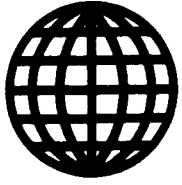


275052

JPRS-CRF-87-004
24 JULY 1987



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

JPRS Report

China

RED FLAG

No 10, 16 MAY 1987

20000124 044

DTIC QUALITY INSPECTED 2

DTIC QUALITY INSPECTED 1

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL
INFORMATION SERVICE
SPRINGFIELD, VA 22161

**Reproduced From
Best Available Copy**

DISTRIBUTION STATEMENT A
Approved for Public Release
Distribution Unlimited

10
86
A05

JPRS-CRF-87-004

24 JULY 1987

CHINA

RED FLAG

No 10, 16 MAY 1987

[Translation of the semimonthly theoretical journal HONGQI of the Central Committee of the Communist Party of China published in Beijing.]

CONTENTS

Firmly Grasp Implementation (p 3).....	1
Speech at a Discussion Meeting of Some of the Yanan-Era Veteran Literary and Art Fighters (27 January 1987) (pp 4-7) (Peng Zhen).....	3
There Will Be No Socialist Literature and Art If We Deviate From the Correct Course (pp 8-13) (Li Xifan).....	9
Think Over Whom To Serve and How To Serve (pp 13-14) (Liu Shaotang).....	18
Hug the Fertile Soil of Life, Take the Sweat of Cultivation (pp 15-17) (You Xiaogang).....	21
When I Was Floating Down the Tongtian He (pp 17-19) (Zhu Shimao).....	26
The Brilliant Deeds of Zhou Enlai in Developing External Propaganda Work During the Period of the War of Resistance Against Aggression (pp 20-24) (Gao Liang).....	30
Discussing Several Questions Concerning the Contract Management Responsibility System (pp 25-28) (Feng Baoxing).....	39

Investigation on How the Hunan Lianyuan Iron and Steel Plant Undertakes the Responsibility of Increasing Profits Handed Over to the State (pp 29-33) (Policy Study Office of the Hunan Provincial CPC Committee).....	46
Several Theoretical Questions on Building Morality (pp 34-40) (Song Huichang).....	55
Develop the Marxist Planned Economy Theory Through Practice (pp 41-45) (Gong Jinguo).....	66
Questioning the 'Marshal' Ambition (pp 45-46) (Yu Xinyan).....	73
Identifying 'Orthodoxy' (p 47) (Lu Ding).....	77
Glittering of the National Pioneering Spirit--After Watching Teleplay 'Floating Down the Chang Jiang' (p 48) (Zhu Hansheng).....	79
The Tree of Theory Is Evergreen--Recommending 'Concise Applied Philosophy' (inside back cover) (Qiu Jichen).....	81

/6091

FIRMLY GRASP IMPLEMENTATION

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 p 3

["Forum"]

[Text] How should we carry out the struggle against bourgeois liberalization in a deep-going way? The key lies in following the requirements of the central documents and putting them into effect. Since the beginning of this year, the CPC Central Committee has issued a number of important documents regarding this issue. Following the transmission of the guiding document, "Circular by the CPC Central Committee on Certain Questions Concerning the Current Struggle Against Bourgeois Liberalization," two special documents on reorganizing newspapers, periodicals, and propaganda work have recently been issued. These documents have elicited warm support from inside and outside the party. It is generally acknowledged that the CPC Central Committee's determination is steadfast, the principles are correct, and the methods are feasible. The problem at present is to properly put these into effect.

Viewed from the overall situation, the majority of localities and units have been active in implementing the central documents. The effective methods and measures they have taken manifest their sense of seriousness and responsibility. However, some localities and a small number of units have been passive in this regard by merely relaying the documents and making general calls. They have not taken any practical actions or adopted any specific measures. Some have even adopted a wait-and-see attitude. This does not conform to the spirit of the central documents. The central documents have clearly pointed out the need to carry out the struggle; the focus and limits of the struggle; the principles guiding the struggle; the problems to be solved; the clear demarcation line to be drawn in applying the policies; and what should be done. Why, then, is it necessary to take a wait-and-see attitude? Is it due to a lack of understanding of the necessity and urgency of the struggle, or to the fact that some people are worried about the complicated nature of the struggle? Is it due to a lack of the spirit of upholding the principles or is it that some people are influenced by erroneous ideas and are not yet politically awakened? The party organizations and competent departments should make a practical analysis of the existing problems, further study the central documents, and use the spirit of the documents to seek unity of thinking and to guide action.

Recently, the following attitude prevailed in some localities: The documents have already been transmitted, the student demonstrations have been suppressed, Liu Binyan, Fang Lizhi, and Wang Ruowang have been expelled from the party, and much has been said and done, so the struggle has come to an end. This view does not conform with reality. Over the past few months, the CPC Central Committee has indeed done a great deal of work and issued a series of important instructions. Party committees at all levels have also followed CPC Central Committee instructions, done a great deal of work, and achieved remarkable successes. Nevertheless, the struggle has just started and the tasks set out in the central documents are far from being accomplished. For example, the criticisms of bourgeois liberalization views spread by Liu, Fang, and Wang are not yet systematic and profound. For this reason, we must write more forceful and convincing articles. It is also necessary to duly criticize other influential bourgeois liberalization views. It should be noted that we have done nothing in this regard. We must continue to help certain comrades within the party, who stick to mistaken views, transform their ideas. As the document on reorganizing newspapers has just been transmitted, all localities have a great deal of work to do in conducting investigations, ideological education, and organization building. Newspapers and periodicals under direct leadership of the party and government should, in connection with the reports and articles issued some time ago, make a review of the political and principle matters that appeared in the newspapers or periodicals. Regarding seriously mistaken views and reports, it is necessary to conduct a realistic analysis and discussion, draw a clear distinction between right and wrong, deepen understanding, and unite and educate the majority. Regarding the views and reports that have created bad impressions, it is necessary to adopt relevant means to thrash out the problems with an attitude of being responsible to the people, including necessary self-criticisms, so as to redeem the reputations of the newspapers and periodicals. To accomplish these tasks, efforts should be made from various aspects. Much can also be done in studying the two books specified by the central authorities, strengthening and improving ideological and political work, conducting positive education, building ranks of Marxist theorists and, under the guidance of Marxism, carrying out discussions and criticisms of the mistaken views and Western bourgeois ideological theories that have created an adverse influence in the fields of philosophical and social science, literature and art, and social ethics. The struggle against bourgeois liberalization is a protracted task. It is far from enough to merely pay lip service. We should never be satisfied with the successes achieved. In connection with the actual conditions of each locality and unit, we should strictly follow the requirements of the central documents, fulfill the tasks in turn, implement the central documents article by article, and develop the in-depth struggle step by step.

/6091

CSO: 4005/722

SPEECH AT A DISCUSSION MEETING OF SOME OF THE YANAN-ERA VETERAN LITERARY AND ART FIGHTERS (27 JANUARY 1987)

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 4-7

[Speech by Peng Zhen]

[Text] Wishing you comrades the best and wishing all a happy Spring Festival!

You organized the China Yanan Literary and Art Society on 11 November last year to carry forward the Yanan spirit and to make contributions to the prosperity of the socialist literary and art cause and the building of a socialist spiritual civilization. I gladly accepted the post of honorary president of the society at the request of my comrades. I am here today to express my support for you and your cause.

I

When I see you, I immediately recall Yanan and the Yanan spirit. The Yanan spirit is in your hearts and is manifested by you.

At that time, everybody came to Yanan from enemy-occupied areas, rear areas, and even from abroad. In short, they came from various parts of the country and from all corners of the land. Why? Just to find their way and to find light. Only the CPC could lead China to the light. At that time, the Chinese people were being oppressed by imperialism, feudalism, and bureaucratic capitalism. Without toppling the "three big mountains," it was out of the question to talk about national independence and the people's freedom and well-being. For that very purpose, we assembled at the sacred revolutionary place of Yanan.

There were few intellectuals in Yanan prior to this. With the arrival of so many intellectuals, the questions of who to serve and how to serve them arose. The national slogan then was fight the Japanese and save China. There were no soldiers to fight the Japanese. Then how to fight them? The soldiers were the armed workers and peasants. There had to be food and clothing to fight the Japanese. First, it was necessary to tackle production. Who was relied on for this purpose? The workers and peasants. The main elements of Yanan and all the anti-Japanese base areas were workers, peasants, and soldiers. At that time, Comrade Mao Zedong often held talks and discussions with comrades

from the literary and art community. This eventually led to the famous "Talks at the Yanan Forum on Literature and Art," which provided a clear solution to this fundamental issue of principle, and pointed out the direction for intellectuals, in particular the literary and art workers, by proposing that literature and art serve the broad masses of the people, especially the workers, peasants, and soldiers. These talks are of historical importance in that they have enriched the Marxist-Leninist treasure house. They armed our intellectuals; promoted the integration of intellectuals with workers, peasants, and soldiers; and made great contributions to the cause of revolution and construction. Our victory in revolution and construction carries in it the indelible merits of intellectuals, including those of the revolutionary literary and art workers.

Since then history has entered a new period, and the situation has undergone drastic changes. However, the basic spirit of Comrade Mao Zedong's "Talks at the Yanan Forum on Literature and Art" is still applicable. The Chinese people are now concentrating their efforts on socialist modernization under the leadership of the CPC. In this new historical period, our intellectuals and literary and art workers should wholeheartedly serve the people and socialism, in particular the cause of socialist modernization, which the broad masses of the people are engaged in.

II

At present, an important question is whether to uphold the four cardinal principles or to practice bourgeois liberalization. To practice bourgeois liberalization is to negate the socialist system and advocate the capitalist system. In reality, it is a historical retrogression. What would result from this? Should the "three big mountains" be allowed to weigh once again on the heads of the Chinese people? If that were the case, it would be out of the question to make our country prosperous and strong and our people affluent and happy and to ensure the freedom, democracy, and other rights of the people.

None of the four cardinal principles can be dispensed with. However, two of the principles are more important: One is the leadership of the party and the other is the socialist road. In fact, it is a question that has long been solved. Since the May 4th Movement, the basic question of who should lead and what road to take has been argued time and again. The people are the masters of history, and their conclusions are: "Without the CPC, there would be no new China," and "Only socialism can save China." Our literary and art workers have composed songs out of these two sayings, and everybody is singing them. This is the people's choice and the conclusion of history. The new democratic revolution has long been completed in China. The Chinese people had a hard time standing up. They built a country under the people's democratic dictatorship and, through socialist transformation, abolished the system of exploitation of man by man and established the socialist system, thereby bringing increasing prosperity to the country and gradual improvements to the people's livelihood. Although we did make mistakes in the course of progress, the mistakes were corrected by the party itself. After the mistakes were corrected, our cause continued to develop with better

results. However, proponents of bourgeois liberalization of the 1980's said that practice in the past 30-odd years had proven the failure of socialism. They even advocated the so-called "pluralism." In actuality, they were negating the leadership of the CPC and trying to form an antisocialist party in opposition to the CPC. What were they trying to do? They were trying to retrogress historically! Some people even term this stuff a "new theory." What kind of "new theory" is it? It is but the trash of history. The comrades that are present here today understand this point very well because they have lived through the old and new societies and can compare and distinguish between the two. People who have never suffered the oppression of the "three big mountains" and who have but a vague impression of the oppression, however, are relatively weak in drawing distinctions because they have not experienced the same events that we did and are not familiar with the things with which we are familiar. Not long ago, a small number of college students joined bourgeois liberals to make trouble. Although the number of people involved was small, the nature of the incident was serious. Of course, the young people are not to blame. We have gone through our youthful years and found the right way after groping about. The current thorough and extensive reform is a revolution whose many problems require the people to explore and experiment. Young people are mentally keen and active and are eager to explore. This is a good thing. People here of our generation should explore with them, and are responsible for helping them to understand the road of historical development. They should build socialism with Chinese characteristics in conjunction with the young people. It does not matter that mistakes are made. It is necessary to allow mistakes and to welcome their correction. People learn from mistakes. It is all right if mistakes are corrected. The NPC Standing Committee has recently passed a "Decision on Strengthening Legal Education and Protecting Stability and Unity." The purpose of the decision is education.

How should those people who are hostile to and destructive of the socialist system be dealt with? Is dictatorship still needed? Our people's democratic dictatorship has two aspects: Democracy among the people and dictatorship over the people's enemy. The two aspects are complementary. Discussion should not be directed at democracy alone, but also on dictatorship. Our Constitution provides the citizens with the freedoms of speech, publication, assembly, association, procession, and demonstration. Are these freedoms available to those people seeking to overthrow the socialist system? No, they are absolutely unavailable to these people. Article 1 of the General Principle of the Constitution states: "The People's Republic of China is a socialist state under the people's democratic dictatorship led by the working class and based on the alliance of workers and peasants," and "the socialist system is the basic system of the People's Republic of China. Sabotage of the socialist system by any organization or individual is prohibited." The Constitution also states: "The exercise by citizens of their freedoms and rights may not infringe on the interests of the state, society, and the collective, or on the lawful freedoms and rights of other citizens." Without this restriction, one could do whatever he or she wanted and make trouble as he or she saw fit. Is that all right to do?

As for the upholding of Marxism-Leninism-Mao Zedong Thought, I think that it should be dealt with in two respects. One is its basic theories, also known as universal truth, which we must not abandon or else we will make mistakes. The other respect is the application of its basic theories, or the opinions and ways for solving specific questions, which must be adapted to reality at different times in different places. The contributions made by the Communist Party in China headed by Comrade Mao Zedong were that it solved practical questions in the Chinese revolution with the universal truth of Marxism. If someone were to advocate that we should stress only Marxism-Leninism but not Mao Zedong Thought, that would not do, because Mao Zedong Thought is nothing less than the combination of the universal truth of Marxism-Leninism and the concrete practice of Chinese revolution. The Chinese revolution took the road of controlling rural areas to encircle the cities. Can we find this theory in the works of Marx and Lenin? No. This was derived in light of China's realities. During the Yanan period, Comrade Mao Zedong served concurrently as president of the party school while I was the vice president of the school. One day I said to him that schools usually have school mottos, and asked him what the party school should adopt for its school motto. He said: "Seek truth from facts and stress no empty talk." Later, I asked him to write an inscription for a newly built auditorium in the party school. He wrote: "Seek truth from facts." A stone on which these four words were engraved is still in Yanan. Seeking truth from facts means considering reality, examining and upholding truth in the course of social practice, and constantly correcting wrongs. The essence of Marxism is critical and revolutionary. We should uphold what is correct and in conformity with reality, and revise what is wrong and in discord with reality. The transition from capitalism to communism is a very long historic period. We must constantly destroy the old and establish the new and constantly carry out reforms. Only in this way can we keep advancing toward the communist objective. Someone might say that reform means "non-Marxism-Leninism" and "non-Maoism," and upholding Marxism-Leninism is opposing reform and is "conservatism." This remark is either ignorance and misunderstanding or instigation.

Is upholding of the four cardinal principles incompatible with the practice of the policy of "letting a hundred flowers blossom and a hundred schools of thought contend"? No. The "double-hundred" policy is one of the important policies for practicing socialist democracy in scientific and cultural work. Its purpose is to promote artistic development and scientific progress--namely, to promote the prosperity of China's socialist culture. Fundamentally speaking, this is completely in agreement with upholding of the four cardinal principles. From now on, we should firmly implement the "double-hundred" policy.

In literary and art work, we should continue to advocate free development of different artistic forms and styles and advocate solution of questions of right or wrong in literature and art through free discussion and practice by the literary and art circles, with the precondition that the four cardinal principles be upheld. Our past experience and lessons tell us that this practice will benefit, and not harm, our socialist cause.

III

Some comrades have just said that the Yanan rectification movement achieved great success in ideological transformation, and that during the current reform, we should also remold our ideology and remold our subjective world while changing the objective world. Of course, we all agree. Remolding ideology means remolding our subjective world, remolding the relationship between our subjective world and the objective world, and consciously taking the inevitable road of historical development--the socialist and communist road--to meet the needs of changing the objective world. The Yanan rectification movement dealt with three styles [the style of study, the style of the party, and the style of writing] and focused on opposing subjectivism and doing things with China's realities in mind, so that things could be done well in China. The results showed that things were indeed done well in China. With the objective of overthrowing the "three big mountains," we achieved unity in thinking and action after the Yanan rectification movement and soon won victories in our revolution. This experience is very precious and you comrades are familiar with it because it is your personal experience.

Today, we have an arduous and complex task of building socialism. The task of overthrowing the "three big mountains" in the past was protracted, arduous, and complex. Now, both the situation and the task are different. The fundamental task of the people of various nationalities throughout the country is to concentrate on socialist modernization, developing the productive forces and improving our backward economy and culture. At present, we are still in the primary phase of socialism, or the primary phase of the lower stage of communism as Marx described.

From this phase, we will march step by step and finally reach a communist society of from each according to his ability and to each according to his needs. This is a historic task which will take at least 100 years or even several hundred years to complete. To complete such a historic task will not be easy, rather it will be more arduous and more complex than overthrowing the "three big mountains." What should we do? Because our country is a socialist country, we can rely on neither aggression nor exploitation. The proletariat and the working people can rely on only themselves for their own emancipation, and only by emancipating all mankind can they achieve their own final emancipation. How could they invade others and exploit others? We can only rely on the people of the whole country to work hard in unity and self-reliance to create a magnificent world and gradually improve our material and cultural lives on the basis of development of production. The advocacy of "earning and spending" and of "high consumption" without development of production is discordant with the conditions of our country and runs counter to Marxism-Leninism-Mao Zedong Thought.

We should also realize that China is a big country with 1 billion people of 56 nationalities, in which natural conditions in different localities are greatly different, and the social, political, economic, and cultural development is very uneven. In order to accelerate the development of the productive forces, all localities should do things according to local conditions. It is inconceivable that one could use the same method and follow the same pattern

and steps to solve various complex problems. Therefore, we need common principles for all to follow in order to do things well in our country. The four cardinal principles are our common principles.

IV

Socialist modernization is a great and arduous undertaking that is unprecedented. Our literary and art workers should essentially reflect it in their magnificent works, heighten the morale of the hundreds of millions of masses, and constantly push forward the people's undertaking. The Chinese nation has a long history and a brilliant culture. Literary and art works should and can reflect a great deal of both historical and current materials. For more than a century in the past, the Chinese people of various nationalities, one stepping into the breach as another fell, have waged a hard and heroic struggle for national independence, people's liberation, democracy, and freedom. Isn't this spectacular and grand historical drama worth writing about? Since the founding of the People's Republic, our workers, peasants, and intellectuals of various nationalities, as the masters of our country, have been working hard through self-reliance on all fronts for national prosperity and the people's well-being. They contribute their youth, wisdom, and talents; and one group of heroes and model persons after another have emerged among them. Aren't they worth writing about? From the tunnels at Shangganling to the foxholes at Laoshan, the "most lovable persons" of both the old and new generations of our People's Army have built a great wall of steel with their blood and lives to defend the motherland. Aren't they worth writing about? As long as our literary and art workers keep to a correct orientation, they will surely have the opportunity to use their talents and perform great accomplishments.

I hope that we old party members and old literary and art fighters will uphold the four cardinal principles, join the middle-aged and young ones in uniting the people of various nationalities throughout the country to persistently carry out reforms, open to the outside world, work hard through self-reliance to develop the productive forces; and make new contributions to promoting socialist modernization.

The views which I have just expressed are for your reference.

/6091

CSO: 4005/760

THERE WILL BE NO SOCIALIST LITERATURE AND ART IF WE DEVIATE FROM THE CORRECT COURSE

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 8-13

[Article by Li Xifan [2621 1585 0416]]

[Text]

I

Five years ago, when we were marking the 40th anniversary of the publication of Comrade Mao Zedong's "Talks at the Yanan Forum on Literature and Art," I was affected by some improper attitudes and sayings regarding the "Talks" among the art and literary circles at that time and wrote a short article on my experiences in reviewing the "Talks" under the title "Truth Will Stand the Test of History" (please refer to my book "Casual Literary Notes"). The opening sentence of that article is: "Practice is the sole criterion for testing truth, and truth will always stand the test of history." Since then, 5 years have passed, during which the emergence of all kinds of ideological trends of bourgeois liberalization convinced me all the more of this tenet of historical materialism.

Over the past 45 years, the basic spirit and principle of the "Talks" have been put into practice through a series of CPC policies and principles on art and literature, despite the emergence of the trend of its narrow understanding and the ultraleftist distortion when the "gang of four" rode roughshod. The orientation of literature serving the broadest masses as well as the workers, peasants, and soldiers, as indicated in the "Talks," has written a brand-new page in the history of Chinese literature and art. This is a fact no one can deny. The great achievements scored through the enthusiastic and rich practice of the revolutionary art and literary workers during the war of resistance against Japan, the war of liberation, and the socialist period since the founding of the PRC have also tested the orientation indicated in the "Talks," and proved that it is the sole and correct orientation for the prosperous development of the Chinese revolutionary art and literary undertakings.

The orientation of literature and art expounded in a scientific way by Comrade Mao Zedong was a great development in Marxist-Leninist theory on literature and art.

Back in 1905, Lenin emphatically pointed out that the proletarian literature must "serve thousands upon thousands of working people" and made the following historical prediction on literature serving the working people: "It will be a free literature, because the idea of socialism and sympathy with the working people, and not greed or careerism, will bring ever new forces to its ranks. It will be a free literature, because it will serve, not some satiated heroine, not the bored 'upper 10 thousand' suffering from fatty degeneration, but the millions and tens of millions of working people--the flower of the country, its strength and its future." ("Selected Works of Lenin," Vol 1, p 650)

The orientation of literature and art formulated by Comrade Mao Zedong was also the inheritance and development of the May 4th New Literature Movement and the Proletarian Literature and Art Movement of the 1930's in China.

The Chinese new literature began with the May 4th cultural movement. The Proletarian Literature and Art Movement arose at the turn of the 1920's and the 1930's, at a time when the KMT was implementing its cultural "encirclement and suppression." As Lu Xun put it, "it is a wing relying on its own strength to strive for the emancipation of the proletariat and all other classes." ("Verbatim Translation" and the 'Class Nature' of Literature") This famous left-wing literature and art movement in the history of new Chinese literature and art brought about the "total defeat" of the KMT cultural "encirclement and suppression," but in order to make proletarian literature and art achieve the "resolute and great purpose" of serving the workers and peasants, in Lu Xun's own words ("Suggestions on the Left-Wing Writers' Alliance"), "the first article was written in the blood of our comrades." In other words, in a time of darkness in China, the reactionary government separated the workers, peasants, and soldiers from revolutionary art and literature; revolutionary art and literary workers sometimes had to make great sacrifices when they cherished the ideal and hope of writing for the workers and peasants.

