

**press  
review****OLD REFRAIN, SUCCESSIVE FAILURES**

«ZËRI I POPULLIT»

Chao Chih-yang, Chairman of the State Council, declared that «the situation is strong and stable» in China. The facts, however, show the contrary. The Peking leadership had proclaimed with great ado the «regulation» program which was to be accomplished within the year 1981. The year 1981 came to an end and the same Chao Chih-yang extended the time limit of the «rectification» and put it off for the end of this five-year period. So we will have to wait for a few years more to see the «regulation» of the Chinese economy.

There is no end of «rectifications» and «re-rectifications» in China. The hope that 1981 would mark the turn «towards improvement» did not materialize. As a result, both the implementation

of the so-called economic reform and the drafting of the 6th Five-year Plan have come to an impasse. Instead of the «brilliant situation» hoped for, the Chinese economy is slumping, and this is more apparent in the heavy industry, in the coal, oil and gas industry, in the chemical and construction materials industry. According to information from various news agencies, last year as compared with the preceding year, the total production of heavy industry on a whole has been 7 per cent lower. Production of steel has fallen by 2 million tons of coal — 20 million tons, and oil — 6 million tons. The production of natural gas has fallen by 10 percent. In 1981 there was a great fall in investments which from 53.9 billion yuans in 1980 fell to 38 billion yuans, which severely

affected the sphere of production.

Failures in heavy industry had a negative impact on all the other branches of the Chinese economy, mainly in increasing and deepening its disproportions. This state of things cannot fail to be reflected in light industry which gets 40 per cent of its material supplies and equipment from the enterprises of the heavy industry. The new economic policy which gives priority to the development of light industry in opposition to the teachings of Marxism-Leninism, could not fail to aggravate the already grave crises of the Chinese economy. Dealing with the situation in China in general, «Peking Review» writes that «economic results today are not only below the level of the advanced countries, but also below those achieved some year

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ago.» Many facts go to prove this bitter reality. The production of cereals per head of population in China is much lower than the world average. The acreage of the arable land has shrunk by 24.5 million hectares. According to official reports, one fourth of the workers and employees of the cities live under subsistence level. Ten per cent of the able-bodied population has no occupation. Price rises have reached a 20 per cent annual average. Last year Chia's foreign debts were reckoned at 8 billion yuans, or double that of one year before. The manifestations of the crisis are becoming ever more virulent. And this process of retrogression cannot be stopped either by Peking's «rectifications» and «re-rectifications», nor by the reorganization measures taken by Teng Hsiao-ping and company to «improve the style of leadership».

For the implementation of their programs of «rectification» and «modernization» the Chinese revisionist leaders have put great hopes on Western «aid», the export of Western capital to the Chinese economy. That is why

they have opened all possible ways of access to China for the penetration of foreign capital. Western companies have been given facilities and privileges of which they could not even dream some years ago. China has signed long-term agreements with Western firms, stipulating that the latter have the right to use Chinese land and set up enterprises entirely on their own capital. They are allowed to employ Chinese workers, pay them as much as they want and sack them whenever they want. The present Chinese revisionist leadership has gone even further by undertaking to give the Western capitalists all guarantees against «any eventual political threat» to their interests.

The open-door policy has doubtlessly given its fruits, which cannot be in favour of China, but only in favour of Western capital which is invested wherever profits are highest. That is why it is rapidly penetrating into the Chinese market. Only through its so-called «joint companies» with the Chinese enterprises it has up to now invested

more than 1.5 billion dollars. According to information from the Chinese press, Peking has called again on the West to take part in one-hundred «joint ventures», which China intends for the development «some particularly backward economic areas» in the interior of China with the «aid» of the Western «benefactors», as well as utilize the advanced technology of the West for its economic and military strengthening. However, the Western magnates have other aims. They had rather set up small enterprises which ensure them immediate and greater profits. They find no great attraction in the «particular areas» which Peking has offered them and stick to the old littoral areas which are more favourable for their aims of neo-colonialist plunder. Thus, Western capital not only wants to do nothing to help China out of its acute economic difficulties, but is itself creating additional economic and social difficulties which result in more chaos, economic and political disruption in the Chinese reality.