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R 100815Z MAY 84
FM AMEMBASSY BEIJING
TO SECSTATE WASHDC 0585
INFO AIT TAIPEI
AMCONSUL HONG KONG
AMEMBASSY MOSCOW
AMEMBASSY NEW DELHI
AMCONSUL GUANGZHOU POUCH

AMCONSUL SHANGHAI POUCH

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E.O. 12356:DECL:OADR

TAGS: PGOV, CH

SUBJ: REFORMS IN TIBET

REF: A) FBIS HONG KONG 290549Z APRI 84;

B) FBIS HONG KONG 071419Z MAY 84;C) FBIS HONG KONG 080526Z MAY 84;

D) BEIJING 5681

1. (U) THERE HAS BEEN A SURGE OF MEDIA ATTENTION LATELY FOCUSING UPON ECONOMIC, CULTURAL, AND POLITICAL REFORM IN TIBET. FOR INSTANCE, AN APRIL 29 XINHUA ARTICLE ANNOUNCED THE DECISION TO EXTEND CURRENT TAX EXEMPTIONS FOR TIBETANS -- IN EFFECT SINCE 1980 -- THROUGH 1990. A MAY 5 XINHUA ARTICLE PUBLISHED THE FOLLOWING DAY IN THE "PEOPLE'S DAILY" REPORTED AN IMPORTANT PLENARY SESSION OF THE REGIONAL PARTY COMMITTEE FROM APRIL 16-27, AT WHICH PARTY CONFIDENTIAL

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FIRST SECRETARY YIN FATANG STATED THAT THE TOP GOAL FOR THE REGION IN THE NEXT THREE TO FIVE YEARS WAS A DOUBLING OF REAL INCOME OF TIBETAN NATIONALITY FARMERS AND HERDSMEN. REFS A, B, AND C REPORTED REGIONAL RADIO

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BROADCASTS THAT DESCRIBED IN DETAIL NEW REFORM POLICIES IN ECONOMIC, COMMERCIAL, CULTURAL, AND POLITICAL WORK. THE EMPHASIS IN ALL THE ANNOUNCED REFORMS IS ON IMPROVING THE ECONOMIC WELL BEING AND LIVING STANDARDS IN GENERAL OF THE TIBETAN AND OTHER MINORITY NATIONALITIES OF THE REGION.

- 2. (LOU) THIS FLURRY OF REFORM ANNOUNCEMENTS-- NOT DISSIMILAR TO ANNOUNCEMENTS IN OTHER PROVINCES BUT MORE STRIKING BECAUSE OF TIBET'S ECONOMIC BACKWARDNESS -- FOLLOWS A FEBRUARY 27 MARCH 6 BEIJING SYMPOSIUM ON TIBET CHAIRED BY PARTY GENERAL SECRETARY HU YAOBANG (REF D). THE SYMPOSIUM WAS ATTENDED BY A NUMBER OF HIGH-RANKING TIBETAN GOVERNMENT AND PARTY OFFICIALS, WHO LATER TOURED OTHER PROVINCES WHERE REFORMS ARE IN PROGRESS PRIOR TO A FINAL SESSION IN BEIJING AND RETURN TO TIBET. HU, SINCE HIS VISIT TO TIBET IN 1980, HAS PAID SPECIAL ATTENTION TO TIBET.
- 3. (C) AS RECENTLY AS LAST OCTOBER AN EMBASSY OFFICER VISITING LHASA WAS TOLD BY A GOVERNMENT OFFICIAL THAT THE TAX EXEMPTION POLICY--ESSENTIALLY, TIBETAN FARMERS AND HERDSMEN PAY NO TAXES--WOULD BE EXTENDED THROUGH 1984 AND POSSIBLY ALSO INTO 1985. THE ANNOUNCEMENT EXTENDING THE POLICY UNTIL 1990 APPARENTLY REFLECTS NATIONAL LEADERSHIP CONCERN OVER ECONOMIC CONDITIONS IN THIS REGION. IN EFFECT, TIBET'S ECONOMIC DEVELOPMENT IS BEING FINANCED BY THE NATIONAL GOVERNMENT AND HAS BEEN SINCE HU'S VISIT IN 1980. (TIBET IS NOT ALONE IN CONFIDENTIAL

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THIS REGARD. QINGHAI, ANOTHER PROVINCE WITH A LARGE MINORITY POPULATION, IS ALSO HEAVILY SUBSIDIZED FROM CENTRAL COFFERS).

4. (C) ANOTHER CONCERN OF THE NATIONAL LEADERSHIP IS FOREIGN CRITICISM OF HAN NATIONALITY DOMINATION OF THIS REGION, MOST OF WHOSE INHABITANTS ARE TIBETAN AND STILL REGARD THE DALAI LAMA, IN EXILE IN INDIA, AS THEIR SPIRITUAL LEADER. THE 1959 REBELLION AND ITS SUPPRESSION BY THE CHINESE MILITARY HAS NOT BEEN FORGOTTEN IN TIBET, NOR IN HONG KONG OR TAIWAN. SINCE 1980 THE LEADERSHIP HAS BEEN ANXIOUS FOR THE RETURN OF THE DALAI LAMA AND FOR IMPROVED CONDITIONS IN TIBET. BEIJING WOULD UNDOUBTEDLY LIKE TO POINT TO TIBET AS AN AUTONOMOUS REGION THAT, UNDER THE

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REFORM LEADERSHIP INITIATED IN 1978 BY DENG XIAOPING, HAS SEEN GENUINE PROGRESS BOTH IN ECONOMIC AND OTHER AREAS: HUMMEL

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