

# PEKING REVIEW

46

November 17, 1978

北  
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周  
報

**Glorious Mission of the  
Chinese Youth**

**Viet Nam-Soviet Treaty Threatens  
World Peace and Security**

— Vice-Premier Teng Hsiao-ping at  
Bangkok press conference

***Beware of the Kremlin's Sabotage  
Of Arab Solidarity***

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## People's Air Defence

The strategic importance of people's air defence was expounded by Vice-Chairman Yeh Chien-ying in an all-round way in his speech at the Third National People's Air Defence Conference on November 1.

The Soviet revisionists, he pointed out, have not given up their scheme of subjugating China and will never be reconciled to our victories. The present situation, both international and domestic, is very good, but we should never lower our guard. Looking at the world situation as a whole, he added, we are aware that while factors for revolution are growing, factors for war are increasing as well.

Noting that many countries in the world today are beefing up their civil defence and digging tunnels, he said that this is a strategic trend deserving our attention. It shows from one aspect that the danger of war really exists and it is imperative for us to do a good job in people's air defence and be prepared against war. We must take precautions in advance so that we will be able to cope with any exigencies.

"Guard against danger in time of peace; preparedness averts calamity." This, Vice-Chairman Yeh said, "was Chairman Mao's consistent idea." Preparedness ensures success and unpreparedness spells disaster. Our past experience shows that one will never suffer if he is prepared for the worst. Our country is

now undertaking a new Long March and concentrating all our forces on increasing the pace of modernizing our agriculture, industry, national defence and science and technology. It should be noted that economic construction and people's air defence promote and complement each other; successful people's air defence provides a reliable guarantee for security in economic construction.

In the annals of war, Vice-Chairman Yeh went on to say, there are innumerable instances showing that preparedness averts calamity while unpreparedness brings setbacks. Aggressors invariably browbeat the weak and fear the strong, picking the weak as their first target of attack. When one is unprepared, they will seize the opportunity to make inroads, but when one is well prepared, they will not dare to take reckless actions. When we successfully carry out the four modernizations and are well prepared against war and have a strong people's air defence, the Soviet revisionists will think twice before they launch an attack against us. What if the enemy does not come when we are prepared? So much the better! It is our hope to have a comparatively long period of peace for construction! If we do not seize all available time to make serious preparations, we would have to meet the enemy in haste when war breaks out and suffer unnecessary losses. If that were the case, we would stand guilty before the revolution and history.

Vice-Chairman Yeh said: Our Party is leading a big country with one-fifth of the world's population. We must therefore have a head for strategy and a broad strategic vision when we consider problems and handle matters. Preparedness against war and people's air defence are questions of major importance and has a direct bearing on the security of our country. Unless this work is done well, we will have no appetite and will not be able to sleep in peace. To do a good job in people's air defence and preparedness against war is the behest and the ardent wish of Chairman Mao and Premier Chou. It is also what the Party Central Committee headed by Chairman Hua expects of us and what they have entrusted us to do.

He noted that, under conditions of modern warfare, people's air defence is an important strategic measure for wiping out the enemy and preserving ourselves, an important part of the strategic principle of active defence and a continuation and development of Chairman Mao's concept of people's war under new historical conditions. Digging tunnels has proved to be a good method tested in practice and confirmed by experience gained in bloody wars over the last few decades. We should pay special attention to digging tunnels and give special importance to people's air defence, the construction of key project in particular.

Vice-Chairman Yeh called upon Party committees at all levels to effectively strengthen

leadership over people's air defence and work hard in a down-to-earth way in building an up-to-date underground fortress suited to the conditions of our time.

Vice-Chairman Li Hsien-nien delivered a report on October 22 on behalf of the leading group in charge of national people's air defence, setting forth the tasks and the principles and measures which should be taken in the future. The conference called upon the whole army and the people of the whole country to speed up the building of people's air defence and strengthen our preparedness against war of aggression.

## **Vice-Premier Teng Visits Malaysia**

In his first round of talks with Malaysian Prime Minister Datuk Hussein bin Onn on November 10, Vice-Premier Teng Hsiao-ping said: "Apart from developing friendly relations with all countries in economic, cultural and other fields, China's foreign policy is aimed at putting off the outbreak of war." "We can put off the outbreak of war as long as we do it well. It is in accordance with this principle that we deal with all international problems. Our recent signing of the Treaty of Peace and Friendship with Japan and our handling of the Viet Nam problem are all based on the overall development of the world situation."

Vice-Premier Teng arrived in Kuala Lumpur on November 9 for a three-day official friendship visit to Malaysia. He is the

highest Chinese government leader to date to visit the country.

During his visit, Vice-Premier Teng exchanged views in a sincere and friendly atmosphere with Prime Minister Datuk Hussein on the present international situation, especially problems affecting Southeast Asia, on bilateral relations and on questions of mutual concern. He was received by His Majesty the Yang di-Pertuan Agong (the Supreme Head of State of Malaysia) Yahaya Petra and Her Majesty the Raja Permaisuri Agong Tengku Zainab.

At the banquet he gave in honour of Vice-Premier Teng, Prime Minister Datuk Hussein said: "Our bilateral relations have been friendly, correct and proper." "For development and progress, Southeast Asia needs peace and stability. That is the reason for the ASEAN's proposal to declare the Southeast Asian Region as a zone of peace, freedom and neutrality (ZOPFAN). I wish to thank the People's Republic of China for supporting this proposal."

In his speech at the banquet, Vice-Premier Teng reiterated: "The Chinese Government and people support the ASEAN countries in their just struggle in defence of their independence and sovereignty against outside control and interference. We support the proposal for the establishment of a zone of peace, freedom and neutrality in Southeast Asia. We support ASEAN's efforts to strengthen regional economic co-operation and protect their national resources and eco-

omic rights and interests." The Vice-Premier said: "Increased contacts to enhance mutual understanding and establish closer ties of friendship and co-operation between China and Malaysia accord with the fundamental interests of our two peoples, and would, moreover, conduce to peace, stability and prosperity in Southeast Asia."

At the farewell banquet he gave on November 11, Vice-Premier Teng said that he had had fruitful talks with the Malaysian Prime Minister during his visit.

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Before his visit to Malaysia, Vice-Premier Teng had talks in Thailand with Prime Minister Kriangsak Chomanan. At the press conference he held in Bangkok, he delivered a statement and answered newsmen's questions. (see p.24). China and Thailand have signed protocols on the establishment of a joint trade committee and on the import and export of commodities for the year 1979, and the Summary Record of the First Meeting of the Joint Committee on Scientific and Technical Co-operation.

## **Vice-Premier Teng in Singapore**

After visiting Thailand and Malaysia, Vice-Premier Teng Hsiao-ping arrived in Singapore on November 12 for a two-day friendship visit. This was a return visit to Prime Minister Lee Kuan Yew's visit to China in 1976.

At the banquet he gave in honour of Vice-Premier Teng, Prime Minister Lee Kuan Yew

expressed his conviction that Vice-Premier Teng's visit to Singapore "will improve the friendship and understanding between our two peoples and governments." He said: "We wish China success in her rapid industrialization. A prosperous and peaceful country of nearly one billion people is a matter of great consequence for Asia and the world. Co-operation with such a China becomes desirable, indeed irresistible."

In his speech, Vice-Premier Teng spoke of the traditional friendship between the Chinese and Singaporean peoples and hailed the gratifying expansion in exchanges between China and Singapore in the fields of economy, trade, culture and sports in the past few years.

He said: "Both the Chinese and Singaporean peoples ardently love peace. We need a peaceful international environment in which to build up our respective countries."

He reiterated: "The Chinese Government and people are firmly opposed to the efforts of any country to seek hegemony in any part of the world. We have solemnly declared again and again that China will not seek hegemony, neither now nor in the future when it becomes powerful, and will never be a superpower which subjects other countries to aggression, interference, control, threats and subversion."

He said: "The Chinese Government has always stood for establishing and developing friendly relations and co-operation with other countries having differing social systems on the basis of the Five Principles of Peaceful Coexistence."

During his visit, Vice-Premier Teng had talks with Prime Minister Lee Kuan Yew in a sincere, frank and friendly atmosphere. They exchanged views on questions of mutual concern, particularly on the situation in Southeast Asia.

## **Vice-Premier Keng Tours 7 African States**

Vice-Premier Keng Piao paid a goodwill visit to the Congo, Guinea, Mali, Ghana, Nigeria, Rwanda and Somalia from October 4 to November 6. He met and had talks with the leaders of the seven countries and exchanged views with them on questions of mutual concern. His visit has strengthened mutual understanding and friendship and promoted relations of friendly co-operation.

During his visit, Vice-Premier Keng Piao said on many occasions that the friendship and co-operation between China and these countries are in the interests of friendship and solidarity between the peoples of Asia and Africa and of world peace. He pointed out that the African continent is daily awakening and that the heroic African people have become a powerful force in the third world's struggle against imperialism, colonialism and hegemonism. So long as the African people persevere and unite in their struggle, he said, they will certainly overcome all difficulties in their march forward, drive out foreign forces of aggression and win complete independence and liberation for the whole African continent. He declared that the Chinese Government and people firmly stand by the African people and

support them in their just struggles.

## **Youth Movement: A New Milestone**

Chinese youth should become a shock force in the new Long March to accomplish socialist modernization by the end of this century. This was the call issued to 170 million young people throughout the country, including 48 million Youth League members, at the Tenth National Congress of the Chinese Communist Youth League held in Peking from October 16 to 26.

Chairman Hua, Vice-Chairmen Yeh Chien-ying, Teng Hsiao-ping, Li Hsien-nien and Wang Tung-hsing, Vice-Chairman Soong Ching Ling of the Standing Committee of the National People's Congress, and other Party and state leaders attended the opening ceremony.

Speaking at the congress, Vice-Chairman Li Hsien-nien said: "This congress is of great significance to the development of China's youth movement, the training and bringing up of vast numbers of 'red and expert' successors in the proletarian revolutionary cause and the speeding up of China's socialist modernization of agriculture, industry, national defence and science and technology." He expressed the hope that representatives attending the congress should be determined and unafraid of sacrifices, do everything to surmount difficulties and dedicate themselves to the magnificent cause of turning China into a modern, powerful socialist country.

Among the 2,000 representatives from 54 nationalities were heroes who had fought valiantly against Lin Piao and the "gang of four," outstanding Youth League members who had distinguished themselves at their posts on various fronts, new and old cadres of the League, fine instructors of Young Pioneers and school teachers, representatives of educated youths taking part in building the countryside, representatives of Youth League members of Taiwan Province origin, as well as P.L.A. representatives and returned overseas Chinese. Their average age was 28.8, the youngest being 15.

The congress adopted a new constitution for the Chinese Communist Youth League and elected the 201 members and 99 alternate members of the Tenth Central Committee of the Youth League. So the Youth League Central Committee which was forced by Lin Piao and the "gang of four" to stop work for 12 years has resumed work.

After conscientious discussions, the representatives unanimously adopted the resolution concerning the work report made by Han Ying on behalf of the preparatory committee of the tenth congress. (For excerpts of the report see p. .)

In oral or written speeches, 47 representatives gave an account of their heroic deeds in the struggle against Lin Piao and the "gang of four," their new achievements and experience in work, and production and scientific research, and they expressed the firm resolve of the Chinese young people to

quickly bring about socialist modernization.

