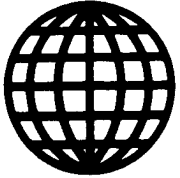


034154

JPRS-SEA-87-124
25 November 1987



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

JPRS Report

East Asia

Southeast Asia

DISTRIBUTION STATEMENT A

**Approved for public release;
Distribution Unlimited**

19980202 100

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

10
31
A03

East Asia Southeast Asia

JPRS-SEA-87-124

CONTENTS

25 NOVEMBER 1987

INDONESIA

Japanese Investors Want More Facilities [SUARA PEMBARUAN, 1 Sep 87]	1
Need for Nuclear Energy To Produce Electricity Stressed by Habibie [SUARA PEMBARUAN, 2 Sep 87]	1
Minister Discusses Status of Transmigration [KOMPAS, 2 Sep 87]	2
Effect of Drought on Rice, Sugar Output Reported to President [KOMPAS, 4 Sep 87]	2
Home Affairs Minister Describes Achievements in East Timor [KOMPAS, 19 Sep 87]	3
Less Restriction on Islamic Missionary Work in Provinces Cited [PELITA, 23 Sep 87]	4

KAMPUCHEA

PEOPLE'S REPUBLIC OF KAMPUCHEA

Experts Predict Drought To Cause 80 Percent Rice Deficit [Erhard Haubold; FRANKFURTER ALLGEMEINE, 13 Oct 87]	5
---	---

MALAYSIA

Mahathir Plans Meetings With State UMNO Leaders To Unite Factions	6
Meetings Urged by Local Leaders [UTUSAN MALAYSIA, 14 Sep 87]	6
Mahathir States Plans [UTUSAN MALAYSIA, 14 Sep 87]	7

PHILIPPINES

Social Roots, Ideologies, Militancy of Army Groups Analyzed [Erhard Haubold; FRANKFURTER ALLGEMEINE, 29 Oct 87]	8
--	---

THAILAND

Writer Assails U.S. Latin Goals, Cites Death Squads [Thawip Woradilok; MATICHON, 17 Aug 87]	10
Former MP Sees Sitthi Foreign Policy Failures [Khlaeo Norapati; MATICHON, 12 Aug 87]	11
Columnist: Hopes for 'Cocktail Party' Hinge on PRC, DK [Chet Prithat; BAN MUANG, 21 AUG 87]	12
Central Bank Plans To Protect Investors [MATICHON, 13 Aug 87]	12

VIETNAM

POLITICAL

Ho Chi Minh City Party Secretary Discusses Party Work [Phuoc Sanh; SAIGON GIAI PHONG, 25 Jun 87]	14
Statistics on Criticism in Press Reported [THONG KE, Jul 87]	15

MILITARY

Scientific, Technical Personnel Said Underutilized [Xuan Hinh; QUAN DOI NHAN DAN, 29 Aug 87]	16
---	----

ECONOMIC

IZVESTIYA Criticizes Quality of Vietnamese Rubber [Minh Dang; SAIGON GIAI PHONG, 29 Aug 87]	17
Price System Problems Described [Thieu Mai; LAO DONG, 2 Jul 87]	18
Improper Distribution of Goods Criticized [Thanh Tu; NHAN DAN, 5 Aug 87]	20

Problems in Managing Noncommercial Imports [Tran Hoang, Le Nghiep; QUAN DOI NHAN DAN, 17 Aug 87]	20
Pepper Export Contracts Fulfilled [NGOAI THUONG, 25 Sep 87]	21
Dac Lac Coffee Production, Delivery of Goods Reported [NGOAI THUONG, 25 Aug 87]	21
Demand for Shrimp Drives up Prices, Damages Economy [Tam Nguyen; NHAN DAN, 12 Aug 87]	22
Saigon Ships Fined for Smuggling [SAIGON GIAI PHONG, 1 Sep 87]	23

SOCIAL

Grievances Aired at Farmers' Congresses [Le Dien; DAI DOAN KET, 1 Sep 87]	23
Reader Comments on 2d Plenum Resolution [Xuan Quang; DAI DOAN KET, 1 Jul 87]	25
Villager Denounces Abusive, Oppressive Acts of Officials [Ho Thi Yen; DAI DOAN KET, 1 Jul 87]	26

Japanese Investors Want More Facilities
42130008a Jakarta SUARA PEMBARUAN in Indonesian 1 Sep 87 p 1

[Text] Jakarta, 1 September—A group of 48 businessmen representing small and middle-sized firms and led by Reiichi Shimamoto, deputy chief of the Japanese Export-Import Bank, have called on the Indonesian Government to provide facilities to joint enterprises in the form of opportunities to sell their products on domestic markets, especially during the trial production period prior to launching exports.

The requests and desires of the Japanese businessmen were presented to Engr Ginanjar Kartasmita, chairman of the BKPM [Capital Investment Coordination Board], on Monday afternoon [31 August] on their last call on the BKPM and as the termination of their visit to Indonesia, which began on 26 August.

Reiichi Shimamoto said in a statement to the press that he feels the facilities they request will make it easier for Japanese businessmen who want to make capital investment in Indonesia.

According to him, there are many investment opportunities in Indonesia of possible interest to industrialists in small and middle-sized industries. These sectors include textiles, transportation, chemicals, and others. In dialogue with several national businessmen, agreement has been reached on investment in some of these sectors.

Nevertheless, Reiichi Shimamoto himself still hoped that services and facilities in the industrial sector will be increased and made more suitable, as, for example, in the continued expansion of Pulogadung. Furthermore, the price of land for industrial construction is still relatively expensive, especially in Java.

Land Prices

He also stressed that there truly has been great progress in improving the business climate and in expanding promotion of capital investments, which was furthered by government policies like the 6 May packet and other measures. Relatively cheap manpower, abundance of natural resources, availability of domestic markets, and orientation to exports in the future also help greatly to intensify the flow of investments.

After the meeting, BKPM Chairman Ginanjar Kartasmita told reporters the government still cannot assent to the wishes of some Japanese businessmen from small and middle-sized enterprises that they be permitted to sell their products directly on the domestic market.

The domestic marketing of the products of joint enterprises is not prohibited altogether, but the products must be channeled through official distributors or middlemen appointed and recognized by the government under existing regulations. Ginanjar said the marketing of

products domestically is only a stepping stone to stronger markets. "Although we want all products to be oriented to exports, that does not mean investments within the country are closed," he explained.

6942

Need for Nuclear Energy To Produce Electricity Stressed by Habibie
42130008c Jakarta SUARA PEMBARUAN in Indonesian 2 Sep 87 p 12

[Excerpt] Jakarta, 2 September—State Minister for Research and Technology Prof Dr B.J. Habibie said the PLN (State Electricity Enterprise) has constructed an electric power network covering all of Java, so that any electric power plant that is constructed can immediately deliver its electricity to consumers through the network.

The minister for research and technology explained this on Tuesday [1 September] in Jakarta at a session of the Fifth Japan-Indonesia Science and Technology Forum as a response to uncertainty expressed by Saburo Okita, chairman of the Japanese delegation, regarding energy development in Indonesia.

Habibie said Japanese cooperation with Indonesia in the energy sector can be accomplished through what he called BOT (build, operate and transfer). By this he meant that Japan could invest capital in Indonesia for the construction of electric power plants of any type whatever, whether hydroelectric, geothermal, coal, gas and petroleum, or nuclear. The electricity could then be sold to the PLN at standard prices that would not cause losses to investors.

Operation of the electric power plants will be accompanied by technology transfer efforts, Habibie stated. He also said Indonesia will need at least 27,000 mW [megawatts] of electricity by the year 2015, which means about 1,000 mW per year, beginning now.

This additional electricity will be concentrated primarily in Java, where in the near future capabilities for about 7,000 mW will be in operation at two steam electric plants using coal as fuel. These are Suralaya, 3,000 mW, and Paiton (Probolinggo), 4,000 mW. The remaining 20,000 mW cannot be generated by water power, which is at maximum capacity, nor by limited geothermal capabilities nor by oil and natural gas, which are not renewable.

Nuclear

According to Habibie, Indonesia's only reliance for meeting its electricity shortfall at the beginning of the 21st century will be nuclear power. Habibie does not agree with the view that nuclear energy threatens the environment. It depends entirely on how we operate the plants.

Japan itself and several countries in Europe, including France, depend on nuclear power for about 50 percent of their electricity without ever having had a significant accident. The Chernobyl case in the Soviet Union was a rare incident and was caused by human negligence.

Habibie therefore called on the Japanese to consider contributing their skills and profits to the construction of a nuclear power plant in Indonesia.

6942

Minister Discusses Status of Transmigration

*42130008b Jakarta KOMPAS in Indonesian
2 Sep 87 pp 1, 16*

[Text] Jakarta, KOMPAS—The encouragement of spontaneous transmigration must be increased in the coming years, President Soeharto instructed Minister of Transmigration [MENTRANS] Martono yesterday, Tuesday, at Bina Graha. According to Martono, the encouragement of spontaneous transmigration needs to be increased because public interest in the relocation framework of transmigration is very great.

He explained that the number of people taking part in the transmigration program has increased from year to year. In PELITA [5-Year Development Plan] I, 46,566 families were relocated. In PELITA II, the figure rose to 82,959 families, and in PELITA III the total of 535,474 families exceeded the target of 500,000.

During PELITA IV, as of 31 August, (counting operations in the last year of PELITA III) there have been 650,114 transmigrant families. The target is 750,000 families. Beginning the count with operations in the first year of PELITA IV, however, the target is 725,000 families, of which 503,339 families were relocated by 31 August.

Based on the results achieved so far, the MENTRANS said, a balance of 74,886 families of the targeted 750,000 families remain to be relocated in PELITA IV. Martono is optimistic, therefore, that the entire target of 750,000 families will be reached by 31 March 1988, especially since equipment, rice, etc., are adequately available.

Spontaneous Movement Increases

He said that of the 650,114 families relocated during PELITA IV as of 31 August, spontaneous transmigration was larger than general transmigration. Of the 74,886 families remaining to be relocated by 31 March 1988, 52,294 families will be spontaneous transmigrants, in addition to 18,698 families entering the PIR (Smallholder Nuclear Estate) program. Only 3,894 families will be in the general transmigration category.

“Those who want to move have great motivation, and they are able to pay for it themselves,” said Martono. Because of that, he said, President Soeharto has directed that spontaneous transmigration be intensified further in the years to come.

As for their finances, the MENTRANS said that because spontaneous transmigrants are not financed under the APBN [national budget] they are being assisted under APBD [regional budgets] through grants. In practice, he added, such funds are always available. The central government will help with equipment and other available things to meet the needs of general transmigrants.

Besides APBD funds and equipment furnished by the government, the participation of the community in providing supplies is desired. This, in fact, is being done in several regions. As an example, the minister cited a practice in Madura, where the village pays for the transmigration travel of its residents by supplying cattle to be sold. An average of 150,000 to 175,000 rupiahs is thus given for the travel of each family.

In Central Java, the Soegiyopranoto Foundation has a concept for affording credit to transmigration candidates, who will make repayment when they become successful in their new locations.

Phase II Development

In addition to further intensifying spontaneous transmigration, Martono said, the target of the transmigration program in PELITA V will be directed more toward phase two development in the transmigration areas, with the help of the World Bank and government-owned as well as private enterprises.

Phase two development consists of, first, increasing the value of farm products through the construction of processing plants, for example. Second, allocated land that is unused will be offered to private parties as a type of PIR. Third, locations where land is available but where people do not yet live will be turned over to the private sector as transmigration PIR's.

6942

Effect of Drought on Rice, Sugar Output Reported to President

*42130008d Jakarta KOMPAS in Indonesian
4 Sep 87 pp 1, 8*

[Excerpts] Jakarta, KOMPAS—Indonesia may again import sugar for its stockpile if the impact of the current drought continues and cannot be surmounted. Minister of Agriculture Engr Achmad Affandi stated this after reporting to President Soeharto at Freedom Palace on Thursday [3 September]. He said also that rice production is now feeling the effect of the drought.

According to the minister, the drought is affecting only the balance of the sugarcane that has not yet been cut, which covers 20,338 hectares. Nevertheless, production will decline by 97,020 tons. The March estimate of sugar production was 2,201,747 tons, and the August estimate was 2,104,727 tons. This decline, however, was still within the projected target, Affandi said.

There is also a fear that the drought has affected newly planted sugarcane about 2 or 3 months old. If young cane is damaged, it is expected that 1988 production will decline by about 2 million tons [as published]. There will be no shortage by then, however, for at the end of 1987 there will remain a stockpile of 1 million tons of sugar. Shortages will not be felt until 1989.

Imports may have to be made to offset that shortage, the minister said, especially since domestic sugar consumption is constantly on the rise. If imports are made, however, they will be only for replenishing stocks and not for consumption, Affandi stated. On the other hand, there is still a hope that imports will not be made, considering that a number of measures have now been taken to improve national sugar production, including rehabilitation of sugar mills in order to further expand their output.

Rice Also Declining

Besides sugar, said Affandi, rice has also felt the effects of the drought. Other agricultural commodities, such as coconuts, coconut oil, and rubber, may have been affected, too, but calculations are still being made.

Rice affected by the drought this year, according to the minister, had reached 210,080 hectares by August, of which 60,969 hectares were a total loss. As a result of the drought, rice production will fall by 208,746 tons. The impact will be even more serious if the dry season continues.

The minister as well as Department of Agriculture press releases stated that rice crop areas suffering from drought this year are less than the 421,600 hectares affected during the 1982 dry season (January to August). Nevertheless, drought figures this year are higher than last year, when only 38,481 hectares were affected during the same period.

The province suffering most heavily from drought this year is South Sulawesi, with 86,793 hectares. West Nusa Tenggara follows with 27,515 hectares, then West Java with 18,782 hectares, Central Java with 18,501 hectares, East Java with 16,414 hectares, North Sumatra with 16,144 hectares, Aceh with 13,189 hectares, East Nusa Tenggara with 5,792 hectares, and North Sulawesi with 4,781 hectares.

