruct the Songino biochemicals factory and the Kharkhorin flour-mill, and to modernise and expand a garment factory in Ulan Bator. With the technical assistance of Bulgaria, the reconstruction, modernisation and expansion of the Darkhan sheepskin and fur-coat factory was completed in 1984 and a brickworks was built in the town of Altai. The GDR provides technical and economic

assistance in building up production capacities for industrial meat processing, in reconstructing the canned meat factory and expanding the fodder plant in Ulan Bator. Poland assists in building granulated-fodder workshop at the Arkhust fodder facility, a non-woven cloth plant in Ulan Bator with a 1,600 ton annual output, a silicate brickworks in Choibalsan and a wood-working complex in Ulan Bator. Czechoslovakia assists in reconstructing the tannery and building a new shoe factory in Ulan Bator. Romania helped commission a furniture and cardboard factory in Ulan Bator. The immense economic and technical assistance rendered by the Soviet Union and other socialist community countries has resulted in qualitative shifts in the structure of Mongolia's economy, which becomes increasingly industry-oriented. Industry, construction, transport and communication are developing at an increasing rate.

The imperialists and their accomplices, such as nationalists and revisionists of every stripe seek to undermine the fraternal friendship and cooperation of the socialist countries. They try to slander relations between our countries and undermine and weaken their cooperation. The imperialist propaganda and revisionists attempt to oppose proletarian, socialist internationalism to the equality, independence and sovereignty of the socialist community countries. For this reason the socialist countries' cooperation in the struggle for peace and security takes on added importance. The unconquerable might of the socialist community may be the only real guarantee of the economic and political independence of each socialist country.

Today the socialist countries have sufficiently drawn closer together. They successfully cooperate in various fields of economy, culture and science: the Council for Mutual Economic Assistance has outlined guidelines for the development of the national economies of various socialist countries, which makes it possible to make better use of the natural and geographic conditions, the economic potential and historical traditions of each country. National economic development plans are coordinated, and the specialisation and cooperation deepened. At the same time genuine equality and independence are ensured within the socialist community for each member-state. Guided by the principles of full equality, mutual benefit and comradely assistance, the socialist states comprehensively improve their economic, political and cultural cooperation, which is in keeping with the interests of each socialist country and the socialist community as a whole.

The acceleration of scientific and technical progress also calls for further consolidation of cooperation between socialist countries. Given the present-day rates of development of science and technology requiring ever new and more complex instruments and machines, it is very difficult for individual countries to ensure independently the necessary personnel of designers, means and materials for all branches of the national economy.

In the final analysis, the socialist countries should establish relations and distribute the productive forces in such a way as to ensure the minimal amount of materialised and living labour to be spent on producing any product at the given stage of production development. This is because the high productivity of labour is most important for the triumph of socialism over capitalism.

Mongolia's economic cooperation with the socialist community countries is highly resultative. It exerts the most benevolent influence on all the branches of her national economy and culture. Not all of the explored natural resources can be developed profitably. Moreover, although Mongolian industry has been developing at an accelerated pace in recent years,

agriculture, chiefly livestock farming, still remains the main branch of the country's economy. Nearly half of the gross industrial output is produced at enterprises processing agricultural raw materials. Products of animal and vegetable origin account for some 70 per cent of Mongolia's export. This is why the material and technical base of socialism in Mongolia is being built with allround assistance from the Soviet Union and other socialist countries.

Foreign trade plays a decisive role in moulding an optimal economic complex and positive changes in Mongolia's economy. This trade occupies a special place in providing the national economy with machines, equipment, raw and other materials, and the population—with many consumer goods. It plays an important part in saving social labour through specialising in producing commodities that are in high demand on the world market. These include the products of livestock farming, consumer, food and mining industries. Foreign trade accounts for over 30 per cent of Mongolia's national income. Almost 90 per cent of the country's requirements in means of production are met through imports, which also account for more than 60 per cent in her retail trade. Mongolia is fifth among the CMEA member-states as regards the per capita volume of foreign trade. Today, Mongolia's exports and imports in just 19 days equal her trade for the whole of 1940, in terms of money.

A basis for a steady growth of Mongolia's foreign trade is provided by an increase in her export potential ensured by the development of livestock farming and the growth of its marketability, and also by the establishment and consolidation of export-oriented industries, such as food, consumer, woodworking and mining industries. This is greatly facilitated by assistance from the fraternal socialist countries, primarily the Soviet Union, which in a number of cases fix prices for livestock products that are considerably higher than those on the world market. Industrial consumer goods and mining products now account for an increasing share of the Mongolian export. A greater part of the export goods is produced by enterprises equipped with the latest machinery and using the most advanced production techniques. The nomenclature of export commodities has markedly increased in recent years, this being an important factor enhancing the role of the MPR in the international socialist division of labour.

Over the past five years' trade turnover between the Soviet Union and Mongolia has increased 44 per cent. Soviet exports to Mongolia include 67,000 items. All these goods are very important for the country's economic development and for raising the Mongolian people's living standards. Both the Soviet and the Mongolian sides fulfil their obligations under the long-term trade agreement in good faith.

Here are some examples to illustrate the volume of Soviet exports to Mongolia. Between 1981 and 1985, the MPR received over 3,200 tractors, 6,400 lorries, 850 buses, 1.5 million tons of petrol, 1.3 million tons of diesel fuel, 25,000 tons of green tea, 176,000 tons of flour, 94,000 tons of cereals, some 180,000 tons of sugar, over 260 million metres of cotton cloth, and many other commodities.

Mongolia in turn delivers copper and molybdenum concentrates, fluor spar, wool, meat and carpets to the USSR. New commodities have appeared on the Soviet market, such as goat-down and camel-wool knitwear, joiner's articles, lightweight gravel and mineral-fibre boards, and other items.

The results of economic and scientific and technical cooperation over the past five-year period have become a new important step in the long history of Soviet-Mongolian cooperation. They are a graphic evidence of their steady upward movement.

The long-term programme has set forth the priority areas of cooperation. It stated that the development of Mongolia's agriculture, consumer, food, and mining industries remained the most important strategic task of Soviet assistance. The programme provides for joint measures in developing the fodder base of livestock farming, increasing its total number and productivity, making more intensive use of farm land and improving social and everyday services for working peasants.

During the course of cooperation over the period up to the year 2000, measures will be taken to make maximal use of Mongolia's national resources in the context of the international socialist division of labour.

Referring to the significance of the long-term programme, Zhambyn Batmunkh, General Secretary of the MPRP Central Committee and Chairman of the Great People's Hural Presidium, said that it would be instrumental in accelerating the development of Mongolia's national economy, raising its efficiency and expanding its participation in socialist economic integration.

A protocol on the results of the coordination of the national economic development plans of the USSR and the MPR for the period of 1986-1990 was signed in Moscow on December 25, 1985. The document defined the priority tasks in extending Soviet-Mongolian cooperation. Specifically, in the economic field, Soviet and Mongolian organisations will make every effort to complete projects under construction, to expand and reconstruct enterprises and farms already in operation and to build new enterprises important for tackling Mongolia's top-priority economic and social tasks.

Taking into account the target programme for the development of agriculture and improvement of food supplies for the people of Mongolia, special importance will be attached to further developing agriculture and the food industry through consolidating their material and technical base, enhancing the fodder base, increasing livestock head and its productivity, making more intensive use of farm land, providing conditions for agricultural workers staying in the countryside, increasing their skills and resolving a number of social problems there. Measures will be taken to increase the efficiency of agricultural projects built with Soviet assistance.

As compared with the previous five-year-plan period, trade turnover between the USSR and the MPR is to increase. The Soviet Union will markedly increase the export of commodities intended for further development of agricultural production, consumer, food, mining, fuel and energy industries, transport and other sectors of Mongolia's economy. The export of foodstuffs and manufactured goods will also go up. In the coming five-years the share of the mining and consumer industries in Mongolia's export will grow, with livestock products retaining their leading position in overall exports.

Between 1986 and 1990, the volume of economic and technical cooperation between the USSR and the MPR will increase some 20 per cent. Nearly 420 projects will be built, including some 80 facilities to be built by Soviet organisations on the terms of general contracts and 340 projects to be built by Mongolian organisations with Soviet technical assistance. The Mongolian share is increasing: between 1981 and 1985, it amounted to 20.7 per cent, whereas between 1986 and 1990 it will reach 32.8 per cent in the overall volume of Soviet economic assistance. The programme is intended to further intensify industrial production, make more efficient use of fixed assets, save fuel and materials, improve the quality of output and increase the range of goods.

The Agreement Between the Governments of the USSR and the MPR on Economic and Scientific and Technical Cooperation for 1986-1990, signed on January 15, 1986, will be an important stage in the realisation of the Long-Term Programme of Mongolian-Soviet Cooperation.

During the course of the new five-year-plan period, Soviet-Mongolian economic cooperation will be aimed at resolving Mongolia's priority economic tasks, such as taking measures to ensure stable development of agriculture, especially livestock farming, improve the supply of foodstuffs and consumer goods for the population, insure the priority growth of the mining and processing industries and the fuel and energy complex, consolidate the construction industry and enhance the country's export potential. The number of projects and facilities to be built jointly by Mongolian and Soviet organisations will increase 50 per cent as compared with the period between 1981 and 1985. Special importance will be attached to the development of joint production enterprises, the reconstruction, expansion and modernisation of projects in operation and the concentration of effort and resources in order to complete the construction of projects already in the process of being built.

The parties have agreed on a broad programme of cooperation in developing the non-production sphere and also in resolving social problems. Specifically, the Soviet Union will provide assistance in building housing with a total floor space of over one million square metres with cultural amenities and services, training facilities, hospital complexes, etc.

Trade turnover between the two countries will grow more than 20 per cent over the coming five years. The share of mining output and manufactured goods will increase in Mongolian exports.

Of great importance is the further improvement of the forms of economic and scientific and technical cooperation and raising of its efficiency. The number of projects to be built by Mongolian organisations with Soviet technical assistance will increase. At the same time the number of Mongolian citizens working in Soviet construction organisations will also grow and the joint construction of projects by Soviet and Mongolian organisations will be expanded.

Competent Soviet organisations will help draw up a comprehensive programme of scientific and technical progress in Mongolia for 15-20 years, tying it up with the Comprehensive Programme of Scientific and Technical Progress in the CMEA Member-States up to the Year 2000.

The tangible results of Soviet-Mongolian friendship include all the successes which determine the development and reality of socialist Mongolia: the multi-branch national industry based on the latest achievements of technology; the entire industrial centres; socialist mechanised agriculture; the system of public education preparing for the introduction of a universal complete secondary education; the achievements of national culture and art which make their contribution to the treasure-house of world socialist culture; the development of all branches of modern science; the participation in international joint research, including the Intercosmos Programme and the space flight of a Mongolian citizen. Over the past 25 years alone, more than 600 economic projects, including 150 industrial enterprises have been built in Mongolia with Soviet assistance. Fuel and energy, mining, consumer, food, metal-processing, building and other industries, transport and communications have been established and rapidly developed. The material and technical base of agriculture has been consolidated. In 1980, Mongolia's GNP increased almost 300 per cent, and national income 200 per cent as compared with 1960. Her fixed assets jumped 750 per cent over the same period, while the gross industrial product went up 840 per cent; today, one week's industrial output equals that of the whole of 1940.

As the tasks of socialist construction in Mongolia are growing more complex, the potential and importance of Soviet-Mongolian friendship

are becoming more vivid, their scale is expanding, their content is growing richer, the forms of Soviet-Mongolian cooperation are improving, and its constructive role in the life of society is growing.

The present-day stage of friendship and cooperation between the USSR and the MPR is characterised by a deepening process of drawing closer together and consolidation in all spheres of social development embracing ever new fields of the socio-political, economic, scientific and technical, and cultural life.

The new high level and effective forms of this cooperation are expressed in joint efforts to resolve major economic problems, in deeper production cooperation and specialisation, richer experience in joint planning, the broad exchange of experience, mixed economic associations, etc. The link-up of Mongolia's central energy system to the Soviet energy system was a major step toward consolidating the country's energy base.

Joint production associations and enterprises are based on collective inter-state ownership of the means of production and on the joint labour of workers of the two countries. They are models for introducing new prospect forms of cooperation among socialist countries. Joint enterprises are of special value because the joint labour of the fraternal peoples becomes a school of mutual assistance, of our peoples' drawing closer together, of genuine internationalist friendship and fraternity; it becomes an effective factor in moulding an international work collective. The Soviet Union provides considerable assistance in training skilled personnel for Mongolia's economy. A great many highly skilled Soviet engineers, technicians and workers work at industrial enterprises built with Soviet assistance. They share their rich experience in mastering production techniques with young Mongolian workers and help train national personnel.

Direct business contacts between various ministries, departments, economic, scientific and technical, and cultural organisations and establishments, between settlements, towns, regions and republics of the USSR and the MPR, contribute to the political and economic consolidation of both countries, to the introduction of high technology and modern techniques in production, to raising workers' skills, training research personnel, engineers, technicians and specialists, to locating and making effective use of natural resources, and to educating the working people in the spirit of socialist patriotism and internationalism. Ever broader masses of working people, production, cultural and scientific communities are being drawn into expanding cooperation. Direct communication and fraternal links between millions of people, between many work collectives in both countries are a vivid expression of the objective need for their drawing closer together and consolidation in all fields of society's development.

These direct contacts make it possible for party, government, public and economic organisations, work collectives and individual working men and women to exchange experience on a regular basis.

In tackling the problems of building socialism, the working people of Mongolia study ever more widely and actively the experience of the Soviet people and use it themselves. Specifically, ever wider use is being made of the programme of social development sponsored by work collectives in Leningrad, the Lvov comprehensive system of output quality management, and the comprehensive organisation of harvest-gathering work initiated by the collective farmers of the Stavropol Territory. Some 200 enterprises, economic organisations and service establishments work today following the Lvov system. The Stavropol method is being used by almost 70 per cent of state farms and many farming associations. Almost half the work teams within the system of Mongolia's Ministry

of Construction and Building Materials Industry have switched over to the economic management method popularised by the prominent Soviet builder Nikolai Zlobin. They do 56 per cent of the building and erection work in the country.

Each step in cooperation between our two countries makes a certain contribution in the long-existing tradition and offers new possibilities for its deepening.

The friendly meeting between General Secretary of the CPSU CC Mikhail Gorbachev and General Secretary of the MPRP CC, Chairman of the Great People's Hural Presidium, Zhambyn Batmunkh last August in Moscow has once again demonstrated the complete unity of views of the two fraternal parties and countries on all questions of bilateral relations and international situation and opened a new stage in the traditional allround cooperation between our countries, as well as the broad perspective for its development. The realisation of the Long-Term Programme of Development of Economic, and Scientific and Technical Cooperation Between the USSR and the MPR for the Period up to the Year 2000, signed during the meeting, will result in a new upsurge of the country's economic, and scientific and technical potential, thus contributing to the building of the material and technical base of socialism in Mongolia.

Today's cooperation between the USSR and the MPR bears out the idea of the founders of Marxism-Leninism to the effect that the inner potential of socialist countries can only be used most fully and effectively when the efforts of all the fraternal countries, which are advancing toward a common goal, are coordinated and pooled on the basis of mutual assistance. Unity and allround cooperation between fraternal countries provide an inexhaustible source of their strength, a guarantee for their invincibility and for their further allround progress.

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USSR-PRC TRADE, ECONOMIC RELATIONS DISCUSSED

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[Article by A. P. Kuznetsov]

On January 1, 1986 an agreement between the governments of the USSR and the PRC on trade turnover and payments came into force. Lasting till 1990, this first ever long-term trade deal in the history of Soviet-Chinese economic relations is viewed by both sides as a major success brought about by mutual efforts, and as a basis for further advance in bilateral trade.

The Treaty on Trade and Navigation, signed on April 23, 1958, by the governments of the USSR and the PRC serves as the juridical basis for Soviet-Chinese trade and economic relations. In particular, the treaty envisaged that "the Contracting Parties shall take all necessary steps to develop and strengthen trade relations between the two states in the spirit of friendly cooperation, mutual assistance on the basis of equality and mutual benefit".¹ With this aim in view agreements, including long-term ones, will be concluded providing for the development of trade turnover in step with the demands of the economies of the two countries. It was further stated that "the Contracting Parties grant one another most-favoured-nation status in all questions of trade and navigation, as well as in other kinds of economic ties between the two states".²

The Treaty remains valid for six months after one of the parties declares its desire to terminate it.

Prior to 1986, the specific conditions of trade operations and the principles of pricing and payments were determined by annual intergovernmental trade agreements. Other conditions of trade exchanges were stipulated by the April 10, 1957 document, "The General Terms of Trade Deliveries from the USSR to the PRC and from the PRC to the USSR", which set conditions and timing of deliveries, assessment of quantity and quality of commodities, their packing and marking, notifications of shipment, rules of payments, obligations and responsibilities of each side, as well as the procedure of applying sanctions and submitting claims for delivery violations, etc.

Several periods are easily discerned in the history of trade and economic relations between the Soviet Union and the People's Republic of China. The first began with the formation of the PRC and ended in 1960. That period was characterised by close friendship and allround cooperation between the PRC and the USSR. Faced with the complicated tasks of restoring and developing its national economy, the young Republic was rendered comprehensive assistance in socialist construction by the Soviet Union. Their trade turnover in 1959 reached a record level of 1.849 mln rubles.

The second period (1960-1970) was marked by a substantial drop in Soviet-Chinese trade and economic cooperation, a result not only of domestic economic factors and natural disasters, but also of tensions in relations between them. The most drastic slide in Soviet-Chinese trade oc-

¹ *Soviet-Chinese Relations, 1917-1957. Collection of Documents.* Moscow, 1959, p. 396 (in Russian).

² *Ibid.*, p. 397

curred from 1966 to 1970 coupled with a complete suspension of economic, scientific and technical cooperation. Trade turnover between the USSR and the PRC hit bottom in 1970 at a level of 42 mln rubles, i. e., 44 times below the 1959 figure.

From 50 per cent in 1959, the share of the USSR in China's foreign trade dropped to 7.3 per cent in 1966 and to a mere 1.8 per cent in 1970.

The 1970s can be viewed as a third period in the development of Soviet-Chinese trade and economic relations, marked by a tendency to stabilise trade exchanges at a level of 200-300 mln rubles with a relative balance in mutual deliveries.

The dynamics of Soviet-Chinese trade during 1951-1980 (in five-year periods) can be seen from the following table (in mln rubles) ³.

Category \ Years	1951-1955	1956-1960	1966-1970	1976-1980	1976-1980 in % of 1956-1960	1976-1980 in % of 1966-1970
Trade turnover	5,112	7,214	562	1,551	21.5	276.0
Exports	2,915	3,315	303	807	24.3	266.3
Imports	2,197	3,898	259	744	19.1	287.3

As the table shows, during 1976-1980 Soviet-Chinese trade, though far below the record level of 1956-1960, was already three times greater than the lowest level of 1966-1970.

The volume of Soviet-Chinese trade reached by the beginning of the 11th Five-Year-Plan period was far below the possibilities and demands of such neighbouring giants as the USSR and the PRC. A fuller use of these potentials promised a faster and more stable growth of trade turnover which would be in the long-term interests of the Soviet and Chinese peoples.

As a result of mutual efforts and mutual interest, the sides reached agreement on the necessity of further growth of trade between the USSR and the PRC. This agreement was translated into reality during the 11th Five-Year-Plan period, as is shown by the following table.

Dynamics of Soviet-Chinese Trade in 1981-1985 (in mln rubles) ⁴

Category \ Years	1981	1982	1983	1984	1985	1985 against 1981
Trade turnover	176.8	223.5	488.2	977.8	1,605	9.1 times
Exports	82.6	120.1	255.6	467.9	779	9.4 times
Imports	94.2	103.4	232.6	509.9	826	8.8 times

Trade turnover from 1981 to 1985 between the Soviet Union and China grew at a fast rate. In 1984 it was 5.5 times greater than in 1981 and in 1985, with a volume worth 1,600 million rubles, it showed a 64 per cent increase over 1984.

Commercial ties are mutually beneficial and help to develop the economies and raise the living standards of both the Soviet and Chinese peoples.

³ *Foreign Trade of the USSR*. Statistical yearbooks.

⁴ *Ibidem*.

The Soviet Union has been supplying China with machines and equipment, including civil aircraft, automobiles, agricultural machinery, mining, electric power and textile equipment, as well as various raw materials and chemical commodities, building materials and other kinds of industrial production: rolled steel and pipes, timber, cement, glass, fertilizers, etc.

The share of machinery, equipment and transport facilities in 1985 reached 31.3 per cent of the Soviet exports to the PRC. The USSR delivered to China 37,600 cars and lorries, 6 aircraft, 10 helicopters, 20 million rubles' worth of automobile and aircraft spare parts, and large amounts of coalmining, oildrilling and textile equipment.

For its part, in 1985 China supplied the USSR with the products of its mining industry and agriculture, as well as textiles and various industrial consumer goods.

High on the list among them are: automobile storage batteries, tungsten concentrate, talcum powder, colophony, and other types of industrial raw materials, cereals and oil-bearing seeds, meat and meat products, fruits, tea, cooking salt, cotton, raw-silk, various fabrics, knitted, sewn and fur goods, foot-wear and other consumer products.

In 1982 the USSR and the PRC reached agreement on the resumption of across-the-border trade contributing to the increase in the overall turnover. In 1983 such trade was resumed between Soviet Far Eastern regions via V/O (Soviet Foreign Trade Organisation) Dalintorg and the PRC province of Heilongjiang and the Autonomous Region of Inner Mongolia via trade companies there. Its volume amounted to 6.3 mln rubles in 1983, 15.6 mln in 1984 and 24.2 mln in 1985. It should be noted that in the 1960s the maximum volume of across-the-border trade between the USSR and the PRC reached only 5 mln rubles a year.

Agreement was also reached on starting across-the-border trade between the Kazakh, Kirghiz, Tajik, Turkmen, Uzbek Soviet Socialist Republics, the Altai and Krasnoyarsk Territories, and the Kemerovo Region of the USSR, on the one hand, and the Xinjiang-Uighur Autonomous Region of the PRC, on the other, via V/O Vostokintorg and the PRC import-export company SUAR. The agreement was documented through an exchange of letters as of January 23, 1986.

Soviet across-the-border deliveries to China are comprised of building materials, fertilizers, agricultural implements, motorcycles, refrigerators, washing machines and other consumer goods in exchange for bean and meat products, fruits, fabrics, sewing, knitted and fur goods, footwear and other consumer goods.

The development of this kind of trade is to the advantage of both sides: it makes for a greater variety of goods in retail trade, and strengthens and normalises relations between the two countries, paving the way for better understanding and goodneighbourliness between our peoples.

The resumption in 1983 of automobile shipments of Soviet and Chinese foreign trade cargoes towards Xinjiang through the border trans-shipment points of Khorgos and Turugart with an annual volume of 150,000 tons is a positive event that promotes the development of Soviet-Chinese trade.

Fresh impetus was given to the development of trade and economic relations between the Soviet Union and China by the realisation of the agreements concluded during the visit of Ivan Arkhipov, Deputy-Chairman of the USSR Council of Ministers to China in late 1984, made at the invitation of the PRC government. During his talks with Yao Yilin, Vice-Premier of the PRC State Council, and other PRC leaders, three agreements were reached between the governments of the USSR and the PRC and signed in Peking: on economic and technological cooperation, on scientific and technical cooperation and on the establishment of a Soviet-Chinese commission on economic, trade, and scientific and technical cooperation. The three agreements are to be in effect for a period of ten years, with

an automatic prolongation of five years if neither side declares its desire to terminate them up to six months in advance of their scheduled expiration.

The first two agreements envisage cooperation in the elaboration, exchange and transfer of technology and techniques of production, designing, construction and reconstruction of industrial enterprises and other projects, an exchange of technical services, deliveries of equipment and materials, the training of technicians, exchanges of scientific and technical delegations, individual scholars and specialists, exchanges of scientific and technical information and documentation, samples of products and materials, know-how and licenses, the holding of scientific and technical symposiums, conferences, etc.

The Soviet-Chinese Commission on economic, trade and scientific and technical cooperation, co-chaired by respective Deputy Prime Ministers, is to monitor the fulfillment of the agreements, to prepare proposals aimed at promoting a stable development of economic, trade and scientific and technical cooperation, and mutual deliberation of measures for further expansion of cooperation. As noted by Soviet and Chinese leaders, the realisation of these agreements will promote economic construction, the raising of living standards in both countries, and will create a climate conducive to the deepening of understanding and trust between the USSR and the PRC.

During their talks in Peking the sides came to the conclusion that with this substantially increased volume the hitherto existing practice of signing annual agreements on trade turnover and payments was no longer in keeping with the prospective further trade expansion. Therefore it was agreed to sign in 1985 corresponding documents on trade and economic cooperation on a long-term basis.

The July 1985 official visit of Yao Yilin, Vice-Premier of the PRC State Council to the USSR, made at the invitation of the Soviet government, resulted in the signing of a Soviet-Chinese Agreement on trade turnover and payments in 1986-1990 and an Agreement on economic and technical cooperation in the construction and reconstruction of industrial projects in the PRC.

These documents stipulate the annual expansion of mutual deliveries of goods until 1990, and determine industrial and other projects in the PRC to be built or reconstructed with Soviet aid.

The preamble to the agreement on trade turnover and payments in 1986-1990 states that the governments of the USSR and the PRC have agreed to sign the present agreements, having noted the growth of trade turnover between the two countries in recent years and with the aim of creating conditions for its stable development, proceeding from the principles of equality and mutual benefit, guided by the desire to put trade exchanges between the two countries on a long-term basis to promote the development of the economies of both countries.

Article 1 of the agreement says that "both governments will in good faith study and take decisions on proposals that could be made by one of them for the purpose of attaining closer trade and economic relations between the two countries."

The agreement stipulates that mutual deliveries of goods between the USSR and the PRC in 1986-1990 be carried out in compliance with the lists of goods attached to agreement that form its integral part.

These lists of categories and quantities of goods can be modified, upon mutual agreements, in accordance with the demands and possibilities of both countries when signing annual protocols on turnover and payments.

Over the five-year duration of the agreement, a 12,000 mln ruble increase in the mutual Soviet-Chinese deliveries including as many as 3,000 mln rubles increase in the last year is envisioned. This means that

the planned volume of trade in 1990 must double the volume of 1985.⁵ In accordance with the agreements, the share of machinery, equipment and transport facilities in Soviet export to the PRC must total an average of 50 per cent. The Soviet Union will be delivering to China in 1986-1990 metal-cutting lathes, forging and pressing equipment, power units, carriages, electric locomotives, tractors, cars and lorries, planes, spare parts to automobiles and aircraft, poultry farming equipment and other kinds of equipment.

Among the raw material commodities to be delivered from the USSR to China in the current five-year period, the following items head the list: coal, pig iron, rolled steel, steel pipes and other steel products, aluminium, urea, cement, timber.

The agreement provided for deliveries from the PRC to the USSR in 1986-1990 of such commodities as mining, agricultural, animal breeding and other raw materials, as well as a wide assortment of manufactured consumer goods.

At the top of the list are the following items: automobile batteries, mined raw materials, cereals and oil-bearing seeds, meat and meat products, fruits, tea, cooking salt, various fabrics; knitted, sewing, fur and down products, sports footwear and other goods.

The agreement on economic and technical cooperation in the construction and reconstruction of industrial projects in the PRC was signed "for the purpose of developing economic and technical cooperation between the two countries, in accordance with the Soviet-Chinese Agreement on economic and technical cooperation of December 28, 1984".

The agreement provides that the payments of expenses of Soviet organisations, incurred in the fulfillment of the agreements, would be made by the Chinese side in accordance with the current Soviet-Chinese Agreement on trade turnover and payments.

This agreement entered into force on the day of its signing (July 10, 1985) and will be valid until the completion of obligations envisaged by contracts concluded under this agreement.

The agreement provides for cooperation in the building of seven new projects and 17 reconstruction projects in the PRC in such branches of industry as power, ferrous and non-ferrous metallurgy, engineering, coal mining, chemistry, transport, and others.⁶

The above long-term agreements have created a good basis for stable development of trade and economic relations between the USSR and the PRC. They will enable both countries to take into account their mutual obligations when working out five-year state plans for 1986-1990.

Since the signed documents do not exhaust the potentials and needs of the USSR and China, the sides agreed not to put limits on the contingents of goods, determined by the agreements, and it is intended that mutual deliveries of goods will be increased when signing annual protocols on trade turnover and payments.

Our countries are not competitors on the world market; the nomenclatures of goods, exported by the USSR and China, are different. An increase in trade turnover then is of mutual benefit and will promote economic development and raise living standards in both the Soviet Union and the PRC. However, fulfillment of the agreements presents certain difficulties for each side.

The primary concern is the problem of transport. Due to a sharp increase in mutual deliveries of goods, the transport "bottle-neck" can become a serious obstacle to the smooth operation of the agreements. A conference on transport problems, held in Moscow in March 1985 and attended

⁵ *Pravda*, July 11, 1985.

⁶ *Pravda*, July 11, 1985.

by representatives of transport, foreign trade and planning organisations of the USSR and the PRC, set very important tasks before transport workers of both countries. Their successful solution will provide for the necessary transport facilities for mutual deliveries of goods between the USSR and the PRC in 1986-1990.

A second conference on transport problems was held in Peking in January 1986. It discussed the results of the fulfilment of targets of export, import and transit cargo shipments between the USSR and the PRC in 1985, which registered an increase in shipments from the USSR to the PRC 1.3 times that of 1984 and an increase of 3 times from China to the USSR.

Volumes of foreign trade shipments over 1986-1990 were agreed upon, with annual delineations as to kinds of goods and transport. The volume of shipments is to rise from 7.7 mln tons in 1985 to 12 mln tons in 1990.

With the aim of fulfilling the long-term trade agreement, a Protocol between the governments of the USSR and the PRC on trade turnover and payments in 1986, was signed in Peking on January 23, 1986. This Protocol provides for Soviet-Chinese trade in the current year to reach a volume of 1,700 mln rubles, or a 7.7 per cent increase over 1985. In 1985 prices this growth amounts to 21.7 per cent, and the corresponding rise in the turnover of cargo equals 13 per cent, or 8.7 mln tons. In accordance with the protocol, the USSR will deliver to the PRC machines, equipment and transport facilities (33 per cent of Soviet exports to China), ferrous metals, fertilizers, cement, timber, refrigerators and other goods. From China the USSR will receive soy beans, maize, meal and meat products, cotton, tea, fabrics, sewing, knitted and fur goods and other manufactured consumer goods.

Volumes of mutual deliveries are based on the intergovernmental agreement on trade turnover and payments in 1986-1990. The realisation of obligations, envisaged by the Protocol, creates conditions for a further growth of mutually advantageous trade between the two countries.

The protocol entered into force from the day of its signing and will be valid until December 31, 1986.

The signing of long-term agreements was widely commented on by the Soviet and Chinese press and was met with approval.

The Politburo of the CPSU Central Committee noted the great importance of the signed agreements. "The sides confirmed the need for further efforts to be made on a mutually acceptable and equal footing to fully overcome the negative spell in Soviet-Chinese relations and restore goodneighbourly cooperation".⁷

Renmin ribao in its report on the signing of the agreements said that "China and the Soviet Union lived through the years of mutual estrangement and this is a cause for regret. Over the past few years, thanks to the efforts of both sides, positive changes have taken place in Soviet-Chinese relations, and above all this is seen in the development of trade and economic relations. However, a lot is still to be done. The potential of economic cooperation between the two countries is still to be expanded."⁸

In his report at the 27th Congress of the CPSU, "Guidelines for the Economic and Social Development of the USSR for 1986-1990 and for the Period Ending in 2000", Nikolai Ryzhkov, Chairman of the USSR Council of Ministers, said that during that period trade turnover between the Soviet Union and the People's Republic of China would in particular grow significantly. The USSR once again confirmed its desire to improve relations with the PRC and expand many-sided cooperation.

The first session of the Soviet-Chinese Commission on economic, trade

⁷ *Pravda*, July 19, 1985.

⁸ *Renmin ribao*, July 11, 1985.

and scientific and technical cooperation was held in Peking on March 15-21, 1986. Concrete decisions were made then on a number of important bilateral trade, economic and other relations.

The sides noted with satisfaction that in recent years trade and economic relations between the two countries had been steadily developing, with volumes and nomenclature of mutually delivered goods on the increase.

The commission was unanimous in the opinion that trade between the USSR and China, including across-the-border trade, would get further impetus, as a result of the July 1985 long-term agreements on trade turnover and payments in 1986-1990.

The sides reviewed the fulfillment of the Soviet-Chinese agreement of July 10, 1985 on economic and technical cooperation in the construction and reconstruction of industrial projects in the PRC and discussed the possibility of its expansion. The Commission approved the Protocol, signed in the course of the session, on the terms of mutual exchanges of engineers and technicians.

The Commission approved the results of the work done by the USSR and PRC delegations on transport problems and the measures worked out by them on the comprehensive solution of questions pertaining to the shipping of foreign trade cargoes by railway, sea, river and automobile transport over the period 1986-1990.