## **New Constitution for Young Pioneers**

The new Constitution of the Chinese Young Pioneers was adopted at the First Plenary Session of the Tenth Central Committee of the Chinese Communist Youth League held on October 27.

A mass organization of the children, the Chinese Young Pioneers is a school for studying communism. The Chinese Communist Youth League is entrusted by the Chinese Communist Party with the task of leading the Young Pioneers, which is an organization first established throughout the country in 1949 and was at first called the Chinese Children's Corps. In 1953 it was renamed the Young Pioneers.

The new constitution stipulates that the Young Pioneers should unite and educate the children, hold high the great banner of Chairman Mao, carry forward the Chinese Communist Party's revolutionary traditions, love our wise leader Chairman Hua, study hard, build up their health, love the motherland, the people, labour, science and public property, and be determined to contribute to the building of a modern, powerful socialist country and be successors to the cause of communism.

The Young Pioneers is an organization of children from 7 to 14. The members wear a red scarf which represents part of the red flag.

The organization educates the children mainly through various activities including holding pio-

neer members' meetings, organizing visits, campings, travels, story-telling, and conducting significant and interesting activities in culture, science, recreation and national defence sports as well as organizing the children to take part in public services and social work to the best of their ability.

## **IN THE NEWS**

• Chairman Hua Kuo-feng on October 25 met the Guinean Democratic Party Delegation headed by Diane Lansana, Member of the Political Bureau of the Central Committee of the Party and Minister of Justice.

• Vice-Premier Li Hsien-nien on November 6 met the French Environment and Living Conditions Delegation led by Michel d'Ornano, Minister of Environment and Living Conditions.

• Vice-Premier Li on November 8 met U.S. Secretary of Agriculture Robert Bergland and his party.

• Vice-Premier Li on November 9 met the Brazilian Trade Delegation led by Minister of Mines and Energy Shigeki Ueki.

• Vice-Premier Li on November 10 met the Danish Press Delegation led by Anders Georg, Director of the Press Department of the Danish Foreign Ministry.

• Vice-Premier Chen Mu-hua on November 12 met the Hungarian Scientific and Technical Co-operation Delegation led by Vice-Minister of Heavy Industry Szili Geza.

# Glorious Mission of the Chinese Youth

by Han Ying

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*Han Ying, Chairman of the Preparatory Committee for the Tenth National Congress of the Communist Youth League (C.Y.L.) of China, delivered a work report at the Tenth National Congress of the C.Y.L. on October 17 on behalf of the preparatory committee. His report was in four parts. Below are excerpts from the first three parts. The fourth part was entitled: "Unite and Struggle for the Progressive Cause of Mankind."—Ed.*



letarian Cultural Revolution swept through the whole country. Hundreds of thousands of Communist Youth League members, Red Guards and other revolutionary young people responded to Chairman Mao's call to pay attention to

state affairs. Full of enthusiasm for the revolutionary cause of the proletariat, they rose with the rest of the nation to criticize the revisionist line of Liu Shao-chi.

A handful of ambitious bourgeois careerists and schemers hidden inside the Party, however, exploited the political immaturity of the young people and disrupted the Cultural Revolution by whipping up a reactionary ideological trend of suspecting all and overthrowing all and pitting the young people against senior revolutionaries. After Lin Piao's nefarious plot was exposed, the "gang of four" stepped up their counter-revolutionary political programme, wrought chaos everywhere and made things so difficult in some places that the workers', peasants' and soldiers' normal work and the students' studies were disrupted. In 1976 Chairman Mao, Premier Chou and Chairman Chu Teh of the Standing Committee of the National People's Congress passed away. During those most trying days, the "gang of four" redoubled their efforts to usurp Party and state power. They brought our national economy to the brink of collapse and our country and people were faced with the danger of a great split. What they did serves as a negative example for the young people, enabling many of them to see things clearly and enabling

**A**FTER the toppling of the "gang of four" in October 1976 and upon the victorious conclusion of the first Great Proletarian Cultural Revolution, China entered a new stage of development in socialist revolution and socialist construction and the whole nation led by the Party Central Committee headed by Chairman Hua embarked on a new Long March. The task of our congress is to raise high the great banner of Chairman Mao, implement the line of the 11th Party Congress, sum up the experience gained in fighting Lin Piao and the "gang of four," set the tasks of the Communist Youth League in the new period, and mobilize the youth of the whole country to build our country into a modern and powerful socialist country.

## 1. China's Youth Tempered in Great Storms

Fourteen years ago Chairman Mao attended the Ninth National Congress of the Communist Youth League and urged the young people to temper themselves through stress and storm, brave the world and forge ahead. Shortly thereafter the Great Pro-

Han Ying, Member of the Central Committee of the C.P.C. and First Secretary of the Central Committee of the Communist Youth League of China.

those who had been duped to learn and change. The young people waged in different forms a resolute struggle against the "gang of four." In 1976 mammoth rallies and demonstrations were held in Peking and other cities to honour the memory of Premier Chou and to denounce the "gang of four." The participants solemnly declared: No matter how the gang hoodwinks and cracks down on the people, its fond dream of effecting a restoration and retrogression is bound to go bankrupt for it goes against the will of the people.

How should we correctly appraise the younger generation that has been tempered in this grave struggle? As the Party Central Committee has pointed out, we should proudly reply that there is much hope for our younger generation that is dependable and has great potential. What the gang nurtured was only a small handful of scoundrels as compared with the vast number of China's youth. Some of the young people who at some point were taken in by the gang are awakening. They will see the true features of the "gang of four" clearer than others and will hate the gang all the more. It is wrong to underestimate the harm the "gang of four" has inflicted on the young people. It is also wrong not to see the essential aspect of the young people as representing China's future and being the hope of the Chinese nation. History's progress along a tortuous road has not been arrested. A new generation has grown up in the course of the tempestuous struggle of the Cultural Revolution. The heroes and heroines who fought valiantly against the "gang of four" are their representatives. What are the achievements of the Cultural Revolution? One is the maturing of the revolutionary successors who have risen to capture and rid the country of monsters and demons like the members of the "gang of four."

Over the past two years or so, while conducting in-depth exposure and criticism of Lin Piao and the "gang of four," the young people have worked hard to build socialism and studied diligently to bring about the four modernizations. Reports from all fronts show that large numbers of advanced and model workers have come to the fore. The young people's socialist ardour, long suppressed, has burst forth like an erupting volcano after the overthrow of the gang.

## 2. Glorious Tasks of the Younger Generation in the New Period

The new Long March centring on the four modernizations is the natural continuation of the great Chinese revolution and the path that must be taken to communism. The grand perspective mapped out by Chairman Mao and Premier Chou for the four modernizations embodies the ideals of several generations of people in China. If the building of a modern and powerful socialist country was a rather long-term ideal for the young people of a generation or two ago, it is now the fighting task for the younger generation of today.

### Hand Down the Banner of Chairman Mao From Generation to Generation

The younger generation must always give first place to a firm and correct political orientation. They should continue to take in-depth exposure and criticism of Lin Piao and the "gang of four" as the key link and carry forward all aspects of work.

Lin Piao and the "gang of four" once deceived many innocent young people by waving "revolutionary" flags. These political swindlers dismembered, trampled on and distorted Marxism-Leninism-Mao Tsetung Thought, and their advocacy of extremely reactionary pragmatism and obscurantism mentally shackled some young people for a long time or infected them with nihilist tendencies towards revolutionary theory. To help the young people correctly sum up their experience, a firm belief in Marxism-Leninism-Mao Tsetung Thought must first be instilled into them. If this is not done and if they do not study well, they will become disarmed and disorientated. Secondly, they must study Marxism-Leninism-Mao Tsetung Thought scientifically. Otherwise they will fall into the trap of the "gang of four" who replaced science with blind faith, and depart from the orbit of Marxism-Leninism-Mao Tsetung Thought. Only when one has comprehensively and accurately grasped this scientific ideological system can one become farsighted, understand the laws governing social development, establish communist ideals, and in a complex environment clearly see the situation, have a correct orientation and be a revolutionary with a firm belief and a clear head. The banner of Mao Tsetung Thought is a banner leading us



from victory to victory. The older generation relied on it to overthrow the old world, today we must continue to rely on it to win victories in the new Long March. It is the sacred duty of China's youth to hold high the great banner of Mao Tsetung Thought.

The young people must be organized to systematically study works by Marx, Engels, Lenin and Stalin and by Chairman Mao so that they will really know something about the basic principles of philosophy, political economy and scientific socialism. We must integrate theory with practice, apply the Marxist-Leninist stand, viewpoint and method to conduct in-depth criticism of the revisionist fallacies of Lin Biao and the "gang of four," conscientiously study the laws governing socialist construction, study the theory and experience of the proletarian dictatorship, study socialist democracy and legal system, study the policies and principles of the Party, study the Party's fine traditions and style of work, study international questions and so on. In this way we will be able to get out of the narrow confines of burying ourselves in books in isolation and link up our studies with the richness of life. As a result our studies will be more lively and more rewarding.

### **Raise Our Scientific and Educational Level**

Under the guidance of a correct line the key to high-speed realization of the four modernizations lies in mastering advanced science and technology.

The future of science rests with the young people. The Communist Youth League must take the organization and guidance of the young people in mastering modern science and technology as a paramount task in the new period. One important criterion for judging whether a youth today is really red is to see if he or she delves into his or her own field of work and diligently studies to master science and culture for the revolution. Youth who are completely immersed in studying science and technology in the hope of making our country



Representatives from various fronts at a group discussion.

strong and prosperous should not be censured or obstructed, but should be encouraged and aided. Attention must be paid to helping them politically and doing all we can to provide conditions for facilitating their work.

The Communist Youth League should energetically help young people now working at various occupations to map out plans for studying, organize them to study by themselves and at the same time actively aid the departments concerned in establishing and running audio-visual education, technical evening schools, correspondence schools and scientific and cultural forums so as to provide the young people with broad avenues for acquiring scientific and cultural knowledge. The C.Y.L. branches in the rural areas should all regard the political-cultural evening schools as a major undertaking and run them well. Efforts should be made to wipe out illiteracy. After about eight years, the hundred million and more young people in the rural areas should reach a junior middle school educational level, and many of them should be trained at secondary agrotechnical schools to master one to several modern farming techniques. The 13 million young industrial workers and miners should, after five years of spare-time study, be up to the level of senior middle school graduates, some even up to the college student level. Through hard training they must be able to pass technical tests and constantly enrich their knowledge about modern production technologies and master operational and managerial skills.

The schools and the scientific research units are forward positions in the advance to acquiring scientific and technical knowledge. The C.Y.L.

should pay particular attention to strengthening work in the colleges and middle schools, help the Party to bring up more talented people who are morally, intellectually and physically developed, and augment the ranks of the working-class intellectuals as soon as possible. The young people working in scientific research units should study hard to gain professional competence, try to achieve breakthroughs in their work and bravely shoulder the task of scaling the pinnacles of science and technology.

### **Be Shock Troops**

According to the decision of the Party Central Committee we should move ahead at a much faster pace in the next eight years than during the past 29 years. The youth of China has always been the most active, vigorous, willing to study and the least conservative social force. In the course of speeding up the tempo of the four modernizations they must become even more vigorous and become a valiant shock force. This calls for:

- Inculcating the youth with the idea of high-speed development in production, scientific research and all other work. Every task must be accomplished with the greatest efficiency and with top quality.

