

I. THE COUNTRY

China is the world's third largest country, with 3.7 million square miles, and by far its most populous, with more than 1.2 billion people. China's national language is Mandarin (or Putonghua), but many other dialects are spoken. In addition, more than 50 minority nationalities (e.g., Zhuang, Tibetan, Mongol, Manchu, Miao, and Hui) have, in varying degrees, their own languages and customs. About 70 percent of China's population is rural and engaged in agriculture, however, the country's eastern seaboard rapidly is becoming industrialized. China has immense natural resources, especially minerals, energy, and a largely under-utilized labour force.

Domestic Political Situation

Since the end of the Cultural Revolution in 1976 and under the leadership of Deng Xiaoping, China has pursued a course of internal economic reforms, while at the same time attempting to integrate itself into the global economy. These actions have brought economic progress to hundreds of millions of Chinese, chiefly through the encouragement of small-scale private enterprise and through widespread agricultural reforms that have restored a system based on household farming.

In the late 1980s, although no fundamental political reforms occurred, China witnessed a considerable relaxation of the political atmosphere: obligatory participation by citizens in political activities was scaled down, and there was a general reduction in the intrusiveness of the state into people's day-to-day existence. This shift in attitudes, as well as further exposure by the Chinese people to the outside world, led to increased demands for political accountability and an end to official corruption. A clash between the government and the people, which climaxed at Tiananmen Square in 1989, resulted in the resumption of stricter government control. However, as China progresses into the '90s, its society is becoming increasingly pluralistic.