The sides gave a positive assessment of the exchanges, begun in 1982, of delegations and groups in science and technology, and noted that the USSR and the PRC have substantial reserves in this respect and will continue to expand scientific and technical cooperation in accordance with the Agreement signed in December 1984.

The Commission instructed the corresponding organisations of both sides to come up with plans for the exchange of exhibitions up to the year 1990 and asked that these plans be submitted for discussion at the second session of the Commission.

It was decided to establish within the Commission a standing working group on transport and a standing sub-commission on scientific and technical cooperation, and statutes were adopted regarding these bodies.

The second session of the Commission is to be held in Moscow in May-June 1987.

Summing up the results of the first session, Ivan Arkhipov, Chairman of the Commission's Soviet part and Deputy-Chairman of the USSR Council of Ministers, and Li Peng, Chairman of the Commission's Chinese part and Vice-Premier of the PRC State Council, signed a protocol on March 21, 1986 that noted that the meeting had taken place in a friendly and businesslike atmosphere.

A March 18, 1986, meeting between Zhao Ziyang, Premier of the PRC State Council, and I. V. Arkhipov was held, during which satisfaction was expressed over the progress in the development of trade and economic, scientific and technical cooperation between the USSR and the PRC in recent years. The parties were also confident that the results of the first session of the Soviet-Chinese Commission on economic, trade, scientific and technical cooperation would provide a serious impetus for further advance in these fields.

The first session of the Commission received wide coverage by the Soviet and Chinese mass media.

"Thinking of the future", said the Political Report to the 27th Congress of the CPSU, "it can be said that the reserves of cooperation between the USSR and China are immense. They are great because such cooperation meets the interests of both countries; because socialism and peace—the most precious things for our peoples—are inseparable".

PRC ECONOMIC OFFICIAL ON ECONOMIC REFORM

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 70-72

[Abridgement of report by Wang Jiye: "On the PRC Economic Reform"]

Editors' Note

In late 1985, on the invitation of the USSR Academy of Sciences, a delegation of specialists in the economy from China, headed by Wang Jiye, First Deputy Director of the Institute of Economics under the PRC State Planning Committee, visited the Soviet Union. The delegation visited several research centres and organisations in Vilnius, Leningrad, Tbilisi, Tashkent. The delegates also went sightseeing in Samarkand. During its stay in the USSR, the delegation was acquainted with the experience of economic construction in the USSR, the organisation of research and other aspects of economic life which were of interest to it.

The delegation was received at the Institute of the Far East of the USSR Academy of Sciences, where Wang Jiye made a report on the progress of the economic reform in China. The text of this report, presented below in a slightly abridged form, outlines the Chinese scholars' views on the economic reform in the PRC.

The reform of the economic system in China first began to be implemented in the countryside [late in 1978.—*Ed.*]. A system of production responsibility was gradually introduced throughout the country. Various forms of collective contract were also implemented, which brought about tangible results. Today in the Chinese countryside the structure of agricultural production is being streamlined, with the aim of developing farming along the lines of specialisation and modernisation, and turning it into commodity farming.

As far as the reform in the cities is concerned, diversified investigation and numerous experiments have been carried out, similar to what was done in the countryside, which have also brought about big effect and relevant experience. The economy became much more lively, a quality it has lacked for many years. The 3rd Plenary Meeting of the CPC CC (12th Convocation) held in October 1984, summed up the results of the economic reform in town and countryside and elaborated a decision envisaging an accelerated implementation of the reform in the entire economic system, with an emphasis on cities.

While carrying out the reform, the following two principles were considered as the most important: 1) priority is given to socialist ownership; 2) collective wellbeing. The planned use of foreign capital and a limited development of individual economies are subordinated to the general demand of developing the socialist economy.

In implementing these reforms, the PRC government takes into account the domestic situation, the real state of the economy, and the factors needed for its progress; it ties the fundamental principles of Marxism with the Chinese reality, so that the country embarks on its own path, without copying the models of other countries. At the same time, it strives to apply the advanced methods of economic management and administration, ty-

pical of modern production, methods of industrialised capitalist states among them. The Chinese economic reform does not encroach on the foundations of the social system; it is the management system and its forms (which do not meet the requirements of the productive forces' development) that are undergoing reform. The reform does not affect the socialist basis; moreover, it is aimed at a further improvement and progress of the socialist system. With these changes, the PRC has been creating a vital and viable socialist economy with specifically Chinese features, and stimulating development of the society's productive forces.

The major aspects of the economic reform, now being implemented mostly in the cities, are as follows;

1. Enhanced viability and independence of enterprises, with priority given to viability of large and medium-size enterprises.

2. Transformation of the trade system and invigoration of the trade turnover. The trade system is to become "open", this being prompted by the need of an allround development of trade turnover. The system is becoming "multi-channelled", with fewer intermediate trade outlets; an extensive trade network is being formed, connecting town and country, as well as a single socialist market.

3. Implementation of foreign trade reform; expansion of economic and technological ties with foreign countries. While strengthening the united leadership and control, the new situation should be taken into account and, therefore, the granting of broader rights to local organisations should make up the main principle, invigorating economic activity, and enlivening work in all spheres.

4. A gradual implementation of the price reform, on the basis of equivalent exchange, and of supply and demand requirements.

5. Implementation of a wage-and-salary reform based on the principle of payment according to the work done. This year the PRC will reform the salary system of primary-and-secondary school teachers, government employees and in other organisations of the non-production sphere; the reform will make the level of salary directly dependent on the person's post and service record. Structurally, salaries consist of the following parts: the basic wage, paid in accordance with the post held (as individually defined by the existing tariffs), an increment for long service and a bonus. At the same time, several national enterprises have been conducting the following experiment: the common fund (wages and salaries) undergoes changes depending on the economic efficiency of the work done by the given factory or plant. Experiment is continuing.

6. Implementation of a reform in the system of planning; a better use of economic levers. The reform of the planning system is a major part of the reform in economic management. Over the last few years, the PRC has been introducing into the old system of planning some initial changes, which boil down to a gradual narrowing of directive planning and an easing of the restrictions in its management. At present, the work on management and balance of macro-level economy is activated. A series of economic regulation measures is used in applying a planned management.

The proposals made by the CPC Central Committee on the Seventh Five-Year Plan, adopted by the 1985 All-China Party Conference, contain concepts regarding a further implementation of the reform in the economic system; measures for their realisation were also submitted. The following three intertwined provisions are given priority:

First, the need to further secure the enterprises' vital capacity (especially that of the large and medium-size national enterprises) with the aim of turning them into relatively independent, socialist, self-supporting units.

Second, a further development of a socialist planned commodity market and a gradual improvement of the market system. Along with expanding the market of consumer goods, and the market of means of production, the

fund and technology markets are to be created step by step, which will promote a rational rechanneling of the work force. The price-system and price-regulation reforms will pave the way to a gradual improvement of the market system.

Third, a step-by-step transition from direct to indirect control is being planned in the state management of enterprises as the main form of control. In order to translate this into actuality, a new macro-system of economic management will have to be created, while the economic branches and their development will be managed and regulated mainly through economic and legal measures, and also, if need be, through administrative ones. This implies a radical turn in the economic management and is the main thrust of the reform.

The three above-mentioned provisions require a comprehensive planning reform, as well as reforms of financial and money circulation systems; and a labour and wages reform. All this will help create a mechanism of balancing the plan and the market, the macro- and micro-economies.

The allround reform of the economic system in China has just started unfolding, its general direction is considered to be correct. As to specific steps and measures, continuous search and experiments are needed. In the near future complex reform, with closely interconnected aspects, which will help develop the society's productive forces and further improve the life of the people, is to be put into effect.

Translated from Chinese by A. BARSUKOV

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PRC'S 6TH FIVE-YEAR PLAN: RESULTS, PROBLEMS

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 73-85

[Article by S. V. Stepanov and V. Ya. Portyakov]

The first half of the 1980s turned out to be a very significant period in the history of the development of the PRC's economy and of the entire Chinese society. These were years of a serious reassessment of the past, many illusions and misconceptions were abandoned, and new aims and principles were determined. A resolute, though painful turn was made in the economy from Leftist voluntaristic methods of management to the path of a more realistic policy. The task of taking a fuller account of the objective laws of the country's economic life and the specificities of China's development was set, together with a search for new growth incentives and their vigorous use.

The PRC's economic development during the past five-year-plan period (1981-1985) cannot be separated from the very important processes that were taking place in the country's internal life and international relations. It was during those years that relative order was restored in China, the activity of the main state institutes and public organisations was resumed, and a new Constitution and Rules of the CPC adopted. Changes were made in the Party, state and economic leadership, largely by infusing young blood.¹ Important changes occurred in the structure of the top echelons of economic management.² There has also been a substantial intensification and expansion of the PRC's international activities.

All the attention and the more sober approach to economic problems along with a definite improvement of the entire situation in the country during the 6th five-year-plan period brought about a noticeable recovery of economic life in the PRC and rather high growth rates. The average annual growth rates of national income in 1981-1985 amounted to 10 per cent, of industrial output—10.7 per cent, and of agricultural output—8.1 per cent.³

The rates of the economy's growth considerably surpassed the five-year plan assignments which provided for an average annual increment of about 4 per cent both in industry and agriculture. The five-year-plan assignments concerning most indicators were already fulfilled or overfulfilled in 1984. In a number of areas (cement, motor vehicles, machine-tools, power equipment) the plan assignments were overfulfilled by as much as 20-60 per cent while the target of manufacturing garden tractors was overfulfilled by 140 per cent (see Table 1).

The output of consumer goods, especially durables, grew at a high pace. Some of these goods were mass produced for the first time in the PRC during the 6th Five-Year-Plan. Thus, in 1981 the PRC produced 5.4 million

¹ As many as 1.1 million old cadres left their important posts, more than 200,000 young officials were nominated to posts, higher than the district level, at the last CPC Conference 64 members and candidate members of the Central Committee of the older generation were replaced (authors' note).

² As a result of the reform of the state apparatus in 1982-1983, the number of ministries, committees and agencies of the State Council was cut from 100 to 61, and their administrative staff reduced by 12,000 (authors' note).

³ *Renmin ribao*, January 12, 1986.

TV sets (including 30,000 colour sets) while the corresponding figure for the year 1985 was 16.2 million (including 4.1 million colour sets). The figures for cassette recorders were 2.8 and 8.8 million and washing machines—1.3 and 8.8 million respectively. Although output is not yet high enough in terms of per capita consumption, still these commodities have ceased to be a rarity.

After being virtually in a state of stagnation and slump for more than twenty years, China's agriculture made especially noticeable advances during the 6th five-year-plan period. Thus, during the past five years average annual grain harvests were 65 million tons higher than during the preceding five years, cotton harvests increased by 50 per cent, oil-bearing plants by 100 per cent, meat production by almost 50 per cent and sugar production by 70 per cent.

Table 1

Production of Main Types of Industrial and Agricultural Output

Unit of measurement	1980	1984	1985 (actually)	1985 (plan)	1985 to 1980 in %
Coal mln tons	620.0	789.0	850.0	700	137
Oil —»—	106.0	114.6	125.0	100	118
Power bln kWh	300.6	377.0	407.3	362	135
Steel mln tons	37.1	43.5	46.7	39	125
Cement —»—	79.9	123.0	142.5	98	178
Chemical fertilizer—»—	12.3	14.6	13.4	13.4	109
Motor vehicles in thous.	222.3	316.4	439.0	200	197
Machinetools —»—	133.6	133.5	155.0	100	116
Tractors —»—	97.7	39.7	44.6	60	46
Big and medium-sized small	217.9	688.6	—	280	316*
Power equipment mln kW	4.2	4.6	5.6	3.5	133
Fabrics bln metres	13.5	13.7	14.3	15.3	106
Grain mln tons	320.6	407.3	379	360	118
Cotton —»—	2.7	6.3	4.15	3.6	153
Oil-bearing plants —»—	7.7	11.9	15.8	10.5	205
Meat mln tons	12.1	15.4	17.6	14.6	145
Sugar —»—	2.6	3.8	4.4	4.3	173

Sources: 6th Five-Year Plan of Economic and Social Development, Peking, 1983; *Zhong-guo jingji nianjian*, 1985, III—2,24; *Jingji ribao*, March 1, 1986.

*—1984 in per cent to 1980.

The positive changes in China's agriculture are connected first of all with the economic reform—the transition of peasants to the family contract system, which made them more interested in increasing production. In 1978-1983, farm produce procurement prices were increased on the average by 50 per cent. This gave the peasants a big incentive and accounted for some 30 per cent of their net income. Growth of output in agriculture was facilitated by the fact that the state bought a bigger part of farm produce for higher "above plan" and contract prices (about a third of the total volume of purchases in 1984 as against 8 per cent in 1978).⁴

Beginning with 1985, the PRC became a net exporter of agricultural produce. True, problems have appeared involving transportation, storage and marketing of some types of farm produce. Under the impact of relative overproduction (in terms of the present level of consumer demand), in 1985 the areas planted with grain were reduced by 4.4 million hectares and with cotton by 1.3 million hectares, while the total arable land area in the country increased by 1.1 million hectares.⁵ The question arose of finding bigger foreign markets.

⁴ *Jingjixue zhoubao*, Oct. 1, 1984.

⁵ *China Daily*, Aug. 20, 30, 1985.

In the period under review, macroeconomic ratios were improved in the PRC's economy. The lag of agriculture and light industry was somewhat reduced and their growth rates exceeded those of heavy industry (11.4, 12.0 and 9.6 per cent respectively).⁶ This resulted in a change in the ratios between the main branches of the economy: agriculture's share in the combined gross output of agriculture and industry rose from 27.8 per cent in 1978 to 34.8 per cent in 1985; in gross industrial output the share of light industry increased in the same period from 43.1 to 47.4 per cent. The share of accumulation in national income declined from 36.5 per cent in 1978 to 32 per cent in 1985⁷, although many Chinese specialists believe its rational level should be under 30 per cent.

According to official statistics, in the PRC's cities over the years of the 6th five-year-plan period 35 million people became employed. The average per capita incomes in the families of workers and office employees reached almost 95 yuan a month. On average their annual increment over the five years amounted to 13 per cent; the figure is 9.3 per cent after the factor of price increases is taken into account.⁸ The average per capita incomes of peasants doubled and exceeded 33 yuan a month.

920 million square metres of housing were built in the PRC's towns (exceeding the plan by 130 per cent), an average of 4.6 square metres per person.⁹ The scope of housing construction in the countryside was also great: from 1979 to 1984 an average of 5.5 square metres of housing per rural inhabitant was built.¹⁰

Retail trade turnover was doubled during the five years and exceeded plan targets by 50 per cent.¹¹ Rationing of most consumer goods has been stopped in the country.

All this gave the Chinese press reason to draw the following optimistic conclusion: "In the economic field we have already entered the most favourable period since the formation of the state (proclamation of the PRC—*Auth.*), the period of tempestuous development."¹²

At the same time, judging by views expressed in the Chinese press, there is reason to believe that the growth rate indicators are somewhat exaggerated because of inflated reports and imperfect statistics. For instance, some Chinese authors say that in 1981 industrial production in the PRC increased not by 4.1 per cent (as announced by the State Statistical Board) but by 3 per cent.¹³ In addition, some items were counted twice and this also resulted in exaggerated end results. For instance, whereas the gross value of the output of small agricultural enterprises in 1984 grew by 43.5 per cent, value created by live labour increased only by 27 per cent while value resultant of the transfer of the value of materialised labour increased by 51.3 per cent. The explanation for this discrepancy may be the inclusion of low-grade materials and those not used earlier in production as well as the expansion of production using semi-manufactures received from urban enterprises, which thus increases recurrent count when determining gross value.¹⁴

Substantial discrepancies between plan targets and the actual situation in the economy, especially in industry, as well as uneven development were observed during the past five-year-plan period. In 1982, for instance, when the plan target was 7 per cent, the increment of production in light

⁶ Estimated on the basis of data in *Renmin ribao*, Jan. 12, 1986.

⁷ *Renmin ribao*, Jan. 12, 1986.

⁸ *Jingji cankao*, Dec. 27, 1985; *Renmin ribao*, Sept. 15, 1985.

⁹ *Renmin ribao*, Sept. 18, 1985.

¹⁰ *Beijing Review*, No. 29, 1985.

¹¹ *Renmin ribao*, Sept. 11, 1985.

¹² *Ibid.*, Sept. 19, 1985.

¹³ *Lun jingji jigou duice*, Peking, 1984.

¹⁴ *Jingjixue zhoubao*, Nov. 10, 1985.

industry was 5.7 per cent while in heavy industry the corresponding figures were 1 and 9.9 per cent. A year later, the planned figures for light industry and those actually achieved by it were 4.1 and 8.4 per cent, and for heavy industry 3.9 and 12.1 per cent respectively. Production in the heavy industries declined by 4.7 per cent in 1981. It was only in 1984 that the manufacture of power equipment exceeded the level of 1980, while the output of metal-cutting machines, big and medium tractors was still below that level.

On the one hand, these trends are a result of insufficiently substantiated planning, not at all surprising considering the damage that was inflicted on the planning and statistical agencies, and to the entire activity in this field during and after the "cultural revolution". On the other hand, the expansion of the rights of economic units and local bodies of power, the increased role of market regulation in conditions of a weak mechanism of centralised planning enhanced the growth of uncontrolled spontaneity in the country's economic life.

The high rates of economic growth in the PRC during the 6th five-year-plan period brought about a veritable "boom" in capital construction although its planned volume was to have remained on the level of the preceding five years so as to bring the scale of construction in line with the economy's material and technical possibilities. The volume of capital investment outside agriculture exceeded plan targets by 50 per cent.¹⁵ All efforts to limit construction financed by centralised investment were reduced to nil by the rapid expansion of financing from local sources. The situation increasingly eluded control in recent years. In 1984 investments in capital construction from the state budget went up by 16.6 per cent while investments financed by non-budgetary allocations increased by 33.8 per cent. In the first half of 1985 the figures were 5.8 and 109 per cent respectively.¹⁶

This resulted in a growth of unfinished construction. Construction sites, including the most important ones, suffer from shortages of materials, soaring construction costs, and the appearance of redundant productions and rivalry between them for markets and raw materials that are in short supply.¹⁷

This situation increasingly obstructed the solution of the Five-Year-Plan's key tasks: raising the efficiency of production and ensuring a turn from new construction to retooling existing enterprises. This situation, where the demand for raw materials, initial products and equipment obviously exceeded the supply, did not encourage manufacturers in any way to improve the quality of their output or reduce production costs. The tendency of haphazard construction of new projects financed by local allocations was clearly taking the upper hand over the policy of technical re-equipment pursued by the central authorities.

In the annual bulletins of the State Statistical Board, it was noted in part that the expenditure of materials, according to the major indicators, increased by 20-30 per cent in 1982-1983, and there was an overall growth of the production costs of comparable products during the first four years of the five-year-plan period. China admits that 60 per cent of machine-tools in the engineering industry are more than 20 years old, while a large proportion of the textile equipment has been in use for 50-60 years.¹⁸

No fundamental change as regards raising the efficiency of production has taken place in China during the past five-year-period, which was also admitted at the CPC's national conference in the fall of 1985. It should be stressed that although manpower resources are inexhaustible and produc-

¹⁵ *Renmin ribao*, Sept. 18, 1985.

¹⁶ *Hongqi*, No. 20, 1985, p. 16.

¹⁷ On problems in Capital Construction in the PRC see L. V. Novosyolova, "Reform in Capital Construction", *Far Eastern Affairs*, No. 4, 1985.

¹⁸ *Lun jingji jigou duice*, Peking, 1984.

tive forces are underdeveloped, for the PRC the problem of increasing efficiency and switching to a more intensive road of development is an extremely acute one. But the low level of production efficiency and quality are not the only concerns.

Although in absolute terms China's natural resources are considerable, in per capita terms they are comparatively small. Besides, the volume of output of some key raw materials has already reached considerable figures. So a further advance, reducing the lag behind the level of developed countries and achieving modern living standards for the population, at the present level of production efficiency, would require drawing a huge amount of natural resources into circulation, which, beyond a foreseeable point, is impossible because of their shortage, the absence of the necessary investment funds and, in some instances, because physical limits have been approached (for example, the mining, transportation and utilisation of coal if extraction were to be increased several times). It is not by chance that while industrial production is to be increased four-fold by the end of the century, the use of raw materials is only scheduled to double.

Obvious inflationary tendencies have been generated by a demand for raw and building materials in excess of supply. In 1984, the average growth of timber, cement and rolled stock prices was 9.6 per cent.¹⁹ An indirect indicator of the considerable increase in prices of materials is the 64 per cent rise in labour productivity in construction over the five years²⁰ in the absence of any substantial improvements in the mechanisation of construction work.

The imbalance between demand and supply by itself creates only the fertile soil for inflation. Lately, the inflation growth in China has been connected with some aspects of the reform of the economic mechanism, first of all, with the expansion of the rights of enterprises and local authorities in using contract prices and with the increased role of market prices. This gives manufacturers many opportunities to dictate their prices to clients, often in direct violation of order which has been established so far by the state.²¹

Inflation has affected the sphere of consumption as well. According to official figures, in 1981-1984, the retail price index increased almost 20 per cent. Prices of 1,500 types of foodstuffs rose by an average of 30 per cent. In addition, the role of agricultural markets and the private sector in satisfying the population's needs has grown, although the prices there are usually higher than the state's. Thus, in Peking, the lifting of restrictions on market prices in 1985 alone, resulted in their growth by an average of 30 per cent.²²

"Consumption inflation" was also stimulated by the too rapid growth of the population's incomes. This is directly connected with the growth of investments because, as estimated by the PRC's State Statistical Board, out of every 100 yuan invested in fixed assets, 41 of them are directly or indirectly used to increase consumer demand.²³ The broader rights of enterprises in increasing the incomes of working people brought about their disproportionate growth. In 1984, for instance, the State Bank issued 22.3 per cent more cash for the payment of wages and bonuses than in the previous year, while national income increased by 12 per cent. In the first half of 1985, as compared to the corresponding period of the preceding year, this indicator reached 31 per cent, with bonuses accounting for 76.4 per cent.²⁴

¹⁹ *Hongqi*, No. 20, 1985, p. 15.

²⁰ *Renmin ribao*, Sept. 18, 1985.

²¹ According to incomplete data price checks in China in 1984 revealed 260,000 violations of state price discipline. *Jiage lilun yu shijian*, No. 4, 1985, p. 61. In the first 9 months of 1985 there were 160,000 such violations, *Hongqi*, No. 1, 1986, p. 15.

²² *Beijing Review*, 1985, No. 21.

²³ *Hongqi*, 1985, No. 20, p. 15.

²⁴ *Shijie jingji daobao*, Aug. 19, 1985, *Renmin ribao*, April 13, 1985.

It can be said that the state has lost effective control over public demand.

In recent years, in connection with the expansion of the economic independence of enterprises and the rights of local authorities a state budget deficit has become a permanent feature. And even though it was reduced (in 1979 it reached a record of 17 billion yuan or about 15 per cent of total budget revenue) and in 1985 officially eliminated due to resolute restrictive measures, from 1981 to 1984 the budget annually had a deficit ranging from 2.5 to 4.5 billion yuan. While the Chinese did not consider such a deficit to be too dangerous, regular annual deficits invariably had a negative impact on the economy.

Encouragement of enterprise and market activity has resulted, according to the Chinese press, in widespread money-grubbing. Economic crimes and violations of legislation have become a national problem. More than that, cadres are not infrequently involved in such activity. Investigations during the first nine months of 1985 uncovered the existence of 27,000 "illegal" enterprises, in which 67,000 cadres were involved.²⁵

In agriculture as well not only positive results have been produced by the switch to the small-scale contract system. The demographic situation has become more complicated and the employment problem has deteriorated; differentiation in the incomes of peasants is growing causing mounting social tension, spawning private-ownership sentiments, etc.²⁶

A growing introduction of economic reforms was a characteristic feature of the previous five-year-plan period in the PRC. This was accompanied by extensive and rather free discussions of various economic questions, during which a wide spectrum of ideas was expressed. It is not the intention of this article to study this question in detail. Suffice it to say that gradually, both in the scientific circles and in the state's official economic policy, a course was worked out that was basically free of extreme positions, including also obviously anti-socialist ones.

The agricultural reform was pursued comparatively swiftly and on a big scale. Already during the first year of the five-year-plan period the family contract became predominant in the countryside. Initially, production teams retained considerable organisational, administrative, economic and social functions. For example, it was through the contract system that the teams fulfilled the state procurement plans and ensured the fulfilment of common farm work. But with the development of the contract system and the improvement of the state of affairs in agriculture the situation began to change. Land began to be allotted to individual peasant households for periods of not three but ten or more years. The contract system began to spread, in addition to the main branches of agriculture, to such fields as fisheries, forestry, construction, transport, etc.

A large part of farm equipment became the private property of peasants: by the beginning of 1985 they owned 2.8 million tractors (mostly small ones) or 68 per cent of all tractors in the country, as well as 120,000 trucks.²⁷

This resulted in a considerable weakening of the organisational and economic functions of production teams in conditions of a growth of the regulatory functions of the market and indirect economic levers of the state. Once the separation of the economic and administrative functions of the people's communes and the creation of local bodies of power were completed

²⁵ *China Daily*, Dec. 5, 1985.

²⁶ Pressing Problems of China's Economic Development. *Far Eastern Affairs*, 1985 No. 3.

²⁷ *Nongmin ribao*, Jan. 23, 1985.

in late 1984, there was no longer any unified institute of collective ownership in the Chinese countryside (in practice this role is sometimes played by committees of rural inhabitants). The CPC's agrarian policy provides for encouraging the voluntary association of peasants in diverse production organisations. This is a sort of "second" socialisation and it is meant to advance in accordance with the level of development of productive forces in the countryside, avoiding the losses of the initial, formal socialisation. For this reason the process of creating economic associations of peasants was not forcibly accelerated and progressed at a slow pace for a number of years. It is only in recent years that there have been changes. By the end of 1984 there were 466,800 "new economic associations" with 3.5 million working members, of whom 700,000 were "assistants" or "apprentices".²⁸ It is only the participation of peasants in supply and marketing cooperatives that is of a mass nature, with 80 per cent of peasant households being members. So far there is no reason to say that the "new economic associations" of peasants will in the near future replace the former cooperative system.

Parallel to the development of the contract system in the Chinese countryside, the individual sector, mostly outside agricultural production, has expanded in recent years. By the end of 1985, the number of private entrepreneurs in the Chinese countryside had reached 12-13 million.

The development of small-scale industry, now largely oriented toward first of all meeting the requirements of agriculture and the rural population, got a new impetus during the past five-year-plan period. In 1985 rural enterprises produced commodities to the sum of 230 billion yuan, or 28 per cent of the value of the country's total industrial output, their production increment that year was 38 per cent as compared to 17.7 per cent for industry as a whole. More than 60 million people are employed at six million rural enterprises (including 3.3 million privately owned ones).²⁹ It is intended that 100 million will be employed this way by 1990.³⁰ Plans for raising the technical standard of rural industry are being drawn up.

The unquestionable progress in China's agriculture during the past five years made it possible in 1985 to start a reform of the system of purchasing farm produce that Zhao Ziyang, the Premier of the PRC State Council, called the second most important step of the reform in the countryside after the introduction of the contract system³¹. Its main elements are the replacement of the obligatory state purchases of grain and cotton by contractual purchases,³² a more extensive and free use of market and contract prices, regulation of market prices by way of state purchases, and sales of farm produce at stable prices. These measures, ultimately, are to bring prices and production costs in line which, after a lengthy period of a policy of fixed unchanging prices, have drifted far apart. At the same time, as revealed by the results of 1985, the working out of a new system of purchasing farm produce is a very complex matter and might take several years.

In the opinion of Du Runsheng, one of the leading theoreticians of agrarian science in the PRC, the adjustment of the system of prices and purchases will be followed by a stage during which a free market of sorts will form as well as a mechanism of market regulation under the guidance

²⁸ *Zhongguo tongji nianjian 1985* (China's Statistical Year Book), Peking, 1985, p. 291.

²⁹ *Zhongguo jingji nianjian 1985* (Year Book of China's Economy), Peking, 1985, pp. V-19.

³⁰ *China Daily*, Dec. 23, 1985.

³¹ *Beijing Review*, 1985, No. 1.

³² In recent years 80 per cent of marketable farm produce were purchased in a centralised manner (authors' note).

of the socialist plan system. The main regulator of production, variety and quality of farm produce will be prices.³³

The national conference on work in the countryside, held in December 1985, shows that the Chinese leadership soberly assesses the successes in the agrarian field and realises that numerous serious problems still exist there, such as, for instance, the weakness of agriculture's material and technical base and the shortage of finance. Concern is also caused by the new problems that have already arisen in the course of the reform in the countryside: the peasants' declining interest in developing grain production, the deteriorating state of irrigation installations in the countryside, and the increased pace of labour redundancy in agriculture. In this situation, while retaining on the whole the course of reform in the countryside, China is beginning to introduce certain corrections and improvements into the agrarian policy that took shape in the first half of the 1980s. It is being said with greater clarity that there is a need "to uphold the cooperative system and the path of joint prosperity", to give assistance to poor areas, and to attain unity of economic and social efficiency. The policy is being pursued of giving financial support to grain producers out of profits made by rural industry.³⁴

The first years of the 6th five-year-plan period in the urban economy were a time of "adjustment". The emphasis then, though rather extensive experiments to perfect the economic mechanism were being conducted, was on eliminating macroeconomic disproportions, and raising the efficiency and quality of output. It can hardly be said that the aims of the "adjustment" have been fully achieved. Still, the viewpoint expressed by the prominent economist Xue Muqiao has taken the upper hand in China. He holds that although this work has not yet been completed "the task of adjustment has for the most part been achieved". The Chinese economy, Xue Muqiao stated, "has already embarked on the road of healthy development, making it possible to accelerate the reform of the economic system."³⁵ It was decided to accelerate the economic reform in the towns in the wake of the transformation in agriculture.

The 3rd Plenary Meeting of the CPC CC of the 12th Convocation (October 1984) outlined the course of the economic reform in the towns. It proceeded from the results of the experiment and was clearly influenced by the positive assessment of the large-scale transformation of the management of agriculture. The concept of the reform, its principles and directions, that have actually taken shape in the preceding years, were approved. In 1984-1985, a legislative basis for the reform was vigorously created and its course accelerated.

The accumulated practical experience and a better understanding that the reform, especially at the initial stage, can exacerbate existing economic problems and create new ones, began to exert a big influence on the course of the reform at the end of the five-year-plan period. Thus, the utmost strengthening of "macroeconomic management in order to preclude instances of losing control of the economy"³⁶ was named one of the main tasks of the current stage of the reform at the 3rd Session of the National People's Congress of the 6th Convocation (March-April 1985). The concrete measures announced for controlling crediting, the emission of money, the consumption fund, capital construction, and the use of foreign currency along with those for the observance of financial discipline directly influenced many spheres of the economic reform in the PRC in 1985. So already at the initial stage of the reform certain adjustment was required.

³³ *Beijing Review*, 1985, No. 25.

³⁴ *Nongmin ribao*, Dec. 31, 1985; Jan. 1 and 16, 1986.

³⁵ *Renmin ribao*, Oct. 8, 1984.

³⁶ 3rd Session of the National People's Congress of the PRC of the 6th Convocation (Main Documents), Peking, 1985, p. 83.

Also important is the special emphasis made by the Chinese leadership on the socialist nature of the transformations carried out in the country. They say that the "upholding of the absolutely leading place of social ownership in the economy" and emphasis on the "common prosperity of the entire people" guarantee this.³⁷

The way the problem is posed does not in any way question the overall concept of the reform, or its aim of creating a "socialist economic system of a new type" defined as a "planned commodity economy" by way of "further enhancing the activity of enterprises, further developing the socialist commodity market" and "strengthening the system of indirect macroeconomic control". This was confirmed in the decisions of the National Party Conference (autumn of 1985).³⁸

Some elements of the reform of the urban economy were more or less extensively implemented during the preceding five-year-period. We refer to the expansion of the economic independence of enterprises (a tax to replace deductions from profits that went to the budget; the possibility to create their own funds; the granting of certain rights in price formation, supply and marketing to enterprises; the creation of greater material incentives to make individuals and work collectives interested in improving their production indicators), the certain reduction of the sphere of centralised planning and expansion of market regulation, the switching of the cooperative sector to the rails of "self-management", encouragement of the individual sector, etc.

In our view, the transformations in the field of prices were most intensive at the end of the five-year-plan period. This, in the Chinese leadership's opinion, is "the key to the entire reform, to its success or defeat".³⁹ The course was taken of rectifying the most serious "imbalances" in prices (their isolation from production costs), of increasing the flexibility of their mechanism on the basis of narrowing the framework of centralised price-forming, of expanding the rights of the lower-echelon economic units, and of creating a diversified system of prices (fixed, fluctuating, contract and market). This is designed to ensure an expansion of market regulation in the economy and the attainment of harmony between demand and supply. Thus, it was announced that coal prices would be regulated (depending on quality and area of use) as would the growth of prices set by enterprises for some types of oil products, and that tariffs for shorthaul rail carriage would be introduced. Enterprises were given more rights to set prices themselves (with the approval of local pricing authorities), in particular, on some types of household appliances. The role of market demand in forming the level of prices of vegetables, pork, etc., has grown drastically.