- Giving full play to the strong points of the young people and gearing their enthusiasm for building socialism and their creativity to speeding up the development of the national economy. The Communist Youth League must work hand in hand with the departments concerned and organize the young people in a planned way to take part in building some key construction projects. With the permission of the leadership concerned and aided by veterans, young people should be organized into shock groups or teams on a wide scale.

- Taking part in democratic management as masters of the enterprises. They should pay attention to the work of their own factories, enterprises, production teams and communes, pay attention to efficiency and economic results and strive to improve labour productivity. They should be models in upholding strict labour discipline and the various rules and regulations governing scientific management. The C.Y.L. cadres should conscientiously study production activities,

familiarize themselves with economic laws and understand management.

- Strongly advocating and encouraging revolutionary heroism. The campaign to strive to be shock force activists in the new Long March must be carried on in a sustained and deep-going way and on an extensive scale. Rational proposals of the young people and their innovations and inventions should be supported and rewarded. All young people who have worked hard, produced more, turned out products of a high quality, lowered costs and raised efficiency, that is, those who have made greater contributions, should be respected by the society and encouraged by their organizations.

### **Develop Communist Ethics**

The moral character of our young people has always been sound. The Party has been satisfied, the people pleased and foreign friends have also commended favourably on this. But Lin Piao and the "gang of four" turned everything upside down, claiming that "misdemeanours are nothing" and "hooligans are useful." What was fine was defamed as bad and what was honourable was condemned as dishonourable. In some places anarchism and unsavoury bourgeois trends were rife and gravely impaired the healthy growth of our young people.

After the "gang of four" was toppled, the Party Central Committee paid particular attention to this problem of the young people's moral character. Chairman Hua and Vice-Chairmen Yeh and Teng have all issued important directives concerning this question. We must turn these directives into actions by all the Communist Youth League members, all revolutionary young people and all Young Pioneers. C.Y.L. committees at all levels must make the inculcation of good moral behaviour in young people a major item on their agenda. They must teach the youth to love the people, be loyal to the people, stand with the people every moment of their lives and work and fight wholeheartedly in the interests of the people. Widespread education must be conducted among the young people to teach them revolutionary traditions, instil them with the great and lofty revolutionary ideals and teach them to ardently

love their socialist motherland. The communist factors demonstrated in daily life by the young people must be energetically fostered. The young people must be taught to love labour, maintain order and uphold socialist morality. At the same time, the young people must be given support in their struggle against evil-doers and noxious things, including violations of the law and discipline, actions detrimental to the state, persecution of the people and poisoning the minds of the youth and children. The young people's struggle to uphold the country's Constitution and laws, to protect state property and defend the interests of the people must be encouraged.

### **3. Make the C.Y.L. a Powerful Nucleus for Uniting and Educating Young People**

The work of the C.Y.L. and the building of the C.Y.L. must answer the demands of the new period. The C.Y.L. must take up the heavy task of uniting, educating, organizing and guiding the Chinese young people of various nationalities so as to draw them into the ranks of the new Long Marchers.

The Chinese Communist Youth League has a glorious history. In the long years of revolutionary struggles, whether in the period of the democratic revolution or in the period of socialist revolution and socialist construction, the C.Y.L. has made major contributions to the revolution, the Party and the people. In the 29 years since nationwide liberation, our C.Y.L. has implemented the revolutionary line of Chairman Mao. The Party Central Committee headed by Chairman Hua has already solemnly declared that the C.Y.L. deserves to be called a faithful assistant of the Party, a heroic shock force in our revolution and construction and a school for the young people to study Marxism-Leninism-Mao Tsetung Thought.

The C.Y.L. was happily reborn after Chairman Hua led the nation in smashing the "gang of four." During the last two years that portion of the leadership of the C.Y.L. which was usurped has been recovered and matters of right and wrong with regard to the line guiding C.Y.L. work have been in the main clarified. Now a vigorous Communist Youth

League again stands before the Party and the people.

How should the C.Y.L. be built into a stronger nucleus around which the young people of all nationalities in China will be united so that it will meet the demands of the new period?

### **Positive Guidance**

Thanks to education by the Party and the study of Marxism-Leninism-Mao Tsetung Thought, the socialist positive factors of the young people are growing daily and hourly. One basic experience of the C.Y.L. in uniting and educating the youth over the years is to give full play to these positive factors and rely on them to overcome certain negative aspects among the youth. In the new historical conditions we should continue to employ this effective method.

Positive examples must be used to encourage the young people, and advanced models to persuade the masses.

We must be adept at organizing a variety of lively, stimulating and enlightening activities to attract the youth. Ideological work must be infused into the various cultural, sports and scientific activities to help open broader vistas of knowledge for the young people, enlarge their sources of knowledge and enliven their minds. We should boldly expose the young people to all aspects of reality so as to enable them to arrive at correct judgments and conclusions by themselves through evaluation, comparison and consideration.

Fullest play must be given to democracy and the method of reasoning and persuasion must be firmly adhered to. Ideological work based on the tradition of seeking truth from facts and reasoning things out and the method of working meticulously must be restored. The young people must be encouraged to speak as they feel. They must be guided to educate themselves. The democratic style of work must be fostered and the democratic way of life must be taught. The bonds of feudal traditions must be shattered, and anyone who suppresses democracy and resorts to retaliation against those young people making criticisms must be opposed. The Communist Youth League should be an organization which the young people regard as another

“home” and the cadres of the C.Y.L. must be close friends of the young people.

### **Due Consideration for the Youth's Characteristics**

Whether attention is paid to the characteristics of the young people is a question of principle involving whether the C.Y.L.'s work is thoroughly taking the mass line. When the “gang of four” was riding high, “characteristics of the youth” were regarded as something heretical and paying attention to the just demands and particular interests of the young was forbidden. The cadres of the C.Y.L. must think about what the young people think about and be concerned with the same things as the young people are concerned with. They must constantly acquaint themselves with the problems of employment, study, and living conditions of the young people and actively help the departments concerned solve these problems.

We must cherish the young people's initiative and pay attention to their work and rest so that the time for proper rest and sleep is guaranteed. After-work hours of the young people must be properly arranged. This is the legitimate field of work of the C.Y.L. Youth Palaces and Young Pioneers Palaces must be energetically restored and established, their equipment improved and facilities expanded, and the content of their activities enriched. The C.Y.L. must co-operate with the departments concerned in running aeronautic and maritime navigation centres as well as other sports and cultural centres. Camping activities and tours must be organized for the young. Urban and rural grass-roots organizations of the C.Y.L. must create conditions for these activities. Contingents of activists must be properly organized and after-school and after-work activities must be enriched for the young people.

The C.Y.L. must pay attention to the question of love and marriage of the young people and guide the young people to establish a correct attitude towards love. Money and gifts cannot bring genuine happiness. Only love which is based on common revolutionary ideals can lead to a beautiful, solid marriage and the establishment of a loving and harmonious home. The young people must be persuaded through patient and meticulous education to

voluntarily marry at a reasonable age and plan their children.

The Youth League members must take the lead in breaking with old habits, establishing new practices, and firmly opposing arranged marriages and venal marriages in a disguised form. Evil-doers and bad things harmful to the young people must be firmly struggled against.

Millions of educated young people have answered Chairman Mao's call and have gone down to the countryside to live, work and build up the rural areas. We must assist the departments concerned in making thorough investigations and gradually solving the problems and difficulties of the young people, and work hard to bring them up to become a new force in building a powerful and modern socialist country.

### **Unite as Many Young People as Possible**

A major criterion of a C.Y.L. organization's staunchness is its ability to unite as many young people as possible around it and draw in young people of different family origins, backgrounds, political levels and likes and dislikes.

Young people who have made mistakes during the Cultural Revolution should be correctly dealt with. Their errors and the consequences of these errors must be laid on the door of Lin Piao and the “gang of four.” Except for those criminals who have consistently engaged in smashing, grabbing and looting, carried out class revenge against the people and aroused the wrath of the people because of blood-debts, the young people who have been affected and deluded by Lin Piao and the “gang of four” should be helped to correctly sum up their experience, draw lessons and unburden their conscience, so that they can make a clean new start.

The question of family origin must be correctly assessed. Whether or not a youth is revolutionary should be judged by his own social practice. We should not hand on the problems of the parents to their children, still less should we let second and third generations inherit the class status of their ancestors. As for the less advanced youths, ideological work must be patiently carried out to win them over. This work must be done with profound proletarian love so that these youths are brought round to feel

*(Continued on p. 23.)*

## CHINESE PRESS SURVEY

### Heroes of Tien An Men Square

A MAMMOTH mass movement took place in Peking's Tien An Men Square during the *Ching Ming* Festival (a traditional memorial day) in April 1976 to honour the memory of Premier Chou En-lai who died on January 8 that year and to condemn Chang Chun-chiao, Chiang Ching and other members of the "gang of four," who held leading posts in the Party Central Committee at that time. This gave full expression to mass democracy under socialism.

A mountain of wreaths and a myriad of poems written on slips of paper or placards covered the Monument to the Heroes of the People for several days. The whole square was filled with milling crowds from daybreak till dark. Many workers, cadres and intellectuals were arrested or persecuted simply because they wrote poems, composed songs or made speeches there. After the downfall of the "gang of four" in October 1976, they were released and rehabilitated.

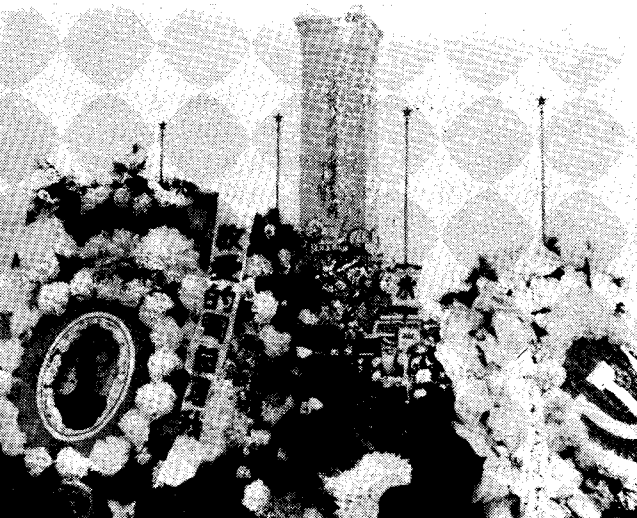
Recently there have been stories in the press depicting the heroic deeds of these comrades

who had fought valiantly against the gang and its henchmen. The readers were called upon to learn from them.

Han Chih-hsiung, a bulldozer driver for a Peking house repairing company and a Communist Youth League member, wrote an essay entitled "Mourn the Premier With Grief and Kill the Demons With Wrath," sharply deriding Chang Chun-chiao, Chiang Ching and Yao Wen-yuan. On the night of April 3 he went to the square and pasted it on the monument. While watching people reading or copying his essay and others' poems, he noticed that he was being followed. Just as he was about to leave for home, several men closed in on him and dragged him into a jeep.

Two days later, the gang's agent in the Peking Public Security Bureau sent out large numbers of policemen and militiamen to remove the wreaths, make arrests and carry out suppression.