It was precisely Mao Zedong's "Talks at the Yanan Forum on Literature and Art" that developed Lenin's concept of "free literature" "for thousands upon thousands of working people," summed up the experiences and lessons of the left-wing literature and art movement, suited Lenin's concept to the new requirements of the new historical period, and explicitly proposed the orientation of literature and art serving the masses in the widest scope as well as the workers, peasants, and soldiers.

Of course, the "Talks" faced the realities of the 1940's; based on the generalization of Comrade Mao Zedong, the facts were: "China has been fighting the war of resistance against Japan for 5 years"; "the revolutionary movement in literature and art since the May 4th Movement--its great contributions to the revolution during the last 23 years and its many shortcomings"; "the anti-Japanese democratic base areas and those in the KMT areas"; and "the controversial issues concerning literature and art which have arisen in Yanan and the other anti-Japanese base areas." The "Talks" also provided Marxist answers to these problems, proceeding from the specific realities at that time. But this does not mean that its answers solved only the practical

problems emerging then. History has proved the immortal brilliance of the "Talks," which lies precisely in those answers that pushed the history of modern Chinese literature and art to a new period of a great historical turning point. It was a qualitative leap at that. The questions of who to serve and how to serve them expounded in the "Talks" can be regarded as a theoretical program for the fulfillment of Lenin's prediction on the "free literature" of the proletariat. The "Talks" "encourages revolutionary writers and artists to get close to the workers, peasants, and soldiers...and allows them complete freedom to create genuine revolutionary literature and art." It has changed literature and art in the salon and hall for a very small minority into one belonging to "thousands upon thousands of working people." It found the objects of service as well as the objects of expression for literature and art on the most extensive scope. This was unprecedented in history.

All writers and artists who took part in the war of resistance against Japan or the war of liberation, or even those who grew up in the 17 years after the founding of the PRC, has each his own experiences in practice, despite the tortuous road. So long as he is free of prejudice, anyone can say something about the revelation and enlightenment he obtained from the orientation of art and literature indicated in the "Talks at the Yanan Forum on Literature and Art." The orientation of art and literature indicated by Comrade Mao Zedong has brought up a few generations of revolutionary writers and artists; this historical fact cannot be written off.

II

Regarding art and literature, Comrade Mao Zedong believed "the question of 'for whom' is fundamental, and one of principle." Now, has this "basic" question, this question of "principle," been changed and is it outmoded today?

As mentioned above, the orientation of literature and art as indicated in the "Talks" is serving the broadest masses of the people as well as the workers, peasants, and soldiers, and it was explicitly stated that literature and art should first serve the workers, peasants, and soldiers. Beyond doubt, it was entirely correct under the historical conditions at that time, because the workers, peasants, and soldiers constituted the majority of the people. However, Comrade Mao Zedong did not confine the implication of "the people" exclusively to the workers, peasants, and soldiers. He pointed out that "the people in the widest scope" implied "those constituting more than 90 percent of the population--the workers, peasants, soldiers, and the urban petite bourgeoisie." On several occasions, he mentioned that literature and art should also serve the cadres and "the working masses and intellectuals from the petite bourgeoisie" as well. The practice of reducing the proposal that literature "must first serve the workers, peasants, and soldiers" to serving the workers, peasants, and soldiers exclusively was an expression of the "leftist" ideological trend on the orientation of art and literature since the founding of the PRC. This narrow-minded interpretation injured the socialist art and literary undertakings, to the extent that it was pushed to extreme "leftism" in the years when the "gang of four" rode roughshod, hoisted

the banner of the workers, peasants, and soldiers, elbowed out other working people, regarded the intellectuals as the targets of dictatorship, and distorted the orientation of literature and art serving the broadest masses of the people. But this inference cannot be found in Comrade Mao Zedong's proposal that the question of "for whom" regarding art and literature is fundamental.

Because of historical development and the progress of the times, socialist realities have actually really provided the social conditions for literature and art to serve "the broadest masses of the people" and simultaneously eliminated the narrow-minded interpretation when the CPC Central Committee explicitly proposed the orientation of literature and art "serving the people, serving socialism." Although literally, it seems to carry extensive implications, here, the universal Marxist truth of serving the people is still the guiding thinking for the creation of socialist literature and art; in art and literary creation, the progressive stand of the working class must still be adhered to, to guide the people on the socialist road, but not to deviate from the socialist orientation. We can therefore see, in this new slogan, the question of for whom, which is fundamental and one of the principles indicated in the "Talks," is not outmoded; moreover, its implications are all the more accurate, scientific, and rich in the characteristics of the times.

In China and our social system, serving socialism means serving the people. Its implications are extensive, and will not give rise to narrow-minded interpretations. Just as Comrade Deng Xiaoping pointed out: "China has a long history, a vast territory, and a huge population. Our people are of many nationalities and of different professions, ages, experience, and educational levels and they have varied customs and cultural traditions and varied preferences in literature and art. All creative works--whether epic or cameo, serious or humorous, lyrical or philosophical--should have their place in our garden of literature and art, so long as they help to educate and enlighten the people while providing them with entertainment and aesthetic pleasure. The deeds of heroes, their labor, struggles, joys and sorrows, partings and reunions of ordinary people, and the life of our contemporaries and predecessors--all these should be depicted in our literature and art works. We should draw on and learn from all that is progressive and advanced in the literature and art and performing arts of old China, and of other countries as well." ("Speech Greeting the Fourth Congress of Chinese Writers and Artists") Therefore, we can see that literature and art serving socialism is a vast world in which much can be accomplished. In this vast world, writers and artists will also have extensive creative freedom.

However, the meaning of literature and art serving socialism is very implicit; namely, they must serve the people in taking the socialist road, and they must be socialist literature and art. They must be capable of promoting the people of all nationalities nationwide to work hard with heart and soul to realize the four modernizations, and the building of socialist spiritual civilization as well. In short, they must help to cultivate the people's communist world outlook and outlook on life, and their ideals, moral character, faith, intelligence, courage, sentiment and their entire spiritual realm, but not the contrary.

Therefore, as I understand it, although some readjustments were made in practice when the CPC Central Committee proposed the orientation of literature and art serving the people and socialism to suit to the needs of the new historical period of socialism in creating a new world and blazing new trails, it does not readjust the essential spirit of the orientation of literature and art that Comrade Mao Zedong formulated; on the contrary, it is precisely the adherence to, and development of the correct core of his proposal. Practice has proved that it is precisely with the support and implementation of this orientation by the writers and artists that China's socialist art and literary undertakings have unprecedentedly prospered and developed in the years since the fall of the "gang of four." Likewise, all kinds of harmful tendencies in art and literature that emerged in recent years are precisely the evil consequences of some writers and artists deviating from the orientation of socialist literature and art. Some have even fanatically advocated "disdain for expressing any meritorious feats of others, but devotion to the sole expression of one's own feelings," and wanting "to evade those scenes that we are so used to regarding people's experiences, heroic struggles, and selfless labor"; others even boasted that their works were for just one or two friends, who keenly appreciated their talents, and they would be content to have 50 readers at most. Still others openly ridiculed, saying the peasants' level of appreciation at present continues to rest at the phase of "the pig-headed clown carrying a woman on his back" [a popular farce derived from the "Adventure of the Monkey"] in their interpretation of the "multiple tiers" of art; and therefore, art and literature appealing to both refined and popular tastes do not exist in the world.

At a time when the Chinese people, under the CPC leadership, are enthusiastically plunging into the building of socialist modernization, adhering to the four cardinal principles and the principle of reform, opening up, and invigorating the domestic economy to push socialism forward, some of our writers and artists are advocating their "disdain" or "evasion" of the realities of today, departing from the lofty goal of socialism, injuring its interests, and refusing to serve it, so how is it possible to achieve our socialist art and literature!

III

Serving the people, and how to achieve this purpose are the two aspects of the orientation of socialist literature and art. In the Marxist view, works of literature and art as ideology are the offspring of the reflection in the human minds under a given social life. Revolutionary art and literature are the offspring of the people's life in the minds of revolutionary writers. Comrade Mao Zedong repeatedly demonstrated the historical materialist tenet that life is the sole fountainhead of all literature and art. To provide the conditions for revolutionary writers and artists so that they might express the life of the revolutionary people in the base areas, he issued the enthusiastic call: "China's revolutionary writers and artists, writers and artists of promise, must go among the masses; they must for a long period of time unreservedly and wholeheartedly go among the masses of workers, peasants, and soldiers, go into the heat of the struggle, to the only source, the

broadest and richest source, in order to observe, experience, study and analyze all the different kinds of people, all the classes, all the masses, all the vivid patterns of life and struggle, all the raw materials of literature and art. Only then can they proceed to creative work."

The practice of history also proved the tremendous role of this truth of plunging into the thick of life, and linking with the masses of a new age, to produce works "for the workers, peasants, and soldiers, and for their use" among writers and artists in Yanan and other base areas at that time. It was precisely after the Yanan forum on literature and art that revolutionary writers and artists voluntarily plunged into the fiery life and struggle, full of passion. They marched off to the battlefields, went deep into the rural areas, and linked themselves with the workers, peasants, and soldiers. In accordance with the spirit of the "Talks," they lived among the masses, learned and created many kinds of artistic forms loved by the masses in reflecting the new revolutionary life. This enabled the emergence of not only a revolutionary literature and art in a brand-new appearance in Yanan and other base areas, but also a new atmosphere of progressive literature and art in the KMT-controlled areas. In the list of literary works universally acclaimed, from the yangko opera "Brother and Sister Opening Up Wasteland" to the opera "The White-Haired Girl," from "The Marriage of Xiao Ehei" to "The Sun Shines Over the Sangkan River" and "The Hurricane," from the long poem "Wang Gui and Li Xiangxiang" to "The Zhang He Waters," from Liu Baiyu's war newsletters to Wei Wei's newsletter from Korea, and a number of excellent works that appeared in the first 17 years after the founding of the PRC such as "Defending Yanan," "Song of the Red Flag," "The Builders," "The Song of Youth," "Tracking Down the Bandits in the Snow-Carpeted Forest," "Sing the Hearts Out," and "To the Young Citizens," were they not all the fruits of the historical practice of those writers! As far as I have read and heard, even today many writers and artists of the older generation have fervently acknowledged the powerful support and help they drew from the orientation indicated in the "Talks," and told how they started with the road of linking themselves with the new masses when they reviewed that part of history. Therefore, it is no exaggeration to say that the "Talks" nurtured a whole generation of literature and art. Without the correct guidance of the "Talks," there would have been no such splendid chapters in the history of modern Chinese literature.

True, there was a time when linking the writers and artists with the masses was propagated in a one-sided way, and serving the people "wholeheartedly" was stressed to such an extent that writers were not allowed to contemplate writing, and it was even demanded that they give up entirely the life they were familiar with; that was violating the law governing artistic creation. As art and literary creation must proceed from the realities of life, so writers and artists can only reflect the kind of life they are familiar with. We cannot expect them to give expression to what they are unfamiliar with; moreover, every writer or artist has his own accumulation of personal experiences in life, and his own peculiar observation, experiences, contemplation, and way of expression. As Lenin said: "It is absolutely necessary to guarantee a vast world for personal individuality and interests, and a vast world for thinking and imagination, forms and contents." What is

more, the actual environment and the subjective conditions of the writers and artists actually differ very greatly from those in the time when the "Talks" was published. Many of the young writers and artists also entered into the literary world from the realms of life they were familiar with; while the seething life of our great realities is so rich and colorful, intricate, and complicated, by no means can we require unanimity. But even so, this cannot change the truth that "life is the sole fountainhead of art and literary creation," neither should it serve as a pretext to make literature and art deviate from the orientation of literature and art serving the people and socialism. To reflect the times and the people, to put the stress of creative activities on the new life of the four modernizations is the glorious duty of every socialist writer or artist. Regarding young writers and artists in particular, we must admit that their accumulation of life experiences is not abundant enough. All leaders of art and literary departments should take up the responsibility of encouraging and guiding them to continuously plunge into the thick of life, to broaden their vision, to do their best to observe and to get familiar with the new life, and to link themselves with the people, so that they may create works of literature and art that profoundly reflect reality and help socialism. Should we overstress that we should write only those realities we ourselves are familiar with, even if they are trifles around us or storms in a teacup, not only will it be useless to those young writers and artists who have accumulated no life experience to speak of, but it will divert them from the correct orientation of literature and art. Under the effects of the ideological trends of bourgeois liberalization in recent years, many strange tales and absurd arguments belittling and negating literature and art reflecting the realities of life have emerged; they are aimed against the theory of life being the fountainhead of literature and art as indicated in the "Talks." They label the proposition that literature and art should reflect the realities of life as "mechanical materialism" and the "theory of reflection through direct perception of the senses." They assert the need to break through the tenet, "art should reflect life," and advocate "turning away from reality to face the self" and "marching toward the inner world of man," saying that this is the "basic transfer" of literature and art in mastering the world, including the mystification of the subjective sense of man to the plane of holding aloof from the world. What have these brought to our socialist literature and art? The self-expansion of some writers and artists in their separation from the people and the realities of life, and the shocking degeneration of some otherwise quite promising writers. They either paid no attention to social responsibility and social benefit, and even discarded the basic requirements of the social ethical code, taking the ugly as the beautiful, and went to great lengths in their descriptions of those things decadent, backward, and despicable in spirit, or they shamelessly went in for fabrication, imitating in every degree fashions in the West and abroad, without the least ground or root, not to say any trace of socialist aesthetic ideals. The evil consequences of such flapping of one's wings with greater freedom are manifested in such vulgar and inferior works as the article carried in the 1987 January-February combined issue of RENMIN WENXUE [referring to Ma Jian's "Show Your Tongue Coating, or Nothingness"]. Despite the fact that it was a partial phenomenon, we can see how gravely such writers have deviated from the orientation of socialist literature and art! Are they not serious enough to give us much food for thought and serve as an alarm!

IV

Regarding the relation between the subjective and objective aspects of art and literary creation, the proliferation of the ideological trends of bourgeois liberalization in the area of literature and art at present also explains that although life is the sole fountainhead of literature and art, it may have entirely different reflections from different ideological stands. As to the writers of the proletariat and the people, they should only reflect life from the ideological stand of the proletariat and the people. The "Talks" fully discussed this question based on the actual conditions at that time. Using his own personal experiences, Comrade Mao Zedong cordially described how he "had gone through long-term, and even painful tempering in his contacts with the masses" before he became one with the masses in ideology and feelings. He called this "a transfer of one's standpoint." Comrade Mao Zedong sincerely pointed out: "If our writers and artists who come from the intelligentsia want their works to be well received by the masses, they must change and remold their thinking and their feelings. Without such a change, without such remolding, they can do nothing well and will be misfits."

Superficially, it seems to be a common truth, but it is the concrete application of the universal Marxist truth on the simultaneous transformation of one's subjective world in transforming the objective world to work in the area of revolutionary literature and art. We may say that its practice in the course of the Chinese revolution not only enabled the writers and artists from the intelligentsia to take the revolutionary road and to create revolutionary literature and art, but also enabled the revolutionary cadres to find the orientation to link themselves with the masses in doing mass work, and brought up thousands upon thousands of revolutionaries serving the people heart and soul; thus guaranteeing the victory of the new democratic revolution. Its historical feats cannot be written off.

It was true that at one time after the founding of the PRC, we failed to analyze specifically the changes in the objective situation and saw little progress of writers and artists under socialist conditions because the implementation of the principle and policies on literature and art had suffered from "leftist" interferences. We stressed only the need to link with the workers, peasants, and soldiers to remold our world outlook, but not the link with the actual conditions in the writer's creation, nor did we talk about the law governing art. Particularly in the years when the "gang of four" rode roughshod, "writers and artists going into the thick of life to transform their world outlook" became a big stick to belabor writers and artists. That ruined the reputation of this universal truth of Marxism. But in recent years, the more popular opinion in art and literary circles is that this concept is not only outmoded, but also evidence of the failure of Comrade Mao Zedong in understanding and showing respect to the intelligentsia, the writers and artists, and has been negated through linking it with the mistakes of the "Great Cultural Revolution." This lacks a truth-seeking spirit, and is by no means an attitude of historical materialism! Truth stands the test of history. Is not the emergence of various confused phenomena in art and literary creation precisely the inevitable consequence of the fact that some of our writers and artists

have failed to plunge into the thick of life to link themselves with the masses, but have run counter to socialist ideas? In the "Talks," Comrade Mao Zedong solemnly instructed the writers and artists: "They must gradually move their feet over to the side of the workers, peasants, and soldiers, to the side of the proletariat, through the process of going into their very midst and into the thick of practical struggles and through the process of studying Marxism and society. Only in this way can we have a literature and art that are truly for the workers, peasants, and soldiers, a truly proletarian literature and art."

It was precisely in accordance with the brilliant views of Comrade Mao Zedong that in his "Speech Greeting the Fourth Congress of Chinese Writers and Artists," Comrade Deng Xiaoping pointed out: "It is the people who nurture our writers and artists. The creative life of all progressive writers and artists is rooted in their intimate ties with the people. Creativity withers when these ties are forgotten, neglected, or severed. The people need art, but art needs the people even more. Writers and artists should consciously draw source material, themes, plots, language and poetic and artistic inspiration from the life of the people and be nourished by the dynamic spirit of the people, who make history. Fundamentally, this is the road which our socialist literature and art must take if it is to flourish."

Forty-five years have passed; and Comrade Mao Zedong's instruction is still fresh in our memories. It is imperative to solve the problem of where one stands practically, not verbally; is this not still what some of our writers and artists should strive for, those young writers and artists who have gone astray in particular? Socialist literature and art must provide the readers with helpful spiritual food; they must meet the needs of cultivating the ethical values of the people and enriching their spiritual life. There is only one way to create such literature and art: "It is imperative to go among the masses," "it is imperative to link with the masses of the new times"; and there is only one orientation: We must firmly take the side of the people, to serve the people and socialism. This is what all revolutionary writers and artists must unswervingly adhere to.

If we deviate from this road and this orientation, there will be no socialist literature and art.

/6091

CSO: 4005/722

THINK OVER WHOM TO SERVE AND HOW TO SERVE

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 13-14

[Article by Liu Shaotang [0491 4801 2768]]

[Text] Building socialism with Chinese characteristics is the common goal of the people throughout the nation. So, building socialist literature with Chinese characteristics should be the common goal of the writers all over China.

Letting a hundred flowers blossom, while adhering to the four cardinal principles is possible only by achieving full microscopic invigoration, encouraging, urging and promoting variation in artistic styles and creative approaches, with each writer having his own field of subject matter and artistic characteristics in his work under the guidance of the macroscopic principle of the general goal.

Marxist-Leninist literature and art theory and Mao Zedong Thought on literature and art are the theoretical basis that guides us in building socialist literature with Chinese characteristics.

In my article, written 30 years ago, marking the 15th anniversary of the publication of "Talks at the Yanan Forum on Literature and Art," I said: "Chairman Mao's 'Talks at the Yanan Forum on Literature and Art' has indicated the most correct and clear orientation for writers, and provided writers and artists with an infinite world and the greatest possibility for significantly exploiting their creative spirit and talents in art. The principle of 'letting a hundred flowers blossom and a hundred schools of thought contend' is precisely a development of the 'Talks at the Yanan Forum on Literature and Art' in the new times. Its basic tenet has not changed, and will never change."

I still adhere to this concept today.

Socialist literature with Chinese characteristics is precisely socialist literature, and simultaneously possesses Chinese characteristics.

Socialist literature is literature serving the people as well as socialism. Chinese characteristics means the possession of national style, the adoption

of national forms, and the expression of strong, rich and vivid Chinese manner. The blending of the two will be socialist literature with Chinese characteristics.

Comrade Mao Zedong's "Talks" laid the theoretical foundation for socialist literature with Chinese characteristics. In the new historical period of building socialism and the four modernizations, only by adhering to and developing Mao Zedong thinking on literature and art will a correct path be guaranteed, with the emergence of literary works and talented people, and can the practices of attending to trifles to the neglect of essentials, seeking far and wide for what lies close at hand, blind worship in things foreign, and going astray be avoided.

It is regrettable that some people have forgotten all about Mao Zedong Thought on literature and art. They have thoroughly forgotten the question of whom to serve.

Comrade Deng Xiaoping stressed serving the people, and primarily serving the workers, peasants, and soldiers in his speech greeting the Fourth Congress of Chinese Writers and Artists. Writers who have a sense of social responsibility should first portray the workers, peasants, and soldiers. To write for the workers, peasants, and soldiers is predetermined by the Chinese national conditions. We should not curse this orientation as some "bondage in our creative writing." Some writers have deviated from the orientation of literature and art serving the workers, peasants, and soldiers and serving the broadest masses, advocated total Westernization in creation, and turned away from the Chinese readers while prattling about facing the world. But their works are beyond the grasp of the masses, and even the majority of the intellectuals have found them difficult to follow. Is this not being supercilious?

To serve socialism does not mean to serve politics alone, nor to serve specific principles and policies. However, the nature of socialist literature determines that it should not injure the interests of the party, the state, the people and the collective. All progressive writers, ancient or contemporary, Chinese or foreign cannot but take into consideration the interests of the people and the interests of the state. There are things they pursue and things they refrain from doing. Therefore, it is a matter of course that our writers should adhere to the four cardinal principles. To stop taking class struggle as the key link does not mean to give up one's class stand and concept of class struggle altogether. Those who grovel at the feet of, and are willingly dominated by Western Modernist art and literary ideas, while beautifying such practice as "emancipation of the mind" and "creative freedom" can in no way justify themselves no matter how plausibly and how long they speak.

Confusion in approaching the question of how to serve follows wavering in the orientation of whom to serve.

We should not arbitrarily intervene in questions of what and how our writers should write. Moreover, we should show our writers full respect regarding

what approach of creation to adopt and what artistic style to pursue. However, all those writers who adhere to the four cardinal principles, bear the people in mind, and proceed from the basic interests of the party, the state and the people should consciously attach importance to the needs of the people in deciding what and how to write, and they should consciously show respect to and suit the people's customary artistic appreciation in their selection of creative approach and artistic style. Otherwise, all exploration, blazing new trails, and transcendence will only be acting willfully and placing the self above all else. Writers are also public servants of the people, and they should likewise perform their duty and obligations as public servants. If they should fail to think of this always and even do things contrarily, they will become lords and masters of the people. It is entirely wrong to show disgust for the people's voice, or contempt for their suggestions, to criticize the Chinese for their low cultural level in artistic appreciation, and even to do one's best to look for the "deep-rooted bad habits" of the Chinese, while making a fetish of Western culture, and depreciating and negating our national cultural tradition.