Not Significant

The minister of agriculture feels the 208,746 ton decline in rice production does not pose a significant threat, for there is quite a large increase in rice production as a result of the Super INSUS [Special Intensification] program. From Super INSUS areas totaling 278,354 hectares there will be added production of 1 ton of rice per hectare, or 278,354 tons of rice.

Based on forecast II (of the Central Statistics Bureau), rice output in 1987 will be 27,336,994 tons. Thus, it is hoped that the 208,746 tons lost to drought will be compensated for by the added Super INSUS production of 278,354 tons. Therefore, rice production in 1987 will reach 27,406,602 tons, or 2.3 percent greater than the tentative figure of 26,783,736 tons for 1986 production.

6942

Home Affairs Minister Describes Achievements in East Timor

42130008e Jakarta KOMPAS in Indonesian
19 Sep 87 pp 1, 8

[Excerpts] Dili, KOMPAS—Minister of Home Affairs [MENDAGRI] Soepardjo Rustam stated that the direction and priorities of development in East Timor are correct. Results achieved by development not only are enjoyed by all levels of society in that province but have been acknowledged by the international community. The MENDAGRI said this on Friday [18 September] in a special plenary session of the Level I DPRD [Regional Legislature] for East Timor, following the inauguration and swearing in of Engr Mario Viegas Carrascalao as governor and head of East Timor Level I Region for a second term (1987-1992). The inauguration ceremony was also attended by Australian Ambassador Bill Morrison, Yugoslav Ambassador Djordje Jakovljevic, and Turkish Ambassador Metin Inegollu.

Development priorities during the first 5-year term of Governor Carrascalao were focused on education, agriculture, communications, health, and government apparatus.

In the agricultural sector, East Timor has been able to increase production of rice and secondary crops at a rate of 1.7 percent per year. In the communications sector, the infrastructure that has been built has become an effective means for the improvement of economic life and for helping to penetrate isolated areas. In 1984-85, there were 1,632.36 km of roads (state roads, 648 km, and provincial roads, 984.36 km, composed of 533 km of asphalt surface and 1,099.36 km of gravel).

As for the education sector, more than 70 percent of the school-age population is literate. "The development of education in this region has further stabilized the unity and integrity of the nation through the use of the Indonesian language as the teaching language in schools

from kindergarten to higher education," the MENDAGRI said. The higher education he referred to is the University of East Timor, a private university founded in the 1986-87 school year by the Loro Sae Foundation.

Activity in the health sector has improved the quality of public health. The availability of health services and infrastructure has reached remote places. In fact, the ratio of doctors to the number of people served is much greater than the national ratio, according to MENDAGRI Soepardjo.

"Achievements are truly cheering and encouraging," said Soepardjo Rustam. Earlier, he had noted that the situation during 4 centuries of Portuguese rule had caused the people chronic suffering in the form of food shortages, lack of health care, backward educational facilities, as well as other kinds of distress.

Social Responsibility

The MENDAGRI also took the opportunity to emphasize a matter that should be given priority, namely, professionalism and expertise in the regional government apparatus. This is essential, seeing that in the years to come it appears we will not be able to make development funds available as we did in the past. The efficiency and effectiveness of the apparatus therefore must be increased.

First Election

The MENDAGRI also called attention to the first election in East Timor, which took place in April 1987. He said that the election can be a starting point for the development of a democratic Pancasila life in the future. The success of the 1987 election demonstrated their political position and choice in uniting with their brothers, from whom they had been separated for 4 centuries. The election was simultaneously an enjoyment of independence and an exercise of their right and responsibility to create a just and prosperous society in the future.

With the formation of DPRD's at levels I and II throughout East Timor, said Soepardjo Rustam, it is hoped that the establishment of government based on Law 5 of 1979 can be implemented in a stable way. East Timor became an integral part of the unitary state of the Republic of Indonesia on 17 July 1976.

6942

Less Restriction on Islamic Missionary Work in Provinces Cited

42130008f Jakarta PELITA in Indonesian
23 Sep 87 pp 1, 9

[Excerpt] Jakarta, PELITA—Islamic missionary work in the provinces is experiencing growing freedom and virtually no significant obstacles. Improvements are needed here and there, however, for the sake of forming increasingly friendly ties between the Islamic community and the government. These views were expressed on Monday night [21 September] by several regional leaders of the NU [Nahdatul Ulama] Missionary Institute who participated in a program of general opinion during the National Consultation Week in Jakarta.

According to the regional delegates, the freedom for Islamic missionary work in the provinces is very encouraging. They hope this will continue until ties of harmony are formed in the provinces between all levels of the Islamic community and elements of regional governments down to villages and neighborhoods.

In fact, one of the delegates stated, regional governments have not been reluctant to give concrete assistance to the expansion of healthy and peaceful Islamic missionary work in its efforts to develop the complete Indonesian person. He admitted there still are individual missionaries who deviate in their preaching. There are also individuals who give the impression of "making it difficult for missionary work," the delegate said.

Missionary Work Among Transmigrants

During the week of consultation, considerable attention was given to missionary work in transmigration areas. NU preachers and missionaries in the provinces are indeed giving much attention to missionary work among transmigrants. One problem needing a helping hand, however, is that of facilities, considering the conditions that exist in the transmigration areas. One type of facility is transportation to enable reaching widely separated SPT's (transmigration settlement units).

Another regional delegate said the increasing freedom for Islamic missionary work in the provinces is a result of the acceptance of Pancasila as the single principle of community organizations. They also confirmed that in missionary work there is almost no one who sees a conflict between Islam and Pancasila.

Guidance

The NU Missionary Institute week of consultation, which has been under way since last Saturday night [19 September], was opened by MENKO KESRA [Coordinating Minister for Public Welfare] Alamsyah Ratu Perwiranegara.

6942

PEOPLE'S REPUBLIC OF KAMPUCHEA

Experts Predict Drought To Cause 80 Percent Rice Deficit

46200004 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 13 Oct 87 p 4

[Article by Erhard Haubold: "Kampuchea Facing Famine"]

[Text] Manila, 12 Oct—Kampuchea must reckon with a crop failure—possibly with a rice deficit of 80 percent. So say agriculture specialists who work at the International Rice Research Institute in Baguio [as published] near Manila and who have visited the Khmer country. Large areas of Indo-China also appear to be affected by the "drought of the century" and, in regard to Kampuchea, representatives of the United Nations are even speaking of a possible "widespread famine" and of "starvation deaths" if relief supplies from the West should not be forthcoming.

How much is needed and how serious the situation is in the country devastated by Pol Pot's Khmer Rouge, cannot be reliably determined. Representatives of the foreign relief organizations working in Phnom Penh are permitted to visit only 7 or 8 of the 20 provinces, all situated within a radius of 150 km. Cited as a reason for this is the indeed wretched transportation situation—gigantic potholes and washed-out stretches of road—but the communist authorities are more worried about the safety of the foreign experts in view of guerrilla forces which, with mines and armed attacks, make the villages unsafe and which are principally supplied by China through Thailand. The Soviets do their work in Kampuchea now only by aircraft.

Foreign specialists hardly have access to the "granary" near Battambang, which is situated in the west near the border with Thailand and is therefore especially "unsafe." There are differences of opinion with Phnom Penh over the size of the populace—7.2 or 7.5 million people, and all cries for help are viewed with particular skepticism since last year, when the communist government asked for foreign assistance amounting to 152,000 tons of grain despite the fact that the harvests of 1985/86 and the previous year were, in the opinion of most experts, the best since 1979—since the "liberation" by Vietnam's troops. "We are being served up figures which we cannot verify," UN representatives in Phnom Penh say. Without thorough research and being personally present during distribution in the villages there will be no deliveries, most relief organizations say, and Phnom Penh could be aided far more generously if it proceeded in a more liberal manner with the granting of travel permits (Indians, Vietnamese and other Asiatics struggle against far fewer restrictions).

For all that, hardly anyone denies that the 1986/87 harvest was poor and that the upcoming 1987/88 harvest could turn out much worse yet. Stockpiles, an experienced organization and the continuous presence of about 50 representatives of foreign relief organizations in

Phnom Penh, however, would prevent a repetition of the famine catastrophe of 1979/80 when "people died like flies" (according to a representative of the UN Childrens Relief Fund UNICEF), it is said in the Hotel Samaki, from where, up to 1975, Western journalists followed the Indo-China war and where today most Western specialists are quartered. There is also unanimity over the fact that the Kampucheans have by no means caught up yet to the golden age which prevailed under Sihanouk up to his overthrow in 1970. In 1966 3 million tons of rice were harvested and exports were possible; in 1979 there were only 1.25 million tons; by 1985 only 1.5 million tons: no real improvement in 7 years. Could not more have been achieved, even taking into consideration the guerrillas' mines, the shortage of seed, fertilizers and pesticides, the many draft animals which starved during the Pol Pot period and the unfavorable ratio between men and women (approximately 1.2)?

Western observers say that the Soviets, whose assistance since 1979 has been estimated at 1/2 billion U.S. dollars, "threw tractors at the problem." Only 10 of the "monsters"—difficult to use on wet soil in any case—are still working, and hundreds of tractors and huge harvest combines, such as are used on Russian collectives, are standing around useless merely because there is a lack of fuel and spare parts, yet they must be paid for with commodity deliveries (rubber and tobacco). It is said that when measured against Kampuchea's limited "absorption capacity," the Soviet projects are often too large and too complicated. Of the 4,000 irrigation pumps which Western relief organizations provided in 1979 and 1980, only 2,000 were still working 2 years later. A high communist functionary, on the other hand, feels that, after "the war against America and the Pol Pot period," one could certainly be satisfied with the outcome of "food shortage (from which, because of lacking purchasing power, above all unmarried women, old people and families with many children suffer), but no more famine."

In no case, it is alleged, is the communist system responsible for Kampuchea's difficulties, for the low yields per hectare (between 0.7 and 4 tons), and for the small amount of artificial, mechanical irrigation. After the excesses under Pol Pot and in view of the bad experiences in Vietnam, dogmatic policy and forced collectivization would be out of the question and only 10 percent of the peasants are in collectives.

The overwhelming majority, 60 to 70 percent, are simply organized into solidarity groups ("khrom samaki") in which 10 to 15 families each jointly perform work from plowing to sowing "on the basis of complete voluntariness." Even with the establishment of a rice tax, the peasants' "patriotic contribution" to the maintenance of the officials and soldiers, things are "only getting under way."

Mahathir Plans Meetings With State UMNO Leaders To Unite Factions

Meetings Urged by Local Leaders

42130012a Kuala Lumpur UTUSAN MALAYSIA in Malay 14 Sep 87 p 1

[Text] Kuala Lumpur, 13 September—UMNO leaders at the state and division levels want party members to renew their unity without considering position or influence, for unity is an important means of building party strength.

They received with delight the statement made yesterday by Prime Minister Datuk Sri Dr Mahathir Mohamad that there is no longer a team A or a team B in UMNO. The only team is the UMNO team. Welcoming the views of the prime minister, the UMNO leaders noted that the statement by the president of the party came from a sincere heart and should be received with a positive attitude.

Former Prime Minister Tunku Abdul Rahman, who joined in supporting the prime minister's appeal, feels that efforts to restore UMNO unity should be made now, because UMNO benefits not only Malays but all the people and the country as well. He suggested that the prime minister as president of the party meet with former Deputy Prime Minister Datuk Musa Hitam and former Minister of Trade and Industry Tengku Razaleigh Hamzah to discuss unifying and strengthening UMNO. Perak Chief Minister Dato' Sri Ramli Ngah Talib also noted that party unity is the desire and dream of each UMNO leader and that each party member should be willing to work together to remove all discord for the sake of restoring unity.

They commented on the statement the prime minister made in a meeting yesterday with about 100 division and branch leaders of UMNO at Labuan, in which he asked, among other things, that UMNO members reunite, since the election of top party leadership is over. "There is no longer a team A or a team B in UMNO. The only team is the UMNO team," Datuk Sri Dr Mahathir said.

Speaking at a 30th anniversary of independence celebration in Alor Setar last night, Tunku said that every effort must be made to strengthen UMNO. He said, "UMNO is Malay," and if UMNO is weak the unity of Malays is threatened and the stability of the country will also be hurt.

At Ipoh: Dato' Sri Ramli said that the recommendation of Datuk Sri Dr Mahathir is timely and all UMNO members and leaders should give attention to rebuilding bonds of unity. He advised all parties to trust the current top leadership to plan a grander future for the country.

Encik Mohd Yusof Kassim, chairman of the UMNO division at Batu Gajah, Perak, who said he had been "team B" during the campaign, said all sides had

accepted the leaders who won the elections. He declared that as far as the honor of the people, religion, and country are concerned UMNO is not divided and that its battle lines are increasingly firm.

Mayor Osman Imam Pinawa, chairman of the Sungai Siput UMNO division, urged that the party president's statement be given serious attention in order to ensure that UMNO will continue to be strong, secure, and unified.

At Johor Baharu: Puan Sabariah Ahmad, chairman of the Women's Movement of the UMNO division at Paguh, Johor, said the decision made by delegates in the past election can be depended on and there should be no further question of dissension. She stated that the victory won by current leaders by only a few votes should not be made a basis for discord. According to her, the time has come for UMNO members to unite behind the leadership of Datuk Sri Dr Mahathir Mohamad and to comply with the recommendations made by leaders at the branch, division, state, and federal levels.

Datuk Haji Yunus Sulaiman, deputy chairman of the Pulau UMNO division and senior member of the executive council in the state government, was proud of the recommendation made with sincerity by Datuk Sri Dr Mahathir Mohamad. He said that there should not be a team A or a team B in the struggle, because the goal is the good of the people, religion, and country. He said the time has come for UMNO members to respond to the recommendations of Datuk Sri Dr Mahathir because in the future there will be many difficulties for which UMNO must have cooperation and unity.