The gang's trusted follower in *Renmin Ribao* even tried to get a written confession from Han Chih-hsiung so that he could report in the press that what had happened in Tien An Men Square was an "organized, planned and premeditated" "counter-revolutionary political incident" and that Comrade Teng Hsiao-ping had been the "general behind-the-scenes boss." But Han stood his ground during the interrogations and refuted head-on the public security



Tien An Men Square during the Ching Ming Festival 1976. Pictures show wreaths laid in memory of the late Premier Chou (left) and a speaker delivering a speech (right).

men's slanders against Comrade Teng Hsiao-ping.

The press under the gang's tight control reported that the "counterattack" was mounted only after "hooligans" "had created disturbances" on April 5. But the fact that Han was illegally arrested on April 3 shatters this contention.

Han was released from jail in March 1977 after waging an unremitting struggle against the gang's agent in the public security bureau. Speaking at a meeting of the capital's young people, he drew upon his personal experiences to expose the gang's plot to "deliberately concoct" the so-called "Tien An Men Incident." He was elected a Member of the Central Committee of the Communist Youth League at its Tenth National Congress convened in October of this year.

Another report in *Renmin Ribao* recounted the exploits of Li Hsi-ning who is a Communist Party member and former secretary of the Youth League general branch of the mathematics department at Nanking University.

Acting on Chairman Mao's instructions, Premier Chou put forth a plan at the Fourth National People's Congress held in 1975 to bring about the four modernizations by the end of this century. In response to the late Premier's call, Li and other young people in the mathematics department studied hard to enrich their knowledge and prepare for scaling the heights in science.

Just then a political cold wave swept the country. Every now and then articles in the newspapers stated that "there is a revisionist line behind the four modernizations" and called for beating back the "Right deviationist wind of reversing the correct verdicts" in the scientific and technical and educational fields. Word-of-mouth news also came that Premier Chou was being attacked by innuendo. Li believed these developments were associated with the events surrounding the death of Premier Chou in January 1976 — when people began mourning the Premier, orders were issued forbidding the wearing of black armbands, the holding of memorial meetings, the presenting of wreaths. . . .

Unable to keep silent any longer, Li organized the students and teachers of Nanking

University to hold memorial activities at New Meiyuan Village where the late Premier had lived and worked. As they walked to the site, carrying huge portraits of the Premier and large wreaths, many workers, women and students of middle and primary schools joined in the procession. Li put up slogans against the "gang of four" who were then in power, such as "Be on guard against Khrushchov-type careerists conspiring to usurp Party and state leadership." This rocked the whole city of Nanking. After visiting Nanking University, many workers and students followed this example and put up big-character posters and slogans on both sides of the streets.

Later Li and his college-mates went to the Nanking Railway Station and, with the help of railway workers and policemen, pasted anti-Chang Chun-chiao slogans on all the trains passing through the city, thus spreading the revolutionary flames to other parts of the country.

Li was arrested on April 21. During his more than 200 days in jail, he never budged an inch. He spent the time at his disposal studying Marxist-Leninist works and doing physical exercises. And he seized every opportunity during interrogations to debunk the "gang of four" for their crimes in opposing Premier Chou.

Now deputy secretary of the Communist Youth League committee of Nanking University, Li Hsi-ning attended the Tenth National Congress of the League and was elected a member of its Central Committee.

In April 1976, people in many other provinces and cities also took part in activities to honour the memory of Premier Chou. Workers in Sian, the capital of Shensi Province, took to the streets with wreaths, leaflets and poems. A worker named Ching Man-tang posted a slogan: "We will overthrow whoever opposes Premier Chou." Wang Ching-yi, a truck driver, wrote a poem insinuating that the "gang of four" were "wolves in sheep's clothing." Another worker, Li Yu-hua, composed a verse which included these two lines: "With the Premier living for ever in our hearts, how can we let ghosts and demons on the loose?" He himself mimeographed more than 500 copies for distribution.

Many such comrades were arrested and forced to be present at criticism meetings.

A short time ago, the Shensi provincial Party committee called a special meeting to rehabilitate 31 comrades who were unjustifiably branded as "counter-revolutionaries." Leading members of the committee spoke highly of their revolutionary spirit and called on the people to learn from them.

Some newspapers have recently published poems selected from those put up in Tien An Men Square in 1976.

A young worker in Shanghai, Tsung Fuh-sien, wrote a modern play *Pent-Up Wrath* with the "Tien An Men Incident" as a setting. It was a great hit in Shanghai and widely acclaimed by the audience. The play was recently videotaped and shown on Peking television.

# Observe Economic Laws, Speed Up the Four Modernizations

by Hu Chiao-mu

*This is the second part of an article which is based on a speech made by Hu Chiao-mu, President of the Chinese Academy of Social Sciences. The first part appeared in our last issue. — Ed.*

## 2. Observe Economic Laws

**T**O speed up the four modernizations, we must do things according to economic laws and raise economic management to a much higher level. There are many economic laws; here I will give my views on three topics only, that is, the law of the planned, proportionate development of the national economy, the law of value, and the identity of the interests of the state, the production unit and the individual.

### Abiding by the Law of Planned and Proportionate Development

Marx said: "The economy of time, along with the planned distribution of labour time among various branches of production, remains the first economic law on the basis of communal production. It becomes law, there, to an even higher degree."<sup>17</sup> The economy of time,

which falls within the category of the law of value, will be dealt with later. Here let us first discuss the question of planned distribution of labour time. Class societies of the past also objectively demanded distribution of social labour in a proportionate way, but this could not be done in a conscious and planned way. Our socialist economy can and also must consciously develop in a planned, proportionate way. This is the basic feature of socialist economy. When there is really planned, proportionate development, our national economy will achieve sustained, stable and high-speed growth and will be free from anarchy, semi-anarchy and the resultant radical fluctuations in speed of development. This will provide a dependable material foundation for the continued expansion of socialist reproduction and a steady improvement in the people's material and cultural living standards.

Right now owing to years of sabotage by Lin Piao and the "gang of four," our national economy is still, by and large, only "semi-planned." Improving our economic management requires, first of all, that we bring this up to full-scale planning. In our plans we will have to abide by, reflect and apply the law of developing the national economy in a planned,

proportionate way, taking into account both long-term and immediate interests, and taking care of the interests of the state (at both central and local levels), the collective interests of industrial and agricultural enterprises and the personal interests of working people. In drawing up the plans, we must take into consideration the needs and possibilities of various fields, make repeated calculations and strike an overall balance.

There should be no dislocations in the state plan and no extra items added at various levels in the local plans. All production and capital construction outside the state plan should be incorporated with the local plans at various levels. There should be both direct and indirect planning and the combination of the two will constitute the unified plan of the state\*. The targets set by the state must be geared to the orders and contracts received by the various enterprises with a view to effectively resolving existing contradictions due to a certain degree of dislocation between production and need and imbalance between supply and demand.

It is possible that in improving planned management contradictions may crop up between the central and local authorities, between different departments and between the state and enterprises; this is ever more likely as at present our planning system has long suffered interference and sabotage by Lin Piao and the "gang of four." But these contradictions can and must be solved under the principle of overall consideration.

Our plans must give full play to local initiative or else they cannot reflect the needs of the whole people, nor can they be fully imple-

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\* Direct planning is the way the state exercises planned management over units owned by the whole people. All the main economic activities of these units are directly conducted by the state, which directly passes down the unified planned tasks and ensures their fulfilment.

Indirect planning is the way the state exercises planned management over units of collective ownership. The plan passed down to these units by the state is merely a kind of demand and the state helps its realization by adopting certain economic policies and signing contracts with these units. In this indirect way, the state controls their main economic activities and is able to bring them into the orbit of state planning. — *Ed.*

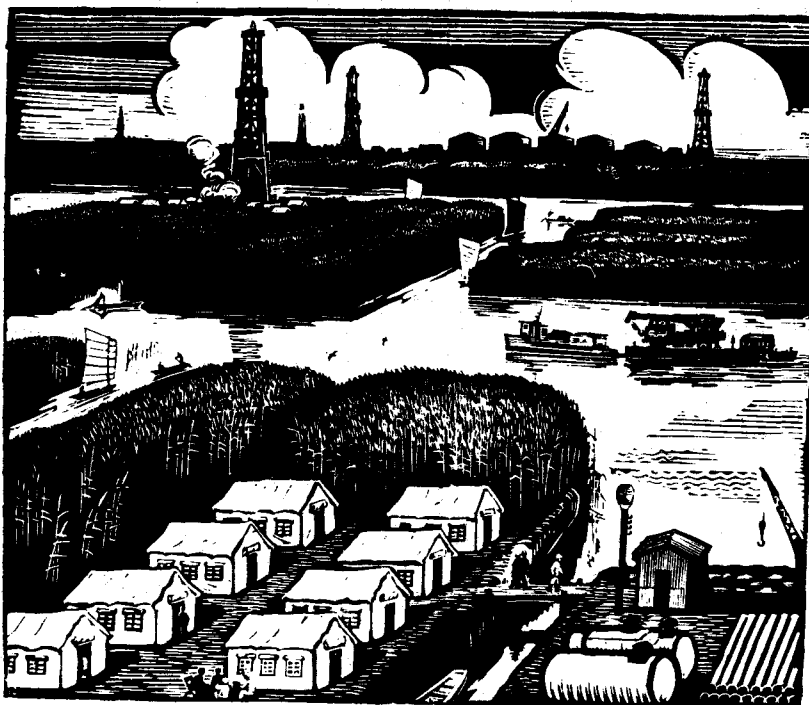
mented. At the same time, local initiative must be subordinated to the interests of the state as a whole. It is rational and proper for each and every province to industrialize itself; of course each must develop its industry to a high level suited to its own conditions and manufacture goods badly needed in everyday life and in reinforcing agricultural production. But it does not follow that each province must set up an independent and complete industrial system of its own, which is obviously out of the question at present and is not necessarily desirable in the long run. This is because resources differ greatly from province to province; if a province does not do things in keeping with its own conditions but tries to attain autarky in all respects, a tremendous waste of manpower and material will result and this will slow down the four modernizations in the country as a whole. In the developed capitalist countries, in the United States for instance, each state lays emphasis on something of its own in industrial or agricultural development; the West European countries, too, exchange with one another what one has for what others lack. All this has not hampered, but, on the contrary, helped accelerate their modernization.

We must follow Comrade Mao Tsetung's teaching of overall consideration and doing everything in terms of interests of the 800 million people. If contradictions between the central and local authorities are not properly handled, if there are dislocations in the state plan, and if the local authorities at all levels try in turn to add something extra to the state plan, then the plan will be thrown out of kilter with large numbers of production and capital construction items going on outside the plan. In such circumstances, it will be impossible to speed up the four modernizations or raise the level of economic management and technology in production. Moreover, production cannot possibly proceed normally, capital construction projects cannot be finished and go into production for a long time and there will be both shortages and pile-ups of materials, with buyers of various enterprises scurrying from place to place. The ensuing chaos and waste would be beyond redemption and would serve only as a speculators' paradise for breeding newborn bourgeois elements.