A basic cause for the spread of the ideological trend of bourgeois liberalization in literary creation in recent years is precisely deviation from Mao Zedong Thought on literature and art regarding the two major principled issues of whom to serve and how to serve. Therefore, it is essential to review the "Talks at the Yanan Forum on Literature and Art," and to examine and correct all mistakes in our literary creation in the light of the criteria of Mao Zedong Thought on literature and art.

/6091

CSO: 4005/722

HUG THE FERTILE SOIL OF LIFE, TAKE THE SWEAT OF CULTIVATION

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 15-17

[Article by You Xiaogang [1429 1420 0474]]

[Text] It has been several months since the television series "Triumph at Midnight" was first shown in public; however, letters filled with genuine sincerity from the audience keep pouring in. I have often pondered over the following question: What makes the "Triumph" series attract the audience? The fierce actions on the battlefield come back alive in my memory.

Our team of eight, those chiefly involved in the production of the television series, went to the front at Laoshan to experience life. We went deep to the farthest front of the battlefield, only 200 meters away from an enemy post, and only 2 or 3 meters away from the closest mine. We had heart-to-heart talks with the soldiers, and had been on duty with them in the trenches, and the dugouts. On our way to observe the terrain, we met with an attack of enemy gunfire at the so-called "three-deadly-turn" blockade zone. When we got familiar with life on the front, we came to a better understanding of the characteristics of the characters Tong Chuang, Jiang Man, and Lin Dalin and their ideological development. At the same time, the prototypes of a number of new images with organic links with the heroes such as Gang Niu, Li Daheng, and "Doctor" began to take shape in our minds. When we witnessed the actual gun shelling and military operations, we gradually worked out the plot of the whole series. When we became bosom friends with many commanders and soldiers on the front, we had a clearer idea of the casting of every character and his treatment, and we began to share the same understanding. We spent some 6 months at the Laoshan front experiencing life, writing the scenarios, and in actual shooting. The soldiers at the Laoshan front were the prototypes of our artistic creation as well as the participants in the production of the series; many of the scenes in the series were actual recordings of real activities at the front. The majority of the commanders and soldiers at the front were quite familiar with the "Triumph" production team. It was precisely based on our profound feelings toward the commanders and soldiers at the front and our in-depth understanding of them that the television series entitled "Triumph at Midnight" has become so popular among the PLA men and the general television audience with its enthusiasm, truthfulness, profundity, and strong artistic infectiousness.

Our production team was one consisting of young people, with an average age of 26, and 80-some people hailed from 43 units. Beyond doubt, the phenomenon of "looking forward to money in everything" existing in society also affected the thinking of some people in our team, but by no means did we tolerate such unhealthy tendencies. We adhered to a solemn attitude in artistic creation, strict organizational discipline, a closely knitted arrangement for shooting, and established an upright and positive style for the production team. We took a comparatively firm grasp in matters of style, discipline and ideology. The core leading group and the party branch were very specific about their work, which was implemented in day-to-day shooting. In times of hardship, tension, and difficulty, they required the major script-writers and communists to play an exemplary role. Therefore, the production team had a backbone and a unifying force.

It took a whole year to complete the production of this series. The locations of the scenes ranged from the foot of the Changbai Shan Mountain in the north to the Laoshan battlefield in the south. During the winter, the temperature in the northeast could be as low as 40°C below zero, but in summer, the temperature in southern Xinjiang could be as high as 40°C. When we were shooting at the front, we passed through the blockade line on several occasions against the gunfire of the Vietnamese army. When shooting the war, we were soaked through in the rain; many fell ill or were injured; but none of them would leave the team. The course of shooting the series at the battlefield was also one for all the cast to be tempered and educated. When we were shooting in the field, there were times when not enough food was sent us, then we would give orders that cadres and communists not take the food, but let the masses and those soldiers who worked in coordination with our shooting have it. Sometimes we were so busy shooting the scenes, cadres who were party members would work all through the night without any sleep to guarantee fulfillment of the tasks. When it was time to shoot the live action of gun firing at the most dangerous positions, our cadres who were party members would stand up on their own and formed themselves into groups. It was precisely with such a staunch kernel of leadership that the good style of the production team took shape, thus guaranteeing the completion of the filming tasks, while the comrades in the production team united as one, obeyed orders in all activities, and built up profound feelings for each other.

When shooting the scene of Li Daheng's sacrifice, the actor playing this role suffered from serious prolapse of the anus because of the tension in work and the change of diet. As the situation required, the scene must be completed the very day, so he was carried to the site on a stretcher. Without the application of anesthesia, the surgeon accompanying the team treated him on the spot, and the poor actor passed out shrieking with great pain. All the people on the site were moved to tears, including those soldiers participating in the filming of the scene. When he came to in the fine rain, he popped himself up, and went through the scene. Just as Daheng in the television series fights to the end, even when he is seriously wounded, so the actor in real life went through the shooting of the film despite the great pain he was suffering. He passed out again as soon as the shooting was completed. Immediately, I gave the order to have him sent directly to the

operating room at the hospital. Behind the rocks of a hill where nobody saw me, I could not hold back my tears. True, to shoot the film with artistic persistence, it was necessary to clench one's teeth and to go on with one's work with a death-defying spirit.

When shooting the scene of the oath-taking rally, the troops participating in the scene were the very troops who would march toward the front in a battle. It was raining that day, and the rain fell on the more than 2,000 soldiers in all their solemnity. It was really awe-inspiring. Our production team as well as the soldiers stood in the rain and persisted in the filming. When the scene was completed, the troops marched toward the front fervently singing. That very evening, quite a few soldiers participating in the shooting of the scene dedicated their valuable lives in a battle countering the surprise attack of the Vietnamese troops. We hurried to our troops to express our grief. The soldiers said it was a glory as well as an honor to have appeared in a scene in a television series reflecting their life in the oath-taking rally in front of the army flag.

Our creative practice has told us we must adhere to the law governing the artistic creation of realism, by plunging ourselves into the realities of life, experiencing life personally, and having a profound grasp of life; while fabrication, relying solely on the writer's own inspiration in artistic creation can only be the wrong road which stems from idealism. In the final analysis, art is the reflection and knowledge of the objective world. The so-called inspiration is in essence the activities of thinking stemming from the emotional impulse of the writer in the course of reflecting and understanding matters. If the writer should know nothing about the realities of life to be expressed, what "inspiration" could he speak of! Comrade Mao Zedong pointed out this universal law governing artistic creation in his "Talks at the Yanan Forum on Literature and Art" long ago. Regarding this theory which is ever so true, why has it not been put into practice to the fullest? Because it would be really too hard to carry it out, and would involve sacrifices at that.

As television art workers, it is far from enough to stand hardships; they need to be diligent in thinking and seeking perfection in artistic expression. We have continuously explored the law governing the art of television plays. In succession, we have completed a series of television plays: "Emergency Takeoff," "Air Hostess," "Two Hostesses," "Two Abnormal Persons," and "Mai Ke and Son." It is precisely through these practices and exploration that we have gradually come to understand that the realistic approach of creation is the basis of our exploration; while any creation confined to tradition and sticking to convention or any exploration and blazing new trails severed from tradition is infeasible. Therefore, we have tried our best to boldly adopt new approaches, to give play to the functions of expression and symbolism of the audio-visual art, and to trigger the historical and philosophical implications contained in the play, to give the audience more and stronger experiences on the basis of truthfully reproducing the realities of life. The unification of expression and reproduction, and of the approaches of expression in two different categories, the linking of narration with revelation, of the lineal structure of the plot with a network of characters in

their relations with each other, and of the fate of the hero with the rich social life succeeded in achieving the complications and heartbreaking plot of the series, the revelation of the historical atmosphere as well as the atmosphere of real life; the development of the hero as well as the organic connection of all types of characters in life; and the sophisticated descriptions in detail as well as the general style in the portrayal of grand scenes. The director summed up the general style of the whole play in his explanation: "The play is characterized by its sweeping momentum, casualness in spirit, and sophisticated portrayal of feelings"; therefore, the artistic pursuit of the play was explicit. It aimed precisely to work out "a song of righteousness" for all television series, which is characterized by Chinese grandeur, a particular style, attraction and infection. Reviewing the series now, we found that this pursuit did achieve certain effects. Our television audience of whatever aesthetic level is attracted by the fate of the characters in the play, and at the same time, experiences the artistic infectiousness of the expression and symbolism pertaining to those grand scenes. For example, the huge army flag measured 120 square meters flying against the mist of smoke, the march of the group army in all its momentum, the excited scene of the horse-drawn sledges in the snow, the grave and stirring oath-taking rally, the solemn and sorrowful farewell to the mausoleum of the martyrs; the return after the triumph like a tidal surge, all these are not just the narration of the process of some incidents, but have a strong sense of symbolism and expression. The emotional pounding at the audience, and the contemplation inspired in them have far surpassed the content in the scenes themselves.

It is precisely because we have faced squarely the characteristics of television series, we have come to a sober understanding that the view of blazing new trails just for the sake of it, believing that anything different, obscure, and vague is new, is one-sided in essence, and lacks an aesthetic groundwork. The so-called "consciousness of the major aspect" is none other than the indulgence in self-admiration and a divorce from the masses, which means, of course, a divorce from the times. While the tendency in artistic creation that follows foreign patterns only, or aims only to curry favor with the audience also shows the lack of the aesthetic pursuit at a higher level. We should be bold at exploration and blazing new trails, while showing respect to realities and the audience, and earnestly studying the receptiveness of the audience; only then will it be possible to produce television series which are popular among the masses while guiding them to a higher aesthetic level.

In conclusion, regarding artistic creation, Comrade Mao Zedong's "Talks at the Yanan Forum on Literature and Art" delivered 45 years ago is still of guiding significance today. For example, the dialectical relations between "popularization" and "raising standards," between "the life of the people as the source of artistic creation" and "artistic extraction," between "the spring snow" and the "song of the rustic poor," between criticism and absorption, inheritance and exploration, development, and between national and world cultures, they are still correct and important regarding our artistic creation today. The life of art lies in truthfulness, which, in turn, stems from the understanding and mastery of realities. Regarding

this, Comrade Mao Zedong's concepts are not outmoded. We should attach greater importance to, and further study them, so that we may continuously make progress in reflecting greater depth and breadth of realities in our works as well as their artistic and philosophical values, and weed through the old to bring forth the new.

We are full of confidence, but we know that we are shouldering heavy responsibilities. Our ideal and objective is to upgrade the art of television plays to a new height in China through our work.

/6091

CSO: 4005/760

WHEN I WAS FLOATING DOWN THE TONGTIAN HE

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 17-19

[Article by Zhu Shimao [2612 2514 5399]]

[Text] As I sat before the television like an ordinary viewer, watching the series "Floating Down the Chang Jiang," I was touched by the character Yan Di, acted by myself. This had never happened before.

Perhaps owing to a slight loss of memory resulting from altitude sickness, I could hardly believe that the brave and strong man paddling the rubber raft and riding the wind and cleaving the waves was myself. The edited shots before my eyes were like gorgeous fragments forming an unbroken thread in my mind, producing a great impact on me. How, then, did I have the courage to do it? It is hard to explain in a few words.

On the morning of 19 August 1986, I was confronted with a rigorous test. Shooting of the floating scene was to begin very soon. Who would float? Could I? The torrents of the Tongtian He in August are fiercer than at any other period of the year. The roaring waves of the river were deafening. I stood silent, staring at the steep cliffs and surging waves...

The leading cadres had already taken into account the dangers of floating when the production unit had been founded. For this reason, they found two stand-ins who were skillful swimmers. However, the stand-ins had had to return to the interior because of their altitude sickness. The local comrades recommended an experienced boatman. Nevertheless, this old boatman had not rowed a boat for a long time. Was he capable of riding out the terrifying waves? Moreover, he was not the person required. To display the character of a brave and strong man, action was very important. There were no lines for the actor throughout the entire floating scene. The whole course of the battle between man and nature was to be expressed through action, so as to enable the audience to realize that Yan Di was a man with vigor and vitality who advanced bravely in spite of difficulties. This character and his thinking was the main thing to be manifested in the scene. Obviously, the old boatman could not undertake the arduous task. Time was pressing. The leading cadres would face two problems if they planned to look for another stand-in from the interior: Could they find a suitable person? Even if a suitable person was found, would he be able to adapt himself to

the highland environment? As the unit had worked for a considerably long period in the highlands, our physical and material resources were exhausted. The comrades could not wait any longer.

The situation was clear. Everybody stared at me.

Should I accept the job? I asked myself. If I accepted it, I would have to face the danger of death. Although Yao Maoshu had 3 years' preparation and was proficient in rowing, he died at the Jiashan Gorge. I thought of my relatives, my old mother, my wife, my friends, my fans...

If I said no, would it not be a waste of previous efforts made through innumerable hardships? Over the past 2 months, I had been encouraged by the image of Yan Di and the deeds of Yao Maoshu. To play the role well, I planned to concentrate my efforts, remove obstacles, and surmount all difficulties. The most difficult thing before me was the floating. As an armyman, I must accept the job. How could the series "Floating Down the Chang Jiang" be left unfinished due to my lack of courage?

The shooting of the red-flag-waving scene at the source of the Chang Jiang flashed across my mind. We had started for Geladandong, the highest peak in Tanggula Shan, that morning without having breakfast. It was 6,300 feet above sea level and the oxygen level was only 30 percent of that in the interior. The pulse of a healthy person was 90 at rest and 120-140 while moving. Owing to the lack of oxygen, the symptoms of altitude sickness were present in everyone: Some suffered from protruding mouths and others from swollen faces. I was suffering from nosebleed. The common symptom among us was confused thinking.

The members of the production unit set out together. But when they had reached halfway, the director and Li Hucheng (the actor playing the role of the second-eldest brother) had disappeared. When the following members discovered the director and Li Hucheng through binoculars, they were already approaching the peak... Oh, it was really a miracle!

This part almost exhausted our energies. All actions in the highlands should be slowed down, just like a slow-motion movie. If you move slightly faster, your heart will beat fast because of the heavy load. Every step forward was taken with a gasp. I had to rest every few steps and could continue only after recovering my strength. I simply lay down if I could not move. But I had to grit my teeth to get up. July was the season of the thaw. We could frequently hear the cracking of ice and the thunder of avalanches in the distance. The broken ice rolled down together with crushed stones. As it was blowing hard that day, the snow hit the face like small knives cutting the flesh. Our safety was threatened. It was quite clear that if I could not get to the destination, the efforts of the others would be wasted. What could they do without an actor? To tell the truth, I inwardly cursed the director for selecting such a place. Step by step, I at last staggered to the top. The director came forward from the distance and made a deep bow. He held my hands tightly and then warmly embraced me... I was so deeply moved by this comradely sincerity that I forgot about my complaints.

I reached the top. I succeeded. I, who was half-dead a few minutes ago, now stood at the top of Geladandong, the source of the Chang Jiang. A dream which I dared not have before had become a reality. It was true. I was very excited. Looking into the distance, I saw the mountain peaks covered with snow stretching to the blue skies. We felt as though we were floating in the air. When shooting started, my feelings burst out: "Geladandong mountain, we have come. Your sons, the descendents of the dragon, have come!" I was expressing my inner feelings rather than repeating my lines. I was shouting for the martyr Yao Maoshu, for the courage of the whole unit, for my labor, and for the willpower of the Chinese nation. For art we have come. I shed tears of excitement and happiness. The comrades present were also moved to tears.

We could not run during shooting because of the lack of oxygen. As we had only one small oxygen cylinder, everyone was reluctant to use it. I passed it to Li Hucheng and he passed it back to me, which showed a deep affection. I suddenly thought of the saying "Everyone must die; let me but leave a loyal heart shining in the pages of history." I thought of it, he thought of it, everyone thought of it. It was intoxicating and purifying. The comrades before me were all ordinary comrades. They were mischievous sometimes and even had complaints. But now you can see... Zhou Xiaoye, the makeup man, carried me across the frozen river barefoot for fear that my shoes would become wet while shooting the series. Did 57-year-old director Zheng not think of what he was enduring while going to the source of the Chang Jiang? Did director Ma not think of the danger to his life while climbing the mountain in spite of his illness? What was it for? I did not need to ask. I knew that they were working for you, for me, for art, for other people...

Float! I must float!

I often do physical training and I am fond of basketball, table tennis, and soccer. That is why I am strong and have good reflexes. Before floating, the expert told me the essentials for rowing the rubber raft. This was in my favor. By pooling the wisdom of the masses, a number of rescue plans were suggested.

When I stepped into the rubber raft, it flashed away like an arrow released from a bow. In an instant, everything sped past. Owing to the complex distribution of rock and submerged reefs, the great drop in water level, and the irregular direction of the waves, it was extremely important to maintain the proper course. I was struggling with the water. As the waves surged, I rowed with greater strength. The small raft bobbed up and down in the rapids and whirlpools. The surging waves beat upon me as if they wanted to devour both me and the raft. I reminded myself to be calm. A slight mistake in my rowing would have grave consequences. The small raft shot up again in an instant. This "descendent of the dragon" was a raft left by Yao Maoshu after his death. With the will of a martyr, it forged ahead like a seagull flying through the clouds... Through numerous fierce battles, I succeeded, the production unit succeeded. I had at last floated down the Tongtian He. The comrades warmly embraced me amid prolonged cheers. I thought of Yao Maoshu first. Our beloved hero, your achievements have been presented to the

people of the whole country by the Sichuan Television Station through the series "Floating Down the Chang Jiang." The floating teams will accomplish your unfinished work.

As a film worker, I floated down the Tongtian He. But there is no end to the realm of art. I must continue to float, to explore...

/6091

CSO: 4005/760

THE BRILLIANT DEEDS OF ZHOU ENLAI IN DEVELOPING EXTERNAL PROPAGANDA WORK
DURING THE PERIOD OF THE WAR OF RESISTANCE AGAINST AGGRESSION

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 20-24

[Article by Gao Liang [7559 2733]]

[Text] During the period of the war of resistance against Japanese aggression, Comrade Zhou Enlai guided party work in the KMT-ruled area. In that very difficult environment, not only did he brilliantly accomplish the extremely arduous tasks of negotiating with the KMT, building the party in the rear area, consolidating and expanding the national united front of resistance against Japanese aggression, but he continuously defeated the KMT authorities' blockade, obstruction, and sabotage, and launched massive diplomatic activities. He made wide acquaintances and presented a true picture of the resistance war to foreign friends as well as to the entire world, expounded our party's position, principles, guidelines, and policies on the resistance war, and made the breakthrough for external propaganda work. In external propaganda, he integrated the propaganda on the party's military struggle in base areas behind the enemy lines with that on the political and diplomatic struggles in KMT-ruled areas; he integrated diplomacy, propaganda, and making acquaintances; he also integrated rich propaganda contents and flexible and varying propaganda methods with superior propaganda techniques. In doing so, he provided the party's external propaganda with a clear-cut position and vividness as well as powerful emphasis and persuasiveness, expanded the party's influence in the rear area and the world, and moved forward the development of the international antifascist united front. During this period, Comrade Zhou Enlai accumulated a wealth of practical experiences in external propaganda work.

Uphold the Party's Principles and Guidelines, Actively and Conscientiously Launch External Propaganda

Following the outbreak of the war of resistance against Japan in 1937, Comrade Zhou Enlai successively assumed the positions of secretary of the Changjiang Bureau and Southern Bureau of the CPC Central Committee. From then until the victory in the war of resistance against Japan, Comrade Zhou Enlai upheld the party's principles, guidelines, and policies, integrated the concrete conditions of different periods during the resistance war, and actively led and organized the party's external propaganda.

During the years in Wuhan, that is, the early period of the resistance war, Comrade Zhou Enlai faithfully implemented the line initially proposed by the party, that of motivating the people to take part in an all-out resistance war. Taking advantage of the legitimate position acquired by the party in the KMT-ruled area and all other favorable opportunities, he worked actively and made wide acquaintances at home and abroad. At the same time, he made use of various occasions to expound our party's position on all-out resistance war and its opposition to capitulation, and often took the initiative to introduce and explain the issues to foreign friends. He also defined the party's position and viewpoints in newspapers and journals. His talk, "The Present Crisis in the War of Resistance and the Task To Be Undertaken in Pursuing the War of Resistance in Northern China"--which was published in the weekly journal QUNZHONG [THE MASSES]--thoroughly analyzed the emergence of collaborationist activities at home and abroad as well as the crisis brought about by capitulationism. It pointed out that pursuance of a protracted war centered on the war of resistance in northern China and founded on the theme of launching guerrilla warfare would "propel the development of the war of resistance all over the country" and "influence the world movement to aid China." (Footnote 1) (From a talk Comrade Zhou Enlai gave before a mass rally in Linfen, Shanxi on 16 November 1937, which was later published in the weekly journal QUNZHONG, Vol 1, No 2. See Volume 1 of "The Selected Works of Zhou Enlai" for full text.) Shortly before the fall of Wuhan, he personally wrote an editorial entitled "On the Current Situation in the Resistance War" for XINHUA RIBAO where he explained the three stages of the protracted war as outlined by Comrade Mao Zedong.

In October 1938, when Wuhan fell to the enemy, the KMT government moved its capital to Chongqing, and the resistance war entered a stalemate. Later, the KMT began implementing a policy of passive resistance to Japanese aggression and active opposition to the communists. Within a few years, it successively launched three anticommunist upsurges, bringing the entire nation to the brink of civil war. Adhering to the guideline of "persist in the resistance war, oppose capitulation; uphold unity and oppose division; insist on moving forward and oppose regression" as proposed by the party Central Committee, Zhou Enlai and the comrades at the Southern Bureau evaluated the situation, and engaged the Kuomintang in rational, favorable and paced arduous struggle. At the same time, in accordance with the policy put forth by our party on the existing differences between Britain and the United States on one hand, and Germany and Italy on the other, between the British and American people, and their governments, between Britain and the United States of the Munich period and of the present moment, he strengthened contacts with the diplomatic and press agencies, organizations and people of various circles from the Soviet Union, Britain, the United States and others, in order to carry out broad external propaganda. In January 1941, the Kuomintang instigated the Wannan [southern Anhui] incident. At a time when the entire staff of the Southern Bureau was in extreme danger and faced possible raids at any moment, Comrade Zhou Enlai personally sought out American and British diplomats as well as people from different circles to expose the KMT plot. At that time, the party Central Committee repeatedly instructed that most of the comrades be evacuated immediately; however, in view of the demands of work, Comrades Zhou Enlai, Dong Biwu, and Deng Yingchao elected to stay on.