At Pulau Pinang: Syed Mohamed Aidid, Bukit Bendera UMNO division chairman, stated that unity must exist at all levels so that the people will not be concerned about top UMNO leadership, which is the backbone of the National Front government. He said there should be no divisions into teams, for party members are dedicated to the same struggle and give support to their democratically chosen leaders.

Haji Subky Abdul Raof, member of parliament from Balik Pulau and also secretary for the Balik Pulau UMNO division, said now is not the time to debate the question of teams, for the important thing is the earnestness of party members in meeting challenges, especially those related to the country's economy. He feels UMNO leaders and members should work hard to improve Malay economy and should not engage in disputes that are of no benefit to the party.

Haji Hamid Araby, chairman of the Bayan Baharu UMNO division, wants all UMNO members to forget immediately questions of team A and team B. "The recommendation of Datuk Sri Dr Mahathir is sincere. If Malays, especially UMNO members, are divided, there is no one who can maintain the honor of Malays and protect their future," he said.

In Kuantan: Hajah Kamariah Noh, vice chairman of Pahang Darulmakmur UMNO Women, said there is no purpose in dissension among UMNO members themselves while the future of Malays and the country is challenged. Nevertheless, Hajah Kamariah, who is also a member of the State Honorary Council for the Tahan area, wants the top party leadership to hold meetings with leaders at the state level in honesty and sincerity and without respect to faction labels.

Haji Mazlan Idris, chairman of the Raub UMNO division, characterized the recommendation by Datuk Sri Dr Mahathir as a sign of honesty in wanting unity among all party members. Haji Mazlan said UMNO members should stand shoulder to shoulder with top party leadership in order to realize the Malay unity they aspire to. Haji Mazlan's views were supported by Encik Omar Osman, chairman of Lipis UMNO division, who urged that all issues and dissensions of the past be eradicated. "The election is over. Support Datuk Sri Dr Mahathir so that he can give full attention to his duty and responsibility of developing the country," he said.

At Kuala Lumpur: Encik Sharif Jajang, information chief of the UMNO Liaison Committee for Selangor Darul Ehsan and member of parliament from Sepang, said Datuk Sri Dr Mahathir had made a sincere request that will enable him to lead the party in a more stable direction. "There must be compromise. If one side has extended its hand, receive it in the spirit of Islamic brotherhood," he said. His opinion was supported by Haji Basri Bajuri, chairman of the Kuala Langat UMNO division, who said that there are no permanent enmities in politics. He said UMNO must strengthen the foundation it has laid because the objectives and struggles of party members lie in the same direction.

At Alor Setar: Datuk Haji Abdullah Ismail, chairman of the Jerai UMNO division, hopes the recommendation of Datuk Sri Dr Mahathir will be welcomed by all UMNO members and leaders. When asked about Tunku Abdul Rahman's proposal that Datuk Sri Dr Mahathir meet with former cabinet members Tengku Razaleigh Hamzah and Datuk Musa Hitam for talks, Datuk Abdullah, who is also a member of the State Executive Council, said the matter was up to the prime minister himself. Nevertheless, he is convinced that all parties must be willing to play their roles in restoring UMNO unity in this country.

Haji Zainol Md Isa, chairman of Baling UMNO division, said he supports the statement of Datuk Sri Dr Mahathir and hopes all leaders will move toward achieving party unity so that UMNO will be strong and will be respected by everyone.

Mahathir States Plans

42130012a Kuala Lumpur UTUSAN MALAYSIA in
Malay 14 Sep 87 p 1

[Text] Kuala Lumpur, 13 September—Datuk Sri Dr Mahathir Mohamad said his visits to meet with UMNO members throughout the country are for the purpose of uniting the party and eradicating factional attitudes.

The prime minister, who is also president of UMNO, said he will discuss these matters with UMNO members in closed meetings during his visits. "I can speak a more freely in closed meetings. If I make public statements, there will be people who will criticize and express differing opinions," he said.

"See, just this morning there are people saying there should be a campaign, there should be an election, there should be this or that," he added, referring to reactions in the press to his statement. The prime minister said that when he makes a public statement there are people who comment on it, which then creates a debate.

Datuk Sri Dr Mahathir said this in an interview with reporters today following a ceremony to dedicate a sign at Bandar Tun Razak. In his remarks at Labuan yesterday, he reminded UMNO members that the time has come for them to reunite and put aside team A and team B.

When asked what he proposed to do in order to reunite all sides in UMNO and to put aside teams A and B, he said, "I'm going around Malaysia to meet with just everyone in UMNO. I'll talk with UMNO members in closed meetings."

When asked to discuss support for his statement by leaders of UMNO team B, the prime minister said, "If they support it, there is no problem; but it will be difficult if they oppose it."

He was asked if he would take back leaders of team B and make them members of his cabinet as part of his effort to unify UMNO members. He replied, "There's no need to ask that. It will only lead to a lot of comment." He was also reluctant to state specific plans for unifying UMNO members, repeating that he would discuss them when he meets members in closed meetings.

Social Roots, Ideologies, Militancy of Army Groups Analyzed

46200007 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 29 Oct 87 p 12

[Article by Erhard Haubold, Manila: "'Aunt' Cory and Her Soldiers: Politicization of an Entire Generation of Soldiers"]

[Text] They do not know what to do with each other, the president and "her" soldiers, and every picture on television betrays that fact. Chief of staff Ramos comes floating down with his parachute, a case of beer under his left arm, a couple of cigars in his right hand. He enjoys a drink or two and has nothing against a few jokes. But having grown up in a macho culture, what is there to talk about with the first female commander-in-chief, who comes from a well-to-do hacienda-owning family and is as much a stranger to an officers' mess as she is to handshaking and back-slapping? Everyone just stands around awkwardly, and "Tita" (Aunt) Cory, as she is called respectfully by some, condescendingly by others, demonstrates what she has clearly had to make an effort to learn: the military salute.

Mrs Aquino has granted the soldiers, who since their putsch (the first and only successful one) against the Marcos dictatorship have called themselves the "New Armed Forces of the Philippines" (NAFP), nearly every wish. Pay has been raised several times, the last time in October by an average of 60 percent, the promotion system has been improved, allowances for uniforms and medicine have been increased. After each of the five—unsuccessful—coup attempts in the less than 20 months that she has been in office, the president has made further concessions to the soldiers, such as firing allegedly left-leaning ministers and in particular bringing to a halt the activities of the jurists committee that was supposed to investigate the multitude of human rights violations by the army, police and gendarmerie during the Marcos era. The Armed Forces have long since been allowed to go after the communist guerrillas, with whom "peace negotiations" were conducted for a period of time, to the annoyance of the soldiers.

Nevertheless, there seems to be no end to the putsch attempts and rumors; Mrs Aquino was nearly overthrown at the end of August, and probably would have been killed. She has taken over a "Marcos army," a politicized fighting force, the expelled dictator's base of power. Under Marcos, the armed forces more than tripled in size, from a small, compact, "apolitical" army set up on the American model. There were 45,000 men in 1967, 164,000 ten years later, and finally 250,000 after the integration of the gendarmerie and the police. Nowhere in the ASEAN community did defense spending grow more rapidly between 1972 and 1980 than in the Philippines. Especially during the martial law period, an increasing number of officers ended up in government posts in the capital and in the provinces, enjoying the air-conditioned offices and additional sources of

income. People who have in this way "tasted political power do not want to return to the barracks," says Professor Francisco Nemenzo of the University of the Philippines.

Marcos saw to it that only "violent types from the lumpen proletariat" (Nemenzo) who were devoted to him were recruited and promoted; these soldiers "terrorized entire villages and pushed the farmers towards the communists or the Moslem secessionists." The rift between paper-pushers from the overall corps of reserve officers and the small elite group of regular graduates from the Philippine Military Academy (PMA) grew ever larger. Of the 86 NAFP battalions, at most half are combat-ready today, while the others are capable only of guard, police and parade duties. All the greater are the opportunities for PMA officers: They command the tanks and the combat aircraft, they alone have "front experience" in the battle against communists and secessionists, and they stick together, especially the graduates from the period between 1970 and 1975, most of whom today are at the rank of lieutenant colonel. Their hero is Gregorio "Gringo" Honasan, who was definitely involved in the revolt against Marcos in February 1986, who led the August 28 coup attempt against Mrs Aquino and who is now hiding out such that journalists can find him, but soldiers sent out by the commander-in-chief cannot.

This has to do with the fact that loyalty towards those in one's own graduating class from cadet school, towards one's colleagues in other clubs within the armed forces, such as "El Diablo," "Mover" or "Guardians," qualify obligations towards the state and the president. Terms such as allegiance to the flag and loyalty to the constitution rarely come up in discussions; there is no loyalty to the institution, no vertical, straight chain of command, but rather horizontal loyalties that supercede units and ranks. The NAFP is politicized and split into factions that are more or less devoted to the deposed Marcos, former Secretary of National Defense Enrile, chief of staff Ramos or Mrs Aquino. No one has absolute control and command, least of all the commander-in-chief. It is for this reason that the threat of a putsch is far from over. After all, one cannot simply "depoliticize" the officers; there are "no easy solutions to the bad legacy of the Marcos era," Nemenzo says.

Another expert, Professor Felipe Miranda, feels that it will take "a generation" to separate the "fascists from the democrats" in the armed forces. A move in this direction has been made by Mrs Aquino, who possibly would not have become president without the coup carried out by Ramos, Enrile and "Gringo," by promoting to high positions officers of integrity who are loyal to the constitution. However, her "colossal job," as Professor Ed Garcia calls it, is complicated by the fact that "Ram," the unstructured amalgamation of Honasan and his people, has from the outset not been interested in nostalgia, but has instead had political goals that could easily become the program of a junta, the advantages of

which are being extolled these days not only by people in uniform. In contrast to "El Diablo," to which 70 percent of all soldiers belong (they have tatoos on both shoulders and between the thumb and index finger), and the 60 other organizations, Ram, the "movement for reform of the armed forces," was from the outset a small, refined group. It questioned the legitimacy of the Marcos regime and in February 1985 issued its now-famous "Provisional Announcement of Our Goals."

This text sharply criticized corruption and nepotism in the armed forces, as well as the lack of discipline, promotions for political reasons, widespread sloppiness and the demoralization of the soldiers at the front. Much of this idealism has been lost, and many Ram members have been corrupted by Enrile. Honasan is said (by chief of staff Ramos) to have set aside weapons valued at several hundreds of thousands of dollars (for future coups) and also, as an active officer, to have drawn a salary from a marketing firm. On the other hand, Honasan and his conspirators—not all Ram members were involved in the attempted putsches—are among the republic's best officers; many come from poor families,

and when they demand, often with fascist undertones, land reform, heavy taxation of big landowners and a heavy hand against communism, some of the middle class agrees with them. They would prefer a little more "leadership," even if it comes from the military, to the liberal, but also fragile policy of the last 20 months, which is supposedly beneficial neither to foreign investment nor to tourism.

Honasan's ability to win over the sympathies of the masses should not be underestimated, warns Professor Nemenzo. Never before in the history of the Philippine armed forces has an officer drawn so much public admiration. And the next coup? Perhaps this threat has "already become a permanent element of our national life," Nemenzo says, suggesting imitation of the Thai model: There, in the "bloodless" putsch attempts, the two parties communicated by telephone, compared the strengths and fire power of their troops—and the weaker side capitulated without a struggle.

12271

Writer Assails U.S. Latin Goals, Cites Death Squads

42070011b Bangkok MATICHON in Thai
17 Aug 87 p 7

[Article by Thawip Woradilok: "The Latin American Peace Plan"]

[Excerpts] Just when the storm of war was intensifying in the Middle East, in another part of the world, on 7 August the leaders of five countries in Central America reached an agreement on a peace plan. The U.S. government will not be able to reject this peace plan like it did before. As a result, the leaders of these five countries view the situation very positively. This is particularly true of the president of Nicaragua, who is at odds with the government of the United States and who supports this peace plan.

Actually, before the leaders of these five Central American countries reached an agreement on this peace plan, President Reagan, the "godfather" of this region of the world, presented his own peace plan, one that directly affected Nicaragua. This plan called for an end to the fighting in Nicaragua (between the Contra rebels, who are supported by the United States, and the government) and for the implementation of democratic reforms in Nicaragua. The American government said that if the two sides could not reach an agreement to stop the fighting within the time stipulated, it would resume giving aid to the Contra rebels.

However, many congressional leaders viewed Reagan's peace proposal as a means to help him get his Contra aid package totaling \$150 million through Congress even though a majority in Congress have clearly stated that they oppose giving aid to the Contra rebels.

Actually, the problems in Central America are too complex for the U.S. government to solve using resolute measures unilaterally without listening to the views of the people of Central America. This is because of the changes that have taken place in both the world and in the United States. People have become more politically aware. They reject the right-wing dictatorships that the United States has propped up using dollars. As a result, they have succeeded in toppling many of these dictatorial governments. An example was the Somoza government in Nicaragua, where there was a Somoza "family dynasty."

Another example is El Salvador, where the leftist guerrillas are very strong. Even though the U.S. government helped Napoleon Duarte become president in an effort to find a moderate leader instead of a right-wing dictator, the old ruling class that has always controlled the country, which is composed of 20-30 families, is extremely ruthless and cruel. These families have their own forces and have influence in both the military and police. They have killed nuns, social welfare workers, and Americans who went there to help the poor farmers.

Even land reform experts sent by American labor unions to help the Duarte government were killed by government troops inside a large hotel.

What is more, many American taxpayers are opposed to their government giving aid to the Contra rebels and the government of El Salvador. They are worried that this money will just be wasted or thrown into a "bottomless pit" as happened in South Vietnam. Thus, many members of Congress are voicing opposition and setting various conditions. For example, the governments to which aid is given must not have a record of human rights violations. This affects President Reagan, who refuses to accept the fact that the guerrillas who have taken up arms against the government represent the real voice of the people in those countries, people who can no longer bear cruel dictatorship and crushing poverty and who feel that the only way to solve the problems is to take up arms and topple the government.