Developing the national economy in a planned, proportionate way calls for specialization and co-operation. This is an inevitable law of the development of modern, mass production and a very important way for raising production skill, labour productivity and quality of products, saving on power and raw and other materials and reducing the cost of production. Marx said: "How far the productive forces of a nation are developed is shown most manifestly by the degree to which the division of labour has been carried."<sup>18</sup> Lenin said: "Technical progress must entail the specialization of different parts of production," and, "to increase the productivity of human labour in, for instance, the making of some part of a whole product, the production of that part must be specialized."<sup>19</sup> In the last 20 or 30 years, world science and technology have made new headway day by day, resulting in a more minute division of labour on the basis of specialization and in more extensive co-operation.

If our economy is to be fully developed, there must be a really well-organized division of labour on specialized lines and co-operation between departments, regions and enterprises under a unified state plan. What is suitable for specialized production? What is suitable for comprehensive management? Should a certain kind of specialized production be organized on a provincial or municipal scale, or be carried out on a regional or national basis? Who can best supply the various enterprises with raw and other materials, fuel, power, spare parts and accessories to make things more economical? All these can be arranged rationally after repeated calculations to reach an equilibrium and under conditions of



Oilfield in a riverine countryside.

Woodcut by Ku Yuan

planned, proportionate development of the economy.

For example, our big and small enterprises at present are generally organized on an integrated and self-contained basis. This, in a sense, is forced on us by circumstances. This problem cannot be easily solved and will even continue to develop unless specialized division of labour and extensive co-operation are properly arranged within society as a whole. Its solution is possible only when specialized production of spare parts and accessories is well organized by trades and regions to ensure supply, when specialized corporations for equipment maintenance are established to give on-the-spot service, and when sales, transport and services to the workers and staff members are at the same time also undertaken by the various specialized service trades.

### Abiding by the Law of Value

The law of value is the universal law of commodity economy. Its essential feature is

that the value of every commodity is determined by the socially necessary labour time required to produce it. Commodity prices are based on value and commodities are exchanged on the principle of the exchange of equal values. Under socialism, the production and circulation of commodities will continue for a long time; they should be greatly developed in our country and the law of value will continue to play an indispensable part in our economic life.

In drawing up and carrying out plans, we must make use of the law of value and give expression to what is required by it. We must see to it that all enterprises (including the defence industry) make strict economical use of time, constantly strive for the best possible ratio between the expenditure of labour and material (materialized labour) and economic results, practise strict business accounting, strive to lower the unit-cost of production, and raise labour productivity and the rate of profit on funds invested; failure to do so will bring great losses and chaos to our cause of socialism. No enterprise and no worker should be allowed to waste time, not even a single minute, and both should be held responsible for losses caused by the waste of time.

Without observing the objective law of value, the law of planned and proportionate development cannot be strictly observed either ("The law of the value of commodities," Marx said, "ultimately determines how much of its disposable working-time society can expend on each particular class of commodities."<sup>20</sup> From this it can be seen that the law of planned and proportionate development is inseparable from the law of value); violations of these laws will inevitably come home to roost.

Stalin said: A socialist society with commodity production cannot do without the law of value. This is not a bad thing "because it teaches our executives systematically to improve methods of production, to lower production costs, to practise cost accounting, and to make their enterprises pay. It is a good practical school which accelerates the development of our executive personnel and their growth into genuine leaders of socialist production at the present stage of development."<sup>21</sup> Comrade Mao Tsetung said: That objective law of value can be realized by keeping accounts. "This law is

a great school. Only by applying it can we educate our tens of millions of cadres and hundreds of millions of people and build our socialism and communism. Otherwise it would all be impossible."<sup>22</sup>

In the nearly 30 years since the founding of the People's Republic, our cadres and people have persisted in studying in this great school, learnt a lot and made considerable contributions. This has ensured the development of our national economy. But interference and sabotage by Lin Piao and the "gang of four" has made it impossible for us to carry out the revolutionary teachers' instructions and thus brought serious losses to our planned economy. To get rid of the chaos in our economy caused by Lin Piao and the gang, we must make use of the law of value by practising cost accounting. It is necessary, through keeping and settling accounts, to work out the value created (by the productive departments) and the value realized (by the circulation departments) as well as the amount of materialized labour and living labour consumed in production and circulation, and also to appraise the results of our operations. In this way we can steadily improve our socialist economic management.

In order to use the law of value in cost accounting, we must ensure that prices correctly reflect value. We should apply the law of value to our price policies so that our planned prices will facilitate rational adjustments in the relationship between the interests of the state, the collective and the individual as well as between the workers and the peasants, and will play a positive role in regulating social production.

Planning comes first, and prices second. This calls for first drawing up plans in accordance with social needs; the next thing is to set rational prices for various products, and to see that these prices serve our plans, rather than separating the two. Prices are based on value but are not absolutely equivalent to value. A fair price for a particular product will bring greater profit to its production units, otherwise, there will be less profit. This is why we say that price is an important instrument in our planned economy. We must learn to be adept at using it.

The "gang of four" put a taboo on profit and struck out at anyone who mentioned profit, still less using the law of value to make price an instrument for the fulfilment of our plans. As a result, things like this happened: Certain articles of daily use, such as porcelain utensils and cooking pots, were badly needed, but the units concerned were reluctant to turn them out, because the prices paid for them by commercial departments were much lower than for porcelain used industrially or for iron pipes; these units were brought on the carpet for "putting profit in command." Now with the downfall of the gang, no one can use this willfully to reprimand others and we ought to raise the prices of porcelain utensils and cooking pots moderately so that the working of the law of value will in effect help bring about the fulfilment of our plan.

Stalin was going too far when he said that the law of value had no regulating function in production under socialist system but at most some influence on production. Marx said, "After the abolition of the capitalist mode of production, but with social production still in vogue, the determination of value continues to prevail in such a way that the regulation of the labour time and the distribution of the social labour among the various groups of production, also the keeping of accounts in connection with this, become more essential than ever."<sup>23</sup> This is a viewpoint Marx had repeatedly explained. Clearly it is not true that the law of value has no regulating function in production under socialist system. Practice in our own economic construction, too, has borne this out. In drawing up the state plan, we can and must see to it that the law of value, through price policies, plays a definite part in regulating production.

The system of cost accounting was badly impaired in the days when the "gang of four" ran wild. Then it made no difference whether a worker went to work or not; it made no difference how much work he did; it made no difference whether his job was hard or easy; and it made no difference whether he did his job well or not — in a word, the consumption of living labour was never taken into account or supervised. In some units, workers

did nothing the year round but got paid all the same; in other units, all jobs were done by temporary workers while the regular workers on the official payroll goldbricked, did their own thing or just fooled around. Today, this state of affairs has been changed to a large extent but far from through and through. For example, there were several thousand workers at a construction site who over a long period actually worked only five to five and a half hours a day; this amounted to a daily loss of over 10,000 man-hours.

This negligence in figuring up the amount of work done is not just an economic problem but a serious political problem that has had adverse effects on the attitude of our working class to labour and on the workers' revolutionary qualities. How can we continue to ignore this problem and not make a big effort to settle it at once? For quite some time, many enterprises in our country have neglected to figure up and supervise the use of materialized labour, have wasted raw and other materials irresponsibly and have paid no attention to how much is tied up in fixed and circulating funds. As for how much value and how much profit have been created, they have just ignored them. This failure to figure up and supervise work done is one of the root causes of the chaos into which our industrial management has been thrown.

Now that we are going to set things right, we should make use of the law of value, put the system of cost accounting on a sound basis and improve our management through the use of all kinds of targets for both goods and value, through strict application of the remuneration principle "to each according to his work" and by linking the material interests of the workers and staff of an enterprise directly with success or failure in its management. In this way we should be able to create the prerequisites for modernizing management. Without such reckoning and supervision, all other measures to improve management will be useless. In our cost accounting, it is necessary to express as accurately as possible the amount of value produced as well as the quantity of living and materialized labour consumed. We say "as accurately as possible" because in reality one cannot reach a high degree of accuracy owing

to many insurmountable difficulties involved. Still, we must be as accurate as possible.

### Identifying the Interests of the State, the Enterprise and the Individual

Comrade Mao Tsetung said: "Consideration must be given to both sides, not to just one, whether they are the state and the factory, the state and the worker, the factory and the worker, the state and the co-operative, the state and the peasant, or the co-operative and the peasant."<sup>24</sup> This identity of interests of state, production unit and individual producers is determined by the socialist system and, as one of the fundamental laws of socialist economic management, it must be given expression. In the past, in considering the question of the managerial system, comparatively more attention was paid to the relationship between the central and local authorities within the state structure, that is to say, the question of centralization and decentralization. It goes without saying that such consideration is necessary as it involves the implementation of Comrade Mao Tsetung's directive on the correct handling of the relationship between the central and local authorities. But, with less attention given to the question of ensuring the identity of state, enterprise and individual interests, we have failed to carry out Comrade Mao Tsetung's directive on this question *in toto*.

As a matter of fact, we must see things first of all in terms of the economic relationship between state, enterprise and individual, no matter how the division of labour between the central and local authorities is arranged and no



A flower for an outstanding worker.

Paper-cut by Kao Hsueh-min

matter which of the two exercises the main leadership over an enterprise. This is because, in the first place, the ultimate aim of a socialist economy is to raise the material and cultural living standard of the people (naturally this includes the workers and staff of each particular enterprise), and if we don't have the interests of the workers and staff at heart, we are running counter to this ultimate aim. Secondly, if we don't take the interests of the workers and staff and the enterprises they belong to into consideration above anything else, it will be impossible to ensure a rapid development of production, for they are the direct producers and organizers of production. Thirdly, if we improperly concentrate power in the central authorities or if we improperly disperse powers from the central authorities to local authorities, the result is always the same—both are detrimental to the development of economic construction; this is because both the central state organs and the local ones, as administrative organs with no direct economic commitments, are, as is always the case, more or less out of touch with the urgent needs of enterprises' economic activities. To put it in a nutshell, "once centralized, rigidity sets in; once decentralized, chaos ensue." More on this matter will be discussed in this article.

Comrade Hua Kuo-feng has repeatedly enjoined us: Unless there are reasonable objective causes, enterprises which are run well with profits and badly with losses should not be treated in the same way. This impinges on the relations between state and enterprise. Harmonizing their relations is of great importance for speeding up the four modernizations. Whether these relations are handled correctly or not involves not only the interests of the state and the enterprise, but also directly affects the interests of each individual worker and staff member. A socialist enterprise is the basic unit of the socialist economy, so the relations between the individual worker or staff member and the state are closely bound up with relations between the enterprise and the state.

In handling relations between state and enterprise, we must assume as prerequisite the carrying out of the unified state plan. At the same time, it is also necessary to take the re-

quirements of the law of value into consideration. The economic responsibilities of both state and enterprise must be made explicit under the unified state plan. At present, the powers of an enterprise should be appropriately expanded so that its leadership, workers and staff members will take a more active interest in the results of its economic activities.

It was stipulated in the former Seventy Regulations for Industry that the state should "fix five terms" for an enterprise, while the enterprise was to give the state "five guarantees." In the Thirty Regulations for Industry, the "five fixed terms" are reaffirmed alongside eight newly added economic and technical targets set as the standards for evaluating the success or failure of an enterprise. This is a very important issue regarding which further investigations and studies should be made to bring these regulations to perfection. The present eight targets, however, do not include one indicating the amount of fixed assets to be used by an enterprise; this omission is detrimental to the good management and proper use of investments by the enterprise and its creation of greater wealth for the state. It seems that this question should be solved when studying how to improve industrial management.<sup>25</sup>

These "fixed terms" and "guarantees" have defined the responsibilities of the state and enterprises. On the one hand, conditions for normal production in an enterprise must be laid down and guaranteed. If they cannot be guaranteed and normal production is hindered, the state and co-operating units concerned are to be held responsible economically. On the other hand, the task assigned to an enterprise must be strictly defined. When the overall task is fulfilled, the enterprise should be given an award; for instance, it should be allowed to keep a certain amount of the returns for use in granting rewards to advanced collectives and individuals, improving collective welfare of the workers and staff members, and carrying out expanded reproduction. If the task is not fulfilled, the enterprise and individuals should economically assume some responsibilities.

