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No. 2, 16 January 1982

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

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STUDY HISTORY, DISPLAY PATRIOTIC SPIRIT

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 2-5

[Article by Wang Zhen [3769 7201]]

[Text] Editor's note: Recently Comrade Wang Zhen invited a few comrades from the Propaganda Department of the CCP Central Committee, the Research Office of the CCP Secretariat and the CYL Central Committee to a discussion meeting at which he expressed his views on studying the modern history of China. In his talk, Comrade Wang Zhen recommended a new book by Hu Chen entitled "From the Opium War to the May 4th Movement," stressing the importance of studying modern history and calling on all people to promote cadres' and youths' study of history and to boost the upsurge of the fine general mood of the society related to book learning, so as to boost the people's morale, inspire their fighting will and display the patriotic spirit of working hard for the growth of the Chinese nation. This talk is of great significance in promoting among the broad ranks of cadres and youths the study of history, the building of socialist spiritual civilization and the strengthening of education on patriotism. We hereby publish the full text of it.

Today, I am going to have a talk with you.

During the past 2 years, I spent the time when I was recuperating after operations by reading a few books on the history of Russia's aggression against China, the biographies of a few historical figures, such as "Biography of Sun Yat-sen," "Biography of Lin Zexu," "The Chronicle of the Life of Huang Xing" and a biography on Yan Fu's life. Later I relatively carefully read a new book by Comrade Hu Chen entitled "From the Opium War to the May 4th Movement." The book contains 27 chapters and a total of 700,000 characters. I originally planned to read it in 2 months, but I finished it in 1 1/2 months. Comrade Hu Chen is a scholar in our party and is an old friend of mine. His book narrates the 80 years of the Chinese nation's history of repeated serious disasters and gives a clear description of every historical event. For us who have taken part in the struggle when our nation's existence was in peril, we feel ever greater pride when we read the history of that period. Historical books of this kind are very useful, especially in educating cadres and youths about

history. Such books will make them understand the history of the imperialists' oppression and the Chinese people's resistance, strengthen their sense of patriotism and make them know better why they should support socialism and the party's leadership.

I have had no schooling and little learning. However, I am quite familiar with the history from the Opium War to the May 4th Movement. The history of this period is not only recorded in history books but also spread far and wide among the people. None of my forefathers were scholars either. My father was a farm laborer. In my childhood, I heard him tell us stories about the Taiping army, called "long hair" at that time, who fought against the Qing army and stories about Tao Shu, an official of the Qing Dynasty (editor's note: Tao Shu, a native of Anhua County, Hunan Province, was appointed governor of Jiangsu, governor of Anhui and viceroy of Liangjiang.) I also heard legends about the Hongjiang Hui (Hongjiang River Society), the Ge Lao Hui (Society of Brothers) and other revolutionaries from my father. However, it was not until I joined the revolution that I gained a relatively correct understanding of the history of this period. Chairman Mao once told me that Lin Biao had not even the least knowledge of Chinese history. He told me to draw a lesson from Lin Biao and learn some history. Therefore, I am very pleased when I read a good history book.

The China today has been developed from the China of the past. In the preface of his book, Comrade Hu Chen gives a simple outline of the Chinese feudal society before the Opium war. The whole book narrates and analyzes how China was reduced, step by step, to a semicolonial and semifeudal country due to the aggression of the capitalist powers and narrates and analyzes the several upsurges and setbacks in the revolution in China in the time period of a century. A history book of this kind can be used as a textbook to teach people to understand the law governing the development of the Chinese history and understand the origin of China's present situation. Reading a history book of this kind can relatively systematically teach people to be aware of the difficulties in founding the PRC and, at the same time, help us to understand many problems raised in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC." For example, the question on the evaluation of Chairman Mao. If we have studied modern history and have a complete view of the great changes during the time period of little more than a century, we will find that compared with other historical figures, Chairman Mao was a statesman of rare gifts and bold strategy, of extensive knowledge, of deep insight and of strong will and a statesman who achieved great merits. We all know that Comrade Chen Yi was a man of great talents and that it was difficult for people to win his admiration; nevertheless, he said that he did admire Chairman Mao. Of course, there have been quite a few outstanding figures in China's modern history, such as Zhou Enlai, Liu Shaoqi and Zhu De, who were all outstanding leaders of our party and our people. Besides, there have been many well-known thinkers, politicians and generals and excellent scholars and artists. We must say that without these outstanding historical figures and particularly without Chairman Mao, the Chinese nation could not be what it is today. We should not negate Chairman Mao's immortal contributions in Chinese history because

he committed mistakes during the "Great Cultural Revolution'" When we have read some history books and have got some understanding of China's history over the last century, we will naturally and logically affirm Chairman Mao's historical position.

This book by Comrade Hu Chen contains a great amount of materials and makes a historical materialist analysis of people and events. This shows Comrade Hu Chen's meticulous scholarship. We should hold such scholars in respect. Regarding China's modern history, there are quite a few books available, even when not including this one written by Comrade Hu Chen. Moreover, there is not merely a single area of historical research in all of the academic and theoretical circles. For many years, many comrades have done a great deal of hard work in various academic fields and have achieved great results. What they have done is very necessary and very valuable for our socialist modernization and for our struggle for world peace. Any scientific, literary or artistic works and any effective creative labor that contribute to the four modernizations and contribute to arousing the people's fighting will and their patriotism for our great motherland must be affirmed. Whether we have adopted a correct policy in treating our intellectuals and whether we have adopted a correct attitude toward the excellent results of mental labor and spiritual production is a major issue that concerns the success and failure of the socialist cause. When I was young, I had many contacts with intellectuals. After the May 4th movement, I was a janitor for some railway senior clerks. Because of the ideological influence of the May 4th movement and because of the influence of the workers movement, these clerks, school-aged children, had changed their attitude toward workers. They not only did not look down upon us workers or treat us as servants, but also made friends with us. The times were progressing and so were the intellectuals. I should say that since my first contact with such progressive intellectuals, they have made a good impression on me. In the long-term revolutionary struggle since then, I have never committed mistakes related to intellectual problems. Chairman Mao once said to me, "Wang Shiwei would not have been killed if he had been in a place in your charge." Naturally, there have been reactionary and bad intellectuals, but their number has been small.

My purpose in inviting you to come here today is to recommend Comrade Hu Chen's history book and to propose to you that our cadres and youths should read some books about China's modern history. We all keenly feel that our social morality has been much corrupted since the "Great Cultural Revolution." Our party has done a great deal of work in order to change this situation. Comrade Deng Xiaoping's speech on the adherence to the four basic principles and Comrade Ye Jianying's speech at the 30th anniversary of the founding of the PRC contributed to bringing about such a change. The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" approved by the party's sixth plenary session, Comrade Hu Yaobang's speeches at the 60th anniversary of the founding of the party, at Lu Xun's 100th birthday and at the 70th anniversary of the 1911 revolution, and Comrade Zhao Ziyang's report concerning the 10 principles for economic construction also contributed to bringing about such a change. In order to bring about such a change, the All-China Federation of Trade Unions, the CYL Central Committee, the All-China Women's Federation and other organizations have put

forth the "five stresses" and "four points of beauty" and the PLA has raised the call for "four hases, three stresses and two nonapprehensions" [having lofty ideas, good morality, knowledge and good health; stressing the army's standard on appearance and bearing, good manners and good discipline and not being apprehensive about either hardship or bloodshed and sacrifice]. By all the above and in addition to the PLA's Fakashan and Koulinshan battles for national defense and against the Vietnamese aggressors, by the heroic struggle against floods and drought in many provinces and areas last year, by the arduous efforts made by the public security and judicial departments in order to safeguard public security, by achieving great results on the agricultural front and in all the sectors which make up the economic front, by making tremendous progress in scientific, educational, cultural, hygiene and sport fields and by opening up a new situation on diplomatic front, we are displaying our nation's heroism and revolutionary spirit. A nation must have its own healthy national trend which constitutes a great strength in uniting the masses and encouraging everybody to actively make progress. Comrade Hu Yaobang said that he particularly upheld livening things up and inspiring and developing our national spirit and morality. A good national spirit and a good national morality marks the prosperity of a nation. Encouraging book learning and establishing a good style of study will open up a path for establishing a good national spirit and a good national morality. We should guide our broad ranks of cadres and youths to study hard, and that includes studying history. One usually has some leisure time after 8 hours of work, labor or study. We should teach people to spend more of their leisure time in reading instead of taking part in recreational activities, and thus create a new social mood of book learning and a new social trend of study. Ours is a socialist country. In this country, unhealthy trends in whatever form are not allowed to run rampant, to pollute the society, to corrupt the people's morality or to hinder our four modernizations. We should mobilize the whole party and the whole people to pay attention to encouraging the practice of studying, especially to paying attention to the studying by youths. The CYL, the trade unions, the women's federations and all other social organizations should strive, under the leadership of the party, to promote a new upsurge in the practice of studying. As Lenin pointed out, "First, study; second, study and third, study." This will remain a slogan that we will lay great stress on.

We should learn modern science and technology and, at the same time, we should learn the social sciences including history. We should not forget the arduous course our nation has undergone and we should not forget our past. In the past, our country was a semicolony divided up at will by other countries. But today our status has been greatly changed. For example, in Comrade Hu Chen's book, he mentioned the fact that a few imperialist powers scrambled for the right to build railways in China. Today, we not only have the full sovereignty in building railways, but also have a strong technical capacity in this respect including hundreds of thousands of railway corpsmen. I was once commander in chief of the PLA Railway Corps and, at that time, I was opposed to situating our headquarters in Beijing. Comrade Peng Dehuai agreed with my view and said to me that we should build our railway up the Himalayas and be buried on the spot that we died. Today, our country has not only

completely taken its destiny into its hands and has not only gained independence in deciding its own policies, but is also having political, economic and cultural contacts with various countries and nations in the world on the basis of the principle of equality and mutual benefit. Moreover, we are playing our role in the just cause of world peace and human progress.

The enemies at home and abroad caused grave disasters to the Chinese people. Could there have been such a new situation as today if the Chinese people of all nationalities had failed to carry out their prolonged brave struggle, if they had failed to firmly unite or if they had failed to display their great national heroism and patriotism of striving for the prosperity which has been forged through struggle? Today we have raised our magnificent target of realizing socialist modernization and have charted a path for socialist modernization that suits the national conditions of our country. The strong response this target has aroused from our people has proved that there has been a profound objective basis that underlies this national spirit. We can completely affirm that our socialist system will certainly be able to develop the Chinese national spirit to an ever-higher standard.

Of course, in our country, besides the sabotage activities of counterrevolutionaries and various kinds of criminals, there are still quite a few corrupt, backward and unreasonable practices. These include graft, embezzlement, smuggling, speculation, bribery, confiscating public property for personal use and other activities that violate laws or discipline. They also include unhealthy practices, such as superstition, gambling, extravagant weddings and funerals, worshiping and having blind faith in things foreign, under-the-counter relationships and using one's official position to achieve private ends. There are also the bureaucratic phenomena of organizations being overstaffed, shirking responsibility and having low work efficiency. Some people employed in natural scientific undertakings have nothing to do, but on the other hand, people are loudly complaining that they lack scientific personnel. All these phenomena must be changed or brought to an end. Nevertheless, these phenomena are not something to be feared or to be disappointed about, for our party is resolutely and unswervingly fighting against such phenomena and is making progress in the course of fighting against these phenomena.

The progress of modern China's history is the best evidence that we will certainly be victorious in our struggle. That is why we should encourage the study of history; especially China's modern history. In analyzing historical personalities, we should avoid simplicity and one-sidedness. Generally speaking, officials in a feudal society oppressed the people. But regarding specific persons we should not fail to see that they differed: some were hard working and others lazy, some were good and others bad and some were corrupt and others honest. Some officials were incompetent and, in addition to their high salaries, seized land, exploited the people, extracted extra levies and led extravagant and lewd lives. But there were others who had some insight and had achieved some merits. For example, in the Han Dynasty, we had heroes such as Zhangqian and Ban Zhao, and in modern

times, we had such national heroes as Lin Zexu, Feng Zicai and Deng Shichang. Even a personality such as Zuo Zongtang should be concretely analyzed. On the one hand, he committed the crimes of suppressing the people, but on the other hand, in his later years, he contributed to our nation and country by defending China's sovereignty and territory, safeguarding China's unity and resisting the expansion of Britain and Russia. We should make concrete analyses of historical personalities and should even affirm the outstanding roles of some personalities of the ruling classes. This is by no means contradictory to the thesis that history is created by the people.

Chairman Mao in a speech at Yanan said that we should not only know the China of today but also the China of yesterday. He called on us to study the present situation as well as history and Marxist theory. This call is even more important for today's youths. I believe that by conscientiously reading, by making reading a constant practice so as to be armed with the weapons of social sciences and the science of history, our youths will not only increase their knowledge, talents and competency, but can also firm up their confidence in the revolution and set high aims and lofty aspirations. Of course, whatever subjects our youths choose to major in, we should encourage and support them. However, through the study of history, our youths will see that it was owing to the undaunted and heroic struggle of our great people and their bravery in the face of bloodshed and death that our country has survived so many national disasters and so many aggressors. In this course, we had undergone innumerable failures and setbacks until we finally found Marxism, set up the CCP, led the people to overthrow the three great mountains and founded the PRC. This took us more than a century to achieve. We should treasure what we have achieved and strive for prosperity on the basis of what we have achieved.

Only by intensifying their study will our youths be able to be devoted to their work and to have a sense of responsibility. Not only the youths who major in social sciences should study history, but those who major in natural sciences should also study history. Youths who pursue whatever profession should learn something of history. Stalin said that a Leninist should not be a specialist only in the subject of a science he likes; he should, at the same time, be a politician and a social activist and he should concern himself with the destiny of his country, understand and know how to make good use of the laws governing the development of society and do his best to take an active part in the political leadership of his country. For this, one should study Marxist theory and study history. We should conduct education in history and in patriotism among the youths in a better, more flexible and more lively manner. Naturally, in order to build socialism and make China prosper, we must study and strive to master and introduce foreign advanced science, technology and management and, moreover, we must study them for our socialist motherland and must resolutely fight against the disgraceful practice of worshiping and having blind faith in things foreign.

It is necessary for an old, weak man like me to resign all his posts and retire from his office. Though retired, a man like me can find some work he is capable of doing. As an old CCP member, one should do what one should do. In this sense, no official titles or authorization are needed. Maybe

what is left of my life are only a few months or days, but as long as I can, I will go around, look around and do the present urgent task of training successors. For example, I will take up the task of working with youths, such as guiding them in the study of history. This is a very important task. My aim in having you talk with me today is that you will boost the study drive to a new upsurge. I hope that I can do, together with other retired old comrades, what we can do in our remaining years. Old comrades can draw on rich experience. Some of them are experts in some special fields, for example, some of them have some special technical or academic knowledge, some have good penmanship and some are skilled in painting. They are all precious wealth of our party. Though owing to their health they cannot be engaged in the busy posts in the first line, they can use what they are good at in training the coming generation and play their role to the full in building the socialist spiritual civilization throughout the country. The world is vast. As far back as in the Eastern Han Dynasty, Ma Yuan said, "A man who dies in the border area and whose body is wrapped in horse hide should be carried back to be buried in his homeland. How can he die in the arms of a woman?" Today, we need not wrap our bodies in horse hide nor be buried in our homeland. As long as our health permits, we must regard the vast world as our home and never should we madly cling to Beijing and other big cities.

I believe that so long as the Propaganda Department of the CCP Central Committee and the Central Committee of the CYL take the lead, so long as the old generation, and that includes me, goes all out to make more efforts, so long as scholars like Comrade Hu Chen carry out their studies and research, and so long as the many specialists in the theoretical circle and our colleges in the arts play their roles to the full and jointly promote as one the book learning of our youths, we are sure that we can set the fine style of study and the healthy trend in our society.

ACQUIRE A CLEARER UNDERSTANDING OF GUIDING THOUGHT CONCERNING CORRECT RURAL WORK

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 6-10

[Article by Chen Pixian [7115 0012 7309]]

[Text] In the past few years, like other rural areas of the country, the countryside of Hubei has all along witnessed a very favorable situation. Fast progress has been achieved. This has been a source of great inspiration. But amid progress, certain new conditions and new problems have appeared. This requires us to further understand guiding thought concerning rural work. Otherwise, the development of the very favorable situation in the countryside is likely to suffer.

What is the guiding thought that we must further understand in our current rural work? Generally speaking, we must further properly handle the relations among the state, the collective and the individual; insist on taking the planned economy as the primary factor and regulation by market mechanism as the secondary one; direct peasants' enthusiasm toward the study of agricultural science and technology; the proper introduction of scientific farming and the improvement of management and operations; blaze a new trail of overall development and attention to economic results; do a better job in increasing agricultural yields and income; and make the countryside get rich in a gradual and healthy manner. All this we must do in the process of continuously carrying out a series of economic policies in the countryside introduced since the 3d Plenary Session of the 11th CCP Central Committee and in the process of steadily perfecting the production responsibility system. Under the guidance of national plans, we must lead the masses of peasants in an effort to develop production and tap the potential in their own enterprises. We cannot always look to the higher levels and count on the state to give the peasants more benefits at present by further raising purchase prices. In this respect, we must have unified awareness. We must make the countryside rich but this should be achieved in a healthy manner. Can we get rich by allowing the peasants to act as they please and to take expedient measures that are of benefit only to themselves? No. This would only interfere with national plans and impair the overall interests of the country, thus injuring the peasants' fundamental interests. Can we just rely on the state to make the peasants rich? No. This is because the

existing resources of the state are limited. Prices for agricultural products have in the past few years been raised greatly and much has been done with regard to agricultural subsidies. Therefore, we must insist on taking planned economy as the primary factor and regulation by market forces as the secondary one, and integrate the interests of the state, the collective and the individual. Only in this way can we achieve the aim of getting rich in a healthy manner.

Agricultural production for Hubei Province last year, generally speaking, was satisfactory. It was a year that can be considered far better than the average. Output of grain, cotton, edible oil and agricultural and sideline products in the second and third categories, except for live pigs, rose compared with the preceding year. The province's diversified economy registered relatively fast growth. There was also relatively great progress in developing communes' family sidelines. Peasants' income chalked up a general increase. However, some time ago, the business of purchasing and turning over agricultural and sideline products to the state was not done well enough in some respects. 1) Everyone reported an increase in grain output, and there was really a big increase in some cases. But when it came to the purchase and marketing of grain, there was always a demand for purchasing less and selling more on the market. 2) There were increases in second and third category agricultural and sideline products, in regard to both output and purchases. But the job of turning over products to the state was not done well enough. There was a demand for turning over more of what is unsalable to the state or keeping less of it, and a demand for turning over less of what is salable to the state or keeping more of it. 3) Where there had been a drop in the number of live pigs, state purchases, or sales to the state, showed a still poorer record. There were many causes for this situation, both objective and subjective. There was the problem of inadequate attention having been paid to work and a display of laxity and weakness on the part of the leadership. There was also the problem of certain people having a weak sense of planning and a weak concept of viewing the situation as a whole and not acting according to state plans.

This situation appears to be a concrete problem concerning the matter of purchasing and turning over agricultural and sideline products to the state. Actually, it is a problem of guiding thought concerning our current rural work. The core of it is how to properly treat the relations among the state, the collective and the individual. In a speech at a conference marking the centenary of the birth of Lu Xun, Comrade Hu Yaobang said: "In certain departments and, primarily, in economic departments, some comrades lack a concept of viewing the situation as a whole. Anything that does not serve their partial interests or appeal to their own taste is shunned or not acted upon. This is a wrong departmental act injurious to the overall interests of the state." Comrade Hu Yaobang also pointed out: "Among the cadres of certain industrial and mining enterprises and certain rural communes and brigades, the practice of acting against the concept of viewing the situation as a whole and taking the interests of the state, the collective and the individual into consideration--a concept hitherto advocated by the party and the state--and the practice of flaunting the banner of acting in the interests of the masses actually represents a backward idea among some workers

and peasants. At the first opportunity, they make claims upon the state and demand a high price. This is a wrong act injurious to state interests." Comrade Hu Yaobang's speech tells us that we must thoroughly implement the guideline of paying simultaneous attention to the interest of the state, the collective and the individual. We must conduct relevant education among the cadres and the masses. We cannot one-sidedly stress individual interests, to the neglect of state and collective interests. Between September and October last year, we began to take note of the problem of purchasing and turning over agricultural and sideline products to the state, and directed quite an effort to this matter. In November, we again emphasized discussing the problem of simultaneous attention to the interests of all three sides at meetings of secretaries of prefectural and municipal party committees, and succeeded in raising awareness. After such meetings, the whole province upheld this spirit. The situation quickly turned for the better, as far as the matter of purchasing and turning over products to the state was concerned. At the end of last year, purchase quotas for grain and oil seeds were overfulfilled. The pace of purchasing cotton lived up to expectations. The number of live pigs purchased and turned over to the state showed a big increase compared to before November. Facts show that so long as we have a clear idea of guiding thought, the masses of cadres and people in the countryside will support us. Of course, we have now only raised the level of thinking and awareness initially. In future, we must conduct education in a penetrating and sustained manner, enabling such guiding thought to permeate all the province's rural work.

In the past several years, our country chiefly relied upon three ways to revive and develop our agriculture: 1) correcting "leftist" mistakes and relaxing restrictions; 2) raising the prices of agricultural and subsidiary products; 3) importing a given quantity of grain every year. These three policies were aimed at arousing the peasants' enthusiasm, developing a diversified economy, raising the commodity rate and enlivening the rural economy. As far as the future is concerned, the first must be adhered to. In no way can we relax attention to grain production and the energetic development of a diversified economy. Various versions of the production responsibility system and such practices as keeping private plots, promoting family sidelines, holding country fairs, and so forth must not be changed. The third policy of importing grain must also be continuously carried out within given limits, so as to facilitate the readjustment of the structure of agricultural production. As to the second policy, the prices for agricultural and sideline products must be basically stabilized and cannot be further raised. In the past few years, the state has spent much on subsidies for raising the prices of agricultural and sideline products, for selling prices, and on subsidies for the prices of imported grain, cotton, sugar, and so forth. This is entirely necessary. But at present, the state cannot afford to further raise purchase prices and subsidies. If we just raise the prices of agricultural and sideline products without a great development in industrial production, and if we thus fail to satisfy the peasants' demand for industrial goods and cannot withdraw currency from circulation in a normal manner, this will not help stabilize the prices of industrial products. What benefits the peasants derive from the state will also end up being lost. Therefore, given the existing resources of our state

and the level of industrial production, a further big increase in the prices for agricultural and sideline products is unrealistic. In improving the living standard of the peasants in future, we must not chiefly rely on raising the prices for agricultural and sideline products. Instead, we must rely on policy and science in the overall development of agriculture, forestry, animal husbandry, sidelines and fishing. We must thus energetically raise the commodity rate and improve economic results. In this respect, guiding thought is very important. If the matter of guiding thought is not properly taken care of, problems will arise in purchasing and turning over agricultural and sideline products to the state. If what should be purchased is not procured and what should be turned over to the state is not handed over, this will directly affect industrial production and affect the life of urban residents, the worker-peasant alliance and even the economic construction of the state as a whole. Therefore, we must strengthen socialist and patriotic education among rural cadres and commune members, so that they can understand the great importance of paying simultaneous attention to tripartite [state-collective-individual] interests, consciously make greater contributions to the state, strive to fulfill state plans and support cities, industry, export promotion and socialist construction.

It should also be noted that if our guiding thought concerning rural work is not correct, the development of agricultural production itself will suffer. For example, regarding the cultivated area, we must stress the need of guidance from state plans. On this basis, we must bear local features in mind and make rational arrangements for the distribution of crops. As far as the area sown to grain is concerned, the province had 83.17 million mu in 1978 and 79.01 million mu last year, a drop of 4.16 million mu. Such a readjustment, generally speaking, is rational. But it must also be noted that the sown area must not be further reduced. Given not a big increase in per mu output, an excessive reduction in the total area sown will affect the total output of grain. Also, the area sown to cotton must also be kept at a steady level. Another problem is a serious situation of good land being occupied to build rural housing. According to incomplete statistics, the communes and brigades throughout the province have occupied a total of 1.65 million mu of land for building housing since 1970. For a commune in a certain county, the area occupied for building housing averaged nearly 2 mu per household. This was 8 times the 0.25 mu for a general residential unit. We must pay great attention to this problem. We must set great store by every inch of land. We must strengthen education and inspection and strictly act according to regulations laid down by the State Council and the provincial people's government. We must change the situation of freely occupying and using cultivated land. The situation of freely appropriating vegetable fields in urban construction is also very common and must be brought under strict control. Also, we must perfect the production responsibility system. One of the important principles to be followed in this regard is that the responsibility system must embody and contribute toward the proper handling of the relations among the state, the collective and the individual. We must pay particular attention to guarding against and resolutely overcoming the erroneous practice of distorting the production responsibility system and destroying and occupying collective property.