But every time that antigovernment forces grow strong, the American government feels that the armed struggle against the dictatorial government is being supported by the Soviet Union and Cuba. And so it pours in money and weapons to prop up the dictatorial government hated by the people. Thus, the turmoil never ends. In the view of the people of Latin America, the only reason why these governments have managed to survive even though the people hate them is because of the support given by the U.S. government. Without the support of the United States, the people would have toppled the dictators long ago.

As for the peace plan proposed by the presidents of these five Central American countries, it is worth noting that after the agreement was reached, there were reports that Nicaraguan President Ortega had invited the leaders of 10 opposition political groups or parties to come and discuss the problems. This was the start of the process of seeking cooperation in order to make political reforms that will lead to the creation of a democratic system. This was the case even though there had been reports that the peace proposal made by President Reagan several days earlier was a proposal that Reagan knew that the Nicaraguan government would or could not accept. And that would have given the U.S. government an excuse to resume giving aid to the Contra rebels.

Now, the peace plan that the U.S. government has called unworkable, saying that Nicaragua will never make political reforms, has been unanimously approved by these five countries even though the government of Costa Rica is a defendant in a case brought before the World Court by Nicaragua. After the agreement was reached, the Nicaraguan government expressed good intentions, announcing that it would withdraw its charge against the government of Costa Rica, which it has often accused of being an underling of the United States.

This peace plan puts a burden on the U.S. government. It must decide whether to continue following its old policy, that is, protecting only its own interests, including the investments of private businesses in this underdeveloped region, or acknowledging the changes that have taken place in the world and in the United States and respecting the sovereignty of the peoples of Latin America.

11943

Former MP Sees Sitthi Foreign Policy Failures

42070011c Bangkok MATICHON in Thai
12 Aug 87 p 7

[Article by Khlaeo Norapati: "Our Foreign Policy"]

[Excerpts] The person who has been responsible for Thailand's foreign policy ever since Gen Kriangsak Chamanan was prime minister is Air Chief Marshal Sitthi Sawetsila. ACM Sitthi is not a professional diplomat. By training, he is an engineer. He earned his bachelor's degree from Chulalongkorn University and then attended MIT in the United States. He then joined the Royal Thai Air Force. After that, he served as the secretary general of the National Security Council, just like Squadron Leader Prasong Sunsiri.

I am probably correct in saying that in implementing foreign policy, this foreign affairs minister has been deeply influenced in his thinking by Prince Narathipphongpraphan and Dr Thanat Khoman, his predecessor as minister of foreign affairs. He has also been influenced by his work at the National Security Council and by his training. He has been in the government for many years. Today, I would like to discuss one of the foreign affairs problems that the government has failed to solve.

It can be said that the political crisis that has arisen with our neighbors, that is, Laos, Cambodia, and Vietnam, has thrown up a great cloud of smoke over Thailand. After Saigon fell to North Vietnam, Thailand has had to deal with a host of problems, including border disputes and the problem of refugees from these three countries.

The problem that is testing the diplomatic capabilities of the Thai government today is a chronic problem that has existed ever since the Prem 1 government. I am referring to the fact that Vietnam has stationed troops in Laos and Cambodia. There are at least 100,000 Vietnamese troops in each of these countries. In Cambodia, it has set up the pro-Vietnamese Heng Samrin government.

Thailand's foreign affairs minister has just sat back and waited for Vietnam to grow tired and withdraw its forces and taken heart from the reports that Vietnam's economy is in great trouble, that Vietnam's major supporter is fed up, that every faction is in dire straits, and that they will settle their differences with ASEAN. Mr Mochtar Kusumaatmadja, the Indonesian foreign affairs minister, has served as the middleman between Hanoi and Bangkok, saying that he will hold a tea party at which the

disputants can chat with each other. That is better than nothing. But there does not seem to be any possibility of getting Vietnam to withdraw its troops.

As for Thailand wanting Vietnam to withdraw its forces from Cambodia and then hold free elections monitored by the United Nations, Thailand has talked a lot about this, and it has been talking about this for a long time. ASEAN, our ally, has said the same thing. The United Nations has passed resolutions several times. But Vietnam has refused to budge. They view us as paper tigers.

This time, we will criticize some of our own people. We all know who Vietnam's major supporter is. But our foreign affairs minister has rarely visited Moscow. In the 10 years that he has been minister, he has visited Moscow only a few times. His last trip was in May 1987, when he also visited Poland, Czechoslovakia, and East Germany. In comparison, he has made frequent trips to New York and Washington. I would like to say that for this work (promoting peace), the prime minister is using the wrong man. Whenever there is a problem, the minister should involve himself in that matter. He must be a troubleshooter.

He is too sluggish. He is relying on ASEAN and the United Nations and waiting for Vietnam to weaken. But that will not happen any time soon. He may die before that happens.

Vietnam will not withdraw its troops in 1990. Mr Nguyen Co Thach has often said things to this effect. If the CGDK continues its guerrilla war against the Heng Samrin government, there will be no major withdrawal. Vietnam has sent troops to protect its ally. Thus, the Thai government should look for another way out. But the use of military forces is totally wrong.

We can't accept the reports that Vietnam will withdraw its forces as a matter of fact. However, if its great supporter ordered it to withdraw its forces, that is something else. Our foreign affairs minister should practice drinking vodka. He must make the effort even if he doesn't like it. After all, he volunteered. But I am discouraged, because his personality is that of a Western diplomat. The prime minister should use someone else for this.

By this time, some people may be wondering which side I am on, China's or Russia's. I am on Thailand's side 100 percent.

In implementing our foreign policy, we must cooperate with the private sector, too. I think that our foreign affairs minister has shortcomings with respect to this. He has not made trips to the Middle East or used his technology to find markets there even though those are wealthy countries. More than 200,000 Thai are working in the Middle East. But he has sent Deputy Minister Praphat Limpaphan just once. A visit by the minister

carries much greater weight than a visit by the deputy minister. We have to help the private sector find markets. The private sector has exported hundreds of thousands of sets of ready-made clothing. Why doesn't he take some along and cooperate with the minister of commerce?

Some countries in the Middle East do not like us. The minister must solve these problems. The crude oil problem is going to be a major problem. He should take action on this now. If he can't do anything, the prime minister must consider this problem.

As for the LPDR, Laos and Thailand are fraternal countries. Even though we have different administrative systems, we can't abandon each other. Are we going to be stupid enough to force Laos to rely on other countries and to transport necessities through Danang in Vietnam even though going through the port of Khlong Toei is more convenient? We are making things difficult for them even though we are separated only by the Mekong River. In the past, there were 273 items on the list of strategic goods that could not be shipped to Laos. Seasoning powder was on the list, because it could be used in place of coagulants. Asphalt was on the list, because it could be used to build roads for troops. Now, the list has been reduced to 61 items.

Before Dr Arun Phanuphong visited Laos, Laos asked to open another eight border crossing points in addition to the one at Tha Sadet in Nong Khai. Thailand refused, claiming security reasons. If we keep acting like this, Lee Kuan Yew will crow in triumph, because he will be able to sell goods that Thailand has prohibited. The more items we prohibit, the better for him. Why are we letting middlemen profit? Wouldn't it be better for us to sell the goods ourselves?

I am in favor of having Laos rely on us. That's better than driving them into the arms of Vietnam. Please don't move too far to the right, administrators. Think before it is too late. Laos and Thailand are both Buddhist countries. Even though our administrative systems are different, deep down, we can't abandon each other.

Having Laos rely on us will benefit us in several ways. A Buddhist must be willing to help others. They have asked that additional border points be opened. Even Thai living along the border support this. This should be considered. The population of Laos is only 3 million. Preventing the flow of goods is contrary to the principle of peaceful coexistence.

People should stop thinking about making things difficult for them in order to force them to change their administrative system to one like ours and sending in guerrillas to topple their government. That political idea will never go anywhere.

11943

Columnist: Hopes for 'Cocktail Party' Hinge on PRC, DK

*42070011d Bangkok BAN MUANG in Thai
21 Aug 87 p 4*

[Stop the World column by Chet Prithat: "Cocktail Party"]

[Excerpts] It was the Indonesian minister of foreign affairs, Mr Mochtar Kusumaatmadja, who proposed the "cocktail party" idea to Vietnam. The main idea was to have the various Cambodian factions hold unofficial talks with each other without mentioning names in the hope that this would lead to international negotiations to solve the Cambodian problem. Vietnam responded favorably to this proposal. However, the Cambodian resistance groups, particularly the Khmer Rouge, opposed this proposal.

The main reason why the Khmer Rouge opposed this idea was that it was afraid that participating in a meeting together with Heng Samrin would be tantamount to admitting that the Heng Samrin government is the legitimate government of Cambodia. The Khmer Rouge has constantly said that that government came into being as a result of Vietnam's invasion. It has said that it will negotiate only with Vietnam, not Vietnam's puppet.

This same fear was present among some members of ASEAN, such as Thailand and Singapore. For this reason, the added proposal to have Vietnam join the negotiations immediately after the conclusion of the unofficial talks between the various Cambodian factions will ensure that the negotiations with Vietnam will be "linked" to the talks between the Cambodian factions. Otherwise, this "cocktail party" will be tantamount to recognizing the Heng Samrin government as feared by the Khmer Rouge.

Whether or not ASEAN's cocktail party idea achieves results depends on the attitude of the Khmer Rouge and China, the Khmer Rouge's important supporter. Because previously, China and the Khmer Rouge expressed opposition to holding a "cocktail party." Foreign Minister Sitthi Sawetsila, who will visit China in the near future, will probably have to talk with China about this. Besides this, ASEAN will probably have to wait for an official reaction on the part of Prince Sihanouk. But even so, ASEAN is still hopeful that this proposal will achieve good results and succeed in getting the various factions to the negotiating table.

11943

Central Bank Plans To Protect Investors

*42070011a Bangkok MATICHON in Thai
13 Aug 87 p 4*

[Unattributed report: "Central Bank Will Protect Small Investors and Establish Another Mutual Fund"]

[Text] Mr Charung Nukhwan, the director of the Department of Financial Institution Supervision and Examination, Bank of Thailand (BoT), revealed that the BoT is

considering developing the capital market by establishing another mutual fund company. Today, there is only one such company, the Mutual Fund Securities Company, which manages the Siphinyo Fund. The purpose of this is to develop the capital market and protect small investors, who have access to little information when investing. This is different from the large investors, who have investment advisors.

Mr Charung said that in implementing measures to protect small investors by establishing another mutual fund, the BoT will do things in two stages. During the first stage, short-term measures will be implemented to establish another mutual fund or authorize the securities companies to carry on the same activities as a mutual fund. If the BoT does decide that another fund needs to be established, it will have to issue a ministerial regulation detailing the standards, regulations, and conditions to prevent small investors from being adversely affected.

Mr Charung said that the second stage involves implementing a long-term plan. This will require promulgating a law in order to control fund management. For example, if a fund encounters problems, how can investors file

suit? Besides this, a committee composed of qualified people should be established in order to monitor these investment activities. "A company that handles investments must be a juristic person. As for whether securities companies will be allowed to engage in such activities, this must be considered further. We have to determine whether the BoT will be able to control this," said Mr Charung.

Mr Charung also mentioned the Siphinyo 5 Fund. He said that even though it has registered capital of 1.2 billion baht, as compared with the total volume of trade on the securities market, this figure is not that large. Besides this, the Siphinyo 5 Fund is still in the form of both supply and demand. If it is registered on the securities market, it will immediately shift to a demand form only. When permission to establish the fund was requested, it was clearly stated that the fund would invest carefully and that it would both purchase shares in the securities market and invest in activities outside the securities business.

11943

POLITICAL

Ho Chi Minh City Party Secretary Discusses Party Work

42090567 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 25 Jun 87 p 2

[Article by SAIGON GIAI PHONG correspondent Phuoc Sanh: "The Strength of Party Resolutions Lies in Our Effort To Implement Them Creatively"; first paragraph is SAIGON GIAI PHONG introduction]

[Text] Comrade Vo Tran Chi, secretary of the Municipal Party Committee, recently came to work with the leadership cadres of Binh My and Phu Hoa Dong Villages, Cu Chi. At a meeting in Binh My, he spoke on party work. Here we present to readers a summary by our correspondent.

For problems of production and business, consolidating agricultural cooperatives and collectives, etc., you, the leadership comrades of these two villages, must accept and comply with the guidance of members of the standing committees of the Cu Chi District Committee and the Cu Chi People's Committee; I wish only to express some ideas on party work to you comrades in Binh My and Phu Hoa Dong Villages, at the same time permitting leadership comrades in the district to use them to investigate and guide this work in the other villages, with the aim of preparing for acceptance and implementation of the resolution of the Sixth Party Congress.

It has been more than 6 months since local basic-level party congresses and the fourth party congress of the city. It is good that you comrades are continuing to develop the local situation. Yet you say that it is still not clear how the resolution is to be developed and how implementation of the resolution is to be organized, or you are not accomplishing it truly well. Actually, after receiving the resolution of the party congress, you comrades should discuss and study how to draw up a program of action for the executive committee aimed at acceptance of the resolution of the party organization in your own village for the entire 2-year term and for 1987. You must clarify what work the executive committee must do first in the upcoming period, what it must do next, and what central, critical things must be done and in what time frame they must be done. This is not a simple matter; the effort requires a focusing of intelligence. There may be confusion at the beginning, but ability will increase with experience. It is the program of action for the executive committee after the party congress. If you don't do it, who will draw up the plan for implementing the resolution of the party committee, and how will the village committee be able to act as the executive committee of the village party organization any more.