Leading Chinese specialists are of the opinion that difficulties at the initial stage of the price reform are inevitable and characterise an annual growth of the index of retail prices by 10 per cent as "acceptable".⁴⁰ But as a result of the population's clearly negative attitude to a possible chain reaction in the growth of prices and inflation in the next five-year period, it is intended "to stay firmly within definite frameworks and limits".⁴¹

Another important direction of the PRC's economic reform is a reform of the system of wages to eliminate leveling and implement the principle of distribution according to work. Attempts were made to introduce fluctuating wages that would link the total sum of incomes of working people

³⁷ "Speech by Chen Yun at the National Conference on Exchanging Experience in the Field of Rectifying the Style of Party Work" (*Renmin ribao*, July 1, 1985). "speeches by Chen Yun and Deng Xiaoping at the National Party Conference" (*Renmin ribao*, Sept. 24, 1985).

³⁸ *Renmin ribao*, Sept. 26, 1985.

³⁹ Remarks by Zhao Ziyang in *Renmin ribao*, Jan. 2, 1985.

⁴⁰ *Jiage lilun yu shijian*, 1985, No. 4, p. 58.

⁴¹ *Renmin ribao*, Sept. 26, 1985.

with the economic efficiency of enterprises and the personal contribution of each employee. This experiment does not appear to have been a complete success, and it has been decided not to expand its sphere in 1986. With the aim of stopping the uncontrolled growth of the incomes of working people, decisions were adopted in 1984 and 1985 on the taxation of bonuses paid out in excess of set limits (for enterprises that retained the old system of remuneration), bonuses in the system of cooperative enterprises and wages at enterprises that have switched to the new system of remunerating work. The reform of the system of wages is coupled with a reform of the system of labour. Its main direction is the introduction of contracts to fulfil certain types of work, concluded for a set period of time. This system, since jobs will no longer be guaranteed indefinitely, is to encourage employees to work more conscientiously. So far the system of contract employment is limited in scope: by the end of August 1985 this system applied to 2.1 million workers of state enterprises⁴² or slightly more than 2 per cent of the total.

The changes in the system of wages during the previous five-year period clearly generated hopes among the urban population of a substantial growth of living standards. In this connection Zhao Ziyang was compelled recently to state that the existing objective limitations made it impossible to solve all the problems that have accumulated in the wage mechanism during the preceding period in a single stroke.⁴³

Although they considered it central to the entire reform of the economic activity in the towns, the Chinese have not yet solved the problem of invigorating the economic activity of enterprises. Since the 3rd Plenary Meeting of the CPC CC in 1984 special importance is being given to "invigorating the activity" of big and medium enterprises that account for 2 per cent of all the industrial enterprises and for 60 per cent of fixed assets and as large a share of deductions to the state budget.⁴⁴ A resolution on this issue approved by the State Council came into force in September 1985. It is directed at giving enterprises in practice all the rights to which they are entitled (including the right to appear on the foreign market) but which in the past they were in most cases denied; at improving the conditions in which enterprises operate; at accelerating the transformation of management within enterprises (for instance, by there creating small cost-accounting subunits while the enterprise retains sole responsibility for profits and losses).

Such forms of economic management as leasing the enterprise to its personnel on the basis of a collective contract, transforming the enterprise into a cooperative enterprise or leasing it to private individuals⁴⁵ are being increasingly employed at small enterprises, especially in the sphere of trade and service. The latter form, which is now also widespread at enterprises in the countryside and small settlements, often yields good economic results but leads, in the opinion of a number of Chinese economists, to an actual change in the nature of ownership.⁴⁶

The course of the reform of the planning system is not quite clear. It was intended in 1985 to reduce, in a centralised manner, the list of types of output planned by the State Planning Committee from 123 to 60 and the share of this output in gross industrial product from 40 to 20 per cent. This work, however, has not yet been completed. The formulation of the concept

⁴² *Renmin ribao*, Sept. 27, 1985.

⁴³ 3rd Session of the National People's Congress, pp. 25-26.

⁴⁴ *Renmin ribao*, Sept. 21, 1985.

⁴⁵ Late in 1984 46,600, 5,500 and 5,900 small state enterprises in the sphere of trade and services were switched to these forms of management respectively. *Renmin ribao*, March 10, 1985.

⁴⁶ Chen Jiagui, "A Study on the Problem of Implementing the Leasing Method of Economic Management at Small Enterprises" — *Guangming ribao*, Sept. 14, 1985.

of the planning reform, in particular, the optimum delimitation of the sphere of directive and "guiding" planning is still in progress. At present, the task of "giving guidance to the market mechanism" is being set before the PRC's planning system as one of the most important ones. During the 7th five-year plan period it is intended to continue the course of gradually narrowing the sphere of directive planning and expanding the sphere of the state's indirect control of economic activity.

For the past five years China has been pursuing an "open external economic policy" that gives external economic ties an especially important role in advancing the economy and meeting the demands of the scientific and technological revolution by vigorously drawing on the latest foreign equipment, technology and managerial experience.

Table 2

The PRC's Foreign Trade (bln dollars)

	1980	1981	1982	1983	1984	1985	1985 to 1980 in %
Turnover	37.8	44.0	41.6	43.6	53.5	69.7	184
Export	18.3	22.0	22.3	22.2	26.1	27.4	150
Import	19.5	22.0	19.3	21.4	27.4	42.3	217
Balance	-1.2	0	-3.0	-0.8	-1.3	-14.9	

Sources: China's statistical year books for the respective years; Data for 1985—*Beijing Review*, 1986, No. 5.

Over the five years, the volume of trade increased by 50 per cent and reached the planned targets set by the Five-Year Plan. Although the level of development of external economic ties is regarded in China as still insufficient, the size of the trade turnover is objectively impressive considering the scale of the economy and the country's population and the quite adequate availability of natural resources. At present the PRC's export amounts to about 9 per cent of national income (without consideration for differences between domestic and foreign trade prices).

Developed capitalist countries remain China's main trade partners (first of all Japan, the United States and the FRG), which in 1984 accounted for 56 per cent of the trade turnover,⁴⁷ as well as Hong Kong (19 per cent). The share of socialist countries amounts to only 7 per cent of the PRC's foreign trade, including the share of CMEA countries—6 per cent.

The commodity pattern of China's foreign trade remains sufficiently stable. Export consists mostly of textiles and clothes (24 per cent in 1984), oil and oil products (22), foodstuffs (12) and raw materials (10 per cent). In 1984 the PRC exported 22 million tons of oil, 5.7 million tons of oil products and 1.7 billion metres of cotton fabrics. The expansion of deliveries of farm produce to the foreign market was a characteristic feature of export during the previous five years. In 1984 the export of meat reached 260,000 tons, live hogs—3.1 million head, cotton—200,000 tons, and grain—3.4 million tons (double the figure for 1982). From an importer China has turned into a net exporter of cotton and, in 1985, of grain (7.0 million tons were exported).⁴⁸

⁴⁷ Here and further data estimated on the basis of customs statistics of the PRC. *Foreign Commercial Data Bulletin*, Sept. 7, 1985.

⁴⁸ *Beijing Review*, 1986, No. 1.

Machines and equipment are a major import item for China and in 1984 accounted for 26 per cent of all import. At the same time the country has to import large quantities of raw materials and initial products and, before 1985, also grain (in 1984—10 million tons of grain, 7.9 million cubic metres of timber, about 250,000 tons of aluminium, copper and zinc, 12.3 million tons of steel rolled stock and 1.2 million tons of sugar). It should be noted that in recent years China has expanded the import of consumer goods. About two billion dollars were earmarked in 1985 for the purchase of domestic appliances and other consumer goods.⁴⁹

China's "open external economic policy" provides for the development of diverse forms of cooperation with other countries, first of all capitalist ones. In 1979-1985 the PRC signed credit agreements totaling \$20.3 billion of which, by the end of 1985, it had used only \$15.6 billion. Pursuing a sufficiently cautious international credit policy, China is increasingly orienting itself toward easier-term credits of the IBRD and starting in 1981 received credits worth \$4 billion from it.⁵⁰

During the 6th five-year-plan period the PRC's external financial position remained sufficiently stable, although as a result of the rapid growth of imports in the second half of 1984 and the formation of a considerable trade deficit, its foreign currency reserves dropped from \$17 billion in September 1984 to \$11 billion in the first quarter of 1985.⁵¹

In recent years the PRC is giving ever greater preference to direct foreign investments in its economy rather than credits hoping, as a result of the direct interest of investors, they will be more efficiently used. By the end of the five-year period the PRC had signed contracts worth \$16.2 billion on the use of direct foreign investments (including contracts worth \$5.9 billion in 1985, of which only \$4.6 billion were actually used).

By September 1985 the PRC has endorsed the creation of 1881 enterprises financed by mixed capital (enterprises using the money of foreign investors) 3,408 so-called contract enterprises and also 104 enterprises fully belonging to foreign capital.⁵² In addition to this China set up 65 mixed enterprises outside the country.⁵³

The foreign factor is playing a steadily growing role in the PRC's economy. Some 600 sets of documentation for modern equipment and technology were imported during the five years.⁵⁴ The share of foreign capital and imported equipment in the total sum of investment in capital construction rose from 16.7 per cent in 1978 to 45.6 per cent in 1984.⁵⁵ Thus, it is possible to speak of a serious dependence on the external factor in the PRC's process of reproduction.

But serious problems remain in the external economic sphere as well. The decentralisation of the system of administering foreign trade brought about a greater imbalance in it, this necessitating the introduction of a number of restrictions on import and the use of foreign currency factors in the sale of export produce. It should be borne in mind that the PRC's foreign partners do not want to share their really modern technology with China fearing it might become a serious competitor on the world market, and for this reason they are prepared to cooperate only in relatively simple types of production.

The PRC's trade and economic ties with socialist countries have grown visible in recent years. Opinions are being expressed in the Chinese press about the need for China to normalise economic relations with the USSR

⁴⁹ *China Daily*, April 24, 1985.

⁵⁰ *Renmin ribao*, Sept. 21, 1985.

⁵¹ *Beijing Review*, 1985, No. 23, 43.

⁵² *Renmin ribao*, Jan. 14, 1985.

⁵³ *Beijing Review*, 1985, No. 27.

⁵⁴ *Jingji ribao*, Dec. 7, 1984.

⁵⁵ *Guangming ribao*, Dec. 25, 1985.

and East European countries "in conditions of the growing protectionist tendencies in the West and various restrictions on the export of Chinese commodities".⁵⁶ Last year China's trade with socialist countries exceeded \$4 billion. Soviet-Chinese trade reached one billion roubles in 1984 and about 1.5 billion roubles in 1985. The PRC has concluded five-year agreements with European CMEA member countries on trade and economic relations. It is envisaged that the CMEA countries will take part in retooling and building a number of Chinese enterprises, including enterprises built with their assistance in the PRC in the 1950s.

The National conference of the CPC in September 1985 adopted "Proposals of the CPC CC on the drafting of the 7th Five-Year Plan of economic and social development". The document orients the country toward continuing advancing its economy and further pursuing the economic reform. It is intended to ensure a 7 per cent average annual increment of industrial production and a 6 per cent increment of agricultural output, a 4-5 per cent increment of the population's real incomes and to increase foreign trade by 40-50 per cent during the five years.

The Proposals of the CPC CC give priority to the reform of urban economy and as a result it is planned to create "a foundation of a socialist economic system of a new type". Assignments set by the central authorities are to diminish and the rights of enterprises to grow. The prices of most consumer goods and services are to be switched to the category of "free" prices.

The People's Bank of China is being given big powers in pursuing the state financial and credit policy, including in restricting money circulation and crediting.

At the same time it is very indicative that during the forthcoming 7th Five-Year Plan it is intended that the reforms will be carried out in two stages. At the first stage—in 1986-1987—the emphasis is to be made on enhancing the comprehensive nature of the reforms, streamlining the indirect regulation of macroeconomic processes, "consolidating, mastering, supplementing and perfecting" the results of already completed reforms. With time it is intended that the spheres of the reform will be expanded. On the basis of experience gained when implementing reforms in recent years, the viewpoint is gaining ground in China that it is necessary to raise the effectiveness of the state's control over economic processes. The fallacy of expecting the reforms to yield immediate effect is being ever more emphatically underlined. This reflects the deeper understanding in the country of the entire diversity and complexity of the problems facing China's economy, including, of course, the restructuring of the national economic system.

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⁵⁶ *Shijie jingji daobao*, Aug. 19, 1985.

CHANGES IN SYSTEM OF ORGANIZING R & D IN CHINA

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[Article by I. I. Sarafanov]

Substantial changes in the system of organising research and development (R&D) in China began late in the 1970s.¹ They were directed at solving many scientific, technical, economic, financial, social and other problems of the development of Chinese society.

The stages of the transformations in the R&D field are logically interconnected, and their content and direction are determined by the experiments of reforming the economic system. In practical terms, the forming of the State Committee on Science and Technology in 1977 was the starting point of these changes. At that stage it was intended to bring order to the system of organising R&D, draw up a plan of developing science and technology for the period of 1978 to 1985 and up to the year 2000, and liquidate the consequences of the "cultural revolution" and other political campaigns of 1966-1976. In the "Notification of the CPC CC" of September 18, 1977, the ministries and agencies of the PRC State Council and local administrative bodies were set the task of drawing up optimal, realistically fulfillable plans closely linked with the needs of construction and containing concrete programmes of developing science and technology for 3 and 8 years periods. The State Planning Committee and the newly-set-up State Committee on Science and Technology were instructed to analyse, summarise and balance these plans and to compile a national plan on their basis for developing science and technology as a part of the plan of the country's economic and social development. In research institutes it was suggested that a system of personal responsibility be introduced for the directors of institutes and for persons holding technical posts, qualification certification of staff members be conducted, scientific and engineering titles be reintroduced, and that research workers be provided with work in their fields and that they devote at least five out of six days a week to research and development.² The first stage of the changes was completed in March 1978 with the drafting of an 8-year plan of developing science and technology for the period from 1978 until 1985.

The main tasks of the second stage of the reform of the system of organising R&D were outlined by Fang Yi, Deputy Premier of the PRC State Council, and Chairman of the State Committee on Science and Technology, at a national conference on science in March 1978. At this stage the main attention was to be paid to the fulfilment of special R&D programmes of national importance provided for by the 8-year plan of developing science and research (1978-1985), modified at the national conference. The principal aims of this plan were to approach or achieve during its course, in certain key fields of science and technology, the advanced world level of the 1970s and thus reduce China's scientific and technological lag behind economically developed countries to ten years, to increase the number of research workers and technicians to 800,000,

¹ The State Committee on Science and Technology was dissolved in 1970 and its functions till 1977 were fulfilled by China's Academy of Sciences.

² *Renmin ribao*, Sept. 23, 1977

and, in the course of the subsequent 15 years (1986-2000), to reach and surpass the world level of development in a number of branches of science and technology.

The plan provided for extensive research work in 27 fields: nuclear physics, natural resources, agriculture, industry, national defence, transport, oceanology, environmental protection, medicine, etc. It singled out 108 key scientific, technical and engineering problems along 8 major directions: agriculture, energy sources, materials, computers, lasers, space science and technology, physics of high energies and gene engineering.

As noted at the March 1978 national conference on science, China then lagged behind the world level of development in many branches of science and technology by 15-20 years and by 30 years in some instances.

The fulfilment of the 8-year plan of developing science and technology necessitated a radical restructuring of the system of organising R&D and of ensuring its informational, material and technical, and financial support at all levels of the national economy. Fang Yi, on behalf of the CPC CC and the PRC State Council, proposed at the aforementioned national conference that as a top priority task order be brought to the work of the leading research organisations, that an integrated, country-wide multibranch system of fundamental and applied research in the field of natural and technical sciences be created, that a scientific and technical information service be organised, that the achievements of foreign science and technology be studied and introduced into production, and that scientific and technical cooperation with foreign countries be expanded. The Chinese Academy of Sciences, ministries and agencies of the PRC's State Council, as well as the country's leading educational establishments were set the task of restoring and strengthening a number of leading research organisations that were disorganised during the "cultural revolution" and subsequent political campaigns.

The Academy of Sciences of China was instructed to create research facilities for physics of high energies, physics of heavy ions, controlled nuclear fusion in a magnetic field, physics of solids, physics of semiconductors, astrophysics, molecular biology, including gene and cell engineering. In addition the Academy was instructed to develop the production of unique scientific equipment, introduce electronic computers in R&D and publish scientific literature.

As a centre of research in the field of natural sciences the Academy of Sciences was ordered to concentrate its main efforts on the development of mathematics, physics, chemistry, astronomy, Earth sciences and biology. Physics of high energies, controlled nuclear fusion in a magnetic field and molecular biology were to become the key directions. In the field of technical sciences the Academy's main task was the further development of semiconductor, computer, laser and space technology.

The country's higher education establishments were given a considerable role in conducting fundamental and applied research. Several laboratories of universities and institutes were to be fitted out with the latest research and experimental equipment enabling them to conduct R&D on a modern level.

In accordance with the national economy's requirements, natural conditions, energy and mineral resources it was intended that research institutes would be set up in the provinces, the cities directly under the central authorities and autonomous districts to ensure the economic development of these regions and districts. It was also planned that branches of the national Academy of Sciences or local academies would be established.

It was recommended that big industrial enterprises, especially in the mining industry, set up their own research institutes while medium and

small enterprises, proceeding from existing possibilities, were recommended to set up joint research laboratories.

At this stage of reconstruction special attention was given to strengthening and developing the scientific and technical information service and the introduction of modern information equipment. It was planned that a regional and branch network of scientific and technical information would be created at the initial stage. It was suggested that numerous channels be utilised to organise a large-scale collecting of foreign scientific and technical materials, and that a system of registering and exchanging rationally the results of the R&D done in the country be established.

With the aim of increasing the efficiency of R&D workers must devote five-sixths of their weekly working time to the fulfilment of plan assignments. Special attention was given to raising the qualification of research workers on the job, by way of self-education. It was also recommended that research workers not be drawn into any activities after working hours with the exception of Komsomol and Party meetings. The leading research workers were given assistants and the volume of their administrative work was reduced.³

The distinguishing feature of the second stage of changes in the system of organising R&D was that "foreign achievements to be placed at the service of China" was declared the basis of the PRC's course of external scientific and technical ties in 1978-1985. The plan of developing science and technology in 1978-1985 provided for the maximum utilisation of equipment, technology, and scientific and technical achievements of economically developed countries and for the training of Chinese specialists abroad.

The "Sichuan experiment" of expanding the economic independence of enterprises, first applied in Sichuan province late in 1978, exerted a definite influence on the course of transformations in the system of organising R&D. With the aim of expanding the independence of research organisations, in 1980 this principle began to be applied experimentally in the system of organising R&D by allowing R&D institutions to choose research themes and to perform additional R&D on the basis of contracts upon completing state plan assignments. A system of contracts and agreements providing for the performance of engineering and technical servicing, joint development and testing of new types of products and the planning of the technical development of enterprises began to be introduced in a number of areas.

The interest of R&D organisations in fulfilling applied research and development work increased in the course of the restructuring of the organisation of R&D in the country. Thus, as a result of cooperation with enterprises in Changzhou and Wuhan, the Dalian research institute of machine-tool building industry eliminated ineffectiveness of labour, raised the efficiency of R&D, and increased profits by 600,000 yuan.

Joint research-and-production amalgamations are being set up on an experimental basis in some industries. The expansion of the economic independence of research organisations intensified their activity, brought about the accumulation of additional funds for R&D, strengthened ties with industry and accelerated the introduction of R&D results, as well as the achievement of scientific and technical accomplishments into production.⁴

Proclaimed at the 2nd Session of the Fifth National People's Congress in July 1979, the course of the "adjustment" in China's economy, the state budget deficit and China's limited potentialities, necessitated a

³ See *Renmin ribao*, March 29, 1978.

⁴ *Zhongguo jingji nianjian*, Peking, 1981, pp. XIV, 171-174.

revision of the plan of developing science and technology in 1981-1985. Late in 1980 and early 1981 the State Committee on Science and Technology worked out a policy of developing science and technology till the year 1990 providing for a continuation of research in agriculture, energy, materials, electronics, computers, industrial technology, military hardware and environmental protection. The implementation of some major research projects, such as the construction of a 50-GeV capacity proton accelerator, and the launching of meteorological, astronomical and geodesic artificial satellites of the Earth, necessitating large capital investments and highly qualified scientists and engineers, was put off indefinitely.

In accordance with this course, applied research and development was given priority. Fundamental research was restricted to the solution of theoretical problems in the process of applied research and development. The use of the accomplishments of foreign science and technology was made an imperative condition of developing China's economic and military potential.

Much attention is being given to military R&D. In a Xinhua interview on February 10, 1982 Yang Shangkun, Member of the Political Bureau of the CPC CC and Permanent Deputy Chairman of the Military Council of the CPC CC, characterised China's potential possibilities in carrying out military R&D programmes as follows: "In 1980 China successfully launched a carrier rocket in the Pacific area. In 1981 China placed three satellites into orbit using a single carrier rocket. In 1982 China launched its first carrier rocket from a submerged submarine. All this testifies to advances in the technology of creating carrier rockets and to the growth of China's defense capabilities. In 1982 China began a new stage of R&D in the field of most up-to-date weapons systems".⁵ In August 1982 the 24th Session of the Standing Committee of the Fifth National People's Congress decided to merge the Department of the Defence Industry of the PRC State Council, the Commission on Science and Technology of the Ministry of Defence and the Department of the Committee on Science, Technology and Armaments of the Military Council of the CPC CC into a Committee on Defence Science, Technology and Industry of the State Council of the PRC. The purpose of this reorganisation was to centralise guidance of military R&D programmes and centralise the manufacture of weapons systems and military materiel.⁶

The main guidelines of the new course of developing science and technology were outlined on May 28, 1981 in a leading article in *Guangming ribao*: "In order to pursue the course of developing science and technology consistently it is necessary first of all to comprehend and study all aspects of this course. While at present the emphasis is on a serious attitude to applied research and development in the field of technical sciences, at the same time attention should be given to eliminating instances of underestimation of fundamental research. Fundamental research should not be ignored. The most important studies in this field should be supported. On the other hand, applied research and development should be developed on a mass scale. New research should be conducted but special attention should be given to the scientific and technical innovations that already exist in the world and are applicable in conditions of our country".⁷

The timely introduction of R&D results into practice is considered one of the most important conditions of the implementation of the planned course.

⁵ *Renmin ribao*, Feb. 10, 1982.

⁶ *Renmin ribao*, Aug. 24, 1982.

⁷ *Guangming ribao*, May 28, 1981.

"At present", wrote *Guangming ribao*, "many achievements of science do not find application: a considerable part of the new products are being delayed at the stage of sample products and display exhibits and do not reach the stage of batch production; for a long time large amounts of new equipment were being concentrated in military production; copied foreign technology did not find extensive use".

The new course provides for the implementation of "three measures": "introduction of the results of R&D, use of the scientific and technical achievements of the military branches of industry in civilian sectors of the economy, and application in China of the scientific accomplishments and technologies of foreign countries".⁸

In terms of scientific-organisational measures it is suggested that close cooperation between development organisations and manufacturing plants be ensured, the practice of conducting R&D on the basis of contracts and agreements be expanded, and, in a number of cases, research-and-production amalgamations should be set up.

This experiment, the newspaper *Guangming ribao* stressed, enables the research organisations of ministries and agencies of the PRC State Council to accelerate the introduction of R&D results into production and accumulate money to finance research and offer material incentives to research workers.

The Academy of Sciences of China began to introduce changes in the system of organising R&D in 1980. As an experiment, R&D began to be performed on a contract basis. A part of the client's profit was deducted to the fund of the R&D organisations, which received greater leeway in their activities, their responsibility was enhanced.⁹

In the Chinese Academy of Sciences the transformations were directed at improving guidance of the Academy's branches, reorganising research institutes, introducing a system of responsibility in R&D, and establishing close cooperation with industrial enterprises, military agencies, local committees on science and technology and institutions of higher learning. The introduction of the system of responsibility provides for taking the interests of the state, the collective and the individual into account in addition to the implementation of the principle of remuneration in accordance with the volume of work done. The transfer of a part of the Academy's research personnel to medium and small towns, to remote areas and industrial enterprises, was intended, along with the introduction of an age limit of 65 for directors of research organisations and three year limit to their term of office. The completion of these transformations in the Chinese Academy of Sciences was planned for late 1985.

An October 1982 national conference in Peking was devoted to the presentation of prizes in the field of science and technology. The occasion was used for adjusting and specifying the main tasks of science and technology in China's development in the period till the end of the century. As it was said at the conference in a report made by the Premier of the PRC State Council Zhao Ziyang, the country's main task in scientific and technological progress is to achieve a situation whereby at the end of the 20th century most of China's plants and mines would be using industrial equipment and technologies at the level of economically developed countries in the late 1970s and early 1980s. Without the introduction of the achievements of science and technology, he said, it will be impossible to perfect technological processes, reduce consumption of electricity and materials, improve product quality and increase the gross output of industry and agriculture from 710 billion yuan in 1980 to 2800 billion yuan by the year 2000.

⁸ *Ibidem*.

⁹ *Ibidem*.

In Zhao Ziyang's opinion the introduction of the achievements of science and technology and the solution of urgent scientific and technical problems in economic development are restrained by the inefficiency of the present system of organising R&D, the absence of ties between research organisations, the duplication of themes, shortage of research personnel and irrational deployment of available specialists.

To bring order to the system of organising R&D Zhao Ziyang proposed that three measures be carried out that would not interfere with the fulfilment of major R&D projects.

Firstly, to set up a number of technical development centres in some branches of the national economy. These centres would occupy themselves with the technical reconstruction of enterprises, planning of technical progress, development of new equipment and technology and introducing new types of products. These centres were to be created on the basis of existing research institutes under ministries and agencies of the PRC State Council and major industrial enterprises. The activities of these centres would be oriented toward the solution of the scientific and technical problems, mostly of medium and small enterprises of one or several industries. Branch centres are to be set up within the system of one ministry or agency and inter-branch centres are to be set up jointly by several ministries and agencies. One of the ministries or agencies is made responsible for the activity of the inter-branch centre.

Secondly, with the permission of the relevant ministries or agencies of the PRC State Council it is intended to establish or strengthen technical development centres at big specialised companies or leading enterprises, especially in cases when technical reconstruction is planned. The main task of these centres is to service the needs of their own enterprises. Initially such centres are to be set up on an experimental basis at individual enterprises. After experience is accumulated such centres will be formed at other enterprises as well.

Thirdly, the existing system of subordination of research organisations should remain unchanged. The establishment of direct ties between research organisations and industrial enterprises should be encouraged and supported, such as joint aims of research, development, production and servicing, organisation of R&D on the basis of contracts and agreements, setting up consultation services, etc.¹⁰

At the 5th Session of the Fifth National People's Congress in December 1982 Zhao Ziyang noted the special role of science and technology in China's economic development. In efforts to raise the economy, Zhao Ziyang stated, it is necessary to rely on scientific and technological progress, while science and technology should fully address the tasks of economic development. He said that the modern achievements of science and technology that were widely used in economically developed countries in the 1970s and early 1980s should be introduced extensively in all branches of the national economy.¹¹

In 1983 a course "to rely on science and technology in economic development, while science and technology should serve economic development" was adopted in China. This course provides for the solution of key problems of development on the basis of advanced science and technology. It also provides that most of branches of science and technology by the year 2000 will attain the level that economically developed countries had reached in the 1970s and 1980s and in some branches the level of the 1990s and the end of the century.

In accordance with this course the following tasks were set to the ministries and agencies of the PRC State Council:

¹⁰ See *Renmin ribao*, Nov. 27, 1982.

¹¹ *Renmin ribao*, Dec. 14, 1982.

— to accelerate the study, mastering and introduction into production of new equipment and technology; to introduce the necessary changes in the solution of 38 key scientific, technical and engineering problems defined by the country's five-year plan of economic and social development in 1981-1985; to step up R&D work at industrial enterprises; to expand research in the field of agriculture; to perfect the forms of R&D ties with production; to create a number of go-between experimental research and industrial organisations; to form funds specifically for the development of science and technology; to perfect forms and methods of using the achievements of foreign science and technology.

— To complete the elaboration of scientifically substantiated concepts of the long-term development of the key branches of science and technology and submit them to the PRC State Council for consideration in 1984; to draw up a plan of developing science and technology in 1986-1990 and the period till the year 2000 providing for a four-fold increase of gross industrial and agricultural output by the end of this century by introducing new equipment and technology in all branches of the national economy; to draw up a plan of developing science and technology according to a specially drawn up subject-matter.

— To accelerate the reform of the system of organising R&D directed toward orienting the development of science and technology at upsurging the economy and increasing the role of engineers and technicians in achieving scientific and technological progress; to continue the experiment involving the fulfilment of R&D projects on the basis of contracts and agreements and to submit a report on this experiment and relevant proposals to the CPC CC and the PRC State Council.

— To streamline gradually the work of a number of research organisations.

— To continue the study of the "new technical revolution" in economically developed countries and the measures implemented in China, and to submit a report on this and relevant proposals to the PRC State Council.

— To create conditions for the rational use of scientific, engineering and technical personnel.¹²

The transformations in the system of organising R&D have yielded positive results. The base of research and development in the country has been transformed and the standard of R&D raised. In the period from 1979 to 1984 the state registered 27,990 major results of R&D, with 896 of them qualified as inventions or discoveries.¹³

With the aim of giving material and moral incentives for scientific and technical accomplishments to research workers and specialists in branches of the economy, in December 1978 the PRC State Council approved the regulations of awarding state prizes "For Inventions". From 1979 to 1983 the State Committee on Science and Technology awarded 642 state prizes for projects carried out during the past ten years, including 155 prizes in 1983. The 1983 first prize winners included agricultural specialists for the development of "Yuanfenhan", a new sort of irrigated rice by using method of radioactive irradiation; two types of wilt-resistant cotton, the "52-128" and "57-681", for creating a vaccine to treat anaemia of horses and an anti-plague vaccine for pigs. Second prizes were awarded for evolving a new sort of hybrid rice named "Liaogen", a technology for the anode oxidation of stainless steel, the GH 33A refractory nickel alloy, etc.¹⁴

In December 1979 the PRC State Council instituted prizes and accompanying medals for achievements in natural sciences. In 1982 the

¹² *Zhongguo jingji nianjian*, Peking, 1984, pp. V, 240-243.

¹³ *Zhongguo tongji zhainiao*, Peking, 1985, p. 111.

¹⁴ *Renmin ribao*, Dec. 19, 1983.

State Committee on Science and Technology awarded 125 state prizes in the field of natural sciences for research carried out by individual scientists or teams of them during the past 20 years. First prizes were awarded for the development of an artificial cow insulin, for studying the geology of the Earth, for the discovery of anti-sigma minus hyperon, for studies of the Goldbach problem, etc.¹⁵

In accordance with a decision adopted by the PRC State Council in October 1982, another 1772 state prizes for achievements in the field of natural sciences and technology were awarded in 1985, including 1302 open and 470 classified prizes. Of the 1772 prizes there were 23 top prizes (10 classified), 134 first prizes (54 classified), 537 second prizes (140 classified) and 1078 third prizes (266 classified). The top (open) prizes were awarded for the following accomplishments: the development of methods of pumping water to ensure a high-yielding, lengthy and stable operation of the Daqing oil fields; technology and equipment for building the Nanking bridge across the Yangtse river; the theory and practice of prospecting multi-layer oil- and gas-bearing strata in the Bohai bay; a new method of discovering gold-bearing deposits; new technology of building the Chengdu-Kunming railway in complex mountainous and geological conditions; the construction of dams across the second and third channels of the river Yangtse and hydropower generating units at the Gezhouba hydropower complex; new industrial technology of producing butadiene rubber; the creation of a radio measurement and control system for launch vehicle of an artificial satellite of the Earth; for the multi-purpose measurement vessel *Yuanwang*; for the experimental vessel *Xiangianghu-10*; for the Changzheng-3 launch vehicle; for an experimental communications satellite and its onboard measurement and control microwave system; and a device for optical dynamic observation and measurement.¹⁶

As it was noted by the Chinese press an additional profit of 20 million yuan was made in 1983 as a result of the introduction of the perfected technology of pumping water into oil-bearing stratum at the Daqing oil fields. In 1984 the introduction of the new technology for the industrial production of butadiene rubber made it possible to increase the annual production of this raw material to 480,000 tons and make a profit of 170 million yuan.