The problems mentioned above have a bearing on the correct handling of the relations among the state, the collective and the individual. Since the third plenary session, we have corrected "leftist" mistakes in the countryside, turned chaos into order, introduced a policy of relaxing restrictions and enlivened the economy. This guideline is entirely correct. In the future, we must continue to firmly and unswervingly carry out our party's various economic policies toward the countryside and further perfect various versions of the production responsibility system. In certain fields, such as the area of circulation, we must further study policies and measures for better handling rural commerce. The problem at present is by no means one of changing policy or retracing the old road toward rigid control. Instead, the problem is to realistically carry out the guideline of taking planned economy as the primary factor and regulation by market mechanism as the secondary one and to flexibly use the market as a regulation factor within the limits of a planned economy. This is to say that what should be controlled should be realistically controlled. What should be enlivened should be persistently enlivened. We should never freely make changes. At present, we must resolutely overcome anarchism, departmentalism and the erroneous viewpoint of one-sidedly stressing mass interests. Within the limits of planned economy, we must enliven the economy in a more healthy manner. We must correctly handle the relations among the state, the collective and the individual, divert peasants' attention to the development of production and the tapping of the potential in given enterprises. We must direct energetic efforts toward scientific farming and the improvement of management and operations. The earlier this guiding thought is made clear and the more conscious we are, the greater initiative we will have in our work. Otherwise, our leadership over rural work will be marked by laxity and weakness, hampering the healthy growth of the rural economy.

As far as the existing actual conditions of the countryside of Hubei Province are concerned in light of this guiding thought, several important problems must be put forth for discussion and study.

1. Planned cultivation. In guiding agricultural production, we must respect the autonomy of the production team, so that it can, with local features in mind, properly arrange for the distribution of crops and act according to objective laws. This is a prerequisite for the proper handling of agricultural production. But we must also be guided by state plans. This principle must not be given up. State plans are based on the actual conditions of the country as a whole. We must integrate different conditions, as far as both the whole and parts are concerned. Only in this way can we really get down to earth. In arranging for grain production, we must take into consideration the needs of the whole province and the whole country and must guarantee a sown area of 80 million mu. As to cotton, we must likewise consider the needs of the whole province and the whole country and guarantee a sown area of 8.5 million mu. We must make plans after discussions among cadres and the masses and see to their firm implementation at every level. We must also strengthen planned guidance concerning other economic crops and multiple undertakings, especially certain principal items of production. This is to avoid doing things blindly, submitting conflicting reports about production

figures, effecting sudden big changes and thus causing great economic losses to the state and peasants. Therefore, we must strive to do a proper job of forecasting economic development. We must make forecasts item by item, concerning the social demand for certain main products and the relevant production capacity. This will provide a scientific basis for drawing up plans and guiding production.

2. Purchase and sale of grain. In the future, we must continue to intensify our efforts toward grain work and cannot relax our efforts. Concretely speaking, we must keep the cultivated area at a steady level, as far as production is concerned. We must pay primary attention to per mu production and an increase in total output. In regard to distribution, we must adhere to the policy of planned purchase and marketing by the state. We can in no way show the least hesitation for that matter. Nor can we rely upon increasing purchases obtained as a result of negotiations and reducing planned purchases to solve the food problem. It should be clear that planned purchase and marketing by the state is a fundamental policy in our distribution of grain. Given a continuous development of production, we must properly increase purchases and rationally control sales, fulfilling quotas for products turned over to the state and adding gradually to stocks in reserve year after year. Thus, the aim of a balanced budget and a surplus can be achieved.

3. The purchase and transfer of second and third category agricultural and sideline products to the state. According to the stipulations of the State Council, the general principle should be that we insist on taking planned economy as the main factor and regulation by market mechanism as the secondary one; pay simultaneous attention to the interests of the state, the collective and the individual and coordinate the autonomy of the production team, the peasants' initiative and the requirements for the state's planned economy; and correctly handle the relations between the state and the peasants, between the central and local areas and between the producing area and the area where sales are effected. This is to facilitate the readjustment of the national economy, further develop production, and enliven the economy. The leadership at all levels must exercise supervision and make inspections. Those products that should be turned over to the state must be turned over, with both quantity and quality requirements guaranteed and with the fulfillment of the quota resolutely guaranteed.

4. The problem of live pigs. Pork in Hubei Province is in relatively short supply. On the one hand, the increased income of urban and rural residents has resulted in a great demand for pork. On the other, there was a drop in the province's figures last year for live pigs raised, purchased and turned over to the state. There were many causes for the drop in the number of live pigs raised, purchased and turned over to the state. Two years ago, Hubei Province experienced an unusually serious flood disaster which caused a sharp drop in grain production. This was an important factor. But we cannot simply blame everything on this one factor. With the introduction of the responsibility system in the countryside, new measures for encouraging pig breeding and the fulfillment of purchase quotas were not carried out in time. This was also one important factor. Therefore, to basically solve the problem of live pigs, we must stress doing our work well in the following two respects.

a. We strive to guarantee the normal supply of pork to meet urban needs. This is an important problem concerning the life of urban residents. We must constantly conduct education among cadres and peasants, so that they can strengthen the concept of the state and the concept of viewing the situation as a whole and ensure the fulfillment of quotas for products turned over to the state. The city, for its part, must also strengthen control over the supply of pork and achieve the aim of making rational arrangements for supply.

b. From now on, we must direct vigorous efforts toward pig breeding and bring about a big increase in the number of live pigs raised this year.

Party committees and governments at all levels must strengthen leadership. We must devote considerable efforts and several meetings a year to the study of a solution to the problem of breeding, purchasing and turning over live pigs to the state. We must realistically draw up plans for the breeding of live pigs and adapt ourselves to such practices as basing remuneration on output, with each laborer and each household held responsible--practices followed since the introduction of the production responsibility system. We must see to it that purchase quotas are duly fulfilled by each household. We must conduct education among rural cadres and commune members, so that they can understand that the fulfillment of purchase quotas is a proper contribution to the state.

We must continuously carry out the guideline of combining collective and private pig breeding with the main emphasis on the latter. We must seriously carry out the party's policy of encouraging private pig breeding among commune members. We must encourage raising as many pigs as we can and refrain from obstructing the pig-breeding effort or limiting the number raised. We must pay particular attention to taking good care of those households that concentrate on pig breeding or specialize in the effort. The "responsibility plot" fixed must be allowed to stay on a stable basis, so that the commune members can stop worrying and display enthusiasm in raising pigs and collecting and applying manure. Meanwhile, we must advocate the collective raising of sows and the breeding of piglets by the production team, so that the source of pigs can remain stable and the species can be improved upon. Every effort must be made so that we can independently breed and raise pigs ourselves. Collective pig breeding must also be guided by a contract or responsibility system, with the team, the household or the individual held responsible.

We must firmly carry out the policy concerning fodder. In raising pigs, we must use various kinds of fodder. But we cannot do without a fixed main kind of fodder. We must understand the principle "the more pigs raised, the more manure and the more grain." On the surface, it seems that raising pigs calls for more grain. Actually, by raising pigs, more manure is made available. This in turn leads to a greater output of grain. In solving the fodder problem, not only must the production team contribute a little collectively but the state must contribute a little. Fodder is sold to pig-breeding households at special prices fixed by the state, so that the peasants can profit by raising and selling pigs. Peasants must take care of the state's needs

and interests. The state for its part, must also take care of the peasants' rational interests. The interests of all three sides must be really taken care of. Only in this way can pig breeding be developed.

We must also improve management and operations in purchasing live pigs. The commercial departments must energetically support the development of pig breeding and give the masses every convenience in selling pigs. In the season when fat pigs can be taken out of the pen for sale, we should never repeat the previous practice of stopping collection and limiting the number purchased. Meanwhile, we must strengthen control and take immediate action to stop the sale of pork by unlicensed vendors in the market. Licensed vendors can also only deal in the pork that the peasants keep for themselves.

5. The problem of vegetables. In the past few years, various cities in Hubei Province have attached importance to vegetable production and have achieved some results. A trend toward growth has marked the variety and output of vegetables. The problem now is that things sometimes improve and sometimes deteriorate. Market supplies are unbalanced. Prices of vegetables traded at country fairs are often relatively high. The masses have much to complain about. The supply of vegetables represents a major event in the life of urban residents and concerns millions of households. Therefore, we must pay adequate attention to this work. We must adhere to the guideline of calling for the suburbs of a city to concentrate on vegetables in its agricultural production. The area planted to vegetables must be put on a fixed basis. A protected vegetable area must be defined and kept from being appropriated. Those fields not belonging to the protected area must also be subjected to strict control and properly treated, if they should be appropriated. All vegetable teams must resolutely uphold the principle of "basing output on needs and producing slightly more than is sold." Under the guidance of state plans, they must introduce the economic contract system and strictly fulfill contracts, giving awards for those performing well and imposing economic sanctions on those violating a contract. They must do well in planned production (including planned variety), planned marketing and planned pricing. No matter what the version of the production responsibility system introduced, the vegetable teams must help with planned production and planned marketing. They should also improve the control and handling of vegetables, introduce the commercial operation responsibility system, overcome the idea of eating out of a "big pot," gradually improve operating conditions, cut losses and waste, reduce costs and improve economic results.

6. The base taken for products purchased and turned over to the state. How should we pay simultaneous attention to tripartite interests in purchasing and turning over agricultural and sideline products to the state? It seems that fixing a base and letting it stand for several years at a time is a relatively satisfactory method. There has been a base for planned state grain purchases. This has produced a good effect. Now some areas report that the masses hope that a base should also be fixed for purchases exceeding given quotas--a base that should not be discussed yearly. This approach is worth consideration. Not only grain but also agricultural and sideline products--products where conditions permit--can also be provided

with a fixed base for planned state purchases or allotted purchases. This base must be firmly upheld not only at the production team level but at the household level. Only in this way can we adapt ourselves to new conditions arising after the introduction of the responsibility system with output linked to labor and to each household. There is also the problem of turning over products to the state. Where conditions permit, we should also adopt the method of fixing a base. Concerning what exceeds a given quota for second category agricultural and sideline products turned over to the state--products that sell well--we may adopt the method of fixing proper proportions for distribution. Of course, when it comes to a fixed base in concrete practice, there are many complicated problems calling for serious study and rational solution.

We must acquire a clearer idea of guiding thought concerning current rural work. We must set straight the relations among the state, the collective and the individual. We must first of all properly solve ideological problems within the party and rectify the party's work style. Our party represents the interests of the people. It must not only show concern for the immediate and partial interests of the people but also take care of their long-term and fundamental interests. It must unify interests in these two respects. However, at present, some cadres do not understand that only on the basis of developing production can we gradually improve the living standard of the people. Instead, they fix their eyes on the state thinking that only with money from the state can something be done for the people. Some turn to the state for help under the signboard of showing concern for the interests of the people. Some act against the interests of the state and the collective and one-sidedly stress individual interests. Some even abuse their authority to serve private ends. Other similar cases may be cited. The party organizations in some areas have failed to persistently conduct socialist and patriotic education. They have lacked the courage to criticize erroneous ideas and to fight unhealthy practices. This has reflected laxity and weakness on the part of the leadership. Therefore, the party organizations at all levels of the province must seriously study the spirit of "Comrade Deng Xiaoping's speech on rectifying the party work style," Comrade Chen Yun's "Tell the Truth, Do Not Save Face," and the central forum on problems on the ideological front. They must put rectifying the party's work style and strengthening ideological leadership high on the party committee's agenda. So long as those within the party have a clearer idea of the guiding thought concerning current rural work and rectify the party's work style, we can surely lead the masses of cadres and people of the countryside of the whole province in scoring still greater achievements in socialist construction and making proper contributions toward rejuvenating China.

THE PROGRESSIVE FORCES ARE BOUND TO TRIUMPH OVER THE DECADENT FORCES

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 11-12

[Ideological commentary by Shi Jian [0670 6015]]

[Text] Over 5 years ago, our party carried out the people's will by smashing the counterrevolutionary clique of the "gang of four," which had committed countless crimes and deserved to be brought to judgment. This was a great victory of historic significance for the progressive forces over the decadent forces in China's socialist period. Since the downfall of the "gang of four," especially since the 3d Plenary Session of the 11th CCP Central Committee, our party has led the people in bringing order out of chaos on various fronts. Thus our country has become stable, the people are united, production has developed and an excellent situation, the likes of which have not been seen since the 1960's, has emerged. The broad masses of people and some people of insight abroad unanimously have praised this excellent situation. However, there are still a small number of people in our ranks who are perplexed ideologically and who are beset with worries that the "gang of four" will "rise again" and "stage a comeback." This reflects their lack of confidence in the ability of our party to lead the people in the drive to accomplish the four modernizations as well as their insufficient understanding of the law of historical development.

According to the viewpoint of a historical materialist, human history invariably develops in a way in which the progressive forces are bound to triumph over the decadent forces and the newly emerging classes are bound to replace the declining classes. This is an objective law independent of man's will. Engels said: "In the course of development, all that was previously real becomes unreal, loses its necessity, its right of existence, its rationality. And in the place of moribund reality comes a new, viable reality." ("Selected Works of Marx and Engels," vol 4, p 212) Has not all human history developed in this way? The slave-owning class and the landlord class were a reality in history, but what happened to them? With the development of history, the newly emerging landlord class triumphed over the decadent slave-owning class and the newly emerging bourgeoisie triumphed over the decadent landlord class. The capitalist system is

likewise a "reality," but it will eventually become "unreal" and the socialist system will eventually replace the capitalist system. This change has become an important modern historical process. From the end of the 1920's to the 1940's, Chiang Kai-shek ruled over the country. He commanded massive forces and, with a butcher's knife in one hand and a murderous look on his face, itched to wipe out all of the revolutionary and progressive forces overnight. However, after 22 years of bloody battles, our party led the Chinese people in eventually defeating the most reactionary and decadent force in China's modern history. That the revolutionary and progressive forces should succeed in vanquishing the decadent forces is, fundamentally speaking, due to the fact that the former conforms to the historical trend of the times and reflects the interests and demands of the people while the latter goes against the trend of the times and violates the interests and will of the people.

Naturally, the developments of history do not follow a straight line but have their twists and turns. In the course of historical development, as a result of the decadent forces being temporarily stronger than the progressive forces or the leaders of the progressive forces committing serious mistakes of line, it often occurs that the progressive forces suffer setbacks or even defeats. With respect to the emergence of this tragedy in history, we must be good at seeing through appearances to get at the essence and not be misled by false impressions. The defeat of the progressive forces and the decadent forces holding the upper hand can only be temporary phenomena which will never last long. "A bad experience is the best teacher." So long as the progressive forces conscientiously sum up and draw experiences and lessons and rally their forces, it is not only possible but also unavoidable for them to "rise again" and "stage a comeback."

Here we call to mind an interesting argument in ancient China. Over 2 centuries B.C., Xiang Yu who was known as the "conquerer of Western Chu" was defeated by Liu Bang who was born to a petty official family. Xiang Yu did not have the face to meet the elders and brethren east of the Chang Jiang and so committed suicide by cutting his throat by the Wu Jiang. A lot of comrades know of this historical event. Over 1,000 years later, a poet of the Tang Dynasty, Du Mu, and a politician of the Song Dynasty, Wang Anshi, held two diametrically different views on this historical event. Du Mu wrote a poem entitled "An Inscription on the Wu Jiang Pavillion," expressing his sorrow for Xiang Yu who committed suicide at the Wu Jiang pavillion. The poem read: "For a military commander, winning or losing a battle is a common occurrence that is often unexpected; it is in the nature of a man to bear shame and humiliation. There were a lot of talented persons among the elders and brethren east of the Chang Jiang; who knows? One could stage a comeback some day." According to Du Mu, Xiang Yu should not have committed suicide. There were a lot of talented persons east of the Chang Jiang. If he had not committed suicide, he could have returned to the east of the Chang Jiang and recruited a large number of qualified persons. There was still a possibility of "staging a comeback." However, Wang Anshi did not agree with Du Mu's view. He also wrote a poem entitled

"The Wu Jiang Pavillion" in which he said: "After repeated battles both commanders and fighters were sad and exhausted; the defeat in the central plain made it difficult to turn the tide. Although the brethren were still east of the Chang Jiang, were they willing to stage a comeback with the ruler?" Wang Anshi was worthy of the name "China's reformist of the 11th century" as acclaimed by Lenin, for he noticed that Xiang Yu's defeat was a trend of the times that was irreversible. Although there were still a large number of talented persons to the east of the Chang Jiang, they would not be willing to reverse the inexorable trend of historical development. Xiang Yu was the representative of a major anti-Qin force after the failure of the great peasant uprising led by Chen Sheng and Wu Guang at the end of the Qin Dynasty. He had won numerous battles but he failed because he lavishly granted titles to the nobles and attempted to again enslave the peasants under the feudal lords. Although Liu Bang had suffered numerous defeats, he achieved the final victory because he represented the interests of the newly emerging landlord class and adopted some policies that met some of the peasant's demands. The reason for the differences in their fates lie in the fact that one was the representative of the progressive forces and the other was the supporter of the decadent forces. Wang Anshi and Du Mu reached different conclusions because they had different appraisals of the situation at that time. One understood clearly the "inexorable" trend of historical development while the other completely failed to notice it. Naturally, there were also instances where the decadent forces "rose again" and "staged a comeback," but that was due to the force in power at that stage being more decadent than the one that had been defeated earlier. Thus we can see that a correct analysis of the situation in a given historical period is a fundamental basis for a correct understanding of the possibility of the decadent forces "staging a comeback."

Will the counterrevolutionary clique of the "gang of four" that has been smashed by the party and the people return to power? In the last few years many people showed great solicitude about this question. However, our party Central Committee is always very sober and has constantly kept great vigilance. In order to prevent the "gang of four" from staging a comeback, our party has led the people to adopt a series of resolute measures. Politically, we have thoroughly exposed the "gang of four" in its true antiparty and antipeople counterrevolutionary colors and have carried out just historical trials of their countless crimes. Ideologically, we have thoroughly criticized and eliminated the "gang of four's" reactionary fallacies and are continuously eliminating their pernicious influence in various fields. Organizationally, we have thoroughly destroyed the "gang of four's" factionalist setup and have stipulated that anyone who began his career by following the "gang of four" in rebellion and anyone who entertains serious factionalism or who has participated in beating, smashing and looting must not be admitted into the leading groups at various levels. If already admitted, he must be resolutely dismissed from the leading groups. As for those who have committed mistakes by following the "gang of four," we have handled their cases in different ways in accordance

with the specific natures of their cases and in accordance with the party's policies. By so doing, we have educated and reformed them rather than beating them to death with a big stick. Thus, we have united the majority of them and isolated a few obstinate elements. Now we can safely say that we have already thoroughly destroyed the foundation on which the "gang of four" depended for its existence. Through exposing and criticizing the "gang of four" and handling their cases, we have vigorously educated the broad ranks of cadres and the broad masses of people and made them understand that in our society those who entertain ambition and use schemes and intrigues to achieve this ambition will certainly come to no good end.

Now the key lies in whether we who are in power will live up to the expectations of the people. It will be dangerous, if we who are in power prove to be more rotten than the rotten force we have overthrown or if we commit irreversible mistakes. If we do not do so, it is only a dream that any rotten and degenerate force could try to stage a comeback and restore their rule. How can the "gang of four" be an exception! Therefore, we should educate the broad ranks of our full-time cadres in this historical materialist viewpoint, pay close attention to maintaining our political conformity with the party Central Committee, ensure that we do not commit serious mistakes concerning the political line, strive to prevent and overcome various corrupt practices and maintain our loyalty to the party and the people. By rectifying the party style, we mean essentially that all the cadres in power should have good party style. We should do this educational work well. Once the party style is really rectified, who will follow the "gang of four," even if the ghost of the "gang of four" is still wandering here and there? We must see that the leading group of our party Central Committee is strong and powerful and enjoys the confidence of the masses of people and that our party's line is correct and is supported by the masses of people. This constitutes a reliable guarantee against the comeback of any corrupt force. There certainly are some people in the party who do not live up to the expectations of the people, but their number is small. So long as we, the cadres who are in power at various levels now, maintain conformity with the party Central Committee and steadfastly combat various unhealthy trends so as to bring about a radical change in the party style, our party and state will have a great future and the prospects for socialism will be infinitely beautiful. "History will never regress." We should forever remember these well-known words of Mr Lu Xun.

ENHANCE THEORETICAL CULTIVATION, RAISE THE IDEOLOGICAL LEVEL--STUDY
VOLUME 1 OF THE 'SELECTED WORKS OF LIU SHAOQI'

[Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 13-15

[Article by Wu Liping [0902 7812 1627]]

[Text] The recent publication of the first volume of the "Selected Works of Liu Shaoqi" by the Editorial Committee on Party Literature is a major event in the political life of our country. As an excellent textbook for the study of Marxism-Leninism-Mao Zedong Thought, it provides favorable conditions for further study of Marxist theory and for the raising of the ideological level. Reading the first volume of the "Selected Works of Liu Shaoqi" as an old student of Comrade Liu Shaoqi's, I was deeply touched.

Comrade Liu Shaoqi was one of the outstanding important leaders of our party and country. He dedicated all of his life's energy to the Chinese people's revolutionary cause. During his lifetime he fought resolutely to combine the universal theories of Marxism with China's revolutionary practice. He was both a practitioner of revolution as well as a theorist of revolution. His major achievements in the unification of theory and practice made a great contribution to the formation and development of Mao Zedong Thought. Works such as "How To Be a Good Communist," "Response to Comrade Song Liang," "Liquidate the Menschevist Ideology Within the Party" and "Speech to First Year Students of the Marxist-Leninist Institute" all devote considerable space to the discussion of how cadres, particularly leading cadres, should enhance their theoretical cultivation. The study of these works in the light of practice in the four modernizations is undoubtedly of great practical significance.

Comrade Liu Shaoqi believed Marxist theory to be a weapon that could be used to investigate and resolve all questions. A leader who fails to enhance theoretical cultivation will be unable to correctly recognize and resolve problems encountered in the course of revolutionary struggle and there arises the danger of confused bearings and deviation from the proletarian revolutionary stand. This is to say that the existence or absence of Marxist theoretical cultivation is an important question that relates to the success or failure of revolution. In March 1943,

Comrade Shaoqi and I went to southern Jiangxi to organize an upsurge of production in the tungsten mines. After arriving at the mines, Comrade Shaoqi used ordinary language to explain Marxist theory to the workers and used correct ideology to guide the workers' actions. Production at the tungsten mines was quickly raised, which helped to support the revolutionary cause. Comrade Shaoqi often said: Only when the party is led by an advanced ideology will it be able to fulfill its role as an advanced fighter. Since revolutionary action is guided by revolutionary theory, if the theory is correct the action will be correct and the revolution will succeed. Otherwise, the revolution will be doomed to failure. However, there are a few comrades who do not entirely understand Comrade Shaoqi's viewpoint. Some comrades believe that as long as the fighting is courageous and the work enthusiastic there is really no need to study revolutionary theory. To counter this viewpoint Comrade Shaoqi would always carry out earnest and patient education. After affirming that revolutionary tenacity and fighting courage are valuable qualities that every Communist Party member should have, he would also point out that only when the question of how effective revolution is to be made and how correct struggle is to [be] carried out have been correctly resolved through the study of theory is it then possible to achieve revolutionary victory.