From city level down to subwards and villages, we must strive to familiarize ourselves with such a planned and programmed way of doing things. On this occasion, I would like to remind you comrades of three things:

First, is political and ideological work. The implementation of resolutions is not something that takes place only within the party—there are also the government and mass organizations (here, the Association of Collectivized Peasants and the Ho Chi Minh Communist Youth Group). This is the main implementing force. We must go through the government and mass organizations to make each person clearly understand what benefit the village, cooperative, each family, and each person will receive when the resolution is thoroughly understood and implemented, and what they will proudly contribute to the state and to society. If this is not done, each person will fail to see the benefits, will not participate in the implementation with awareness, and will not generate any power. In the present situation, ideological work and mass work cannot be done as just a general political appeal.

Second, development must be planned, with concrete measures, division of responsibilities, deployment of forces, and examination to derive experience; it must not be sketchy and superficial.

Third, is to make each small party cell in production collectives and cooperatives clearly see what things they must resolutely implement, what they must primarily concentrate on, what strength must be developed, what problems must be overcome, etc. Each unit must have a concrete plan of struggle.

You comrades will soon study the resolution of the Sixth Party Congress. When you study it, you must reexamine the resolution of the your party organization to determine what supplementation or changes are needed to approach formulation of a truly correct program of action. Resolutions are for carrying out, not for study. Yet if you want to carry them out, you must study and understand them in order to formulate plans.

There will of course be difficulties. We try to understand correctly in order to strive to do things correctly. The first thing to be correct about is viewpoint. The resolution of the Sixth Party Congress expressed the following viewpoints: economic work requires following regulations correctly; economic structure determines investment structure; reform is made for use and use is for reform; production relations must be appropriate to production forces. For example, in reference to economic structure, according to the spirit of the resolution, we examine, reexamine, and check against current conditions what plants, what livestock, and what methods will make our village rich. So what will we invest in? With the rice crop, for instance, have we performed enough agricultural water conservancy? If not, we must concentrate enough in each field to raise yields and volume of production in a concrete way.

To mention structure is to bring up plans in order to provide direction to concentrating investments and concentrating effort to raise production and the standard of living in cooperatives and in the village. For example, reexamine the water surface area in the village, and in places where cooperatives are not raising fish, let families operate family businesses. We should have programs and policies for guiding and encouraging people to do things. In general, whatever the collective does not do or does not do more than families of cooperative members should be left for the people to do; they should not claim full responsibility and then not accomplish it, or do it with poor results.

It has not been long since implementation began on the resolution of your party organization, but the villages have gone into motion. With the addition of the resolution of the congress of the municipal party organization and the Sixth Party Congress, you comrades have all the more favorable conditions for clearly determining the direction ahead for your own localities. The strength of resolutions lies in our struggle to implement them creatively. To do so, you comrades in the executive committee must understand them clearly and make everyone else understand them, too.

I repeat that on the occasion of preparing to develop the resolution of the Sixth Party Congress, you comrades should reexamine implementation of the resolution of your party organizations and reexamine reform after last year's criticism and self-criticism sessions. You should examine what has been corrected and what has not. Only on that basis will there be a foundation of implementation of the resolution of the party congress upon receipt, and only then will that resolution become the strength of the basic level and of the masses. I know that in many places the resolution formulated on the basic level has contents, but there has been a lack of serious development for implementation, so that it is impossible to know where the resolution is sufficient or insufficient, where right or wrong. There are also places in which the resolution of the party congress is very vague, not reflecting the basic-level party organization's spirit of struggle. In some places, there is a resolution, and then the matter is considered done. Studying the resolution of the Sixth Party Congress is considered to be starting something else completely detached from matters on the basic level. That is the tendency toward "administrationism" in party work. It is working in a mechanical way without creativity and without a sense of responsibility, which is unworthy of the highest leadership organ of a unit or a locality. A fine and strong party organization is a party organization that is never subjective and complacent.

9830

Statistics on Criticism in Press Reported
42090022 Hanoi THONG KE in Vietnamese
Jul 87 p 30

[Text] With a thorough understanding of the party's viewpoints and with a spirit of "speaking frankly and

honestly" and "speaking and doing" based on using the people as the root, ever since the Sixth Party Congress, the press in our country has prospered and become involved in things. The clearest manifestation of this is that the masses have seen the positive role of the press. Thus, even though the press is not directly responsible for solving problems, more and more people are turning to the press and placing their faith in the press. Recently, NGUOI HANOI conducted a survey on the disposition of letters of criticism sent by the masses to the newspapers during the 1st quarter and the beginning of the 2d Quarter of 1987. The results were as follows:

Name of newspaper, or station; letters received; percent disseminated; forwarded to criticized organization; percent of criticism accepted by the criticized organization
Voice of Vietnam, 3,200 received, 30 percent publicized the rest forwarded, and 10 percent accepted by the organization. Hanoi Radio Broadcasting Station: 200 received, 30-40 percent publicized the rest forwarded, and 10 percent accepted by the organization. *Hanoi Moi*, 150-300 received, 30 percent publicized the rest forwarded, 15-20 percent accepted by the organization *Quan Doi Nhan Dan*, 300 received, 40 percent publicized the rest forwarded, 10 percent accepted by the organization. *Nhan Dan*, 200-300 received, 20-30 percent publicized the rest forwarded, 20 percent accepted by the organization. Data calculated using indirect methods. *An Ninh Thu Do*, 10-15 received, no data on percent publicized the rest are forwarded, 10 percent are accepted by the organization. *Giao Thong Van Tai*, 5-10 received, 50 percent are publicized the rest forwarded, 10 percent are accepted by the organization.

Naturally, not all of the ideas submitted can be presented by the newspapers and radio stations. About 30-40 percent is suitable. The newspapers and stations have forwarded the rest to the units responsible. Based on the above data, it can be seen that the percentage of units that have accepted criticism is very small. What this means is that these units have "ignored" this and exhibited an attitude of "terrible silence." Such an attitude is rather widespread. This is a negative phenomenon. In the units that accepted the criticism, there were many types of acceptance, some of which amounted only to admitting shortcomings for form's sake. What is worse, some places handled things rather crudely using a variety of forms, including prohibiting people from reading and circulating newspapers, charging that these were bogus newspapers, and trying to find out who wrote the articles or who provided data. For example, the party committee and the head of the Vietnam Civil Aviation Sector prohibited *Hang Khong Vietnam* from publishing an article entitled "Who Is Getting the Materials?" And after the article entitled "The Truth at Dong Tien Village, Chau Giang District, Hai Hung Province" was published in the 1 Jun 1987 issue of *Dai Doan Ket*, two very different things happened. The peasants eagerly looked for copies of the newspaper and circulated copies among themselves. The people even remarked that the newspaper was too careful when it came to the new

village bullies. But at the same time, a number of cadres and village security personnel issued an order to confiscate the newspaper, claiming that this was a "bogus newspaper" that had to be confiscated. They surrounded the homes of people whom they suspected of bringing the newspaper to the village. The above phenomena are clearly unwholesome.

With a new spirit, the press must play an active role and further increase its sense of responsibility. The end result must be to get the organizations that are criticized to respond promptly, sincerely, and seriously, recognize their shortcomings, and take positive steps to correct the shortcomings.

11943

MILITARY

Scientific, Technical Personnel Said Underutilized

42090023 Hanoi *QUAN DOI NHAN DAN* in
Vietnamese 29 Aug 87 pp 1, 4

["Saturday Forum column" by Xuan Hinh: "Use of Scientific and Technical Cadres in the Military"]

[Excerpt] Today, the number of scientific and technical cadres in the military accounts for a large percentage of the intellectuals in the country. These include national defense cadres, officers, and workers and civilian cadres who support the military. In the new period, the army must be organized in accord with the need to build a modern regular army. Because of this, the ranks of scientific and technical cadres in the army must be reorganized, too. However, given the difficult situation facing our country today, carrying out this reorganization will not be easy. Many doubts and worries have arisen among the cadres engaged in scientific and technical work.

One technical branch had more than 30 cadres with master's degrees and hundreds of engineers and middle-level cadres. Implementing Resolution 47, recently, a rather large number of scientific and technical cadres were sent into retirement or allowed to go find work elsewhere. If they had remained, there would have been too many. (There is no need for people with degrees. Because the higher the degree, the more difficult it is to place them.) At Unit X, there is a concentration of scientific and technical cadres with master's degrees and higher. There is not enough work for all of them. Whoever wants to leave is free to do so.

During the war, a large force of intellectuals was mobilized to support the army. Many cadres have grown up with and been closely associated with military science and technology. Now, the question is how to organize things in order to have a strong army and enable those engaged in scientific and technical work to manifest their technical capabilities.

In theory, science and technology always hold a key position. However, whether they actually play a key role depends to a great extent on organization and policy.

If a unit announces that it is going to disband, the technical organization will be the first element to be disbanded, because scientific and technical organizations do not have anyone in leadership organizations. Some people with master's degrees have been switched to administrative work. In other organizations, the people with master's degrees have been sent to units "to train." It is essential that they leave, but they must be transferred to places where they will have a chance to use their technical skills. If they aren't, this is just a waste of scientific and technical knowledge.

In recent years, the army has sent a rather large number of scientific and technical cadres abroad for training. But in many cases, on their return, it has been difficult to find positions for them because of mistakes made in determining occupational needs. Many cadres cherish certain topics and want to contribute their intellectual talents, but there is "no place where they can put their talents to work." All they can do is hold their diploma, feeling great regret when they have to retire early or accept work in a field that does not use the scientific and technical knowledge that they spent years acquiring. The worst thing is that people become discouraged and engage in negative activities.

During the past 10 years, some units and agencies have organized scientific and technical activities and achieved certain results. Most of these have been at research centers, planning and technical institutes, and military science departments. Besides the special military sectors, these units have invested heavily in improving the production of national defense goods. However, the use and exploitation of these large forces is still weak as compared with the need. Many newly-formed organizations have had to disband, which has wasted rather large sums of state capital. Many topics have been abandoned.

One of the reasons for this state of affairs is that the planning of scientific and technical work is inaccurate, and the people in charge have not given the proper amount of attention to scientific and technical activities.

The record of the Sixth Party Congress notes that "in recent years, scientific and technical activities have scored many notable achievements, particularly in agriculture. But the urgent needs of the economy have not been satisfied, and the effects of the scientific and technical activities have not been very great."

In the military, there must be new developments concerning science and technology in order to support the defense of our socialist fatherland in the age of modern science and technology.

11943

ECONOMIC

IZVESTIYA Criticizes Quality of Vietnamese Rubber

42090014 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 29 Aug 87 p 4

[Article by Minh Dang: "Cooperation Between the Soviet Union and Vietnam To Have End Result: Rubber of Good Quality"]

[Text] In this column in the issues of 14 May and 12 June we wrote about two investigations jointly conducted by Pravda and Bulgarian and Mongolian newspapers to show the qualities of the products exchanged in the economic cooperation program. Being unafraid of "washing their dirty linen in public," the friendly newspapers have openly revealed the serious failures in terms of product quality on both sides in the cooperation.

In its 4 August issue Izvestiya (Soviet newspaper) also printed an investigative report dealing with the cooperation between the Soviet Union and Vietnam in the field of planting and exploiting rubber trees.

Before going to Vietnam special reporter B. Vinogradov had received two documents. One document contains actual data showing the fact that the Soviet Union has been importing more and more natural rubber from Vietnam. The other contains observations made by factories of the Soviet Ministry of Petrochemical Industry about the quality of Vietnamese rubber, including the following: "Vietnamese rubber has poor overall durability, contains many impurities, has high moisture levels, and is mildewy and poorly packed. In the same container there usually are all kinds of rubber produced by many factories, with the layers of latex forming large blocks, and without quality certification slips."

While in Vietnam the Izvestiya reporter got in touch with V.I. Fedotov, deputy economic counsellor at the Soviet Embassy. The latter also affirmed this: "The quality of Vietnamese rubber delivered to Soviet factories is poor. Regrettably, when signing the accords they did not pay proper attention to this important aspect. All efforts were aimed at extending the areas of rubber plantations." The deputy counsellor pointed out that in the first few months in 1987, the factories of the Soviet Ministry of Petrochemical Industry had to send to Vietnam nearly 50 documents for the return of poor-quality merchandise. This situation was cause of much concern. Because the Soviet Union is buying more and more rubber from Vietnam, it has been buying less grade-1 rubber from other countries. And in the future it will totally rely on rubber imported from Vietnam and Cambodia for use in its industries. But with rubber of such poor quality Soviet products (for instance, the oversize tires of dump trucks having capacity of 40-180 tons) cannot have guaranteed quality.

In his investigative report, the Soviet reporter recognized the "real labor victory" in the planting of 50 hectares of new rubber trees in accordance with the first cooperation agreement the two countries signed in 1978. Contributing to this victory there was the on-schedule shipment of materials and equipment on the part of the Soviet Union. Shipment used to be assigned to a single Soviet foreign-trade organization, the one in charge of "Industrial and Agricultural Export." But in the present 5-year (1986-1990) plan, the shipment of materials and equipment by the Soviet Union had encountered many obstacles because, in addition to the organization in charge of "Industrial and Agricultural Export," there are 14 other foreign-trade organizations doing this job. Each shipped to Vietnam its own merchandise and thus created a situation which the Izvestiya reporter called "chaos" ("nerazberikha"). This chaotic state has lasted for a year and a half and has led to very regrettable consequences. Goods were piling up at the port and sometimes did not reach the addressee. In Dong Phu and Phu Rieng, the Izvestiya reporter noted a real occurrence: About half of the 150 vehicles here were unusable because of lack of fuel and replacement parts. The Vietnamese side has suggested that the Soviet side go back to the past approach—to assign a single organization to take care of shipping materials and equipment. About this suggestion the two sides have agreed early this year to carry it out, but so far nothing has happened.

During a visit to the latex-processing factory, the Soviet reporter realized that the work there is rather rudimentary, there is a lack of precision control and measuring machines, and labor is for the most part manual, and that under such conditions it is impossible to produce rubber of good quality. In addition, the exchange of currencies in 1985 and the objective difficulties in the Vietnamese economy have directly affected the work of the rubber sector and the life of its workers.