The overall economic effect yielded by the introduction of the achievements for which the 10 top and 12 first prizes were awarded amounted to 22 billion yuan.¹⁷

Still the introduction of the results of R&D remains a weak point in the development of science, equipment and technology in China. The bulk of the R&D results are not being introduced into production. A 1984 survey of work at 3,500 of the country's research institutes revealed that less than 10 per cent of the results of R&D reach the factory floor. Many research institutes perform a big volume of R&D that is not related to production (not purpose-oriented). The introduction of available scientific and technical achievements into the national economy is being delayed. There is a shortage of research and engineering personnel at industrial enterprises and agriculture. The country's economic development is being restrained by the imperfection of the system of organising R&D and the irrational territorial distribution and utilisation of available specialists, as well as by the limited financial and material possibilities. The purpose of the third stage of transformations in the organisational system of R&D is to eliminate these obstacles.¹⁸

¹⁵ *Zhongguo jingji nianjian*, Peking, 1983, p. X, 24-27.

¹⁶ *Guangming ribao*, Sept. 8-11, 13, 1985.

¹⁷ See *Beijing Review*, No. 42, 1985, pp. 8-9.

¹⁸ *Ibid.*, No. 11, 1985, pp. 4, 6.

The prime aims and tasks of this stage are as follows:

- to strengthen the ties of science with production;
- to accelerate the introduction of the achievements of science and technology in production and other spheres of human activity;
- to change the system of financing R&D;
- to enhance the role of scientists, engineers and technicians in fulfilling the programme of the "four modernisations" and first of all to advance the development of science and technology;
- to create a market for the results of R&D and technical achievements, to facilitate the turning of scientific and technical achievements into a commodity;
- to link the interests of research organisations with those of industrial enterprises and agriculture;
- to set up funds for the promotion of science and to form a State Society of Natural Sciences and a State Society of Technical Sciences to administer these funds.¹⁹

In 1983-1984 this experiment to reform the system of organising R&D involved 6 per cent of the country's entire research potential, or 505 research institutes, 23 ministries and agencies of the PRC State Council, 26 provinces, the cities directly under the central authorities and autonomous districts. Prior to the experiment, R&D at these institutes was financed out of the state budget. During the experiment research and development was conducted under contracts and agreements concluded with industrial enterprises and other interested organisations. The customer settles accounts with the contractor after the end result is achieved. Some research institutes and industrial enterprises formed research-and-production amalgamations that ensure an effective fulfilment of research and development and the introduction of the obtained results in production.

In the course of the experiment 505 research institutes, including 51 institutes in Peking, set up their own funds to finance R&D, increased their profits and lessened their dependence on money from the state budget.

The experiment provides for the setting up of centres for the sale of R&D results. There were more than 300 such centres in Shanghai alone early in 1985. They are engaged in finding research organisations to accept orders from industrial enterprises and customers willing to buy R&D results and introduce them in production. As noted by the Chinese press, the reform of the system of organising R&D will encompass more than 9,000 research organisations and six million specialists with a higher or secondary specialised education.²⁰

In accordance with the reform of the system of organising R&D, fundamental and some applied research will be financed from the funds for the development of science. The state will allocate money to research organisations only to pay for their administrative and maintenance needs and construction. As stated in the March 13, 1985 Resolution of the CPC CC on the reform of the system of organising R&D, money from the state budget will be allocated for research in the field of medicine, pharmacology, public health, labour protection, family planning, combating natural calamities, standardisation, agricultural technology, as well as special-purpose R&D of national importance, the construction of research laboratories and experimental facilities included in the state plan and the plans of provinces, the cities directly under the central authorities and autonomous districts.

¹⁹ See *Renmin ribao*, March 20, 1985.

²⁰ *Beijing Review*, No. 11, 1985, pp. 6-7.

Also on an experimental basis, competitive bidding will be arranged by clients, in which contractor research organisations willing to perform R&D in accordance with these programmes will participate.

It is possible to conclude, based on an analysis of Chinese published material, that at the present stage the reform of the organisational system of R&D is directed toward enhancing applied research in the field of technical sciences, and new equipment and technology, as well as toward fulfilling research and development work in industry, with the exception of the military branches of industry by using the money of the enterprises concerned. The idea is that both the client and the contractor are to gain economically from the introduction of the results of R&D into production.

The reform leads to a restriction of fundamental research in the field of natural sciences and generates competition between research organisations for state financed contracts to fulfil R&D for big projects.

The reform provides for research and development organisations to form their own funds for the development of science out of a specified part of the profits coming from fulfilled R&D contracts and agreements, and to use this money to finance fundamental and applied research designed to accelerate scientific and technological progress.

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ORIGINS, ACTIVITIES OF JAPANESE 'NEW RELIGION' ASSESSED

Moscow PROBLEMY DALNEGO VOSTOKA in Russian No 2, Apr-Jun 86 (signed to press 21 May 86) pp 114-125

[Article by G. Ye. Svetlov: "Seicho-no Ie: 'True Existence' and Chauvinism"]

[Text] Japan's transformation into one of the leading powers in the capitalist world promoted the growth of nationalist and conservative feelings among the Japanese people. These feelings are being encouraged in every way possible by ruling circles, the members of which view the "traditional spiritual values" of the Japanese and their belief in "national exclusivity" as "theoretical" validation for the monopolist bourgeoisie's retention of dominant positions within the country and its ambitions to play an increasingly important role in world affairs. All of this is laying a solid foundation for more vigorous activity by various types of organizations, including religious ones, with some degree of chauvinism in their ideology.

One traditional promoter of chauvinistic views in Japanese religious circles is the Association of Shinto Shrines, an organization of the reactionary clergy, vigorously striving for the revival of state Shinto--the religious-political system which the rulers of pre-war Japan used effectively for the ideological enslavement of the people and the cultivation of the spirit of militarism. At the same time, the belief in the "unique" essence of the Japanese state and in Japan's "special path" serves as the ideological justification for the participation of several religious organizations in politics. They include Seicho-no Ie¹--one of the largest of the new socioreligious movements (with over 3.24 million followers). Seicho-no Ie offers a clear example of the way in which a religion adapts to changing circumstances through the addition of pseudoscientific nuances to its dogma and through active participation in social and political affairs, and it also displays the highest degree of politicization in a Japanese religion.

The nature of Seicho-no Ie political behavior categorizes it as a segment of the ultra-rightist movement. The political platform of Seicho-no Ie essentially does not differ at all from the slogans of the majority of ultra-rightist organizations, the content of which offers apologist arguments in favor of the emperor, denies democracy and serves the interests of outright chauvinism and belligerent anticommunism.

One Japanese researcher eloquently described Seicho-no Ie as a "special detachment of the ruling Liberal Democratic Party, intended for demonstrative operations."² This description applies to the activities of all ultra-rightist organizations in general. All of Japan's contemporary history testifies that the most reactionary forces in the rightist camp always assign the ultra-rightists a specific function: They are supposed to conduct reconnaissance in force, advancing slogans which "respectable" politicians cannot openly oppose at this time, thereby laying a foundation for their universal acceptance. The ultra-rightists are always a few steps ahead of the most rabid reactionaries from ruling circles, anticipating their future actions. The degree of public susceptibility to the most extreme slogans and demands is also revealed during these "demonstrative operations."

Although Seicho-no Ie has a political orientation similar to that of ultra-rightist groups, it differs from them in many respects. The groups do not have their own theoretical basis and merely recite the dogmatic elements of state Shinto, with an emphasis on emperor worship and on the "national exclusivity" of the Japanese. The combination of their ideological poverty and extremist demands has kept them from securing the support of broad segments of the population. For this reason, ultra-rightists frequently solicit the services of paid hirelings from among declassed elements to demonstrate their "ties to the masses."

Seicho-no Ie is a different matter. This movement is based on its own dogma, which many regard more as a "science of life" than as a specific religious doctrine. Seicho-no Ie appeals to the public with its dogma, and not with political demands, which might be a logical extension of this dogma but certainly do not have a strong appeal. The believer supports the political platform of Seicho-no Ie because he belongs to the movement, and not because the platform has any special appeal.

Another distinctive feature of Seicho-no Ie is its lack of the sectarian intolerance so characteristic of several new Japanese socioreligious movements, including some major ones, such as Soka Gakkai. Calling Seicho-no Ie "a movement which will unite all religions in one," its leaders leave the doors of the organization wide open to any person and do not ask him to abandon his previous religion, but, rather, encourage him to continue practicing this religion. This approach, which is in keeping with the traditional Japanese attitude toward religion, an attitude of a clearly syncretist nature, attracts people of the most diverse faiths to Seicho-no Ie and thereby secures the movement's mass base.

Seicho-no Ie has great potential for the spread of its ideology. The organization owns a powerful publishing corporation, which has issued tens of millions of copies of books. The total circulation of its six monthly magazines and one weekly newspaper exceeds 3 million copies. Seicho-no Ie sermons are broadcast over 13 radio stations.³ The movement makes extensive use of another form of direct communication with the population--public lectures. The distribution of these printed materials brings many new members into the movement. Subscribers to its periodicals represent the largest category of Seicho-no Ie members.

This does not mean that the movement is organizationally weak. On the contrary, its organizational structure is quite strong, partially due to its system of dual jurisdiction--horizontal and vertical. For example, the organizations of women, young adults and students which represent elements of the movement's base organization are simultaneously under the jurisdiction of the corresponding superior organizations. Around 2,000 primary organizations, called "soaikai"--mutual love societies, are united in prefectural federations; these, in turn, are united in regional federations acting under the direct supervision of the Seicho-no Ie headquarters in Tokyo. Besides this, there are several specialized organizations: political, educational and others. The most promising and active members are trained in special schools to become qualified preachers and to head organizations on different levels.

The organizational potential of each new socioreligious movement can be measured to some extent by its activities outside Japan and by the level of its international contacts. Although Seicho-no Ie is inferior in this respect to Soka Gakkai and some other new religious organizations, the movement's preachers are quite active in several countries--the United States, Canada, Brazil, Mexico and others--where overseas branches of Seicho-no Ie have been formed. The movement maintains constant contact with several religious groups in the United States.

Seicho-no Ie, just as virtually all other new socioreligious movements, has a clearly defined authoritarian nature. The organization's fields of activity are chosen by its leader. Regardless of how democratic some forms of activity by Seicho-no Ie members might appear to be on the surface, such as the group discussions (Zadankai), in which each person is allowed to say anything he wishes, the organization member always obeys the wishes of his spiritual pastor, and this gives the latter the ability to channel his thoughts and actions in the necessary direction. In combination with the conservative nature of Seicho-no Ie ideology, the powerful propaganda network and the complex organizational structure, this makes Seicho-no Ie especially appealing to conservative politicians, who can secure the election support of its members through the movement leaders. In turn, the deputies of the ruling LDP who are elected with the support of Seicho-no Ie always express the views of the organization leadership in their statements.

Seicho-no Ie dogma is almost completely based on the writings of its founder, Masaharu Taniguchi (born in 1893), who wrote more than 300 works. Most of them were books and essays intended for the general reading public and covering a broad range of topics: religion, philosophy, psychology, sociology, politics and even medicine.

Taniguchi's views took shape in the 1920's. As a typical representative of the petty bourgeois intelligentsia of his era, he reflected its confusion and restlessness, which frequently led to an interest in religion. In 1923 Taniguchi published his essay "On the Holy Path," in which he set forth the views that later constituted the basis of Seicho-no Ie dogma. In essence, he said that since all that exists is only a manifestation of the spirit, matter as such does not exist. This meant that all misfortunes and illnesses were illusory and that the person could avoid them simply by realizing his own desires through "spiritual strength."

Taniguchi's subsequent activity in the 1920's consisted mainly in the elaboration and clarification of the ideas set forth in the essay "On the Holy Path." In this process, Taniguchi made effective use of the advantages he had over the majority of "theorists" of new religions of his time. His higher education, although incomplete, and his knowledge of foreign languages allowed him to read the works of the foreign authors in vogue at that time. He quoted them profusely, impressing the unsophisticated reader. This simple tactic, which was intended to work on people with a fairly superficial acquaintance with philosophy and other fields of science, is being used extensively today by the religious ideologists who are striving to give their dogmata a pseudo-scientific tone. During the 1920's, however, this was a new tactic. Taniguchi essentially became the first religious leader in Japan to substantiate his unscientific ideas with "scientific" arguments, making them more convincing to his readers from the petty bourgeois intelligentsia.

In 1926 Taniguchi read "The Laws of the Spirit in Action," a book by an American evangelist, F. Holmes, leader of the New Thought movement. Holmes was a believer in "Christian Science," a religious current which was an offshoot of the Protestant faith and took shape in the United States in the late 1870's. He said that "misfortune is the product of one's own spirit," and that "the entire universe is constructed in accordance with the wishes of the spirit." Holmes' book had an exceptionally strong effect on Taniguchi, convincing him of the accuracy of his own views. He translated the American evangelist's book and published it under the catchy title "How Can a Man Become the Master of His Own Destiny?"⁴

Freudian psychoanalysis made an equally great impression on Taniguchi. As one of the researchers of Seicho-no Ie remarked, Freudian psychoanalysis was an unparalleled source of support for Taniguchi, who had proclaimed the primacy of the spiritual. Taniguchi vulgarized Freud's ideas, however, by associating psychoanalysis with spiritualistic phenomena and by adding it to his dogma in this vulgarized form. In the words of that same researcher, "the unconscious became a god" in Taniguchi's interpretation.⁵

Virtually all of the founders of new religious movements in Japan in the 19th century and the first half of the 20th employed the popular folk belief that a person could enter a state of "divine possession" and reveal divine truths in that state. In 1929 Taniguchi experienced this kind of "divine illumination" when he supposedly heard a voice informing him of a "truth" which he had already deduced by that time: "Matter does not exist, there is only 'jisso'."⁶ Taniguchi invested this Buddhist term, which is usually translated as "true existence," with the concepts of "spirit" and "spiritual strength." He began publishing the journal SEICHO-NO IE a short time later. The publication date of the first issue of the journal, 1 March 1930, is considered to be the date he founded the new religious organization.

Proclaiming the universal applicability of the "truth" he was declaring, Taniguchi did not want people to see Seicho-no Ie only as one of many religious groups. In the first issue of his journal, he essentially proclaimed himself a messiah, called upon to teach people how to find happiness, "throw off the shackles of their surroundings," become masters of their own destiny, cure all

illnesses, eradicate poverty and put an end to family problems--in other words, called upon to save suffering mankind. The mission of Seicho-no Ie consisted, in his words, in "learning the laws of the spirit, acting on them, and launching a movement with the aim of making the individual the master of his own happiness."⁷

It is not an easy matter to present a systematic account of Seicho-no Ie dogma. The diversity of its elements has given some authors grounds to call Seicho-no Ie the "department store of religions." It is true that Buddhist pantheism, Shinto nationalism, some Christian tenets borrowed from Christian Science, Freudian psychoanalysis and Adler's individual psychology--all of this and much more--can be found in Taniguchi's writings. This is not, however, simply a matter of the eclecticism of the founder of Seicho-no Ie. There are many inconsistencies, contradictions and even mutually exclusive statements in his works. Much of what he emphasized in the beginning later seemed much less important. One idea, however, is expressed clearly in all of Taniguchi's works over a period of many years. This is the idea of the possibility of acquiring worldly goods through the recognition of the universe in the form in which it is portrayed by Seicho-no Ie--that is, the recognition of "jisso" or "true existence." The concept of "jisso" is the nucleus of Seicho-no Ie dogma.

The social aims of the concept of "true existence" are obvious. If all that exists is no more than a "shadow of the spirit," if evil is an "illusion," then the only way of escaping it is through spiritual enlightenment leading to the acknowledgement of this truth. By creating the illusion of liberation from the pressure of real surroundings, which are categorically declared to be "non-existent," the Seicho-no Ie doctrine asks the individual to accept his lot, however hard it might be, and to give up the struggle to improve it. Objectively, this is an ideology upholding the status quo.

It is possible that Taniguchi's conclusions would have remained accessible only to a few petty bourgeois intellectuals seeking refuge for their "restless spirits" had they not been associated from the very beginning with the traditional religious beliefs of the Japanese. Taniguchi was well aware that his flirtation with fashionable philosophical currents would impress educated people but would have no effect on the broad segments of the population with whom he would have to communicate in concepts familiar to them. For this reason, regardless of the pseudo-scientific garb with which Taniguchi clothed his "doctrine," it remained a religious dogma requiring the appropriate religious practices to reach the minds of believers.

Just as in the overwhelming majority of other new religions, the practice of "faith healing" became the most appealing element of Seicho-no Ie for most of its followers. For this reason, the extensive coverage of cases of "cures" in the process of shinsokan (the comprehension of divine truth) was and is characteristic of the many Seicho-no Ie publications and of the lectures of Taniguchi himself and other preachers of Seicho-no Ie. The contents of these publications and statements are staggering in their belligerent ignorance and their categorical denial of the achievements of modern medicine.

It was precisely the hope of a "cure" that first gave Seicho-no Ie its members from the population strata to whom Taniguchi's philosophizing was almost incomprehensible: many housewives, shopkeepers, owners of small businesses and employees. Without taking in all of the fine points of the new religious current, they saw it only as a practical means of acquiring worldly goods, which is characteristic of Japanese religious tradition in general and of the new religions in particular. Some Japanese publications and, in particular, foreign works on Seicho-no Ie imply that the doctrine of this movement appeals primarily to educated population strata. This is not exactly true. Whereas the petty bourgeois intelligentsia was attracted by the "philosophical" tenets of Taniguchi's doctrine, things were different on the level of the mass mentality. Both the member of the bourgeoisie with a university education and the housewife with only a high-school education found what each desired in Seicho-no Ie dogma. This is what gave Seicho-no Ie a relatively broad base.

Although Taniguchi was essentially elaborating a new religious doctrine, he never tired of repeating that Seicho-no Ie was not a religion at all, but a doctrine encompassing not only all known religions and philosophical precepts, but also all scientific achievements. This was the source of the theory of the supreme deity, called Life Universal in Seicho-no Ie (mioya-no kami), personifying the gods of all other religions. During different stages of the history of Seicho-no Ie, however, the concept of Life Universal was interpreted in different ways. And what is most important, this was certainly not dictated by dogmatic considerations, but by circumstances having nothing in common with dogma, circumstances connected primarily with political changes in Japan and, consequently, with the role played by Seicho-no Ie in Japanese sociopolitical affairs.

When the movement was first being established in the late 1920's and early 1930's, Taniguchi tried to attract the followers of traditional schools of Buddhism, representing the overwhelming majority of believers, by saying that Buddha was the first incarnation of Life Universal. He explained that this was a form of life eternal, and that Buddha himself represented this "life." In Europe, Buddhism took the form of the German philosophy of Kant and Hegel, and in the United States it took the form of the enlightenment theories of Emerson or of "practical" religions such as Christian Science. All of these doctrines coincide with the "purely Japanese philosophy," as Taniguchi described the Shinto mythology recorded in the mythological "Kojiki" chronicle.⁸

Later, however, when the most reactionary forces gained the upper hand in Japanese politics, the ideas of chauvinism and militarism were publicized more vigorously, repressive actions were taken against all dissidents, including religious organizations, and active preparations were made for aggressive warfare against neighboring states, Taniguchi's interpretation of the concept of Life Universal changed and acquired the nature of frank apologies for state Shinto with its worship of the "living god"--the emperor. Renouncing his previous statements about the role of Buddha's ideas in the world, Taniguchi suggested that the universe was Ame-no minaka nushi (the god who, according to Shinto mythology, "appeared first"), and that all that existed was a manifestation of the "great holy life" of the emperor. "All religions," he wrote, "have their origins in the emperor. Just as the seven-color rainbow

gives birth to only one source of light, Buddha Vajrayana, Sakyamuni and Jesus Christ originate in the emperor. Worshipping the gods of different religions without worshipping the emperor is like worshipping the rainbow without knowing that the sun exists."⁹ In this way, the abstract idea of "true existence" acquired the specific form of emperor deification and was thereby placed at the service of state policy.

In turn, this meant the unconditional support of the military ventures of Japanese imperialism, for which Taniguchi tried to provide "theoretical" justification. Calling the "unique" Japanese state the most perfect form of government and a "manifestation of true existence," Taniguchi concluded that Japan was merely spreading the truth when it conquered other countries and peoples. And this meant that "the wishes of the gods are carried out wherever the emperor's army goes."¹⁰

Taniguchi and his followers not only gave their blessing to the aggressive wars Japanese imperialism started, but also offered the government practical assistance. Spreading its influence to small and middle businessmen, Seicho-no Ie became actively involved in the movement for increased production for military needs and fought against pacifism and defeatism. It was reported that the enterprises where Seicho-no Ie preachers were working had a higher level of labor productivity, fewer days of sick leave, fewer production rejects and a lower rate of personnel turnover. In October 1937 SEICHO-NO IE magazine reported that the propaganda of movement ideology "serves as the most effective means of preventing labor conflicts and combating defeatist attitudes in wartime."¹¹ Taniguchi himself encouraged the employment of women at enterprises and founded a special school where women would be "educated" to "serve the state."

In exchange, the grateful authorities allowed Taniguchi and his followers to preach their doctrine in the territories occupied by the Japanese military. Taniguchi went to Manchuria on lecture tours twice--in 1942 and in 1944.

Before and during World War II the overwhelming majority of Japanese religious organizations cooperated with the government's militarist policy. In many cases religious leaders had to do this for purely pragmatic reasons, striving to guard their organizations against repression. This was outright time-serving. The cooperation of Taniguchi and his followers with the policy of war and aggression, on the other hand, was a logical extension of the Seicho-no Ie ideology. Taniguchi's sermons assigning priority to the spiritual over the material had much in common with the extensively publicized views of Japan's militarist rulers that Japan had exceptional spiritual advantages outweighing the material factors working against it. This basic idea permeates all of the dogmata of state Shinto with their apologist arguments regarding the "unique" Japanese state and the "special" destiny of the Japanese nation. All that Taniguchi had to do was to put Shinto clothing on the ideas he preached without causing them any particular harm.

In the atmosphere of increased activity by democratic forces after Japan's surrender, the occupation authorities took several measures to democratize various spheres of life in the Japanese society, including the sphere of

ideology. The system of state Shinto was eliminated, and the Japanese were forbidden to preach the dogmata that had been used to popularize ultra-nationalist and militarist ideas. For their active propaganda of chauvinistic ideas and their cooperation with the militarists, Taniguchi and his colleagues were forbidden to become involved in public affairs.

The Seicho-no Ie leaders had to maneuver. Taniguchi remained the actual head of the organization, but he formally turned over the management of its affairs to his son-in-law, Seicho Taniguchi. Seicho-no Ie was registered in accordance with the law on religious organizations that had been passed after the surrender, and its activities were thereby legalized. The Seicho-no Ie preachers had to stop openly publicizing the ideas of state Shinto, could not make any more public statements associating Life Universal with the Shinto gods and began borrowing more from Christian dogma. This was done, in particular, because Christian groups were protected by the occupation authorities. It was at this time that the movement established contacts with several American religious organizations professing the beliefs that had once influenced Taniguchi's own views. They included the abovementioned New Thought, as well as Unity, Religious Science, Divine Science and others. Seicho-no Ie sponsored lecture tours of Japan by representatives of these organizations and assisted in the publication of their literature in Japanese-language editions. In turn, some of Taniguchi's works were translated into English and published in the United States, which helped to publicize his ideas outside Japan. These contacts also gave Taniguchi purely practical advantages: He gained the patronage of several American religious leaders who urged his vindication.

At the end of the 1940's there was a serious reversal in U.S. policy in Japan: A decision was made to turn Japan into the main U.S. military bridge-head and a "bastion against communism" in the Far East. This put an end to the bourgeois-democratic reforms of the first postwar years and created favorable conditions for more lively activity by the reactionaries who had been forced to remain on the sidelines until then. They included Taniguchi, who threw off the clothing of a democrat and a peacemaker just as easily as he had put it on a few years earlier.

In present-day Japan the attitude toward the last war serves as a criterion distinguishing the true democrat from the reactionary. In the 1950's Taniguchi was already openly denying the crimes of the Japanese militarists. He maintained that Japan had not committed aggressive acts against anyone. The Japanese army entered Manchuria to save the local population from "the outrageous acts of gangsters" and created an "earthly paradise of just rule" there. When the United States interfered in these affairs, Japan "invaded Pearl Harbor in self-defense."¹² However monstrous and absurd these statements might sound, it is known that they quite clearly expressed the feelings of the groups that were already dreaming of the revival of Japan's military power.

Obviously, Taniguchi's statements did not and could not express any repentance for the atrocities the Japanese military had committed in occupied territories. This would have contradicted the logic of the Seicho-no Ie belief that man is sinless, and there is no reason for repentance unless there is sin. For this

reason, Taniguchi felt that the Japanese should lose their feelings of guilt for these war crimes as quickly as possible, especially since these feelings were inhibiting Japan's progress. All he regretted was that not all of the Japanese had become members of Seicho-no Ie, because if this had happened, Japan would have won the war.¹³

Just as he had before the surrender, Taniguchi began associating the Seicho-no Ie doctrine with the dogma of state Shinto. The concept of the supreme deity of Seicho-no Ie again acquired strong Shinto undertones. The Seicho-no Ie religious center built on the island of Kyushu in 1979, Sumiyoshi Hongu, was dedicated to the Shinto gods considered to be Taniguchi's ancestors. In the 1950's Seicho-no Ie again became active in politics on the side of the most reactionary forces. This activity entered a new phase after the creation of the Seicho-no Ie Political League in 1963, a league which cooperates with the ruling Liberal Democratic Party and gives campaign support to the conservative candidates with the most reactionary platforms. It is indicative that the Seicho-no Ie leaders returned to the dogma of state Shinto to validate the creation of a political organization. For example, when Seicho Taniguchi was interviewed, he referred to the principle of the unity of religion and politics in the ancient Japanese state. He warned that politics devoid of religious elements would inevitably "lean toward materialism" and thereby jeopardize freedom of religion itself.¹⁴

The Seicho-no Ie political platform virtually coincides with the policy of the ruling LDP, with the sole difference that Seicho-no Ie, in the spirit characteristic of all ultra-rightist organizations, puts all of the "i's" in places where Liberal Democrats prefer to remain silent. In this way, the political slogans of Seicho-no Ie are always of indisputable interest as indicators of future conservative policy. This has been confirmed by all of the political activity of Seicho-no Ie in recent decades.

Long before the government announced the reform of the educational system as one of its most important objectives, Seicho-no Ie advocated its revision through the addition of propaganda about "traditional spiritual values" and the cultivation of a "patriotic spirit" in the young. It is therefore not surprising that one of the main targets of Seicho-no Ie attacks is the Japan National Teachers' Union, the members of which, especially in the first years after the war, did much to democratize the Japanese schools, give children an accurate account of Japanese history and teach them scientifically validated historical facts, and not Shinto myths, as was the case for almost eight decades from the time of the incomplete bourgeois revolution of 1867-1868 to the time of Japan's defeat in the war. Seicho-no Ie tried to counteract the influence of the union by creating its own organization, the Union of New Educators, a group of reactionaries from the educational system who became actively involved in the campaign to stimulate "patriotic spirit."

For several years one element of this campaign was the movement for the revival of militarist Japan's main holiday--Kigensetsu--Empire Founding Day, based on the Shinto myth that the Japanese state was supposedly founded by the legendary Jimmu Tenno, from whom the dynasty of Japanese emperors is descended. In 1966 reactionary forces were able to effect the restoration of Kigensetsu

when a law was passed on the celebration of Nation's Founding Day, which Seicho-no Ie regards as one of its most important political achievements.

The results of Seicho-no Ie "patriotic" propaganda are attested to just by the well-known fact that the young terrorist who assassinated Japanese socialist leader Inejiro Asanuma in 1960 was inspired to commit this act when he read Taniguchi's works. Writer Yukio Mishima, the spokesman of the most reactionary views in Japan for several years, wrote a preface to one of Taniguchi's books and spoke with unconcealed delight about the young people educated by Seicho-no Ie leaders in the spirit of chauvinism and anticommunism.¹⁵

One of the most important areas of Seicho-no Ie political activity is still participation in the campaign for the revision of the constitution representing an important democratic victory of the Japanese people. Attacking the constitution, Seicho-no Ie ideologists demand nothing other than "a return to the constitution of the great Japanese empire of 1889," which was one of the most reactionary constitutions of its time. Special emphasis is placed on the need to return the functions of political leadership to the emperor and to repeal the antiwar provisions of the constitution. Seicho-no Ie regards the return to the 1889 constitution as the restoration of an "ideal political system" in which people will be united harmoniously as members of a single family headed by the emperor.

Rejecting any form of democracy as an absolutely unacceptable system for Japan, Seicho-no Ie ideologists are also demanding the revision of the constitutional provisions listing the rights of Japanese citizens. In one of his speeches in 1966, Taniguchi vehemently attacked the 24th article of the basic law, an article establishing the principle of "equal rights for men and women." As a zealous advocate of the traditional family structure, he stressed the need for women to concentrate on household affairs and even went so far as to cite Hitler's appeal to the women of Fascist Germany to leave their jobs, return to their homes and become exemplary wives and mothers.

Taniguchi made equally fierce attacks on Article 28 of the constitution, in which the "right of workers to form organizations and the right of collective bargaining and other collective action" are declared. He asserted that this article "is being used by the reds in their preparations for revolution," as he described the strike struggle of the workers. This attitude toward the labor movement is a logical extension of Taniguchi's "philosophy," in which the physical world is only a "shadow of the spirit" and, consequently, exploitation, unemployment and property inequality are illusory, and all people--whether they are workers or capitalists--are "children of God" and must cooperate instead of fighting. This means that the enterprise is one big family and that the prosperity of a company is a guarantee of the prosperity of employers and workers. In this way, Taniguchi's "philosophy" offers apologist arguments in favor of class cooperation.

Urging the restoration of "traditional spiritual values," the Seicho-no Ie leaders actively support all efforts to revive state Shinto in one form or another. Seicho-no Ie constantly advocates the official celebration of Nation's Founding Day, although the only basis for this kind of celebration

is Shinto mythology. It has been equally active in the movement, inspired by the most reactionary groups, for the state patronage of the Yasukuni Shinto shrine, which is still an important center of chauvinistic and militaristic propaganda. In essence, this would signify the revision of the present constitution, which declares the separation of church and state.

The Seicho-no Ie attitude toward issues of war and peace also stems from Taniguchi's "philosophy," in accordance with which war is merely the product of mutual misconceptions and, consequently, there can be no guilty or innocent parties in a war. It is precisely from this standpoint that Taniguchi and his followers approached the assessment of American imperialism's aggressive war against the people of Vietnam, thereby justifying the aggressor.

The actual political behavior of Seicho-no Ie, however, cogently testifies that its leaders deny the existence of good and evil only when this benefits reactionaries. Their approach changes completely in matters concerning forces for democracy and socialism. For them, the socialist countries are the source of worldwide evil, because the prevailing outlook in these countries is the materialistic view of the world, denying spiritual values and not recognizing people as "children of God." Socialist forces are portrayed by Seicho-no Ie ideologists as the chief enemies of the Japanese people. The struggle against the "communist threat" is the main criterion of their attitude toward any foreign policy issue. This is why Seicho-no Ie supports the American-Japanese Security Treaty, is urging the buildup of Japanese military strength and is taking an active part in the campaign of illegal claims to Soviet territory.

Members of democratic groups in Japan regard Seicho-no Ie as the most dangerous of the rightist organizations. The fact is that its political program not only has the support of the well-organized and obedient members of the movement, but is also having a definite effect on the members of the Japanese public who have fallen prey to the influence of the organization's powerful propaganda network. In this connection, another fact also warrants attention. The secular trappings of Seicho-no Ie have made it appealing even to people who have no interest in religion before they come into contact with the movement. Seicho-no Ie has apparently been more capable of adapting to changing circumstances than several other new religions, and this gives the movement the prospect of at least maintaining its present level of influence in the foreseeable future.

The social composition of the movement is now quite diverse. In addition to small and middle businessmen, employees and members of the intelligentsia, many housewives from bourgeois families also belong to the movement (representing around 70 percent of its total membership). In recent years more high-school upperclassmen have joined. What motivates all of these people to join the movement? S. Suzuki, an expert on religion, offers this answer to this question: "The popularity of Seicho-no Ie as a religious and political organization stems from the optimistic illusions with which the movement nurtures the ambitions of workers who are outside the labor movement and lack the strength and ability to unite; students disillusioned with the existing educational system; housewives who are imprisoned in their concrete nests and whose spiritual world is confined to concerns about home and children;

nostalgic professional soldiers; and retired teachers and employees." In all of these people, Suzuki says, the Seicho-no Ie doctrine arouses "an elitist consciousness and a sense of personal worth."¹⁶

Therefore, just as other new socioreligious movements, Seicho-no Ie speculates on the widespread feelings of alienation in Japanese society today. People who are alone, who have been left out of the group for one reason or another, easily fall prey to the heralds of the "new truths." By giving these people the illusion of membership in some kind of elite group, Seicho-no Ie ideology involves them in politics on the side of the most reactionary forces.