During the initial period following the foundation of our party, there developed in the party an atmosphere of opposition to theoretical research generated by an excessive emphasis on the experiences of actual combat. It was also as if there were no need for theoretical study and as long as there existed some experience of actual combat the revolution could be guided toward victory. The existence of this erroneous thinking seriously influenced efforts to raise the ideological level within the party. Comrade Shaoqi often used the lesson learnt from this period of party history to arouse cadres' enthusiasm for theoretical cultivation. He said: Our party has one major weakness, which is that ideological preparation and theoretical cultivation are insufficient. The repeated defeats suffered by our party in the past have all been due to failures in guidance. Mistakes in the guidance of the revolutionary cause have caused us to suffer grievous losses and have led to partial and sometimes unnecessarily serious damage to the revolutionary cause. It is because of this that from the Yan'an period onward Comrade Shaoqi repeatedly raised the question of enhancing the theoretical cultivation of cadres. It was to enhance the theoretical cultivation of cadres that on the eve of the founding of the People's Republic the party Central Committee established a high-level party school that was named after the Marxist-Leninist Institute in Yan'an and had Comrade Shaoqi as its president. From the speech given by Comrade Shaoqi at the beginning of the school term to the first class of students, we can see the importance he attached to the raising of the cadres' theoretical cultivation. In the speech Comrade Shaoqi related his own personal experiences, giving a moving and profound explanation of the importance of theoretical cultivation. He said: During the course of the revolution there have been many regrettable moments; what we must do now, however, is not regret past

events but prepare and study for the future. The Chinese revolution has now succeeded and it simply will not do not to study. Before in the mountains things were still simple; now that we have come down from the mountains and entered the city the questions are far more complex. If we want to run the whole of China, things will be even more difficult. Now that the revolution has succeeded it is especially important that we do more reading of the works of Marx and Lenin and the works of Chairman Mao, and further familiarize ourselves with revolutionary theory; otherwise, it will be impossible to do our work well and we may even make mistakes.

If one studies the teachings of Comrade Shaoqi in the light of the practice of the 32 years that have passed since the founding of the People's Republic, one cannot help but feel admiration. It cannot be denied that during the period before and just after the founding of the People's Republic our cadres made considerable theoretical preparation and were exceptionally successful in their work to manage the whole of China. In general, however, our cultivation of the theory of socialist reconstruction--including the cultivation of knowledge in the fields of politics, economics and culture--has been less than complete. This is an important reason for us having taken several wrong turns over the past 30 or so years. Happily, since the 3d Plenary Session of the 11th CCP Central Committee our party has revived the fine tradition of emphasizing the study of theory, cleared up the influence of leftist errors on our party's guiding ideology, and pointed out a correct road for socialist reconstruction that suits the conditions in our country. The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC," adopted by the sixth plenary session, gives a scientific summary of our party's merits and demerits, gains and losses since the founding of the People's Republic. The recently held 4th Session of the 5th NPC also adopted Comrade Zhao Ziyang's government work report and put forth the ten principles for future economic construction. This shows the great concern our party has for Marxist theoretical cultivation and expresses the relatively mature knowledge the party has of our country's socialist construction.

At the same time as emphasizing the need to enhance cadres' theoretical cultivation, Comrade Shaoqi also stressed that theory must be both connected with reality and united with practice. He said: "Marxist theory is a theory that was formed in revolutionary practice and also a theory that serves revolutionary practice. As long as revolutionary practice is closely integrated with our study, use and mastery of theory it will be possible both to understand the internal connections of things around us and to determine the correct line of action. Comrade Shaoqi offered incisive criticism of certain representatives of dogmatism, pointing out that they have acquired only a superficial knowledge of certain Marxist phrases and had completely failed to study the essence of the spirit of Marxism. While they may have read Marxist works, they are neither able to use the theories and conclusions of these Marxist texts as a guide for action nor to employ them in their

real and concrete work. They derive satisfaction from being able to recite selected theories and conclusions and pose as "real" Marxists. In actual fact, however, they are not real Marxists at all as their methods of action have nothing in common with those of Marxism.

For Comrade Shaoqi successfully study and investigation were the most important aspects of the unity of theory and practice. He believed that only by carrying out down-to-earth study and investigation, by attentively listening to the suggestions and criticism of the masses, by carefully examining actual problems in life and work and by carefully summarizing lessons drawn from practice is it possible to discover whether one's understanding and use of Marxism are correct or to discover and correct one's own failings and mistakes. Only in this way can one's work be improved. Comrade Shaoqi solemnly criticized the inability of dogmatists to use Marxist theory in accordance with the changes in objective conditions; and pointed out that their decisions on policy and direction derived not from an examination of the surrounding situation but from identical or similar events found in books or history. In practice they are idealists. Comrade Shaoqi's criticism of dogmatism still has instructive significance for us today. As Comrade Qiaomu has pointed out, failing both to acknowledge the historical necessity and victorious practice of China's revolutionary development and to accept a series of discussions by Lenin before and after Russia's October Revolution and the new development of international socialism in the 20th century, some people have over the past few years made dogmatic statements that socialism must be built on a foundation of highly developed socialized production and must eliminate the production of commodity products. On the basis of this, they conclude that China's economy is backward and that it is neither possible nor desirable to establish socialism. Surely people, who propagate such mistaken views might have something to learn from Comrade Shaoqi's criticism.

Comrade Shaoqi believed that it was not at all easy to successfully integrate theory and practice as it required an end to all lazy thinking. He said: If one is to understand a complex question or a truth, it is essential that one be both rigorous and independent in spirit and work. Whenever Comrade Shaoqi judged whether a leading cadre was qualified or not he would always use the ability to make independent decisions as an important criterion. He often said that if one wants to be a good cadre qualified for leading work, one must be able to make independent decisions. Anyone who is unwilling to take on hard work alone will be unable to do a good job of anything. For this reason, in addition to firmly upholding the guiding principles of Marxism and resolutely implementing the line, principles and policy of the Central Committee, it is necessary to go deep among the masses, to do painstaking investigative work, and to do one's utmost to closely integrate Marxist theory and the principles of the Central Committee with the actual conditions of each area and each unit. This unity of Marxist theory and practice is an ideological approach and method of work that was consistently and steadfastly upheld by Comrade Shaoqi. During the early period of the war of resistance against Japan, Comrade Shaoqi first made a rapid breakthrough in the north China region, mobilizing the broad masses of the people against the Japanese. This was achieved through an examination and

understanding of favorable opportunities. Afterward he went to central China, where he formulated a correct political and military policy on the basis of the correct principles of the Central Committee and the actual conditions in the area, and managed to rapidly establish firm democratic bases of resistance against the Japanese in Jiangsu, Zhejiang, Anhui, Henan and Hubei provinces. All this was the result of Comrade Shaoqi's efforts to firmly uphold the unity of Marxist theory and practice and his full use of the spirit of individual creativity.

Comrade Shaoqi also placed a great deal of emphasis on the question of combining theoretical cultivation with ideological cultivation. He believed that a truly qualified leading cadre must have both theoretical and ideological cultivation and should be able to combine transformation of the objective world with the transformation of the subjective world. He said that we must change ourselves and develop our proletarian ideology not only through revolutionary practice, but also through the study of Marxist theory. Soon after the beginning of the war of resistance against Japan, our party grew in strength and these party members were undoubtedly the outstanding daughters and sons of the Chinese people and were the advanced element of the proletariat. However, in old China there existed an exploiting class as well as a vast class of small capitalists and, owing to the differences in background and motives of those entering the party, all kinds of nonproletarian thinking unavoidably entered the party. For example, some cadres are always seeking the limelight or hoping to be individual heroes, others are individualistic or selfish in their thinking and there is even a minority who share the ideology of the exploiting class. In this way various ideological differences have emerged within the party and unhealthy trends and evil practices have begun to spread, causing controversy and dissension to arise within the party. How party members, particularly party cadres, should overcome all types of nonproletarian thinking is now an important problem that must be solved. Comrade Shaoqi did considerable work on this question of overcoming nonproletarian ideology within the party. Comrade Shaoqi said: When studying Marxist theory one must correctly combine this study with ideological cultivation and should use Marxist-Leninist thinking to resist and overcome all forms of nonproletarian thinking.

Comrade Shaoqi often said that only when one has a correct viewpoint is it possible to study and use Marxist theory. The correct viewpoint is the proletarian viewpoint. Without a clear and firm proletarian viewpoint and without a correct and pure proletarian ideology it is impossible for a Communist Party member either to thoroughly understand and truly master the methods and theory of Marxism or to use them as weapons in revolutionary struggle. That is to say, for one to have relatively good cultivation of Marxist theory a steadfast proletarian viewpoint is absolutely essential. Or put in another way, if a Communist Party member neither diligently studies the theory and methods of Marxism nor uses Marxism to guide his own thinking and action it will be impossible for him to either resolutely uphold the proletarian viewpoint in all revolutionary struggle or to ever embody proletarian ideology. Only through a serious understanding of Marxist theory is it possible to consciously consolidate, strengthen and

develop this kind of proletarian viewpoint. We should approach all types of thinking and suggestions within the party by first clarifying which is correct and favorable to the party and revolution and which is incorrect and damages the party and revolution. In this way we can decide what to praise and what to oppose, how to raise and develop proletarian righteousness and how to resist all unhealthy trends; we will learn not to fear necessary struggles within the party and not to tolerate the development of any form of mistaken thinking or unhealthy tendency but will struggle resolutely against them; we will be able to combine a clear unwillingness to compromise on matters of principle with flexible methods of struggle and the spirit of patient persuasion, and in the course of long-term struggle we shall be able to educate, criticize, train and transform those comrades who have committed errors but are not completely incorrigible. Comrade Shaoqi's discussions on the need to overcome all forms of non-proletarian ideology through the enhancement of leading cadres' theoretical cultivation not only played a positive role in the establishment of our party but also have important practical significance today.

While 10-odd years have passed, the important question still lies in the study of Marxist theory. In the past Comrade Shaoqi urged us to study Marxist theory in order to "run the whole country"; today in this new historical period the four modernizations and the "renovation of China" also demand that we act according to Comrade Shaoqi's demands and study Marxism. Only by continuing to raise the level of cultivation of Marxist theory will we be able to guarantee that all our future work is successful, that we do not repeat past mistakes and that the cause of our country's socialist construction moves forward steadily and effectively.

IT IS NECESSARY TO PAY GREAT ATTENTION TO THE STUDY OF MARXIST THEORY--AFTER
READING LIU SHAOQI'S 'REPLY TO COMRADE SONG LIANG'

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 16-18

[Article by Yu Haocheng [0060 3185 2052]]

[Text] In his article "Reply to Comrade Song Liang" written 40 years ago, Comrade Shaoqi stated that our party was not well prepared in theoretical work. He held that in addition to the general practice of opposing theoretical study which existed inside the party in its early stage and which had prevented our party's theoretical level from improving, there were three other factors which had given rise to this problem: 1) The period since the introduction of Marxist works into China was not long, whereas Marxism had already been disseminated in Europe for nearly a century; 2) The moment after it was founded, the Chinese party was drawn into a great and practical revolutionary struggle, not having enough time for doing theoretical study and for summing up its experience in carrying out struggle; 3) Not much about China was mentioned in the works of Marx, Engels, Lenin or Stalin. Therefore, it was especially difficult to use the principles of Marxism to explain and guide the historical practice of Chinese society. Comrade Shaoqi held that for these reasons, and especially because our party had not made sufficient efforts to this end, it had not been able to overcome its weakness of lack of theory even though our party had had rich experience in practical struggle.

"Reply to Comrade Song Liang" was written in 1941. This was followed by the rectification campaign throughout the whole party. Party members and cadres were educated in Marxism-Leninism, and revolutionary experiences and lessons were summed up in the light of the party's history. Making investigations and studies, seeking truth from facts and integrating theory with practice became our party's work style. Consequently, a foundation for winning the victory of the new democratic revolution was laid. However, viewed from the situation of all the cadres of our party, we could not say that we had basically done away with the weakness of lack of theory.

After the founding of the People's Republic of China, our party, guided by Marxism-Leninism-Mao Zedong Thought, led the people of the whole country in the socialist revolution and socialist construction and made tremendous

achievements. However, as stated in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC," "new China has not been in existence for very long, and our successes are still preliminary. Our party has made mistakes, owing to its meager experience in leading the cause of socialism and subjective errors in the party leadership's analysis of the situation and its understanding of Chinese conditions. Before the 'Cultural Revolution' there were mistakes of enlarging the scope of class struggle and of impetuosity and rashness in economic construction. Later, there was the comprehensive, long-drawn-out and grave blunder of the 'Cultural Revolution.' All these errors prevented us from scoring the greater achievements of which we should have been capable."

Since the smashing of the "gang of four," especially since the party's third plenary session, things have indeed taken on a new aspect in theoretical work. Marx said, "How well theory is realized in a country depends on how well theory meets the needs of this country." ("Collected Works of Marx and Engels," vol 1, p 10) The reason theoretical work has made such headway is entirely because it has been suited to the needs of the revolutionary struggle and practical work.

At present, our party has been gradually establishing a correct road to build the socialist modernizations that is suited to our country's conditions. The 10 basic points of this road have been expounded in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC." These 10 points are basically a summary of the positive and negative experiences gained since the founding of our country, particularly of the lessons drawn from the "Great Cultural Revolution." Under the present circumstances, does the situation of our lacking theoretical preparation and cultivation as mentioned in Comrade Liu Shaoqi's article "Reply to Comrade Song Liang" no longer exist? If all the cadres are taken into consideration, we should not be too optimistic in our estimation. We should understand that when we say that our party has already fulfilled the task of bringing order out of chaos during the period from the third plenary session to the sixth plenary session, we are talking about the party's guiding ideology. Viewed from the whole party's practical work in different fields, we have to continue to fulfill the task of bringing order out of chaos. Therefore, we cannot say that Comrade Liu Shaoqi's opinion is outdated. When we reread "Reply to Comrade Song Liang" today, we still find that it touches our hearts.

First, theoretical work still falls far behind the needs of practical work. We have not yet gone deep into many aspects of the great practice of realizing the four modernizations in our country and of the new situations and new problems we encounter in this practice, nor have we worked out solutions that are of great significance in giving guidance. We have not carried out thorough study of many important theoretical questions. We have not even done enough work in making comprehensive investigations and surveys and in systematically accumulating materials.

Second, the tendency to look down on theoretical study and research still exists to varying degrees among some comrades in some places. As pointed

out by Comrade Liu Shaoqi in his article "Reply to Comrade Song Liang," these comrades seem to think that they can be content and lead the revolution to victory so long as they have experience in practical struggle and that they do not need profound theoretical study. They seem to think that the Marxist theory can be mastered without being seriously and thoroughly studied over a long period of time. Some comrades think that theoretical study, especially theoretical study of social sciences, is not of much use and that it is not essential. The phenomenon of "attaching importance to science and engineering and looking down upon literature and history" in the society may be related to this. Some people seem to think that the four modernizations need only natural sciences and not social sciences. It seems that it will be enough just to carry out economic readjustment and to develop production, whereas political reforms and promoting democracy are of no consequence. It seems that it is enough just to build a material civilization and the building of a spiritual civilization is an unnecessary move. This kind of understanding is apparently one-sided and erroneous.

Third, discussion and debate of theoretical problems have not been sufficiently carried out. There is a kind of habit formed over many years. It seems that only a certain leader is responsible for developing revolutionary theory. Whenever we come across a problem, we can only try to find a ready solution to it in classical works. We need not use our brains at all. Even if we have some ideas, we dare not put them forth. This study style of "daring only to repeat the words of saints" has caused theoretical work to stagnate or even shrink. Marx once said, "Truth is established through debate." ("Complete Works of Marx and Engels," vol 28, p 286) Comrade Mao Zedong also said, "Only by comparing can one distinguish. Only by making distinctions and waging struggle can there be development." Without controversies with different views, truth cannot be found, nor can it be developed. In his speech given at a meeting to discuss ideological guidelines for theoretical work, Comrade Deng Xiaoping said, "We must resolutely implement the policy of 'letting a hundred flowers blossom and a hundred schools of thought contend' in studying and discussing ideological and theoretical problems. We must resolutely implement the policy of not seizing on mistakes, not sticking political labels on others and not using the big stick. We must resolutely implement the policy of emancipating the mind, doing away with superstitions and proceeding from reality in everything. All these aspects were decided at the third plenary session. I have now restated them, and no wavering is permitted." Truly implementing the above policies is the key to the prosperity and development of science and theory.

In our country, upholding the guidance of Marxism-Leninism-Mao Zedong Thought is incontestable. But is it permissible to probe into and discuss Marxism-Leninism-Mao Zedong Thought? The answer should be positive. The reason is that if we want to uphold Marxism-Leninism-Mao Zedong Thought, we must answer the question what is Marxism-Leninism-Mao Zedong Thought. People's understanding of this question varies. Therefore, much discussion is needed. Not only discussion but also criticism is permitted. Comrade Mao Zedong said, "Since Marxism is accepted as the guiding ideology by the majority of the people in our country, can it be criticized? Certainly it can. Marxism

is scientific truth and fears no criticism. If it did, and if it could be overthrown by criticism, it would be worthless." "Marxists should not be afraid of criticism from any quarter. Quite the contrary, they need to temper and develop themselves in the teeth of criticism and in the storm and stress of struggle." ("Selected Works of Mao Zedong," vol 5, p 391) The main problem on the theoretical front today is that the discussion of theoretical problems has not been correctly carried out. Some comrades regard themselves as infallible and will not listen to any criticism. The moment some comrades hear views which differ from theirs, they usually silence them in an oversimplified and crude way and will not solve a problem by means of discussion on the basis of equality. This attitude runs counter to Marxism and is harmful to defending and developing Marxism.

In order to ensure that theoretical work can be carried out more normally and healthily and without interference, we must pay attention to differentiating theoretical study from theoretical propaganda. Newspapers and radio stations should, under the leadership of the party, unfold lively and feasible discussions on correctly understanding and implementing various policies and principles of the party. This is conducive to carrying out thorough propaganda and education among the cadres and the masses. But this kind of discussion should not become an open debate of the right and wrong of the party's basic policies and principles, in order to avoid causing confusion among the masses. Similarly, for the sake of listening to opinions from all quarters, questions involving policies and principles or some important political questions that have not yet been decided on by the Central Committee may also be openly discussed in newspapers if the Central Committee has agreed to do so. But we must be ready to make conclusions within a certain period of time during this kind of discussion so that the cadres and the masses will not be at a loss as to what to do or to act as they think correct. Otherwise, it is not advisable to have such discussion. Even greater prudence is needed in publicizing policies and important measures which are still in an experimental stage. We must objectively and comprehensively reflect the situation and should draw hasty conclusions.

The "Resolution of Certain Questions in the History of Our Party Since the Founding of the PRC" has pointed out, "It is imperative for the whole party to engage in a more diligent study of Marxist theories, of the past and present in China and abroad, and of the different branches of the natural and social sciences." Let us seriously study the works of Marx, Engels, Lenin and Stalin and the works of Comrades Mao Zedong, Zhou Enlai and Liu Shaoqi, strive to go deep into theoretical problems that emerge one after another in reality and make new contributions in making use of and developing Marxist theory, studying new situations and solving new problems.

SOCIALIST HUMAN RESOURCES SYSTEM ENGINEERING

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 19-22

[Special commentary by Qian Xuesan [6929 1331 2773]]

[Text] In our socialist country, the people are the masters. The state is responsible for the people and has the duty to cherish the entire people, organize the people, bring the enthusiasm of the people into the fullest play, give scope to the intelligence and wisdom of the people, and build socialism in the interests of the people. What we mean by the people is the workers, peasants, intellectuals and other patriotic people. Thus the concept of talented people has been expanded. What we mean by talented people refers to the talents and capabilities of the people in all trades and professions among the people rather than the so-called geniuses. Such a question of talent did not exist in any society in the past and only under socialism can it be put to the fore. So it is a brand-new question.

On this important and wide-ranging question, what I am going to touch on is naturally limited and premature. However, I would like to air my view so that everyone can discuss the question together.

I

Where do man's abilities come from? Are they inborn or acquired after birth? The studies of modern psychology and physiological psychology have shown that most of man's abilities are acquired gradually after his birth, namely, acquired step by step through practice. An animal is different from man. Its abilities are mostly hereditary. A cat's instinct is to catch mice and a worker bee instinctively gathers honey. Man's "natural gift" lies, as it is said, in the extremely great plasticity of man's brain. A man studies and enhances his abilities and wisdom all his life. Comrade Zhou Enlai said: "Learn, work and remold yourself as long as you live." Facts are really like this. This is a scientific thesis. Then do we hold that there is no difference between one man and another? Certainly not. For instance, a man is possibly born with hereditary or embryonic defects, but this case constitutes a tiny minority. What is more important is that the immense variety of things and practice a man undergoes after his birth and the varied education and practice he receives later are the chief causes of the

difference in men's abilities. It is a pity that up to now psychology and pedagogy have not found out a complete set of laws. Very often people say that this child is clever and that child is stupid, but they do not know why. To find out this law, it is necessary to engage in the study of the science of thought. At present we have to rely on some incomplete "wise remarks of experienced persons" and on things like autobiographies of some people who have had very successful careers and famous scientists in developing the intelligence of children. Therefore, the science of thought as well as psychology and pedagogy are really the foundation for developing intellectual resources. We must attach great importance to the study of these sciences. It is unfortunate that during the 10 years of internal disorder the work in this field was attacked and wrecked in varying degrees and the bad influence has remained to be felt up to this day.

Apart from intelligence, man's ability consists of knowledge. That is to say, the recorded practice and experience of mankind and the knowledge of the objective world derived therefrom are summarized into branches of learning. This knowledge concerning branches of learning can be taught to the new generation and to those who need it. Either the teachers give lectures on the knowledge and the students attend these lectures, or the students master it through self-study. By education, we mean chiefly this matter. The importance of education in developing man's ability is intimately known to all.

By dividing intelligence and knowledge into two separate parts, I mean to stress that there is a difference between the two. How to develop man's intelligence has remained an obscure problem up to now, but it is relatively easy to increase one's knowledge. There is a complete set of effective measures in this respect. Of course, intelligence and knowledge are related. Those people who show a lot of intelligence can acquire knowledge very quickly. Substantial knowledge contributes to the improvement of intelligence. In increasing his knowledge and experience, instead of depending mainly on his intelligence, a man has to study.

After a man is born, no matter how, his ability varies owing to different experiences and different conditions for study. The difference is manifested in two fields: one is that man's ability might be great or small, and the other is that men's abilities are different. The former refers to the fact that the results of work in a certain field are different, different in both quality and quantity. The latter refers to the fact that men's abilities are different. Some people can do certain work well in both quality and quantity, but they might do work in another field badly in both quality and quantity. Therefore, so far as the state is concerned, it is a big problem how to put the most suitable people in the most suitable work posts. This is a question of using people and central to this question is judgment of people. People like to mention the historical story of Bo Le's spotting a horse that could cover 1,000 li a day, and even call it the theory of Bo Le. Quite a few young people consider themselves to be

1,000-li horses in the march toward science and always complain that they have not been spotted by a Bo Le. For this reason, they take delight in talking about this question. We must take a scientific approach to it.

First, a 1,000-li horse is only one type of horse. A horse that covers 1,000 li a day might not necessarily compare favorably with a draft horse in drawing a heavily laden cart. Building socialism requires all kinds of talented people. So a 1,000-li horse is not necessarily more superb than any other horse. This depends on the type of work. The so-called "geniuses" trumpeted by the old society frequently did not recognize the talents in all trades and professions among the people. This is a manifestation of narrow-mindedness and can also be said to be a class prejudice. We need not only 1,000-li horses and Bo Le's who can spot them but also other types of horses and people who are good judges of them.

Second, was Bo Le's ability magical? Of course not. Invariably, objective things have their own laws. We must understand these laws. Is it so difficult to understand the laws? It does not seem so. In the scores of years of revolutionary struggle, has our party not discerned and selected large batches of cadres from among tens of thousands of revolutionaries and not promoted fine leaders from among them? Has it not been very successful? The success in the promotion of revolutionary cadres and revolutionary leaders shows that it is possible to master the laws of judging fine people who are engaged in revolutionary work. If we can understand one aspect of a thing, we will be able to understand two or three other aspects.... The question of knowing people covers the study of the characteristics of able people in all trades and professions in the course of building socialism so that we can discern these characteristics promptly and accurately. This is the real task of the theory of human resources. The scope of study of the theory of human resources is extensive, and it must not be confined only to discerning people qualified in scientific research.

II

Above, we have studied the differences and changes between one man and another in terms of the process of the development of man's ability. That is so not only in terms of experience and practice but also in terms of physiology. A middle-aged man is different from a young man, and needless to say, being physically weak, an old man is naturally different from a middle-aged or young man. Therefore, the ability of one man and another is not only different, but changes as a man ages. The work which best suits a young man will not necessarily suit the same man in his middle or old age. In order to suit a person to his work and put the most suitable persons in work posts, a flow of personnel must be allowed. This state of affairs is commonly seen in foreign countries, where no one remains for a lifetime in one position.