According to the newly-signed agreement between the Soviet Union and Vietnam, there will be 110,000 additional hectares of rubber planting and this figure will increase to 300,000 hectares by the year 2000. But we cannot run after planting areas alone and instead must ensure the end result—rubber of good quality.

In order to obtain this result, in addition to overcoming the irrational state of affairs mentioned above, the author of the investigative report found that the Soviet side would have to do the following things: There must be an organ playing the role of "the main person being concerned about the end product," and that is the Soviet Ministry of Petrochemical Industry. To find new and improved forms of working. To set up a scientific research institute and to invite foreign experts (Indian experts, for instance) being well-experienced in organizing modern industrial programs to work there.

Concluding the investigative report, the Izvestiya reporter wrote: "When we talk about raising the effectiveness of the cooperation between the two countries, we must see more clearly the need for the end result."
5598

Price System Problems Described

42090010 Hanoi LAO DONG in Vietnamese
2 Jul 87 p 4

[Article by Thieu Mai: "Prices; The Mess That Needs To Be Untangled"]

[Text] In the last 6 months prices continued to rise and by now have reached alarming levels compared to the ability of workers and civil servants to pay with their wages. In April, after the grain shock that had hit the northern provinces was followed by a similar shock in the southern provinces, grain prices throughout the country have increased 50 percent compared to the first quarter of 1987. Grain price increases plus rumors spread by the bad elements caused a second shock in May, the 100 percent increase of the price of gold. The two shocks had a domino-type effect on the entire price system in society, namely, a sudden increase of all prices. After the party Central Committee issued Resolution 11, according to data based on an investigation by the State Price Commission, prices of almost all goods in May were still 20-30 percent higher than in April. The working people, mostly workers and civil servants, were confounded and worried. Everywhere we heard these questions: "Are prices going to be allowed to float forever?" and "How can we manage to live with our wages and the current prices?"

The Council of Ministers report at the first meeting of the 8th National Assembly on the tasks to be fulfilled in the last 6 months of 1987 had this to say: "The fact that prices fluctuated continuously has adversely affected production and has become a daily concern of our people. Therefore, our extremely urgent task is to strive to slow down the pace of price increases and to restore law and order in connection with prices." This is a matter of concern, the outcome of which people are waiting to see. The reason for this confusing price situation has been the tense situation arising from a disequilibrium in the supply-demand and money-goods relationships, but we must also recognize the fact that the state organizations have recently made considerable contributions to creating bad changes in prices. We think that in order to fulfill the task suggested by the Council of Ministers, in addition to the work mentioned in its report, the following phenomena must also be considered and changed:

Bureaucratic, Slow Way of Working

Looking back on the grain shock in April we can draw a lesson from it. Everybody remembers that in the 5th-month rice crop this year in the North, due to abnormal weather many localities had to destroy the rice seedlings they had planted and to sow anew. After that there were damages inflicted by rice mealy bugs and leafhoppers. As they predicted that the 5th-month rice crop could fail, some private business people hoarded paddy for speculative purposes. At that time the quantities of rice in the state-owned storehouses were very small. Hanoi and

many provinces in April still did not have enough rice to sell to the people to cover their state-standard share in February. Some localities even owed the people their standard share of rice in January. At this time, the speculators who saw the opportunities to act made their rice available on the market at cutthroat prices: in Haiphong rice prices on some days rose to 160 dong/kg; in Hanoi, Ha Nam Ninh, and elsewhere, 140 dong/kg. Many workers and civil servants having large families were unable to buy rice on the market and had to eat rice soup. On the other hand, at that particular time, in the Mekong delta provinces including Ho Chi Minh City the quantities of rice in storehouses were very large, and there was even a threat that all that rice could not be sold. In early April the price of rice in Ho Chi Minh City was only 50 dong/kg and lower in the provinces. In that situation many sectors and organs had to save their workers and civil servants by sending their own people with the means of transportation that they chartered to the Mekong River delta to buy rice. Only then did the Council of Ministers make a decision about getting all of the available means of transportation together to ship rice from the southern provinces. In early May we witnessed an unusual happening: The northern provinces were rushing their buyers to the Mekong River delta to buy rice; the price of rice was thus made to skyrocket, changing even twice in one day. By mid-May the price of rice in Ho Chi Minh City has gone up to 65 dong/kg.

When we talk about prices, many people share the same thought: For the time being there is a State Price Commission with work covering all levels, from central to local, and having its own committees, offices, departments, and institutes; and they wonder what these committees have done to allow prices to fluctuate in such an uncontrollable manner. I repeated this question as I met Nguyen Canh Chau, deputy chief, Planning and Policy Department of the State Price Commission. Chau complained: "After October 1985 the state has become incapable of supervising prices. Now price discipline is overlooked; the law is neglected. Localities have been raising prices at their convenience and go after the market while disregarding all regulations. Ultimately the fault is ours, for the state often supervises prices without relying on any particular mechanism." What Chau has observed is logical, and we would like to cite an example to prove it:

In April 1986, facing price fluctuations in a fast upswing, the State Price Commission sent many cadres and specialists to different localities to take a close look at prices, which would serve as a basis for setting up a standard price frame covering 25 essential consumer goods for the northern provinces and 18 such goods for the southern provinces. In June 1986 the price frame was submitted to the Council of Ministers. On 4 October 1986 the price frame for the northern provinces was

approved with Decision 121/HDBT, and on 13 November the one for the southern provinces, with Decision 140/HDBT. Then the representative of the State Price Commission and the Deputy Minister of Home Trade went to the South to guide and persuade the provinces there to implement the Council of Ministers decision by selling their products on the basis of the price frame that has been issued. Following that "inspection tour" that lasted half a month, back in Hanoi the State Price Commission was notified by the Ministry of Home Trade, with Official Letter 1840/NT-VG dated 20 November 1986, that the Council of Ministers has unanimously agreed to allow localities to sell their products at flexible commercial business prices, which were higher than the ones specified in the price frame and very close to the ones prevailing in the free market. That was "The drum sounds one way; the bugle, another way." Within a month the Council of Ministers approved two decisions having different contents.

We met with Nguyen Dang Khanh, chief, Price Department of the Home Trade Ministry. He explained the matter this way: "It was 6-7 months between the time the State Price Commission drafted the price frame and the time it was approved and became effective. During that time prices in society were changing, with prices of some goods becoming 2-3 times higher than standard prices. If sales were made at the set prices, the goods that the commercial sector put out would be quickly bought, no matter how large the quantities might be, and the actual quantities were limited, with the excessive price differences falling into the hands of private business people rather than the hands of the state. In that official letter we, of course, have asked the localities to put aside some quantities of the goods to sell to workers and civil servants at the set prices."

That was a lesson we can learn in order to realize that prices must be considered and decided in a quick and sensitive manner and that any delay will make them outdated, hence, greater difficulties for adopting them.

State Commerce Controlled by Free Market

We can say that prices as the state commerce recently offered were totally spontaneous and were running after the market, without the speculative factors being considered, hence, there seemed to be no end to their rising. As private business people were raising prices and the state commerce was running after them, those people were in fact controlling and taking a lead over state prices. It is really an illogical situation because most of the valuable goods are produced by the state or imported from abroad, and yet the state has let private business people deal in them and then has been following their lead. Although the state commerce commands an army of 360,000 workers and civil servants, is it true that it is incapable of selling state goods directly to consumers and instead allows private business people to deal in them and to monopolize prices? As long as private

business people are allowed to freely set prices by themselves and to sell goods at prices higher than those of the state commerce, it will be difficult for goods to reach consumers and the fight against the negative aspects in the commercial sector will be even more difficult. The situation in which staff members of state stores steal goods and deliver them to private business people has become common in the commercial sector. Recently the Haiphong state store had a kind of Indian printed cloth and set its price at 350 dong/meter. Its staff members, however, did not put it on sale and held it back instead; meanwhile, a few leading cadres who came to the store thought that the cloth was unsaleable because of high price and quickly adjusted the price down to 250 dong/meter. Just a few days later, the merchandise was secretly brought outside and delivered to private business people, who raised its price to 450 dong/meter. The state store quickly followed suit, and also raised the price to 450 dong/meter. But by then there was not much cloth left in its warehouse. The Hanoi Commercial Service chief inspector told us that the fact that prices were raised and reduced at the convenience of people created favorable conditions for staff members and even the head of the state store to openly use the store for their own business and that such action would be hard to unmask because it could be quickly rationalized without leaving behind any evidence.

Nguyen Dang Khanh believed that the most active measure to fight the negative phenomena is to make changes in the market and price mechanism. Social prices set by the Council of Ministers must be uniformly applied in society to both the state-operated sector and private business people. Prices must be printed in newspapers, if necessary, in order to let everybody know and jointly control them.

Unsolved Dilemma

As for retail prices of consumer goods here is the rule set by the Council of Ministers: "On the basis of the standard prices set by the central administration, provincial, municipal, and special zone people's committees will determine the retail price levels applicable in their localities, provided that such levels do not exceed the prices that have been set for commercial business in their localities by the end of April 1987."

At present, the central business corporations find themselves in a kind of stalemate. Many production units now ask for higher prices than the standard ones for the products they deliver. For instance, although the price of a bicycle has been set by the state at 11,000 dong, the Union of Bicycle Enterprises is asking for 14,000 dong, a price that it says will help to cover just enough the costs at the spending end. Localities are charging the prevailing local commercial business prices minus discount upon delivery of their goods to the central administration, but this cannot be done because the current commercial business prices in these localities are much higher than the standard prices. For instance, while the

standard price of a meter of fine broadcloth is 42 dong, the price of the same cloth that Nam Dinh Municipality is selling is 220 dong. If Nam Dinh sells it to the central administration at the price of 220 dong/meter minus discount, how can the administration sell it to other localities, and who will absorb the losses? And if it really sells it at that price, other prices will immediately go up, which will be a violation of the price regulation. Because this matter has not been clarified, the central business corporations find themselves in a dilemma—they cannot buy or sell, nor determine prices for any newly-acquired goods, which then have to be stored in warehouses and to stay there.

For the time being, we have a situation in which localities are competing with the central administration in purchasing goods; if they are allowed to buy directly from enterprises, the central administration will never be able to purchase anything because the standard price levels set by the central administration are lower. These matters need to be discussed and clarified in order to let the central business corporations go into normal operations as soon as they can.

5598

Improper Distribution of Goods Criticized
42090020a Hanoi NHAN DAN in Vietnamese
5 Aug 87 p 2

[Article by Thanh Tu in column "From Production to Consumption": "Too Many Goods Reserved for Internal Distribution"]

[Text] The Foreign Goods Purchasing Store subordinate to the Ho Chi Minh City Commercial Service specializes in purchasing "floating" goods from sources abroad. The store distributes some of the goods to the second-echelon corporations, sells goods retail, and carries out a number of other tasks as directed by the Commerce Service.

What is it about this store that needs to be criticized? Few people in the city know. The answer is that too many goods are reserved for internal distribution.

The store has a rather large volume of commodities in stock. Although many of the goods are sold at the guaranteed price, this is still cheaper than on outside markets. As a result, the store is always crowded with customers. But if you pay close attention, you will see that among the customers are many people who work in the same sector or friends of people in the sector. During the period 1 March to 12 April 1987, 33 cadres and employees of the Foreign Goods Purchasing Store bought 27 cassette radios and 6 color television sets; 38 cadres and employees from the commercial service and a number of other commercial corporations purchased more than 30 cassette radios and 8 color television sets. Acquaintances and people in the sector were even taken to the warehouse to select goods or allowed to purchase

goods of high value. Customers who did not know someone at the store had to wait or "reason" with the warehouse custodian if they wanted to obtain goods. Why is this?

One reason is that the wrong people are being used. For example, Cao Quang Man, who used to be a cadre with the Building Materials Corporation and who is currently serving a 2-year suspended sentence, was hired by the Commercial Service and made head of the store's warehouse office. One time, Man "turned a deaf ear" and allowed Pham Van Le, a warehouse employee, to sell 2,200 stools, 1,000 kg of Bach Tuyet paint, 500 grindstones, and 30 tons of formica and pocket 30,000 dong (he actually sold the goods for 60,000 dong). Besides this, because of his control over the goods in the warehouse, Man allows acquaintances to purchase goods at a different price. Also, the calculation of the rent for private individuals is completely arbitrary: For type 2 warehouses, the price is calculated based on type 1 prices. At some warehouses, the storehouse custodian has one key and the owner of the building who is renting out the warehouse has another key.

A number of store cadres and purchasing employees set the purchase and sales prices at their convenience and arbitrarily distribute goods internally.

If a socialist commercial store manages things in a slipshod manner, takes special privileges, and arbitrarily uses people like this, what about commodities for distribution to the laborers outside the commercial sector? And what about the guiding role of socialist commerce in the struggle to stabilize prices and reform and manage the markets?

11943

Problems in Managing Noncommercial Imports
42090024 Hanoi QUAN DOI NHAN DAN in Vietnamese
17 Aug 87 p 3

[Article by Tran Hoang and Le Nghiep: "Problems in Managing the Purchase of Non-Commercial Imports in Ho Chi Minh City"]

[Excerpt]

Sources of Imports

Each year, almost 1,000 ships from about 20 countries arrive at the Port of Saigon, and about an equal number of aircraft from these countries land at Tan Son Nhat Airport. In addition to the commodities imported by the state based on the planned norms, non-commercial goods are brought into the city by sailors, pilots, tourists, overseas Vietnamese returning for a visit, and others.