In today's Japan, where sociopolitical life is distinguished by more pronounced chauvinistic and militaristic tendencies in the policy of ruling circles, stronger conservative feelings and a livelier interest in religion, conditions are favorable for the activities of organizations and groups such as Seicho-no Ie. This is why the question of the future of these organizations is a political as well as a religious question. The answer will depend largely on the success of the struggle of Japanese democratic forces against the reactionary onslaught, against the policy of militarization and in defense of the existing constitution and the democratic rights and freedoms of the Japanese people.

This struggle is growing more intense as the threat to Japanese democratic institutions increases and as reactionary forces make more vigorous attempts to push the country back on the road to militarism. And it is producing results. All of the moves the ruling LDP has made, with the support of several rightist public and religious organizations, including Seicho-no Ie, to pass legislation on the transfer of the Yasukuni shrine to state jurisdiction have been futile. Prime Minister Nakasone's official visit to the shrine on 15 August 1985 aroused such an angry reaction from the Japanese progressive public that the head of the government had to renounce, at least temporarily, the practice of pilgrimages to this stronghold of chauvinism and militarism. The government has also been unable to make the celebration of Nation's Founding Day completely official, celebration the conservatives regard as an important means of popularizing nationalism and justifying Japan's militarist past. Reactionary forces have been unable to legalize a number of other acts to subvert the constitution. Their intrigues have been resisted by progressive political parties, labor unions, many public and religious organizations and all those who cherish democracy and peace.

FOOTNOTES

1. "Seicho-no Ie" literally means "house of growth." This is the accepted translation in all English-language works. The ideologists of the movement, however, invest these words with the concept of the "universe." The character "sei" (life) symbolizes time in this case, and "cho" (length) symbolizes space; the unification of time and space represents the universe, signified by the character "ie" (house). Y. Ono, "The World of New Religions" (in Japanese), vol V, Tokyo, 1979, p 58.
2. S. Suzuki, "Seicho-no Ie--The Extreme Right Wing of the New Religions," ASOKA, Tokyo, 1968, No 77, p 60.

3. Y. Ono, *Op. cit.*, p 82.
4. Akio Saki et al, "Founders" (in Japanese), Tokyo, 1966, p 128.
5. *Ibid.*, p 124.
6. *Ibid.*
7. *Ibid.*, pp 126-127.
8. Hiro Takagi, "Japan's New Religions" (in Japanese), Tokyo, 1965, p 36.
9. *Ibid.*, p 37.
10. Akio Saki et al, *Op. cit.*, p 129.
11. *Ibid.*, p 130.
12. S. Suzuki, *Op. cit.*, p 60.
13. Masaharu Taniguchi, "We Are Japanese" (in Japanese), Tokyo, 1958, p 154.
14. CHUO KORON, 1983, No 8, p 252.
15. M. Taniguchi, "Japan Under the Yoke of the Occupation Constitution" (in Japanese), Tokyo, 1969, p 2.
16. S. Suzuki, "The Ideology and Practice of the Struggle for the Security Treaty" in "The Views of Five Founders" (in Japanese), Tokyo, 1970, pp 278-279.

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U.S. POLITICAL ANALYSTS VIEW FUTURE OF PRC'S FOREIGN POLICY

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 96-100

[Article by P. Yu. Maslov]

The 1980s have seen certain changes in the foreign policy course of the People's Republic of China. At the very beginning of the current decade, the Chinese leadership still advocated the concept of "strategic cooperation" with the United States and favoured establishment of "a structure of joint resistance", to involve the United States, the NATO countries, Japan, and other states; but at its 12th Congress (in September 1982) the Communist Party of China made certain amendments in the country's foreign policy guidelines. The need was stressed for China to establish an "independent" and "self-sustained" position in international relations, on the basis of "equidistance" between "the two super-powers". In accordance with these guidelines, the People's Republic of China made some well-balanced and carefully dosed criticism of particular US actions in certain regions of the "Third World", for instance, saying at the same time that there was a possibility for Sino-Soviet relations to be normalised if the Soviet Union fulfilled a number of "conditions". Starting in 1982, contacts have been gradually renewed in various fields of Soviet-Chinese relations—something that the Soviet side had proposed for many years¹.

These changes, or rather, this shift of emphasis in the PRC's foreign policy practices caused concern in US Sinology, since, as compared with the previous decade, it was faced with a new situation. As a result it sought to define the meaning of the "unusual" trends in China's foreign policy for the strategic interests of the United States in the 1980s and future decades. After a certain pause, US Sinology reacted to these shifts with a number of surveys. One of them was sponsored by the China Council of the Asia Society (USA), as part of its programme to promote "greater awareness and understanding of China across the United States" (p. VII). *

The survey was written by America's leading experts on China: Harry Harding of the Brookings Institution; Michael Hant, Professor at the University of North Carolina; Steven I. Levine, Assistant Professor at the American University in Washington, D. C.; Kenneth Lieberthal, Professor at the University of Michigan; Jonathan Pollack of Rand Corporation; and Bruce Reynolds, an expert on China's economy.

The foreword, written by Harry Harding and Robert B. Oxnam, President of the Asia Society, says that the survey mirrors the China

¹ See M. S. Ukraintsev, "The Soviet Union's Cooperation with the Asian Socialist Countries and Kampuchea", *Far Eastern Affairs*, № 1, 1986.

² *China's Foreign Relations in the 1980s*, Ed. by H. Harding. New Haven and London, 1984, 240 pp.

Council's conviction that the People's Republic of China "deserves more attention and a better understanding in the United States" (p. VII). The foreword defines the purpose of the survey as an attempt "to encourage Americans to take a broader and more balanced view of China" (p. VIII), which is necessary, they say, in the light of the new order of priorities in the PRC's foreign policy that emerged after the 12th Congress of the Communist Party of China. The US experts are trying to do this by analysing some of the domestic and foreign-policy acts of the Chinese leadership, mainly of the "post-Mao" period, thus seeking to define the content of China's foreign policy and its prospects till the end of this century.

Michael Hant proposes, for instance, that the "ideological" aspect of China's foreign policy be ignored as insignificant. He writes, "Undoubtedly for the foreseeable future, condemnation of imperialism and praise of proletarian internationalism [a notion practically never used in China today.—*P. M.*] will remain an important part of Peking's rhetoric." "But it's doubtful", Hant continues, that China will "risk scarce resources on translating that, sometimes fervent, rhetoric into action" (p. 39). Hant comforts the American reader by indicating that Peking's anti-imperialist attacks are, in his opinion, merely rhetoric; besides, he points out that China is simply unable to affect US interests in any major way: "And even when the time comes, when growing strength will give Peking the luxury of putting aside its cautious, low-risk foreign policy, action is far more likely to come in nearby areas of strategic concerns than at distant points beyond China's established horizon" (p. 39). In other words, the American Sinologist assures US readers that in the foreseeable future the People's Republic of China won't come into real conflict with the United States in areas beyond immediate proximity to Chinese territory. He calls for "understanding" in assessing the PRC's foreign policy, which he believes will make for more stability in US-Chinese relations.

Another contributor to the survey, Kenneth Lieberthal, seeks to establish links between the home and the foreign policy of the People's Republic of China. He claims that a clash is taking place in China's leadership between "eclectic modernisers"—people who realise the significance of importing technology and expanding foreign trade but do not uphold the necessity of major political changes—and "allround modernisers"—who favour what is termed "a modification of the country's institutional structure". In examining all sorts of hypothetical situations in China's internal political struggle involving the "eclectic" and "allround" modernisers, plus the "national bureaucracy", which Lieberthal believes is capable of reducing China's contacts, specifically economic, with the West, the American Sinologist arrives finally at the conclusion, reassuring for those who share his views, that, no matter what turn world affairs may take, China won't change its strategic orientation of cooperating with the West and Japan in order to develop the country and protect itself against the Soviet Union" (pp. 69-70).

So the American Sinologist just couldn't resist the temptation, which was by no means academic, to make what was actually a provocative move and dwelled on the "need" for China to protect itself against the USSR as something taken for granted. Appearing fairly certain as to the overall orientation of China's foreign policy, Lieberthal points out that the durability of US-Chinese links will depend on a number of China's internal factors, including some "unresolved questions about institutional roles and prerogatives" of the state and party machinery (p. 70),—in other words, it will depend on the line of the development of the internal political situation in China.

This view is shared by Bruce Reynolds, who tries to do what is now quite common in Western Sinology—link the PRC's economic reforms

and the changes in its economic policy with the re-vitalisation of its course towards promoting contacts with non-socialist nations. Reynolds maintains that "de-ideologisation" of China's economy and foreign trade in particular will urge the country to intensify links with only that group of states. The researcher regards this as certainly a favourable phenomenon, but he warns that "a series of formidable barriers stand in the way of fundamental economic reforms", first of all because reforms "threaten ministerial privilege and Party control". With a market economy established, the Party may lose some of its power (p. 103).

But Reynolds remains optimistic. He believes that those barriers can be removed, on the condition that China have "a strong, stable leadership committed to restructuring the economy" (p. 106). With that condition in mind, Reynolds outlines these fascinating prospects: "if the reforms succeed, then perhaps China will join Japan in developing an alternative to both market economies and command economies". According to Reynolds, "an East Asian alternative" to both "the capitalist industrialised world" and "socialist, peasant economies" will mean that the future belongs to Japan and China (p. 106). But, if one contemplates such a prospect, one should also ask: who can guarantee that the West will not take advantage of China's one-sided external economic orientation to put the country in a dependent position, both economically and politically? We can add that expressions of concern on this score have been made more and more openly in the PRC itself in recent years.

In his part of the survey, Steven Levine tries to convince the reader that China is a regional power with global ambitions. Therefore the American expert defines China's international status as something intermediate: in world affairs the PRC is "more than merely a regional actor, but still less than a global power" (p. 107). And this means, Levine maintains, that the PRC's foreign policy is still largely Asia-oriented. China's security interests are focussed on Asia while its military capabilities do not reach beyond the regional boundaries. China's political and cultural influence is the strongest in Asia, and Asian neighbours account for a good deal of its foreign trade (p. 108). According to Levine, practically the number one problem of the PRC's relationships with its neighbours is the inadequate interpretation of China's international status by its own leaders on the one hand, and by the rest of the Asian governments, on the other. He writes, "China, viewing itself in global terms, does not always realise how strong it is when placed in the regional context. The rest of Asia, viewing China in a regional perspective, does not always realise how weak it is on a global scale" (p. 112).

Considering the future of China's policy, Steven Levine formulates the problem in the following terms: will China embark upon "the path of expansionism and regional hegemony" or will it "remain on the course charted during the last decade, actively involved in Asia but contributing to peace and stability in the region?" (p. 109). In fact, this is a rhetorical question, because, put this way, it implies a definite answer. Besides, it is essentially incorrect: suffice it to recall China's attempt to teach Vietnam "a lesson". On the whole, Levine seeks to convince the American reader that "Asia without a strong Chinese presence would be a more volatile region" (pp. 143-144).

Jonathan Pollack writes that in late 1978 the United States had "high expectations and even euphoria about the prospects for Sino-American relations", and a "coalition comprising the United States, China, and Japan loomed as a serious possibility, with the goal of restraining provocative [?—P. M.] Soviet actions in Asia" (p. 159). But even at that time, Pollack admits, Peking shunned "formal security ties" with Washington, since they would restrict Chinese freedom of action and even

"threatened to embroil Peking in a Soviet-American confrontation" against its will (p. 159).

Pollack indicates that even though in the early 1980s "a Sino-US security dialogue continued", Peking somewhat altered its approach to Washington. The American Sinologist links this with the aggravation of the Taiwan problem that occurred when Reagan became President and with Peking's resentment at being an obedient, manipulated junior partner of Washington, as well as its fears that "the United States, as the far more powerful partner, would inevitably seek to take advantage of China's weakness and vulnerability" to place it in a subordinate position (p. 160). Peking could not put up with this, Pollack writes, because it believed that for many reasons "America needed China more than China needed America" (p. 162).

The American expert believes that China's international status has now grown (he calls China a superpower candidate), so the country is in the long run a political and military force too significant to be regarded as simply additional or intermediary, and therefore, the researcher writes, the PRC is becoming the object "more of superpower solicitation than of criticism, coercion, or isolation" (p. 176). Pollack actually proposes that, in view of the current situation, the practical methods employed to pursue US policy with regard to China should be somewhat altered, with the essence of that policy kept intact,—in accordance with the current requirements and especially future needs.

Like Pollack, Harry Harding explores the reasons for Peking's change of tactics with regard to Washington. Harding indicated that "serious frictions" emerged in Sino-American relations by late 1982 (p. 195). He writes that the frictions were seen in the aggravation of the Taiwan problem and in the Chinese leadership's general mistrust in the Reagan Administration's foreign policy guidelines. It was at that time, Harding points out, that both sides became aware of the limitations in Sino-American relations. The United States noted the objective limits in trade with the PRC and China's refusal to accept huge loans. The PRC showed open discontent at the United States' protectionist trade policy and control over China's imports of the latest technology. Also, it was at that time that the Chinese leadership came to the conclusion that "an improvement in Sino-Soviet relations was no longer inconceivable". And lastly, Peking realised that it was losing ground in the "Third World" because of its "close ties" with Washington (pp. 195-197).

Having established China's change of approach to relations with the United States and the Soviet Union, Harding comes to the question "whether China will seek true equidistance between the United States and the Soviet Union or whether, as is more likely, it will continue to have better relations with Washington than with Moscow" (p. 200). Harding believes that the second variant is more probable but emphasises that it can be realised only through well-timed and well-balanced political steps taken by the United States. Harding actually calls in question Peking's declared intention to "seek equidistance" and even points out that it can never be true equidistance. He writes that the United States should encourage the PRC's actions that are good for America but, considering China's hypersensitivity to these things, at the same time avoid the tactics of head-on pressure and "formal" alliance.

In summing up, we can say that the authors of the survey, on behalf of the China Council, are calling on the American reader not to "dramatise" the changes in the foreign-policy tactics of the PRC. They are certain that China's economic and cultural ties with the West will continue to grow, although they fear that this may face "certain opposition and resistance" in the PRC. Expressing the conviction that in the future China will increase its involvement in Asian international rela-

tions, for modernisation will give Peking vast economic and military resources, the authors deem it necessary to assure the reader that the PRC will act "as one power among many and not as the dominant force in the region" (p. XIII).

This survey of political analyses predicts that China will pursue "its own independent way in foreign policy" and therefore will try to "avoid an alliance, or even a close alignment, with either superpower for other than brief periods of time" (p. XIII). And this, the US experts believe, will make the difference in the PRC's foreign policy of the 1980s, as compared with the previous decade when China pursued a course towards strategic engagement with the United States.

After formulating this conclusion, pessimistic from the viewpoint of Washington's interests and "disappointing" to the American reader, the authors hasten to add that US diplomacy has its reserves and to clearly outline the general orientation of US-Chinese cooperation, its limits and promising prospects: "China will, over the rest of the century, be neither a close friend nor a bitter foe of the United States. In many areas, the parallel interests of China and the United States will continue to bring the two countries together".

China is given to understand that it must strictly abide by a number of terms, if it wants to avoid "complications" of relations with Washington. Those terms are as follows: Peking should quit fearing "the corrupting influence of contacts with the West" and broaden those contacts making them practically uncontrolled; China must not return to its former "tough" stand on Taiwan; and lastly, the People's Republic of China should avoid affecting US interests in Asia in any tangible way (the survey offers a nice way of formulating this last term: in the future China should not adopt a more aggressive posture in Asia) (p. XIV).

In the light of this and the PRC's indication that its foreign policy course is "independent and self-sustained", Sino-American relations, the authors say, will require from the United States "a more sophisticated diplomatic strategy, and a more adequate public understanding of China, than we have enjoyed in the past" (p. XIV). In other words, the authors of the survey believe, as does the China Council of the influential Asia Society, that in the course of adaptation to the new situation the United States should search in its policy with relation to the PRC for possibilities to neutralise certain aspects of China's foreign affairs activities that are negative from Washington's point of view, and enhance "the positive ones" in every way.

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CHINESE WORKERS' MOVEMENT FIGURE SU ZHAOZHENG RECALLED

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[Article by T. N. Akatova, doctor of historical sciences]

Every country has heroes who embodied all the best qualities of its people and whose activities mirrored to the full the characteristic features and progressive aspirations of the period of history that they lived and worked in. One such hero of the epoch-making period after the Great October Socialist Revolution, which marked a substantial turn in world history, was Su Zhaozheng, an ordinary sailor who became a talented organiser of the Chinese proletariat, a prominent figure in the Communist Party of China, and champion of the international workers' and Communist movement.

The remarkable personal qualities of Su Zhaozheng came to the fore at the time of the rapid growth of the national liberation struggle in 1919-1924 and the revolution of 1925-1927. During those turbulent years, China saw fundamental changes in its social, political, and economic development, brought on by World War I and the victorious Great October Socialist Revolution. It was then that the working class of China for the first time entered into the national liberation struggle as an active political force and that the enormous significance for the liberation of the Chinese people of international proletarian solidarity and the allround assistance of the world's first worker and peasant State was manifested. A very typical feature of the revolutionary process in China after the Great October Socialist Revolution was the growing importance of the social and political role of the proletariat in the major industrial centres, which was put in the vanguard of the nationwide liberation struggle by the natural march of events. The Chinese proletariat's especially strong feelings of indignation at the imperialist yoke over their country was only logical and historically justified given that approximately half of China's industrial workers were employed at foreign-owned factories and were direct victims of ruthless exploitation and ethnic discrimination. In big cities and seaports, where the bulk of China's proletariat was concentrated, foreign imperialism had considerable influence on all spheres of economic and political life and the entire Chinese people were exposed to emphatic humiliation.

The Chinese workers' first acts of protest against foreign capital demonstrated that the most effective means for damaging imperialism's positions in China were strikes, a specifically proletarian method of struggle. The adoption of Marxism-Leninism and the ideas of international proletarian solidarity by the progressive public figures of China was largely a result of the enhanced activity of the proletariat in the nationwide struggle. This was a new epoch in the social and political life of the ancient country, and this epoch produced new revolutionary heroes and leaders, hitherto unknown in Chinese history.

Su Zhaozheng was one of those remarkable personalities. The son of

a peasant from among the poorest strata, Su was born in Guangdong province in 1885 and at a young age went to the British crown colony of Hongkong in search of employment.

For more than 20 years Su Zhaozheng served as a sailor on British and other foreign-owned ships. He sailed to many countries and went through all the hardships and humiliations of that tough profession. Working conditions for Chinese sailors on foreign ships were terrible. They were impressively described by Su Zhaozheng himself, and a later account appeared in Su's biography written by Deng Zhongxia, a prominent figure in the Communist Party of China and close friend and associate of Su Zhaozheng. Speaking of the system of employment by contract, adopted by foreign shipowners, Deng Zhongxia described it as "a scourge of Chinese sailors". When a sailor applied for a job, the contractor demanded a sizable sum in exchange for employment (and often provided that sum as a high-interest loan). In addition, the contractor pocketed no less than 10 per cent of the sailor's scarce pay throughout his term of service. Deng Zhongxia pointed out that the policy of ethnic discrimination pursued by foreign shipowners was especially humiliating to the Chinese sailors and aggravated their hardships to the extreme. A Chinese sailor was paid one-fifth of what a European received, though they performed the same duties on the same ship. Chinese sailors were accommodated in crowded cabins in the worst section and were exposed to cruelty and humiliation. All this gave rise to protest against this ruthless exploitation and ethnic humiliation and instilled a hatred for the foreign employers.

The very nature of the sailors' profession required mutual assistance and solidarity, made the sailors broad-minded and provided opportunities to compare their own position with the life of working men in other countries and to see the revolutionary struggle of other sections of the world proletariat. Su Zhaozheng's crew-mates respected him for his devotion to lofty principles and justice and for his conviction that a better life must be fought for. As early as 1909, Su Zhaozheng joined the Gongmeng Hui organisation set up by Sun Yatsen and fulfilled a number of missions providing liaison with the organisation's underground centres at several seaports, and arranging purchases of ammunition. He was active in the Xinhai revolution of 1911-1913, which brought down the Manchu dynasty. Su Zhaozheng always kept searching for ways to reconstruct society, to improve living conditions for his people, and to remove the foreign yoke. During periods of unemployment, Su Zhaozheng, like many other sailors, returned to his home village. He called on the villagers to put up active resistance to the local exploiters; once he was arrested for these activities and kept in jail for more than a year.

Su Zhaozheng's desire, which developed early in his life, to improve living conditions for the working people through active struggle against Chinese and foreign exploiters indicates a keen class instinct. Deng Zhongxia emphasised that the Russian people's victorious revolution had enormous and crucial significance for Su Zhaozheng and for all other Chinese revolutionaries engaged in a painstaking search for the way to save and revive their country. He wrote, "The victory of the Great October Socialist Revolution in Russia made an indelible impression on him, it strengthened his revolutionary consciousness and his will to fight".²

Su Zhaozheng's revolutionary conviction, the prestige he had with his

¹ See Deng Zhongxia, "The Biography of Comrade Su Zhaozheng". *The Canton Commune. Fortieth Anniversary of the Guangzhou Uprising*, Moscow, 1967, pp. 118, 121 (in Russian).

² Deng Zhongxia, "Our Strength". *The Workers' Movement During the First Civil Revolutionary War. A Collection of Materials*, Peking, 1954, p. 8 (in Chinese).

colleagues and associates, and his remarkable talent for organisation were all in evidence when he worked to establish a first class union of sailors and when he led the Hongkong sailors in the famous strike of the spring of 1922. After lengthy preparatory work, The United Chinese Sailors' Union was established in Hongkong in March 1921 by Su Zhaozheng, Lin Weimin, and other activists. The very name of that association shows that it was a major achievement of unionizing sailors on the basis of a class principle, rather than on a regional community principle, as had been done before. The newly-formed union was made up of natives of Guangdong, who accounted for about 60 per cent of the Chinese seamen in Hongkong, and natives of Zhejiang (mostly of Ningbo), who also comprised a considerable part of the long-distance crews. Since most of the time jobs were extremely scarce, there was constant and fierce fighting for them between the sailor organisations built on the community principle. Thus hostility among them was traditional and seemingly insurmountable. In their efforts to persuade the sailors to unite into one association, Su Zhaozheng and his comrades made use of the most "sensitive spots": the outrageous behaviour of the foreign employers and their contractors and the reduction of wages in real terms, against the backdrop of exorbitant growth of prices. In the conditions of unrestricted arbitrary rule of the British authorities in Hongkong, the United Sailors' Union immediately started secret preparations for a strike. A wage committee was set up. It dispatched delegates to ships to hear the sailors' demands; it also gathered information concerning the incomes of all categories of sailors and drew up tables of subsistence wages for single and married sailors, providing a graphic illustration of the sailors' grievous position.³

No earlier strike had been planned and prepared so thoroughly. The information gathered provided the basis for specific demands worked out for each category of sailors on the wage scale. It was significant that in their efforts to build proletarian solidarity Su Zhaozheng and Lin Weimin addressed not only other categories of Chinese workers in Hongkong, but also foreign sailors, calling on them to support the strike.⁴ This was highly important, since it indicated a certain degree of maturity of Su Zhaozheng's class consciousness. Su always explained to workers that they should fight against foreign imperialists, not against all foreigners in general, and that all working men around the world were their class brothers and allies in their struggle. In the autumn of 1921, with the preparations completed, the Sailors' Union voiced its demands to the foreign shipowners. The Union demanded higher wages for sailors and the right to hire sailors and to decide ship assignments. The demands were presented twice, and were twice ignored. On January 12, 1922, they were presented once again, this time as an ultimatum, substantiated with the threat of a strike. But once again the sailors' demands received no positive reply. So on January 13, 1922 more than 1,500 sailors went on strike. The strikers were crew members of British, Japanese, American, and other foreign ships that were in the seaport of Hongkong at the time. As more foreign ships arrived in Hongkong, their crews joined the strike. Solidarity strikes were declared in Shantou, Shanghai, and Singapore—a result of the Union's preparatory work. By the end of the first week, with Su Zhaozheng as the leader, 6,500 men were on strike.⁵ Its success was largely due to the advantage that the leaders of the strike took of

³ See *The First Chinese Labour Yearbook*, Part 2, Peking, 1928, p. 330 (in Chinese).

⁴ See Yi Bin, *The Hongkong Sailors' Strike*, Shanghai, 1955, p. 17 (in Chinese).

⁵ See Deng Zhongxia, *A Brief History of the Trade Union Movement in China*, Moscow, 1952, pp. 65-66 (in Russian).

the specific relations that existed between Hongkong and Canton, the capital of Guangdong. Hongkong was used by British capital as a bridge-head for exploiting China, above all the province of Guangdong, Britain's "sphere of influence". The British authorities of Hongkong stopped at nothing in their efforts to hinder the consolidation of Guangdong's economic and political independence and the establishment of Sun Yatsen's democratic government in that province. Su Zhaozheng, a founding member of Sun Yatsen's Guomindang and a participant in the Xinhai revolution, consulted with the Sun Yatsen government and asked that support be provided for the strikers and that they be given refuge in Canton. A strike committee was set up in Canton. It formed the following departments: general, finance, food, and propaganda, and also cyclist liaison groups and patrol teams to fight against strikebreakers. The committee also opened a few hostels and a canteen. Su Zhaozheng was first put in charge of the Committee's general department but very soon was elected Chairman of the whole committee at a general meeting held by the strikers. The committee had underground branches in Hongkong and Shantou. On Su Zhaozheng's initiative a strike fund had been established as part of the strike preparations, but of course it was not big enough to sustain the strike. So the material assistance coming from the Canton government was extremely important. The strike committee received daily allowances from Canton that totaled 100,000 yuan. Also important were donations from workers and the progressive public. The Hongkong authorities resorted to threats and intimidation trying hard to disrupt the strike. The colony was put under martial law. On the way to Canton a detachment of strikers was attacked by troops who killed six workers and wounded many more. The Sailors' Union headquarters was raided and the signboard with the union's name torn down. The repression outraged the entire working population of the colony. The sailors' strike grew into a general anti-imperialist strike involving more than 130,000 workers.⁶ Their main demand was that the British authorities recognize the Chinese workers' right to form unions and that the Sailors' Union be restored. Shifting then to a tactic of manoeuvring, the Hongkong authorities made every effort to end the strike without satisfying that demand. Deng Zhongxia, who later analysed those events, stressed the outstanding role of Su Zhaozheng, who displayed wonderful resourcefulness, principled persistence, and genuine wisdom in negotiations with the authorities and shipowners.⁷

The 56-day strike ended in remarkable victory: the Sailors' Union was restored. This was an unheard-of humiliation for the Hongkong authorities and a well-deserved triumph for the working people, who celebrated it with jubilant manifestations. All of the workers' demands were accepted, including compensation for the strike period.

That powerful strike was crucial to the development of the workers' and Communist movement in China. The Communist Party of China had not yet established its influence in the South, so there were no Communists among the strike leaders, yet the strike built the prestige and political positions of the young Communist Party of China, established as the proletariat's party. The All-China Trade Union Secretariat, set up by the Communists, managed to organise a campaign of solidarity with the Hongkong strike in northern and central regions of China. This was the first graphic example in China's history illustrating the significance of proletarian solidarity in the workers' struggle in defence of their rights. The experience was invaluable. The Communist-led workers' clubs of North-Chinese railways set up a "Northern Society for Assistance to

⁶ See Yi Bin, *Ibid.*, p. 27.

⁷ See Deng Zhongxia, *A Brief History...*, pp. 72-73.

the Striking Sailors of Hongkong". The Society launched a propaganda and fund-raising campaign, with workers donating a day's pay. The workers of the Peking-Hankou railway fitted out a steam-engine with banners that said "Help the Hongkong Sailors!" and ran it all the way from Peking to Hankou and back.⁸ Su Zhaozheng, as leader of the strike, made every effort to develop and consolidate proletarian solidarity both on the national scale and internationally. The strike committee's propaganda department worked hard sending out calls for help to all worker unions in China and to foreign unions. Su Zhaozheng was constantly in contact with the Soviet information agency in Canton, he came there daily with reports about the progress of the strike. He sent a call for help to the strike to the French daily *L'Humanité*, asking them to convey it to the entire proletariat of Europe. Su Zhaozheng later recalled that when he was in Canton during the strike he tried hard to establish contacts with the Communists, but failed because the CPC's organisation in Guangdong was very weak at that time.

The Hongkong sailors' strike began with economic demands and grew into a major anti-imperialist protest of nationwide significance. The workers' victory in the struggle against foreign companies and the British authorities of Hongkong was justly regarded in those days as a major victory in the general national liberation movement of the Chinese people. A victory that showed that the Chinese proletariat had developed into a full-fledged anti-imperialist force with good prospects. Public interest in the position and the struggle of the working class was enhanced. The establishment of the united national anti-imperialist front, which played an extremely important role in the development of the Chinese revolution, was certainly promoted by the success of the strike.

The enormous significance and grandiose scale of the sailors' strike, the desire of the strikers and their leaders to establish an independent class organisation and proletarian solidarity played a major role in the formation of the trade union movement in China. In the course of the first upsurge of the worker movement, which immediately followed the sailors' strike and lasted from January 1922 till February 1923, the Communists consolidated their influence with the proletarian masses and organised the 1st All-China Trade Union Congress, which opened in Canton on May 1, 1922. Su Zhaozheng attended that congress as a delegate of the Hongkong Sailors' Union, and it was on his proposal that the congress passed a resolution appointing a special day for the commemoration of the Hongkong strikers shot by British troops.⁹ The Executive Bureau of the Red Trade Union International sent an address to the congress entitled "To the Workers of China", in which it praised the heroic struggle of the Hongkong workers and called on them to "join the international family of revolutionary proletarians ...for joint struggle and joint victory."¹⁰

A highly important and significant feature of Su Zhaozheng's biography was his unceasing and extremely purposeful quest for knowledge. Su had known poverty and hard work from an early age and had never had a chance to get even a primary education. Every day, as he returned into the stuffy and crowded sailors' cabin where his crew-mates slept side by side after exhausting work, Su Zhaozheng still forced himself to learn on his own. Deng Zhongxia especially noted Su's unusual abilities and diligence. He wrote that in 1925 Su Zhaozheng, then Chairman of the Hongkong-Canton strike committee, wrote articles and drafted numerous documents himself.¹¹

⁸ See Yi Bin, *Ibid.*, p. 32; Deng Zhongxia, *A Brief History...*, p. 80.

⁹ See Deng Zhongxia, *A Brief History...*, p. 93.

¹⁰ *The Red Trade Union International*, No. 4, 1922, pp. 387-383.

¹¹ See Deng Zhongxia, *The Biography of Comrade Su Zhaozheng*, p. 129.

A crucial event in Su Zhaozheng's life was his joining the Communist Party of China in 1924. That year marked a turning point in the development of the revolutionary process in the country: in January 1924, members of the CPC joined the Guomindang, thus forming a united national anti-imperialist front. The implementation of the Leninist strategy of a united anti-imperialist front in China promoted a rapid development of the revolutionary situation there. The country was approaching revolutionary quakes. The Sun Yatsen government in Guangdong gave the CPC a free hand in guiding the workers' movement. On the initiative of the Trade Union International, the 1st Conference of the Pacific Transport Workers was held in Canton in June 1924. It was attended by water-transport and railway workers of southern and northern China, Java, and the Philippines (delegates from Japan and India did not attend as they failed to get permission from their governments).¹² This was the first international workers' conference to be hosted by China. Su Zhaozheng actively contributed to the preparations for the conference and attended it as a representative of the thousands of Chinese sailors in Hongkong. The conference adopted a Manifesto that featured the following slogans: "The working masses of the East! We are calling on you to unite... for struggle against imperialism!", "Long live the united front of the working masses of the East with the revolutionary world proletariat!"¹³ At the conference, Su Zhaozheng established contacts with representatives of the Trade Union International and with union leaders of other countries of the East. Also important to Su Zhaozheng were direct links with the Communist-led railway workers' and sailors' organisations of other Chinese provinces.

When in Peking, as a representative of the workers of Hongkong and Guangdong in the Committee for Promoting the Convocation of the All-China National Assembly, Su Zhaozheng joined the Communist faction of the Committee.¹⁴ At that time the CPC was working to make the best of the favourable situation that had emerged in the North after the coup in which a Northern militarist Fei Yuxiang captured Peking on October 23, 1924. Fei Yuxiang declared his support for the Guomindang-CPC united front, saying it was necessary to unite China, and asked the Soviet Union for help. The CPC was made legal, and it started to restore the unions in northern and central China that had been almost completely rooted out after the suppression of the Peking-Hankou railway workers' strike on February 7, 1923. It was significant that the leadership of the CPC picked Su Zhaozheng because of his proven talent as an organiser of workers, to handle this important task. On instructions from the CPC-led All-China Trade Union Secretariat, Su Zhaozheng worked for several months restoring unions and establishing new ones on railways and in major industrial centres of northern China. The CPC Central Committee invited him to Shanghai to discuss preparations for the 2nd All-China Trade Union Congress and assigned a number of important missions to him in connection with those preparations.¹⁵ Deng Zhongxia pointed out that Su Zhaozheng played a major role in the preparations for and the work of that historic congress, which founded the All-China Federation of Trade Unions. The 2nd All-China Trade Union Congress, which represented more than 500,000 unionized workers, was convened in Canton on May Day of 1925. The congress took place shortly before the start of the revolution of 1925-1927, and it summed up the results of the upsur-

¹² See *The Workers' Movement in China. The Revolution of 1924-1927*, Moscow, 1966, p. 250 (in Russian).