Lenin said: "Trusts and factories have been founded on a self-supporting basis precisely in order that they themselves should be responsible and, moreover, fully responsible,

for their enterprises working without a deficit. If it turns out that they have not achieved this, then in my opinion they must be prosecuted and punished, as regards all the members of their boards of management, by prolonged terms of imprisonment (perhaps applying conditional release after a certain time), confiscation of all their property, etc. If, after setting up trusts and enterprises on a self-supporting basis, we do not prove able by businesslike, mercantile methods fully to protect our interests, we shall turn out to be complete idiots."<sup>26</sup>

We must act in accordance with this principle laid down by Lenin, reward well-run enterprises which make profit and penalize those which are badly run and incur losses, reward the worthy while giving due punishment to those who deserve it. Leaders in charge of an enterprise with huge losses caused by serious mismanagement or violations of law and discipline should be punished according to law, serve a sentence or be fined, and a new leading group should be organized to replace the old one; those who fail in their duties through extreme negligence of their work should not go unpunished. In short, we must understand that when an enterprise is well run, it is beneficial to the state as well as to all its workers, staff members and leaders; if it is not, it will be to the disadvantage of workers, staff members and, in particular, its leaders. We should link the interests of state, collective and individual directly so that every person in an enterprise takes it as a matter of his own material interests to be concerned about fulfilling the state plan and about what results the enterprise management achieves.

The "gang of four," as they ostensibly were opposed to integrating personal interests with collective interests, in fact completely negated personal interests. This was a reactionary trend of thought that ran directly counter to Marxism-Leninism, that was deceptively Left in appearance but Right in essence. The fundamental principle of all Communists is to work for the interests of the majority. If the Communist Party cannot work for the interests of the majority, why should the masses need the guidance of the Communist Party and why should they give support to the Communist Party?

The interests of the majority, of course, comprise both collective and personal interests. Lenin said: "We say that every important branch of the economy must be built up on the principle of personal incentive. There must be collective discussion, but individual responsibility. At every step we suffer from our inability to apply this principle."<sup>27</sup> How true! Haven't we too suffered at every step? And how true are Comrade Mao Tsetung's words: "Empty talk is useless; it is imperative to bring the people visible material well-being."<sup>28</sup>

The correct approach to problems related to the material interests of the individual is to persistently carry out the principle of "from each according to his ability, to each according to his work." Comrade Hua Kuo-feng recently pointed out: Now that we have laid down the policy and worked out the principle showing what is primary and what secondary, what we must do now is to carry them out more quickly. In cases of piece-work and bonuses, what should be done should be done without any misgivings. The practice of millions upon millions of people in the long past has proved that in the historical period of socialism, when the principle "to each according to his work" is implemented, there is an upswing in the national economy and the socialist system is further consolidated and developed; when this principle is not implemented, the national economy fails to grow and the socialist system is apt to be impaired. This is an economic law independent of man's will. When things are done in accordance with this law, people gain; when things are done contrary to it, people suffer.

As indicated by statistics compiled by the General Bureau of Labour, the average annual progressive increase of the total industrial output value during the First Five-Year Plan was 18 per cent, the average annual progressive increase in labour productivity was 8.7 per cent and the annual progressive wage increase averaged 7.4 per cent. During the same period, 59 per cent of the industrial expansion was brought about by a growth in labour productivity. After 1958, wages did not increase regularly, nor did labour productivity; industrial growth had to count entirely or largely on increasing the number of workers and staff. If the yearly 8.7 per cent rate of increase in labour productivity had remained constant,

then labour productivity in industry, capital construction, transport and communications alone would have been three times as high in 1977 as it actually was. In other words, the total number of workers and staff could have been reduced by two-thirds. Isn't this a profound lesson?

Now that we are doing things once again according to this law, we are bound to achieve good results, and, in fact, some localities have already made gains. Comrade Li Hsien-nien once told us that every time wages were increased, comrades working in the financial departments worried about financial deficits, but year-end accounts always showed an increase in profits from state enterprises and it was in the last analysis the Ministry of Finance that always gained. This is a very apt summing-up of our practical experience in the last 20 years and more.

After all is said and done, in conforming to economic laws, it is, first and foremost, imperative to keep politics firmly in command. When we do things according to economic laws, it certainly does not mean that we can relegate politics to a minor position. On the contrary, we must uphold Party leadership and adhere to the mass line, for only in this way can we correctly resolve the different problems in the course of our work and get rid of all the various obstructions.

The pernicious influence spread by the "gang of four" must be swept away; the attacks launched against us by the newborn bourgeois elements need to be smashed; certain forces of habit and all kinds of erroneous tendencies among us comrades need to be overcome. For instance, there may well be people who would practise economism under the pretext of doing things according to economic laws, to the neglect of political and ideological work; there may also be people who, caring nothing about the hardships of the masses, issue arbitrary orders under the pretext of what they call putting politics in command, or even persons who find various excuses to do evil things. All this should be solved by strengthening Party leadership and really putting proletarian politics in command, as well as by bringing about a unified understanding among people in general in respect to long-term interests and basic interests.

In short, putting proletarian politics in command and conforming to objective laws make up a unity. Without the former it would be impossible to persist in the socialist orientation, to implement the Party's line, principles and policies firmly, and to fulfil the general task for the new period in a resolute way. Moreover, the Marxist practice of putting politics in command must accord with economic laws. Doing things subjectively and rashly that negates and violates economic laws is bound to result in both economic and political losses, and goes completely against the fundamental principle of putting proletarian politics in command.

#### NOTES

<sup>17</sup> *Foundations of Critique of Political Economy* (1857-58).

<sup>18</sup> *The German Ideology* (1845-46).

<sup>19</sup> *On the So-Called Market Question* (1893).

<sup>20</sup> *Capital*, Vol. I (1867).

<sup>21</sup> *Economic Problems of Socialism in the U.S.S.R.* (1952).

<sup>22</sup> Note on the "Report by the Shansi Provincial Party Committee on the Meeting of Cadres at Five Levels" (March 30, 1959), quoted from Comrade Hua Kuo-feng's speech at the National Finance and Trade Conference on Learning From Taching and Tachai, July 7, 1978.

<sup>23</sup> *Capital*, Vol. III (1894).

<sup>24</sup> *On the Ten Major Relationships* (April 25, 1956).

<sup>25</sup> The Seventy Regulations for Industry was published by the C.P.C. Central Committee on

September 16, 1961 under the title of the Working Regulations for State-Owned Industrial Enterprises (Draft).

The "five fixed terms" and the "five guarantees" are stipulated in the Seventy Regulations for Industry.

The "five fixed terms" define what the state expects of the enterprises in production and what production conditions the state will provide. They include fixing: (1) the plan for products to be put out and the magnitude of production; (2) the number of personnel and organization; (3) the consumption quotas of major raw and other materials, fuel, power and tools, and the sources of supply; (4) the amounts of fixed assets and circulating fund; (5) the relations of co-operation.

The "five guarantees" refer to the obligations of enterprises to the state. An enterprise guarantees: (1) the variety, quality and quantity of products; (2) not to exceed the total amount of wages; (3) fulfilment of the planned costs and efforts to reduce costs; (4) the amount of profit to be turned to the state; (5) utilization of the major equipment for the stipulated length of time.

The Thirty Regulations for Industry refers to the Decisions on Some Questions Regarding Acceleration of Industrial Development (Draft) published by the C.P.C. Central Committee in April 1978. The eight economic and technical targets are those set in the decisions for use in the overall appraisal of production and management of an enterprise. They refer to: (1) output, (2) variety, (3) quality, (4) consumption, (5) labour productivity, (6) costs, (7) profit, and (8) the amount of circulating fund.

<sup>26</sup> *To G. Y. Sokolnikov* (February 1, 1922).

<sup>27</sup> *The NEP and the Tasks of the Political Education Departments* (1921).

<sup>28</sup> *Economic and Financial Problems* (1942).

(To be concluded.)

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(Continued from p. 12.)

the warmth of the Party and therefore want to make progress.

#### Augment the Ranks of C.Y.L. Cadres

The Communist Youth League is a mass organization of advanced youths. The leading groups of the C.Y.L. organizations at all levels must be consolidated and rounded out under the leadership of the Party committees at the corresponding levels. According to the new C.Y.L. Constitution, education must be carried out within the C.Y.L. on the nature and tasks of the C.Y.L. and how to be good C.Y.L. members. Energetic efforts must be exerted to improve the political quality of the League members and get the League members to play their exemplary role.

Young cadres must be carefully selected and meticulously trained so as to build up a contingent of cadres for the League.

The Communist Youth League is a loyal assistant of the Party. The absolute leadership of the Party is the lifeline of the Communist Youth League. Youth must be taught to follow the Party. The whole younger generation must firmly and closely rally around the Party. This is the fundamental task of the Communist Youth League. Youth League committees at all levels must energetically strengthen their understanding of the need of Party leadership and must see to it that the Party leads the Communist Youth League politically, organizationally and in work.

# **Viet Nam-Soviet Treaty Threatens World Peace and Security**

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**V**ICE-PREMIER Teng Hsiao-ping held a 45-minute press conference in Bangkok on the evening of November 8. He delivered a statement and then answered questions raised by newsmen.

**Viet Nam-Soviet Treaty.** Replying to a question from a Thai newsman about the influence of the Viet Nam-Soviet "treaty of friendship and co-operation" on the situation in this region and China's attitude towards the treaty, Vice-Premier Teng pointed out that the recently concluded Viet Nam-Soviet treaty is not only directed at China, but to a greater extent is aimed at threatening peace and security in the Asian-Pacific region and even in the world. He stressed that the treaty is an important component part of the Soviet global strategy in Asia which will also increase the hegemonic acts of the Cuba of Asia. The Vice-Premier expressed the hope that the nations and people in the Asian-Pacific region and elsewhere in the world will keep a close watch on the development of this event.

Vice-Premier Teng said: "International public opinion has clearly pointed out that the treaty itself has a military nature."

He continued: "Internationally, there is not only global hegemonism, but also regional hegemonism. Such regional hegemonism exists in Asia, especially in Southeast Asia. Directed by the big hegemonism, the small hegemonism has lorded it over others everywhere, unbridledly invading another country, that is, invading Kampuchea. I think all nations and peoples who want to safeguard their own independence and sovereignty are opposed to hegemonism, big or small."

The Vice-Premier said: "The Chinese people are consistently opposed to global hege-

monism. They are also opposed to regional hegemonism. The conclusion of the Viet Nam-Soviet treaty certainly will not diminish but increase Viet Nam's hegemonistic acts. It will increasingly play its role as the Cuba in the East."