Besides the non-commercial goods that are brought in like this, gifts that are sent account for an even larger percentage. The city has issued hundreds of thousands of

receipts for goods sent from abroad. In recent years, presents have flowed through the various entry points, including Tan Son Nhat Airport, the Port of Saigon, the post office, and so on. The total weight has reached thousands of tons. Based on official data of the customs and posts and telecommunications sectors, Tan Son Nhat Airport, and the Port of Saigon, the value of these goods in 1984 was 46,061,939 dong. This included 5,970,366 meters of cloth of various types (which accounted for 42.52 percent of the total value of the goods), 1,512,575 pairs of pants and shirts, 344,552,333 tablets of medicine, 20,206 cassette radios, 222,858 kg of foodstuffs of various types, and 1,193,787 units of office supplies.

The two sources of imports discussed above are legal sources. But along with these, there are also many illegal sources. Goods are smuggled in without being declared, and the import duty is not paid. Today, the import of foreign goods into the country and the flow of gold, foreign currency, and precious stones out of the country is a major problem that requires the urgent attention of the agencies responsible, particularly the customs sector.

Management, Results Are Still Poor

The value of imports is very high, but the city's socialist commercial sector accounts for only a very small percentage of the purchases, that is, less than 10 percent of the value of the goods. Why? We can cite a number of reasons: The Municipal CPV Committee and the Municipal People's Committee have not implemented policies or unified measures to manage this important sector. The corporations subordinate to the Commercial Service have encountered many difficulties and obstacles in making purchases. For example, the Municipal Price Commission has not provided price guidelines for the corporations. The Commercial Service must set prices for each item and wait for approval from the Price Commission. As a result, purchases are slow, and there is a lack of flexibility. There is very limited cash available for purchasing goods. The purchasing formulas are inconvenient. They still have the nature of "state subsidies," and there are still many procedures. There should be flexible business formulas for these special and constantly changing goods. The professional standards of the cadres and workers are low, as is their level of scientific and technical knowledge. As a result, ordinary goods are purchased at the high price, and the price of new types of goods of high use value (without them knowing it) is pushed even higher, which limits purchasing capabilities. Many sectors lack technicians and repairmen. Suitable steps have not been taken to mobilize the objectives with foreign goods, particularly parts and materials essential to services, production and daily life. Not enough attention has been given to using economic levers to encourage those directly involved in purchasing foreign goods. Thus, "avoiding the difficult and doing the easy" is quite widespread.

Facing a situation in which too many corporations and stores deal in foreign imports, the Municipal People's Committee recently decided to turn over business management of the four entry points, that is, Tan Son Nhat, the Port of Saigon, customs, and posts and telecommunications, to the Alien Services Corporation. At present, the corporation lacks a material and technical base and a network, and it does not have the technical labor forces to carry on business operations.

11943

Pepper Export Contracts Fulfilled

*42090020e Hanoi NGOAI THUONG in Vietnamese
25 Sep 87 p 1*

[Text] As appropriate on the 70th anniversary of the great October Revolution, during the final days of September, the General Corporation for Export-Import of Vegetables and Fruit completed the task of delivering 250 tons of pepper in accord with the contract signed with the Soviet Union.

Because of the favorable weather conditions this year, there was a good harvest of good quality pepper. However, in order to mobilize large quantities quickly for export, especially in the main production areas such as Phu Quoc and Binh Tri Thien, the general corporation met with the localities to discuss advancing money and materials in order to make purchases. For its part, the general corporation created favorable conditions to facilitate shipping and receiving at the localities and ports and coordinated shipping goods in bags and in containers. As a result, the pepper was shipped to the Soviet Union 3 months ahead of schedule.

11943

Dac Lac Coffee Production, Delivery of Goods Reported

*42090020c Hanoi NGOAI THUONG in Vietnamese
25 Aug 87 p 1*

[Text] By the middle of July, Dac Lac Province had purchased more than 3,000 tons of coffee beans from the collectives and families to support exports, fulfilling 90 percent of the annual plan. This is an increase of 500 tons as compared with the same time last year. In the key coffee growing districts, including Krong Ana, Krong Buk, Krong Pach, and Dak Min and the city of Buon Ma Thuot, the peasants have paid their taxes and sold from 500 to 1,000 tons based on the two-way contracts and the price agreed on. During this period, the provincial coffee federation used its full processing capacity and delivered 1,250 tons of coffee beans to the central echelon, fulfilling 50 percent of the plan for the entire year.

From the beginning of the harvesting season, the Provincial Federation of Export-Import Corporations coordinated things with the districts to inspect the commercial coffee area in the collective and family zones and readied

sufficient convertible goods to give to the peasants in exchange in accord with the production and consumption requirements. The sector delivered more than 4,000 tons of cement, 5,000 tons of chemical fertilizer, 5,000 tons of rice, 4,000 tons of gasoline, 24,000 meters of water pipe, and many consumer goods to the districts. During a period of fluctuating prices, the sector guided the districts in purchasing coffee based on the contracts and using quick and fair accounting formulas. It also coordinated things with the communications sector to transport and deliver the goods on schedule.

11943

Demand for Shrimp Drives up Prices, Damages Economy

42090020b Hanoi NHAN DAN in Vietnamese
12 Aug 87 pp 1, 4

[Article by Tam Nguyen: "Who Caused the Shrimp 'Fever?'"]

[Text] In his first newspaper article entitled "Things That Must Be Done Immediately," N.V.L. stated that "price order must be respected." Prices have continued to increase for a number of reasons, among which are some illegitimate ones. "The legal agencies must expose major crimes in order to punish the guilty harshly, and the results must be published by the press in order to inform the people."

On the circulation front, the state's business organizations have been competing to purchase shrimp and squid by raising prices higher and higher. They became shrimp "bandits" a long time ago. This has not decreased at all. Instead, it is spreading and doing great damage to the national economy. In Ho Chi Minh City, the price of type 1 "the" shrimp is 5,000-5,500 dong per kg, which is 3.5 times higher than the directed price. The price of type 1 "cang" shrimp is 2,700 dong per kg, which is 2.7 times higher than the directed price.

In the coastal provinces from Haiphong to Minh Hai and Kien Giang, the localities are striving to invest much money and manpower in order to expand the shrimp producing area and raise large quantities of shrimp for export. But there are many customers who are competing to buy the shrimp. Shrimp are being produced, but the processing plants do not have raw materials and cannot produce export goods or recover their capital in order to continue expanding the rearing of export shrimp. Inspections at the Cat Hai Fish Farm in Haiphong have shown that up to 46 boats have come to make purchases, with the strong forces being the Marine Products Processing Enterprise and the Federated Marine Products Enterprise of the Ministry of Marine Products. These enterprises use purchasing formulas based on dollar prices and exchange goods in order to compete. The enterprises of the Sea Products Federation have set the purchase price of type 1 "the" shrimp at \$4.29 per kg and type 2 "the" shrimp at \$3.94 per kg. The Haiphong Marine

Products Export Corporation purchases type 1 and type 2 shrimp for \$3.61 and \$3.21 per kg respectively. At the Danang Fish Farm, there are three large organizations, the municipal marine products organization, the provincial marine products organization, and Sea Products that compete to buy shrimp. The province has revealed that Sea Products requested permission to build a storehouse in Danang. But later on, it transformed this into a shrimp purchasing and processing enterprise and began competing for shrimp with the province, which to start with did not have enough to supply its refrigeration plant.

Besides having shrimp, Thuan Hai has the largest source of squid in the country (5,000 tons of fresh squid equals 1,000 tons of dried squid). The province has invested much money but has been able to purchase only 30-40 percent. The bulk of the squid finds its way to Ho Chi Minh City through merchants at double or triple the price that Thuan Hai and the fishermen had agreed on.

Minh Hai Province is the dominant shrimp area in the country. In 1987 it invested 208 million dong in shrimp rearing. But by the end of July 1987, it had purchased only 20-30 percent of the yield. The refrigeration plants do not have raw materials and have had to shut down. The shrimp raised in Minh Hai and Kien Giang have been sold to the Ho Chi Minh City refrigeration enterprises at a price of 5,000-5,500 dong per kg. Enterprises 4 and 6 of Sea Products have signed contracts directly with the districts without going through the province. They have set the purchase price in dollars (\$4.50 per kg for type 1 and 2 shrimp and \$3.30 for type three shrimp). They sell industrial goods in dollars. Calculated in Vietnamese currency, this is double or triple the purchase price of Minh Hai. A number of "joint business ventures" that invested in production have actually become the shrimp purchasing stations of the production places. A district in Hau Giang Province has set up a purchasing station in Minh Hai and kept prices higher than the directed prices of Minh Hai in order to obtain shrimp.

All the provinces that produce shrimp are demanding that the refrigeration enterprises of Ho Chi Minh City and the enterprises subordinate to Sea Products stop competing for their shrimp by raising prices. If they do, this will restore order. There won't be so much confusion with respect to prices and markets, and this will reduce the damage that is being done.

The shrimp "bandits" have done great damage to the national economy. State prices have been adjusted many times, and the producers and coastal provinces have adhered to these prices. One kg of type 1 shrimp is equivalent to 64 kg of rice, and 1 kg of type 5 shrimp is equivalent to 20 kg of rice. The profit percentage as compared with costs is 80-100 percent. The Man-day income earned from raising shrimp is double that earned from fishing, approximately 1,000-1,200 dong per day (the highest promotion level, which has been reserved for the production of export shrimp). The rate of exchange

for export shrimp is 360-400 dong to the dollar. But the great competition for shrimp has doubled and tripled prices, with the export exchange rate for shrimp increasing to 700-800 dong to the dollar. Thus, using the export value of shrimp in 1987, which was \$110 million, the state had to pay an additional 40-42 billion dong, which was a serious erosion of the value of the dong.

In response to N.V.L.'s appeal for price order, the Vinh Phu Municipal People's Committee has reviewed things and corrected the shortcomings in setting high purchase prices for soybeans and gasoline, which had resulted in a loss of 40 million dong, and actively contributed to restoring price order for legumes.

The shrimp "bandits" have done great damage. This has been going on for many years. The reasons are clear, but so far nothing has been done to change this. These shortcomings must be corrected. This is one of the "tasks that must be done immediately."

11943

Saigon Ships Fined for Smuggling

42090020d Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 1 Sep 87 pp 1, 2

[Text] The Saigon Ocean Transport Corporation (Saigon Ship) has admitted its shortcomings in managing and educating the cadres, workers, and civil servants in allowing many ships, officers, and seamen to violate state laws and engage in illegal trading activities.

Nine of the corporation's 10 ships, the Ben Thanh, Gia Dinh, Thanh Da, An Phu Dong, Duyen Hai, Khanh Hoi, Nha Rong, Can Gio, and Tan Binh, have regularly violated customs regulations. On 60 trips during the period January 1986 to March 1987, these 9 ships illegally took \$111,915 out of the country to purchase goods and smuggled the goods into the country. They were caught by Saigon Port customs officials and fined a total of 8,389,000 dong.

Among the above ships, the Ben Thanh was fined more than 1 million dong for three trips. The An Phu Dong and Khanh Hoi were fined for four trips, and the Duyen Hai was fined for three trips.

The corporation has issued the following decision: Bui Van Luan, a cadre on the An Phu Dong, cannot go to sea for 18 months, and Nguyen Dinh Thiet, the chief radio operator on the Thanh Da, and Tran Quoc Hai, the executive officer on the Thanh Da, cannot go to sea for 6 months. All three of these people have committed violations many times. They bought and sold goods illegally.

11943

SOCIAL

Grievances Aired at Farmers' Congresses

42090021c Hanoi DAI DOAN KET in Vietnamese
1 Sep 87 p 3

[Article by Le Dien: "Voices at Collectivized Farmers Congresses: Only Hoping for Fairness, Democracy"]

[Text] Those who attended the congresses of collectivized farmers must have felt the profound sincerity of cooperative members who recounted the achievements of both the nation and their own native land. From the canals that cool the parched fields; the short-term rice varieties that offer high yield; crossbred hogs, large and growing fast; the low 5th-month rice-growing zones of yesteryear, where people had to "walk with their feet for 6 months, walk with their hands for 6 months," now in rainy seasons people can still walk the village paths with their wooden clogs, and there is enough 10th-month rice being cooked and put on altars for ancestors on death anniversaries and Tet holidays; and the wartime white-belt zone that has become the green-belt zone supplying people with foods and beautifying hamlets and villages to village schools, hamlet public health stations, and their own houses with tiled roofs.

But as we read the congress reports, we could not help remaining indifferent to the matters that were raised there.

In Ha Nam Ninh Province today 189 cooperatives (or nearly 28 percent of its cooperatives) do not have capital for production. The people who produce the paddy are those who suffer the most. They toil in the morning cold and in the sun to produce a quintal of paddy, and yet they get only 20 kilograms for themselves. This is not the peculiar situation of Ha Nam Ninh. During a popular reception in Vinh Phu Province, a farmer bluntly asked the provincial party secretary this question: "We are producing 100 kilograms of paddy, paying tax to the state with 25 kilograms, and getting only 25 kilograms, so where do the remaining 50 kilograms go?"

The value of a man-day in cooperatives in the northern provinces usually is only 1 kilogram of paddy. The ones that pay the highest give a few kilograms. But the lowest ones give only half or three-tenths of a kilogram. A kilogram of paddy a day is just enough to eat. But nobody works every single day of the year. And every member of a family does not always work. Then there is, of course, the percentage of income coming from the land. A number of families own orchards and fish ponds. Some people do secondary jobs. And how many people cannot take care of themselves? With such a low pay, how can cooperative members remain close to their cooperatives? Many young people having good educational and technical background are fed up with farming. Parents also advise their children: "Go to cities to look for jobs. To cling to the cooperative means to be unable to earn a living."