¹³ *The Communist International*, No. 7, 1924, pp. 211-212.

¹⁴ See Deng Zhongxia, *The Biography of Comrade Su Zhaozheng*, pp. 122-123.

¹⁵ See *Ibid.*, p. 123.

ge of the workers' movement as a major component of the emerging revolutionary situation in China. The establishment of the All-China Federation of Trade Unions and its entry into the Trade Union International was an enormous accomplishment of the Chinese proletariat. The 2nd All-China Trade Union Congress sent a message of greetings to the Trade Union International and the entire proletariat of the world. In its reply, the TUI Executive Bureau proclaimed, "Long live the Chinese unit of the international army of labour!" "Long live the unity of the world trade union movement!"¹⁶ At that congress, Su Zhaozheng was elected a member of the Executive Committee of the All-China Federation of Trade Unions, among its other members were Liu Shaoqi, Deng Zhongxia, and other prominent figures of the CPC.

Su Zhaozheng played a leading role in the famous Hongkong-Canton strike. It lasted 16 months (from June 19, 1925 to October 10, 1926) and was, in terms of duration, scale, and effect, an outstanding phenomenon in the history of the international workers' movement.

The revolution began with "the May 30 movement"—a powerful anti-imperialist campaign sparked by the Shanghai shootings on May 30, 1925. From Shanghai the campaign spread to other cities. The CPC and all revolutionary forces of the united anti-imperialist front faced the task of deepening and enhancing the revolutionary upsurge in every way and spreading it all over China. For this purpose, it was necessary to make the best use of the only territorial base of the united front's revolutionary forces, situated in Guangdong. That task was crucial to the development of the Chinese revolution. Meanwhile the revolutionary forces in Guangdong were on the verge of a catastrophe. Reactionary militarists of the South, supported by the British authorities of Hongkong, raised a revolt against the Guomindang government. On June 6, 1925, the rebels captured Canton and declared the deposition of the united-front government. The workers in Canton and sailors in Hongkong actively assisted the revolutionary troops in putting down the revolt. Its leaders fled to Hongkong.¹⁷ Those events showed once again that consolidation of the economic and political strength of the revolutionary base was closely linked with the struggle against the British authorities of Hongkong. Proceeding from the experience gained in the 1922 strike of the Hongkong sailors led by Su Zhaozheng, the CPC and the Guomindang decided to stage a general political strike in Hongkong, in protest against the Shanghai shootings, and to evacuate the strikers to Guangdong. This was intended to ensure an economic blockade and weakening of Hongkong. Su Zhaozheng and Deng Zhongxia were then dispatched to Hongkong to work as underground agents. Although the workers of Hongkong were truly outraged by the actions of the British police in Shanghai, the organisation of the general strike was greatly complicated by the weakness of the trade union movement in the colony and its lack of unity, spurred by the constant fighting between unions over jobs. Once again impressive proof was provided of Su Zhaozheng's talent for organisation and his great prestige with the proletarian masses. The Hongkong strike became universal in scope, involving 250,000 Chinese factory and office workers. The strikers left Hongkong, more than 130,000 settled in Canton, and the rest went to their native villages and towns in Guangdong. 2,000 employees of Shamian, an Anglo-French concession in Canton, also went on strike. Su Zhaozheng became chairman of the Hongkong-Canton strike committee established in Canton, and Deng Zhongxia became his deputy. The work of that committee deserves atten-

¹⁶ *The Red Trade Union International*, No. 5, 1925, p. 124.

¹⁷ For more information see T. N. Akatova, *The Xiang Gang-Guangzhou (Hongkong-Canton) Strike*, Moscow, 1959, pp. 52-53 (in Russian).

tion, since it gave the CPC a lot of political and organisational experience. From its outset, the strike was accompanied by a comprehensive anti-British boycott and a total economic blockade of Hongkong, which were enforced on all of the Guomindang-controlled territory. This situation greatly broadened the rights and functions of the strike committee, which, with good reason, was then referred to as "a second government". The strike committee opened hostels and canteens for strikers in Canton and also a hospital and schools for children and workers. All those facilities were managed by the committee's service department. Its propaganda department operated very efficiently, too. It opened a network of political education circles and courses, and issued, in cooperation with the All-China Federation of Trade Unions, a great number of appeals, posters, booklets, and even books. They also published a daily, *Gongren zhilu* (The Workers' Path). At the Lenin State Library in Moscow, there are copies of numerous publications issued by the Hongkong-Canton strike committee. Those books and leaflets, yellowed with age, convey quite impressively the revolutionary mood of those days: the high tide of revolutionary enthusiasm, boundless heroism, and the rich creative initiative of the strikers and their Communist leaders. The Committee's finance department performed functions that had crucial importance—it worked to procure as much money as was possible for the strike and the versatile activities of the strike committee. The department was headed by the Committee Chairman Su Zhaozheng, in whom the workers placed their undivided confidence. He kept the record of the committee's revenues and expenditures and presented weekly accounts to the workers. The Guomindang government provided the buildings for the strikers' hostels and canteens and granted large monthly allowances to the strike committee. The committee also received the fines imposed for violations of the anti-British boycott and the proceeds from the selling of smuggled goods confiscated by pickets. People from all over China and Chinese emigrants sent in money and food for the strike. The revolutionary developments in Canton were closely followed by all progressive people in China and the entire worker and Communist movement of the world. The strike received considerable assistance from the international proletariat, above all from the working people of the Soviet Union. The strike committee also set up a military department, which was to enforce the anti-British boycott and the blockade of Hongkong. Armed pickets numbering 3,000 blocked off all the routes that could be used for smuggling British goods into Guangdong or raw materials and food from Guangdong to Hongkong, and checked up all cargo traffic in the seaport of Canton. Boycott violators were fined or sent to the committee's prison, together with strikebreakers. In his report at the International Pacific Trade Union Conference in 1927, Su Zhaozheng said that more than 180 picketers had been killed in clashes with strikebreakers.¹⁸ The strike and boycott caused major damage to Hongkong's economy and the positions of British imperialism in Guangdong. This added to the economic and political strength of the Guangdong revolutionary base, made the local petty bourgeoisie support the strike, strengthened the united national anti-imperialist front, and provided conditions for further development of the revolution. The Canton government declared itself the National Government of China and started preparations for the Northern Expedition, for the purposes of unification, national liberation, and democratisation of China.

In the summer of 1925, a Soviet trade union delegation visited Canton. It later reported, "The strike committee of Hongkong and Shamian

¹⁸ See Su Zhaozheng, "The Workers' Movement of China", *The Workers' China in 1927*, Moscow, 1928, p. 199 (in Russian).

can be recognised as a model one not only for China but for the international movement in general.”¹⁹ The Committee took every opportunity to educate Hongkong workers and organise them into unions, and promoted the nationwide development of the trade union movement. During the Hongkong-Canton strike, a United Transport Workers’ Union of Hongkong was established, and Su Zhaozheng was elected its Chairman. The All-China Sailors’ Congress, held in Canton in January 1926, elected Su Zhaozheng Chairman of the All-China Sailors’ Union Executive Committee.²⁰ The practical experience of the Hongkong-Canton strike committee was thoroughly examined by the Third All-China Trade Union Congress, convened in Canton on May 1, 1926. The congress stated, with ample justification, that in the anti-imperialist national revolutionary movement the working class was in the vanguard of struggle for interests of the entire nation. The congress also stressed the urgent need for united action to improve the position of the working people. It adopted a resolution on economic struggle, stating that without that struggle the unions were “like an organism without blood circulation”.²¹ The congress elected Su Zhaozheng Chairman of the Executive Committee of the All-China Federation of Trade Unions. Su worked in that capacity till the end of his life.

By decision of the National Government and the strike committee, the Hongkong-Canton strike was terminated on October 10, 1926—on the day when Wuhan was liberated by revolutionary troops.

The National Government moved to Wuhan, and so did the headquarters of the All-China Federation of Trade Unions. At its third plenary meeting in March 1927, the Guomindang Central Executive Committee formed a new National Government, in which Communists were included for the first time. Su Zhaozheng was appointed the Minister of Labour. The Wuhan period is known in history as the crisis of the revolution, the toughest phase of the CPC activity.

After the counter-revolutionary coups staged by Chiang Kaishek in Shanghai and by Li Jishen in Canton (in April 1927), the Wuhan area remained the only territorial base of the revolution. All the internal and external reactionary forces rose in arms against it. The work of the revolutionary trade unions was greatly complicated by the economic crisis and high unemployment rates. In his capacity as Minister of Labour and Chairman of the All-China Federation of Trade Unions, Su Zhaozheng displayed exceptional persistence and firmness in his efforts to improve the position of the working people and promote the development of the revolutionary trade union movement. That period was marked by major events in the working-class movement. In May 1927, a Pacific Trade Union Conference was convened in Hankou, with assistance from the Comintern and the TUI. It was attended by delegates of China, Japan, the Soviet Union, Britain, the United States, France, Korea, and Java.²² The conference was addressed by A. Lozovsky (S. A. Dridzo), a member of the Comintern Political Secretariat and General Secretary of the Trade Union International, who delivered a comprehensive report. Su Zhaozheng spoke in detail about the position and the goals of the Chinese proletariat. One section of his report was devoted to the support of the Chinese proletariat by the international revolutionary working class and to the necessity of uniting the trade unions of the oppressed East. Su Zhaozheng stressed the great significance of the material and moral assistance rendered to the Chinese revolution by the international prole-

¹⁹ *The Workers’ China in the Struggle Against Imperialism. The Report of the First Trade Union Delegation of the USSR to China, Moscow, 1927*, p. 64 (in Russian).

²⁰ See *The Workers’ Movement in China...*, p. 127.

²¹ *The Workers’ Movement in China...*, p. 137.

²² See *Ibid.*, p. 264.

tariat, and said that the slogan "Hands off China!" proclaimed by the Soviet working people had become the motto of international proletarian solidarity. The conference established the Pan-Pacific Trade Union Secretariat, with its head office in Shanghai, and Su Zhaozheng was put in charge. In that capacity he did a lot to facilitate trade union movement in the East, consolidate international links, and disseminate the ideas of the TUI. He made persistent efforts against international reformists' attempts to justify the colonial policy of the imperialist powers and to divide and misguide the emerging trade union movement in the oppressed countries of the East. *The Pan-Pacific Worker*, published by the Pan-Pacific Secretariat, carried an informative and polemical article written by Su Zhaozheng: "The Chinese Revolution and the International Proletariat."²³ The article cited specific examples illustrating the significance of internationalist assistance given to the Chinese revolutionary movement by the international organisations of the revolutionary proletariat—the Comintern and the Trade Union International.

On June 19-28, 1927, the Fourth All-China Trade Union Congress was held in Wuhan. The Congress gathered during the critical period of the revolution, when the political and economic action of the proletariat was meeting with increasing opposition from the Wuhan Guomindang. The delegates summed up the results of the development of the working-class movement during the entire period of the pre-revolutionary upsurge and the revolution of 1925-1927. Su Zhaozheng, then the Chairman of the Executive Committee of the All-China Federation of Trade Unions and Minister of Labour in the National Government in Wuhan, contributed much to the preparations for the congress and to the drafting of an extensive programme of the economic and political struggle of the Chinese proletariat. For the first time the economic demands of the Chinese proletariat were worked out thoroughly and specifically with some of the peculiar features of its structure taken into consideration; i. e., the huge prevalence of pre-capitalist forms of labour, the high percentage of women and children among industrial workers and the large army of jobless workers.²⁴ In his speech at the congress, Su Zhaozheng emphasised the complexity of the political situation and stressed the need for the Chinese proletariat to fight selflessly for the victory of the Chinese revolution. Soon after that congress, with the anti-Communist actions of the Wuhan Guomindang becoming unconcealed, Su Zhaozheng, in an emphatic walkout, withdrew from the Wuhan government, since, as the Comintern Executive Committee indicated, it was becoming "a counter-revolutionary force".²⁵

July 15, 1927 saw the final split between the Communist Party of China and the Guomindang, and the end of the united front. This substantially altered the situation in which the working-class and Communist movement developed in China. The Guomindang turned counter-revolutionary and unleashed a campaign of terror against the CPC and the Communist-led revolutionary worker activists. The CPC went underground. Very few of the Communist-led trade unions survived. Those underground unions were called "red unions"—a name not applied to the legal Guomindang-run associations.

In urban communities and industrial centres the CPC had to work in extremely difficult conditions. Every day Communists were killed who attempted to get in touch with the working masses. Papers were full of reports about executions, round-ups, and arrests of CPC members or

²³ Su Zhaozheng, "The Chinese Revolution and the International Proletariat". *The Pan-Pacific Worker*, Vol. 1, No. 1, Sydney, 1928, pp. 19-22.

²⁴ See *The Workers' Movement in China*..., pp. 229-237.

²⁵ *The Comintern's Strategy and Tactics in the National Colonial Revolution as Exemplified in China. A Collection of Documents*, Moscow, 1934, p. 186 (in Russian).

those suspected of having links with the party. But the CPC did not abandon its hope of relighting the fire of revolution in China. Despite all the difficulties and hardships, the CPC searched persistently for ways of reviving the revolution. In August 1927, the CPC Central Committee held an extraordinary meeting which appointed the party's new leadership with Qu Qiubo in command, and adopted a course of armed resistance to the counter-revolutionary Guomindang. Su Zhaozheng was made a Politburo Member of the CPC Central Committee, and he drafted a plan of work to ensure the party's leadership of the working-class movement in the atmosphere of the Guomindang's policy of terror.

In the autumn of 1927, Su Zhaozheng was engaged in moving the major units of the CPC and the All-China Federation of Trade Unions from Wuhan to Shanghai. Su had to work in complete secrecy, constantly risking his life. Deng Zhongxia later wrote that Su had to make regular trips between Wuhan and Shanghai and in those trips he displayed great courage and resourcefulness, since he had to come and go undetected by the Guomindang police. Deng Zhongxia also praised Su Zhaozheng's contribution to the establishment of the CPC's underground headquarters in Shanghai.²⁶ In September 1927, the Executive Committee of the All-China Federation of Trade Unions, which also worked underground in Shanghai, issued an appeal to all the working people of China, calling on them to fight against the now counter-revolutionary Guomindang. The appeal said that the Communist Party of China and the Communist-led All-China Federation of Trade Unions were alive and actively working and that the Chinese revolution was alive, too.²⁷

Su Zhaozheng played a prominent role in the heroic armed uprising in Canton in December 1927, known as "the Commune of Canton". That was the biggest battle fought by the revolutionary forces behind the enemy lines. The CPC leadership attached great significance to that uprising, hoping to revive the Guangdong revolutionary base around Canton and then to use it as a strongpoint for launching a struggle against the Guomindang throughout China. Su Zhaozheng, who knew the situation in Canton well, actively participated in the development of plans for the uprising. Two thousand workers, who had a legal status in Canton, and had been with Su Zhaozheng in the famous Hongkong-Canton strike were assigned the role of the main attack force. Shortly before the uprising, however, those workers were banished from Canton by the reactionaries, a heavy blow to the revolutionary forces. But the Communist-led rebels displayed heroism and self-sacrifice, and on December 11, 1927, they set up China's first-ever workers' and peasants' revolutionary government—the Council of People's Commissars. Su Zhaozheng, who was away in Wuhan at the time, was unanimously elected Chairman of that Council. But before he got back to Canton, the uprising was cruelly suppressed by internal and external reactionary forces, which by far outnumbered the rebels.

After suppressing the Commune of Canton, the Guomindang reinforced its terror campaign even more. This brought out the need to restructure the entire work of the CPC and the All-China Federation of Trade Unions with regard for the superior strength of the reactionary forces. In February 1928, the CPC leadership sent Su Zhaozheng to Moscow as the party's representative in the Comintern and representative of the All-China Federation of Trade Unions in the Trade Union International. At the Fourth Congress of the Trade Union International held in Moscow in April 1928, Su Zhaozheng delivered an impressive and comprehensive report about the Chinese workers' heroic struggle in the horrible condi-

²⁶ See Deng Zhongxia, *The Biography of Comrade Su Zhaozheng*, p. 126.

²⁷ See *Pravda*, Oct. 4, 1927.

tions of the Guomindang's unrestrained terror and about the significance of internationalist assistance for the development of the Chinese revolution. Su Zhaozheng was put in the Presidium of the TUI Congress and elected to the TUI Executive Committee. As a representative of the CPC leadership, Su Zhaozheng conducted preparations in Moscow for the Sixth Congress of his party. The historic Sixth Congress, which was to work out the CPC's new strategy and tactics after the rupture of the united front, could not be held in China, where the Guomindang pursued a course of repression and terror. The hosting of the Sixth CPC Congress in Moscow was a great act of internationalist assistance. The speeches delivered by Su Zhaozheng at that congress demonstrated genuine Bolshevik self-criticism, severe and courageous in essence. Su Zhaozheng thoroughly analysed the drawbacks of the work of the CPC and the All-China Federation of Trade Unions with the proletarian masses—not only during the hard times of the Guomindang's terror but in the previous years of the revolutionary united front as well. In his speech, Su advocated the "work-with-the-masses course"—a strategy aimed at the CPC's allround rapprochement with the worker and peasant masses—recommended by the Comintern—and stressed the importance of the Communists' work in the unions.²⁸

Su Zhaozheng was re-elected a Politburo Member of the CPC Central Committee in charge of the Trade Union Commission. Later he represented the CPC at the Sixth Congress of the Communist International. The congress, held in Moscow in August-September 1928, elected Su Zhaozheng a member of the Comintern Executive Committee. During his stay in the Soviet Union, Su Zhaozheng delivered lectures and reports on the situation in China and the significance of international proletarian solidarity. In the autumn of 1928, soon after the Sixth Comintern Congress, Su Zhaozheng came down with a grave disease, resulting from overstrain and a long life of hard work and revolutionary struggle. Soviet doctors recommended that he take treatment at a health resort in the Crimea and then have a prolonged rest. But on his return from the Crimea Su was eager to go back to China, where the revolutionary struggle was continuing in extremely severe conditions, where his Communist comrades were killed every day and he himself was constantly exposed to the danger of death. Su Zhaozheng was strongly determined to put into effect the decisions of the Sixth CPC Congress concerning comprehensive consolidation of the Communists' links with the broad popular masses. On his return to Shanghai, Su conducted the second enlarged meeting of the Executive Committee of the All-China Federation of Trade Unions on February 7, 1929. He told the Committee about the work of the Fourth Congress of the Trade Union International and about the measures intended to restructure the CPC's work with the proletarian masses. The Committee outlined a programme of specific efforts to enhance the CPC's leadership of the working-class movement,²⁹ making a major contribution to the implementation of the historic decisions of the Sixth Congress of the CPC. A few days later Su Zhaozheng died an untimely death.

Su Zhaozheng's life was an exploit in the name of the liberation of the Chinese proletariat and the entire people of China. Su Zhaozheng was a revolutionary of international significance, a true internationalist, and a good friend of the Soviet Union. His contemporaries in the USSR followed the revolutionary developments in China with sympathy and hope and were grieved to learn about Su's death. When he died, many Soviet

²⁸ See *The 6th Congress of the CPC. A Verbatim Report*, Vol. 3, Moscow, 1930, pp. 17-18.

²⁹ See *Buersaivetke*, No. 7, 1929, pp. 35-40.

periodicals carried stories about his life and work and about his stay in the Soviet Union. A collection of articles was published in Moscow in 1929 entitled *Su Zhaozheng—the Chinese Workers' Leader*.³⁰ A prominent part of that collection was a detailed biography of Su Zhaozheng, translated from Chinese, with accounts of China's revolutionary events in which Su played a major or leading role. The biography was written by Deng Zhongxia, an outstanding figure in the Communist Party of China and a close friend and associate of Su Zhaozheng.

All Soviet historical surveys concerning the Chinese revolution of 1925-1927 and the history of the working-class movement in China invariably gave attention to the work of Su Zhaozheng and to his leading role in the now famous events of the Chinese proletariat's struggle. Even today the Soviet people still honour the memory of the Chinese people's hero Su Zhaozheng, whose name will remain forever in the history of the world liberation struggle.

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³⁰ *Su Zhaozheng—the Chinese Workers' Leader. A Collection of Articles*, Moscow, 1929 (in Russian).

SOVIET STUDIES CENTERS IN CHINA

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 136-140

[Article by K. Yu. Fedorov]

More than 60 organisations, specialised research institutes and chairs under the PRC Academy of Social Sciences (ASS) and its local departments are currently engaged in comprehensive studies of the USSR's history and present, its experience in socio-economic, scientific and technological development. In addition, extensive research into the Soviet Union is carried out by various business outfits, higher learning establishments and numerous national and regional academic societies.¹ Many of these Sovietology centres are located in the provinces and regions of China bordering on the Soviet Union. This is explained by geographic proximity, traditionally close ties between these regions and Russia or the Soviet Union, a large body of expert Sovietologists residing in these regions etc.

The Chinese school of Sovietology, the structural pattern of Sovietology centres and their major fields of research, however, have not yet been studied adequately beyond China, primarily because until recently many of their studies have been classified. Some idea of how such studies are organised in China at the provincial level can be conjured up from a look at the research institutions in Heilongjiang province where the first and still active Sovietology centres were created under the auspices of the Academy of Social Sciences together with the local higher learning establishments.

The emergence of research centres in Heilongjiang province had a protracted and dramatic history. Early in the 1960s, the People's Government of Heilongjiang province set up several research institutes, including the Institute of the Soviet Far East (Harbin, 1963), which was one of the first specialised Sovietology centres in China. Remarkably, the Institute was created at the same time the Peking administration opted for its "special line" policy and Soviet-Chinese relations suffered a major setback. In 1964, it was amalgamated with the Heilongjiang Institute of Philosophy and Social Sciences which had 110 researchers, a large staff for those days. The "cultural revolution" halted almost all research in China, including at the Institute of the Soviet Far East. Scholars were victimised while Soviet "studies" were reduced to notorious allegations about the "restoration of capitalism" and the "bourgeois degeneration of the USSR". All other USSR-related subjects were tabooed.²

¹ To comprehensively coordinate research into the USSR and East European countries, in September 1982, the government set up in Shanghai the Chinese Academic Society of Soviet and East European Studies. The Society's research programme was discussed at the 1984 session of the administrative board in Chengdu.

² The eminent Sovietologist Liu Keming conceded in one of his articles that during the "cultural revolution" Soviet studies in China were typically "vulgarised and lopsided". Addressing a symposium on the Soviet economy in June 1983, the ASS Vice President Liu Guoguang made an even more bold statement: "Then, most of our research was divorced from the objective analysis in the framework of a businesslike and realistic approach based on extensive factual data and was aimed at making its results fit in the criticism of contemporary revisionism."

In the late 1960s and early 1970s, Chinese Sovietologists—most of all historians—turned to the so-called “border and territorial issue” which in fact became central to their research. To give scientific backing to the “validity” of Peking’s territorial claims to Soviet lands, expert Sovietologists from northwest China’s research centres delved into studies of archives and historical documents, including in Russian. Concurrently, China translated and published a number of works by Russian and Soviet scholars for closed use featuring the history of the emergence of a frontier between China and Russia, and the Russo-Chinese and Soviet-Chinese relations.³

These analyses of articles and works published in China in the 1960s and 1970s either under a pen-name (for instance Shi Yuxin, the author of an editorial in *Lishi Yanjiu*, No. 1, 1974) or signed “a theoretical team of workers, peasants and soldiers”, suggest that their authors had certain orders to bolster up Peking’s official thesis of “tsarist Russia’s aggression against China” that allegedly “robbed China of 1.5 mln square km of its original lands”. Many articles and monographs “substantiating” such theses were cooked up in the northeast, some of them—is Heilongjiang⁴.

A number of magazines (*Dongbei kaogu yu lishi*, *Heilongjiang wenhua cunkan*, etc.) carried some 400 such articles—many of them anti-Soviet—featuring the results of the most substantial archaeological research ever done in China in 1981-1983 by the order of the State Council.

Organisationally, Sovietological research in China got back on track in the first half of the 1970s. In 1973, the government decreed the rehabilitation of the provincial research institutes of philosophic and social sciences. It was a slow and painful recovery. On the one hand, China ran short of Sovietology experts (in Heilongjiang province, for instance, by 1976 there were only 70, only half of what was in 1964, and by 1978 there were 90) and, on the other hand, there were no precise instructions on the subject of research and, finally, many Chinese historians and Sovietologists had been traumatised by the repressions of the “cultural revolution” and feared it could repeat. As it turned out later, their jitters had not been groundless.⁵

In 1977, Soviet studies in China entered a new stage. Along with the establishment of China’s Academy of Social Sciences⁶ in 1977, its provincial branches began gradually springing up. On April 24, 1979, after three months of preliminaries the government formally set up the Academy of Social Sciences of Heilongjiang province. Today, by virtue of the number of its staff and the volume of research, it is a major centre of Sovietology in China. More than 300 of its employees (including 200 odd researchers and administrators) are busy in eight research centres, including the institutes of philosophy, economy, political science, history,

³ A Shanwu Publishers alone translated and put out about twenty related books published in Russia and the Soviet Union, including the reputable monographs such as *Modern History of China*, Moscow, 1972 (ed. by S. L. Tikhvinsky; Chinese translation—Beijing 1974), *Russo-Chinese Relations in the 17th Century*, Materials and Documents in 2 Volumes, Moscow, 1969 (translated in China in 1978), etc.

⁴ The Heilongjiang ASS Institute of History and Siberia, for instance, prepared the following works: *How Tsarist Russia Staged an Aggression Against China; A Brief Essay of Siberia’s Conquest; A Bitter Period in Siberian Peoples’ History*; etc. (The China History Yearbook, Moscow, 1983, pp. 415-416).

⁵ The majority of the participants in the Second All-China Scientific Symposium on Contemporary Soviet Literature (Harbin, September 12-21, 1979) conceded that in terms of its home policy the USSR was a socialist state (*Wenyi baijia*, 1979, No. 2, p. 254). Peking, however, severely criticised the symposium’s conclusions and closed down the Heilongjiang-based magazine *Wenyi baijia*, which had published its proceedings.

⁶ See *Collected Articles on the 35th Anniversary of the People’s Republic of China—Guang huide chengjiu*, Vol. 2, 1984, p. 333.

dialectics of nature, literature, information and Siberia. In addition, the Heilongjiang ASS has recently created a specialist training and enhancement centre for various agencies. It also issues the *Xiuxi yu tansuo* (Learning and Research) magazine and runs a postgraduate course. Specifically, applied research at the Heilongjiang ASS is not confined to local problems alone, but also extends to Sovietologic studies, with an emphasis on a comprehensive study of Siberia and the Soviet Far East carried out by all of the eight institutes.

The only Institute of Siberia in China concerned with related research falls into three sectors—economic, historical, and reference-translation. Nearly 30 of its staffers are engaged in an exhaustive study of Siberia and the Far East, including their history and the present, development strategy and tactics, and the life, both past and present, of their indigenous ethnic minorities. In recent years the Institute of Siberia has been focusing primarily on the so-called "border and territorial issue".⁷ Today, however, the Institute also studies the modern and contemporary history of Siberia, including the history of the revolutionary movement of the Civil War period, the development of Siberia and the Far East in the 1930s and during the period of the Great Patriotic War (World War II).⁸ From among the contemporary problems, emphasis is placed on the economic, primarily industrial development in Siberia.

Over 1980-1981, the Institute of Siberia put out two collections of documents titled, *The USSR's Economic Reform*, as well as the monograph, *Economic Survey of Soviet Siberia and the Far East* (October, 1983). Research into this field is conducted together with the local Institute of Economy in the framework of the Heilongjiang Society of Soviet and East European Economic Studies. Given the high standard of the research done in Heilongjiang, in July 1980 the Chinese Academic Society of Soviet Economic Studies held there its first annual session which attracted 120 participants from various research institutes, higher learning establishments, the press and propaganda organs, and central and local economic organisations.⁹

The Institute of Siberia translates and reviews many Soviet publications.¹⁰ In 1984, after an effort of five years, *Dictionary of Geographic Names of the USSR (Siberia and the Far East)* containing 2.5 million hieroglyphs (1,630 pp) was produced. The Institute keeps in touch with Western and Japanese Sovietology centres, receives major Western publications on the Soviet Union, and, as all other related research institutions in China, has facilities to receive and record Soviet TV programme (Orbita-2) which are then analysed. Its researchers have recently been urging to establish contacts and ties with Soviet scholars, and to collaborate on a number of subjects.

Heilongjiang University is another major educational and research Sovietology centre located in northeast China. Initially, this was the School of Foreign Languages located in Yanan. In 1946 it was moved to Harbin, and in 1956 became the Institute of Foreign Languages. In September 1958 it was elevated to the university status. Today the University has 12 departments with a staff of more than 600, including 100 professors and 300 assistant professors, and enrolls 3,000 full-time students in 23 specialities. The University has close ties with higher

⁷ *The China History Yearbook*, pp. 415-416.

⁸ The Institute of Siberia and the Heilongjiang ASS Institute of History now work on a joint fundamental monograph titled *History of Siberia's Development by Russia and the Soviet Union in 1581-1981*.

⁹ A report on the session was carried by *Jinjiuxue duntai* magazine, No. 12, 1980, pp. 24-26.

¹⁰ The Institute's library has a collection of more than 200 thousand titles, a quarter of which were published in the USSR; of the 300 newspapers and magazines the Institute receives, 80 per cent are Soviet publications.

schools of the USA, Japan, Canada, Switzerland, etc., developing exchanges of instructors, graduates and students.

Heilongjiang University has two research institutes. One of them, the Institute of Soviet Studies, was set up in 1979 and has a staff of 15 fellows. Basically educational, it is also engaged in comprehensive studies in the history of the Soviet economy (with emphasis on agriculture), Soviet literature (including Siberia's literature and "small form" literature of the 1920s-1930s), the Russian language and its teaching, lexicography and pedagogics. In recent years, the Institute, together with educational departments and Sovietologists from other research organisations, has done much work in compiling dictionaries,¹¹ translating Russian and Soviet classics and Soviet literary criticism, and has also prepared a number of original critical works.¹²

One more prominent educational and research centre in Heilongjiang province is the Harbin Teachers' Training University¹³ founded in 1951. Today it has 13 departments which enroll some 7,000 students in 16 specialities. Of its staff of 1,700 800 are instructors, including 9 professors and 100 assistant professors. Reinstated in 1978, its graduate course enrolls almost 80 post-graduate students. Soviet studies stand out sharply against the University's research programme. Of its 29 research departments one, being unique in China, is concerned with studies in Soviet philosophy. To date, the department has translated three Soviet books and plans to translate and publish the most authoritative works by Soviet philosophers in a 20-volume series under the title, *Natural Science and Philosophy*. Late in August, 1984 Harbin hosted the first All-China Symposium on Soviet Philosophy. It attracted 70 delegates from various institutions who discussed a number of related issues and delivered 20 reports. The participants noted major breakthrough that Soviet philosophy had made in the scientology, the methods of scientific research, scientific modelling, etc., and their practical significance for China's academic studies.

Since 1983, the University's Research Institute of Pedagogics has been running a department for the study of the Soviet system of education. Recently these studies have been intensified in view of the educational reform now in progress in China. In July 1984 Harbin assembled an All-China symposium devoted to the USSR's general and vocational education reform. The symposium attracted 70 specialists and heard 40 reports, which appreciated the guidelines for reshaping the Soviet educational system.

Much of the University's Sovietologic research is conducted at the department of history. Its approach to the history of Sino-Russian relations, however, is biased, since the department's central subject, at least until recently, has been "tsarist Russia's Aggression Against China".¹⁴ Apparently, the same holds true for the current study of

¹¹ The Institute has recently completed translation of a *Soviet Encyclopaedic Dictionary* and is preparing for publication a *Scientific and Technical Dictionary*, a *Dictionary of Russian Dialects*, a *Dictionary of Social and Political Terms*, etc. From 1975 to 1980 it compiled a larger version of a popular *Comprehensive Russian-Chinese Dictionary* (ed. by Liu Zerong). Then it was decided to extend its body from 120,000 to 160,000 entries. There are also plans to compile on its basis the most comprehensive dictionary yet of 200,000 entries. Chinese linguists believe it will take them seven years of work in close cooperation with Soviet experts.

¹² In cooperation with the Department of Russian and Soviet literature it now has completed a major translation and has published a 10-volume collection of 19th century Russian classics which includes essays of literary criticism. It also has plans to translate individual works by popular Soviet writers.

¹³ The University's library is the most extensive one in Heilongjiang province. Its collection runs into 1.2 mln. volumes. Some 100 thousand volumes are in Russian.

¹⁴ Since 1975 the department has sponsored four national and regional conferences to "criticise" the *Modern History of China* (ed. by S. L. Tikhvinsky) that was published in the USSR in 1972.

history of the Russo-Chinese economic relations from the 17th century up to 1917.