In his telegram to the party Central Committee, Comrade Zhou Enlai said: We have made all kinds of preparations, and are not afraid of being arrested or killed. (Footnote 2) ("Chronicle of the Party History of the Southern Bureau," Chongqing Publishing House, 1986 edition, p 145)

On 8 December 1941 [as published], the Japanese attacked Pearl Harbor and the Pacific war erupted. The next day, the CPC Central Committee issued its "Instructions on the Anti-Japanese United Front in the Pacific." In keeping with the spirit of the Central Committee instructions at this crucial moment, Comrade Zhou Enlai wasted no time in carrying out external activities and propaganda, and worked to make sure that the change in situation would be favorable to promoting the formation of an international antifascist united front and the unity of our country in the resistance war. In an article entitled "The Pacific War and the World War Situation" published in XINHUA RIBAO on 13 December, he fully discussed the indivisible links between the Pacific war and the world war situation, and analyzed patterns in the world war situation of the time as well as the characteristics of the entire world antifascist war, thus enabling the people of the country and the entire world to recognize clearly the new situation as well as the direction of struggle.

In September 1944, in accordance with the developments of the situation and the strong aspirations of the entire nation, the party Central Committee proposed to the Kuomintang the formation of a democratic coalition government; however, the Kuomintang persisted in implementing its one-party dictatorship. Thus, the political struggle of the two proposals and the two lines grew more acute. Comrade Zhou Enlai, who at this time had returned to Yanan to take part in preparatory work for the Seventh CPC Congress, again revisited Chongqing in November 1944 and January 1945 in order to hold even more tortuous talks with the Kuomintang. During his stay in Chongqing, he had broad discussions with various democratic organizations and people from different circles, and also presented our party's proposals to the diplomatic corps and foreign friends. Overcoming numerous obstacles, the XINHUA RIBAO carried the full text of Chairman Mao's "On Coalition Government" and even published an English version for distribution. Comrade Zhou Enlai pointed out: The formation of a coalition government is an extension of our party's proposal for a national united front in the resistance war against Japan. It is "the united front's highest form of political power." (Footnote 3) ("Selected Works of Zhou Enlai," Vol 1, p 190) To this end, he made every effort to carry out external propaganda to coordinate it with the struggles in the talks with the Kuomintang. This acute struggle which lasted more than 6 months "inspired the country's democratic movement, and brought about the support and sympathy of democratic personalities both at home and abroad for the proposal to form a coalition government" (Footnote 4) ("Selected Works of Zhou Enlai," Vol 1, pp 204-205); thus, it set the stage politically as well as prepared public opinion for the final triumph of the resistance war. With the victory of the war of resistance in August 1945, Comrade Zhou Enlai again accompanied Chairman Mao to Chongqing to conduct higher level talks with the Kuomintang as well as to launch new and more complicated struggles with the representatives of the Kuomintang and the U.S. Government in the political, diplomatic, and propaganda arenas.

Using Newspapers as the Weapon, Explicitly Publicizing the Party's Lines and Policies, and Resolutely Retaliating Against the Three Anticomunist Upsurges

Once the war of resistance started, Comrade Zhou Enlai busied himself battling for the establishment of XINHUA RIBAO in the KMT-ruled area. Following tremendous efforts, he was able to get the KMT authorities to agree to our party's running a daily newspaper openly in the KMT-ruled area. In early 1938, XINHUA RIBAO and the party organ QUNZHONG which it also published were officially printed and distributed in Wuhan; on the eve of the fall of Wuhan, the papers were transferred to Chongqing on 25 October. From the time of its birth, growth, and development, XINHUA RIBAO consistently received the personal guidance and attention of Comrade Zhou Enlai. Not only did he regularly point out the direction for development and the guidelines for running the newspaper, review its editorials and important news items, and inquire about its editorial, publication, and distribution work, but he also frequently wrote editorials, commentaries, analyses, and major news articles for the paper. In accordance with the characteristics and laws of running newspapers in KMT-ruled areas, he put forth the demand for "good editing, clear printing, and early distribution" to XINHUA RIBAO.

Operating in the heart of the KMT-ruled area, XINHUA RIBAO faced closure, surveillance, inspection and threat at every minute and every second. It was also under constant attack by the reactionary media and important manuscripts were often banned for publication. Nevertheless, it was able to surmount all difficulties to transmit to the country and the world the statements and declarations of the party Central Committee, the works of Comrade Mao Zedong, and the reports and speeches of other leaders in the party Central Committee. It also vividly reported the resistance war waged in Yanan and conditions in the base areas behind the enemy lines, the achievements in construction, and the life of the people there. At the same time, it attached great importance in maintaining contacts with people from different strata in the rear area, and in reflecting their demands and aspirations. In particular, its international news roundup and editorials were rich in contents and its lucid analysis of events helped the readers understand the situation and the trends in the development of the international struggle. Hence, not only did it win the hearts of the people in the rear area for the party and promote the development of the patriotic democratic movement, it also created a major international impact. Through XINHUA RIBAO, the diplomatic corps based in Chongqing, the European and American governments and different political forces learned about the CPC position. Similarly, the communist parties and progressive personalities of countries of the world, notably the Southeast Asian states, were able to follow the progress and experiences of the Chinese revolution.

Aside from guiding the XINHUA RIBAO in propaganda work, Comrade Zhou Enlai also organized the comrades of the external affairs division of the Southern Bureau to write articles specifically for external propaganda. Every time he received from Yanan open documents of the party, works by Chairman Mao and other leading comrades, and important reports, he would immediately have comrades of the Southern Bureau's external affairs division translate them into English, and print and distribute them to foreign reporters, friends,

and diplomatic missions. Even when he returned to Yanan for consultations, he would have people bring out such documents and writings, to be translated, printed, and distributed in Chongqing. He also maintained contacts with Comrades Song Qingling and Liao Chengzhi in Hong Kong, and had foreign friends there translate these documents and writings for distribution in Hong Kong, Manila, and the United States. Translation of Chairman Mao's "On Protracted War" was, at his request, done first in Chongqing and then in Hong Kong. To enable Yanan to broadcast the voice of the party Central Committee directly to the rear area and the world, Comrade Zhou Enlai actively prepared the ground for XINHUA NEWS AGENCY's English news broadcast in 1944. He brought back equipment and spare parts collected in Chongqing to Yanan and enabled XINHUA NEWS AGENCY to promptly issue its English texts to the world.

From December 1939 to August 1943, the KMT reactionaries launched three anti-communist upsurges against our party and army, with the most serious one being the Wannan Incident of January 1941. On the eve of the Wannan Incident, Comrade Zhou Enlai sensed that the Kuomintang was about to launch a military offensive against our side, and promptly reported to the Central Committee. He also held several lengthy talks with writer Anna Louise Strong, citing massive irrefutable facts to expose the KMT plot of launching a civil war and surrendering to Japan. He also predicted that the Kuomintang would fabricate an even bigger anticommunist incident. Meantime, he organized his forces and compiled the KMT's anticommunist documents and materials into a booklet which was then taken abroad for distribution by foreign friends. After the incident took place, Comrade Zhou Enlai followed instructions from the Central Committee and lodged serious protests and made representations with the Kuomintang. At the same time, he launched "retaliatory propaganda" against the Kuomintang. When the KMT authorities banned newspapers from reporting the true picture behind the incident, Comrade Zhou Enlai published his protest poem prominently on XINHUA RIBAO's front page: "A great injustice has taken place to one named Ye in the land south of Changjiang; Being brothers, yet why such haste to harm one another?!" He also instructed comrades from the external affairs division to wire Strong--who had already returned to the United States--and inform her of the developments. Strong immediately revealed the materials provided by Comrade Zhou Enlai to the world, and these solicited strong reactions from the United States and the rest of the world. Comrade Zhou Enlai also met with U.S. President Roosevelt's emissary in Chongqing and explained the truth of the matter to him to induce the United States to put pressure on Chiang Kai-shek.

In the summer of 1943, using the dissolution of the Communist International as an excuse, the Kuomintang set off the third anticommunist upsurge. Comrade Zhou Enlai sent a wire to the party Central Committee, reporting the Southern Bureau's analysis of the situation following the dissolution of the Comintern and putting forth their suggestions. At the same time, he adopted different ways to publicize our party's achievements in the resistance war and in construction, exposed the plots and contradictions of the Kuomintang authorities, as well as intensified foreign activities and actual contacts with American and British personalities. The Southern Bureau also distributed its exposes to different newspapers and embassies. XINHUA RIBAO and the weekly QUNZHONG similarly published a series of antifascist editorials and materials, and in a

roundabout way, revealed the crimes of the fascists in China. Owing to the fact that our party had made sufficient political exposes, took on the offensive in propaganda, and compounded with the military maneuvers as well as strong public condemnations both at home and abroad, the Kuomintang was finally forced to end its large-scale civil war activities and resume talks between the two parties.

Integrating Diplomacy With Propaganda, Breaking Blockade, Winning Friends, and Enlarging Influence

Ever since its implementation of a policy of passive resistance to Japanese aggression and active opposition to the communists, the Kuomintang had consistently carried out a tight blockade of the Shaanxi-Gansu-Ningxia border area and of the resistance war's base areas behind enemy lines. To break the blockade, Comrade Zhou Enlai, in accordance with the Central Committee's demands, invited an endless stream of people from the KMT-ruled areas to visit or work in Yanan.

In March 1940, the patriot Chen Jiageng led a delegation of Southeast Asian Overseas Chinese from Singapore to Chongqing to express solidarity with the motherland as well as to observe its pursuance of the war of resistance. He also insisted on visiting Yanan. After numerous attempts by the Kuomintang to thwart the visit failed, Chen Jiageng and his delegation arrived in Yanan in late May and were warmly received by Mao Zedong, Zhu De and other Central Committee leaders as well as by the soldiers and people there. After his return to Chongqing, Comrades Zhou Enlai and Dong Biwu visited him at his guest house, and further explained to him the situation in the KMT-CPC negotiations. Later, speaking of his "observations of the northwestern tour" at a mass rally, Mr Chen highly praised the soldiers and people in Yanan, and the full text of his speech was published by XINHUA RIBAO. Greatly displeased with this, the Kuomintang tightened its blockade of Yanan.

In 1944, there were new developments. At that time, the party's influence in the rear areas continued to expand. However, owing to the prolonged blockade imposed by the Kuomintang, the rear area and the countries of the world had very little understanding of the concrete situation in our resistance war's democratic base areas. Hence, domestic and foreign public opinion strongly opposed the KMT authorities' blockade of Yanan and asked that reporters be sent to cover the place. As members of the antifascist alliance, the United States, Britain and other countries needed to find out about the CPC's real might in the resistance war as well as to establish direct contacts with the CPC Central Committee. Initially, some Chongqing-based American reporters filed requests in March that year to visit Yanan. Comrade Zhou Enlai who had then returned from Chongqing to Yanan for consultations immediately telegraphed the Southern Bureau's Comrade Dong Biwu, saying that he had been entrusted by Comrades Mao Zedong and Zhu De and the CPC Central Committee to warmly welcome foreign reporters who wanted to visit Yanan. Afraid that its news blockade would be broken, the Kuomintang set up innumerable barriers and created all sorts of obstacles. After repeated and difficult interventions, finally, a 21-man "Chinese and foreign reporters' observer group to the northwest" arrived in Yanan in June. Not long after,

through the efforts of General Stilwell, the U.S. commander based in China's war zones, and at the urgings of President Roosevelt, the Kuomintang was forced to agree to a permanent posting of an 18-man "U.S. Army Observer Group in Yanan" in order to investigate the resistance war behind enemy lines. This observer group also arrived in Yanan in August that year.

The party Central Committee attached great importance to the visiting journalists' delegation and army observer group. The 15 August editorial of Yanan's JIEFANG RIBAO [LIBERATION DAILY] pointed out: The Kuomintang has imposed a blockade on our base areas for a long time now, and carried out massive deceptions and reactionary propaganda both at home and abroad. Now, with the visits of the journalists' delegation and the observer group, it will be very difficult for the Kuomintang to continue hoodwinking the public. On 18 August, the CPC Central Committee issued its "Instructions on Diplomatic Work," saying: "This visit to our zone as well as to base areas behind the enemy lines by foreign journalists and American military personnel is the start of actual contacts following preliminary acquaintance with new democratic China. Therefore, we should not regard their visit and observation as an ordinary activity, but should view them as our launching of an international united front and the beginning of our diplomatic work." (Footnote 5) ("Memoirs of the Yanan Foreign Bureau," p 192)

These two delegations were enthusiastically welcomed by the party Central Committee and the border area government. They were also warmly received by Comrades Mao Zedong, Zhu De, Ye Jianying and others. Comrade Zhou Enlai met with them frequently and arranged for their visits and interviews. Returning to Chongqing 2 months later, the journalists' delegation wrote numerous articles, and among them were six foreign journalists who authored massive reports and books, narrating their eyewitness accounts to the whole world and refuting the lies and allegations spread over the years by the Kuomintang. They enabled the world to see the dawning of the Chinese people's victory in the war of resistance and the future of an entirely new China. During the U.S. Army Observer Group's stay in Yanan, Comrades Mao Zedong and Zhou Enlai held several important talks with the group's leader, Barrett, and a member, Service. Based on their personal observations and experiences, this group sent back several investigative reports which reflected more objectively the political, economic, military and other conditions in the resistance war's democratic base areas as well as our party's guidelines and policies.

Seeking Truth From Facts, Adopting Various Means To Pointedly Carry Out External Propaganda

On the eve of the visit to Yanan by the Chinese and foreign journalists' delegation in June 1944, Comrade Zhou Enlai emphatically pointed out to all comrades of the Foreign Bureau in charge of attending to the delegation: The propaganda work should be implemented factually. It should talk of our achievements, but should also explain the mistakes and errors in our work, explain that we have the means to correct errors and overcome mistakes. It is absolutely forbidden to exaggerate or to deceive. He also said: Most of the Chinese and foreign reporters from the KMT-ruled areas are disgusted with the deceitful Kuomintang propaganda. In view of this, we should treat

them sincerely. In openly explaining our viewpoints, we should also listen to their opinions, carry out mutual exchanges, and clarify differences. As long as we can achieve unanimity on the major issues such as jointly defeating the Japanese aggressors, we should not force our views on other issues on other people. He also insisted that the responsible cadres of units charged with attending to the guests in Yanan take the initiative to introduce the actual work conditions in their units, to explicitly and responsibly answer the journalists' questions, and to avoid dodging. (Footnote 6) ("Memoirs of the Yanan Foreign Bureau," pp 199-200)

Based on the principle of seeking truth from facts, Comrade Zhou Enlai used different means to present to foreign personalities the stand and propositions of our party. In the KMT-ruled area, he took the initiative to meet with foreign journalists and frequently held press conferences, even personally attending one organized by the KMT's Central Propaganda Department. Reporters had varying points of view and posed different kinds of questions, some of which were even quite provocative. However, Comrade Zhou Enlai never dodged the questions, never concealed his viewpoints and instead, answered questions with forceful reassurance. It was widely held in both the Chinese and foreign press circles that Zhou Enlai's press conferences were the most enriching and fruitful. Recalling those events, some foreign journalists and friends wrote: "He was approachable and easy to talk to, modest and straightforward, thus winning the respect of the majority of the journalists"; "his resolution, sincerity, clarity, patience and his extremely serious attitude toward questions of principle--these intertwined with his forthright personality and speeches"; "he was always willing to tackle an issue in a straightforward manner, and would always look for common points...he tried to make us agree to his and his party's view of China and of the world--he had unflinching conviction in these views. However, in so doing, he relied on cool reasoning, on tactfully worded and illuminating expositions, on vast knowledge of history and of the world, and on an astounding understanding of current events and details." (Footnote 7) (The three citations are taken from articles written by American journalists and friends Roderick, Epstein, and Service in memory of Comrade Zhou Enlai.)

In 1982, more than 40 American journalists and scholars who had worked in Chongqing in the 1940's held a seminar in Arizona. Speaking before the meeting, people who had met with Comrade Zhou Enlai would automatically recall their meetings and conversations with him. "They had nothing but affection and respect for him, and the discovery that his early statements to them were the truth was all very logical." (Footnote 8) (Epstein attended the seminar and wrote an article about it which was published in the English version of the monthly CHINA RECONSTRUCTS (North American edition) in May 1983. The article contains the citation.)

Comrade Zhou Enlai's accomplishments for the party in external propaganda and other fields of work in the KMT-ruled area during the period of the war of resistance were brilliant and outstanding. However, he attributed his achievements to the correctness of the party Central Committee's leadership and party line, as well as to the comrades who persisted in working in the KMT-ruled area. He also never forgot all the foreign friends he had made in

the course of his work and who had given their cooperation and support. On 6 August 1944, shortly after the Yanan visit of the Chinese and foreign journalists' delegation and on the eve of the arrival of the U.S. Army Observer Group, he wrote a letter to Comrade Wang Bingnan, head of the Southern Bureau's external affairs division in Chongqing in which he highly praised the work of the comrades. He said: "Your efforts have paid off and will have unlimited future development." At the same time, he enthusiastically asked after the foreign journalists and friends he had met in Wuhan and Chongqing, expressing his great concern and regards for them and asking the comrades at the division to maintain contacts with them.

Comrade Zhou Enlai's great achievements and rich experiences gained for the party during the period of the war of resistance are invaluable treasures of the party. In launching and carrying out the external propaganda, he consistently adhered to the party's position, resolutely and creatively implemented the party line, thus winning the hearts and minds of people both at home and abroad. Let us learn from and inherit these glorious traditions, and continue to push forward the party's external propaganda cause!

/6091

CSO: 4005/722

DISCUSSING SEVERAL QUESTIONS CONCERNING THE CONTRACT MANAGEMENT RESPONSIBILITY SYSTEM

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 25-28

[Article by Feng Baoxing [7458 1405 5281]]

[Text] The application of the contract management system among large and medium-size enterprises under which large and medium-size enterprises mainly contract to turn over profits to the government can help enterprises improve their management mechanisms and contribute a lot toward harmonizing the interest relations between the state, enterprises, and their workers. Specifically, there are the following types of contract systems: the contract responsibility system for turning over definite revenue quotas to the government; the contract responsibility system for a progressive increase in the revenue quotas to be turned over to the government; the contract responsibility system which rewards part of the profits according to above-base earnings; the system of allowing enterprises suffering from losses permitted by policy to do contract work for fixed amounts of subsidies; the contract responsibility system for steadily reducing losses, etc. Like those produced by the contract responsibility system with payment linked to output in the rural areas, the effects that have been produced by the application of these systems have stimulated the workers' enthusiasm for work, with the result that the economic results of various enterprises and industries have improved significantly, the country's revenues have increased, the value of the people's collective assets and property has gone up, the pace of the technical transformation of various enterprises and industries has quickened, and the workers are now enjoying better living standards than before. Under these systems, efforts are made to raise the workers' living standards on the condition that the task of turning over revenue quotas to the government has been fulfilled and these efforts will be made if production grows as a result of updating the enterprises' technology. Thus, there is an internal motivating force behind the enterprises' voluntary savings and the problem of shortening enterprise operations can more easily be solved. Following is a discussion of several problems concerning the contracted management responsibility system.

I. The Basis on Which Definite Revenue Quotas To Be Turned Over to the Government Are Calculated

Some enterprises take the revenue quotas they turned over to the government 1 year before they assumed contract responsibilities as the base, while others take the average of the revenue quotas they turned over to the government in the immediately preceding years before they assumed contract responsibilities as the base. These enterprises then forecast the development prospects in the periods during which they are supposed to fulfill the contract terms before they decide on the exact amounts of the revenue quotas. Since different enterprises have different conditions, such varied practices are permitted. Generally speaking, the following things should be taken as part of the objective basis on which an enterprise calculates its exact amount of revenue quotas to be turned over to the government: 1) The lowest amount of work required for the production of each unit of its products in its history. By taking this as the basis on which it decides on the exact amount of revenue quotas to be turned over to the government, an enterprise can further reduce manpower consumption and raise efficiency. 2) An enterprise's past differential income. Since some enterprises are utilizing some of the country's richer natural resources, their differential income is classified under the first category. However, some enterprises claim sizable state investments and have to be properly equipped. Thus, their differential income is classified under the second category. In deciding on the exact amount of revenue quotas to be turned over to the government, an enterprise should see to it that its differential income will basically go to the state. 3) Income differences resulting from the distorted [as published] pricing structure are an irrationality and should be eliminated by adjusting the exact amount of revenue quotas to be turned over to the government. 4) The place of an enterprise in national economic development. Enterprises whose products are in great demand and which should expand the production of such products and carry out technical transformation in the periods during which they are supposed to execute contracts should make the amounts of, or the progressive increase in, revenue quotas to be turned over to the government smaller, in order to keep some funds to expand reproduction and to fulfill the tasks of extension and technical transformation. On the other hand, enterprises whose products are oversupplied and which are not required to carry out technical transformation while executing contracts should make the amounts of, or the progressive increase in, revenue quotas to be turned over to the government relatively greater.

Given all this, the contracted responsibility system for turning over revenue quotas to the government can contribute toward regulating production in the following two ways: First, it can help enterprises reduce manpower consumption; and second, it can adjust the production scale. The contract responsibility system for turning over revenue quotas to the government, which is based on the principle of "one enterprise, one quota," is a conscious way of applying the law of value in regulating production and circulation among large and medium-size enterprises in the course of replacing the old system with a new one.

II. Who Undertakes Contract Management Responsibilities?

The contract management responsibility system is an effective way of separating the ownership of large and medium-size enterprises from the power of operations. Who, then, is supposed to undertake contract management responsibilities? Some comrades think that enterprisers and business executives should undertake contract management responsibilities and independently exercise the power of operations. Others have suggested that these responsibilities should be jointly undertaken by all enterprise staff members and workers--hence the system of "all staff members and workers undertaking contract responsibilities"--and that enterprisers and business executives should act as their representatives.

