## **Beijing Celebrates PRC's 40th Anniversary**

Practice of the past four decades tells us that socialism alone can save China and that socialism alone can lead to a developed China. Persistently taking the socialist road is the sole correct way out for China," said Chinese Premier Li Peng on September 30.

At a reception marking the 40th anniversary of the founding of the People's Republic of China in the Great Hall of the People in Beijing, Li reviewed the "earthshaking change" that has taken place in China in the past 40 years and the "increasingly important role" China is playing in the international arena.

Li pointed out that at its 13th national congress in 1987 the Party formulated its basic line of making economic development the central task of the Party and the country while adhering to the Four Cardinal Principles and persevering in reform and the open policy. "Such is the foundation on which to build our nation and the way leading to a strong country."

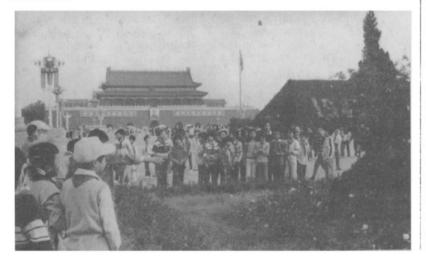
Li pledged to work for the continuity and steadfast implementation of major reform and open policies — policies which he said would not be changed frivolously. They include the contract responsibility system in state-owned enterprises; the system in which directors bear the main responsibility for running an enterprise; and policies relating to the priority development of coastal areas and to the individual and private sectors.

He said continued implementation of the policy of improvement of the economic environment and rectification of the economic order is the focus of the present development and reform. "From the next year on, China will enter a peak period for repaying domestic and external debts, which will give rise to new difficulties in managing our economy and make it even harder for our improvement and rectification endeavour," he went on.

He noted that leading cadres at all levels should be fully prepared for it mentally, work hard, set a good example and share a life of frugality with the whole people for the next few years.

Li stressed that to maintain and consolidate the social and political stability is an important guarantee for smooth economic development. Therefore, China should

Many people visit Tiananmen Square to view the decorations for China's 40th anniversary. ZHENG SHUFU



carry through to the end the education in anti-bourgeois liberalization and never give it up halfway.

The premier said that the current international situation is moving from tension to relaxation and from confrontation to dialogue, and the world is undergoing a change which is favourable to peace and development. "Our views on the general trend of the global situation remain unchanged and it is still possible to secure a fairly long period of peaceful international environment for China's modernization drive."

He noted that China's reform and open policy is based on the premise of adhering to the Four Cardinal Principles and aimed at developing and improving its socialist system.

"We will never allow hostile foreign forces to take advantage of this opportunity to carry out infiltration and subversion against our socialist system," he said.

About 3,500 people, including Chinese top leaders and some foreign guests, attended the reception.

In the evening of the National Day — October 1, a million people celebrated in Tiananmen Square and other spots around Beijing to mark the 40th birthday of the country. Colourful fireworks, music and dance performances brought a full-scale festive atmosphere to the capital.

At the start of the festivities, senior leader Deng Xiaoping met foreign guests invited to Beijing for the celebration.

On September 29 Party General Secretary Jiang Zemin made an important speech at a celebration rally in Beijing. He elaborated on, among a number of major issues, four basic conclusions drawn from 40-year history of the People's Republic of China (For full text see pp.11 — 24).  $\Box$ 

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