China's National Society of World War II History Studies focuses, among other things, on various aspects of the USSR's home and foreign policies in the 1930s and 1940s. The society was set up at a symposium held in Harbin in July 1979. The department of history at the Harbin Teachers' Training University was one of its major sponsors and active participants.

The University has several press organs, including the *Beifang Luncong* magazine, which often carry articles on Russia and the Soviet Union.

To complete our review, we should also mention the large number of Russian language instructors who constitute a sizable portion of the Sovietologic research in Heilongjiang province. Naturally, they are primarily busy with the training of experts who will be well-versed in the Russian language and culture. Some of these will inevitably join the ranks of Chinese Sovietologists.¹⁵ In addition, the instructors of Russian do substantial research and translation work. Books and articles they translate from Soviet magazines are published in the bulletins and special journals issued by universities.

Much emphasis in Heilongjiang is also placed on the analysis of Soviet scientific and technological achievements. Related research is conducted at the Institute of Scientific and Technological Information. Since 1980, the Institute has been issuing a 50-page bimonthly *Sulian kexue yu jushi* (Science and Technology in the Soviet Union). In addition, almost every department of scientific and technological information at major enterprises and sectoral institutes, has experts with a knowledge of Russian who scrupulously study Soviet special literature and periodicals and prepare reports and collections of abstracts.

In closing we can say that in the last six or seven years China has gradually created an extensive network of Sovietology centres engaged in comprehensive studies of the Soviet Union, its history and contemporary problems. Chinese Sovietology, however, is still in the formative stage.

The intensity of research right now gives ground to predict that Chinese Sovietology may soon claim the status of an independent and important social discipline—if it chooses to be objective and faithful to historical realism.

K. FYODOROV

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¹⁵ A four-year course at Heilongjiang University enrolls a total of 60 students and 16 instructors of Russian.

MONGOLIAN JOURNAL 'QUESTIONS OF ORIENTAL STUDIES' REVIEWED

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 141-143

[Article by V. A. Vasilyev]

This journal, a biannual publication of the Institute of Oriental Studies under the Academy of Sciences of the Mongolian People's Republic, in its No. 2 (1985) issue carried an article on the 7th Congress of the Communist International, which played an important part in the launching of the Resistance war against the Japanese aggression by the Chinese people. The journal also carried other materials related to China's modern and recent history, as well as articles on India, Kampuchea and other countries and on Asian problems. The journal opens with the article analysing the significance of the decisions of the 7th Comintern Congress on the development of the national liberation struggle of Oriental peoples. Specifically, the article said that in the decisions of the 7th Comintern Congress imperialism was described as a source of wars of aggression and conquest. The description is still true today when the international situation is clearly becoming extremely aggravated globally through the fault of the imperialist powers, above all the USA, pursuing a militaristic policy with a view to scaling up the nuclear arms race. Analysing US imperialism's policy of aggression, Mikhail Gorbachev, General Secretary of the CPSU Central Committee, said that imperialism had created a terrible threat, which hangs over mankind, and that the only sensible way out of the situation is an agreement between the confronting forces on an immediate termination of the arms race, first of all the nuclear arms race, on earth, and the prevention of an arms race in outer space.

"Decisions of the 7th Comintern Congress had great significance to the destinies of Oriental peoples, including the Chinese, and to the Chinese revolution", the Mongolian journal pointed out.

A report delivered at the Congress by Georgi Dimitrov, Comintern Secretary General, and the Congress decisions, advanced the task of the Communist parties of the East consistently to pursue a policy of setting up a united people's front of struggle against imperialism and colonial wars. The Chinese delegation to the Congress, led by Wang Ming, a member of the Political Bureau of the CPC Central Committee, took an active part in the Comintern's working out of a united anti-fascist front strategy. The basic principles of Lenin's thesis on the need of a united anti-imperialist front were included in the CPC "Appeal to the People on a Repulse of Japan and the Motherland's Salvation" issued on August 1, 1935. "In that historic document", the journal wrote, "the CPC called on all Chinese parties and political groups to stop the civil war and mobilise forces to resist the Japanese aggression and save the Motherland". "The appeal called for the consolidation of the Guomindang and the CPC forces to fight the Japanese aggressors. This CPC policy fully met the Chinese people's interests", the article pointed out.

The United National Anti-Japanese Front in China was set up in September 1937, after Japan, on July 7, 1937, launched a large-scale war

against the Chinese people. The United National Front, initiated by the CPC and actively backed by the Comintern, was of exceptional importance in organising the Chinese people's struggle against the Japanese aggression.

The journal stressed that "the decisions of the 7th Comintern Congress were of great significance to Vietnamese Communists, helping them to define fields of organisational work correctly and to develop its necessary forms. The decisions of the 7th Comintern Congress were as important for other parties in Oriental countries, including the Mongolian People's Revolutionary Party". It was pointed out that "the 7th Comintern Congress, not only worked out the strategy and tactics of united anti-imperialist front in colonial and dependent Eastern countries, but contributed toward the ideological Marxist-Leninist training of the communist parties in those countries."

The article, "The Republic of India: Nonalignment Policy, Its Formation and Development", contributed by the Mongolian political scientist D. Purev, deals with the formation of the nonalignment policy of the Republic of India, one of the largest Asian states, with its role in safeguarding and consolidating universal peace and security of nations. The article recalled that Jawaharlal Nehru, the founder of the Republic of India, the inspirer of its peaceful foreign policy, and one of the leaders of the Indian people's national liberation movement, played a major role in the formation and consolidation of the anti-imperialist orientation of India's policy of nonalignment. "Devotion to the cause of peace, D. Purev wrote, "the struggle for equality in political and economic interstate relations, and intolerance of the manifestations of imperialism, racism, colonialism and apartheid, are the basic principles of the policy of nonalignment pursued by the Indian government."

"The anti-imperialist, peaceful orientation of India's foreign policy creates auspicious conditions for overcoming backwardness, inherited by the country from its colonial past, and enhances India's influence in international affairs," the author continued. He drew the conclusion that the nonaligned movement, initiated, among others, by India, was now becoming an influential and progressive factor in international relations. India, as an active member of the nonaligned movement, plays an important role in the further consolidation of the movement's anti-imperialist orientation, and makes a significant contribution to peoples' struggle for stronger peace and security in Asia and throughout the world.

In "The Chinese Republic of Bourgeois Proprietors and Landlords (1911-1949)", an article by the Mongolian Historian N. Ishzhalt, a brief review is given of that period in China's modern and recent history. The author said that in 1911 a bourgeois-democratic revolution (known as the Xinhai revolution) took place in China, throwing off the yoke of the Manchu Qing dynasty.

"The Communist Party of China, the Chinese people, won a victory over the enemy in a heroic national liberation war. Despite difficulties due to the Great Patriotic War, the Soviet Union rendered the Chinese people fraternal assistance which was of paramount significance to their victory," the Mongolian journal pointed out. "The rout of the Kwantung Army by Soviet troops fighting together with units of the Mongolian People's Revolutionary Army, and the liberation of Manchuria, Inner Mongolia and part of Northern China in 1945 created favourable conditions for the further intensification of the national liberation struggle." Further, the journal said that "the Chinese people's liberation struggle of many years was crowned with success. The victory of the people's revolution put an end to the foreign yoke and internal reaction for good, and marked the beginning of China's socialist way of development."

The article, "The Revolutionary Movement of May 30, 1925 in China", by Ch. Dalai said that the "May 30 Movement", the mass anti-imperialist actions of the Chinese people in Shanghai and other major cities, signalled the beginning of the 1925-1927 revolution. The movement's outstanding events were a general anti-imperialist strike in Shanghai and a 16-month-long strike in Hong Kong and Guangzhou. The working class was the main advanced force of the movement in Shanghai, Hong Kong, Guangzhou and several other cities of the country. From the outset the movement was guided politically and organisationally by the Communist Party of China.

"The united front policy, which was of much significance to the revolution's development, was worked out and pursued with the Comintern's support. The international working class, especially the working class of the Soviet Union, rendered internationalist aid to China's revolutionary forces in their just struggle for freedom and independence. On June 14, 1925, the All-China Federation of Trade Unions appealed to workers and trade unions of the world for help. Workers in many countries responded to the appeal. The Soviet working class rendered substantial aid to the Chinese workers. The All-China Federation of Trade Unions sent a letter to the All-Union Central Council of Trade Unions (USSR) conveying the Chinese proletariat's feeling of gratitude for the internationalist solidarity, and saying, "You encouraged and supported us during our struggle against the cruel and barbarous imperialism. Your assistance gives us strength."

Ts. Baatar in the article, "Successes of the Kampuchean People in the Struggle Against Imperialism, Hegemonism and Reaction", emphasised that the proclamation of Kampuchea as people's republic in January 1975 was a natural outcome of the struggle waged jointly by the peoples of the three fraternal countries of Indochina—Vietnam, Laos and Kampuchea—for freedom, independence and social progress. Now the Kampuchean people, comprehensively aided by the fraternal socialist community countries, are selflessly building a new society. Over the recent years the Kampuchean people have advanced considerably in all spheres of the country's socio-economic development.

"The forces of imperialism and hegemonism do not abandon their attempts to reverse the confident advancement of People's Kampuchea," the author wrote. "Enemies of Kampuchea seek to stop, through their stooges, Polpotians and Khmer reactionaries, the inexorable course of the Kampuchean revolution's development. But these attempts of the imperialist and reactionary forces are doomed to failure, since the Kampuchean People's Revolutionary Army, together with Vietnamese volunteers, is guarding the Kampucheans' revolutionary gains, reliably defending the sovereignty and territorial integrity of the People's Republic of Kampuchea." The author stressed that Kampuchea, jointly with Vietnam and Laos, has been waging a tireless struggle for a stabilisation of the political situation in Indochina. The three fraternal countries more than once advanced joint proposals that a conference be convened to promote the stabilisation of the situation in Southeast Asia. The proposals enjoyed widespread support of the international progressive forces. The Mongolian People's Republic, together with other fraternal socialist countries, actively supports the Kampuchean people's struggle for the building of socialism in the country, for peace and stability in Southeast Asia.

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'RENMIN RIBAO' ON ECONOMIC CHANGE IN CHINA

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 144-146

[Article by B. N. Basov]

Renmin Ribao, the publication of the Central Committee of the Communist Party of China (CPC), for the most part considers major tasks related to the country's economic, social and cultural development. This year, just as in 1985, emphasis is laid on the measures being taken as part of the reform. Already the traditional New Year editorial emphasized that the reform was the party's top-priority and long-term task, rather than a campaign, and that it should be advanced step by step, overcoming conflicts as they crop up. Characteristically, the article was headed "Let the Whole of China Be Seized by the Yugong Spirit".

Since the mythical Yugong, who started removing a huge mountain despite his neighbours' scepticism, incarnates persistence and confidence in success, the article can be regarded as an answer to sceptics, those who doubt that the reform can be carried out, and as a call on the masses to take an active part in it without fearing the difficulties.

The reform line was adopted by the 3rd Plenary Meeting of the CPC Central Committee of the 11th convocation in December 1978. The reform began in agriculture, and some of its results in this sphere of the national economy are now being summed up.

On January 1, 1986, **Renmin Ribao** carried the text of a speech by Wan Li, member of the Political Bureau of the CPC Central Committee and Deputy-Premier of the State Council, which he delivered on December 6, 1985, at a working meeting in the Party's Central Committee on problems of agriculture. According to him, the first stage of the reform in the countryside had been completed and the second stage was to be started.

Wan Li described the first stage as successful and emphasised the importance of three aspects of the reform implementation. He noted that the reform at the first stage had been successful mainly due to the fact that the political line met the peasants' interests. Addressing the meeting Wan Li said that the new trend in agriculture was not an "invention of individual comrades from the Central Committee, or provincial leaders, or party secretaries" but "the party's collective creativity relying mainly on the practical experience, inventiveness and initiative of the vast masses of the peasants".

Wan Li pointed out that in several districts chief executives seemed to miss the idea that in their work they should be guided by practical experience. Instead, they continued "taking ill-considered decisions, approaching the reform in a crude and rigid way", and often acting blindly. The 3rd Plenary Meeting of the CPC Central Committee of the 11th convocation marked a radical turn from the ban on farmstead contracts to a responsibility system spread everywhere in the form of family contracts. Much work had been done to relieve the productive forces in the countryside of "shackles". To this end, the state has issued a number of relevant resolutions. However, according to Wan Li, some of the documents adopted on the reform do not convey its spirit, or approach the problems indiscriminately, thus "fettering the reform". Wan Li regards a solution to these problems as a major task.

The article said that the reform's goal was "to embark on the road of building Chinese-style socialism". Wan Li warned that "difficulties, zigzags and new problems 'are inevitable' in the reform implementation. He also pointed out that there were opponents to the reform in the country.

The author noted that everyday practice had confirmed the correctness of the rural policy pursued by the Chinese leadership after the 3rd Plenary Meeting of the CPC Central Committee of the 11th convocation. He added that many concrete measures were being completed at the time, but theoretical research was still necessary.

The statement shows that the reform in China is being carried out pragmatically, using the method of trial and error. Though the reform has been in effect for 6 years now, there has been no in-depth theoretical analysis of its results, which is considered to be the task for the future.

In his speech, Wan Li gave prominence to the need for extending the districts' rights in implementing the rural reform. He gave several reasons for this. In his opinion, at present the reform in the countryside, constantly deepening, has necessitated the implementation of reform in the towns, and has turned into a major integral part of the transformation of the entire economy. "If we are unable to carry out the town reform, we won't be able to carry out the second stage of the rural reform either," Wan Li said. Everyday practice in recent years has shown that the districts "are a connecting link between the town and the country, and between macro- and micro-economies."

Wan Li singled out the following guidelines for practical work at the rural reform's second stage:

- development of the commodity economy in the countryside, intensive educational work and stronger leadership, respect for the law so that "the socialist commodity economy continues developing on a sound basis";

- abrogation or critical revision of documents hampering the reform;

- greater autonomy for the districts offering vast possibilities for organising a well-balanced commodity production.

Wan Li pointed to "some irrational situations in the current structure, which constrain the districts' activity". Their removal "will contribute toward active rural economy, extension of the reform and new trends in the work in the countryside, which is crucial for the reform's second stage".

Though Wan Li said the reform's goal was to embark, "in one quick leap", on the road of building socialism, he actively favoured the reform's step-by-step development, by the trial method, bringing to light positive aspects, while discarding negative ones.

Measures taken under an industrial reform mainly include tapping inner reserves, enhancing economic efficiency and consolidating "the basis of enterprises". According to Chinese newspapers, a sample analysis of industrial branches in the last two years has played a significant role here. This experience is planned to be spread throughout the country. On January 3, 1986, **Renmin Ribao** frontpaged an editorial saying that "the second major general analysis of the country's industry" had officially started on January 1. The measure is regarded as an "important step in the industrial modernization", and, by its significance, compared, to a census. The aim of the comprehensive industrial analysis of such a vast scope is "to find foundations for planning prospects for the development of the national economy and society", for charting a correct direction, creating the necessary conditions for the furtherance of the economic town reform, and speeding up the industrial modernization. The analysis will make it possible to evaluate the situation in industries, the economic situation at enterprises, their technological equipment and eco-

economic efficiency, the production structure as a whole, and the labour resources. There are 360 national economic indices, more than 500 in various branches of the economy, and over 5,000 as regards the nomenclature of products. According to the article, the indices, "overlapping and supplementing each other, make it possible to obtain tens of thousands of figures". The latter are "of much importance for regulating the investment, carrying out a management reform, rationalising the industrial mix, determining the product nomenclature, raising the level of economic management", and obtaining a qualitative characteristic of manpower in industry.

Renmin Ribao laid emphasis on the fact that "unlike a census, the industrial analysis may affect the interests of districts, departments, and enterprises themselves". Therefore "there may well be cases of information concealment, juggling with facts, and whitewash". That is why "a strict system of responsibility involving each person and each district, department and enterprise in question" is planned to be established in the course of the drive. The article noted that the industrial analysis efficiency "depends on all levels of management sticking resolutely to high criteria and exacting demands and ensuring index quality".

Reform-related changes cover the most diverse economic spheres, including trade. On January 3 **Renmin Ribao** carried a lengthy report on a theoretical conference on a trade reform in major cities, held in October 1985 in Wuhan. Participants in the conference were unanimous in holding that trade was the most important strategic link in the development of the municipal economy and that the state should make its largest cities into strong points in exercising national control over the market. On the whole, the speakers supported the idea that reform-like changes in trade were needed, and demanded, in the first place, a clear distinction between management by decree and management by incentive. Some speakers voiced an opinion as to expediency of the extension of enterprises' rights. At the same time the conference pointed out the need for a body that would be in full control of the activity of the owners of the means of production, as the latter are the property of the entire state. The newspaper accentuated other problems as well. On the whole, **Renmin Ribao** articles bespeak the Chinese leadership's confidence that the reform machinery has gained strength and the reform will be further developed, and that the problems that appear will be solved gradually in the process of the reform's implementation.

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PRC BOOK LINKING ECONOMIC REFORM THEORY, PRACTICE REVIEWED

Moscow PROBLEMY DALNEGO VOSTOKA in Russian No 2, Apr-Jun 86 (signed to press 21 May 86) pp 193-197

[Review by I. N. Naumov, candidate of economic sciences, of book "Socialist Ownership of Means of Production" by Gao Qun, Harbin, 1984, 160 pages]

[Text] Many discussions of key aspects of the political economy of socialism are being conducted in scientific circles in connection with the economic changes and reforms in the PRC since 1978. The main purpose of these discussions is the theoretical substantiation of the actual measures that are being taken. The central topic of discussion is the development of property relations.¹ Many articles dealing with this subject matter have been published in scientific journals and in newspapers. Whole booklets and books on this topic are being published. One example is the subject of this review, "Socialist Ownership of the Means of Production."

There are several important reasons for this interest in property relations: First of all, the set of relations connected with the ownership of the means of production constitutes the economic basis of the social order and determines its socioeconomic nature; secondly, the sweeping reforms in property relations in China in the 1950's changed the direction of its socioeconomic development; thirdly, it was precisely in this sphere of economic relations that the most extreme actions were taken in the PRC between 1958 and 1978 (the formation of the "people's communes," the elimination of the small-scale commodity production sector in urban and rural areas and of the subsidiary plots of peasants, etc.), actions which had a severely negative effect on the development of the PRC economy and of the Chinese society in general; fourthly, the current reforms in the PRC are far from simple, are having a tremendous effect on the vital interests of various classes and social groups and are upsetting the Chinese society.

We will begin our discussion of Gao Qun's book with the observation that the statements he makes have been corroborated by many social scientists. To a certain extent, however, the book expresses only one point of view with regard to the current events in PRC economic life and does not encompass other points of view. The author disputes some of them.

The book begins with an explanation of the meaning of the term "property" and of its place in the system of production relations. Here the author adheres

to the point of view accepted in Marxist-Leninist political economy. One of the new features of PRC literature on political economy is the tendency of Chinese economists to analyze the internal structure of property ownership and to examine the more specific elements of the exercise of ownership, such as acquisition, possession, distribution and use.² The author provides what we see as a fairly popular interpretation of these elements.

The development of the structure of property relations in the PRC is examined in the second chapter of the book. It is no secret that the idea of creating "single national ownership" prevailed in China for more than 20 years (1958-1978) and was energetically implemented in policy. For the sake of this idea, the establishment of rural and urban cooperatives was intensified and enterprises controlled by national capital were converted into joint state-private enterprises in the 1950's, and beginning in 1958 the "people's communes" were formed, cooperative enterprises in cities became state enterprises, privately owned farms were eliminated, subsidiary farming was banned, etc.

As Chinese economists are now willing to admit, the Chinese society had to pay a high price for this attempt to skip whole stages of socioeconomic development. Just as other Chinese economists, the author agrees with the opinion that the current stage of the PRC's development presupposes "a complex property structure, the simultaneous existence of many different forms of ownership of the means of production, with social ownership playing the leading role" (p 27).

This important conclusion, which was drawn by Chinese economists after 1978, is now serving as theoretical validation for the deviation from the "collectivization craze" that lasted so many years. Just as other Chinese economists, Gao Qun says that the existence of "many different forms of ownership" is necessitated by the uneven levels of development of productive forces, the relatively low level of division of labor and production collectivization, and the laboring public's low level of technical sophistication (p 31).

The author feels that the property structure in the PRC should include, in addition to national and cooperative property, the private property of workers and the property of foreign capital, entering the country either for the construction of mixed (state-capitalist) enterprises or purely capitalist enterprises. To "accelerate the accomplishment of socialist modernization," the author writes, China is pursuing an open foreign economic policy, attracting foreign capital within certain limits, building enterprises based on domestic and foreign capital and building foreign enterprises. This is supposed to promote the flow of modern technology and equipment into China and encourage the study of foreign experience in production management (p 37).

At the end of the chapter the author writes: "Whereas it was once believed in China that property relations had been settled, it turned out that this was not true, and the problem of creating an efficient structure of ownership of the means of production still exists in the national economy. This problem must be solved in theory and in fact" (p 39). In the latter context, socialist modernization objectively demands the improvement of production relations on the basis of existing productive forces and the creation of a more efficient structure of ownership of the means of production for the quicker development of productive forces (p 40).

The author's views on the development of state property in the PRC warrant consideration. It is no secret that the flagrant excesses in its formation and use in China in 1958-1978, which led to severe economic disorders, caused leading economists to have serious doubts about it. With good reason, they began saying that state ownership in the PRC could not perform the function of national ownership because major defects were organically inherent in it. According to these economists, state ownership is the source of such flaws as bureaucratism, authoritarianism and voluntarism (p 51). Some economists began blaming socialism in general for the violations that were being committed in the PRC. In their opinion, state socialist ownership cannot unite manpower with the means of production, creates no incentive for labor, gives rise to nationwide wage-levelling, turns enterprises into appendages of administrative and party organs, hampers their initiative and inhibits the development of productive forces. These economists believe that state ownership cannot be a form of national ownership and must be replaced with some kind of "national sovereign form of ownership," "enterprise ownership," "national collective ownership," "associate ownership" and so forth (pp 51, 57).³ They feel that this also applies to other socialist countries.

Gao Qun defends another opinion. He makes the quite accurate statement that the abovementioned "defects" are not connected with the nature of state socialist ownership as such, but with the existing system of state property management in the PRC. "In fact," the author writes, "shortcomings in the functioning of our economy are due to the system of economic management, and not to the form of socialist state ownership" (p 56).

The author also proves the inaccuracy of the allegations that state ownership does not unite the means of production and manpower, that the enterprise is an "appendage of administrative organs" and so forth. Gao Qun sees all of the proposed ways of "improving" ownership in the PRC as a denial of state socialist ownership. The author's own conclusion, however, is that the use of state ownership as a form of national ownership is "historically necessary" (p 54).

The purpose of property management reform is examined further on in the book. Above all, the author says, the connection between the basic economic system of socialism and the system of economic management must be determined. The author concludes that the system of economic management in the economic system of socialism must be a concrete management system corresponding to socialist production relations (p 63).

Along with some other economists, Gao Qun believes that one of the aims of the reform should be a lower level of concentration in management, a transition from purely administrative methods of management to a combination of economic and administrative methods, with a view to economic levers and economic law (p 66). Here the author's position differs considerably from the position of some economists, who insist on exclusively economic methods of management. Some of the other areas of reform Gao Qun mentions are the need for the stricter specialization of enterprises, the expansion of their independence (pp 65, 66), the creation of various forms of economic associations, the organization of the correct interrelations between the state and the enterprise (p 67), the use of taxes to appropriate the net income of enterprises, and the correct combination of the interests of the state, the enterprise and the individual worker.⁴

The author assigns the transfer of small enterprises to complete economic accountability, so that they will be completely "accountable for profits and losses," an important place in the reform. Self-funding is viewed in the book as a concrete change in the system of national economic management (p 71) which will not change the nature of socialist national ownership (p 72).

In a chapter on cooperative ownership, the author, just as other Chinese economists, writes about the invalidity of the long-standing practice of restricting, underestimating and even subverting cooperative ownership in urban areas. Gao Qun says that the different forms of cooperative economics are the collective economics of the laboring public, an important element of socialist national economics and one of the main forms of Chinese economics. He substantiates the objective need for the lengthy existence of a cooperative economy based on collective ownership (p 73). The widespread development of cooperative economics in cities is primarily due to the widespread manual labor in the trades. By its very nature, the author says, the cooperative economy is one of the economic forms based on social ownership where collective labor and distribution according to labor exist (p 80). It is distinguished by voluntary organization, self-management, complete responsibility for profits and losses (complete economic accountability), distribution according to labor and democratic management (pp 80-82).

Obviously, there is nothing new about these statements from the standpoint of the development of Marxist-Leninist socioeconomic thought. If we consider, however, that these conclusions are being drawn in China, where cooperative ownership was regarded, both in theory and in practice, as a not completely socialist form of ownership for decades, a form allegedly inhibiting the development of productive forces, they acquire great practical significance.

In addition, the author describes many of the problems and obstacles seriously impeding the development of the cooperative sector in cities, including the non-observance of the economic independence of enterprises, the use of the same management methods in these enterprises as in state enterprises, the confiscation of funds without any compensation, the imposition of an inconvenient product assortment on them, the heavy tax burden, the absence of social insurance for workers and employees, the failure to provide adequate supplies of energy, crude resources, materials and skilled manpower, etc.

Changes in rural property relations are analyzed in a separate chapter (pp 100-126). The author agrees with the prevailing view in China today. The author acknowledges the great importance of rural cooperatives in 1955 and 1956, but he condemns the unjustified haste to form cooperatives of the highest type. "The level of rural cooperation in our country," he says, "exceeded the level of the development of productive forces in agriculture at that time. What was actually needed was the timely establishment of efficient agricultural production cooperatives, the adjustment of economic relations in them and the guarantee of their stability for the development of productive forces" (p 104).

The campaign for the creation of "people's communes" in 1958 in Chinese rural areas is described in the book as "a blind race for collectivization" and "for high indicators," "a frivolous exaggeration of communism" and "an epidemic of

windbagery" and "communism" (pp 104, 105). "When the people's communes were being established," the author says, "people ignored the actual state of productive forces, they became obsessed with the gigantic, and they believed that collective organizations of larger dimensions were more progressive and displayed a higher level of collectivization" (p 105).

The "all-encompassing collectivization of the means of production," the "elimination of subsidiary plots," the "introduction of free maintenance" and the "denial of the principle of distribution according to labor," of "commodity exchange" and of the "law of value" dealt a severe blow to the labor enthusiasm of peasants, and this undermined productive forces in agriculture (p 105) and "impeded the development of agricultural production" (p 106). The author states that the attempts to regulate the "people's communes" did not produce the anticipated results. "The people's communes," he says, taught "an extremely serious lesson" (p 106).

The author has a positive attitude toward the transition to the family contract in rural areas in the beginning of the 1980's. He lists many of its good points in the chapter: the worker's direct connection with the means of production, the peasant's greater incentive to work, etc. Along with other social scientists, Gao Qun believes that the appearance and development of the family contract put rural areas "on a socialist path of development with specifically Chinese features" (p 115). Just as the overwhelming majority of Chinese social scientists now studying rural affairs, the author maintains that the transition to the household contract did not change the socialist nature of agriculture (p 115). Experience proved, the author writes, that the system of production responsibility is a more effective form of development of the advantages of the socialist system in Chinese rural areas (p 115).

It is significant that property relations in Chinese rural areas underwent major changes after 1978. The cultivated land collectively owned by the brigade was divided among the peasants and allotted to them for 15 years, and waste land was allotted to them for 30-50 years. Certain means of production, such as working livestock, machinery (including tractors),⁵ agricultural implements, irrigation wells and production facilities, were divided and became private property. A fairly broad stratum of "support" and "specialized" farmyards, managed by "capable peasants," is taking shape in rural areas with the active political and financial support of the authorities. In 1985 these farmyards represented 14-15 percent of all rural economic units. For this reason, it is not surprising that not all economists agree with this assessment of the socioeconomic essence of current rural property relations. Judging by the press, some social scientists are still disputing the prevailing point of view and believe that the family contract in the PRC is of an individual nature.⁶

The author's debatable approach is also reflected in the statement that the transition to the household contract in Chinese rural areas supposedly revived the principle of distribution according to labor and eliminated wage-levelling (p 113). Not all Chinese economists agree, however. For example, some feel that since the family contract is based on collective (land) and private (other means of production) property, only the portion of income connected directly

with public means of production can be categorized as distribution according to labor. This cannot be said, they maintain, of all peasant income, because the size of this income also depends on privately owned means of production. Others state in more categorical terms that the income of contracted farmyards essentially has nothing to do with the principle of distribution according to labor because the means of production, with the exception of the land, are privately owned and the final product never enters the unified distribution network.⁷

The restoration of the individual sector in Chinese cities and the countryside is discussed in the final chapters of the book. In 1951 there were 10 million individual economic units in Chinese cities, in 1957 the number had dropped to 6 million, and in 1978 it was 150,000 (p 128). The elimination of the individual sector, the author says, had a pernicious effect on trade and services, put a strain on the system for the provision of the population with daily necessities and had an adverse effect on living conditions. "Experience proved," the author testifies, "that in our country the restoration of individual economic units in cities at this time is dictated by the need to develop productive forces" (p 129). In his discussion of the socioeconomic nature of individual economic units, the author writes that it depends on the nature of the prevailing relations in the society (p 130). Social ownership of the means of production is prevalent in the socialist society, and the existence of individual economic units is therefore a supplement to the socialist economy. The individual economic unit, the author says, is not a capitalist economic unit and cannot become one, because it is controlled by the state, receives crude resources, materials, energy and commodities from public supplies and does not hire manpower. But it is not a socialist economic unit either, because it is based on private ownership (pp 131, 132). It has some spontaneous elements, which give rise to conflicts with the planned economy (p 133). The existence of these units at this time is promoting the development of the socialist economy, however, and it is therefore necessary to defend them in earnest and support them vigorously (p 134).

According to Chinese economists, individual economic units in the PRC must perform the following functions: 1) satisfy various living requirements of the population and develop trade, public catering and services (p 136); 2) stimulate the better management of state and cooperative enterprises and improve the quality of their products and services with the aid of many different forms of activity; 3) serve to expand the employment sphere (p 137); 4) promote the maintenance and development of traditional crafts; 5) aid in the efficient use of state capital investments and increase state budget revenues (p 138).

The development of "many different forms of ownership," including individual ownership and the state-capitalist property of foreign and national capital, is now regarded in the PRC as a strategic objective for the long range.

It is a well-known fact that property relations, as the focal point of the economic system, are closely related to division of labor, production collectivization, the development of the class structure of society, the interests of different classes and social strata and the effects of economic laws.

The author does not discuss the behavior of classes and social groups at these turning points in history.

In spite of the omissions mentioned in this review, the book will give the reader a general understanding of some theories of the development of property relations in the PRC and of the level of their scientific investigation.

FOOTNOTES

1. For a more detailed discussion, see PROBLEMY DALNEGO VOSTOKA, 1983, No 4, pp 53-69.
2. Soviet political economists began studying these elements in earnest in the 1950's, and these studies are still going on with differing degrees of intensity (see, for example: M. V. Kalganov, "Sobstvennost" [Property], Moscow, 1962; Ye. A. Vladimirovskiy and I. P. Pavlova, "Lichnaya sobstvennost kak ekonomicheskoye otnosheniye" [Private Ownership as an Economic Relationship], Leningrad, 1977; and the works of N. D. Kolesov, A. M. Yerevin, V. K. Logvinenko and others).
3. PROBLEMY DALNEGO VOSTOKA, 1983, No 4, pp 59-60.
4. The book says, for example, that the profit increment of enterprises should be distributed according to the following principle: the "main share" ("datou") should be turned over to the state, the "middle share" ("zhongtou") should remain in the enterprise's possession, and the "small share" ("xiaotou") should go to the worker (p 70).
5. For example, in 1984 the private property of peasant farmyards included 280,000 heavy tractors (32.7 percent), 2.5 million light tractors (75 percent) and 120,000 trucks (35 percent).
6. "Zhongguo jingji nianjian--1984," Beijing, 1984, p VIII-11.
7. Ibid., p VIII-6.

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BOOK ON PROBLEMS OF POLITICAL DEVELOPMENT IN ORIENTAL STATES

Moscow FAR EASTERN AFFAIRS in English No 3, Jul-Sep 86 pp 147-149

[Review by K. A. Yegorov, candidate of juridical sciences, of book "Sotsialnaya revolyutsiya i vlast v stranakh Vostoka (O problemakh i protivorechiyakh nekapitalisticheskogo perekhodnogo razvitiya)" [Social Revolution and Power in Oriental Countries (The Problems and Contradictions of Non-Capitalist Transitional Development)] by Vl. F. Li, Moscow, Nauka, Glavnaya redaktsiya vostochnoy literatury, 1984, 288 pages]

In recent years the Soviet Orientalists have raised a number of important problems of the genesis and evolution of the revolutionary power in countries that have liberated themselves from colonial dependence and embarked on the road of non-capitalist development. They expanded and deepened the critique of bourgeois concepts of the political development in the newly-free countries. A solid historiographic and documentological basis has been set up for the examination of the problems in question. The monograph by V. Lee is an important work of research in that direction.