There is another reason for changes in work, viz, that science and technology are advancing and society is developing, thus resulting in the constant

evolution of the affairs that man must handle. With the changes in work fields, those departments which formerly needed many hands have become departments which need only a few hands, and posts which did not exist in the past have now emerged. This state of affairs might not have been noticeable in feudal society, for history progressed slowly at that time and there were few changes in a man's lifetime. Now, things are new and different every day. Changes take place in the period of scores of years and even in a very few years. Great changes are expected to take place in our country between now and the year 2000.

Owing to the above-mentioned reasons, to put the most suitable persons in the most suitable positions, the positions of personnel must not be fixed. In our socialist country, the problem is how to realize the flow of personnel. Must there be a spontaneous flow of personnel and must people look for jobs themselves? This will lead to social chaos and is therefore not desirable. This work should be rationally arranged by the state in a planned way by taking into consideration the situation as a whole.

Another problem in China's personnel work which requires a solution is how to arrange the retirement of cadres in their old age and how to take care of their livelihood and arrange appropriate activities for them after retirement. At present, China has about 200 million cadres and they will possibly grow in number with the development of the socialist cause. If we say that a cadre will retire after he has worked for the people and the country for 40 years and live, on average, 10 more years after retirement, the ratio will be 4 to 1. Hence, there will be 5 or 6 million retired cadres in our country. This figure does not include the retired staff and workers plus the retired workers of the enterprises under the system of ownership by the whole people. In the near future the number of retired personnel that the state will have to take care of will increase. Our present rules and regulations in this regard are imperfect. The arrangement of life and appropriate work for the retired personnel is mostly delegated to the units they belong to, thus becoming a burden to the units and resulting in failure to give full scope to the roles of the retired personnel and to let them really have a new life and serve the people within their power while spending their remaining years in jubilation. The state assumes full responsibility for providing for the retired personnel. This is a manifestation of the superiority of the socialist system. We must take a step further and look upon these personnel with rich experience as the valuable treasure of the country rather than as a negative burden. Only in doing so can the inherent superiority of socialism be brought into full play.

The existing state of affairs in China in which the various units separately handle their own affairs in personnel work exist not only among the retired personnel but also among the youths waiting for jobs. Drawbacks have cropped up with this method. In fact the phenomena of decentralized management can be found widely. For example, apart from a small number of senior

cadres who are subject to the centralized administration of the central authorities, the overwhelming majority of cadres and the whole body of workers should be taken care of by their respective units. The institutions of higher learning which train young people are only partially subject to the direct jurisdiction of the Ministry of Education, and quite a few institutions of higher learning are put under the management of the various departments under the State Council and various provinces, municipalities and autonomous regions. The overwhelming majority of technical schools at the secondary educational level are managed by the various departments themselves. On-the-job study has become the exclusive business of the departments concerned. Assignment of jobs or positions to people who have received an education is, therefore, also put under decentralized management. So the practice of "a waterfront pavilion getting the moonlight first"--benefiting because of the favorable position one is in--is difficult to avoid.

In my opinion, the emergence of this state of affairs is understandable. After all, our country was established directly on the basis of the feudal society with more than 2,000 years of history and on the basis of a semi-feudal and semicolonial system with more than 100 years of history. In the interval, there was no social system based on mass production. Only 20 years or more have elapsed since the basic completion of socialist transformation; this is too short a time. In between there were also the "10 years of internal disorder." However, the drawbacks of this decentralized management system have become very pronounced. I had previously appealed that reforms should be made, that the training, promotion and use of personnel be put under centralized management, that a good job be done in cherishing as well as organizing and taking care of 1 billion people, and that the people's abilities should be enhanced, on the one hand, and that suitable posts be arranged for everyone, on the other hand, so that everyone could make the best use of his ability. This is also a matter of prime importance in building socialism and also an important matter which did not exist in the past society and other countries and which demands our pioneering efforts.

III

To train, promote and use 1 billion people and arrange their retirement and life after retirement well, it is imperative for the state to establish a unified, centralized and graded management system. Is this work too complicated? Can it be managed well? Let us make a concrete analysis of the following things:

First, our party has 60 years of experience in governing the cadres, of which quite a few experiences have been successful, as we mentioned above. There has also been quite a lot of experience in the 32 years since the founding of the PRC. We must earnestly sum up these experiences.

Second, we can use our good experience in using people and the experience of foreign countries in training, promoting and using talented people for reference. Because the social systems are different, these experiences must

not be copied and applied everywhere indiscriminately and mechanically. However, the experiences of the capitalist countries in using people have been obtained under the conditions of socialized mass production and of highly developed science and technology. For instance, personnel are released from their regular work to take part in short-term training and are promoted to higher positions based on the results of their studies. This method goes around and begins again. Thus more professionally competent people are selected time and again. Those who have failed to do their work satisfactorily are transferred to new posts where they can give scope to their specialities. This method is scientific and we must use it for reference.

Third, the management technique of keeping dossiers on cadres. Once a centralized and graded management system is in force, it will possibly be necessary to concurrently assess tens of thousands of people and to select the most suitable from the dossiers of tens of thousands of people. It does not really work to use the old method of leafing through the dossiers file after file. Now, there are electronic computerized systems for reviewing archives, and thus looking into archives becomes automatic. It works 10 million times faster than the method of looking into archives manually. So long as the conditions for selecting cadres are fixed, electronic computers can automatically select the most suitable people. Archives are recorded on tapes, which can be constantly replenished. The conditions of a man's work and the reactions and comments of the masses, his colleagues and leadership to him can be sent to the archives and added to his dossier through normal channels. This complete set of techniques has now been fairly well perfected and is available for use. So there is no need to worry about falling short of one's wishes and about being unable to manage the work well.

Fourth, to really begin this system in education work, not only must primary schools, middle schools, secondary technical schools, secondary vocational schools and institutions of higher learning be greatly developed, there must also be a great variety of all kinds of short-term training classes attended by people not engaged in production or not withdrawn from production. Is the organizational work of centralized management too elaborate? Like the previous question, the answer to this question is that the work can be wholly done by electronic computers and there are no difficulties at all.

Fifth, the modernization of teaching work can substantially raise efficiency and save money. This "education with electronic audio-visual aids" is already known to all. Lectures given by an experienced teacher with great learning who is an excellent teacher can be recorded and then broadcast throughout the nation with thousands upon thousands of students hearing them. Our television has now begun to adopt this method and has achieved marked results. In fact, this work is expected to be done better in the future. We can use synchronous earth satellites over the equator to rebroadcast television programs or we can go more directly and use the direct broadcasting television satellites on a synchronous orbit to broadcast educational programs

with electronic audio-visual aids to any border region. This technology is readymade. Besides, the number of television sets is increasing in the countryside. Putting into practice this modern teaching method is no longer a matter within sight but beyond reach.

Sixth, the ability to discern talented people. This can also be summed up. The key to this question lies in finding out people who know the business. Bo Le could spot a horse that could cover 1,000 li a day, but he might not necessarily be able to distinguish other types of horses. It is not difficult for a professor of physics to spot a physics postgraduate student and to judge whether to enroll him as his student, because he knows the characteristics which a postgraduate of physics should possess; even if he fails to find the characteristics from the answers in the postgraduate's examination papers, he will solve this problem easily by speaking to the student face to face. So face-to-face speaking between experts and prospective candidates is a good method to discern talented people. This has been proved for a long time. Then must specialists in all kinds of fields be on the spot to judge and assess the detailed archives in using the techniques in the third and fourth points mentioned above? Of course not. There is now a new manmade intelligence technique operated by electronic computers called a "specialist system." This specialist system can draw on the methods of judgment and assessment of experts being fed into the computers and let the computers learn to manage the abilities of the experts. When the experts are not on the spot, the computers can do the work for them. So the question of judging people is not difficult to handle.

Seventh, systems science and systems engineering. It is an unprecedentedly large-scale organizational and administrative task to have the state assume all-round responsibility for training, promoting and using 1 billion people from birth to death. If this question were raised 40 or 50 years ago, people would have thought that the question was so extensive that they would not know where to begin. Now we have already entered the 1980's. The systems engineering developed during this stage and its pure operational research have become a mature discipline and are gradually forming a branch of learning--systems science. With systems science it is not difficult to face the questions of governing socialist human resources which I have mentioned above. Our objects are in fact a giant system with 1 billion units. This system consists of a number of components, namely, educational subsystem, archive storage and retrieval subsystem, and retired personnel subsystem. Every subsystem consists of some levels. For example, the province is a level and the state is the highest level. Problems can be solved first in the lower level, but the solution of problems must not be confined to one level. When no satisfactory solution is arrived at, the problems can be advanced to a higher level and be handled there. So the whole system, the giant system, is still unified under the state's centralized management. Establishing and operating such a human resources system can be called socialist human resources systems engineering. By the term socialist we mean that this human resources system is based on the fundamental principles of socialism.

With the above-mentioned seven things which can be used to establish our human resources system and do concrete work, in my opinion, provided we realize the importance of the question of human resources to the building of socialism and are resolved to promote this work, then this brand new undertaking can be fulfilled in not too long a time because we have ready-made science and technology to use. Of course, in doing so we need some new equipment, and some investment is indispensable. Compared with the investments poured into the state's various capital construction projects, the investment in the completion of socialist human resources systems engineering itself is much smaller.

What can be attained is not necessarily just around the corner, but rather will take a certain amount of time. Besides, everything cannot always be perfect, leaving no problems to be solved. It will take time to start our socialist human resources systems engineering. Once it is established, it will still require constant improvement. The country is advancing and so is the socialist cause. Any established system invariably fails to keep abreast of the changes in reality. That is to say, the socialist human resources systems engineering can solve the problems of substantial importance, but it cannot solve all problems in the work of training, promoting and using talented people, and there exist contradictions in it. What should be done concerning the contradictions? In handling the contradictions, we must still rely on ideological consciousness and on taking the interests of the whole into account. In other words, it is of great importance to always persist in ideological and political work among the people. People look upon ideological and political work as the work of building the socialist spiritual civilization, and in fact the training, promotion and proper use of people's talents is also the work of building socialist spiritual civilization.

GIVE THE PEASANTS MORE AND BETTER SPIRITUAL NOURISHMENT

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 23-26

[Article by Zhou Weishi [0791 1550 1492]]

[Text] Amid the sound of gongs and drums to jubilantly celebrate bumper harvests in the vast countryside, the Ministry of Culture held a national meeting in recognition of advanced collectives and advanced workers in rural cultural and art work, thus ushering in a year of new developments in rural culture and art undertakings.

Since the 3d Plenary Session of the 11th CCP Central Committee, there has been now a vast panorama full of vitality in the rural areas throughout the nation, and the large numbers of commune members have been full of joy because of the gradual implementation of rural economic policies and the continuous perfection of the production responsibility system. Agricultural development is now on the upswing. This is an excellent situation rarely seen in many years. With the development of production and improvement in the people's livelihood, the broad masses of peasants have continuously raised new demands for improvements in cultural life. This has brought about a new situation in our country's rural cultural work and also has imposed new tasks on us.

Under the correct leadership and kind attention of the CCP Central Committee, the leadership at various levels and the vast numbers of literary and art workers have adopted positive measures to enrich the cultural life of 800 million peasants through all kinds of forms, have carried out education on collectivism and patriotism among the peasants and have encouraged them to struggle to build a new socialist countryside with a prosperous economy while enhancing their lofty spirit. In the past few years, the rural cultural and art undertakings have been greatly restored and developed and the rural cultural activities have been relatively enlivened. At present, there are nearly 90,000 rural film projection units, 3,000 county cultural palaces, over 1,500 libraries at county level and 27,000 commune cultural centers throughout the country. Over the past 2 years, financed by the state, 3,000 more commune cultural services have been set up and more than 3,000 cinemas and theaters in rural market towns have been rebuilt or built

by relying mainly on the strength of the collective economy of the communes and their subdivisions. Between January and September of last year, the rural film projection units and the cinemas and theaters in rural market towns provided more than 16 million film shows to a total audience of 13.3 billion, which averaged 16 film shows per person. The vocational performing art troupes went to the countryside and put on 560,000 or more performances in 1980 and the number of performances staged by commune art troupes and amateur peasant troupes was even greater. Many cultural palace centers, and in particular cultural services, provide every cultural activity imaginable, including entertainment and study. There are not only recreational activities but also study guidance provided and technical research and sports meets in the cultural palaces and service centers. Their programs are substantial and colorful and are, therefore, warmly welcomed by the peasants. These cultural activities have met not only the demands for the cultural life of the peasants and enhanced their political consciousness, but also have played a positive role in developing agricultural production, consolidating the situation of stability and unity, changing the general mood of society and bringing up a new generation in the countryside. So, generally speaking, the rural cultural situation is good and substantial results have been made in rural cultural and art work. However, it must be soberly realized that the rural cultural work is still far from meeting the needs of the cultural life of the vast numbers of peasants. The peasants in some mountainous border areas have sighed that "We have no worries about food and clothing, but what we worry about is that there are no films or plays to see." This state of affairs exists rather widely. The peasants who have some cultural activities have voiced the opinion that "we do not have to worry about food, clothing and housing, but what we are anxious about is that the cultural activities are not adequate." The peasants in regions where the cultural activities are fairly rich also raise the demand: "We have become prosperous. We eagerly hope to see performances by leading and famous actors and actresses of the big troupes." Thus, it can be seen that to satisfy the new demands of the large number of peasants at the new stage is an urgent task confronting the leadership of the party committees at various levels and the departments concerned, and also a bounden glorious duty for the broad masses of literary and art workers who are determined to serve the people.

Ours is a big socialist country with a population of 1 billion, of which 800 million are peasants. Doing a good job of rural cultural and art work is of great significance to overall socialist construction and especially to the building of a spiritual civilization. Serving 800 million peasants is where the future of the development of various literary and art undertakings lies. There exists a large audience and body of readers and a vast cultural and art "market," and there is ample scope for utilizing the abilities of literary and art workers there. Only when a genuine and proper job is done in rural cultural and art work can we be regarded as having taken care of the peasants in satisfying the people's needs for spiritual nourishment. Developing rural culture and art work is not only a question of culture but also a question of politics. Only if rural culture and art work are done well can we create the necessary spiritual conditions for

promoting cooperation between city and countryside, strengthening the worker-peasant alliance, and gradually reducing the difference between city and countryside and between industry and agriculture. Our multitudinous minority nationalities mostly reside in the vast countryside, mountainous areas and border regions. Only when a better job is done in rural culture and art work can the backwardness in the cultural development of the minority nationalities be brought to an end; this is a problem left over from history. In building culture in the border rural areas and pastoral areas, there is a serious need to resist capitalist and social imperialist cultural infiltration and to struggle against antagonistic ideologies and culture. This task is extremely arduous and requires long, hard struggle. Only in so doing can success be achieved.

In his report on government work delivered at the 4th session of the 5th NPC, Comrade Zhao Ziyang made a profound exposition of the relationship between socialist cultural and material development: "In the work of socialist modernization, we must strive for a high level of both material and cultural development. The two are inseparable. Only by doing this can we ensure the sustained growth of the national economy and the socialist orientation of material development." The experiences of quite a few rural communes and their subdivisions have proved, both positively and negatively, that doing a good job of cultural development is a guarantee for material development and can play a motive and promotive role; when things do not go well, it might play a negative role; abandoning cultural development means letting capitalist and feudal cultural trends spread unchecked. This will inevitably play a disruptive role in the rural situation of stability and unity. The view and opinion that regard rural cultural work as "singing and dancing, chatting and laughing, playing and fooling around and of being of no importance" and neglecting it are extremely harmful and detrimental to the all-round construction of a new countryside. We must proceed from a strategical perspective and from the great task of bringing up new socialist peasants who can get a good grip on the building of rural culture step by step. In particular, we must not ignore the building of rural culture in remote districts where feudal and superstitious activities are rampant and in frontier areas where the cultural struggle is acute.

In the present rural culture and art work, one striking new problem is unbalanced development; one prominent demand is to closely combine popularization with the raising of standards and to correctly handle the relationship between popularization and the raising of standards both in ideology and work. Comrade Mao Zedong pointed out: "By the raising of standards, we mean the raising of standards on the basis of popularization; by popularization, we mean popularization under the guidance of the raising of standards." The popularization of rural culture and art means giving more healthy, progressive and revolutionary nourishment to the broad masses of peasants and, proceeding from this, it is necessary to enrich their cultural life, foster their ideology and morality, arouse their revolutionary spirit, and at the same time raise their levels of science, education and health so as to bring into full play their roles in building the socialist

material civilization and spiritual civilization. Our culture and art must not only suit the acceptance and appreciation abilities of the great numbers of peasants but also continuously foster and raise the levels of their acceptance and appreciation abilities so that they can steadily widen their realm of thought to include knowledge of aesthetic perception. By doing this we can achieve genuine popularization and really raise standards. The practices of indulging in self-admiration and cutting oneself off from the masses will not play any role at all. We mean this in terms of the interrelations between popularization and the raising of standards and the general goal. In terms of work, it is necessary to treat the relations between popularization and the raising of standards according to different cases, each having its own stress. Seen from the present situation in which rural cultural life is relatively animated but is developing unevenly, first and foremost, much work is still required in order to popularize it extensively. Take the structure of rural culture and art work for example. Throughout the nation there are still some prefectures, (municipalities, autonomous prefectures and leagues) which have no mass cultural palaces; a considerable number of counties have no libraries and cultural palaces; more than half of the communes have not yet set up cultural centers, and the communes which have set up cultural centers and initially formed cultural services are very few in number. Quite a few counties and communes and particularly those in mountainous border areas, the areas where minority nationalities reside, and the frontier regions have no cinemas and theaters; quite a few production brigades and production teams have no cultural rooms or clubs; in quite a few regions there are no places for the peasants, herdsmen and fishermen to read books and newspapers and no places for them to engage in recreational activities. Owing to the lack of genuine cultivation of the idea of serving the countryside, some localities and departments have attached insufficient importance to rural cultural and art work. For instance, some localities pay excessive attention to the construction of cinemas and theaters in market towns. This is of course correct, but they relax the leadership and management over rural film projection units, thus giving rise to the phenomena in which some film projection units only concern themselves with revenue and only want to show films in economically prosperous places which have good transportation services. There are also phenomena in which some vocational performing art troupes as well as actors and actresses are afraid of difficulties and hardships and unwilling to put on performances in the rural areas. Under these circumstances, although the localities with fairly good conditions have built new cultural facilities such as rural cinemas and theaters, they have not played their proper role in rural cultural services because there is no way to guarantee fixed performances or cultural activities. Therefore, it is imperative to proceed from actual conditions and get a good grip on popularization work. In accordance with the principle of adapting demands to possibilities, it is necessary to gradually develop more rural cultural facilities by relying chiefly on the strength of the collective economy of the communes and their subdivisions. Special consideration should be given to the needs of regions where peasants find it difficult to enjoy cultural life. The state should support them in this respect as much as possible. When performing art troupes go to the countryside, they must try their best to give performances in these regions.

The localities where the popularization work of the rural culture and art is done fairly well must put on their important agenda the raising of the standard of art cultivation of the cultural and art workers and the quality of art production. "The people want popularization and then the standards raised. They want the standards to be improved year by year and month by month." If we invariably cling to the pattern of "men, hands, mouths, knives, cows and sheep" and have not for a long time improved the ideological contents and the quality of art and technical level, our work will deviate from the practical requirements and from the people, and the masses will not want to see it and will voice many complaints.

The raising of the standards of culture and art, first and foremost, means improving the ideological content, the creative quality and the level of aesthetics. In regard to cultural administrative departments, it is imperative to exert strenuous efforts together with the various associations of the China Federation of Literary and Art Circles to grasp well creations and provide the vast numbers of peasants with more and better nourishment. Last year the Ministry of Culture called a symposium on creating rural subject matter and sponsored performances of traditional operas and quyu (folk art forms including ballad-singing and storytelling) before fellow artists, encouraged creations on rural themes and awarded a number of fine works. The propaganda and cultural departments of the CCP committees of various localities have paid close attention to creation in this field and are mobilizing and organizing writers and artists to go deep in the countryside, go down to grassroots units and immerse themselves among the masses to learn about the situation, observe and learn from real life and engage in creation. Many rural amateur writers are also enthusiastically carrying out creative work. In the past few years, great changes have taken place in the countryside. In the countryside a host of new people and new things, good people and good deeds have emerged, a scene of inspiring people with enthusiasm which can help up broaden our horizon and expand the ideological realm, thus creating very favorable conditions for creating rural subject matter and constantly improving the ideological contents and the quality of art. We believe that under the guidance of the policy of letting a hundred flowers blossom and weeding through the old to bring forth the new, large numbers of fine works that reflect rural real life will constantly emerge.

Another question is the improving of professional skills. The ways and means for raising professional skills are multifarious. Over the past few years, various localities have selected a number of key leadership and professional members of the art and cultural palaces, county vocational performing art troupes, libraries and film projection units and allowed them to engage in advanced studies in their cultural areas, sponsored various vocational training classes or training classes in rotation so as to improve the vocational levels of the key members of the grassroots literary and art activists; the vocational cadres of the art palaces, libraries and film companies have directly gone down to give guidance in vocational study of training to the communes and their subdivisions. These practices are desirable. It is necessary in the future to sum up the experiences in this respect and push these practices forward a step further on the existing foundation and carry them out in a better way.

Here I would particularly like to discuss the questions of the vocational performing art troupes persisting in going to and performing in the countryside and mountainous areas and to the raising of level professional work. The distribution of China's performing art troupes is very irrational owing to historical and practical causes. The vocational performing art troupes are too concentrated in some big and medium-sized cities. Over the past few years, although the performing art troupes of the big and medium-sized cities have more frequently given performances in the rural areas, they have not paid due attention to this work, resulting in an abnormal phenomenon in which there has been a fall in the attendance at performances in cities put on by some opera troupes, very few vocational performing art troupes have staged performances in rural areas and the peasants have not been able to see any operas. In the future, all kinds of vocational performing art troupes at various levels must organize a contingent of handpicked actors and actresses of great attainment and go to the countryside to give performances to the large numbers of peasants with simple and convenient stage properties and good programs. This must be made a regular practice and systematized. We hold that the troupes at central, provincial, municipal and autonomous regional levels should devote 15 to 30 percent of their time in a year to giving performances in the countryside and mountainous areas; those at municipal level, about half of their time, and those at prefectural and county levels at least two-thirds of their time to putting on performances mainly in the countryside (pastoral areas). Since the art types are different, the number of performances might also vary. The performing art troupes have at present difficulties acquiring revenue. Together with the concerted efforts of the financial, agricultural, and forestry departments, quite a number of provincial and municipal cultural departments have drawn a certain amount of undertaking funds with which they gave awards or policy subsidies to the troupes which have done well in the work of giving performances in the countryside and mountainous areas. These methods and experiences deserve study and recommendation.

In going down to the countryside, the vocational performing art troupes have three tasks: to meet the cultural needs of the peasants, improve their ideological level and the level of art appreciation; to provide vocational coaching to professional art personnel and the key amateur literary and art activists and raise their professional skills; and to learn from the vast numbers of peasants, grassroots cultural and art workers and amateur literary and art activists and improve their ideological quality and artistic levels. Of course, the aim for the vocational performing art troupes to go down to the countryside is chiefly to do popularization work, but this does not, in the slightest degree, mean that they can weaken their own tasks and roles in the work of raising standards. The performing art troupes of big and medium-sized cities, in particular, must all the more put the tasks of the raising of standards to an important position. These kinds of performing troupes have numerous famous actors and actresses, strong creative forces and high level of performance. They must not only give the peasants brilliant programs but also play an exemplary role for the prefectural, county, commune and amateur opera troupes and shoulder the tasks of improving

professional skills of the actors and actresses of these opera troupes. As for the performing art troupes of the big and medium-cities themselves, there is also a problem of raising standards. It is of great use for laying a foundation for portraying and performing well the life of the peasants and raising vocational work to go to the countryside and mountainous areas to perform for the peasants, to learn from the peasants and society, to acquaint oneself with the new look of the countryside and to substantiate one's own ideological cultivation. In short, doing a proper job in the work of vocational performing art troupes in the countryside and mountainous areas is both a must in upholding the party's literary and art orientation, doing well the work of popularization and the raising of standards and meeting the growing needs of the peasants and an important measure to raise one's own ideological quality and the quality of art. This kills many birds with one stone. We must have an adequate understanding of this matter.