Large and medium-size enterprises are a labor cooperative system that has come into existence as a result of the socialization of production. In the face of the rapidly changing market, they need enterprise leaders who are good at management and doing business to assume overall command and to give timely directions. Such enterprise leaders are commonly referred to as enterprisers or business executives. Thus, it is not wrong to emphasize the role of enterprisers and the need to train enterprises through practice. However, the view that there should be a separate class of enterprisers with their own special interests and that these interests should be independent of the interests of the state, that is, the owner of the enterprises' property and assets, and those of enterprise staffs and workers is questionable as far as the nature of the system of ownership by the whole people is concerned. Some comrades have suggested that we encourage enterprise operators to take even greater risks by rewarding them not with money, but with a fixed share or part of the enterprises' assets and property. If we let the state's assets and property be "divided" between the state and the enterprisers and business executives, we will have gone beyond the separation of ownership from the power of operations. This will not work in large and medium-size state-owned enterprises. Considering the role played by enterprisers in strengthening enterprise management, we find that they are irreplaceable. However, they can play their role only on the basis of the democratic management of large and medium-size enterprises by all of their staff members and workers. This is what distinguishes a socialist enterpriser from a capitalist one. An enterpriser should not be required to answer for the profits or losses of a contract undertaking alone. Actually, he is unable to do that. For example, whether an enterprise can receive its share of profits after fulfilling its profit target on time and turn over the contract revenue quota to the government depends to a very great extent on an enterpriser's correct management decisions and leadership. However, what is decisive is the joint efforts made by all the enterprise's staff members and workers. Thus, benefits derived from profits and above-quota profits should be enjoyed, not by the enterpriser alone, but by all staff members and workers. (Of course, the enterpriser will have his share because of his unique contributions.) Another example is that an enterpriser cannot single-handedly make up the difference or losses if the enterprise under his leadership fails to fulfill its profit targets on time and thus cannot turn over the exact amount of its revenue quota to the government or if the enterprise has incurred losses. We have seen enterprisers who run small enterprises on a lease basis, mortgage

their own property. Although they have contracted to turn over amounts of less than 200,000 yuan each and although their personal property may not be valuable enough to cover all losses, however, considering their own reputation, they feel that this is acceptable. However, a large or medium-size enterprise may contract to turn over several million yuan or 10 times this sum to the government. If it fails to turn over the exact amount of money to the government or if it loses money, we cannot cover even a small fraction of the sum by "confiscating" the responsible enterpriser's property. The only reasonable and correct way to handle this problem is to let all the laborers of an enterprise jointly answer for the enterprise's profits and losses. This means that they can jointly benefit by "surpluses" and are jointly held responsible for "deficits." Under the system of "all staff members and workers undertaking contract responsibilities," the staff members and workers of an enterprise, that is, all its laborers, are, as a combined group, the body to undertake contract responsibilities and exercise the power of operations as a legal person and the enterpriser plays his role by being the representative of this legal person. As the representative of a legal person, the enterpriser can sign contracts with the state on behalf of this legal person and in accordance with the principle of combining commensurable responsibility, authorities, and benefits. After returning to the enterprise, also in accordance with the principle of combining commensurable responsibility, authority, and benefits, he should break up the contract responsibilities at each level down to the individual so that each worker will shoulder some responsibilities and have a well defined target to fulfill. Under the system of "all staff members and workers undertaking contract responsibilities," all the staff members and workers of an enterprise jointly decide on major operational and management problems, jointly fulfill their obligations to the state, and jointly enjoy the commensurate rights and benefits. This is the substance of the system of all staff members and workers undertaking contract responsibilities. The role of staff members and workers as enterprise operators and masters of their own affairs are vividly captured by the system of all staff members and workers undertaking contract responsibilities.

The system of all staff members and workers undertaking contract responsibilities has not come into existence and developed entirely by chance. It is a product of integrating the labor force with means of production in the wholly owned sector of the socialist economy. I think that in the wholly owned sector of the socialist economy, material production conditions, that is, the means of production, are the property of society, whereas manpower is a "natural privilege" of laborers. This means that manpower is their personal property. This makes it necessary for the labor force to be integrated with the means of production on three levels. On the first level, as one of the owners of the means of production, a laborer, together with other laborers, elects the state power organs, and, with these state power organs as a medium, exercises his ownership of production and both directly and indirectly obtains benefits through the use of various social funds collected by the state. On the second level, several laborers may pool their own manpower to form a laborer group. As an operator, a laborer group can be integrated with the means of production the state entrusts to them for management. Here, the management means the power to possess, control, and use the means of production in the course of production and reproduction. On the third

level, as direct producers in enterprises on the basis of the division of labor, laborers at various posts are integrated with the means of production. This means that they apply the appropriate production equipment to the objects of their labor. The wholly owned sector of socialist economy can operate only on the basis of integration on these three levels. I think that integration on the second level is, on the one hand, determined by the objective economic condition that the means of production and manpower go to society and individual laborers, respectively, and, on the other hand, is an objective requirement for the socialization of production. The reason is simply that under socialized production, if laborers do not combine to form a labor force within the limits of a certain division of labor, they cannot use the means of production, which are socialized, and their ownership of their own manpower will have no place in the economy. In other words, they will be unable to exercise, through the exchange of labor, which is embodied in products, the rights to which they are entitled by the principle of distribution according to work. On the other hand, if, as the representative of all people, the state does not break up the system of the means of production into relatively independent parts at various levels in accordance with the requirements for the division of labor and cooperation between specialized departments and does not allow laborers' groups to manage them, that is, to control and use them, the means of production will not take part in production. In actual economic activities, integration on the second level is embodied by wholly owned enterprises. These enterprises are "cells" of the wholly owned sector of the socialist economy and play the role of a connecting link between integration on the first level and that on the third. Given integration on the second level, groups formed by laborers, but not individual laborers, are to possess, control, and use the state's means of production. Naturally, the staff members and workers forming these groups will be the people to exercise the power of operations and undertake contract responsibilities. The system of all staff members and workers undertaking contract responsibilities is based on this.

III. Concerning the Benefits Distribution Mechanism Characteristic of the System of All Staff Members and Workers Undertaking Contract Responsibilities

In practice, under the system of all staff members and workers undertaking contract responsibilities, the total amount of reward funds received by the enterprises' laborer groups is in direct proportion to the total amount of social funds they contribute to society.

An enterprise's sole responsibility for its own profits or losses is jointly undertaken by all its staff members and workers. Their "responsibility for the profits" means: First, after fulfilling the contracted task of turning over a definite revenue quota to the government, the workers of an enterprise can receive their basic salaries and regular premiums. Second, in the event that an enterprise reduces its manpower consumption to a point below the lowest point ever reached in history, it will be given above-quota bonuses after turning over its revenue quota to the government. As a result, it will have more private funds and be entitled to larger amounts of collective welfare funds and premiums. Third, if an increase in differential income is brought about as a result of their efforts to raise productivity by using

production development funds for technical transformation and technological updating then the funds they have retained can be freely used by the enterprise for some time. Their "responsibility for losses" means: First, in the event that an enterprise fails to make enough profits to fulfill its task of turning over its revenue quota to the government as a result of an increase in manpower consumption, it will have to use part or all of its own funds to make up the difference. Thus, if it uses its welfare funds for this purpose, its collective welfare funds will decrease. If it uses its premium funds to make up the difference, its staff members and workers will receive less or even no premiums. However, if it uses its production development funds to make up the difference, although its welfare and premium funds will remain unaffected for the year, its technical transformation funds will decrease and its benefits and those of its staff members and workers will eventually be affected. If the difference is so great that it cannot be covered even by all the enterprise's funds, the enterprise should use its workers' basic salaries to make up the difference. If, as a result of poor management, an enterprise suffers from losses, causes the value of the means of production which the state allows them to use diminish, and cannot cover its debts even with all its products, the enterprise should declare bankruptcy in accordance with the law, its leaders should be immediately removed, and its staff members and workers should look for other jobs and be given living subsidies which are smaller in amount than their basic salaries. In practice, to avoid this, enterprises usually "make up deficits with surpluses." This means that when they make profits, they will divert a certain proportion of the funds, including their welfare and premium funds, to their reserve funds, so that they can use these funds to make up the difference in the event that their profits fall short of their revenue quotas.

Thus, it can be seen that under the system of all staff members and workers undertaking contract responsibilities, what a contractor offers as securities is all an enterprise's funds and its staff members and workers' wages. This system is different from the system of the management of small enterprises on a contract or lease basis, where a contractor or lessee offers his own property as securities. Thus, the application of the system of all staff members and workers undertaking contract responsibilities is accompanied by the emergence of operational mechanisms which are similar to those in the rural areas accompanying the application of the contract responsibility system with payment linked to output on a household basis. Since this system requires an enterprise to turn over a definite revenue quota to the government and reserve a fixed proportion of its funds for developing production, it can "have enough funds for developing production and use the remainder to raise the staff members and workers' living standards after turning over a definite revenue quota to the government." Practice has proven that this mechanism can arouse the enthusiasm of the masses of staff members and workers.

IV. The Relationship Between the System of All Staff Members and Workers Undertaking Contract Responsibilities and the System of the Plant Director Assuming Full Responsibility and the Relations Between the State, the Plant Director, and Workers

The application of the system of the plant director (manager) assuming full responsibility among enterprises owned by the whole people is compatible with the application of the system of all staff members and workers undertaking contract responsibilities. It was mentioned in a preceding paragraph that the groups formed by enterprise laborers are the bodies who shoulder contract responsibilities, whereas plant directors (managers) only sign contracts with the government on their behalf and exercise the power of operations in enterprises on the basis of the principles of democratic centralism. Enterprises are corporate persons and plant directors (managers) are their representatives. As long as a plant director (manager) properly exercises leadership, applies the proper management methods, and sees to it that the staff members and workers' collective welfare benefits and living standards improve after the enterprise under his leadership has turned over its contracted revenue quota to the authorities, he represents the interests of the enterprise's staff members and workers. However, if a plant director (manager) makes mistakes in business decisionmaking and in directing production, causes the enterprise under his leadership to be unable to turn over the contracted revenue quota to the authorities on time, and cannot increase, but only reduce, the income and welfare benefits for the enterprise's staff members and workers, he does not represent their interests and should be removed. Our experience in applying the system of all staff members and workers undertaking contract responsibilities tells us that we cannot judge the place of a plant director in various types of economic relations without concentrating our attention on the overall makeup of the relationship between the interests of the country (the entire labor force) and those of an enterprise (which represents only part of the labor force). In the wholly owned sector of the economy, the relationship between the interests of the entire labor force, which is represented by the state, and the interests of a part of it, which is represented by enterprises, can best be described in terms of the expression "sharing weal and woe." The greater the amount of net income (which will eventually be used for the entire labor force, including all its parts) a laborer group turns over to the state, the more consumption funds it will receive. However, if, in managing business, enterprise laborers cause the value of the state's means of production to diminish relatively (by producing poor economic results) or absolutely (depreciation), they will receive less income. Under this system, a plant director (manager) enters into a relationship with the state on behalf of all the staff members and workers of the enterprise under his leadership and this relationship is characterized by the appropriate responsibilities, authorities, and benefits. A plant director (manager) must ensure that the state's interests will be catered to. However, he does this on behalf of the staff members and workers. In addition, he should also see to it that their lawful interests are upheld. However, it must be understood that these interests are granted by the state through the contracts it signs with enterprises. Of course, by making decisions and directing work, enterprisers play a crucial role in ensuring that state revenues increase and that the workers' living standards improve.

/6091

CSO: 4005/817

INVESTIGATION ON HOW THE HUNAN LIANYUAN IRON AND STEEL PLANT UNDERTAKES THE RESPONSIBILITY OF INCREASING PROFITS HANDED OVER TO THE STATE

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 29-33

[Article by the Policy Study Office of the Hunan Provincial CPC Committee]

[Text] The Hunan Lianyuan Iron and Steel Plant has gradually increased profit delivery to the state for more than 7 years already. Actual practices in the 7 years have testified that this system is an effective form of enforcing the separation of the ownership power from the operation power and the invigoration of large and medium-sized enterprises.

Conditions Before and After the Responsibility Contracting

The Lianyuan Iron and Steel Plant was established in 1958. The state's investment in it totaled 279 million yuan and an annual steel production target of 200,000 tons was formed. In 1980, the Hunan Provincial Government began to enforce on it the system of responsibility for gradually increasing profit delivery to the state. In the 21 years before enforcement of the system, the Lianyuan plant had incurred deficits for 13 years and, comparing profits to losses, the net loss was over 81 million yuan. In 1979, in order to meet the needs of economic development, the provincial government stipulated that the Lianyuan plant should carry out transformation and coordination to attain the production target of 400,000 tons of steel a year. But due to the lack of funds for a large-scale investment, the system of responsibility for gradually increasing the delivery of profits to the state was adopted. The stipulation was that commencing in 1980, the base was an annual profit delivery of 5 million yuan with an annual increase of 12 percent profit may then be retained by the plant. It was further stipulated that all funds needed for the plant's technological transformation, development of new products and expanded reproduction should be taken from the plant's retained profits with the state making no further investment. At the time of the changeover to tax payment in lieu of profit delivery in 1984, the profit delivery base was adjusted to 12.5 million yuan and the annual increase adjusted to 7 percent. In 1986, following approval by the Ministry of Finance, the profit delivery base was readjusted to 20 million yuan and the annual increase fixed at 10 percent until 1990. It was further demanded that the plant increase its annual production capacity to 550,000 tons of steel. In order to implement those responsibilities imposed by the state, the Lianyuan plant internally

divided the contracted responsibility targets level by level and correspondingly set up a contracted responsibility system extending level by level to the individual. The production units carried out the floating responsibility contracting of the individual's income linked to output, profit and responsibility. The contracting criteria included quantity of output, product quality, profit, production cost and the major consumption targets. In projects involving substantial overhaul and technical transformation, the system of wages-ingredient contracting was enforced with criteria including input of funds, work period, product quality, and benefits. As for organs, departments and offices, the responsibilities for their economic and technological targets, management affairs and work were assigned down to the individual, while for difficult operational problems project by project contracting was adopted. In short, the enterprise's internal contracting and the enterprise's contracting with the state were integrated to form a relatively complete contract responsibility system.

If a comparison is made of conditions before and after the contracting, the Lianyuan plant's changes during these years have been exceptionally outstanding.

Seen from the growth rate, in 1986 Lianyuan's gross industrial output value was 256.74 million yuan, an increase of 171 percent over 1978; its output of steel was 464,400 tons, an increase of 132 percent over 1978; its output of steel materials was 424,500 tons, an increase of 154 percent over 1978. Compared with the national average of annual increase in steel and steel materials output, Lianyuan's annual rate of increase improved by over 100 percent. Its annual comprehensive production capacity increased from over 200,000 tons 7 years ago to nearly 500,000 tons now.

Seen from the economic benefits, in 1986 the amount of profit and taxes realized was 133.48 million yuan, an increase of 818 percent over 1978, averaging an annual increase of 31.93 percent. The level of profit and taxes realized per ton of steel ranked first among enterprises of the same category in the whole country. The amount of profit and taxes delivered to the state amounted to 66.41 million yuan, an increase of 385 percent over 1978. The profit-tax rate on output value was 51.84 percent, being in the front rank of like enterprises in the whole country. The profit-tax rate on capital funds was 41.46 percent, higher by 77.1 percent over the average profit-tax rate of iron and steel enterprises in the whole country. After 7 years of contracting, 320 million yuan in gross profits and taxes had been delivered to the state, surpassing the gross investment from the state since the plant's establishment.

Seen from the living standard of the staff members and workers, the average annual income of the staff members and workers increased from 687 yuan in 1978 to 1,608 yuan in 1986, an increase of 134 percent. The per capita housing area of the staff members and workers increased from 7.55 square meters in 1979 to 13.11 square meters in 1986. The enterprise completed in succession such large projects as a library, gymnasium, closed circuit television, and the first stage of a coal gas station for civilian use. The conditions of the dining hall, hospital, kindergarten schools and living quarters have all been greatly improved.

Some people believe that these changes are the results of price adjustments of iron and steel products in recent years and that they are the opportune happenings of thriving production in the iron and steel industry. Naturally this is true to a certain extent, but it does not account for the principal reason. Since the state implemented in 1984 the "double-track system" in prices, the profits derived by Lianyuan from the price increase in iron and steel products amounted to 111.4728 million yuan while the reduction in profits due to price increases for raw materials was 84.7813 million yuan, leaving a favorable balance of 26.6915 million yuan. But these gains were built on the foundation of expanded production capacity after the promulgation of the contracting scheme. If there were no such contracting, it would not have been possible to form a production capacity of over 400,000 tons of steel materials or to have 130,000 tons of steel materials which the plant could sell by itself at the increased prices fixed by state policy. Similarly it would not have been possible to overcome such unfavorable factors as increases in the prices of raw materials and transportation charges.

Enlightenment Given Us by Lianyuan's Experiences

First, the key to augmenting the vitality of large and medium-sized state-run enterprises is to implicitly reform the enterprise's operation forms and set up a rational enterprise operation mechanism.

The lack of vitality on the part of large and medium-sized state-run enterprises is not due to innate drawbacks in the system of communal ownership. Rather, it is due to the lack of a flexible operation mechanism. Hence, it is necessary that we do a good job in separating the "two powers." The system of responsibility of annual increases in profit delivery carried out by the Lianyuan plant is a relatively good form of the separation of the "two powers." This method of handling the separation of the "two powers" is manifested in two levels: Vis-a-vis the enterprise, the state enforces the method of responsibility for gradual increases in profit delivery and entrusts operational power and responsibility to the enterprise. In turn, the enterprise ensures delivery of profits and technological transformation. Internally, the enterprise practices level by level contract responsibility, placing on each and every staff member and worker the various targets for their fulfillment. By so doing, two important problems are solved in improved fashion: One is truly realizing the integration of responsibility, power and interest, improving the form of operation, enabling the means of production and the producers to be closely integrated, expanding the enterprise's autonomous power, and augmenting the sense of responsibility as being masters of the house on the part of staff members and workers. The other is better integrating the interests of the state, the enterprise and the staff members and workers, improving the form of distribution, linking together the fruits of labor with the interests of operators and producers, greatly arousing the enthusiasm of the staff members and workers, strengthening the enterprise's capacity for self-accumulations, self-transformation and self-development, further improving socialist production relations and manifesting the strong points of the public ownership system.

Second, an outstanding advantage of the responsibility system of progressive increases in profit delivery is that it encourages the enterprise to generate more profit, thereby improving interest relations between the three parties and realizing the beneficial cycle of the state receiving more, the enterprise retaining more and the staff members and workers getting more.

The enterprises' development in production and improvement in economic benefits provide the foundation for increases in the interests of the state, the enterprises and the staff members and workers. In the past, in our handling of the relations of the three parties, there was always the inclination to strive for the current interests, resulting in one side losing and the other side gaining. For a time the state's interests would be emphasized and the enterprises were tapped and squeezed to the extreme, while at other times the interests of the staff members and workers would be stressed. The result was lost control of the consumption fund. The mutual interest of the three parties is the development of production. Without the consciousness and enthusiasm of the enterprise and the staff members and workers, production cannot go up and the interest relationship between the three parties cannot be put in smooth order. The responsibility system of progressive increases in profit delivery is built on the foundation of the basic unanimity of the interests of the three parties. Only when the enterprise overfulfills the task of profit delivery and makes more profit can it retain more. Likewise only when the staff members and workers work more can they earn more. Hence, the system possesses not only the mechanism of self-stimulation but also the mechanism of self-regulation and self-restraining, and thus can better handle the interest relationship between the three parties.

In regard to the interest relations between the enterprise and the state, some comrades are concerned that this system may "enrich the enterprise but impoverish the state." Lianyuan's case fully illustrates that the system can maintain the steady growth in the financial revenues of the state. After implementation of the responsibility system, the state's revenues comprise three portions: The first is the portion of the enterprise's profit delivery according to the prescribed ratio of gradual increase; the second constitutes receipts from the enterprise's payment of the products tax, value-increment tax, city construction and maintenance tax, subscription to the energy and communications funds and educational surcharges, all of which increase with the development of production and actually make up the major portion of the total financial revenues; and third are the funds used by the enterprise out of its retained profits to expand production. From 1980 to 1986, the total amount of profit and taxes realized by Lianyuan Steel was 498 million yuan, of which the amount of profit and taxes delivered was 321 million yuan, or 64.42 percent of the total. Of the enterprise's retained profit, 70.04 percent was spent on the production development fund. It can thus be seen that in the gross amount of profit and taxes, the state's share was a large one.

Since this responsibility system places in the enterprise's hands a large amount of money, some comrades may feel concerned that the relationships between accumulation and consumption and between production and living may not be handled well, that bonuses may be granted in confusion and that the consumption fund may subsequently be out of control. But Lianyuan Steel's

example has shown that enforcement of the responsibility scheme not only did not produce the above-mentioned situation but that on the contrary, effectively restrained the enterprise from shortsightedness and actually augmented the enterprise's capacity for self-restraint. With the responsibility for delivering profits on the part of the enterprises being fixed and unchanged, they develop an activism and enthusiasm for continuously striving for the highest profit rate. But if they wish to maintain the sustained growth of the benefits, invariably they must reinvest most of their retained profits into technological transformation and expanded reproduction. At the same time, since the material interests of all staff members and workers are linked to the enterprise's economic benefits and long-term development, conceivably they will not ask for the excessive granting of bonuses and thus encroach upon the production development fund. In the case of Lianyuan Steel, in 1986 its realized profits and taxes and upward delivery of profits and taxes, when compared with 1978, respectively increased by 818 percent and 385 percent, whereas the pay of the staff members and workers only increased 134 percent. Of the total profits retained by the enterprise, the award and encouragement fund occupied only 18.39 percent. Since 1982 they have withdrawn from the award and encouragement fund more than 10 million yuan for technological transformation. This is a striking contrast with the situation in many enterprises where production development funds were arrogated for bonuses to the staff members and workers, with the rate of increase of the staff members and workers' incomes surpassing that of the economic benefits.

Third, enforcement of this system enlarges the enterprise's decisionmaking power in its operations, makes the enterprise become a commodity producer which is relatively independent, autonomously run, solely responsible for its own profits and losses, and assisting the development of the socialist commodity economy.

After Lianyuan Steel's enforcement of the responsibility system of gradual increases in profit delivery to the state, its decisionmaking power has been expanded and the company has contracted for a substantial amount of economic responsibilities. After each year's delivery of profits to the state according to the gradually increasing ratio and the fulfillment of a mandatory production plan, it was able, with permission from the state policy, to organize production in accordance with market needs and to take part in market competition. In recent years, complying with the demands of its clients, Lianyuan Steel has developed many kinds of new products, including hexagon hollow steel, hollow chestnut-shaped steel, hexagon solid steel, drill steel, buckle or link steel for railroad special use, anchor steel, and so forth. This not only has helped in improving social benefits but also raised the plant's reputation and economic benefits. The law of value is a universal law applicable to a commodity economy. Lianyuan Steel has made full use of the price policy of the "double-track system." Aside from fulfilling the stipulations of the mandatory plan, it has produced a surplus and marketing a portion of the steel materials. In 1986, its self-marketed steel materials accounted for 30.6 percent of gross sales. In making use of its self-marketing power, Lianyuan Steel has compensated for its increased expenses arising from the price increases in raw materials and energy, has supplied an increasing number of commodities needed by the market, thus helping to make the entire economy thrive and prosper.

Fourth, the responsibility system of gradually increasing profit delivery relies on the enterprise's earnings fueling expanded production. It has evolved in a new way to reform the investment structure in shifting from principally state investment to principally investment by the enterprise.