The book consists of five chapters. Chapter I—Political System in Transitional Societies—contains a historiographic survey, stresses the specificity of political institutionalisation, and outlines the typology of revolutionary powers in those countries following the non-capitalist way of development. The chapter critically evaluates bourgeois concepts on the problems in question, bourgeois notions concerning power, state, and social administration. It also provides an interpretation of such aspects of political power as the ruling groups, political and social elite, and political and ideological leadership, and draws a fundamental line between bourgeois-liberal and revolutionary-democratic concepts.

The formation of a new mechanism of power and management in the countries of non-capitalist development is quite justly regarded in the monograph as a complicated and contradictory process primarily explained by the complex class nature of the national-de-

mocratic power. The author is downright correct in saying that the contradictory nature of the political institutionalisation of power can seriously impede the entire process of non-capitalist development. At the same time, it would be wrong to examine these contradictions separately from the dialectics of the social revolution itself, and the process of progressive transformations. In this connection the author regards socialist orientation as a stage for preparing the material, social, political, and other prerequisites for the building of a new society (pp. 26-28). At this stage the national democratic power, with its dual class nature, relies not so much on the working class and peasantry but predominantly reflects the interests of the middle urban strata and even of some layers of the national bourgeoisie. As far as their objective content is concerned, progressive transformations easily fit into the framework of the general democratic "pre-socialist" transformations (p. 27).

The monograph convincingly upholds the concept concerning the need for drawing a clearcut line between petty-bourgeois democracy and the "new generation, which has detached itself from the latter, and represents the interests of the working masses".

The author rejects the assessment of revolutionary democracy as an exclusively petty-bourgeois socio-political force (p. 19). He maintains that the traditional form of revolutionary democracy, brought about primarily by the petty bourgeoisie, is getting intensively saturated with historically new social content as the peoples' liberation struggle becomes deeper. Moreover, V. Lee stresses that, notwithstanding the incompleteness of the social differentiation in the developing countries, "classical" features of the petty bourgeoisie make themselves felt specifically both in the sphere of the basis, and in the superstructure and social psychology (pp. 20-21).

V. Lee has ample grounds to believe that an analysis of a national democratic revolution demands a more flexible typology of the non-capitalist way of development, and singles out the "initial form of the non-capitalist road", and "a higher stage of non-capitalist development". The latter is marked by a national democracy based on the political power of a coalition of the middle social strata, more often than not, of petty-bourgeois forces interested in the elimination of the domination of imperialism, feudalism and the big bourgeoisie. At the same time, however, these forces seek to preserve and expand the positions of petty and medium

private property. The political systems of a higher stage of non-capitalist development embody the dictatorship of an alliance between the non-proletarian layers of the working people in town and village and the emerging working class. The author describes the political regime in such countries as a "revolutionary democracy of the working masses". If the political power of the working people, headed by vanguard revolutionary parties, is consolidated when there is a further change in the alignment of forces in favour of world socialism, "real opportunities emerge for the national-democratic revolution's development into a popular-democratic one without breaking up the state machinery once more" (pp. 33-35).

The monograph also speaks of "revolutionary military democracy" as a type of a political organisation of society marked by stability, which is capable of managing the contradictory social processes with relative flexibility (p. 38).

Chapter II—Social Structure of Society and Formation of Revolutionary Power—notes that with the social and political development of the middle strata, their political, ideological, organisational and mobilising role in the revolutionary-liberation movement, considerably enhances. In this connection, the author furnishes well-grounded criticism of the approach to this problem by bourgeois scholars relying on a concept of the social stratification of society that replaces class differentiations with those that are professional and functional. The author also criticises the stand taken by some Soviet researchers who interpret, in a narrow way, the role and place of the non-proletarian social forces, which include the medium strata in village and town (p. 46). He points out that a thorough study of the problems of the middle strata in the developing countries had already been conducted by Soviet Orientalists in the 1970s. V. Lee singles out two basic types of political institutionalisation of the middle strata: one is based on national petty-bourgeois democracy, while the other—on a political system led by the revolutionary vanguard parties of the working people (p. 49).

While examining the socio-class structure of the newly-free countries, the author notes with reason that, along with the basic classes and groups typical of every antagonistic structure, the form of the developing society inevitably reproduces specific social layers

that have taken shape in the process of the interaction between different economic patterns. With reference to this, he makes broad use of a general term "non-proletarian layers of the working people". In the scholar's opinion, these comprise the popular masses, which are immense in number, social influence and political significance. The monograph shows that they play a rather important part in the national-democratic struggle for non-capitalist development (p. 57). However, the author fails to answer the question whether the term "working people" is an essentially class concept.

Chapter III—Evolution of National-Democratic Power—examines the formation of democratic petty-bourgeois parties, and singles out their distinctive features. The chapter also deals with the ways toward party-political institutionalisation, and gives its major models. Among the specific features of such political parties are their organisational amorphousness, unstable social basis, vague political orientation, strong influence of traditionalist factors, acute inter-group struggle, and weakness and inefficiency of local party organisations.

Concentrating on an analysis of the political role played by the middle strata, the author justly notes the contradictoriness of their political strategy and tactics that stems from the combination of the labour and private-property principles. This contradictoriness makes itself felt by a conjunction of revolutionariness and reformism, adherence to national liberation ideals on the one hand, and the ability to make concessions to external reaction, on the other. It is precisely the policy, pursued by such a party with all its running ahead, retreating and social dissociation, that presents the most general picture of non-proletarian revolutionaries (p. 103). V. Lee brings the reader to the conclusion that two basic convictions are imperative for a national-democratic party to play its leading role in the non-capitalist way towards socialism: growth of close cooperation with the Marxist-Leninist parties and greater interaction with all anti-imperialist forces (p. 147).

Chapter IV—The Struggle for Revolutionary-Democratic Power—studies the problems of the emergence and development of revolutionary parties of the working people in the states belonging to the radical flank in non-capitalist development (the People's Democratic Republic of Yemen, Ethiopia and others) where, in the course of the national-

democratic revolution, a wide bloc of non-proletarian layers of the working people and the working class took shape under the ideological and political guidance of the revolutionary parties that proclaimed scientific socialism their basis (p. 149). The author quite justly says that the existing monographs on the subject failed to devote enough attention to the dialectics of socio-political development in post-colonial society. The author sees essential differences in the forms of state power in countries belonging to that group. With due account of national and regional specificity, he singles out basic trends in the formation and development of these political systems (pp. 210-212).

Chapter V—Revolutionary Power and the Genesis of the Relations of Production of Transitional Type—deals with the fundamental problems that have taken shape in the course of the emergence of the new economic and social functions of the state. This chapter, however, should obviously analyse the relations of production of the transitional stage, rather than the type, as is mentioned in the monograph since the latter actually designates an already formed pattern with definite social essence.

Having set himself the task of bringing to light these functions with due regard to the interaction between the basis and the superstructure, the author arrives at the conclu-

sion that the socio-economic regulation in the states of socialist orientation is a "specific function" emerging at the "juncture of interaction between transitional relations of production and a transitional revolutionary superstructure which mirrors the positions of the national-democratic forces in power" (pp. 243-244).

While emphasising the complex character of the transition to socialism of the societies in question, V. Lee draws another well-substantiated conclusion concerning the historical necessity of the close cooperation between the states of socialist orientation and the states of existing socialism.

The book under review contains well-grounded theoretical generalisations and conclusions. At the same time, the reader would like to see a clearer system of categories and a picture of the dialectical interaction between the economic basis and the superstructural forms of the development process in question. The monograph, merely mentioning "revolutionary military democracy", failed to work out its problems (p. 38).

However, it should be pointed out without any reservations that V. Lee's monograph is an important step towards studying contemporary socio-political problems of developing countries.

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BOOK ON CHINESE LAW REVIEWED

Moscow PROBLEMY DALNEGO VOSTOKA in Russian No 2, Apr-Jun 86 (signed to press 21 May 86) pp 199-202

[Review by E. Z. Imamov, candidate of juridical sciences, of book "Sovremennoye pravo KNR" [Contemporary PRC Law], Moscow, Nauka, 1985, 205 pages]

[Text] The statement about the organic unity of laws and the law as a judicial phenomenon is the decisive point of a genuinely scientific approach to legal reality. The founders of scientific communism drew a distinction between the law and laws, never confusing the two, but did regard them as similar, interrelated phenomena. They believed that laws, as forms of law, determine the main characteristics of the latter, including its specific standards, its ability to "elevate" the wishes of the dominant class, its position as a special part of the superstructure, towering above the economic basis, etc.

Another matter, however, is also quite important. When we describe the law as a phenomenon interrelated with laws and unable to exist in developed form without them, we must not imply that laws in themselves (legislative acts) are the law, or that any and all legislative acts or the total group of them can constitute the law in themselves.

This is particularly important in the examination of legal systems such as the Chinese one, in which the normative base of fields of law is distinguished by underdevelopment and glaring omissions, presupposing the great significance of other elements of the system--legal interpretation and legal practice. Under the conditions of this kind of deformed system of normative regulation, there is the real danger that written laws and other government acts could be devoid of the special legal content of "elevation" and become what K. Marx termed "empty masks," or even "arbitrary rule," as in the case of the Kuomintang law codes. Consequently, there is reason to regard the codes and statutes recently adopted in the PRC only as the dynamic prelude to Chinese socialist law, a prelude with an unquestionably interesting future. These codes and statutes must travel the complex road of dialectical development and introduction into legal practice before they can evolve, in Marx' words, from "social consciousness" into a "social force" with universal meaning, universal applicability and the qualities of a stabilizing factor.

In connection with this, the view of contemporary Chinese law as a form of social consciousness can be called scientific only if it is examined, understood and interpreted not only through the judicial analysis of the total group of normative acts, but also and mainly through the study of the legal sense and, in particular, the legal ideology giving birth to the laws of the state. It is precisely this approach to the study of contemporary PRC law that distinguishes the joint study by Soviet and Czechoslovak scholars, and it warrants recognition as the most productive approach to the current stage of the development of Chinese government and law.

The book begins with an examination of the legal situation in the Soviet and liberated regions of China in the 1930's and 1940's. The authors reveal the real purpose of the "empty masks" of Kuomintang legislation and explain the workings of organs of power and administration in the liberated regions, the role of the army in political affairs and the process by which the traditions of legislation, legal procedures and crime prevention take shape.

The analysis of the revolutionary legislation and the establishment of legal institutions in the first years after the formation of the PRC is distinguished by its broad coverage of the main legal documents and its disclosure of the distinctive features of government structure and activity. The contents of this section provide a basis for comparisons with Chinese law today, particularly in the expansion of the group of PRC legislative bodies, the extremely declarative and non-specific nature of the normative acts adopted by these bodies, etc. In connection with this, it must be said that the authors' desire to reveal the historical roots of contemporary socioeconomic reality in the PRC, a desire apparent in many sections of the work, is completely justified and extremely productive from the scientific standpoint.

The opinion expressed in the work, that the development of nihilistic tendencies in PRC law led to the renunciation of the most important functions of the law--the promotion of the consistent improvement of social relations, the control of levels of labor and consumption, the indoctrination of the new man and others--seems quite justified. And of course, we must agree with the sad conclusion that the period of "Cultural Revolution" was virtually outside the history of Chinese law (p 29).

A distinctive feature of the new phase of PRC legal development was the rapid increase in legislative activity. The most significant documents in the main fields of law are examined and some of the distinctive features of legislative policy are discussed in the section dealing with this phase. The discussion of the reasons for the priority development of certain areas of law and the inadequate development of others, however, is not thorough enough. In particular, nothing is said about the delays in the adoption of a PRC civil code, which began to be drafted in the mid-1950's. The priority assigned to criminal and procedural legislation is explained, just as it has been in all Soviet Sinological literature of recent years, only by the need to combat crime. All of this, however, also depends on the connection between various fields of law and the requirements of economic development. Legal relations in the sphere of production and exchange are closely related to the nature and type of production and distribution and to the system of production relations.

Legal regulation is confined to the framework created directly by economic laws. It appears that the "inclusion" of these areas of law in the system of diverse production relations in the PRC and the limitation of legal regulation by the economic laws of a multistructural economy impeded the codification of economic and administrative legislation. As for criminal and procedural relations, which do not exist outside the law, the possibilities of choosing various legal forms are broader in this case and depend largely on the legislator. For this reason, the codes adopted in the PRC were more "accessible" to the Chinese state, and this fact, which is not mentioned by Chinese legal experts, is of fundamental importance in the comprehension of China's current legislative policy.

With a view to the tremendous role the PRC Constitution has played in affirming the fundamental standards of state and public sociopolitical and economic affairs, the provisions of the basic law are analyzed in detail in the work. The analysis of the PRC government structure, described in the constitution as "a state of democratic dictatorship by the people," and of the meaning of the terms "people" and "enemy of the people," which are of great importance in a correct understanding of the distinctive features of several areas of Chinese law, focuses attention on the constitutionally stipulated principles of Chinese foreign policy and so forth.

The section on supreme and local organs of state authority and administration in the PRC is important and warrants attention. The laws governing the status, structure and operational procedures of these organs are compared and contrasted to the statutes of the 1950's. However, although the authors cite numerous documents amending the structure and operational procedures of government and administrative bodies, they have been unable to demonstrate the dependence of these amendments on changes in the country's economic development. The absence of the necessary sources kept the authors from revealing the economic causes of the expanded powers of the PRC State Council and local people's assemblies. They also do not explain the reasons for the changes in the personal accountability of the State Council premier and the chairmen of local administrations and changes in the procedure of State Council discussions and the issuance of decrees and orders in connection with these discussions. These matters, which are of fundamental significance at a time of economic reform, still need explanation.

The organization of judicial proceedings and the procuracy are now undergoing substantial changes in China. The organic laws governing law-enforcement bodies are examined in their close interaction with the corresponding constitutional standards with the aim of establishing the possibility of implementing the constitutionally declared principles of judiciary independence, justice, the equality of citizens before the law, the community of rights and obligations, etc. The authors present a discerning analysis of the organizational features of the PRC people's procuracy, which, as they stress, deviate from the statements V. I. Lenin made directly relating to this exceptionally important matter during the first years of Soviet rule, statements which were later proclaimed in the PRC Constitution of 1954.

In amplification of this criticism, it would have been wise to mention the absence of any references in Chinese legislation to the supreme nature of

legal control by the procuracy. The concept of "supreme control" is reflected in the socialist theory of law through constant and specific features, which, as analysis indicates, are not completely characteristic of the PRC procuracy. The absence of the term "supreme" in relation to the control of legality by the procuracy in Chinese legislation is not simply a "technical" omission. It reflects a fundamental policy line minimizing the authority of the procuracy, neutralizing its activity and essentially turning it into a "servant" of executive agencies.

The fundamentals of economic law in the PRC are discussed in a separate chapter of the work. It contains the accurate observation that it is still too early to speak of the establishment of an integral system of economic law in China due to many objective factors. It is hardly correct, however, to cite the earlier nihilistic attitude toward the law as one of the main reasons for this situation or to agree with the Chinese explanation citing the alleged inadequacy of experience in legislative activity. The main reasons for the Chinese legislative inertia in establishing a normative base for this area of the law and the absence (interrelated) of a complete civil code can be found in Chinese economic affairs. The disparities in social relations as a result of economic reform are creating additional difficulties in the establishment of a legal basis, causing delays in codification because of the need to first adapt to the rapidly changing and profoundly contradictory situations in PRC economic reality by publishing limited normative acts to regulate just a few matters.

The authors had good reason to pay such close attention to the economic reform on the accurate assumption that this is the only way of eliminating gaps in economic law. In connection with this, they make the correct observation that the decisions of the Third CCP Central Committee Plenum, 12th CCP Congress and subsequent NPC sessions on the basic guidelines of state economic policy will serve as a basis, along with constitutional provisions, for the establishment and development of PRC economic law. The legal ideology expressed in these documents will aid in the comprehension of law and the clarification of trends and tendencies in its development.

An analysis of statements by Chinese jurists also provides a substantial foundation for the comprehension of economic law. Chinese jurists are now vigorously debating the expediency and possibility of deriving economic law from other fields, the object and methods of legal regulation in this field and the procedures of codification. Furthermore, they have stated several theories that cannot be classified as socialist in their entirety. Unfortunately, all of these matters of scientific interest are not discussed sufficiently in the work.

The section also contains debatable statements. In particular, the authors defend the thesis that, in the PRC economic mechanism, "the enterprises of communes and production brigades are part of the unified economic system controlled by the state" and that there is a "tendency toward the stronger centralized state management of the economy" (p 89). This statement conflicts with the general context of the section. Furthermore, at a time of reform in the PRC, individual normative acts are incapable of giving rise to a tendency conflicting with the reform.

Complex issues connected with the legal regulation of the "open-door" policy are discussed in one chapter. This section is distinguished by the consistent and thorough presentation of information and the use of a broad group of normative acts and of Chinese and Western sources. The value of the analysis of these issues stems from the virtual absence of experience in the attraction of foreign capital in socialist countries, at least on this scale, and the consequent absence of experience in the legislative regulation of this interaction by economies of different types.

The final chapter of the book deals with criminal law and the law of criminal procedure in the PRC. Unfortunately, several matters of fundamental importance are given an inadequate or even incorrect interpretation in this section. For example, it does not say a word about the principles of PRC criminal law, despite the fact that these are the common principles of socialist law and specific principles of purely Chinese origin, stemming from the "policy of combining mercy with punishment." The assessment of the implications of the enforcement of PRC criminal law in the abstract is incorrect and does not reveal the actual, extremely negative function this performs in Chinese criminal law. The authors do not make note of the progressive significance of the provision by which criminal liability for negligence applies only in cases directly stipulated by law. In our opinion, it should be stressed that social danger is the main criterion of liability in Chinese criminal law, which is one of the indisputable achievements of PRC criminal legislation.

In general, this book, without a doubt, represents an interesting and timely attempt at a monographic investigation of the extremely complex sociopolitical phenomenon of contemporary Chinese law. It also points up fields of future research in the legal field of Soviet Sinology. Its few shortcomings cannot change our positive evaluation of the monograph as a collective work testifying to the increasingly strong scientific ties between the academics of socialist countries.

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BOOK ON JAPAN'S LIBERAL DEMOCRATIC PARTY REVIEWED

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[Review by A. A. Makarov, candidate of historical sciences, of book "Jiminto Seichokai" (Political Studies Council of the Liberal Democratic Party), Tokyo, Nihon Keizai Shimbunsha, 1983, 234 pages (in Japanese)]

The political machinery in developed capitalist countries is an important subject for research. Its analysis will give one an insight into sometimes adeptly disguised hidden structures, and reveal the ways political decisions are made, which largely do not tally with solemnly declared principles and norms of those countries, or with the

models described in articles on bourgeois state law.

From this point of view the book *Political Studies Council of the LDP*, first published in late 1983 and reprinted several times since then, is very interesting. It was prepared for publication by the editorial board of *Nihon Keizai Shimbun*, a major Japanese newspaper.

The Political Studies Council, the subject of the authors' research, is a key body of the ruling Liberal Democratic Party (LDP) of Japan. The LDP rules describe it as one of the "legislative bodies" of the party. Every Liberal Democratic parliament deputy is obliged to participate in a Council subdivision.

In the authors' opinion, one of the recent major trends in Japan's internal political

development is a marked upgrading of the role of the Political Studies Council in the LDP inner-party machinery and in the major political decision-making process. The Council, sometimes dubbed Japan's "second government", has by now turned into a powerful organization consisting of 17 sections (bukai), 32 research councils (tyosakai), and a large number of ad hoc committees (tokubetsu iinkai). The Council structure is to a large extent a duplicate of the country's state and administrative machinery, and the activity of its subdivisions is closely coordinated with relevant government ministries and departments (pp. 12-13, 40).

The authors pointed towards the existence of a new organisation of the Council, the Institute of Comprehensive Political Research (Sogo seisaku kenkyujo), set up in July, 1982. The Institute, which includes government officials and representatives of private corporations, is viewed as the LDP's new "think tank", whose main task is to raise the effectiveness of the ruling party's policies. Many consider the Institute's formation to be connected with a trend toward the LDP leader and head of government establishing an apparatus of his own. The trend took shape several years ago and manifested itself most graphically after Yasuhiro Nakasone came to power in Japan late in 1982. The authors wrote that the Japanese premier "has a mistrust of the bureaucratic policy" and is making attempts to set up a kind of independent apparatus for taking political decisions, seeking to overcome the LDP's traditional dependence on officialdom, state and administrative organs in policy-making (pp. 2, 12).

A distinctive feature of the LDP Political Studies Council is that it is staffed largely with former civil servants. Ex-members of the government bureaucracy still retain close links with the ministries and departments they worked in, thus increasing interdependence of the Council and the state and administrative apparatus. The career of K. Noda, chairman of the Council's commerce and industry section, is characteristic in this respect. In 1972 he resigned from his post as deputy head of one of the departments in the Ministry of Finance to enter politics. After he was elected an LDP Deputy to Parliament, he joined Nakasone's faction. Due to Noda's background he was appointed to the House of Representatives Standing Commission on Finance and, ex officio, to the Commission-related Finance Section of

the Council, and then to other Council subdivisions (p. 21).

The book analyses the process of the Council's becoming an arena of intricate stratagems of different, often conflicting, interests of separate ruling party factions, of various groups in government bureaucracy, and of "pressure groups", above all entrepreneurial unions and corporations.

The Council's work is markedly affected by the fact that the struggle between factions, which is an integral part of the Liberal Democratic Party, infects the Council's separate subdivisions. Each faction seeks to gain control over the key sections of the Council. At the same time, in the three sections considered the most prestigious in the LDP these factions "coexist peacefully" and even "cooperate in a friendly way" (pp. 121-122).

This state of affairs is not fortuitous. It stems from a kind of unwritten agreement within the ruling party, that posts in the Council's major structural subdivisions be distributed among the largest inner-party groups on a parity basis. According to the authors, participation in the above three sections is most desirable for the Liberal Democrats, as the nature of the sections' activities gives one an opportunity to establish useful contacts with the business circles sponsoring the LDP, the government bureaucracy and the local government bodies. These contacts are especially important during Parliamentary and local elections (pp. 20-21).

In the authors' opinion, the LDP Political Studies Council is the main target of lobbyists' activities in Japan today, and, in this respect, can be compared to the US Congress.

"At present, LDP parliament deputies can be called lobbyists in Japan. All business organisations, both large and small, as well as some corporations, seek to have their own 'consulting deputies', who become lobbyists. And the sphere of their activity is the Political Studies Council" (pp. 1-2).

The Council's subdivisions are an arena of fierce struggle between various sections of the state and administrative apparatus for budget allocations. The authors point to the special activity on the part of the bureaucracy of the Ministry of Finance, a key "economic ministry" in modern Japan. It draws up the national budget and exercises tax control (pp. 60-61).

The book analyses the activities of associations in the LDP's top echelons that go beyond factional bounds. Professor S. Sato of Tokyo University, a political analyst, gave the following definition to these associations, dubbed "zoku" (tribes): "The 'tribes' are associations of Parliament veterans, who are experts in certain spheres of state management and have served as parliamentary deputy ministers, heads of a section in the Political Studies Council, chairmen of a Parliament Commission, or state ministers. The associations are a kind of headquarters coordinating the work of relevant sections and research councils of the Council."¹

One can single out a whole number of "tribes" linked with various interest groups in the LDP deputies of parliament. The so-called National Defense tribe unites about 140 LDP deputies who are centered around three bodies of the Political Studies Council; National Defense section, Security Council, and Special Committee on Military Bases Policy. Closely connected with Japan's military department, the Defense Agency, and with arms-manufacturing corporations, the tribe has direct influence on the distribution of military orders (pp. 82-84).

According to the authors, employers representing various branches of the Japanese economy, have long-standing ties with the leaders of LDP "tribes". Building firms and companies engaged in real estate operations are in contact with S. Kanemaru and E. Watanabe from the K. Tanaka faction. Transport firms are in contact with M. Kato; oil companies with S. Ezaki and Yo. Sakurai; computer-manufacturing corporations with S. Kura; arms manufacturers with M. Horie; and so on. Characteristically, the politicians' contacts with Big Business were established during their work in the civil service (p. 25).

A large section of the book deals with so-called political donations (seiji kenkin), subsidies granted to Japan's ruling party by various non-governmental organisations, primarily business unions, corporations, and individual employers.

"... A close study of declarations on political donations [annually addressed, under the law, to the Ministry of Local Administration.--A. M.] gives a good idea of what various LDP 'tribes' do" (p. 128). The authors point out a clear-cut "specialisation" of the numerous LDP sponsors who prefer to

"donate" to their own creatures in the country's top representative body. In the past few years, the LDP received substantial subsidies from the influential Japanese Physicians' Association (Nihon Ishi Kai), with the lion's share going to the LDP deputies directly engaged in shaping the government's health care policies (pp. 125-126). The authors note that the "political donations", the largest of which come from the big banks, and the building, metallurgical, electrical engineering and automobile companies, are the most efficient instrument of lobbying in Japan today. Actually, they are "payment for the services rendered" by the various "tribes" in the ruling party to the business community (p. 129).

The concluding sections of the book include interviews given to the newspaper *Nihon Keizai Shimbun* by several government officials, members of the academic community and R. Tanaka, Chairman of the LDP Political Studies Council (pp. 179-208), and tables giving a picture of the Council's structure and staff (pp. 209-229). The book cites data on LDP "political donations" in various economic branches (pp. 230-234).

"Political parties cannot be judged by their names, declarations or programmes; they must be judged by their deeds," Lenin wrote.² Although the authors of the book do not adhere to class positions and, as staff members of a bourgeois newspaper, can hardly be suspected of antipathy to Japan's ruling party, it is extremely significant that the material they chose to analyse made them paint an objective picture of the country's "corridors of power" characterised by a very close alliance, or "link-up" as they say in Japan, between the LDP leadership, the government bureaucracy and the monopolies. The alliance exists at a functional, operational level and renders virtually impotent the system of the traditional bourgeois-democratic representation (Parliament, elections, local government bodies, etc.), which, in many respects, has become purely formal.

At the same time, the book *The Political Studies Council of the LDP* is not free from the sensationalism so typical of the bourgeois press. This is what is obviously behind the excessive exaggeration of the Council's role in the political machinery of modern Japan. The authors clearly contradict themselves on that point. Describing the Council

² V. I. Lenin, *Collected Works*, Vol. 17, p. 294.

¹ *Chuo Koron*, No. 11, 1984, p. 90.

as the main target of lobbyists' activities, they at the same time quite justly point out a typical dependence of the LDP apparatus on the officials from the key ministries and departments in working out legislation (p. 21). It is a fact that an overwhelming majority of draft bills approved by the Council and then submitted to Parliament on behalf of the government (according to a well-known American expert on Japan T. Pempel, the latter make up 90 per cent of all draft bills approved by Japan's top legislative body)³ are actually drawn up by the state and administrative apparatus which has its own direct links with the monopolies. Far from belittling the role of such an important LDP structural subdivi-

³ T. J. Pempel, *Policy and Politics in Japan. Creative Conservatism*, Philadelphia, 1982, p. 17.

sion as the Political Studies Council, one can hardly regard it as a key element in the political decision-making in modern Japan. The Council can rather be described as one of the most important arenas of accumulation and coordination of interests of all the three main structural elements in the political power machinery of the country.

At the same time, it would not be an exaggeration to say that the book brought out by the newspaper concern *Nihon Keizai Shimbun* makes a valuable contribution to the study of Japan's modern political life. It contains a wealth of material, in many respects little known in the country and abroad, shedding light on what goes on backstage in the top power echelons in modern Japan.

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BOOK BY BENGALI SCHOLAR ON FORMATION OF BANGLADESH REVIEWED

Moscow PROBLEMY DALNEGO VOSTOKA in Russian No 2, Apr-Jun 86 (signed to press 21 May 86) pp 207-208

[Review by Yu. Yu. Khomichuk of book "Emergence of a New Nation in a Multi-Polar World: Bangladesh" by Mizanur Rahman Shelley, University Press Ltd., Bangladesh, 1979, 189 pages]

[Text] The author of this book is Professor Mizanur Rahman Shelley, the well-known Bangladeshi political scientist and economist, the director of the Center of Bangladesh Development Studies and the editor of ASIAN AFFAIRS magazine. Professor M. R. Shelley is a renowned expert on South Asian and Southeast Asian economics and politics and on PRC policy in these regions. In this study he analyzes the sociopolitical, historical and economic causes of the birth of the new state, the reactions of such countries as India and the USSR, United States and PRC to this event and their political behavior in response to it.

The international factors contributing, in M. R. Shelley's opinion, to the birth of Bangladesh are examined in the first chapter of the book. It must be said that the author, under the perceptible influence of the theories and beliefs of Western political scientists, bases his discussion of the birth of this new independent state on an analysis of the dynamics of political forces first within a "bipolar" framework and then in a "multipolar world." Of course, his line of reasoning is far removed from the actual course of events.

The author's survey of the history of East Bengal is of great interest, in our opinion. The sections of the book in which all of the reversals of the Bengali people's struggle for their independence are described warrant attention. We must admit that the author was able to amass large quantities of documented information about the history of the Bengali liberation movement.

Shelley then goes on to examine the international atmosphere in which the Bengali people's liberation movement developed. First of all he examines the position of neighboring India and then moves on to an analysis of the Soviet Union's actions. Here the author again bases his discussion on extensive documented information. Nevertheless, it must be stressed that we find it impossible to agree with several of M. R. Shelley's statements about Indian and Soviet motives, political aims and so forth. The fact is that in his

approach to, for example, USSR foreign policy, the author relies wholly and completely on his theory of the "multipolar world," the framework of which is based only on the factor of power.

Professor Shelley discusses China's attitude toward the events of 1971 in Eastern Pakistan and assesses the PRC's position in relation to Pakistan, India, the USSR and the United States in a chapter entitled "China at a Crossroads: Help an Ally or Support a National Liberation Struggle?" He presents a detailed analysis of Chinese diplomacy in Asia from the early 1960's to the mid-1970's. Professor Shelley stresses that the Chinese leadership did not want to acknowledge the struggle of the liberal middle strata of the population of East Bengal for separation from Pakistan, a struggle headed by the Awami League, and did not regard this struggle as a "genuine national liberation movement." By 16 December 1971, when the People's Republic of Bangladesh was founded, China was openly calling it "a puppet regime incapable of existing even one day without the protection of Indian bayonets," comparing it to the "notorious Manchukuo regime of the 1930's and 1940's, which existed in China under the aegis of Japanese militarism" (p 97). The author presents a thorough discussion of Chinese diplomacy and policy from the 1950's through 1977. He concentrates on PRC relations with the United States. For example, he speaks at length about the diplomatic and political contacts in the Washington-Islamabad-Beijing triangle and the actions preceding R. Nixon's trip to Beijing. Shelley then discusses the events following the formation of the state of Bangladesh. China, as we know, refused to recognize the young state for several years, used its veto power to keep Bangladesh out of the United Nations, and recognized Bangladesh only after the assassination of M. Rahman, the country's first president, and the military coup in Bangladesh. On 4 October 1975 the foreign ministers of China and Bangladesh signed an official communique in New York on the establishment of diplomatic relations.

In the sixth chapter the author discusses the United States' political position at the time of the crisis in East Bengal. In the fear of losing influence in South Asia, the United States supported Pakistan and objected vehemently to the granting of independence to Bangladesh. The author divides Washington's actions during the crisis in East Pakistan into four phases. The first phase, in his opinion, consisted in "quiet non-intervention" and lasted from 25 March to 9-10 July 1971. At this time the United States took a "neutral" position and described the situation in East Bengal as a Pakistani "internal affair." The second phase, according to Professor Shelley, began with H. Kissinger's secret trip to China through Pakistan in July 1971. During this phase, right up to September 1971, the United States tried to "restrain" India and, in the author's opinion, to urge Pakistan to find a political settlement for the situation in its eastern province. During the third phase, which lasted from September to 3 December 1971, when the armed conflict between Pakistan and India broke out, the United States, in the author's opinion, "tried to organize a constructive political dialogue between the Pakistani military and the leaders of the separatists, but in vain" (p 118). During the fourth phase the United States used all available means, including the United Nations, to prevent the escalation of the armed Indian-Pakistani conflict and to keep Indian troops from defeating Pakistan. We should add that Washington's actions included flagrant pressure, to the point of military pressure, on India and the forces for national liberation.

In general, Professor M. R. Shelley's book will be of indisputable interest to researchers as a good source of historical and political information. He cites a colossal number of sources, articles in the Western and local press, diplomatic documents and correspondence, and works by Western political scientists. These materials have been collected in a quite scrupulous manner. M. R. Shelley's work is also of indisputable interest from the standpoint of historical analysis. The author tries to examine the events of 1971 in East Bengal against the background of the complex international situation of the 1960's and 1970's. In addition, the book offers extensive opportunities for debates on an entire series of issues.

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