The practice over the past few years has proved that doing well and developing the rural cultural and art undertakings require vigorous support from all trades and professions, and the key to this work lies in whether the local party committees attach great importance to it or not. Wherever the party committees attach great importance to rural cultural work, cultural and art undertakings spread, develop and improve at a fast rate. Therefore, future rural cultural work depends mainly on local party committees. Here I would like to stress that in times of difficulties, instead of remaining inactive to wait for something to happen and grumbling, our rural cultural and art workers must try their best to win the concern and support of the local party committees and do their utmost to overcome difficulties and do their work satisfactorily of their own accord as the vanguard fighters and model workers who are active on the rural cultural and artistic front have done. We fervently expect that the vast numbers of writers and artists and literary and art departments will make new contributions to the building of a rural socialist spiritual civilization and of cultural and art undertakings that will serve 800 million peasants with new practical actions in the new year.

PERSIST IN STUDYING MODERN CHINESE HISTORY UNDER THE GUIDANCE OF MARXISM-LENINISM-MAO ZEDONG THOUGHT--COMMENTS ON 'FROM THE OPIUM WAR TO THE MAY FOURTH MOVEMENT'

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 18, 27-29

[Book review by Qi Longwei [4362 7893 1218]]

[Text] Comrade Hu Sheng's monograph "From the Opium War to the May Fourth Movement" has been published by the People's Publishing House. This work is an achievement of an author who persisted in studying the history of modern China under the guidance of Marxism-Leninism-Mao Zedong Thought. I really benefited from reading this book.

In old China, there were almost no works on the history of modern China written from the viewpoint of Marxism-Leninism. At that time, I read many books on modern Chinese history which covered the period since the Opium War. These books can be classified into two groups on the basis of content: The first group consists of "histories in which the strong preyed on the weak" written by apologists for imperialism. The second group includes "histories of internal disturbances and foreign aggression" written by landlord and bourgeois literati. In going all-out to vilify and attack the Taiping Rebellion, the reform movement of 1898, the Yihetuan Movement, the Revolution of 1911, ... These writers aimed at opposing the people's great revolution led by the CCP. Landlord and bourgeois literati always oppose studying history from the viewpoint of class and class struggle. For example, the old specialist Jian Youwen, who had studied the history of the Taiping Rebellion for over 50 years, flatly denied that there were classes and class struggles in the modern China and simply negated the nature of the Taiping Rebellion as an antifeudalist agrarian revolution. Fallacies like this always divorce the reader from the truth of history and make him feel as if he is lost in a thick fog.

While leading the Chinese revolution to win the great victory of liberating hundreds of millions of people, Marxism-Leninism-Mao Zedong Thought also put historical studies on the right track. In seeking the laws of the Chinese revolution, Comrade Mao Zedong made use of historical materialism to draw a series of scientific inferences in the light of the actual situation in China. This forced people to reinterpret Chinese history, which stretches back several millennia, especially the history of the last 100 years since the Opium War.

Comrade Mao Zedong said, "We are historical materialists who oppose historical idealism." ("Selected Works of Mao Zedong," vol 4, p 1452) The basic principles of historical materialism are the class analysis of class society and the analysis of problems from the viewpoint of class struggle. The Chinese communists headed by Comrade Mao Zedong found two major contradictions in modern Chinese society: the contradiction between imperialism and the Chinese nation and the contradiction between feudalism and the broad masses of people, the former being the most important. It is against the background of these two contradictions that the anti-imperialist and antifeudalist revolution of the Chinese people was sparked and developed. Just as Comrade Mao Zedong put it, "The process by which imperialism, together with Chinese feudalism, turned China into a semicolon and then a colony can also be regarded in another way as the process by which the Chinese people resisted imperialism and its running dogs." ("Selected Works of Mao Zedong," vol 2, p 595)

Only by upholding the viewpoint of class struggle in interpreting the history of the last 100 years since the Opium War can we expound scientifically the objective laws governing the historical development of modern China and thus teach the people and serve proletarian politics. Comrade Hu Sheng has made great contributions in this aspect.

In the early 1950's, the People's Publishing House published "Imperialism and Chinese Politics" by Comrade Hu Sheng. In this book, he focused on the most important contradiction in modern Chinese society, linked it to extremely complicated historical phenomena and thus thoroughly revealed the fact that imperialism was the number one enemy of the Chinese people.

Soon after that, Comrade Hu Sheng published his article "On the Problem Concerning the Division of Modern Chinese History Into Periods" in the first issue of HISTORICAL STUDIES. In this article, inspired by the trend of anti-imperialist and antifeudalist struggle of the Chinese people, the author put forth the original concept of three revolutionary high tides reflecting the progressive historical trends of modern China.

On this basis, Comrade Hu Sheng gradually accumulated the results of his research on modern Chinese history and finally managed to write the book "From the Opium War to the May Fourth Movement."

Apart from the "preamble," the book is divided into five parts in accordance with the concept of three revolutionary high tides: part 1--"The Opium War and the Taiping Agrarian Revolution," covering the two opium wars and the Taiping agrarian movement and reflecting the rise and fall of the first revolutionary high tide; part 2--"The Shaping of the Semicolonial and Semi-feudalist Ruling Order," covering the period from the defeat of the Taiping Rebellion in 1864 to the end of the Sino-Japanese War of 1894-1895, and during which a new high tide of the Chinese revolution was developing;

part 3--The Reform Movement of 1898 and the Yihetuan Movement," which reflects the rise and fall of the second revolutionary high tide; part 4--"The Revolution of 1911 Led by the Bourgeoisie," which reflects the third revolutionary high tide; and part 5--"The Transition to the New Democratic Revolution," which marks the turning from darkness to light.

There is no doubt that historical science research in our country has made unprecedented progress under the guidance of Marxism-Leninism-Mao Zedong Thought since the smashing of the "gang of four," in particular since the 3d Plenary Session of the 11th CCP Central Committee. The publication of Comrade Hu Sheng's new works is significant proof of this. However, owing to the pernicious influence of the "use of innuendo in writing about history" by the Lin Biao and Jiang Qing counterrevolutionary cliques and the infiltration of foreign bourgeois thinking, the authors of some articles published in newspapers and journals in the last few years have deviated from Marxism-Leninism-Mao Zedong Thought and have thrown away the method of class analysis in interpreting modern Chinese history. Under these circumstances, the publication of Comrade Hu Sheng's new work is greatly needed. Back in 1951, when discussing the film "The Life of Lu Xun," Comrade Mao Zedong did criticize some writers for "not bothering to find out what new economic formations of society, new class forces, new personalities and ideas had emerged in China during the century and more since the Opium War of 1840 in the struggle against the old economic formations and their superstructures (politics, culture, and so on), before they decided what to commend and praise, what not to, and what to oppose." ("Selected Works of Mao Zedong," vol 5, p 47) Comrade Mao Zedong called for upholding class analysis in making this serious criticism, and this is the right method and principle for the study of the history of class society, including the study of modern Chinese history. This method and principle were illustrated throughout the works of Comrade Hu Sheng, where the most prominent part is his important insight into the problem of the key to modern Chinese history.

Who represented the progressive trend in modern Chinese history? A number of arguments have been advanced in the historiographical circle in recent years. One of the schools upholds class struggle as the key and advocates that modern Chinese history was characterized by agrarian wars, bourgeois movements (including reforms and revolutions) and proletarian revolution. The other school upholds the abstract hypothesis of the "movement to learn from the West" as the key, and puts forth the new concept of "Westernization-reform-revolution." According to the logic of the latter, agrarian wars such as the Taiping Rebellion, the Yihetuan Movement and so on should be excluded from the main trend of modern Chinese history and be replaced with the Westernization movement which was promoted by the feudal rulers. Comrade Hu Sheng stuck to his clear-cut stand in opposing such logic. In the preamble of "From the Opium War to the May Fourth Movement," he solemnly declared, "The author of this book does not think that there is any reason to depict the progressive historical trend in this period in

the light of the trend of 'Westernization movement--reform movement of 1898--revolution of 1911.'" I wholeheartedly agree with Comrade Hu Sheng on this point and realize that his opinion conforms with Mao Zedong Thought and the viewpoint of class struggle.

It is necessary to make a class analysis of the hypothesis of the "movement to learn from the West." In the course of modern Chinese history, the peasant class, the bourgeois reformers and the bourgeois revolutionaries all learned from the West. As pointed out by Comrade Mao Zedong, "Since the defeat of the Opium War of 1840, progressive Chinese underwent innumerable hardships in seeking the truth from Western countries. Hong Xiuquan, Kang Youwei, Yan Fu and Sun Yat-sen were the representatives of those personages who sought the truth in the West's experiences before the founding of the CCP." ("Selected Works of Mao Zedong," vol 4, p 1406) The four historical personages mentioned here were precisely the representatives of the Chinese peasant class and the national bourgeoisie (including reformers and revolutionaries) during the period of the democratic revolution of the old type. Leading the progressive trend in history, they "learned from the West" in order to save China. Why did not Comrade Mao Zedong classify the representatives of the feudal nobility, warlords and bureaucrats such as Yixin, Li Hongzhang, Zhang Zhidong and so on, who promoted "Westernization," in the same group? The reason is that these people did not follow the progressive trend of history but went against it.

The focus of the problem is that we must use the viewpoint of class struggle to assess the Westernization group and the Westernization movement. We should not compare the present to the past and thus "prettify" the Westernization group and the Westernization movement, under the pretext that our country is now importing technologies and equipment from foreign countries to promote the "four modernizations." The Westernization movement occurred after the Second Opium War ended. To assist the Qing government in "exterminating the Taiping and Nian rebels," the foreign imperialist invaders tried by every means to arm the Qing army with "foreign rifles" and "foreign cannons." The Hunan army and the Anhui army fighting against the Taiping army in Jiangsu and Zhejiang used weapons supplied by Britain and France; the "Eight Banners Army" guarding the Beijing and Tianjin region used weapons given by Russia. The people in authority in the feudal ruling class then began to split into two groups: the diehard group persisted in "closing the country to international intercourse," while the Westernization group called for "self-strengthening by learning foreign ways." The latter group met the needs of the invasion of foreign capitalists better than the former group. As pointed out by Comrade Hu Sheng in chapter 10 of the new book, "The Westernization group emerged under the historical conditions of the feudal landlord class turning into a pillar supporting the rule of imperialism in China." How should we respond to imperialist aggression? The Westernization group flaunted their tactics of "pitting the foreigners against each other." However, as pointed out by Comrade Hu Sheng in chapter 14 of the new book, "The so-called tactic of 'pitting the foreigners against each other' was by no means a tactic in which the country made use

of the contradictions between the imperialist powers independently and on its own initiative, but rather a practice of trusting the country's survival to the contradictions between the imperialist powers." The tactic of "pitting the foreigners against each other" was in essence a kind of capitulationism. The Westernization group promoted first the "training of army" and then the "manufacture of armaments." Their efforts not only gave birth to a number of armies armed with new-type weapons, but also brought about the establishment of a small number of industrial branches which used foreign machines for production. However, we cannot claim that these developments were new in modern China although none of them had ever been seen in feudal China. We cannot label one of the two belligerent parties in a war as a rising force and the other as a decaying force solely on the basis of the state of their armaments. Can we say that the Westernization group, which was showing off its "foreign rifles" and "foreign cannons" and controlling the modern war industry was new, while denouncing as old the peasant armies, which were resisting invasion and fighting against feudalism with long spears and broadswords? There is no doubt that the Westernization group borrowed a few "new things" from foreign countries. However, just like the diehards, the Westernization group was in fact a decaying force in a certain society and was not qualified to represent the progressive trend in history, as they made use of all those "new things" to oppose the people's revolution.

During the period of the Revolution of 1911, Sun Yat-sen, the great revolutionary forerunner of China, named himself "Hong Xiuquan number two" and publicly declared that he was carrying on and developing the cause of the Taiping Rebellion; while his antagonist, Yuan Shikai publicly proclaimed himself the successor to Zeng Guofan and Li Hongzhang. Such a vivid contrast reveals very profoundly the existence of two historical trends of different natures in modern China; one of them was Red while the other was Black. Therefore, the elements of the so-called "Westernization movement-reform movement of 1898-Revolution of 1911" can never be linked.

The academic argument on the trend of modern Chinese history reflects a difference in methodology. Should we uphold class analysis or replace it with abstract analogy? This question deserves a thorough discussion.

Comrade Hu Sheng's new work is a splendid extract of the rich collection of historical materials in which he gives full play to the scientific style of "interpretation based on facts." For example, owing to the lack of material sources, there has long been a difference of opinion on the issue of whether Wei Changhui killed Yang Xiuqing under the "secret edict" sent by Hong Xiuquan. Some writers who did not want people to criticize Hong Xiuquan emphasized that the "secret edict" was an out-and-out fabrication. On the other hand, some comrades at the other extreme affirmed the veracity of the "secret edict" so as to bolster the claim that Hong Xiuquan was responsible. In the light of the historical materials which have been found so far, Comrade Hu Sheng honestly narrates the course of the "internal strife between Yang Xiuqing and Wei Changhui" without making any

subjective judgment. In chapter 5 of the new book, he writes, "Some sources said that he was instructed by Hong Xiuquan to kill Yang Xiuqing. This is probably true. As for the issue of whether he did make use and in what way he made use of Hong Xiuquan's name in magnifying the murder of Yang Xiuqing into a large-scale massacre, there is no proof at all." What a serious attitude this is: In the eyes of Comrade Hu Sheng, we can only correctly sum up historical experiences and make them serve the construction of socialist modernization today as long as we strictly adhere to historical materials and respect facts. In the foreword of the sixth edition of "Imperialism and Chinese Politics," he wrote, "Only by completely liberating itself from the rule and oppression of imperialism and thoroughly overthrowing the Chinese reactionary classes which were the tools of imperialism could China genuinely achieve unity of the country, democracy for the people and prosperity of the country's economy. Imperialists would never give up their goal of destroying by every means the revolutionary cause of the Chinese people. The national independence of China could never be achieved under the leadership of the bourgeoisie but only under the leadership of the proletariat. In order to make all these matters clear to readers, the author of the book does not need to distort the truth of historical facts. On the contrary, the deeper he goes into the essential and regular aspect of historical facts, the more clearly he can expound on history." This is really a splendid exposition, and his new book "From the Opium War to the May Fourth Movement" is based on such a scientific spirit.

By his own practice, Comrade Hu Sheng shows us that historical materials can never take the place of historiography; historical materials must undergo class analysis. However, historiographic practices must be based on a rich collection of historical materials and must be adhered to so as to achieve an integration of historical materials and historical interpretation. Historical interpretations made on the basis of historical analogy and under the guidance of pragmatism are always groundless.

Comrade Hu Sheng's book is written in a vivid and compendious style. For example, he reveals the traitorous nature of the Westernization group's diplomatic policy of "pitting foreigners against each other," using the Chinese idiom "inviting wolves into the house." Under the title "The Old Viceroys Under the New Cloak of Commanders-in-Chiefs," he profoundly exposes the true colors of some reactionary bureaucrats who, in order to preserve their own strength, used the revolution for their own ends during the stormy period of 1911. He also uses the saying "prohibiting others from participating in revolution" from "The True Story of An Q" by Lu Xun to sharply denounce the criminal deeds of those bureaucrats who pretended to be revolutionary and those warlords who put down the people's uprisings. The theories of Marxism-Leninism-Mao Zedong Thought are integrated with abundant historical materials and presented in a fluent and vivid writing style--this is the distinguishing feature of the new book by Comrade Hu Sheng.

Of course the book does have some defects. A more profound elaboration is necessary on certain theoretical problems; and there are some inaccuracies in the verification of certain historical facts. We suggest that the author revise all these points before the book is reprinted.

The number of printings of this book's first edition was too small and supply fell short of demand. However, books such as the "Detective Stories of Sherlock Holmes" and so on are flooding the market! We hope that our publishing units will make an adjustment.

LAY A GOOD FOUNDATION FOR THEORETICAL STUDY BY CADRES

Beijing RED FLAG in Chinese No 2, 16 Jan 82 p 30

[Article in "Comment and Study" column by Li Xu [7812 2485]]

[Text] In a cadre's theoretical study, it is necessary to emphasize the laying of a good foundation in the theory of Marxism.

Marxism comprises philosophy, political economics and scientific socialism. These are interrelated and embody each other. These three components make up the complete scientific system of Marxism and equip the proletariat and the revolutionary masses with an ideological weapon and a guide for action in the course of understanding the world situation, transforming the world and accomplishing the great goals of communism. Mao Zedong Thought is the application and development of Marxism in China. Its main content and lively spirit have already been expounded on in the resolution of the 6th Plenary Session of the 11th CCP Central Committee. Laying a good foundation means primarily mastering the fundamental knowledge of Marxism-Leninism-Mao Zedong Thought and understanding the fundamental principles. A further requirement is mastering the Marxist stand, views and approaches which run through the principles, enabling them to become our own guiding ideology and the criteria for judging our words and deeds. The fundamental task of our cadres at all levels is to popularize Marxism-Leninism-Mao Zedong Thought among the masses, organize and arm the masses with Marxism-Leninism-Mao Zedong Thought, and lead the masses in implementing the party's line, principles and policies and in realizing the targets of struggle put forth by the party. Therefore, whether a good theoretical foundation has been laid is of primary significance for whether a cadre can do a good job in his practical work and fulfill all his obligations.

Some people might think that this is a "platitude" and may even object to it. However, reality has proved once again that without a theoretical foundation, or without a firm one, people will waver, be led astray or even make mistakes. For instance, some people treat emancipating the mind and upholding the four basic principles as two contradictory things. To them, emancipating the mind means discarding the "four uphold's" and promoting bourgeois liberalization. On the other hand, some think that advocating the "four uphold's" means advocating a rigid way of thinking and negating

the need to emancipate the mind. Some people tend to neglect centralism when they stress democracy; some neglect discipline when they stress freedom; some neglect ideological and political work when they stress material interests, or vice versa. In summing up historical experiences, people either affirm or negate everything. As far as the question of ideology is concerned, it seems that opposing all "left" things and not doing things in simplified and rude ways means being weak and lax and abandoning leadership, and so on. All these are, in fact, closely related with a shaky theoretical foundation. As some comrades say: "When people cannot tell what is right or wrong in theory, they are bound to waver, politically, and they will act blindly." Only by working hard to lay a good foundation and actually improve one's Marxist theoretical level can we overcome such wavering, one-sidedness and blindness and avoid making "left" or right mistakes.

Economic construction is now the focus of all our work. Whether there is a Marxist economic theoretical foundation is closely related to whether we can do a good job in economic work. In the past, we did not attach importance to research on the Marxist theory of reproduction or research on the laws governing a socialist economy. As a result, we could not avoid making those mistakes which could have been avoided. Now, there is still a number of cadres playing leading roles in economic construction who lack the basic knowledge of economic theory. It is undeniable that this is a major factor accounting for the backward situation, low productivity and poor economic results in certain units.

In order to lay a good foundation, it is essential to conscientiously study some basic works on Marxism-Leninism-Mao Zedong Thought, to uphold the principle of integrating theory with practice, and to integrate the study of theory and summing up of experiences with the transformation of our world outlook. Many of our comrades adhere to all these things in their actual practice. However, owing to the long-term sabotage of Lin Biao and the "gang of four," the sinister trend of paying no attention to theoretical study or to transforming their world outlook still exists among some comrades. It is for this reason that their words and deeds are always different or even deviate from the Marxist stand, views and approaches. Such a situation does not accord with the obligation of each cadre or the demands of socialist construction, and we must strive to overcome it.

AN IMPORTANT DOCUMENT GUIDING THE RESTRUCTURING OF THE ECONOMIC SYSTEM--
STUDYING COMRADE CHEN YUN'S 'NEW PROBLEMS AFTER THE BASIC COMPLETION OF
SOCIALIST TRANSFORMATION'

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 31-34

[Article by You Lin [2589 2651]]

[Text] Since the 3d Plenary Session of the 11th CCP Central Committee, with economic readjustment as the core, we have undertaken local and experimental reforms on the system of economic management, and have made remarkable achievements. Now, our task in this regard, just as Comrade Zhao Ziyang pointed out in his government work report, lies in summing up the reform experiences of the previous period, undertaking thorough and careful investigations and studies, and conducting repeated scientific discussions and demonstrations in order to formulate in the shortest time possible an overall plan for reforming the economic management system and to gradually implement such a plan. Under such circumstances, it is especially heart-warming when we read once again Comrade Chen Yun's talk "New Problems After the Basic Completion of Socialist Transformation" at the Eighth National Congress of the Communist Party of China.

Since this talk of Comrade Chen Yun's was given 20-odd years ago, the actual situation has undergone great changes. However, the problems pointed out in his talk still exist, the measures conceived are still applicable, the basic perceptions regarding economic management are still of realistic significance. For these reasons, this talk should be regarded as an important document for guiding the restructuring of our economic management system and be very well studied.

In his talk, Comrade Chen Yun affirmed the great achievements of the socialist transformation, analyzed the problems that had emerged, elaborated the measures that should be taken, and in particular he presented the basic perception regarding the would-be conditions of the socialist economy of our country at the present stage. He said: "The conditions of our socialist economy will be as follows: in industrial and commercial management, the state and collective operations will comprise the main part, but with a certain amount of individual operations. Such individual operations are a

supplement to the state and collective operations. Regarding production planning, the majority of the industrial and agricultural products of the whole country will be produced according to plans. In the meantime, however, a part of the products will be produced freely according to the variations of the market and within the scope permitted by the state plans. Planned production will be the main part of industrial and agricultural production, while the free production dictated by market variations and permitted by the state will be a supplement to the planned production. For this reason, the market of our country will never be the free market of capitalism, but a unified market of socialism. In the unified market of socialism, the state market comprises the main part, supplemented by a free market of certain scope under the guidance of the state. Being under the guidance of the state and a supplement to the state market, such a free market is a component of the socialist unified market." In the following, I would like to present my understanding of three aspects of the above passage of high generality with reference to Comrade Chen Yun's whole article as well as other articles.

Here, first of all, Comrade Chen Yun very clearly points out that at the present stage in our country the basic form of social economy comprises the socialist state economy and the collective economy with a certain amount of individual economic entities participating in labor as a necessary supplement to the socialist public ownership system. In a socialist country like ours, the state economy must predominate. Otherwise, economic life will be thrown into confusion and the overall interests of the state will not be ensured. However, it is impossible and unnecessary for the state to take charge of all enterprises regardless of their size, whether large, medium, or small, and to take charge of all their products regardless of their importance, whether primary products or secondary products. If the state takes charge of all such things while barely having the strength to do so, very unfavorable consequences will follow, as shown by facts of the past. The conditions of the relations of production depend upon the conditions of the productive forces. The large enterprises represent socialized large production. As determined by their very nature, they need to be possessed and controlled by the whole society and should be, or rather must be, operated by the state, the representative of the society. As to the small enterprises and a part of the medium-sized enterprises which basically employ manual labor and have a low level of mechanization, they are suitable for collective operation and some are only suitable for individual operation. However, we did not make such distinctions in the past. In the latter stage of the three great transformations mistakes appeared in demands being too urgent, crude and careless work, excessive speed of change, oversimplification and unification of forms, and so on. The above generalization made by Comrade Chen Yun was directed at such situations. Then, we persisted in "promotions" and "transitions" and hastily "promoted" the handicraft cooperatives to state factories and the cooperative stores to state stores. Even the newly established collective ownership enterprises were also "promoted" without a moment's thought. This "promoted" the genuine collective ownership enterprises owned and run by the broad

masses of the people to enterprises belonging to the neighborhoods, districts, and municipalities, or in other words, to enterprises of "collective" ownership possessed and controlled by various levels of local governments. With such a situation, the state economy became almost the sole economic form in the cities. Consequently, this was very unfavorable to mobilizing the enthusiasm of all concerned, causing the decrease in varieties of products and the down-grading of quality and causing the diverse and ever-changing demands of the consumers to fail to be better satisfied.

As indicated by the conclusion of historical experience and the analysis of the actual situation of our country, in the cities it is not only necessary to work hard to develop the collective ownership economy of the laboring masses and the individual economy of the working people in a proper way, but also to carry out the necessary reform of state enterprises. The small enterprises as well as part of the medium-sized enterprises that produce general products should be allowed to operate on the basis of responsibility for their own profits and losses. The important departments such as banking, railway transportation, civil aviation, posts and telecommunication, and so on, should be operated by the state. The same is true of the large enterprises as well as a part of the medium-sized enterprises in such fields as the iron and steel industry, nonferrous metal industry, the fuel industry, electricity generation, machine building industry, chemical engineering, construction materials, textiles, and light industry, as well as other industries. Only by commanding these departments and industries can the state control the economic lifeline and play its leading role over the diversified economic forms. The owner of this category of enterprises should be the entire working people, and the workers of these enterprises are only a part of the entire working people. Since the managers of these enterprises run these organizations in the capacity of representatives of the state, the enterprises must produce and operate in conformity with the plans of the state, and profits must be handed over to the state as stipulated. Of course, in order to encourage the enthusiasm of the enterprises the state should also give the enterprises certain authority and profits. However, they cannot produce and operate independently, nor be responsible for their own profits and losses, as are the small enterprises and a part of the medium-sized enterprises mentioned above.