For a prolonged period of time, be it the formation of a new enterprise or the transformation of an old enterprise, the investments have principally come from the state. To the enterprises demanding investment from the state, the more investment, the better. Even after the change from "state appropriations to bank loans," this problem is basically unresolved. This practice of requiring the state to be responsible for everything can hardly continue. Seen from Lianyuan Steel's actual practices, following the implementation of the responsibility system of progressive increases in profit delivery to the state, the enterprise has relied on its own earnings to expand reproduction. By so doing, not only the enterprise has solved by itself the problem of capital funds but also results have been rapidly achieved. From now on, the investment structure is that the state should only be responsible for the construction of certain large basic facilities, while the investments in expanded reproduction should principally be shifted to the enterprises. Enforcement of this system can shift the investment's principal body to the enterprises. This greatly benefits the improvement of the investment benefits and speeds up the enterprise's transformation and development. Since the state has clearly stipulated that the solution of the problem of the enterprise's development fund must depend on the enterprise's adherence to the responsibility system, producing more and thus retaining more, the enterprise must bear the full responsibility of the investment direction and the investment effects. By so doing, the merits are: First, blocking the road of the enterprise seeking investment from the state and stimulating the enterprise's enthusiasm for profit and self-development; second, obviating the cycle of the enterprise first delivering to the state the funds needed for developing production and subsequently getting them back, thus speeding up the reinvestment of funds; third, through requiring that the funds needed for repayment of loans must be paid from retained profits, cutting down the phenomenon of fighting for loans to undertake construction; and fourth, how an enterprise spends its money has an important bearing on the enterprise's development and the interests of the staff members and workers. It is necessary to make meticulous calculations and strive to use the money toward definite objectives and ensure suitable growth of profits each year afterwards. In these few years, after implementing the responsibility system, Lianyuan Steel has greatly increased investment in technological transformation, development of new products and expanded production. From 1980 to 1986, these investments made by the plant from its retained funds amounted to 180 million yuan, adding 113 million yuan to the fixed assets. In 1980, investment in technological transformation was only 12.33 million yuan. In 1986 the total was 64.95 million yuan, an increase of 430 percent. This was something that could not have been achieved before implementation of the responsibility system. In recent years, Lianyuan successively rebuilt three 300-cubic-meter blast furnaces, enlarged one each of the 42-hole modernized large coking furnaces, 6-ton electric furnaces and 15-ton oxygen top-blown converter furnaces, and rebuilt one small continuous casting machine and three steel rolling workshops. This has developed

Lianyuan Steel's production capacity from 280,000 tons of steel in 1980 to the coordinating level of nearly 500,000 tons of steel, pig iron and steel materials in 1986. The benefits produced from the investment were quite satisfactory. The investment per ton of steel was only 818 yuan, while each yuan of investment increased the amount of profits and taxes by 0.59 yuan (before implementation of the system, the investment per ton of steel was 1,396.8 yuan with each ton of steel investment resulting in a net loss of 0.29 yuan). Truly, this has achieved greater, faster, better and more economical results.

Problems To Be Noticed in Further Perfecting

The actual practice of this responsibility system in Lianyuan Steel has fully demonstrated its strong points. But to make it an integrated operation strengthening the enterprises' vitality, further work in enriching and perfecting is still necessary.

1. It is necessary to rationally determine the base figure for the delivery of profits and the ratio of the gradual increases. At present the base figure for the delivery of profits and the ratio of the gradual increases are principally determined by the enterprises' profit yield over the years, and each enterprise has a separate rate. This is not exactly rational. In order to avoid the influence of such objective factors as the disparity in the enterprises' original conditions in production technique and the prices of products, we should determine the contract base according to the average level of profit rate on capital of the industries and trades. This will enable enterprises in the same industry or trade to have the same starting point in competition, thus avoiding whipping the speedy or protecting backwardness. In assessing the assets of an enterprise, the net value of assets should be taken as the principal yardstick. As for those enterprises which have a serious disparity between the actual value of the assets and the net value caused by such factors as the original investment policy, revisions may be made on the basis of such targets over the years as the profit rate on capital and the utilization rate of the equipment. On this basis and in accordance with the macroeconomic demand on the range of the increase in the economic benefits of the industries and trades, the ratio of the progressive increases should be determined.

2. We should integrate the responsibility for gradual increases in profit delivery with the responsibility for increasing the value of the assets. In order to ensure the sustained and stable development of the national economy, the enterprise's original assets must continuously increase in value. Hence, in determining the ratio of the gradual increases in the enterprise's profits, it is also necessary, in accordance with the demands of the long-term, medium-term and short-term planned targets of the national economy, to determine an average growth rate of the value of the national assets and a comprehensive target of the development capacity in production, for use in assessment of the enterprises. Only by so doing is it possible on the one hand to ensure the growth rate of rational revenues and the national economy and on the other hand to effectively prevent the enterprises from chasing after short-term benefits.

3. It is necessary to appropriately raise the ratio of the enterprise's profit retention of the benefits resulting from the surplus portion of the responsibility system of increasing the value of the state-owned assets. Some comrades believe that since the state has stipulated that the retained funds should belong to the enterprise, the fixed assets formed by the investment made by the enterprise using its retained funds should also belong to the enterprise. If this is done, then the state-owned assets will proportionately shrink and this obviously is not practicable. However, if, like the present practice which without any differentiation subjects the value-increment benefits in the fixed assets formed through the enterprise using its own self-retained funds to the same ratio of gradual increase in profit delivery applicable to the original assets, then this will help promote the tendency for the enterprise to convert its retained funds into consumption funds or to invest them on fixed assets of a nonproductive nature. The correct method is when determining the ratios of the progressive increases in the delivery of profits to the state and the base figure of the responsibility for value-increment in the state-owned assets, we should appropriately increase the proportion of the enterprise's profit retention out of the benefits brought along by the excess portion of the responsibility for value-increment of the state-owned assets, as an encouragement to the enterprises. Only by so doing is it possible to avoid the shrinking of the state-owned assets and also make the enterprise strengthen its motive for making self-accumulation and bear the investment risks.

4. It is necessary to further expand decisionmaking power in operation of the enterprise under the contract. For example, the decisionmaking power in investments on technical transformation projects should be truly given to the enterprise and the state should refrain from making the stranglehold too tight. On the precondition of ensuring that the increases in salaries, wages and bonuses will not surpass the increase in the labor productivity rate, we should enforce the system of linking, according to ratio, of the gross volume of salaries and wages and realized profits. Through stipulating the ratios of distribution of the enterprise's retained profits to the various funds, the state can prevent the inflation of the consumption fund. Simultaneously, the authority regarding the establishment of organs, appointment and dismissal of cadres, rewards and penalties of staff members and workers, lateral association, introduction of technology, export of products, and so forth, should all truly be in the hands of the enterprise. In signing the contracting agreement, we must go through a full and complete procedure. The contracted economic targets and the corresponding powers should be protected by law. The targets should maintain a continuous and stable character and should not be changed at will.

5. The responsibility system and the plant head's tenure target and responsibility system should go together. Although the responsibility system is a form of the whole staff taking on the contract responsibility and is meant to stir up the enthusiasm of the staff members and workers, yet the plant head is the representative of the legal person and the responsibility, power and interest first of all should fall on the plant head's shoulder. In the distribution, in addition to caring for the interests of the state, the localities, the enterprise and the staff members and workers, the interests of the operators

must also be considered. The period of the contracted responsibility should preferably be the same as the term of office of the plant head, say 3 to 5 years.

Finally, it should be pointed out that since the reform on various sides of our country's economic structure is still not coordinated, the various economic operation mechanisms such as pricing, taxation, credit, loans, and marketing are still not in a perfect condition, due to differences in the conditions of the enterprises and so forth, there are certain limitations to extensively promoting this responsibility system. Thus, the system should be earnestly promoted but there should be no rush at all. From now on the major points of expanding the pilot projects should be placed on those enterprises whose direction of product development is clear and definite, which have major technological transformation tasks and whose products are in short supply and belong to the urgently needed category. This can augment the stabilized coefficient of the contracted base and the ratio for gradual increases, rely on the enterprises' earnings to speed development of the weak departments, and facilitate the rational readjustment of the industrial structure and the product structure. As for those enterprises whose direction of development is unstable and those enterprises turning out products in abundant supply, how to undertake the responsibility contracting requires a concrete study and there is no set rule for all. Moreover, in the case of consumer goods processing enterprises whose main raw materials consist of agricultural and sideline products, due to the unstable character of the purchasing prices of the raw materials and the selling prices of the resultant products are being controlled by the state, it is very difficult for them to estimate correctly the profits that can be realized, hence the ratio of the gradual increases in the delivery of profits can hardly be determined. If the responsibility for gradual increase in profits is promoted among those enterprises, they should also be allowed to make own decisions on choosing other responsibility systems.

/6091

CSO: 4005/817

SEVERAL THEORETICAL QUESTIONS ON BUILDING MORALITY

Beijing HONGQI in Chinese No 10, 16 May 87 pp 34-40

[Article by Song Huichang [1345 1920 2490]]

[Text] In building socialist spiritual civilization, the significance of building morality has increasingly attracted people's attention. Good morality should be stimulated in practice but it also requires scientific and theoretical guidance. Experience over many years in the past has showed that deviation in the theory of morality will certainly confuse people's moral concepts. To build socialist morality successfully it is therefore very necessary to summarize experiences, clear up confused ideas, correct erroneous views and uphold the Marxist scientific theory of morality. This article will deal with only three questions as a reference for further discussions.

I. The Fundamental Principles for Morality in Socialist Society

In the present stage of socialist society the primary task for the building of morality is to inspire communist morality conscientiously while widely developing socialist morality. There are certain differences between socialist and communist morality in their fundamental principles but in essence both are characterized by collectivism. This means that in the present stage of our social life the fundamental principle of morality governing the interpersonal relationship and relationships between the individual and society is collectivism. In building morality we must therefore develop the spirit of collectivism. Real life tells us that to develop the spirit of collectivism we must continuously criticize and eliminate individualism. These are two aspects of the problem. However, what really is collectivism? What is individualism? Some people are indeed not clear on this. To further define the fundamental principles of morality in socialist society we must expound the essence of collectivism theoretically and scientifically and get a clear understanding of individualism.

Some people think the principles of collective morality require only the individual to be subjected to the collective, to make unconditional sacrifices, to give up his own interests, and to have no individual character. This is a lopsided view and twists the principles for collective morality.

What are the principles for collective morality? As the fundamental principle of socialist and communist morality, collectivism in essence is uniting individual interests with the interests of society as a whole, proceeding to social collective interests. In the present stage of our social life it is expressed mainly in correctly combining state and collective interests with personal interests; this is socialist collectivism. In the higher stage of communist society it is expressed mainly in uniting personal development with social development on the premise of promoting social development, that is, "the free development of every individual is the condition for the free development of all people." ("Selected Works of Marx and Engels," Vol 1, p 273) In the present stage of our society communist collectivism requires us mainly to serve the people wholeheartedly and to display the unselfish spirit of making sacrifices for the people's interests. It is thus seen that social collective interests are more important than personal interests, and that personal interests should be automatically subjected to social collective interests. This is the supreme content of the principles for collective morality and the essential distinction from the principles for bourgeois individualist morality.

However, we should not explain the point in an isolated way, nor should we take this essential feature as the whole content. Otherwise, the principles for collective morality will become a one-sided and ultra-admonition. Some people propose that we should eliminate the "one-sidedness" of the principles for collective morality. This actually reflects that they take a one-sided approach to this principle of morality.

As we know, the principles for collective morality are antagonistic to the principles for bourgeois individualist morality, as are the principles for morality of the autocratic stratum of feudal society. The former principles do not have the ultra-one-sided views of the latter two kinds of principles in dealing with personal interests and with the interests of society as a whole, thus unifying the two kinds of principles for morality. Marx and Engels clearly pointed out that: "Communists do not oppose self-sacrifice through egoism, nor do they oppose egoism through self-sacrifice. Theoretically, they do not see the antagonism from emotions and exaggerated ideology but emphasize bringing to light the material source of antagonism. With the material source disappearing, this antagonism will automatically vanish." ("Collected Works of Marx and Engels," Vol 3, p 275) This means that the principles of collectivism point out practical ways to eliminate antagonism between personal interests and the interests of society as a whole, thus ensuring the real combination of personal interests with the interests of society as a whole and gradually promoting the all-round development of every individual along with social development. We have seen that this morality is being stimulated along with the development of socialist society. It is therefore a misunderstanding that the principles for collective morality deny personal interests and prevent the development of the individual's personality.

In connection with the above-mentioned views there are some confused ideas about the issue of individualism. Some people think it is necessary to advocate collectivism and develop the spirit of unselfishness but it is not

necessary to criticize individualism. Their argument is that individualism also has positive factors. If individualism is denied, personal enthusiasm will be suppressed and social development will be hindered. Hence, individualism should not be criticized. This view is wrong and harmful.

In terms of methodology, some people regard individualism as positive because they equate the concept of the historical role of individualism with the concept of its nature of classes. As we know, as a principle of morality, bourgeois individualism is antagonistic to the principles for the morality of feudal autocracy, strongly opposes feudal autocracy, advocates the freedom of personality, emphasizes personal struggle, regards personal interests as positive, and views the search of personal interests as the goal and motivating force in life. It must be admitted that those principles for the morality of individualism played a progressive role in the revolutionary period of the bourgeoisie opposing feudal society. At the same time, the enterprising spirit of seeking personal interests also pushed forward the development of capitalism. However, individualism reflects the selfish nature of the exploiting classes because it is the result of developing capitalist private ownership. No matter how bourgeois ideologists describe individualism in different ways, its principles of morality are focused on personal interests, sometimes they are expressed mainly in placing personal interests above social interests and the interests of other people, and even in harming and sacrificing social interests and the interests of other people. Therefore, we can say that individualism is equivalent to egoism. This principle of morality is fully expressed in the social relations of present-day capitalism and increasingly demonstrates its antisocial and rotten nature. This is even acknowledged by men of insight in capitalist society. In modern society, the principles for bourgeois individualist morality do not have any positive factors at all. They are corrosive to both the individual and society.

Some people think that to deny individualism is to suppress personal enthusiasm only because they equate the concept of individualism with the concept of personal interests. As a matter of fact, individualism and personal interests are two different concepts. In all societies, the existence of personal interests is an objective fact. It itself has no sense of morality, it has a sense of morality only when we handle the relationship between personal interests and social interests and the relationship between personal interests and the interests of other people. Therefore, criticism of individualism is not denial of personal interests but requires people to avoid immorality in dealing with the question of personal interests and correctly handle the relationship between personal interests and social interests. Bourgeois ideologists have created many confused ideas about this question. They say that to apply the principle of individualism is to enable everyone to attain his desires, and that as long as everyone seeks his own interests and everyone cares for himself, there will be a united force driving social development. However, the actual situation in capitalist society cast away the fantasy long ago. Aimed at the society of his day, Engels pointed out: "When interests still maintain out-and-out subjective desire and pure egoism, if they are taken as ties of mankind, they inevitably create a widely dispersed situation, make people care only for themselves and isolate them

from each other. Thus mankind will become a pile of atoms which are mutually exclusive." ("Collected Works of Marx and Engels," Vol 1, p 663) The reality in our social life has repeatedly told us that putting undue emphasis on personal interests and setting personal interests against social interests are the moral concepts of individualism and egoism. These moral concepts are not a coagulative force but a centrifugal force, which brings about anarchism and liberalism and may damage social stability and unity. Therefore, socialist society affirms and safeguards personal interests but this does not mean it affirms and advocates individualism. On the contrary, socialism is intrinsically collectivism.

In building morality in our society, at present we must resolutely advocate the moral principles of collectivism and criticize the moral principles of individualism. This is a fundamental point of Marxist moral concepts.

II. The Relationship Between Developing a Commodity Economy and Building Morality

In building morality in our country at the present time, a major problem is how to build socialist morality in the course of developing the socialist commodity economy. The crux of the problem is how to correctly understand the relationship between development of the commodity economy and the building of morality.

For many years people have held erroneous views on whether socialist society should develop a commodity economy. Some people flatly deny the necessity of developing a commodity economy and even belittle activities of the commodity economy morally. Thus some people are biased that the development of a commodity economy is antagonistic to the progress of morality and that the development of a commodity economy is harmful to the building of morality. Some people think this is the viewpoint of Marxism. Actually it goes against Marxism because this view does not include a comprehensive understanding of developing a commodity economy and is not compatible with the actual situation in the development of a commodity economy.

As we know, in the history of mankind the capitalist economy replaced the feudal economy along with the transition from the natural economy to the commodity economy, and consequently bourgeois morality replaced feudal morality. This historical progress of morality based on the relationship of the capitalist commodity economy cast away the concepts of personal subordination and patriarchal social stratum which were built up on the relationship of the natural economy and increased the sense of democracy and freedom. At the same time, the requirements for the development of a commodity economy "claimed that diversification of ability and enrichment in social relations were needed" and "what this economic process reflected in society was an expansive improvement in moral integrity." ("Collected Works of Lenin," Vol 1, pp 391-392) Of course, this progress in morality, achieved in the development of the commodity economy in the capitalist relations of production, has paid a huge historical price because "it has been achieved at the cost of inspiring the most despicable motives and lust of people and damaging all other natural endowments gifted to people."

("Selected Works of Marx and Engels," Vol 4, p 173) However, this change in morality in historical development was not decided by the motives of the bourgeoisie. It took place with the establishment of new social relations through the development of the commodity economy. This also means that the development of the commodity economy has pushed forward the progress of man's morality. This is an objective law independent of man's will.

In recent years the development of the commodity economy in our country has been instilling new vigor and vitality into our society. With increasing equal exchanges and competition in a given scope in the activities of the urban and rural commodity economy, people's spirit of acting independently and with the initiative in their own hands and their sense of democracy have increasingly strengthened while their special privilege mentality and concepts of patriarchal clan system and personal subordination have considerably weakened. At the same time, the requirements for the development of a commodity economy have greatly improved the exchange of information and enlivened social life. In short, with the development of a commodity economy, a new type of social morality characteristic of enterprising spirit is being built. This progress in morality in socialist society due to the development of a commodity economy is an inevitable trend of history emerging following an elevated level of the productive forces. Therefore, we must throw aside all our prejudices against the commodity economy and energetically promote the building of socialist morality while developing a socialist commodity economy.

The law of developing the commodity economy tells us that we must fully affirm the basic historical trend that the development of the commodity economy pushes forward the progress of man's morality. Due to the complexity of the commodity economy its historical role has the following dual features: When it pushes forward the progress of morality, it also brings about some passive factors of morality under certain social conditions. Therefore, we must earnestly deal with the problems too.

This dual influence exerted on the building of morality in the course of developing a commodity economy is a reflection of the complex features of the commodity economy under given social conditions. Generally speaking, competition or free competition takes the form for establishing associations among commodity producers and also it is the indispensable mechanism for the law of value or play a regulatory role in commodity economic activities. Obviously, we must affirm that the development of a commodity economy can promote the progress of morality. However, due to restrictions in social conditions, certain blind competition certainly appears in the course of achieving the value of labor in commodity economic activities. It must be admitted that under the present-day social conditions, this blind competition in commodity economic activities has an adverse influence on the development of morality. Marx and Engels acutely pointed out different immoral phenomena which resulted from free competition under capitalist conditions. Engels said: In a capitalist society of private ownership where prices are always unstable because of competition, "everybody naturally strives to make an opportunity of doing business as a speculator, namely, everybody tries to profit by other people's labor, pursue personal interests and make a fortune

by taking advantage of other's misfortunes." ("Collected Works of Marx and Engels," Vol 1, p 615) This means that blind competition in commodity economic activities increases a speculative mentality among a certain number of people, and speculators, after all, practice immorality such as harming others to benefit themselves. This is an inevitable manifestation of the features of commodity economic activities in relationship to capitalist private ownership.

Socialist commodity economic activities also offer a certain degree of competition within a given scope. Competition certainly leads to blindness in commodity economic activities and blind competition promotes a certain degree of speculative mentality among a certain number of people. As a result, people who have selfish lust will become more selfish and some immoral phenomena will appear. We must therefore face up to this fact. However, we should not come to the conclusion that the dual influences exerted on morality in the course of developing a socialist commodity economy are the same as in capitalist society, and that they are contradictions which cannot be ironed out and a phenomenon which "leads two laws to go against each other." If we earnestly study the essential distinction between the socialist and capitalist commodity economy, we will find out that this conclusion is erroneous.

Unlike the capitalist commodity economy, the socialist commodity economy is a planned commodity economy based on public ownership. This makes it possible to eliminate various immoral phenomena which result from the features of the commodity economy under the conditions of capitalist private ownership. As mentioned above, under socialist conditions the wide development of the commodity economy also promotes a certain degree of blindness. However, the socialist planned economy can control this blindness to the maximum degree by applying the law of value and by guiding, readjusting and managing state plans. Unlike the capitalist commodity economy, competition in socialist commodity economic activities is not governed by the law of jungle among private owners but is a competition between the superior and the inferior on the condition of working for socialist modernization and aiming at promoting economic development. This is because in economic relations, with the socialist public ownership as the main part, the interests of commodity producers, the collective interests and the state's interests coincide with each other. Unlike a capitalist commodity economy, the relations of the socialist commodity economy are restricted to a certain scope. For example, state-run enterprises and natural resources such as land, mines, banks and railways, as well as the labor force, are not commodities. This means that the socialist commodity economy commercializes neither the whole society nor all social relations. Commercialization of the whole society and all social relations is precisely the source of spiritual and moral crisis which is unavoidable in capitalist society. The fundamental characteristics of a socialist commodity economy make it possible to effectively control the passive phenomena which may emerge under present-day social conditions, or to reduce such passive phenomena and their influences to a minimum. Of course, socialist society should also pay a certain price to achieve moral progress in the course of developing the commodity economy, but the price is much lower than the price paid in capitalist society and the nature of the

price is also different. Therefore, the argument that the development of a commodity economy and the building of morality under socialist conditions reflects "two laws which go against each other" does not conform to reality.

In saying this we are not trying to dodge contradictions. What we mean is that we intend to study these contradictions in a realistic manner and to explore correct ways to iron them out. In fact, the dual influences exerted on the building of morality in the course of developing a socialist commodity economy can be interpreted as saying that the development of the socialist commodity economy is mainly in line with efforts to achieve progress in building morality while it may also bring about some immoral phenomena under given conditions. Such a contradictory situation has assigned a new task to the study of Marxist ethics. At present the task is to correctly handle these contradictions under the guidance of Marxism and in accordance with the principle of developing the commodity economy so that we will be able to energetically build morality in the course of developing a commodity economy.