He continued: "Everybody knows what Cuba is like. We cannot but keep vigilant attention on the Cuba in the East. As for the answer to this question, it depends on how far Viet Nam will go. First of all, to what extent it will carry on with its aggression against Kampuchea. We will decide on the way of dealing with it in accordance with the distance it will go with its policy of hegemonism."

Vice-Premier Teng pointed out that the treaty "is not only directed at China, but also constitutes an important component part of the Soviet Union's global strategy in the Asian-Pacific region. There are people who hold that the treaty signifies encirclement of China. I have told foreign friends on many occasions that China fears no encirclement. To a greater extent, the treaty means the threatening of peace and security in the Asian-Pacific region and even in the world. Therefore I hope that first of all the nations and people in the Asian-Pacific region and even the people in the rest of the world keep a close watch on the development of this event. It is a matter of course that we all attach importance to this development."

**The Relationship Between Parties and Between States.** Vice-Premier Teng reiterated that the relationship between Parties should be separated from that between states so as not to hinder the development of the relations between states.



A Thai newsman mentioned that Vietnamese Premier Pham Van Dong had declared that Viet Nam did not support Thai Communists.

Vice-Premier Teng said: "I know many want me to answer this question. I hope you will not ask me to be like Pham Van Dong. If China acts like Pham Van Dong, that will first bring disaster to the Asian-Pacific region."

He continued: "In our relations with the Southeast Asian countries, not only with Thailand, there is the issue of the relations with the Communist Party. Since the problem arose in history, it cannot be solved overnight. We first of all reached mutual understanding with ASEAN [Association of Southeast Asian Nations] countries that such a problem should not hinder the establishment and development of our mutual relations, and on this basis we realized normalization of our relations and developed them."

The Vice-Premier said: "To China, this problem not only concerns her relations with Thailand. It is an international problem for her. We always hold that the relationship between Parties should be separated from that between states so that it does not hinder the development of our friendly relations with other countries."

He added: "In fact, we and Thailand reached such mutual understanding and established diplomatic relations and developed the relations between the two countries. This is gratifying. On the basis of such mutual understanding, we will continue to deepen our relations and accelerate the development of our political, economic, scientific, cultural and other links."

Vice-Premier Teng declared: "China does not hide her views. We hold that when countries and peoples make friends, they should express their true views. There should be mutual understanding. Only thus can they develop mutual co-operation. One cannot win friendship by telling lies, by hypocrisy and even by selling out one's soul. Therefore, I would not learn from Pham Van Dong."

**Sino-Thai Relations.** Vice-Premier Teng told Thai newsmen that he was satisfied with the

results of his goodwill visit to Thailand. He said that the strengthening of friendship and co-operation between China and Thailand was in the interests of the two countries and will, moreover, have a positive influence on peace and security in Southeast Asia.

He said that during his visit, the leaders of China and Thailand held sincere and friendly talks at which the two sides exchanged views on matters of common interest including the international situation, the situation in Asia and bilateral relations. "We hold identical or similar views on many important issues, and the two sides share the common desire of enhancing our friendship and co-operation," he added.

He pointed out that China and Thailand were both developing countries, and the peoples of the two countries were ardent lovers of peace. They needed a peaceful international environment in which to build up their respective countries. "However," he stressed, "we cannot fail to notice that the hegemonists have in recent years stepped up their expansion and infiltration in Southeast Asia, posing a grave threat to the peace and security of this region. We cannot but be on the alert to this danger."

Vice-Premier Teng expressed heartfelt thanks to Their Majesties the King and the Queen and the Government and people of Thailand for their warm and cordial reception and also to those in all walks of life who have worked for the promotion of Sino-Thai friendship. He also expressed his profound sympathies and solicitude to the Thai people in areas afflicted by flood.

He recalled the longstanding friendship between the two peoples of China and Thailand whose record of friendly contacts dates back more than 2,000 years. He pointed out that relations between the two countries have developed satisfactorily since the establishment of diplomatic relations in 1975. Early this year, Thai Prime Minister Kriangsak Chomanan visited China, and the two sides signed a trade agreement and an agreement on scientific and technological co-operation. Friendly exchanges between the two peoples have become more frequent in recent years, and the amicable co-operation between the two countries has witnessed new progress.

Vice-Premier Teng said that in the course of continued contacts between the Chinese and Thai peoples, a large number of Chinese settled in Thailand. Most of them have now adopted Thai nationality and have been assimilated into the local population. This is a gratifying development. He stressed: "Our government has always supported and encouraged Chinese residents in Thailand to choose Thai nationality of their own accord. Those who acquired Thai nationality automatically forfeit their Chinese

nationality and should fulfil the duties of a Thai national. In the case of Chinese residents who retain their Chinese nationality, it is our hope that they will abide by the laws of Thailand, respect the customs and ways of the Thai people and live in amity with them. Their proper rights and interests should be guaranteed. We hope Chinese nationals residing in Thailand will continue to make due contribution to promoting Sino-Thai friendship and to the Thai economy, culture and public welfare."

## What Are the Vietnamese Authorities Up to?

IT seems that the leaders in Hanoi are getting more and more swellheaded. Backed and directed by the Soviet Union, they have repeatedly incited provocations along the Sino-Vietnamese border and nibbled away at Chinese territory following their wanton anti-China and anti-Chinese actions on the question of the Chinese nationals. Since last August, the Vietnamese authorities have time and again sent armed personnel and militiamen into many areas of China's Kwangsi and Yunnan to set up barbed wire entanglements, dig trenches and lay mines. On November 1, Vietnamese personnel again intruded into the Nungchiao and Nunghei areas of Kwangsi where they opened fire on Chinese residents, wounding 12 and kidnapping 8 others, 6 of whom they have since killed. Their arrogance and hostility towards the Chinese people has become quite intolerable.

From persecuting and expelling Chinese residents the Vietnamese authorities have gone to creating disturbances along the Sino-Vietnamese border. They are sliding farther and farther down the anti-China road. These activities have coincided with their becoming a loyal lackey of Soviet social-imperialism and serving the Soviet global strategy, particularly the Soviet aggressive and expansionist policy in Southeast Asia.

To realize their wild ambition of regional hegemonism, the Vietnamese authorities have

relied on the support of the Soviet Union which is trying to realize big-power hegemonism in Southeast Asia. On its part, Soviet social-imperialism regards the Vietnamese authorities as an "outpost" for its expansion in Southeast Asia, an Asian Cuba at its disposal. Soviet big-power hegemonism and the Vietnamese authorities' regional hegemonism have dovetailed and served each other on the common basis of aggression and expansion. Such behaviour by the Vietnamese authorities has harmed the basic interests of the Vietnamese people.

The Soviet Union has supported Vietnamese aggression against Kampuchea by giving advice, creating public opinion, providing large quantities of weapons and sending many advisers. To overthrow Democratic Kampuchea is but the first step in Viet Nam's plan for aggression and expansion. If the attempt succeeds, Viet Nam will, with Soviet support, poke its nose into other areas of Southeast Asia.

When the Soviet Union again touted the long-discredited "Asian collective security system," Viet Nam called for the establishment of an "independent, peaceful, free and neutral zone" in Southeast Asia and tried in every way to worm its way into the Association of Southeast Asian Nations as a Soviet Trojan horse. "The Indochina federation," which Viet Nam is attempting to rig up, has become an integral part of the Soviet Union's blueprint for an "Asian collective security system."

After joining the "Council for Mutual Economic Assistance," Viet Nam has recently signed with the Soviet Union a so-called "friendship and co-operation treaty," signifying an out-and-out military alliance paving the way for Viet Nam's military expansion in Southeast Asia. This has torn off the cloak of "independence" and "non-alignment" donned and flaunted by the Vietnamese authorities to deceive others.

Both the Soviet Union and Viet Nam regard China as the biggest hindrance to the implementation of their designs of hegemonism and regional hegemonism. Their aggression and expansionism have gone hand in hand with their anti-China waves and anti-China incidents. It is by no means accidental that the Vietnamese authorities stirred up disturbances along the Sino-Vietnamese border on the eve of their intensified aggression against Kampuchea and their conclusion of a military

alliance with the Soviet Union. Emboldened by Soviet backing, the swellheaded Vietnamese authorities regard the great Chinese people as susceptible to bullying and they thus set no bounds to their greed. They have reached the height of rabidity and insolence. We have to ask the Vietnamese authorities: What are you up to? How far will you go? We will wait and see. The Chinese people are determined to safeguard their sovereignty and territorial integrity and will never allow the recurrence of such incidents. We do not want an inch of another country's territory, nor will we allow any country to occupy an inch of our territory. We sternly warn the Vietnamese authorities: Draw back your criminal hand stretched out towards Chinese territory and stop the provocations and intrusions along the Chinese-Vietnamese border.

The Vietnamese authorities had better not turn a deaf ear to China's warning.

*("Renmin Ribao" editorial, November 10)*

## Beware of the Kremlin's Sabotage of Arab Solidarity

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THE Kremlin's mounting efforts to widen the rift between the Arab countries and to rupture Arab solidarity, which began on the eve of the Camp David talks, warrant attention and vigilance.

In the current superpower contention for the Middle East, Washington has cast aside last year's Soviet-U.S. agreement to reconvene the Geneva conference at an early date. The White House once again brought Egypt and Israel together and arranged for them to sign the Camp David accords, which left Moscow out in the cold. Then, to monopolize "a peaceful settlement" in the Middle East, the United States intensified its efforts to urge Egypt and Israel to sign a peace treaty. Washington thus dealt a staggering blow to the Kremlin which is bent on having a hand in tackling the issue through a Geneva conference.

In response, Brezhnev has attacked the United States in his public speeches. On September 22, he accused the United States of "deliberately trying to provoke the Soviet Union." He declared: "We will resolutely oppose encroachments on the rights and interests of the Soviet state, and will not fall for provocations." On October 5, he complained that the United States "is inclined to forget about the Geneva conference, that it has two chairmen, the Soviet Union and the United States, with all rights and duties flowing from this, (but) . . . we will act accordingly."

Brezhnev's threatening warning to the United States, though it did not necessarily signify a Soviet attempt to have a direct confrontation with the United States, did harbour evil intentions towards the Arab countries. The Western press described the Soviet warning that

"we will act accordingly" as "potentially ominous," pointing out that "the Russians may toy with a bolder, openly disruptive policy in the Middle East." In fact, the Soviet Union has already put such a policy into effect.

### Brezhnev Takes the Field

In the new Soviet diplomatic offensive after the Camp David summit, Brezhnev personally took the field to define the orientation and target of attack. At a banquet in honour of an Arab state leader on October 5, he declared in the tune of an overlord: At present, the most pressing "task" in the Middle East is "the rallying and activation of all forces that are resisting the capitulatory anti-Arab line in Middle East affairs" in order to jointly oppose the Egyptian leader's "submission to U.S.-Israeli dictates." This is obviously an open call for the Arab countries and people to tail behind the Soviet Union in isolating and dealing blows at Egypt. The Soviet Union has conducted a series of diplomatic activities in line with this policy. Under the pretext of opposing the Egyptian-Israeli intention to set up a "military and political alliance" under "U.S. protection," it is seducing and forcing a number of Arab countries to establish a "strategic alliance" with it. It aims to kill two birds with one stone: completely isolating Egypt while getting control of certain Arab countries which join the alliance.