Next, Comrade Chen Yun pointed out that planned production should constitute the main part of industrial and agricultural production and be supplemented at the same time by free production as dictated by variations of the market and permitted by the state plans. It is upon the foundation of public ownership that we must bring about our planned economy and give play at the same time to the supplementary function of regulation by market mechanism. The planned economy, the national economy run consciously in accordance with present plans, is closely related to the system of public ownership. It comes into being with the system of public ownership as its foundation and shows an important side of the economic essence of socialism. It is undeniable that the socialist economy must be developed in a planned way. However, the scope and extent of planning depends upon the degree of public ownership. With the present level of productive force in our country, we

are far from the completion of the socialization of the entire means of production, as a commodity production still exists, making it impossible to include the entire social production in a single unified plan and to carry on production and operation entirely according to plans without regulation by the market mechanism. The following procedure is more in line with the actual situation: first, the important economic departments, the large enterprises and a part of the medium-sized enterprises should be owned by the state. It is these enterprises which produce and operate according to the unified plan of the state. As these departments and enterprises predominate in the national economy with their production and operation carried on according to plans and coupled with the unified purchasing and assigned purchasing of farm produce which in practice constitute production by plans, planned production is ensured as the main part of our industrial and agricultural production. Second, the other category of enterprises (the collective ownership enterprises and state enterprises with responsibility for their own profits and losses) should produce and operate freely according to the fluctuations of the market and within the scope permitted by the plans. Should these enterprises be guided by the state plans? Very much so. In addition to such measures as taxation, credit, pricing, and so on, reference targets can also be passed down. All these measures are used to channel the production and operation of these enterprises as much as possible into the state plan and to subject the regulation by market mechanism to the guidance of state planning. The trouble with our planned management system is that everything is listed in the plans and everything is controlled by plans. As a result, the economy becomes very rigid. In brief, what should have been put under strict planning has not been so planned and controlled, whereas what should not have been included in the plan was. Comrade Chen Yun has always been opposed to such practices. In his article, he pointed out that products such as consumer goods for everyday use, handicraft products, small local products and so on, with only very few exceptions, should not be included in state plans. The requirements of the state plans regarding the output value of these products, the reduction of costs of the consumer goods for everyday use, and the enhancement of labor productivity, as well as other requirements, are only taken as reference targets. The producers are allowed to fix their own targets in relation to the market conditions to carry on their production without being committed to the reference targets. These measures, as viewed, are basically applicable.

Recently, when speaking of the relationship between planned economy and regulation by market mechanism in his report on government work, Comrade Zhao Ziyang quoted the following words of Comrade Chen Yun's in his article under discussion: "Planned production will be the main part of industrial and agricultural production, while the free production dictated by market fluctuations and permitted by the state plans will be a supplement to planned production." Comrade Zhao Ziyang also pointed out: "This idea of Comrade Chen Yun's is still of realistic and guiding significance to our present reform." Comrade Zhao Ziyang also said: "We envisage that different management methods should be applied to different groups of enterprises in

terms of the different positions they occupy in the national economy, in their ownership system, the importance and categories of their products, and the varieties of their specifications. Generally speaking, there are four categories. To the first category belong those enterprises which produce according to the directives of the state plan. These are the backbone enterprises which command the economic lifeline of the country and produce the main products for the national economy and the people's livelihood, and their output value accounts for the majority of the total output value of industry and agriculture despite the fact that the varieties of their products are not numerous. Under the second category are the products which are produced according to the fluctuations of the market and within the scope permitted by the state plan. These are the small commodities of many different varieties, scattered among and produced by numerous small enterprises and individual workers. It is impossible and inconvenient to subject them to unified planning and management. They only account for a small part of the total output value of industry and agriculture. Between these two major categories, there are two more categories of enterprises and products. One category produces most of its products according to the state plan and leaves the minority of its products to small enterprises which have a free hand in organizing their production. This category is basically similar to the first major category, though not without dissimilarities. Another category leaves most of its products to enterprises which organize their production according to the fluctuations of the market, and the minority of its products to the planned production of the state. This category is basically similar to the second major category, also with certain dissimilarities. A management like this differs not only from the one we had, which was far too rigid, but also from the market economy of the capitalist countries. It combines the centralized and unified leadership of the state and the enthusiasm of the enterprises, and ensures the result of control with flexibility, flexibility free of disorder, greater economic benefits, and organization and development of production in accordance with the needs of society." This is a very important step with crucial significance to the reform of the management system.

Lastly, Comrade Chen Yun also pointed out that the state market must comprise the main part of the socialist unified market, and be supplemented by the free market under the guidance of the state in stipulated terms. The main part of our industrial and agricultural production is planned production. Similarly, the main part of our commodity circulation must also be planned circulation. The important departments and the backbone enterprises must be run by the state. The backbone enterprises of commerce and large stores also must be run by the state. The state market is operated according to plans. In fact, many products such as grain, cloth, and so on, are distributed through the market according to plans. However, the state market can only be the main part, but never the whole. This is to say, aside from the state market, there must also be a free market. Without such a market, the production and development of industry and agriculture will be unfavorably affected and the people will be inconvenienced.

However, very frequently we failed to give such all-round considerations to our problems in the past, always thinking that the more unitary our ownership system the better, and the less the circulation channels the better. As a result, both the unitary aspect of our ownership system and the paucity of circulation channels have been achieved only to be accompanied by the monotony of the market and the economic life of the people. Actually, such troubles were burgeoning when the three great transformations were basically completed. The measures that were adopted to restrict capitalist industry and commerce and proved to be unnecessary after the completion of the three great transformations, as mentioned by Comrade Chen Yun in his article, all had a bearing on this problem. All those measures needed transformation, and they did undergo alteration at the suggestion of Comrade Chen Yun. However, under the subsequent influence of the "leftist" guiding principle, no problem was really solved and instead problems piled up to give rise gradually to the situation in which planned production and distribution ruled with regulation by market mechanism reduced to nil and with the commercial sector accepting whatever the industrial sector produced, not only in regard to the kind of products but also their quantity. During the readjustment period from 1961 to 1963, things were slackened to a certain extent, the rural fairs were revived, the commodity circulation under the unified leadership of state commerce and with the coexistence of state commerce, cooperative commerce, and rural fair trade was approved, and some municipalities allowed free purchasing of handicraft articles. However, the transformation did not persist. As the "Great Cultural Revolution" came along, even worse rigidity ruled.

While pointing out the existing problems, Comrade Chen Yun presented his measures to overcome them. One measure was to replace the processing orders placed by the commercial sector on the factories by letting the factories purchase the materials and sell the products themselves. Another measure was to replace the monopolistic unified purchase of a part of the unimportant agricultural and sideline products such as small local products by the supply and marketing cooperatives with free purchasing and free selling by the state stores, cooperative stores, cooperative teams, and the supply and marketing cooperatives. If a shortage of supply should occur due to competitive purchasing, the supply of the goods should be allocated under the guidance of the local government according to the order of urgency in regard to the needs of the various units. Still another measure was to implement price policies that stimulated production, which included pricing by quality, free purchasing, free fluctuation of prices of small local products which were allowed to be peddled freely, and so on. We should carefully study the measures presented by Comrade Chen Yun to provide solutions for the problems that existed, and then substantiate and develop them in the light of the new situation in order to ensure the practical and reliable implementation of the principle that the state market should comprise the main part and be supplemented by the free market.

To sum up, in his article, Comrade Chen Yun has laid the fundamental basis for the reform of our economic system in respect of ownership structure, production management and circulation management. We should put his concepts into a concrete form in the light of the specific situation at present, and plan our reforms in the several aspects of planning and the management systems of finance, taxation, prices, banking, commerce and wages.

QUESTION: IN OUR PRESENT EFFORTS TO IMPLEMENT THE ECONOMIC RESPONSIBILITY SYSTEM, WE EMPHASIZE INTEGRATING RESPONSIBILITY, POWER AND INTERESTS; HOW DOES THIS RELATE TO INTEGRATING THE THREE INTERESTS OF THE STATE, THE COLLECTIVE AND THE INDIVIDUAL OF WHICH WE USUALLY SPEAK?

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 34-35

[Article in "Questions and Answers" column by Li Guangyuan [2621 0342 6678]]

[Text] Answer: The integration of the interests of the state, the collective and the individual worker is the basic principle in accordance with which the relationships of socialist economic interests are handled. The integration of responsibility, power and interests, as embodied in the socialist economic responsibility system, is a means of effecting the integration and simultaneous growth of the interests of the state, the collective and the individual worker. The integration of responsibility, power and interest must be subordinate to the requirements of the principle of the integration of the interests of the state, the collective and the individual worker. Why do we say this?

Socialist public ownership is a system whereby individual workers jointly exercise ownership. Workers are masters of the state and the collective. Therefore, the interests of the state are tantamount to the common interests of all individual workers, and also tantamount to the common interests of all workers' collectives. The interests of a collective are tantamount to the common interests of a specified group of workers. The ultimate aim of all activities of the state and the collectives is to bring about the constant growth of the interests of all individual workers. This objective relationship of interests gives rise to the principle of the integration of the interests of the state, the collective and the individual. The main substance of this principle includes the following: First, due consideration must be given to the interests of the three parties, because although the interests of the three parties coincide there are also conflicts of interests between them. Therefore, we can and we should give due consideration to their interests. Second, the individual's interests must be subordinated to those of the state and the collective. The interests of the collective must be subordinated to those of the state. This is because the common interests of a community are above and more important than the interests of any individual or any part of the whole community. The former is the basis

on which the latter can be safeguarded. For example, the strengthening of the state and the development of the national economy constitute the basis on which improvement of the individual's livelihood can be ensured. Third, enhancement of the interests of the collective and the state serves the ultimate purpose of promoting and safeguarding the enhancement of the interests of all individual workers. What is "taken from the people" must ultimately be given to the people."

Generally speaking, the integration of responsibility, power and interests is not a principle peculiar to socialist economic relationship. It is a principle universally applicable to all categories of relationships of commodity exchange, because any commodity exchange relationship is tantamount to a contract relationship. Whether contracts are written or not, this relationship always determines some sort of integration of the responsibility, power and interests of the two parties under consideration. When one party assumes responsibility for supplying commodities to the other party, it will correspondingly acquire the power to obtain a supply of commodities from the other party and will hence gain certain benefits. Various essentially different commodity exchange relationships give rise to essentially different ways of integration of responsibility, power and interests.

The integration of responsibility, power and interests in the socialist economy is radically and essentially different from the integration of responsibility, power and interests of commodity exchange relationships under private ownership. The difference is that in the exchange of commodities under private ownership, such integration is a means of safeguarding the conflicting private interests of various owners of private property; whereas in the socialist economy, such integration is a means of achieving the integration of the interests of the state, the collective and the individual workers as well as a means of safeguarding the simultaneous enhancement of these three parties' benefits. In the exchange of commodities under private ownership, the two opposing parties are owners of private property with conflicting interests. Each of them only cares about its own private gain, and supplying commodities to the other party is only a means of achieving private gain. Therefore, each party strives to give as little as possible and take as much as possible. Transactions are concluded after bargaining between the two parties because they are forced to do so by the spontaneous competition in the market. In socialist economic relations, the parties between whom conflicts exist are three parties whose interests coincide, namely, the individual worker, the worker's own collective and his own state. Each party cares about the integration of the three parties' interests, aside from its own interests. In the socialist economy, responsibility, power and interests are integrated. They are also divided between various parties in the light of the specific circumstances of the development of the socialist cause and in the light of various specific conditions of the state, the collective and the individual. Such integration and division are aimed at the simultaneous enhancement of the interests of the three parties, and are decided and carried out in a planned way. If so, then how does the integration of responsibility, power and interests serve the integration and enhancement of the interests of the state, the collective and the individual?

First, in practicing the economic responsibility system, we must specifically determine the responsibility, power and interests to be assigned to various parties and also determine the mutually restrictive relationship between responsibility, power and interests. Thus, we can have specific criteria and methods for integrating the interests of the state, the collective and the individual. With these criteria and methods, everyone will know how he can make contributions and how greater contributions will benefit both the whole community and himself. Thus, we will be able to do away with egalitarianism and "eating out of one big pot," which is characterized by confusion about what responsibilities each should shoulder, ignorance of what is right or wrong, unclear rewards and punishments, and equal pay to all regardless of the amount of work done. When these things are done away with, the enthusiasm of all parties can be mobilized so that they will all do their best to make greater contributions to the simultaneous enhancement of the interests of the three parties.

Second, when we determine the responsibility, power and interests to be assigned to various parties in practicing the economic responsibility system, we must proceed from the principle of integrating the interests of the three parties and avoiding one-sidedness. For example, why must we specify comprehensive targets for assessing the work of industrial enterprises that practice the economic responsibility system? In addition to targets for profits, why must we also require the enterprises to produce marketable products, raise product quality, reduce the consumption of resources and promote industrial safety? In practicing the reward system, why must average advanced quotas be taken as the basis? The reason is that these are required by the basic principle of the integration of the interests of the three parties. In instituting the system of responsibility in rural production, what forms should be adopted? What should be centralized? What should be decentralized? Should the basic figures in contracts be high or low? These should all be determined according to what measures will be conducive to the integration and enhancement of the interests of the three parties in various circumstances.

Lastly, we must more vigorously educate the cadres and the masses in the ideologies of patriotism and collectivism. We must both overcome the tendency of neglecting the individual interests of the masses and oppose individualism and departmental selfishness. Thus everyone can really realize the coincidence of the interests of the three parties and consider themselves to be masters of society. The majority of peasants and rural cadres not only hope for increased individual income, but also want to make the greatest possible contributions to the state and the collective. The majority of workers and cadres of enterprises wish to share the burden of the state and enhance the state's gains, and they consider the retention of profits by the enterprises and the distribution of bonuses to workers to be of less importance. This is the main trend. It is precisely this socialist ideology and collectivist spirit of the masses and the cadres that enables the practicing of the responsibility system to bring about the fine situation of continuous development in production and simultaneous enhancement of the

interests of the state, the collective and the individual. However, we must also note that a minority of people still do not consider themselves to be masters. In viewing socialist economic relations, they are still accustomed to those concepts concerning responsibility, power and gains that are characteristic of commodity exchange relationship under private ownership. They only want to gain greater benefits for themselves. They disregard the overall situation of the socialist cause and even try by all means to exploit, to their own advantage, "loopholes" in the policies and systems formulated by the state. They practice fraud and violate public interests for their own private gain. In view of this, we must persist in educating people in the integration of the interests of the state, the collective and the individual. Thus, we can ensure that the responsibility system involving the integration of responsibility, power and interests develops healthily along a socialist orientation.

THEORETICAL STUDY BY CADRES IN THE EARLY 1950'S

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 36-37

[Article by Hu Qilin [5170 0120 2651]]

[Text] Under the leadership of the party, an upsurge in theoretical study by the cadres and masses emerged in the early 1950's. The upsurge in theoretical study at that time was an inevitable product of the development of the revolutionary situation; it was an important ideological preparation for the cadres and masses in fulfilling the revolutionary and construction tasks in the new period.

The Chinese revolution was won under the guidance of Marxism-Leninism-Mao Zedong Thought. Therefore, the people naturally had an urgent desire to study Marxism-Leninism-Mao Zedong Thought when they hailed the victory of the revolution. Although many comrades who had worked in the liberated areas had valuable experience in the revolutionary struggle, they were unable to carry out systematic theoretical study under the conditions of hard struggle. So they felt the need to study again when confronted with the new situation and tasks which were unfamiliar to them. In the light of specific conditions, our party did a great deal of ideological and organizational work concerning theoretical study, so that the study campaign at that time could develop healthily throughout the country and achieve remarkable results.

The theoretical study in the early 1950's began with the study of the history of the development of society--the study of historical materialism, and it lasted for several years. In the study, by closely referring to the development of the situation, they carried out the principle of combining theory with practice; energetically mastered some basic viewpoints of historical materialism such as the attitude to labor, the attitude to the masses, the class viewpoint and the Marxist theory of state; and conscientiously remolded their ideology. They initially or further understood some basic principles of Marxism. All this laid a good foundation for a profound theoretical study.

On the above basis, the study of Marxist political economics was launched in various places throughout the country, and in respect of socioeconomic relations, the cadres and masses further understood the law governing social

development, especially the inevitability of socialism replacing capitalism. This had great significance for understanding the character of Chinese society, solving the problems that emerged in the construction of the new democratic economy, conscientiously implementing various economic policies of the party and forming a revolutionary outlook on life. The study of political economics was a step forward in the theoretical requirements of the cadres and masses, as well as the need to solve our practical problems. Therefore, it further stimulated the people's initiative to study. During the study of the above-mentioned subject, everyone, in accordance with their own theoretical level and by means of various organizational forms, studied Lenin's "On Imperialism," Stalin's "Problems of the Socialist Economy in the Soviet Union" and "Textbook of Political Economics" and some important documents concerning economic problems issued by the party Central Committee. In the study and discussions, they energetically combined theory with practice and achieved good results.

In 1952, the party Central Committee put forward the general line for the transitional period. In 1953, China began its first 5-year plan and entered the period of large-scale economic construction. What was the transitional period? How should we carry out industrialization and the socialist transformation of the ownership of the means of production? How should we unfold our large-scale economic construction in a planned way? The people were eager to have a correct theoretical explanation of these questions so they could suit their own work to the requirements of the new situation. Therefore, our party timely organized the study of the 9th to 12th chapters of "The History of the Communist Party of the Soviet Union (Bolshevik)" and Lenin's and Stalin's works concerning socialist economic construction, while extensively organizing the study of the general line for the transitional period. Many people who had such an experience still remember how large numbers of people energetically took part in the study.

The above-mentioned theoretical study was carried out in combination with the study of Comrade Mao Zedong's works. After the victory of the revolution, hundreds of millions of people, with energetic propagation by the party, studied Comrade Mao Zedong's works with great eagerness. Before the publication of the "Selected Works of Mao Zedong," people in various places mainly studied such basic works of Comrade Mao Zedong's as "On Practice," "On Contradictions" and "On the People's Democratic Dictatorship." From 1951 to 1953, volumes 1, 2 and 3 of "Selected Works of Mao Zedong" were published successively, and a systematic study of each volume was energetically organized. In this way Mao Zedong Thought was popularized on an unprecedented scale.

As far as organizational and leadership work was concerned, the theoretical study at that time was noted for its regularity. In the early period of the founding of the People's Republic of China, study committees and study groups (generally divided into two grades) were set up in various institutions and organizational bodies. Sufficient time was devoted to theoretical study

because the cadres earnestly wanted to master basic theoretical knowledge. After 1951, the theoretical study of employed cadres began to gradually embark on the road of regularization. Part-time political schools were set up one after another in various places throughout the country; centralized unified study plans were carried out; and the regular system of roll call, asking for leave, making up missed lessons, examinations, and rewards and punishment was implemented. A strict method of grouping more employed cadres into classes was beginning to be implemented according to their educational levels and basic theoretical knowledge, instead of according to their rank or position. The cadres who took part in the study were divided into Group A, Group B and Group C (which were changed to advanced group, intermediate group and elementary group after the latter half of 1952). They had different contents and requirements for their study and implemented a system of giving regular tests and examinations and of making promotions. Various institutions, organizational bodies and units at the battalion level and above in the army were gradually provided with theoretical instructors, theoretical teachers and study advisers. Lecture groups were also formed in some regions. After the party Central Committee's instructions concerning the cadres' theoretical education from 1953 to 1954 were transmitted throughout the country, attention was further focused on the training, provision and grouping of theoretical teachers. Large numbers of Marxist-Leninist evening schools and training courses were set up to train theoretical teachers. A network of theoretical study by employed cadres was formed in some regions. In addition, high-ranking cadres in many regions who were comparatively highly self-cultivated in theory were required to independently study in a systematic way the works of Marx, Engels, Lenin, Stalin and Comrade Mao Zedong, especially works that were closely related to the work in their own departments. They were to write study theses and reports, regularly help common cadres with their study and explain to them the questions they might come across during their study. Because the study system was regularized, the cadres' theoretical study was further carried out under unified leadership, in a planned way and with checkups. This was an important reason why the study campaign at that time could last so long and achieve such good results.

Another characteristic was that party organizations at all levels paid extensive attention to giving guidance with specific aims. Party organizations at all levels placed the cadres' theoretical education in an important position in the party's work. The Propaganda Department of the party Central Committee, the branch bureaus of the party Central Committee and party committees in various places often made a study of the situation of theoretical study, worked out study plans and issued, with specific aims, instructions for intensifying and improving the cadres' study. They also compiled teaching materials in a timely manner. The outline for the study and propaganda of the party's general line in the transitional period compiled by the Propaganda Department of the party Central Committee played an important role in pushing forward the political theory study at that time. Study rooms, research rooms and special institutions in charge of employed cadres' theoretical education were formed in many provinces.

Here I would like to mention the guidance work of the magazine XUEXI [STUDY] in the study campaign at that time. As a periodical which gave instructions concerning cadres' theoretical study and which was under the direct leadership of the Propaganda Department of the party Central Committee, this magazine was extensively welcomed by the cadres and masses for its guidance on specific aims. Its main role was as follows:

1. In the light of the study content and the people's actual ideological condition, it repeatedly explained the necessity for all cadres to study Marxism-Leninism-Mao Zedong Thought while familiarizing themselves with their own professional work. It used various forms (such as commentaries and study comments) to energetically propagate various important instructions issued by the party with regard to theoretical study and to guide the localities in implementing the instructions. It actively propagated the important significance of various study contents. It particularly emphasized that the study had to focus on the actual problems of the revolution and construction in China, and took Marxism-Leninism-Mao Zedong Thought as the guiding principle. It issued large numbers of articles with regard to the major problems in various courses and with regard to the theoretical problems the cadres were concerned about in order to make it convenient for everyone to study, refer to and discuss them.

2. It provided teaching and reference materials. For instance, for the study of the history of social development, the magazine XUEXI gave wide coverage to the "forum on the basic knowledge of social sciences." For the study of chapters 9 through 12 of the "History of the Communist Party of the Soviet Union (Bolshevik)," it not only provided the study reference outline for the intermediate group, but also provided systematic reference materials for reading. In order to help the elementary group, staff and workers, and young students to study basic knowledge concerning social sciences and economic construction, the magazine publishing house, from 1951 onward, edited and published the elementary edition of XUEXI, the "Book of Political Knowledge" and "Book of Knowledge for Economic Construction." It also provided the study outline, answers to questions, explanations of terms and phrases and the relevant materials for each chapter in each book.

3. It energetically did a good job in answering questions. XUEXI attached great importance to this work. The magazine regarded this not only as its basic responsibility for helping the cadres with their theoretical study, but also as an important method for understanding the situation and improving its editorial work. Letters kept coming in from readers expressing their questions answered. This fully reflected their study and the need for study. XUEXI had a group specially responsible for answering the readers' questions sent to the magazine. It seriously handled all questions put forward by the readers and answered them after careful consideration. Some answers were given individually, some were carried in the "Questions and Answers" column of the magazine. This was well received by the readers.

There were various shortcomings in the cadres' theoretical study at that time, but on the whole the success was remarkable. The theoretical study enabled the cadres and masses to receive a profound education on Marxism-Leninism-Mao Zedong Thought, and trained a group of cadres who had a firm theoretical basis, who had formed a proletarian world outlook and who had lofty ideals. It promoted the realization of the unprecedented change China was experiencing at that time.

The study campaign showed that great changes are the best ways to make people learn new things and study new problems. So long as we are good at arousing and promoting the consciousness of the people in their theoretical study by educating them to have lofty ideals and realistic aims, we can stimulate the people's enthusiasm for theoretical study and create an atmosphere in which the people study hard for the revolution and construction.

The study campaign showed that the study of Marxism-Leninism-Mao Zedong Thought, organized according to the development of the situation and the cadres' different conditions, is well received and can achieve the best results, and therefore it is most vigorous. In addition, giving guidance with specific aims in study is an important link in doing a good job in study.