The rural districts of Hanoi presently have thousands of hectares of land that are left uncultivated and tens of thousands of hectares of mounds and small hills that remain to be opened. Land in the outskirts of the municipality is more precious than gold and can yield plenty of money for those who know how to exploit it, and yet why does it remain unused? While I was being confused about this matter, a farmer from Dong Anh District came to see me and presented to me the following case with all relevant documents and evidence:

On 5 July 1985, the management board of Kim No Cooperative bought at the district agricultural materials store 40 tons of urea nitrate fertilizer at the price of 7.5 dong/kg. Later it distributed only about 10 tons among members on the basis of the areas assigned by contracts. The remaining 30 tons were sold on the free market at the high price of 55 dong/kg. The next time it bought 26 tons of sulfate nitrate fertilizer at the price of 3.8 dong/kg. The sales at high prices both times and the sale of another quantity of nitrate fertilizer that had been stored yielded a total of nearly 2 million dong. When the district asked the board, its members said part of the money had been put into the savings fund and another part had been spent for the cooperative's operations.

What was the spending for the cooperative? A loan of 100,000 dong was granted to the cooperative party chapter secretary to buy a Honda cub motorcycle distributed by the district. A vacation at Bai Chay (seaside resort) was organized for cadres and cooperative members at the cost of more than 181,000 dong. In the meantime, the poor farmers who did not have money to buy fertilizer were compelled to accept growing poor-quality rice. Some families had to give back to the cooperative some of the ricefields they had been assigned by contracts. In the 1986 10th-month rice season, 37 mau were left uncultivated. Even now some land still remains uncultivated. This case was really a serious one. The district inspection commission has recognized its seriousness. But so far the district has not done anything to resolve the case.

The cases of farmers returning some ricefields to the cooperatives have occurred in many other localities, for many different reasons. Unlawful distribution of land also has been quite common. In the Municipality of Thai Nguyen, there was a cadre who had been given land in a suburban area to build his house and later came to live in a housing facility provided by his organ in order to apply for another piece of land. Through applications and registrations Ha Nam Ninh Province discovered 130,000 cases of unlawful use of land and ricefields. Every bit of land of ours has been impregnated with so much sweat and blood. People can give birth to offsprings, but land does not reproduce. Why do farmers have to return some of the ricefields assigned to them? Why do some people in positions of authority fail to appreciate the value of land and thus distribute it in such a careless manner as if it is a matter of convenience?

As we look into the overall state of our agriculture, we can find greater problems.

In the 1981-1985 5-year plan, from the time product contracting was adopted in agriculture at the beginning of 1981, grain production had been increasing at the average annual rate of 1 million tons, a sharp increase compared to the preceding 5-year period, but there existed less agricultural materials. Without this product contracting system in agriculture the national economy could have faced greater difficulties. But in the last few years agricultural production came to a standstill. And as we look into the realities of agricultural production in the last decade, we find that our agriculture has not yet escaped one-crop cultivation, self-sufficiency, and self-reliance. In the highlands, nomadic farming and destruction of forests still take place; in the delta, many localities have been slow in switching to production of goods, with cooperatives in coastal areas still facing surplus labor and shortage of jobs. Our agriculture which is tropical possesses many valuable crops. But our forests continue to be destroyed. With more than 3,000 kilometers of coastline, our country has a great marine economic potential, which remains underexploited. The products having high export values like rubber, coffee, tea, coconut, peanut, jute, and rush are not yet produced in good abundance.

Some people blame it on natural calamities. Others ask that we reconsider the product contracting system in agriculture. An economic expert of the Agriculture Department of the CPV Central Committee has said to us as follows: "Realities have proved that the product contracting system in agriculture is correct. The Sixth Party Congress put this new contracting system in its resolution. Many fraternal socialist countries are applying it with good results. But the fact that we have not obtained the results we wanted is because we have done work only in the middle section and still leave the core section, which is the cooperatives, and the head section, which is the central sectors, unaffected by the switch from bureaucratic centralism and state subsidies. That is why we must renovate the economic management mechanism."

Many of our positions and policies pay little attention to encouraging production but instead advocate meticulous and strict calculations in dealing with farmers and fail to attach importance to consolidating the worker-farmer alliance. After having signed contracts with farmers for 3-4 crop seasons, many localities already raised the assigned output because they were afraid that farmers would become rich. Price policies have restricted production and disturbed the market. While prices were low and compensation was not enough to cover all production expenses for the working people, purchases were made on credit. The longer the money owed them was paid off, the more losses farmers would have to bear because of the decreasing value of money.

At a collectivized farmers congress, an An Ha Village (Ha Bac Province) farmer said: "When we buy goods from the state, we must pay cash and come to get them. In the case of nitrate fertilizer, we must go to the Ha Bac plant to get it. Phosphate fertilizer, as far as Lam Thao in Vinh Phu Province. But when farmers sell farm products to the state, they must transport them to its storehouses, then go back and forth and wait, are subject to arbitrary grading and pricing of their products, and still are not paid cash right away. A person who sold his hogs in order to have money in a hurry to buy rice and to ward off starvation did not get his money until 4-5 months after the sale. Many households had to leave the pens empty because they did not have money to buy breeding hogs. While prices of industrial goods have increased 5, 10 times, prices of farm products have remained the same. We do not demand much, only hope there is fairness in all this."

In the case of rice growing, there is no encouragement either. The more they produce, the more paddy cooperatives must sell to the state, and suffer from more losses because they have to take care of transportation too. When a crop is lost, the state is supposed to share the losses with farmers. But farmers still find they must pay fully with paddy, without even a single kilogram of it being missed, for using water conservancy works and renting tractors.

Work points are usually set for different occupations 2-3 times higher than for crop growing. Those managers expend work points so freely because they never think about economic results. They give work points even to those who attend meetings and go to school and to even musicians in a funeral. In some highland localities you get work points even for attending meetings. After a rice crop is harvested, paddy must be made available for various occupations, village cadres, cooperative cadres, families of wounded soldiers and dead heroes at very low internal prices. And there are shares to be put into the many funds—accumulation fund, public interest fund, grain fund, new economic fund, and national defense fund. As a result, with the value of a man-day being set rather low, those cooperative members who produce 100 kilograms of paddy get only more or less than 20 kilograms for themselves. They contribute not only paddy but also labor. Each year cooperative members must contribute about 50 working days each to doing work for the state, village, and cooperative. Also they must contribute money to building headquarters, markets, schools, and classrooms. This way how can we say that distribution based on labor is fair and rational? This way how can farmers feel reassured and enthusiastic while doing productive work?

Exactly as the political report at the Sixth Party Congress put it, "This mechanism gives birth to a cumbersome management machinery consisting of management cadres being less than dynamic, being unversed in business, and clinging to a bureaucratic and authoritarian managing style."

Village cadres, along with cooperative cadres, hold a great deal of power over all political, economic, cultural, and social matters in their localities. They also possess the material power. Money in funds, paddy in storehouses, fish in the cooperatives' ponds, and chickens, ducks, and hogs in collectivized animal-raising farms. Simply with an excuse for having some guests to entertain they can organize a lavish feast.

While there still exist many feudal remnants in the countryside, where "The king's laws must come after the village's rules," while the roads to the district and province are difficult and too faraway, and while there are few newspapers and a shortage of batteries, if our cadres have a sound worker-class stand, lead a clean life, actively take care of village and hamlet affairs, know how to manage economic matters, respect civil rights, and attentively listen to the masses' ideas, joy and happiness will exist in all hamlets and villages, cooperatives will do good business, and the people will have enough food to eat and clothes to wear. But if they are decadent and degraded, they will easily become autocratic and dogmatic, collude with one another to get the people's money and properties, and commit many kinds of illegal acts. In order to be free to act in their villages, they resort to whatever maneuvers possible to flatter, buy off, and bribe a number of superior cadres, who now act as an umbrella to protect them. Totally disregarding the law, they search people's homes, put people in jail, torture, and beat up those who have criticized and denounced them. They keep false files and smear people's identities in order to do harm to other people. They strangle democracy and oppress the masses. We can say they are the "new bullies" in the countryside today.

The cases of negative acts that have been openly told in the newspapers and over the radio in the last few months are only the tip of the iceberg. That is why the common voice of farmers is expressing their most ardent hope, namely, to have fairness and democracy.

5598

Reader Comments on 2d Plenum Resolution
42090021b Hanoi DAI DOAN KET in Vietnamese
1 Jul 87 p 14

[Article by Xuan Quang of Xuan Loi Village, Lap Thach District (Vinh Phu Province): "The Hope of People in My Native Village"]

[Text] In the highlands where the mass media are lacking, farmers rely only on transistor radios. Even when the station operates, to listen to it still depends on the availability of batteries to run the radios, meaning they have to be economical with the use of batteries. But when they heard over the station the resolution of the 2d Plenum of the CPV Central Committee, many families continued to tune in to it as they wanted to hear the rebroadcast; some people went out to buy new batteries in order to listen to it. We can say that the attractiveness

of this resolution is very great because it is positive. As rural residents we pay special attention to the part about the "policy of exchange of goods between the state and farmers." Farmers, as people usually say, work so hard by "facing the earth and turning their back to the sky," but the paddy that they produce seems to have disappeared somewhere. Directive No 100 on contracting was quite progressive, but the people still had to make many additional contributions imposed on them by different echelons. But this 2d Plenum resolution makes a clearcut statement: "Except for the mandatory tax to be contributed as an obligation, all echelons are strictly forbidden to impose at their convenience additional products-delivering obligation on cooperatives and farmer households or to create additional contributions for them to make."

What we local people feel very confident about is this statement: "Cooperatives need to determine rational contracting goals and to change the distribution requirements that are state subsidies in character, and to hold meetings among cooperative members to discuss them." That means to stabilize the contracting goals for the period between now and 1990. It reflects democracy and a real consideration of the people as the roots. For what the resolution mentions is in the interests of farmers, "the people are informed and are allowed to discuss." In other words, if things are done exactly that way, it means a harmonious combination of the interests of both the people and the state. We often say that we must improve the material and spiritual living standards of the people on the basis of developed production. But because for a long time all echelons and sectors have let the living conditions of working people deteriorate to an unbearably low level, how were they able to develop production? With this resolution, the working power of farmers will be developed and land will be fully used, and we believe that when people work, they will earn a decent living, for the contracting goals from now on will remain stable and they will not have to fear that the quality of their living will be reduced by questionable contributions.

In the past the state had recourse to "roundup" when it wanted to purchase farmers' products at dirt-cheap prices, a practice that farmers used to call "purchases are like stealing, sales giveaway." Now the 2d Plenum resolution requires a respect for the economic laws that are influencing this period and their proper application in order to open up this: "All exchange relations between the state economic organizations on the one hand and agricultural cooperatives and farmer households on the other must be based on the principle of equality and mutual agreement between buyers and sellers." To have agreement between buyers and sellers and at the same time to have less control stations means to eliminate two layers of robberies.

The newly-issued resolution requires the leading cadres to have new thinking and to show creative capacity so as to promote and be really concerned about the working

people's interests and to correctly carry out the views mentioned in the resolution. This capacity and the current responsibilities are the very responsibility of each and every one of them. However, the greatest worry that farmers have is whether the people who are responsible for implementing this resolution do have a renovated mind. The resolution points out that strict leadership is necessary in order to properly carry out the motto, "The state and the people work together." But we are afraid that some cadres may take advantage of the so-called "The state and the people work together" to make additional demands that are detrimental to the working people's interests.

So what is more necessary is to strengthen the socialist law, for the law ensures making management by the state more efficient and respecting the people's ownership right. Whoever acts against the resolution must be severely punished.

5598

Villager Denounces Abusive, Oppressive Acts of Officials

*42090021a Hanoi DAI DOAN KET in Vietnamese
1 Jul 87 p 10*

[Article by Ho Thi Yen, a daughter-in-law of Yen Phu Village: "Oppression, Abuse of People Do Not Exist Only in Dong Tien"]

[Text] The dishonesty, abuse of positions and power, and oppression against the people on the part of the secretary, chairman, and public security chief of Dong Tien Village have made the people of Chau Giang District, Hai Hung Province, extremely angry. First of all, we would like to sincerely thank those truthful writers who, in the interests of the people and for the health of society, have dared to reveal a truth by exposing to the public opinion those people who acted in the name of the party and administration, disregarded public opinion, rudely violated the law, oppressed the masses, and undermined the people's confidence in the party.

The newspapers have revealed only a single typical case in Dong Tien. At present, in quite a few villages, in this locality or that locality, in various forms and to different extents, there exist similar stories. As an example we have one in Yen Phu Village, also in Chau Giang District, where Nguyen Van Lun, the village chairman, on 16 May 1987 ordered his men to destroy the ancestral-altar home of the Do clan and to seize all properties inside the home, the whereabouts of which nobody would know, just because a few members of this clan had signed a petition asking the administration to intervene in order to force Nguyen Van Ich, Chairman Lun's uncle, to return the piece of land which he had seized from public ownership and from a few families and where he built a house and dug a pond.

For the raid against the house that covered an area no larger than 6 square meters Chairman Lun had to mobilize an entire force of red-flag youths, militiamen, and public security men of the village who brought with them handcuffs, guns and ammunition, crowbars, and hammers to openly oppress the people.

More serious was the fact that Chairman Nguyen Van Lun dared to say to everybody: "Anybody who does not obey my orders must be told that he should not try to be smart, to make comment." "We must put them in jail."

As the head of a locality Chairman Nguyen Van Lun should have been exemplary in everyday life. He wanted to protect the interests of his uncle, Nguyen Van Ich, who has seized 116 square meters of public land (the village has issued him a plat to confirm the acquisition). Instead of asking his uncle to move, he ordered the total destruction of the Do clan's ancestral-altar home.

Worse yet, after the destructive raid, Chairman Lun found some excuses for holding meetings of the administration and party to rationalize his unlawful action. Mr Lun made many indirect statements aimed at threatening and intimidating those cadres, party members, elderly people, and mothers who had been protesting his ruthless action; distorted the truth; and took oppressive measures against those who had dared to fight fearlessly.

We hope that in the interests of the people and for fairness in society the party committee echelons and responsible organs in Chau Giang District and in Hai Hung Province come to see us Yen Phu villagers in time in order to know the real truth and the whole truth, and to seriously deal with those who take advantage of their positions and misuse their authority.

5598

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.