At present we must first get rid of the special privilege mentality, the idea of personal subordination which has come into being in the long process of natural economic development and the outworn concepts which hinder the development of the commodity economy, and cultivate the new moral concepts of acting independently with the initiative in our own hands, continuing to forge ahead and boldly blazing new trails in an effort to vigorously develop a socialist commodity economy. This is an important task for building morality in the course of developing a socialist commodity economy. Meanwhile, in commodity economic activities we must educate people to follow the principle of equal competition and exchange at equal values, to foster the concept of "well-gotten profits," to be voluntarily subjected to the supervision of state plans, to abide by the law, and to avoid the practice of "forgetting righteousness at the sight of profit" and "putting profit-making first" at the expense of the interests of the state, the collective and the consumer. These are the fundamental moral requirements for socialist commodity producers and commercial workers. At the same time, we must also prevent the trend of commercializing social relations and control different immoral phenomena which may appear in commodity economic activities. To this end, first, cadres of party and government organizations are required to foster the idea of rendering loyal and good service to the people, to prevent replacing the relationship of political service with the relationship of commercial exchange, to strictly observe the regulations issued by the CPC Central Committee on forbidding party and government organizations and their staff to do business, and to oppose abusing power for personal gain by taking advantage of developing a commodity economy. Second, we must draw a clear line of demarcation between some intellectual and artistic products for the market, and the commercialization of the production of those products, oppose seeking "market value" in their production, and check the capitalist trend of disregarding social benefits. Only by doing this will we be able to vigorously develop a socialist commodity economy and advance the building of morality.

III. Incorporate and Utilize What Is Needed for Ethical Development

Socialist and communist ethics have advanced to a new stage in the ethical development of mankind, which must fully reflect the spirit of the times, incorporate all fine traditional morality in the past and use the valuable ethical achievements made by the people of other countries in the world. Only by doing this will our ethics become more rich and vigorous. In building morality we must therefore proceed from reality and know well how to incorporate and correctly use what is useful for us. For the problem of incorporating and using what is useful for the building of our morality, we must also earnestly summarize experiences and draw lessons, eliminate all erroneous tendencies and adhere to the Marxist scientific approach.

With regard to the problem of incorporating what is useful in building morality, there have long been two tendencies to the extreme. One is the tendency to adopt the doctrine of "back to the ancients." Its crux is to energetically introduce the dross in ethical heritage as the essence into present-day life in order to replace socialist and communist ethics. The other is the tendency to apply national nihilism. Its crux is to try hard to make people believe that all the essence in ethical heritage is dross in an attempt to deny completely the fine moral traditions of the Chinese nation. The two tendencies are both against science and are harmful to building morality.

Beginning in the 1920's, an ideological trend emerged which was described as a "rejuvenation of the Confucian school" represented by the contemporary, new Confucian school. This ideological trend of applying the doctrine of "back to the ancients" is still affecting some people's minds. Showing a lack of confidence in capitalist civilization, some people have thus taken the road back to seek moral support from traditional Chinese ethics, pushing the concept of "back to the ancients" to the extreme. They believe that only the "humanism" advocated by the Confucian school can revive Chinese civilization. Some people have even said that as long as the doctrines of Confucius and Mencius are resurrected, the face of our social morality will take on an entirely new look. Obviously, this conforms neither to historical facts nor to the trend of the times. As we know, in our ethical heritage the ethics of the Confucian school based on the doctrines of Confucius and Mencius contains much feudal poison, which has been proved as a serious moral hindrance to our country's current social reforms. A major task for our ideological front is to continue criticizing and eliminating this pernicious influence of feudal ethics and encourage people to adopt and live up to socialist and communist ethics in the whole society.

However, we should not go from one extreme to the other, completely denying our traditional ethics. After the founding of the People's Republic, the national nihilist mentality had a great influence on the attitude toward our traditional ethics. Especially during the "Cultural Revolution" our traditional ethics were all tagged as feudal ethics and indiscriminately repudiated, thus creating a very bad impression among the people. In recent years this tendency of national nihilism has also been expressed in some problems in research and comparisons between Chinese and Western civilization. Some people

think that all Chinese traditional ethics hinder people in the development of their personal character and subjective activities, and they argue that traditional ethics should be completely denied and new morality should be thoroughly rebuilt by introducing ethics of other countries. It is obvious that this argument of "thoroughly rebuilding" does not proceed from reality and is harmful to the current building of morality.

We say the practice of applying the doctrine of "back to the ancients" and national nihilism is wrong because the two tendencies manifest a metaphysical way of thinking and are not based on rudimentary scientific analysis. Like all other great nations which have made valuable contributions to mankind, the Chinese nation also had its own traditional ethics which were very influential; namely, the practice of valuing the spirit of kindheartedness and fighting against tyranny; thinking highly of noble moral courage and encouraging laying down one's life for a just cause; attaching importance to human relations, good order and harmony; paying attention to the concept of viewing the situation as a whole and encouraging selfless work for public interest; and valuing moral self-cultivation and encouraging the exercise of strict self-discipline and prudence. It must be seen that the tortuous development of history has made the essence and the dross of moral heritage mix together, including both moral excellence representing the glorious tradition of the Chinese nation and the pernicious influence of feudal ethics which should not be ignored. Therefore, we should not regard them as the "quintessence of Chinese culture" and describe them as being flawless, nor should we denounce them all as being "ugly" and "ignorant." We should analyze them in a realistic way and clearly distinguish between the dross and the essence. As we know, socialist and communist ethics both have well-marked features of the times and clear-cut features of the Chinese nation. For this reason we must fully tap those valuable factors from the traditional morality of the Chinese nation to enrich socialist and communist ethics. This is a prerequisite for building a new morality and for increasing the self-confidence of our people. At the same time, we must continuously fight against the decadent factors in our traditional morality so that the broad masses of the people will be able to shirk off historical burdens and free themselves from the shackles of backward moral concepts. Only by doing this will we be able to "make the past serve the present" and build a new socialist and communist morality with the characteristics of the Chinese nation.

In building morality we must not only proceed from the actual situation in China and incorporate and carry on the fine traditions of Chinese civilization but we must also assimilate all valuable moral achievements made in the development of man's civilization and earnestly make use of experiences and lessons of the people of other countries in their development of morality. Here, the problem of how to make use of what is useful from the ethics of Western capitalist countries is very important. For many years our elder generations accumulated much experience of learning from Western advanced countries and furnished many lessons not to be ignored. It is worth it for us to think them over today when our country is opening up to the outside world.

Corresponding to the two extreme tendencies in dealing with our country's traditional ethics, over the years there have also been two extreme tendencies in dealing with foreign ethics. One is blind opposition to everything foreign, flatly rejecting the use of achievements made in foreign ethics. The other is total repudiation, advocating the indiscriminate introduction of ethics of Western capitalist countries into our country. Experience has showed that the two extreme tendencies are also harmful to building morality in our country.

For years after the founding of the People's Republic a tendency emerged of blind opposition to everything foreign, repudiating all ethics of Western capitalist countries as rotten and reactionary bourgeois stuff. This closed way of building morality often appeared weak and feeble under the rejection of foreign ethics, and especially of modern Western culture of capitalist countries. However, in studying and comparing Chinese and foreign culture in recent years, some people have gone from one extreme to the other. While advertising national nihilism, they admire ethics of Western capitalist countries from the bottom of their hearts, describing personal struggle and the emancipation of personal character as flawless and even regarding "sexual emancipation" as reasonable. Therefore, they stand for learning Western culture in an all-round and thorough way and "modernizing" our morality by introducing capitalist ethics. This erroneous view is characterized by formalism in its way of thinking. Mao Zedong said: "China has suffered a great deal from the mechanical absorption of foreign material." ("Collected Works of Mao Zedong," Vol 2, p 667) We must earnestly review this assertion and not suffer from it again.

The kind of ethics, as a major component of ideological culture, is the outcome of historical development. This is the case with the ethics of capitalist countries which have been very influential in mankind's history and which consist of factors of all mankind and of different classes. In making use of them we must therefore make a historical analysis of them. On the basis of careful investigation, we must realistically separate it into nutriments to be absorbed and waste matter to be discarded. On the one hand, we must carefully absorb those ethical factors which are still useful to us, thus "making foreign things serve China." And on the other hand, we must unequivocally criticize decayed bourgeois moral concepts and resist the corrosive influence of the bourgeois way of living. Only by doing this will we be able to assimilate the positive results of the development of civilization from other countries for our building of morality, and be able to maintain the purity of socialist and communist ethics.

In order to distinguish between nutriments to be absorbed and waste matter to be discarded in making reference to ethics of Western capitalist countries, we must therefore draw a clear line of demarcation in the following respects. First, we must make a clear distinction between the moral factors reflecting the achievements of man's civilization in the historical development of capitalism, and the fundamental moral principles reflecting the very nature of the bourgeoisie. Second, we must draw a clear line of demarcation between the historical nature of bourgeois individualism and egoism, and its decayed nature in modern society. Third, we must make a clear distinction between

the moral traditions reflecting Western national characteristics in the life of capitalist countries and the decayed moral concepts of the bourgeoisie. Fourth, we must make it clear that bourgeois ethics are diametrically opposed to socialist and communist ethics, and avoid confusing individualism with collectivism. Only by doing this will we be able to clearly understand ethics of Western capitalist countries and check the two harmful tendencies of blind opposition to everything foreign and indiscriminately copying foreign experiences.

In conclusion, we must resolutely take a Marxist scientific approach to the question of incorporating and making use of what is useful for our building of morality so that socialist and communist ethics will develop in a correct direction, become increasingly enriched and a powerful moral support for socialist modernization.

/6091

CSO: 4005/760

DEVELOP THE MARXIST PLANNED ECONOMY THEORY THROUGH PRACTICE

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 41-45

[Article by Gong Jinguo [7895 6855 0948]; capitalized passages published in boldface]

[Text] The decision on reforming of the economic structure, which was made at the 3d Plenary Session of the 12th CPC Central Committee, is a comprehensive summary of our positive and negative experiences in socialist construction over the past 30 years or so as well as an important development in the Marxist planned economy theory. The reform of the country's economic structure has now reached the crucial point in the replacing of the old system with a new one. We can, by reviewing the development of the Marxist planned economy theory through the course of its application, enlighten ourselves on how to make the reform of the economic structure a further success and how to develop the tenets of Marxism.

The Foresights of the Cofounders of Marxism Regarding a Planned Economy and the Problems Encountered in Practice

Marx and Engels predicted 140 years ago that with the termination of private ownership and the introduction and establishment of public ownership, the planned regulation of production would take the place of the rule of the law of value and people would be able to consciously control production and exchange without being conditioned by them. However, since the death of Marx and Engels great changes have taken place in the world and the Marxist planned economy has run into a series of difficulties and problems. Two of these problems are particularly important.

The first problem is that since the socialist revolution has not simultaneously triumphed in developed capitalist countries although it has brought about breakthroughs in some weak points of capitalism. Therefore, there is the fundamental question of whether the economies of those countries in which the proletariat has seized political power are product economies or commodity economies. In other words, are Marx and Engels' principles of a planned economy totally not applicable, or, if applicable, to what extent are they applicable, in these socialist countries? The historical facts are that on the one hand, since all socialist countries have established public ownership systems (although they differ in scope and form from that designed by Marx),

the principles of planned economy, which are based on public ownership, are applicable in these countries. However, on the other hand, commodity production was, in the past, not well developed in these countries, which were rather backward economically before they became socialist countries. Given all this, there is the question of whether or not these countries must undergo a stage characterized by vigorous efforts to develop commodity economies. If it is confined by certain Marxist terms, the answer to this question can only be negative. However, if one is based on the Marxist principle that a communist economy presupposes a highly developed commodity economy, the answer should be positive. This means that socioeconomic development cannot skip the stage of the development of commodity economies. If we try to skip this stage by prematurely introducing the production relations characteristic of high-stage communism at the socialist stage, we will only disrupt the socialist cause.

Shortly after the October Revolution, in the Soviet Union the commodity-currency relationship was regarded as incompatible with the socialist economy and the view that "trade should be replaced by the planned and well organized distribution of products as quickly as possible" won widespread acceptance. The main reason is simply that "wartime communist" economic relations then were becoming increasingly materialized, apart from the country's one-sided understanding of some of Marx and Engels' works on the communist economy. In those years, in the face of a civil war and foreign imperialist attacks Lenin suggested that "socialism is inconceivable without planned state organization which keeps tens of millions of people to the strictest observance of a unified standard in production and distribution" ("Selected Works of Lenin," Vol 3, p 545), and that the tasks for the Soviet regime were "the organization of accounting, the control of large enterprises, and the transformation of the whole state economic mechanism into a single huge machine, into an economic organism that would work in a way that would enable hundreds of millions of people to be guided by a single plan." ("Collected Works of Lenin," Vol 27, p 78) This is acceptable in wartime. However, by regarding these remarks as a theoretical basis for the establishment of a strict guidance planning system in peacetime construction, one has departed from reality. Actually, after acknowledging setbacks on the economic front, Lenin earnestly summarized the lesson he had learned, resolutely discarded his wartime communist policy, and boldly advocated a "new economic policy." People have always regarded this new policy as a temporary withdrawal and nothing else. It is one-sided. It was precisely during this withdrawal that Lenin found the correct orientation for the development of socialism. Thus, one can say that this "new economic policy" was a product of his fresh understanding of socialism. After correcting the incorrect view that the commodity-currency relationship is incompatible with socialist economies, Lenin called the cooperative system characterized by the existence of the commodity-currency relationship the socialist system and admitted that "there has been a radical modification in our whole outlook on socialism." ("Selected Works of Lenin," Vol 4, p 687) At the same time, Lenin suggested that it was then necessary to change the method of management by plans without changing the sole state economic plan. He said: "Every plan is a yardstick, a criterion, a beacon, a landmark, and so on." ("Collected Works of Lenin," Vol 32, p 313) "The new economic policy DOES NOT CHANGE the single state

economic plan, and DOES NOT GO BEYOND its framework, but alters the APPROACH to its realization." ("Collected Works of Lenin," Vol 35, p 534) Hence he warned people that: "The greatest danger is that the work of planning the state economy may be bureaucratized." "A complete, integrated, real plan for us at present equal [as published] 'a bureaucratic utopia.'" ("Collected Works of Lenin," Vol 35, p 473) He also admitted that the Plan for the Electrification of Russia [as published] which was drawn up under his personal leadership, was "only a rough draft...a rough approximation." ("Selected Works of Lenin," Vol 4, p 470) These ideas of Lenin's are doubtless an important development in Marx and Engels' planned economic theory. It is a pity that people have accepted the works he wrote in wartime as religious beliefs without paying much attention to these ideas of his.

Stalin exercised leadership over Soviet socialist construction for about 30 years and contributed to enriching the Marxist planned economy theory. His contributions mainly include: First, he expounded on the characteristics of a planned economy. In 1934, speaking to British writer (Wells), he said: "What is a planned economy? What are its characteristics? A planned economy tries to put an end to unemployment." "Second, a planned economy calls for strengthening production in those industries whose products are most needed by the people." ("Selected Works of Stalin," Vol 2, p 352) Second, in his old age, he agreed that the plans prepared by planning organizations must not be confused with the laws shaping the planned course of the development of a national economy. He said: "One must never confuse our yearly plans and 5-year plans with the objective laws governing the planned, proportionate development of a planned economy...they are two different things. To turn this possibility into a reality it is necessary to study these laws...and to formulate plans that are a projection of the requirements stipulated by these laws." ("Selected Works of Stalin," Vol 2, pp 543-544) However, since Stalin did not proceed along the new line of thinking introduced by Lenin when the latter was pursuing his "new economic policy," his thinking on the planned economy was confined by three things. First, his thinking was confined by his understanding of commodity economies. Even in his old age Stalin's understanding of socialist commodity-currency relationship was still very limited. For example, he could only agree that commodity exchange existed only between two different types of public ownership, that the means of production resembled commodities only outwardly, and that the law of value played a regulatory role in distribution. All this constricted his thinking on the planned economy. Second, he was also prevented by his lack of understanding of socialist ownership from giving further thought to the planned economy issue. Between the late 1920's and the early 1930's it took Stalin only a few years to put, by administrative means, all Soviet industrial and commercial enterprises under state ownership and to collectivize the rural areas. Other types and forms of ownership had apparently ceased to exist in the Soviet Union in almost no time at all. As a result, ownership had become unitary in form, the ownership of the means of production had become highly centralized, and a foundation had been laid for the establishment of a guided planned system which was characterized by a high degree of centralization. Third, given the highly centralized guided planned system that had been established and consolidated under his leadership, Stalin could only approach economic problems within its framework. In conclusion, the problems of whether

the socialist economy is a product economy or a commodity economy, whether Marx and Engels' principles of a planned economy are applicable, and, if applicable, to what extent they are applicable were not completely solved until after Stalin's death.

The second problem is that the mandatory plan system, which is a tradition shared by socialist countries, is becoming increasingly incompatible with the development of commodity economies. Shortly after the October Revolution, to bring about socialist industrialization as quickly as possible, the Soviet Union, surrounded by capitalist countries and having misunderstood and dogmatized the Marxist planning theory, established a mandatory plan system. Because of their lack of experience, socialist countries that were founded at the end of World War II (including China) have all established mandatory systems based on the Soviet model. This system has two fundamental characteristics. First, based on product economies dominated by public ownership, it is incompatible with the commodity-currency relationship and gives no place for the regulatory role of the market and the law of value in production. It looks as if this is in keeping with Marx' basic idea of a planned economy. Actually, it is just an unnatural characterization of the socialist stage in terms of communist economic characteristics. Second, through administrative orders and decrees it assigns mandatory quotas to thousands upon thousands of enterprises in order to organize and control production in society. As a result, state control of the economy becomes excessive, things are rigidly centralized, vertical information channels are overloaded, while too little information is conveyed laterally. Enterprises, deprived of their decisionmaking power, pay attention to nothing except higher-level departments and, with little vitality, they care very little about the market with the result that their economic results are always poor. Therefore, it is necessary to carry out reforms before it is too late and to establish a new planning system that is compatible with commodity economies. Only by doing this can one enrich and develop the Marxist planning theory.

Since the end of World War II, France, Japan, Sweden, Norway, Denmark, and some other capitalist countries have one after another formulated national economic plans which have produced some effects on the regulation of their capitalistic economies. The economic plans produced by France and Japan in particular have drawn worldwide attention. The Marxist planned economy theory must respond to this new phenomenon by analyzing, studying, and evaluating it on the basis of the principle of seeking truth from facts.

The Part Played by Economic Structural Reforms in Enriching and Developing the Marxist Planned Economy Theory

Since the 1950's, by reforming their economic structures, socialist countries have been able to replace their traditional mandatory plan systems by various types of pluralistic planning systems. One type is a revised version of the traditional mandatory plan system. Its salient characteristic is that it requires the use of the market mechanism as a tool for formulating mandatory plans. A second type is the guided planned system. Its fundamental characteristic is that it works by combining guided planning with

market regulations. A third type is the social autonomy planning system. Its special characteristic is the upward movement of plans formulated by low-level units. The implementation of these plans is ensured by social contracts and agreements. And the fourth type is the system which combines mandatory plans with guidance plans and market regulation, which is now being applied in China. The introduction of these four types of systems has put an end to the stagnant situation characterized by the "supreme importance and domination" of the socialist planning system and provide fresh materials and data for enriching and developing the Marxist planned economy theory. Although they have different special characteristics, they have something in common. They are all based on socialist public ownership.

What have socialist countries--China in particular--done to develop the Marxist planned economy theory? Generally speaking, there are mainly four things they have done.

First, they now regard the socialist economy not as a product economy, but as a planned commodity economy. Socialist countries have gradually understood this through their long-term practice. This understanding has put an end to their past dogmatization and misunderstanding of the Marxist planned economy theory and paved the path for the development of Marxism. We can take China as an example. In the early 1950's, there were people in the economic departments and scholars who pointed out the importance of the commodity-currency relationship to the development of the country's socialist economy. However, people influenced by "leftist" ideas and the orthodox Soviet viewpoint paid little attention to their views. Furthermore, under the influence of "leftist" ideas, people wanted things to be "large in size and collective in nature" as far as ownership was concerned and called for all-round and exhaustive control over planning, thus suppressing people's enthusiasm and creativeness. During the "Cultural Revolution" the commodity economy was made a subject of severe criticism and commodity production was equated with capitalism, hence an ideological retrogression. Since the smashing of the "gang of four," the CPC Central Committee has contributed to reconstructing Marxism as it is and to enriching and developing it by setting things right and correcting a series of "leftist" ideas. The decision made at the 3d Plenary Session of the 12th CPC Central Committee on the reform of the economic structure unambiguously states that a socialist economy is a planned commodity economy based on public ownership. This scientific conclusion, which has been drawn on the basis of an in-depth summary of Chinese and international experiences in the practice of socialism, is a development of both the Marxist theory of socialist economy and the Marxist planning theory and has far-reaching and profound significance for China's reform of its economic structure and its socialist modernization.

Second, they have formed the view that under socialist conditions, plans must be combined with the market. Generally speaking, given that a socialist economy is a planned commodity economy, plans must be based on the commodity-currency relationship. However, this relationship cannot function independently of the guidance of plans. This means that the role of plans must be tactfully combined with that of the market and that plans are for guiding

[as published] the market and should be tested by and revised in light of market conditions. Different countries have different ways of combining their plans with the market. The four different planning systems mentioned above are a result of the different ways in which plans are combined with the market. It is pointed out in the "Decision of the CPC Central Committee on the Reform of the Economic Structure" that "the socialist planned economy is a planned commodity economy based on public ownership, in which the law of value must be consciously followed and applied," that "our planned economy does not necessarily mean the predominance of mandatory planning, both mandatory and guidance planning are its specific forms," and that "the law of value must be applied" even in mandatory plans. In his "Report on the Seventh 5-Year Plan," Premier Zhao Ziyang pointed out the "need to further reform the planning system, to expand the scope of guidance plans and market regulations, to let fewer things be covered by mandatory plans, and to gradually focus planning work on the overall management and regulation of the macroeconomy mainly by applying economic policies and by means of such economic levers as prices, taxation, credit and loans, interest rates, exchange rates, and wages." This planning system, which features indirect control, which combines mandatory plans with guiding plans and market regulation, which fuses uniformity with flexibility, and which embodies the objective requirements for the development of a planned commodity economy based on the predominance of public ownership of the means of production and the coexistence of several other types of ownership, is an important indicator that China has enriched and developed Marxism by adhering to it on the basis of its national conditions.