The study campaign showed that it is of extreme importance to have the attention and firm leadership of party organizations at all levels. Without strong ideological and organizational leadership, it is not conceivable that thousands of people could take part in the study campaign profoundly, persistently and effectively.

RELY ON THE COLLECTIVE ECONOMY TO BUILD MATERIAL AND SPIRITUAL CIVILIZATION
IN THE RURAL AREAS--THE SUPERIORITY OF THE SOCIALIST SYSTEM SEEN FROM THE
VAST CHANGES IN NANHAI COUNTY

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[Text] Nanhai County is located in the northern part of the Zhujiang delta,
near Guangzhou municipality. It has a population of 800,000 people. A land
of fish and rice, it has 800,000 mu of farmland, including mulberry tree
plantations and fish ponds. Since liberation and particularly since
cooperativization, people in Nanhai County have successfully built a material
and spiritual civilization by means of the strength of their collective
economy. Vast changes have taken place in industrial and agricultural pro-
duction, in the people's standard of living, and in their spiritual appearance
and social habits.

I

The vast changes in Nanhai County are, above all, manifested in the rapid
development of industrial and agricultural production. In 1980, the gross
value of the county's industrial output amounted to over 473 million yuan,
an increase of 11 times over that of 1949; the gross value of its agricul-
tural output amounted to over 415 million yuan, an increase of 36 times over
that of 1949; grain production increased from 250 million jin in 1949 to
780 million jin and the per mu yield increased from 492 jin to 1,500 jin,
an increase of over 25 times; and production of peanuts, sugarcane, silk-
worms, pigs and pond fish increased respectively by 8 times, 5.9 times,
13.6 times and 3.9 times. On average, the per capita industrial and agri-
cultural output value was 1,105 yuan (not including the household sideline
income of the commune members), or \$624.

What is the principal reason for the rapid increase in the industrial and
agricultural production of Nanhai County?

First, the county has relied on collective strength to continuously change production conditions, to develop large-scale capital construction in farmland water conservancy, to build up large tractors of high-yield farmland which is resistant to drought and waterlogging, and to carry out basic farm mechanization to ensure a continuous high and stable yield in agricultural production.

Before liberation, water conservancy conditions in this region were in a very bad shape. Whenever a flood occurred, the river embankments would collapse and large tracts of good farmland would be inundated. In the two relatively large floods in 1947 and 1949, river embankments collapsed in a score of places and in these years respectively, 250,000 mu and 60,000 mu of ricefields were inundated. The disaster-stricken peasants had nothing to eat but chaff and wild herbs. Some of them had to leave the county to escape the famine while countless numbers died of hunger.

After liberation, the party led the peasants to take the road of cooperativization and to carry out, in a planned manner and step by step, water conservancy construction work in the farmland. First, beginning in the 1950's, a large number of river embankments were built. In all, 35 river embankments with a total length of over 400 kms were completed. This protected the largest part of the farmland from flood. In 1968, the biggest flood in history occurred in the region, but not a single river embankment collapsed. After the 1960's, an electrically powered irrigation system covering the entire county was gradually completed. Nowadays, rains as heavy as 200 mm in a single day can be drained off within 3 days. In the 1970's, work was mainly concentrated on levelling land so that garden-style cultivation of the great proportion of land in the whole county could be achieved. At the same time, much progress has been made in farm mechanization. At present, the county owns nearly 4,000 tractors of various kinds and over 1,000 electric motors, in addition to a large assortment of processing machines for agricultural products and mechanical conveyances for water and land transport; 75 percent of the farmland has now been put under mechanized farming. Mechanization of the processing of farm products and of farm transport has basically been realized, as has the electrification of irrigation. The level of scientific farming has also been noticeably improved and, as a result, the labor productivity rate in agriculture has been greatly enhanced.

Obviously, if they did not rely on the powerful strength of the collective economy but relied solely on the small economy of the individual farm households, it would have been impossible within a short period of time to complete such a huge scheme of farmland water conservancy and the initial stage of agricultural mechanization.

Second, the county has brought into full play the superiority of the systems of unified management and rational division of labor under the collective economy, "firmly grasping the main structure (grain) and developing the two wings (industrial sideline occupations and the planting of rearing trades)," and continuously developing the scope and depth of production.

Nanhai County has a plentiful supply of labor power. Because of its proximity to large cities and towns, it possesses advantageous conditions for the development of industrial sideline production and the commodity economy. But it was only after the populace had been organized that this superiority was brought into full play. Following the cooperativization of agriculture, and particularly since the 3d Plenary Session of the 11th CCP Central Committee, people in the county have emancipated their minds, rationally readjusted the structure of their agricultural economy, and gradually implemented the guideline of "grasping the main structure, developing the two wings, and bringing into play the combined operations of agriculture, industry and commerce." That is to say, under the logical premise of ensuring a gradual increase in grain production, freely developing industrial sideline production and multiple operation forms. In addition to the large-scale production of agricultural sideline products, industries such as those producing chemical fertilizer, hardware, electronics articles, household electrical machines, textiles, garments, plastics, printed matter, leather goods, metallic products, machines and construction materials all started from scratch and were swiftly developed. Some of these industrial products have been marketed in other parts of the country and abroad. As a result, the whole rural economy has steadily been enlivened. The income of the communes and production brigades from the collective economy has swiftly increased while their income from industrial sideline occupations and from the planting and rearing trades, and the proportion these occupy in the collective economy gross income, have also greatly increased. In the year before last, the composition of the collective income of the county as a whole was as follows: grain, 27.9 percent; industrial sideline occupations, 39.1 percent; and the planting and rearing trades, 33 percent.

As a result of specialization and division of labor in industries run by the communes and production brigades and the growth of cultural and educational enterprises in the rural areas, a large number of peasants have become workers or personnel with specialized training. At the same time, the small cities and towns where the people's communes are located have become the political, economic and cultural centers of the rural areas. The disparity between worker and peasant and between city and countryside has gradually shrunk. Thus, the development of such social maladies as overpopulation, unemployment and a high crime rate caused by the influx of a large number of poor or bankrupt peasants into the large cities and towns, frequently seen in capitalist countries in the course of their industrialization, has been avoided. This is of deep and penetrating significance.

II

Following the rapid growth of the collective economy, the peasants have quickly become affluent. In 1980, the average per capita income of the rural commune members in Nanhai County was 341 yuan, the highest in Guangdong Province and equivalent to 4 times the national average. At present, in the countryside of Nanhai County there are three signs of plenty: plenty of savings deposits, plenty of new houses, and plenty of purchases of high-grade commodities. In the year before last, the gross amount of bank deposits of commune members

in the whole county was 83.3 million yuan, averaging 128 yuan per peasant. The majority of new houses built in the countryside of Nanhai County consists of two-storied brick and tiled buildings with attached veranda. Many families of commune members have electric fans, radios, dining sets and sofas. Some have television sets, radio-recorders, steel and wooden furniture, and electric rice cookers. When talking about their present living standard, the affluent peasants are all smiles. They say that if the present policies of the party are continued for another 3 to 5 years, their standard of living will be even better.

These facts are incredible unless they are seen or heard personally. Before liberation, because of the heavy taxation levied by the reactionary government and the many natural disasters, the broad masses of peasants in Nanhai County lived under the tragic circumstances of not having enough to eat and hardly any clothing to wear. For example, what is now the Nansha production brigade of Xiaodong people's commune was so poverty-stricken that there was a common saying that "no girls want to marry into a Nansha family." But now, Nansha is greatly changed in appearance. In the year before last, the gross rice output of the whole brigade amounted to 2.25 million jin, averaging over 1 ton of grain per mu. Collective income amounted to over 5 million yuan, averaging 996 yuan per commune member. Twenty households had an income of over 10,000 yuan each. The collective accumulated funds of the brigade amounted to over 3.7 million yuan. Over recent years, this production brigade, which has some 500 households and a population of over 2,100, has built 535 new residences and bought over 1,000 wristwatches, 482 bicycles, 375 electric fans and over 70 television sets. Its members have deposits of 1.42 million yuan in the savings society. The former tragic era of "not marrying a daughter into a Nansha family" has gone and will never return.

Under the spiritual guidance of the 3d Plenary Session of the 11th CCP Central Committee, the Nanhai County party committee and the Nanhai County people's government, on the one hand, actively encouraged communes and brigades favored with better conditions to become affluent first, and, on the other hand, vigorously supported communes, brigades and teams in difficulties to quickly extricate themselves from their impoverished condition and proceed toward affluence. Over each of the last few years, the county has granted loans to impoverished teams or made investments amounting to 6 to 7 million yuan. The relevant departments accorded to these teams "seven priorities." These relate to: the supply of the means of production; arrangements for bank loans; providing facilities for mechanized farming; repairs of damaged farm machines; purchase of agricultural sideline products; absorption or employment of personnel in industrial sideline occupations; and supply of transport facilities. These measures were of immense help to the impoverished units. As of the end of the year before last, in the whole county there remained only four production brigades which had average per capita incomes of less than 150 yuan. These constituted only 1.6 percent of the total number of production brigades in the county.

III

Concurrently with the swift growth of the socialist collective economy and the noticeable improvement in the standard of living of the people, the spiritual state of the populace has also changed considerably. Proceeding arm in arm on the road to affluence, the people have gradually evolved common ideals and new moral concepts. A new type of relationship between human beings has taken shape. Following the call by the party Central Committee to help the peasants become rich as soon as possible, cadres at various levels shared the same thoughts and the same feelings of urgency as the peasants. They devised various ways and means to help the production teams enhance production. For this they were greatly welcomed by the commune members. As a result, the relations between the cadres and the masses became increasingly friendly. Between the commune members themselves, the spirit of unity, comradeship and mutual help was also greatly enhanced. Based on the continuous development of the collective economy, collective welfare work progressed steadily. Cooperative medical care was introduced into all communes and production brigades in the county. Many of the comparatively affluent communes and production brigades instituted a retirement scheme for aged commune members. Under the system, the pensions of retired members are equivalent to 50 to 70 percent of their average work points over the 3 years immediately prior to retirement. In the year before last, 83 retired members of the Nansha production brigade received, on average, a pension of 504 yuan per person. The maximum amount received was 859 yuan. In addition, there are no charges for infants attending nurseries, for children going to school (up to senior middle school) or for commune members seeking medical care. At the same time, firewood, tap water and movie shows are provided free of charge. Funerals for deceased commune members are subsidized. All these things can be summarized as follows: nurseries for the infants, schools for the young, medical care for the sick, provision for the aged, and funeral services for the dead.

The socialist economy has brought enormous material benefits to the peasants of Nanhai County. In turn, the peasants have closely tied their destiny to the socialist enterprises and to collective production. They have only one objective, namely, how to make the collective economy grow and prosper so that all can become affluent in the shortest time possible. When the collective meets with difficulties, everybody will try by all ways and means to resolve the difficulties. For example, when a commune or production brigade plans to start industrial sideline production but is short of funds, the commune members enthusiastically raise the necessary funds. Some offer money from their own reserves that were put aside for marriage or house building, while others loan their surplus grain to the production team at a discount. The richer they become, the more concerned they are with the state and the greater are their contributions to the state. In 1980, the county supplied over 378 million jin of grain to the state. Of this amount, some 100 million jin was surplus grain which the peasants voluntarily sold to the state. An increasing amount of other agricultural sideline products has also been sold to the state.

The development of material culture has changed certain old habits in the countryside. The commune members have begun to care about hygiene, to have a liking for science, and to be concerned with domestic as well as foreign affairs. Many peasant families currently subscribe to one or two newspapers, while the communes, one after another, are setting up cultural centers. Various kinds of sparetime technical schools have sprung up like bamboo shoots after a spring rain. This is a new picture of the Nanhai countryside not seen over the last several thousands of years.

IV

Since the 3d Plenary Session of the 11th CCP Central Committee, Nanhai County has thoroughly implemented the guidelines and policies of the party Central Committee. In particular, it has grasped the following:

First, it has respected the decision-making or autonomous power of the production teams and has brought into play, and relied on, the commune members' spirit of being masters of their own future.

In the past, anything concerning the fields of production teams, such as what crops to plant, what crops not to plant, when to plant, and when to harvest, was determined from above and the decision was a vertical one. In this way, to be realistic and practical was well-nigh impossible and the masses were unable to display their spirit of being masters. After the third plenary session, the Nanhai County party committee, following the principle of being practical and realistic, improved their methods of leadership, respected the autonomous power of the production teams and allowed the peasants the power to determine their own production affairs. First, in regard to politics, they respected the wishes of the commune members, and instituted a democratic system of electing the various levels of leadership. Moreover, they made a bold decision--that of allowing the masses to choose "leaders" from among the county's organs at various levels. The masses were at liberty to recommend, from among the county's organs at various levels and from other units, capable persons suitable for leadership work on the production front and the county committee would then make the necessary follow-up arrangements. Acting on the recommendations of the masses, over the past 2 years, the county party committee has transferred 14 cadres from the various sections and bureaus of the county administration to fill gaps in leadership work at the basic level. In this way, a close relationship with the commune masses has been engendered, the cadres and masses are of one heart and purpose, and good results have been achieved in various kinds of production work.

Second, on the production front, all commune members gained decision-making power on matters ranging from simple production arrangements to scientific farming. In this, the Julong production team of Pingzhou people's commune offers an especially good example. This team is located near Guangzhou and used to be well-known for flower planting and the raising of ornamental fish. However, in the past, the hands of its members were firmly tied by "leftist"

restrictions. They were not allowed to plant flowers or to raise fish. Each member was allowed, on average, a plot of land only 0.8 mu in size to grow grain. However, after the third plenary session, they were allowed to make the necessary production arrangements according to their own actual conditions, such as planting flowers, raising fish, producing bricks and tiles, or making rattanware. Thus, by opening wide the production avenues and engaging in multiple forms of operations, they became affluent in only 2 years. What has drawn public commendation is that their flower nursery, which occupies only 3 mu of land, was converted from a tract of wasteland into a "treasure bowl" in less than 2 years. It earns an income as high as 60,000 yuan a year. This shows us that only by earnestly respecting the autonomous rights of the production team can the wisdom and creativeness of the commune members be brought into full play. In regard to such problems as how to make good use of a piece of land, say, only one-tenth of a mu in size, or how to make good use of a pond, or how to bring into full play the various superior conditions or the special talents of an individual, they are perfectly capable of giving the matter careful thought and making the necessary and satisfactory arrangements. In this way production will certainly succeed.

Second, the county has adopted the production responsibility system in its various forms and has fully carried out the principle of distribution according to work.

In the past, under the influence of "leftist" thought, this socialist basic principle of distribution according to work was unreasonably criticized as being capitalist. For years, the practice of making only a rough calculation of work points and "eating out of one big pot" had seriously dampened the enthusiasm of the broad masses of commune members. Since the third plenary session, comrades in Nanhai County have overcome egalitarianism and carried out the principle of distribution according to work, grasping these steps as pivotal points in emancipating and developing the productive forces. Based on the actual condition of the solid strength of the collective economy in this county, the rapid growth rate in production and the high level of distribution as well as the wishes of the broad masses of commune members, these comrades have comprehensively implemented the system of assigning responsibility to specialists and linking remuneration to output for production personnel. They have also implemented the system of assigning responsibility for task completion in financial affairs to financial and accounting personnel and the responsibility system of cadres and administrative personnel taking personal responsibility for tasks. Since these various forms of the responsibility system are directly linked to the material interests of the individual, they have outstandingly activated the production enthusiasm of the cadres and the masses. The Xincun East brigade of Pingzhou people's commune had long been known for its poor performance in production. In the year before last, it adopted the system of assigning responsibility for production and linking remuneration to output and forthwith its appearance was changed. Its average grain yield per mu rose from 1,240 jin in 1979 to 1,670 jin, and the average per capita income of its members increased from 144 yuan to 310 yuan, an increase of more than 100 percent.

Third, the county has promoted industrial sideline production among its communes and brigades and brought into full play its own superior conditions in this respect. Nanhai County borders Guangzhou and Foshan. It is an extremely advantageous position to develop the commodity economy. Unfortunately, in the past, under the influence of "leftist" thought, its superiority in this regard was labelled as a "breeding soil for capitalism" and it was subjected to various criticisms and slanderous slogans such as the criticism of the so-called "three heavy's and three light's," and to calls urging that the "tail of private ownership" be cut off, that the "underground factories" be uprooted, that the "upstarts" be struggled against, and so on. During the 10 years of domestic turmoil, it actually happened that in a locality such as Nanhai, which is gifted with good natural conditions, some production teams could earn only several fen a day. This is hardly imaginable. It made people ask in disgust: "Could this be socialism?"

Fortunately, the mist of dismay in the people's hearts was wiped away by the third plenary session of the party. Since then, the people have begun to realize that the universal poverty was not caused by real socialism but rather by the fake socialism of the "gang of four." In order to quickly enrich the peasants, the county party committee advocated the slogan "three-horse carts can pull a load faster than two-horse carts." It rectified the former rule permitting only the commune and the production brigade, but not the production team, to engage in industrial production. It encouraged production teams to go all out in industrial sideline production. Thus, they were able to realize the concept of "making the best and fullest use of the advantageous conditions of a locality, the value of materials and the talents of the individual." In 1980, the gross income derived from industrial sideline occupations by production teams in the whole county amounted to nearly 100 million yuan, an increase of two times over that of the preceding year. This alone increased the average income per person by 120 yuan. Concurrently with extensively taking industrial sideline production, the teams, acting in the Chinese proverbial manner of the "eight immortals crossing the sea, each one showing his special prowess," developed various pursuits such as planting fruit trees, melons, vegetables and flowers; lumbering; raising birds, insects, fish and so on--all of which have become broad avenues for the advance to wealth and success.

Never before have the people of Nanhai been so full of confidence in socialism as they are today. They are determined, under the party's leadership, to struggle for the realization of the target set by the Nanhai County party congress, of building a "socialist new Nanhai which is industrialized, abounds with gardens and forests, is economically and collectively developed, and which has a beautiful environment and people enjoying a rich and prosperous life."

CARRY FORWARD THE SPIRIT OF REVOLUTIONARY HEROISM

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 42-44

[Article in "Learning From the Chinese Women's Volleyball Team" column by Liu Junqi [0491 0193 2978]]

[Text] The championship won by the Chinese women's volleyball team in the third world volleyball cup finals has inspired the revolutionary enthusiasm of the broad masses of cadres and people. We must learn from the revolutionary heroism of the members of the Chinese women's volleyball team, which is characterized by hard training, heroic stubbornness, hard struggle and daring to win victory.

In order to learn from the spirit of the team and carry forward revolutionary heroism, it is imperative for us to follow the example of the team in cherishing great ideals and aspirations. Great achievement stems from great ideals. We will be able to maintain our steadfastness, to have a definite orientation, to arouse our spirit, to be stubborn and to persist in our fight only when we have a firm proletarian world outlook. In their revolutionary struggles, the proletariat has always combined work with great ideals and carried out all work vigorously. Such is the attitude of the women's volleyball team. The players of the team have always put the interests of the party and the people before everything else. They play volleyball for the revolution, and they have combined their revolutionary faith with their actions and spared no efforts to play every match well. They say: "The 1 billion people are concerned about us, and the prestige of the motherland comes above all other considerations." Their goal is to "wave the flag, receive medals and win championships." They never think of personal gain or loss. They are determined to change the backward situation in the three types of ball sports in our country and "view each match as a step toward remedying this situation." With this goal in mind, they have experienced countless difficulties, played a match even when they were sick, and put off love and marriage. They take as their motto the words spoken by the country's veteran sportsman Jong Guotuan: "We have a limited chance to fight in our life." With this motto, they trained stubbornly and eagerly to improve their individual skills and their team coordination. Owing to their efforts, they won the world championship and defeated many strong rivals because of their unique style and skills. The ideal for which they had been

fighting was realized. Such a spirit of great ideals and aspirations and hard work is valuable, and we need it in carrying out revolution and the construction and modernization program. This spirit is an indispensable and great motive force for social progress, development of the state and the boosting of the morale of the nation. The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC," pointed out: "In the new historical period, all members of the party and the people of various nationalities across the country must continue to maintain lofty revolutionary ideals and revolutionary vigor and carry out the great socialist revolution and socialist construction to the end." The socialist modernization program now being carried out in our country is on a grand scale and is a hard task. It can in no way be carried out smoothly; on the contrary, our road of progress will no doubt be full of contradictions, difficulties and setbacks. Consequently, it is imperative for us, under the party's leadership, to cherish great ideals and aspirations, display our initiative in directing history, solve contradictions, overcome difficulties, and do a good job in building material and spiritual civilization. The comrades of the women's volleyball team have set a brilliant example for us, and we must learn to emulate them in our actions. The cause of our country will be very hopeful if we all act like the members of the women's volleyball team.

In learning from the spirit of the women's volleyball team and in carrying forward revolutionary heroism, we must follow the attitude of the players, which is characterized by hard work, dauntlessness, and stubbornness in overcoming difficulties and in winning victory. The attitude to be taken by revolutionaries toward difficulties and obstacles on the road of advance is an important question. According to the teachings of Comrade Mao Zedong, we must despite difficulties strategically and pay attention to them tactically, and surmount difficulties with doggedness. This is what the comrades on the team have done. In the past China was quite backward in three types of ball sports and it required strenuous effort to reach world standards. Displaying the revolutionary spirit of fearing neither "hardship nor death," the members of the women's volleyball team decided to catch up, whatever the cost, and for this purpose they were ready to sacrifice everything to obtain their goal. Over the past few years, they have proceeded from actual matches and carried out strenuous and scientific training characterized by difficult maneuvers and strict requirements. They would not take their meals or rest until they completed their training. Ignoring fatigue, they would not leave the battlefield even when they were injured. They played each game with the spirit of "winning the game at the cost of their lives." They understood that in order to reach the world standard they had to train hard, that when hardship ends joy will come and that the "blossoms of victory would burst forth in the form of sweat." With a stubborn will and determination, they have surmounted various difficulties and obstacles, climbed tortuous paths, and advanced with every gust of wind and with every wave. It would have been impossible for them to have defeated so many strong rivals and win the great victory in the world volleyball arena without carrying out regular and hard training and mastering the necessary skills. This fact proves that as long as we are able to pay

attention to difficulties and spare no efforts to overcome them, we will be able to create miracles. In fact, the history of the Chinese revolution is one of strenuous struggle by the Chinese people. Recalling the past, we still remember that the old China was characterized by a backward economy, backward culture and backward physical culture, and China was ridiculed as the "sickman of east Asia." Under the leadership of the party and through protracted revolutionary struggles, the Chinese people ultimately overthrew the three big mountains of imperialism, feudalism and bureaucratic capitalism and established the People's Republic of China. Following the tremendous victories in socialist revolution and construction, our various causes, including physical culture, have made great progress. The Chinese people quickly removed the label of the "sickman of east Asia" and stood anew among the nations in the world. It can be said that backwardness in itself is not dreadful, but what is dreadful is the spirit of accomplishing nothing and of being content with backward situations. Lu Xun said: "When I am watching sports I often think that the winners are respectable; the runners who lag behind and persist in running to the finish line and those who watch them with respect and without laughing are the pillars of China's future." The women of the team and the hundreds of thousands of people who are working hard on various fronts are the ones praised by Lu Xun as having the spirit of being confident in the face of backwardness, undaunted in the face of difficulties, able to constantly find strength within themselves and to work with perseverance. These people are the real pillars for building the morale of the Chinese people and the motherland.

In learning from the spirit of the team and carrying forward revolutionary heroism, it is imperative to follow the examples of the team's members in combining the lofty aspiration to climb to the top with the spirit of being down-to-earth, and hard working so as to become actual doers and promoters. The proletariat and the working people are direct producers and creators of the goods and wealth in the world; they are modest doers. They understand that in revolutionary struggles and daily life they have to personally take part in practice so as to attain their anticipated goals. The team has also set an example in this aspect. The members of the team considered neither fame nor gain and dedicated their lives to physical culture with a strong sense of responsibility for their work. The team has changed from being weak to being strong, from being backward to being advanced and from being unknown to being famous at home and abroad, and this was made possible through hard training and work on the part of the players. There have been changes in the team's membership since it was formed, but all along it has carried out hard training with strict demands and worked painstakingly. Therefore, the team members are the actual doers that merit respect. They considered it meaningful that they are able to have exciting lives during their youth. They say: "When we all become old and recall our life today, we will certainly feel proud. This is because our lives have been meaningful and our youth had been dedicated to the motherland." What vivid and moving words! These words fully reflect the beautiful souls and deeds of the players. Those who speak empty words and are reluctant to do their work in a down-to-earth way should be enlightened upon heaving these words. It

will not do to simply lie, brag or speak empty words. We can only do our work in a down-to-earth way. Lenin said: "Talk less beautiful words and do more daily ordinary work." Comrade Zhou Enlai said in his poem "Part and Never To Meet Again": "When we sit and talk, how can we stand and walk?" All these are useful sayings. Great ideals can be realized only through actual deeds, and difficulties and obstacles can be resolved only through actual deeds, and the edifice of socialism can also be completed only through actual deeds. We must follow the example of the comrades of the women's volleyball team, do our work strenuously and promote the development of our cause.