According to the Lebanese paper *Al Safir*, certain Arab countries have opposed the Soviet attempt. An Arab state leader pointed out that an alliance with the Soviet Union would make Arab countries fall into "the rivalry between the two superpowers" and "lose their own national independence."

In its diplomatic activities, the Soviet Union is manipulating Arab divergences over the Camp David summit to sow dissensions and sharpen their contradictions and conflicts by supporting one against the other. Meanwhile, it has stepped up its sabotage and subversion against Egypt by taking advantage of Egypt's internal difficulties and contradictions. And it even overtly incited "the Egyptian national and progressive forces which represent the Egyptian people" to rise "against the Egyptian President" and called for the overthrow of the legitimate

Egyptian Government. Such actions are rarely seen in relations among countries.

### Propaganda Offensive

During this period, the Soviet Union also launched a new propaganda offensive in coordination with its diplomatic offensive to sow discord and deepen the splits among the Arab countries. Since the Camp David summit, the Soviet press have published news, long articles and commentaries to peddle its proposition of settling the Middle East question within the framework of the Geneva conference, stressing that the Soviet Union enjoys "all rights" to meddling in the Middle East problem. *TASS* and *Pravda* in their articles labelled those countries which recognized such Soviet "rights" as "Arab's progressive forces" while calling others disagreeing with those "rights" as "Arab reactionaries" or "pro-West Arab regimes." A *TASS* commentary on September 24 tried hard to play up the "confrontation" among the Arab countries and could not conceal its pleasure at seeing their "cutting off diplomatic relations" and "economic relations."

A *Pravda* report on October 20 agitated for "stepping up the struggle of the progressive Arab nations against the Arab reactionaries." More striking is that the Soviet press vented all its grudges and hatred for the Egyptian leader. *TASS*, *Pravda*, *Izvestia* and other national papers in most of their related commentaries attacked the Egyptian leader by name, claiming that Egypt "has entered a blind alley politically" and "confronted itself with the whole of the Arab world."

### A Customary Tactic

All this demonstrates to the world that to "act accordingly" means to use divergences between countries or within a country to foment dissensions, disputes and conflicts, and this has become a customary tactic of the Soviet Union in pushing its policy of aggression and expansion as its contention with the United States for world hegemony. It is doing the same in the Middle East, southern Africa, the Horn of Africa as well as in Southeast Asia. The commentator

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# ROUND THE WORLD

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VIET NAM

## Poisonous Gas Shells Used Against Kampuchea

On November 7, the Information and Propaganda Department of the Foreign Ministry of Democratic Kampuchea stated that Vietnamese aggressors fired 105 mm. shells containing poisonous gas on the battlefields in Oyadao, Ratanakiri Province of Kampuchea on October 28 and 29, and November 1 and 2.

The statement declared that "the people throughout the world have seen more clearly the Hitler-type cruel fascist features of our enemy, Viet Nam, and its master." It continued, "The Kampuchean people and the Government of Democratic Kampuchea appeal to the public opinion of Southeast Asia, the whole of Asia and the rest of the world to condemn the barbarous act of Viet Nam and the Soviet expansionist power. The conflict between Kampuchea and Viet Nam is no more an ordinary conflict. It is an act of aggression, expansion and genocide against the Kampuchean race. If Kampuchea turns into a springboard, Viet Nam and the Soviet expansionist power will expand into the whole of Southeast Asia."

It is not accidental that this grave incident involving Hanoi's use of poisonous gas shells occurred when Viet Nam was actively preparing to launch another large-scale offensive

against Kampuchea and when Vietnamese leaders were going to Moscow to sign a treaty with the Soviet Union. This shows that the swellheaded Vietnamese authorities, emboldened by Soviet connivance and support, will not be satisfied until Kampuchea is destroyed.

This incident cannot but remind people of the statement issued on March 26, 1965, by the Government of the Democratic Republic of Viet Nam condemning the U.S. Government's use of toxic gas in its war of aggression against Viet Nam. The statement pointed out that the criminal U.S. act was a blatant violation of the Geneva Protocol of 1952. It said: "The use of toxic gases by the U.S. imperialists who are thus going further along a criminal path in the aggressive war in south Viet Nam has once again unmasked them as extremely cruel colonialist warmongers, and exposed the hypocrisy of their paying lip service to peace." It is obvious that the Vietnamese authorities have put themselves in the same position as the aggressors they faced in the past.

## U.S. DOLLAR'S UPTURN

### A Temporary Respite

On November 1, the U.S. Government announced sweeping measures to bolster the dollar, including massive gold sales and a 30-billion dollar money pool. This major move was made when the exchange

value of the dollar was in sharp decline, posing a threat to Carter's anti-inflation programme and seriously disquieting other capitalist countries.

The concrete measures include: At least 1.5 million ounces of U.S. gold will be sold monthly beginning from December; the drawing of U.S. reserve tranche in the International Monetary Fund, 3 billion dollars; the sale of special drawing rights, 2 billion dollars; increases in swap lines with the German Federal Bank to 6 billion dollars, with the Bank of Japan to 5 billion dollars and with the Swiss National Bank to 4 billion dollars; issuance by the U.S. Treasury of foreign currency denominated securities up to 10 billion dollars; increase in the Federal Reserve Bank's discount rate from 8.5 to 9.5 per cent.

Following the U.S. announcement of above-said measures, the dollar exchange rate began to climb and gold price dropped markedly on Western foreign exchange markets. But the flooding of dollars on to the international market has not improved, foreign trade has registered huge deficits and inflation has worsened. Therefore, people doubt if these measures which can only "win time" and "temporarily extinguish the flames" will keep the dollar stable.

Furthermore, the U.S. Federal Reserve Bank again has increased the discount rate by 1 per cent. U.S. capitalists will not expand their investments and consumers will not purchase goods by borrowing



Growing the "Disarmament" tree.  
by Fang Cheng

money, likely to result in severe economic stagnation. A November 1 AP dispatch said that it "could further tip the nation towards a recession."

AT U.N. GENERAL ASSEMBLY

### Soviet "New Proposal" Cold-Shouldered

Soviet Foreign Minister Gromyko's "new proposal" for the conclusion of an "international convention on strengthening the guarantees of the security of non-nuclear states"

recently received a cool response at the First Committee Meeting of the U.N. General Assembly. During the five-day debate, only a few representatives from the many countries present took the floor, two of whom were critical of the Soviet proposal.

Why has the Soviet "new proposal" been snubbed? One reason is that under the guise of strengthening "guarantees of the security of non-nuclear states," it makes no mention of reducing Moscow's nuclear and conventional armaments but it requires non-nuclear states which join the convention to "renounce the production and acquisition of nuclear weapons" and not to "have nuclear weapons in their territory, or anywhere under their jurisdiction and control—on land, at sea, in the air and in outer space." That is to say, the professed Soviet "guarantees" of not to use nuclear weapons against non-nuclear states are preconditioned on non-nuclear states' guarantees to the superpowers. In fact, this is aimed at binding the non-nuclear states hand and foot and depriving them of their rights

to possess nuclear forces for self-defence.

Secondly, as one African representative said, the various items presented every year by the Soviet Union as "new proposals" such as "no resorting to armed force," "reducing military expenditures by 10 per cent," were only empty talks. All these, he continued, were aimed at giving the Soviet Union the facade of a "disarmament cavalier." A representative from a Mediterranean country pointed out that the more proposals the Soviet Union put forward, the more rapidly its nuclear armaments expanded.

The Pakistan representative's statement that the Soviet draft convention's position on the problem of the security of non-nuclear states is considerably different from that of the non-nuclear states themselves won widespread support at the meeting. The Mexican representative stressed that in order to guarantee security, the superpowers have to recognize that "the nuclear arms race should be halted and reversed until its total elimination is achieved."

(Continued from p. 28.)

of the Moscow Central Television Studio frankly admitted on September 30 that the Camp David summit "directly involved our interests" and "the national security of the Soviet Union" and that it "cannot look on the situation of this explosive and dangerous area with folded arms."

In the face of the splitting and sabotaging schemes of the two superpowers, particularly the one under the cloak of a "natural ally," the

most pressing task of the Arab countries at present is to heighten their vigilance, do away with foreign interference, overcome divergences and strengthen their unity to fight their common enemy. This is where the fundamental interests of the Arab countries and people lie. As Arab public opinion pointed out, in Arab history "the most forceful lesson is that without the unity of the Arabs, there will be no existence of the Arabs."

(A commentary by Hsinhua News Agency, November 8.)

# ON THE HOME FRONT

## ***Bigger Harvest Despite Drought***

CHINA'S 1978 total output of grain, cotton and some other cash crops will outstrip last year's figures despite the worst drought ever seen in the last 30 years in some grain producing areas.

The dry spell first descended on the northern major winter wheat areas in the Yellow, Huai and Haiho River basins last spring and then spread to the northeast and northwest. The local peasants made full use of available facilities to irrigate more than 10 million hectares of wheat fields. This figure exceeded that of any of the last 29 years.

This 1978 summer-autumn dry spell was more severe and extensive than the serious droughts of 1934, 1959 and 1966 in the Huai River basin and along the middle and lower reaches of the Yangtze River. Anhwei Province confronted its worst drought in 120 years, while the Yellow River basin in Honan, Shansi and Shensi Provinces was inflicted with its most rampant dry spell of the last several decades.

Precipitation in most of the stricken areas between January and September was 30-50 per cent less than usual; in some areas, even 70 per cent less. The volume of flow in the middle and lower sections of the Yangtze River, the longest in

China, dropped by one-third last summer, and that in the lower reaches of the Huai River reached a record low.

In the ten drought-hit provinces, more than one million cadres — from provincial Party committee secretaries down on to commune leaders — went out with commune members to fight the drought. The 80,000 reservoirs built after liberation as well as drainage and irrigation equipment with a capacity totalling tens of millions of horse power played a big part in combatting the dry spell.

The State Council earmarked large sums for fighting the drought and shipped a million tons of diesel oil and a million tons of chemical fertilizer to the afflicted areas. Factories and the People's Liberation Army also lent a hand.

This indomitable fight against drought was crowned with victory: The nation is expecting to gather in more grain, cotton, bast fibre and sugar- and oil-bearing crops this year compared with 1977. Most of the provinces, municipalities and autonomous regions, some of which were seriously hit by the drought, harvested more grain than last year.

This autumn the peasants lost no time in sowing wheat and other winter crops. Wheat sowing has in the main completed in the major wheat pro-

ducing areas in north China, where 30 per cent of the acreage was sown in the thick of the drought-battle. In areas south of the Yangtze River commune members are busy sowing wheat, rapeseed and green manure crops.

## ***County Party Secretaries Learn to Drive Tractors***

THE Ministry of Agriculture and Forestry held its first training class in Hsingtai County, Hopei, for leading cadres of counties selected to be fully mechanized in farming. The trainees included deputy county Party secretaries, members of the standing committees of county Party committees, vice-chairmen of county revolutionary committees as well as heads of farm machinery departments of provinces, municipalities and autonomous regions.

The two-month class was held for these leading cadres to learn modern agricultural technology and agricultural management practices in order to be vocationally proficient and lead the work of farm mechanization.

The trainees studied the basic knowledge about farm machinery techniques and learnt how to drive tractors.

They also visited a number of advanced units and the 12-nation farm machinery exhibition in Peking where they exchanged managing experiences, uses for farm machines and methods for drawing up plans for agricultural mechanization.

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