Third, they have reaffirmed the role of plans in their national economies and made it clear that these plans are supposed to be regulatory. According to Marx, the main purpose of plans is to organize, regulate, and control production in society. This idea has long been taken to imply that a national economy should be managed as a large enterprise whose units and departments carry out production in accordance with detailed standardized mandatory plans. This is a central planning system, which is characterized by excessive control, turns enterprises into subsidiary bodies of state organs on the one hand and, on the other, forces the central government and its planning departments to devote much energy to formulating and executing yearly plans. However, through practice, people have arrived at a new understanding of the role of plans. They now understand that the role of plans is not confined to regulating production and that they are also for guiding national economic development. In his "Report on the Seventh 5-Year Plan," Premier Zhao Ziyang pointed out that "state plans are the basis on which we macroeconomically guide and control national economic development along the correct course." The three basic tasks stated in the Seventh 5-Year Plan for the country are: to create a sound economic and social environment for the smooth progress of the reform of the economic structure and strive to keep gross social demand and gross social supply basically balanced; to keep the economy developing steadily, to try to bring the scale of investment in fixed assets under control, and to improve investment distribution; and, to continue to raise the rural and urban populations' living standards provided that production improves and better economic results are attained. This shows that our planning work is now focused on

macroeconomic operations and the major proportional relations and not on the output of each product.

Fourth, economic means now play a dominant role and administrative means now play a supplementary role in these countries. With the exception of the mandatory planned system, all the socialist planning systems mentioned earlier in this article stressed the need to regulate things mainly by economic means. Over the past 30 years, China's planning system has over-emphasized the importance of administrative means and mandatory quotas in management at the expense of economic means, and this is becoming an increasingly serious problem. This management system gives no place to the role of market mechanisms. Under this system, industrial production is carried out according to plans, the commercial departments buy and sell goods according to plans, the distribution of goods and materials and revenues and expenditures are subject to centralized control, enterprises are deprived of decisionmaking power, and economic results are generally poor. Since the 3d Plenary Session of the 11th CPC Central Committee, under the guidance of the principle of opening the country to the world and revitalizing the domestic economy, various industries and trades have achieved unprecedentedly great success by paying close attention to economic means. Succinctly summarizing this, the resolution adopted at the 3d Plenary Session of the 12th CPC Central Committee states that: "We have fallen into the habit of using administrative means to keep the economy functioning and have long neglected the use of economic levers in regulation. Economic departments at various levels, especially the departments in charge of comprehensive economic management, must take it as an important task to learn to use economic levers and make this aspect the focus of our leadership over economic work." It has thus pointed out the correct direction in which we should proceed in our attempt to replace the predominance of administrative means and direct control by the predominance of economic means and indirect control.

Of course, regarding our socialist planned economy, we still have many theoretical and practical problems to deal with. For example, we have yet to define in more specific terms the principle of combining mandatory plans with guidance plans and market regulation and, on the basis of economic changes, to discover the best way to combine these things. Concerning our plan to let fewer things be covered by mandatory plans and to expand the scope of guidance plans and market regulation, we have yet to study timing and quantity problems. In addition, we also have to deepen our understanding of the characteristics of a centralized socialist market system and the problem of whether the role of the market has a dual nature. In conclusion, as a result of the in-depth development of the reform of China's and other socialist countries' economic structures and the establishment and gradual perfection of new economic systems, the Marxist planned economy theory will be further enriched and developed.

/6091

CSO: 4005/722

QUESTIONING THE 'MARSHAL' AMBITION

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 pp 45-46

[Article by Yu Xinyan [0151 1800 6056]]

[Text] An oft-repeated statement cited by some people in recent years goes like this:

"A soldier who does not aspire to be a marshal is not a good soldier."

This is then extended to such remarks as:

"An athlete who does not aspire to be world champion is not a good athlete."

"A student who does not aspire to get a first-class honor is not a good student." (In fact, an atmosphere of "a student who does not aspire to go to college is not a good student" has emerged in some schools.)

"A party member who does not aspire to become an official is not a good party member."

"A worker who does not aspire to become plant manager is not a good worker."

I do not know if this will develop into a formula that says "A citizen who does not aspire to become premier is not a good citizen."

However, "to become premier" has become the pet phrase of some students in some universities. Just listen, in discussions of certain issues over dining tables or in dormitories, the same words are repeated: If I were premier, I would have done this and that.

We all have ambitions. Be it marshal or premier, they are all people. Generally speaking, to harbor such ambitions should not be a cause for censure.

The question is: Should this become so much of a formula that everyone is obliged to have such ambitions, or they will not be considered a good soldier, a good student, a good citizen?

This is very much worth pondering upon.

The remark on becoming a "marshal" was allegedly made by Napoleon. Of course, he himself was a general. Whether he had nurtured this ambition while still a soldier cannot be verified because there is no conclusive evidence to this effect. Regarding whether he actually uttered this statement, I still have to see definite proof. Nevertheless, this is beside the point; we must principally look at the person's experience. We know that the veteran soldier Napoleon led countless men in his battle campaigns and on several occasions bestowed compliments on his men. Did this mean that the soldiers all aspired to become marshals? If this was not so, does it mean that Napoleon's compliments to his soldiers were false and insincere statements? If it was so, how can one explain the action of old soldiers who retired after a few battles? And after Napoleon's defeat, the men who remained loyal to him and who had once nurtured ambitions to become marshals must at this point have experienced shattered dreams and disillusionment. So, would Napoleon still consider them good or bad soldiers?

The foundation of an army is the soldiers. An army must strive to enhance the quality of its soldiers in order to acquire combat effectiveness. To train more good soldiers and to try as far as possible to form one's army out of good soldiers are precisely the responsibility of each and every marshal. What is the yardstick for training? The general's standards? The soldier's standards? The general and the soldier have varying responsibilities, and the demands on the level of their quality and education differ enormously. If a good number of generals excelling in strategic command were formed into an artillery, or infantry, or cavalry squad, it is really very doubtful whether this squad could win a battle or accomplish its assignment satisfactorily. The reason is that they could not possibly outdo others in every concrete move. While there are similar demands in being a general and being a good soldier, there are also varying requirements. How can these be totally equated as one?

Furthermore, for an army to acquire combat effectiveness, it is naturally necessary for it to have as many good soldiers as possible, and even better if all its men are good soldiers. However, in a unit of 100 men, if each and every one of the soldiers wants to be a marshal, then the possibility of the unit becoming successful is almost nil. Everyone who dreams of becoming a marshal will want to be successful, and thus, first of all, will have to defeat his 99 rivals, then deal with competitors from other units. Therefore, this army will see its capabilities extinguished in "internal warfare." How can such an army even speak of combat effectiveness!

An indispensable element of a combat-worthy unit is the soldiers' courageous spirit of sacrifice. People who have listened to reports made by heroes from the Laoshan frontline probably will not deny that these men were indeed good soldiers. Nevertheless, these men only considered themselves "ordinary folk." When the moment came for them to give up their lives, the martyrs definitely did not think of using their own actions to bargain for the title of marshal. What they ask of their compatriots is simply summed up in one word: "understanding." Looking back on our history, countless people gave up their lives

for the victory of the revolutionary cause! Dong Cunrui, Huang Jiguang, Langyashan's five martyrs--all, but all of them, were good soldiers! Yet who among them did what they did in order to be a marshal! Going through the diaries of Lei Feng and Wang Jie, not a single thought of becoming a marshal is revealed there. Yet, can it be denied that they were good soldiers!

As for the comrades who later became marshals, did they join the revolution with this purpose in mind? Of course not. In the war of resistance against Japanese aggression, Liu Bocheng once stated that all he wanted was to have the words "The Bomb of Bolshevik Liu Bocheng" inscribed on his grave and he would be satisfied. The party and the people should select precisely persons of this kind, who have wholehearted dedication to the revolutionary cause and exceptional skills, and entrust them with major responsibilities.

A revolutionary veteran was right when he said that a communist should seek to do great deeds, and not to become a big official. Great deeds refers to the communist cause, the loftiest cause in the history of mankind. It is the cause for the realization of the motherland's socialist modernization and concerns the happiness and good life of more than one-fifth of humanity. It is the cause that will end the state of backwardness and poverty into which our great motherland has descended in recent times. This cause demands countless good and dedicated people, and requires that the sons and daughters of the Chinese people give full play to their talents and skills. Naturally, it does not call for, nor is it possible to ask for, 1 billion premiers, or 1 billion marshals. Rather, it asks everyone to find his or her appropriate post, and to perform the job to the best of his or her ability. Only then can a most stunning movement be produced and the most beautiful epic be added to the annals of our motherland.

We hope that everyone will work hard to advance and never be satisfied with existing achievements. We must scale the heights of the world--the heights in science, technology, sports, culture, and economics. For this purpose, it is necessary that we first organize our forces into one great resultant effort. For instance, in table tennis, while it is necessary to have world champion caliber players, at the same time it is also imperative to have athletes who will give up their own hopes of becoming champions and, instead, specifically imitate the styles of other world class players and serve as practice partners for our national players. We also need excellent coaches, team doctors, good cooks, archivists, sports science researchers, workers who manufacture quality table tennis balls, paddles, tables, nets, shoes, and sports outfits, as well as multitudes of table tennis players and enthusiasts, fervent propagandists, secondary and grade school sports teachers who are good at discovering talent and providing basic training, and first class team leaders. Remove one and there will be no world champion, or even if there is one, it will not be for long. If all these people looked down on their own work, and thought only of how "I" could become world champion, then the world championship would have long since slipped past us.

We should have great ambitions, including the pursuit of the personal value of life. However, this pursuit can only be integrated in the collective

struggle to win glory for the motherland and for social progress. Only then can it be truly of value and capable of being realized. No matter how great or small our abilities, as long as we follow this correct direction, we can always make contributions for the motherland and the people. However, if, instead, priority is placed on power or reputation, then not only could the efforts be fruitless, they may also produce the contrary effect and result in harm to the motherland and the people. I believe that confronted by urgings such as that of the "marshal" ambition, level-minded people who are capable of calm deliberation will maintain their sobriety.

/6091

CSO: 4005/760

IDENTIFYING 'ORTHODOXY'

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 p 47

[Article by Lu Ding [7627 0002]]

[Text] "Orthodoxy" and "orthodox ideas" were stylish but caustic remarks made by certain people in recent years to satirize and mock people insistent on propagating Marxism. They seemed to have been meant as a last resort to make people shut their mouths. Whoever insisted on propagating Marxism and whoever retorted against remarks criticizing and censuring Marxism would be given this "cap" of "orthodoxy" and would be taken as a "representative" of stubbornness and doctrinairism, not only looked down upon by people but also given a cold reception when writing articles.

I feel it necessary to speak out for and identify "orthodoxy" and "orthodox ideas" as mentioned here.

It cannot be denied that in actual life there do exist people with ossified ideas. They treat lively and vivacious Marxism as ossified and dull doctrines, copying every word, quoting every sentence, and completely ignoring their own responsibility of knowing new things and creating new experiences. Naturally it should be beneficial to satirize these people a little and in a kindly way, to awaken them and help them to conquer their illness of being ossified. However, to treat the insistence on the basic theories of Marxism also as an ossified idea is extremely detrimental.

As we all know, in the history of the development of Marxism, Lenin was well known as being rich in creativity. Yet he was once censured by his critics as being "orthodox." Some people said that he "supported 'orthodox ideas'" and that he made "a simple interpretation of Marx." When touching on Marxism, Sith Lu Wai [0674 1778 4151 1218] said: "The old tune of orthodoxy still holds sway, but cannot stop the stream of new criticism because the real strength of scientific problems always lies in criticism and not in belief." Lenin sternly rebuked this presentation. He said: "The orthodox ideas I have mentioned do not refer to a simple interpretation of Marx"; "We definitely do not believe that orthodox ideas permit the treating of anything as belief, or that orthodox ideas refute the transformation and the further development of criticism, or that orthodox ideas allow the use of abstract forms to cover up historical problems. If it is found that students of the

orthodox group should commit serious errors of this kind, then the responsibility fully rests with these students themselves and the blame should not be laid on orthodox ideas, which are upright in character and are opposed to them."

From Lenin's attitude, we can at least derive two points of enlightenment. First, although "orthodoxy" or "orthodox ideas" are what the critics and opponents forcefully ascribe to Marxism, Lenin therefore never considered "orthodoxy" and "orthodox ideas" as something undesirable, on the contrary, with great dignity he admitted Marxism was "orthodox ideas" and considered it a glory to support and propagate these "orthodox ideas." Against the various kinds of nonsense said against Marxism, Lenin resolutely said: "After all, it is better for us to stay underneath the 'hallmark of orthodox ideas.'" How bold and assured were these words! Second, "orthodox ideas" do not refute the "transformation and further development of criticism." This point, in addition to the words quoted above, is also a reply to the so-called orthodoxy's drawback. Lenin further pointed out: "We never treat Marx' theories as something unchangeable, sacred and inviolable. Precisely on the contrary, we deeply believe that they only lay the foundation for a certain science, and if socialist party members do not wish to fall behind actual life, they should, on various sides, push this science forward."

Viewed from the angle of firmly insisting on the basic theories of Marxism, maintaining its basic principles and making it continuously develop in actual practice, "orthodoxy" is not a bad thing. It not only differs from ossified conservatism but also defends the purity of Marxism. Regarding this problem, we should learn from Lenin, to not fear being satirized as "orthodox" and not retreat from the opposition to Marxism, but boldly stand up and speak out, supporting Marxism with fresh banners and propagating Marxism boldly and assuredly. Especially in the current struggles of firmly insisting on the four basic principles and opposing bourgeois liberalization, we should act in this way all the more. In other words, we oppose doctrinairism and at the same time oppose the viewpoints and actions of opposing "doctrinairism" in name but opposing Marxism in fact. This is the original intention of writing this article, and in this regard we wish to solicit the support of all those comrades who believe in and firmly insist on Marxism.

/6091

CSO: 4005/817

GLITTERING OF THE NATIONAL PIONEERING SPIRIT--AFTER WATCHING TELEPLAY
'FLOATING DOWN THE CHANG JIANG'

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 p 48

[Article by Zhu Hansheng [2612 3352 3932]]

[Text] "Floating Down the Chang Jiang" is a nice television series presented by the Sichuan Television Station to the audience. With Yao Maoshu, who heroically dedicated his life in the first drift down the Chang Jiang, as a prototype, the series portrays the brilliant image of an ardent man who wins honor for the country and keeps forging ahead. His deeds vividly indicate the lofty ideals and spiritual style of the new generation.

Since the 3d Plenary Session of the 11th CPC Central Committee, emancipation of mind has been widely advocated and along with reform and opening up, a youthful spirit has spread to all fields of socialist construction. Bravery and fearlessness, fervent enthusiasm, and selfless dedication have become the outstanding characteristics of the new generation. Heartening news of Chinese observing the Great Wall and Huang He on foot, climbing perilous peaks, and traveling around the world by bicycle has poured in. The times have set greater tasks for us to understand and transform the world and have laid the conditions for fully utilizing the people's energy and talent. Therefore, the emergence of the exemplary figures like Yao Maoshu is by no means accidental. They have gone with the tide of the times. With their youthful vigor and lives, they have added brilliance to life. They are the elite of our times.

Yan Di, the leading character in the series, is one of these exemplary figures. He is an ordinary photographer. Instead of "leading an ordinary life," he wants to explore the source of the Chang Jiang. This national self-respect consciousness impelled him to make an incomprehensible choice: He left his beautiful and virtuous wife and comfortable family and drifted along Chang Jiang at his own expense, regardless of others' mockery and the goodwill advice of his relatives. His death adds solemnity to his act. It is precisely this solemnity that has touched people's souls. Scientific exploration is a manifestation of man's life and intrinsic strength. It is also an indication of the exertion of national spirit. It is with this exploratory spirit that humanity could develop from ignorance to civilization

and from the realm of necessity to the realm of freedom. The spirit of making bold explorations is highly necessary for China, which is now undergoing reform and opening up.

Yan Di's patriotic and exploratory spirit can be seen throughout the series. For example, when Yan Di and the second eldest brother arrive at the Qinghai-Xizang Plateau, they kneel down on the salt bank, devoutly holding handfuls of salt and sprinkling it down. A son's admiration for his mother and the people's admiration for their motherland arise spontaneously. When they reach the source of the Chang Jiang and ascend the snowcapped peak in exhaustion, they shout with excitement: "Geladandong, we have come. We, your sons and ancestors of the dragon, have come!" They burst into tears. This profound patriotic fervor moves us deeply. In this scene, the beautiful mountains and rivers of the motherland make us feel excited and intoxicated. We also realize that an indomitable will and fearless exploratory spirit can be attained only with our sense of national pride and boundless love of the motherland. Since there is no precedent to follow in carrying out socialist modernization, is this pioneering spirit and creative sense not precisely what we need? Should we not engage in the cause never undertaken by our forefathers with the spirit of sacrificing ourselves and winning honor for the country? This is the requirement of building socialist spiritual civilization. Therefore, the tide of the times always discards philistinism and applies new standard to judge history and outlook on life.

"Floating Down the Chang Jiang" is also a characteristic teleplay. In the pioneering practice of China's television aesthetics, this should be regarded as a gratifying attempt.

The series ingeniously mingles real events with a fictitious plot and characters from different angles, thus showing the truthfulness of the screenplay. For example, although the original character of Yan Di could be found, his family, colleagues, and relatives and the setbacks and problems he encountered were all fictitious. The outstanding performance of Zhu Shimao, who plays the part of Yan Di, is a soul-stirring improvisation. He shot the rapids without using a stand-in and struggled with the swift current regardless of his personal safety. At this moment, the actor and the part he plays are in perfect harmony. As a real person, he manifests his unique style and the moral spiritual quality of an actor. In my opinion, the new characteristics of television aesthetics are indicated in the integration of actual facts and fiction. The integration of the scene (Yan Di parting with his wife, which moved the audience to tears) with the live report on the drift along the Chang Jiang and the alternate scenes of magnificent landscapes and vivid description of figures, together with improvisation show the special form of television expression, produce a "live effect," and make the audience feel they are personally on the scene.

The success of the television series "Floating Down the Chang Jiang" proves once again that artists can create lifelike and real characters, truthfully present the outstanding figures of our times, and carry forward this valuable spirit of the times only when they have patriotic fervor and the spirit of dedication to art.

THE TREE OF THEORY IS EVERGREEN--RECOMMENDING 'CONCISE APPLIED PHILOSOPHY'

Beijing HONGQI [RED FLAG] in Chinese No 10, 16 May 87 inside back cover

["Book review" by Qiu Jichen [8002 4949 5256]]

[Text] In the sea of books, there are numerous philosophy books of various kinds, just like stars in the sky. But "Concise Applied Philosophy," compiled by Comrade Wang Zhengang of the lecturing group of the Tangshan city party committee, has attracted many readers and won praise not only from the vast numbers of cadres, but also from philosophy circles, because of its striking feature of integrating theory with practice and its style of being concise and suiting both specialist and popular tastes. It is not only another popular philosophy book for the masses, but also a good book for conducting theoretical education among cadres.

Written in a new style, this book breaks with the traditional pattern of philosophy courses and does not follow the beaten track. When mentioning the theoretical system of Marxist philosophy, people used to understand that the system is divided into two major parts, namely, dialectical materialism and historical materialism, or several major parts, namely, materialism, dialectics, epistemology, and the concept of historical materialism. "Concise Applied Philosophy" does not rigidly adhere to the structural system of philosophy, but adheres to simplicity and practical use throughout the book. In expounding the truth of philosophy, it adheres to the principle of less but better and does not pay attention to all aspects, but selects some main viewpoints. But these viewpoints are by no means incoherent and fragmented. While paying attention to the systematicness of theory, the book also gives prominence to the conciseness of its contents. The book divides the fundamental tenets of philosophy into 13 chapters. Each chapter discusses a basic truth of philosophy and there are some links between chapters. By summarizing the contents of the book, the readers can get an overall view of philosophy. The title and writing style of each chapter is also unique. It is neither a form of pure tenets, nor a form of pure application. It integrates the fundamental tenets of philosophy with problems that should be solved and questions that should be answered. For example, such titles as "Grasp the Idea of Linking Everything, Promote Lateral Economic Combination" and "Study the Fundamental Tenets of Social Ideology, Build Socialist Spiritual Civilization" are fresh and new.

By closely linking with practice and from the angle of philosophy, the book expounds and deals with problems that people meet in real life and that should be solved urgently, and stresses "application" of philosophy. This is a striking feature of the book and also the reason why it is well received by the readers. China is now conducting economic structural reform and many new problems have emerged one after another. It is therefore, urgently necessary for theoretical workers to explain them convincingly in theory. By applying the fundamental tenets of Marxist philosophy, the book analyzes to a certain extent a series of important problems, such as the party's line and policies, economic structural reform, building socialism with Chinese characteristics, and various kinds of colorful social life. Readers will welcome the book since it also applies the fundamental tenets of philosophy to explain the basic spirit of "The Resolution on the Guiding Principle for Building Socialist Spiritual Civilization" adopted at the 6th Plenary Session of the 12th CPC Central Committee, so that the readers' demand for theory can be satisfied. This also indicates that provided philosophy throbs with the pulse of the masses and is deeply rooted in practical life, this theoretical tree will be evergreen.

This book also pays attention to absorbing achievements in philosophy research in recent years and raises some new ideas to give people some inspiration. Particularly striking is the theory of three kinds of production put forth in the book. The current philosophy textbooks pay attention only to material production, but little or no attention to spiritual production and human self-production. But this book raises the idea that material production, spiritual production, and human self-production form an organic entity of society and they are linked to and depend on each other, form the contradiction and movement of social production, and thus promote progress of society. The book also lays stress on grasping the three kinds of production simultaneously to promote their harmonious development. This gives people new inspiration.

Of course, this book is not flawless. For example, applying a basic viewpoint of philosophy to answer some major questions in social life is sometimes far-fetched. Some views only represent one school of thought and need to be discussed further. And the writing in some chapters and paragraphs is a little rough. Despite these defects, "Concise Applied Philosophy" is on the whole a good book worth reading.

/6091

CSO: 4005/760

END

10

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, economic, military, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated. Those from English-language sources are transcribed, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names which are rendered phonetically or transliterated by FBIS/JPRS are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in 8 volumes: China, East Europe, Soviet Union, East Asia, Near East & South Asia, Africa (Sub-Sahara), Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications generally contain less time-sensitive information and are published periodically. Current JPRS publications are listed in *Government Reports Announcements* issued semi-monthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcovers or microfiche) at no charge through their sponsoring organizations. DOD consumers are required to submit requests through appropriate

command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.) For additional information or assistance, call FBIS, (703) 527-2368, or write to P.O. Box 2604, Washington, D.C. 20013.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. New subscribers should expect a 30-day delay in receipt of the first issue.

Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.