There are no difficulties in the world we cannot overcome as long as we dare to climb. Our country is now experiencing a new historical period; therefore, it is imperative for us, under the leadership of the party and led by hundreds of thousands of heroes, to form a vigorous revolutionary army to overcome various difficulties and obstacles on our road to advance and to realize the great goal of the modernization program. The victory won by the team has inspired the Chinese people and strengthened their national confidence. What the team could do, all other trades can also do. The whole of China can be changed from being backward to being advanced and can become one of the world's strong countries. Since the players were able to fully display their skills in international competition and win merit for the motherland, likewise, millions of Chinese people who also cherish ideals can also achieve great changes for the country. We must inspire revolutionary spirit, display revolutionary vigor, lose no time to catch up, march forward courageously, and make contributions to realizing the modernization program and to building our country into a powerful socialist country with a high level of democracy and civilization so as to live up to the expectations of our forefathers and the succeeding generations.

LEARN FROM THE COLLECTIVE SPIRIT OF THE WOMEN'S VOLLEYBALL TEAM

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 44-45

[Article in the "Learning From the Chinese Women's Volleyball Team" column by Sun Shijie [1327 1102 2638]]

[Text] The history of the struggle of the Chinese women's volleyball team, characterized by hard training and close cooperation, is a song of collective spirit.

It has been a long dream of all members of the team to win the world championship and win merit for their socialist motherland. To realize such a goal naturally required each member of the team to have high skills, but what is more important is that the team had to be turned into a strong collective with close coordination and unity in their fight. The comrades of the team deeply realized through practice that volleyball is a sports event characterized by collectivity and that individual skills can be improved only through the collective, and they can display their roles only through collective efforts in matches. They also realized that if they lack the collective spirit and discipline related to such a spirit, they would not be able to defeat so many strong rivals in sharp competition even if they had mastered the skills. Consequently, in their "march toward the world" they had the national condition at heart, put the interest of the collective in first place, and closely united and supported each other for the common goal and eventually formed a very good interrelationship. Such a collective spirit has become the standard for their life and morale and the source of their wisdom and strength. In particular, when they are in very adverse conditions, they will be able to draw on incomparable courage and confidence from their collective spirit and to fight dauntlessly for the victory of the collective cause.

Of course, it is not easy to handle well the relationship between individuals and the collective and to nurture a highly collective spirit. It requires a protracted and stubborn education and tempering.

The members of the team are ordinary people in their life; they have no so-called inborn miraculous power. They have sweated and shed tears during unprecedentedly hard and strenuous training, and they often experienced

temporary misunderstandings among themselves because of the mistakes made during competition. All this required a process of correctly handling the contradictions between the individual and the collective. When a member of the team, Chen Zhaodi, fell on the floor and could hardly move during hard training, she quietly scolded instructor Yuan as "cold-blooded," and Sun Jinfang made a face during a fierce match because another player, Lang Ping, did not take her hint. All this serves as a vivid example of the contradictions. Such contradictions are real and convincing, but they are not in the interests of cooperation during a match. Thus, as contradictions constantly cropped up and were constantly resolved, the misunderstandings among the players vanished and they became more and more amicable both in their thinking and feelings, and eventually they cherished the collective spirit profoundly. Within the ranks of members of the team, the coaches are closely united and cooperate with the players, and this is also the situation with regard to players on the field and reserve players and with regard to second passers and main attackers. The reason for this situation is that they are all linked by collective thinking. If we broaden the field of our vision and think of the nameless heroes who are responsible for accompanying them during training and doing logistics work, of the veteran players who have been tirelessly working for the "emancipation of big balls," and of the concern and encouragement of the hundreds of millions of Chinese people, compatriots in Hong Kong and Macao, overseas Chinese and international friends, we will further understand that "the championship that we have been struggling for has at last been won by the players" and consequently we can see the brilliance of the proletarian collective spirit.

A number of bourgeois scholars have put forward the view that "proletarian collectivism means the elimination of personality." Is this true? The practice of the women's volleyball team has powerfully refuted this view.

The team's coach, Comrade Yuan Weimin, said: "The 12 members of the team will be able to play with flying colors only when they have their own personalities. If their personalities are at ground-level, the team will be hopeless." What a good expression! We can say that Yuan Weimin is not only a volleyball coach with specialized skills, but also an ideological worker who understands Marxist dialectics. Thus, under his guidance and that of deputy coach Deng Ruozeng, each member of the team has her own skills and character. For example, Sun Jinfang is agile, Lang Ping is straightforward, Zhang Rongfang is calm, Chen Zhaodi is pungent, Cao Huiying is quiet, Chen Yajing is stubborn, Zhang Jieyun is ingenious, Zhou Xiaolan is decisive, Liang Yan is shy, Zhu Ling is lively, Zhou Luming is clever, and Yang Xi is natural and unrestrained. In short, each has her own character. They are not made out of one mold. Therefore, we can clearly see that, instead of eliminating personality, the collective provides full conditions for developing personality. Marx and Engels said: "It is only in the collective that individuals will be able to acquire the means for making all all-round development; that is to say, they will have individual freedom only in the collective." ("Selected Works of Marx and Engels," vol 1, p 82).

Stalin once compared the Marxist view on the correct relationship between the individual and the collective with the anarchic view, and he made a comprehensive theoretical generalization when he said: "Anarchism, which is based on individuals, holds liberating individuals as an important condition for liberating the masses and the collective. According to the anarchic viewpoint, there will be no mass liberation until individuals are liberated and consequently its slogan is 'all for the individual.' On the other hand, Marxism is based on the masses and it holds that mass liberation is the main condition for the liberation of individuals. That is to say, according to the Marxist viewpoint, there will be no individual liberation until the masses are liberated. Therefore, the Marxist slogan is 'all for the masses'." ("Collected Works of Stalin," vol 1, p 273).

The collective cause that is characterized by joint struggle improves and develops individual talent, while a full display of individual talent guarantees the victory of the collective cause. Such is the correct relationship between the individual and the collective, which has been vividly reflected by the women's volleyball team. It is because the team realized the dialectical unity between general character and individual character that it has become a harmonious, lively, strong team and has come first in the international volleyball arena. And when the members of the team mounted the rostrum as world champions amid a solemn atmosphere and when the five-starred Red Flag was being hoisted, they did not rejoice with the mean and selfish joy of individualism but with the feelings of collective proudness for the great motherland and the whole nation. In such an exciting atmosphere, the heroines of the team profoundly felt that they "were the happiest people in the world" and such feelings represent the most ardent praise for proletarian collectivism.

The proletarian collective spirit shows the nature of communist morality, and it is the core of socialist spiritual civilization. To correctly combine the interests of the collective, the state and the individual should be the socialist economic principle and the principle for socialist morality. To see things from such a high point, we can understand that the lofty collective spirit displayed by the women's volleyball team, just like its patriotism and revolutionary heroism, constitutes a spiritual wealth which is highly significant for the cadres and the masses on various fronts and a vivid manifestation of the spirit of the socialist era. Our work will be done better and better and our country will become strong as long as we are able to conscientiously learn from and display such a spirit and use it in the practice of the socialist modernization program.

THE IMPACT OF THE ENERGY QUESTION ON THE ECONOMIES OF THE DEVELOPED CAPITALIST COUNTRIES

Beijing RED FLAG in Chinese No 2, 16 Jan 82 pp 46-48

[Article in "Forum on Economic Problems of Imperialism" column by Qian Jinxi [6929 0093 2497]]

[Text] Crude oil is a type of energy which has good flammable qualities and a high calorific value, and can be stored and transported readily. It occupies a proportion of 56 percent of the world's structure of primary sources of consumable energy. Together with natural gas, its natural partner and close associate in both storage and collection, the combined proportion is over 70 percent. Hence, the current talk about the energy problem of the world economy is essentially talk about crude oil.

Since crude oil is an indispensable source of energy for the nations of the world, particularly for the developed capitalist countries, it occupies an important position in world trade. At present, trade in crude oil accounts for 22 percent of the gross volume of world trade. It makes up 51 percent of the gross tonnage of the world's export commodities, and the oil tanker fleet accounts for 44 percent of the gross world tonnage of oceangoing vessels. Hence, whenever internationally there is a crisis in crude oil supply or a sudden rise in the price of oil, the economies of the developed capitalist countries are tremendously affected.

The world's concern with the crude oil problem began in the 1970's. Prior to that time, although the oil-producing countries in Asia, Africa and Latin America had already started a series of struggles for the protection of their own oil interests and had at various times achieved successes in such matters as the crude oil tax rate, marked prices, share participation rights, nationalization, and so on, yet for a time the power of fixing oil prices remained in the hands of the world's transnational oil corporations. All the Western countries did their best to keep the oil price low so that they could reap exorbitant profits. In the 1950's and 1960's, the economy of the imperialist world rose rapidly. One of the basic reasons for this success was the plunder from the developing countries of large quantities of crude oil, a cheap and good-quality source of energy.

As a result of this plunder from abroad, the capitalist countries found themselves becoming increasingly dependent on imported oil. After the Middle East hostilities in October 1973, the Arab oil-producing countries enforced an embargo on oil exports to the United States, West Europe and Japan. This caused a serious oil crisis in these countries. The consequences were that many plants had to shut down, transport capacity was drastically curbed, goods piled up in wharves and storage areas, and there were long lines in gasoline filling stations. The oil embargo was subsequently lifted, but the Organization of Petroleum Exporting Countries [OPEC] soon announced their decision to take back the power of fixing oil prices. Beginning from 1 January 1974, the basic oil price was raised from \$3.011 to \$10.651 per barrel. At the same time, the petroleum monopoly corporations of the West took the opportunity to raise the spot price of oil on the market in order to reap exorbitant profits for themselves. This was the first steep rise in oil prices after the war. Naturally, it was a serious blow to Western countries, which heavily depended on crude oil for domestic consumption and had to depend heavily on imported oil. Without doubt, it played an important role in causing and aggravating the serious 1974-1975 postwar economic crisis in the Western world.

Since 1979, the crude oil market in the West has been full of vacillations and changes. Oil supply on the market was tight at times, but it eased slightly at other times. For example, in the early autumn of 1980, the stockpile of crude oil in the West had reached a saturation point and on the international market there had been a surplus of crude oil averaging 2.5 million barrels a day. Soon afterward, in September, hostilities erupted between Iran and Iraq. Badly battered by the war, both nations suspended their oil exports, and on the international market oil supply was reduced by about 3.5 million barrels a day. Meanwhile, the price of oil was rising steeply. By 1 January 1981, OPEC announced that Saudi Arabia's basic oil price would be \$32 per barrel while the highest oil price from other sources ranged from \$36 to \$41 per barrel. This represented an increase of 3 to 3.5 times compared with the oil price in 1978. Beginning from the first quarter of 1981, owing to the steady decline in the Western economy and the enforcement of various oil economy measures, oil consumption declined. On the world oil market, there was a surplus of an average of 2 million barrels a day. The price of oil stabilized and actually dropped slightly. In October 1981, OPEC agreed on a new unified oil price: the standard oil price was fixed at \$34 per barrel. At present, in the capitalist world the supply and demand of energy is generally in a balanced state. The oil price can be expected to remain stable for a period of time. In this way, the second steep rise in oil price, which had lasted for 2 years, came to a close.

Nevertheless, factors can still be found working for another steep rise in the oil price. They are: 1) In accordance with the law of the cyclical movement of the capitalist energy economy, a stability in oil price can very well promote an economic recovery, which in turn will result in a rise in oil consumption and in another shortage in oil supply. 2) More recently,

in an effort to curtail the purchase of oil at a high price, the capitalist countries have dipped heavily into their oil reserves and as a consequence their oil stockpile has been gradually diminishing. When replenishment is due in the future, the market will be affected. 3) The war between Iran and Iraq is still continuing. Even when the war ends it will still not be easy for these countries to quickly restore their full oil production and export capacity. 4) The geographical distribution of oil deposits and production in the world is still very unbalanced. Contradictions between the petroleum-exporting countries and the major petroleum-consuming countries might yet be intensified. Thus, another steep rise in the oil price can hardly be avoided.

II

The large-scale rise in the price of crude oil in 1973 was a serious blow to the economies of the Western countries, which were then in a state of "stagflation." Its impact was rather broad. The outstanding features were as follows:

1. It reduced the speed of the growth of the economies of the Western countries. A lack of energy supply frequently impeded the development of the national economy. It was estimated that the impact of every 10 percent rise in the oil price caused a drop of 0.35 percent in the value of the gross national product of the Western countries.
2. It increased the international payments deficits of the Western countries and reversed, in part, the direction of their capital exportation. In 1978, before the second upheaval in the oil price, the developed capitalist countries had a surplus of \$31 billion in their ordinary revenues and expenditures. In the course of the price rise, the surplus became a deficit. In 1979, the deficit was \$35 billion and in 1980 it increased to \$73 billion. From 1974 to 1978, as a result of the price rise, OPEC obtained a large amount of petrodollars, amounting to \$660 billion in all. Of this, 75 percent was subsequently spend on importing commodities and labor services from the Western countries and on purchases of real estate there, or were deposited in Western banks or invested in Western enterprises. In 1979 and 1980, OPEC reaped a surplus of \$184 billion from their ordinary revenues and expenditures. Of this surplus, a sizable amount flowed back to the Western countries. In this way, on the international capital market, aside from the developed capitalist countries exporting capital to the developing countries, a new feature developed, namely, the developing countries also transferred their capital funds to the developed countries.
3. It aggravated the currency inflation in the Western countries. During the period of the large-scale rise in the oil price, a high tide of currency inflation occurred in the Western countries. In the nine-nation West European community, the rate of currency inflation was 6.8 percent in 1979. It went up to 8.9 percent in 1979 and climbed to over 12 percent in 1980. In 1980, the growth rate of currency supply in the United States surpassed the original target of 6.5 percent and went up to over 8 percent.

In short, the steep rise in oil price aggravated the "stagflation" of the Western economies and weakened the economic potential of the Western countries.

III

The tremendous impact of the rise in oil price on the Western economies forced the various Western countries to adopt countermeasures to lessen the effect on their economies as well as to find a way out. The measures taken can be summarized as follows:

1. Formulation of a detailed energy policy and mapping out a general outline for energy supply; and establishment of an energy planning center which devotes its efforts to raising the effective utilization rate of energy and at the same time lowering the growth rate of energy consumption. For example, the policy outlines of countries like the United States, Japan, West Germany, France and Canada all had as their starting point an economic evaluation of the supply sources of the multiple forms of energy or of an individual source of energy, and proceeded with a comprehensive survey of the various phases relating to energy such as prospecting, developing, geographical distribution, price structure, allocation, comprehensive utilization, and the import and export trade. They served as the basis for the subsequent formulation of detailed guidelines, laws and regulations.
2. Development of multiple forms of energy and changing the energy consumption composition, such as raising the proportions of coal, nuclear energy, and hydroelectricity in the energy consumption makeup, and at the same time lowering the relevant proportions of crude oil and natural gas in the makeup and paying great attention to the utilization of energy that can be regenerated or reclaimed. In particular, the work on conversion of coal into a liquid or gaseous state has been given much attention by the various countries. In June 1980, the American Government sanctioned an appropriation of \$25 billion for the establishment of a special organ to study and promote synthetic fuels. Likewise, commencing in 1979, the Japanese Government strengthened research on the development of substitute forms of energy, particularly nuclear power generation. It is estimated that by the year 2000, in the primary energy consumption makeup of the Western countries, the proportions of crude oil and natural gas will decline respectively to 37 percent and 16 percent, whereas the proportions of coal, nuclear energy, hydroelectricity and solar energy, and synthetic fuels will possibly rise respectively to 24 percent, 10 percent, 9 percent and 4 percent.
3. Stepping up the prospecting and development of new oil areas. In the past, certain large oil areas in the Western countries such as those in the North Sea, Alaska and the sea areas of the United States adjacent to the Gulf of Mexico had seldom been developed owing to various deterrent factors such as poor natural conditions, or the complex nature of the oil deposits, or the extraction cost being much higher than the selling price. However, since the rise in oil prices, the production cost has become lower than the

selling price and, as a result, in the 1970's, commercial production was resumed in these areas one after another. Of them, the oil fields in the North Sea and Alaska have become the largest areas in West Europe and North America respectively. But the confirmed oil deposits of the North Sea oilfield are 3.2 billion tons and the output is about 100 million tons (1 year) while the confirmed deposits in the Alaska oilfield are 1.2 billion tons and the annual output is 70 million tons. Neither of them can offset the enormous deficit between oil production and consumption where they are located, namely, about 600 million tons in West Europe and about 400 million tons in the United States. Thus far they have been able only to resolve the problem of energy shortage in individual countries like England and Norway. For this reason, recently the United States has begun the exploration and development of the "(Nanpo) [0589 0980] oilfield" on the northern shore of the Gulf of Mexico and the adjacent exploratory fields outside the gulf. Likewise, Britain has proceeded with prospecting in the Irish Sea and the English Channel.

4. Improving the oil extraction or procurement rate. The extraction or procurement of crude oil is divided into three stages. At present, it is confined mainly to the primary and secondary stages. Western countries are now turning their attention to studying the methodology for the third stage. It is estimated that if this stage can be extensively developed, the equivalent of an increase of 20 to 30 percent in the volume of crude oil deposits will be effected.

5. Taking the road of "pluralization" in crude oil trade. For Western countries which are short of oil, ensuring the source of supply is highly important. These countries are deeply aware of the uncertainty of the political conditions in the petroleum-exporting countries and the wide divergence in their economic policies. Hence, the overcentralization in any one locality in the geographical distribution of foreign trade in crude oil is highly disadvantageous. Therefore, they strive for "pluralization" of the petroleum trade. Take the United States for example: following the large-scale rise in oil price for the second time, it has increased its oil imports from Saudi Arabia, Nigeria, Mexico, Indonesia, Britain and Norway. Formerly, Japan derived 90 percent of its oil imports from the Middle East. Now, its imports from the Middle East have dropped to 78 percent and imports from Southeast Asia have increased to 15 percent. In addition, plans are being made to expand its imports from China, Mexico, the Soviet Union and Africa. Western Europe has also increased its oil imports from Africa, the Soviet Union and Central and South America. In particular, since the sharp decline in oil exports from Iran and Iraq, the Soviet Union has become West Europe's second largest supplier of crude oil next to Saudi Arabia.

6. Establishment of energy-saving organs and strengthening of energy-saving work. For example, in 1974 France established an energy-saving bureau and in 1976 a transdepartmental energy-saving commission. Many other Western countries have set up similar organs. All the countries have adopted guidelines encouraging and promoting energy-saving measures and conversely imposing sanctions on wasteful practices in energy consumption. On the side

of encouragement, special privileges are given to industrial enterprises in the form of providing them with funds and equipment for the installation and use of energy-saving facilities or granting them loans at low interest rates for the installation of energy-saving facilities. To encourage residences and households to save energy, heat-insulating materials are supplied to them and solar collectors are installed. Economic sanctions are imposed on enterprises and individuals that violate energy-saving regulations. A surplus tax is levied on enterprises whose products are found to have exceeded the prescribed standard for energy consumption. Take, for example, fuel consumption of motor vehicles: the American government originally stipulated that 1975 ex-factory motor vehicles must attain the target of 18 miles per gallon of gasoline. In 1980, the target was raised to 20 miles per gallon, and it is planned that by 1985 the target will again be raised, to 27.5 miles per gallon. In order to attain this objective, the motor vehicle manufacturing industry is currently engaged in renovation work starting with the car engine and embracing the car body and tires.

Developed capitalist countries have adopted various measures and policies aimed at energy development and savings. They have devoted large amounts of capital and labor power to the energy departments within their countries. They have transferred to the developing countries those production departments which habitually consume large quantities of energy. In short, they have resorted to various ways and means to cut down their energy consumption and thereby reduce their overdependence on foreign countries. Needless to say, these policies and measures have had a considerable impact on the world's distribution of productive forces and on the economic structure and economic development of the developed capitalist countries. However, within a fairly lengthy period, it will still be impossible to basically change the production and consumption structure of energy in the world or to change the state in which the developed capitalist countries depend on the developing countries for oil or to replace all at once crude oil with a new kind of energy that will take over the top-ranking energy position. Hence, the economy of the capitalist countries will continue to be harassed by the energy question.

HOW DID LIU SHAOQI COMMENT ON 'THE INSIDE STORY OF THE QING COURT'

Beijing RED FLAG in Chinese No 2, 16 Jan 82 inside back cover

[Article by Wu Zhitang [0702 2535 2768]]

[Text] How did Comrade Liu Shaoqi comment on the film "The Inside Story of the Qing Court" when it was screened shortly after the founding of the People's Republic? Did he really praise it as a "patriotic" work? This has been a question of public concern for over a decade.

The origin of the question has to be traced back to the spring of 1967. On 1 April that year, Qi Benyu trotted out an article entitled "Patriotism or National Betrayal?--Commenting on the Reactionary Film 'The Inside Story of the Qing Court.'" In this article, he obstinately asserted that Comrade Liu Shaoqi once lauded "The Inside Story of the Qing Court" as a "patriotic" film. Seizing on this, he went on to sling mud at Comrade Liu Shaoqi, saying that Liu had all along practiced "national betrayal" and was "the top party person in power taking the capitalist road." He was not going to be content with anything less than Liu Shaoqi's destruction. The real facts of history show that all these allegations were charges fabricated by Lin Biao, Jiang Qing and Qi Benyu for the purpose of framing Comrade Liu Shaoqi.

In fact, shortly after the screening of the film "The Inside Story of the Qing Court," Comrade Liu Shaoqi, just like Comrade Mao Zedong, held a critical opinion of the film's ideological trend and deemed that it preached reformism. This was clearly reflected in Comrade Liu Shaoqi's speech at a study forum organized by the CPPCC National Committee for Democratic Personages.

Comrade Liu Shaoqi's speech that day focused on the study of Marxism-Leninism and the question of the interrelationship between reforming the objective world and reforming the subjective world. Discussing the film "The Inside Story of the Qing Court" in connection with the widespread movements carried out at that time commencing with the movements for land reform, to resist the United States and aid Korea and to suppress the counterrevolutionaries, he criticized this film and said it was not worth any positive appraisal because it preached reformism. He said: "The Inside Story of the Qing Court" preaches reformism. It gives people the impression that had Guang Xu been able to do this or that, we could have lived without the revolution, without

Dr Sun Yat-sen and even without what we are pursuing now. Comrade Liu Shaoqi also pointed out: Reformism has been tried out, but it did not work. There is no compromise on the question of class struggle. In a given historical period in the development of a society, it is necessary to overthrow the reactionary class in the interest of the overwhelming majority of the people. Today, if you wholeheartedly support land reform instead of opposing it, you stand for truth and progress. The same applies to the building of socialism in the future. It is evident that in these remarks, Comrade Liu Shaoqi was criticizing the ideological trend of the film "The Inside Story of the Qing Court" as reformist. He had no intention whatsoever of lauding it as patriotic.

It was precisely for this reason that when Qi Benyu's defamatory article was trotted out, Comrade Liu Shaoqi was able to justifiably knock the bottom out of this violent attack which stood truth on its head and confused enemy with friend and say: "There are many lies in this article. When did I say that this film (referring to "The Inside Story of the Qing Court") was patriotic? When did I talk about becoming a "Red comprador"? These claims do not tally with facts and are false charges." These few forceful words have hit the nail on the head and laid bare the whole essence of the question.

Lies written in ink cannot change the iron-clas facts of history. As the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" pointed out: "Irrefutable facts have proved that labeling Comrade Liu Shaoqi a "renegade, hidden traitor and scab' was nothing but a frameup by Lin Biao, Jiang Qing and their followers." Irrefutable facts have also repudiated all the slander and libel of Comrade Liu Shaoqi by Lin Biao, Jiang Qing and their followers in connection with the film "The Inside Story of the Qing Court."

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