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# Southeast Asia Report

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INTER-ASIAN AFFAIRS

BRIEFS

NEW ASEAN SECRETARY GENERAL--Roderick Yong, a high-ranking official from the Bruneian Education Ministry, was installed as the new ASEAN secretary general at a ceremony at the ASEAN Secretariat Office in Jakarta on 15 July, replacing Phaen Wannamethi from Thailand. The post of ASEAN secretary general is for 3 years. [Summary] [Jakarta KOMPAS in Indonesian 16 Jul 86 p 12 BK]

/9716

CSO: 4213/163

BRUNEI

BRIEFS

PRESS URGED TO ACT RESPONSIBLY--The Western concept of press freedom was "unacceptable and inappropriate" under Brunei's national philosophy, a senior official said this week. Haji Chuchu bin Dato Paduka Haji Abdullah, Permanent Secretary (Administration) at the Education and Health Ministry, was speaking to visiting ASEAN journalists in Bandar Seri Begawan. He said press freedom had to be tempered with responsibility and accountability for Brunei to achieve its Malay Islamic Monarchy philosophy peacefully. "That is to say, we expect the press in this country to operate within the framework of our national philosophy," Haji Chuchu said. "Without responsibility and accountability, our whole system of government and national security could be threatened by irresponsible and inaccurate reports in the news media." Haji Chuchu spoke of the "heavy and difficult" task that ASEAN journalists faced. "As moulders of opinion and values you must be more than familiar with ASEAN norms and values, with local developmental aspirations and goals and with local sensitivities," he said. "I am sure that if you so equip yourself, there is no reason why you cannot practise responsible freedoms of the press and at the same time be a constructive power in ASEAN's attempts at national development." The party of 30 journalists was on a four-day visit to the Sultanate under the ASEAN exchange of journalists programme. [Text] [Kuala Belait THE BORNED BULLETIN in English 5 Jul 86 p 1 BK]

/9716

CSO: 4200/1237

INDONESIA

MURDANI CITES POSSIBLE JOINT MAINTENANCE FOR F-16

Jakarta ANTARA NEWS BULLETIN in English 19 Jun 86 p A7

[Text] Jakarta, 18 Jun (ANTARA)--Indonesia is exploring the possibility of jointly maintaining the US-manufactured F-16 fighters with Singapore and Thailand to press down maintenance cost, the Armed Forces Commander General L. B. Moerdani announced here Thursday.

He was speaking to reporters after the installation of three-star army general Try Sutrisno and three-star police general Mohammad Sanusi as army chief of staff and chief of police respectively at Istana Negara (presidential palace).

If Singapore are not ready, Indonesia will go ahead with the plan by her own, he added. [as published]

"Officially, I have not discussed the joint maintenance scheme with Singapore and Thailand.

"But unofficially, we had brought the matter in our talks some time ago", Moerdani said.

General Moerdani refused to reveal where the site of the joint-maintenance workshop will be located, but he hoped the site will be in Indonesia.

He described the joint-maintenance plan as realization of ASEAN aspirations.

According to the Armed Forces Commander, Indonesia has placed order eight F-16 fighters from the United States with the possibility of purchasing another four which were expected to arrive in Indonesia early 1989.

If Indonesia, Singapore and Thailand have each eight F-16 fighters on their respective air fleets, at least 24 airplanes of this type will be in service in Southeast Asia which makes the joint-maintenance most likely.

Joint-maintenance is a common practice anywhere in the world as a means to reduce maintenance cost, the four-star general said, adding that maintenance of fighters below 40 will be uneconomical.

Asked about the possibility of buying Mirage-2000 fighters, general Moerdani said Indonesia ruled out the possibility because Indonesia have now possessed F-16 fighters.

"The reason is very simple, that is the majority of Asia countries, such as South Korea, Singapore, Thailand, Pakistan and Saudi Arabia are reinforcing their air forces with F-16 fighters", Moerdani explained.

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CSO: 4200/1226

INDONESIA

FRENCH OFFICIAL ON INDONESIA BUYING F-16

Jakarta ANTARA NEWS BULLETIN in English 20 Jun 86 p A6

[Text] Jakarta, 20 Jun (ANTARA)--Indonesia's decision to purchase F-16 fighter planes from the United States would not discourage the French to offer its other products, it was said here Thursday.

Commenting on the Indonesian plan to buy eight F-16 fighters disclosed by Armed Forces Commander General LB Moerdani Wednesday Yoes Robin of the Avions Marcel Dassault Breguet said, France has never pushed whichever government is to buy its production.

The French aircraft company known for its Mirage 2000 is among the 235 companies to take part in the Indonesian Air Show scheduled on June 22 here.

Robin said although Indonesia at present has no intention to purchase the Mirage 2000, his company is willing to offer other types of aircraft different from the US made. "The main thing we would like to display at the Indonesian Air Show is not military equipment but a defence concept," he told a press conference.

Dassault would display several of its products including Mirage 2000 and Falcon 900.

Robin who just arrived from the People's Republic of China said, the cooperation between Indonesia and France would not take place when Indonesia purchases Mirage 2000 or the participation of tens of French companies at the Air Show, but it has been established long before.

He referred among others to cooperation between Dassault and the Indonesian Aircraft Company (IPTN) in providing computers called "Catia" which was not only needed for the airline industry but also the automotive business.

The mirage fighter plane weighs ten tonnes with an optimum capacity for long range aid defence and could launch an attack either from land or sea.

In addition to French Air Force Mirage 2000 was also used by India, Egypt, Peru, Abu Dhabi and Greece.

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CSO: 4200/1226

INDONESIA

AIR FORCE HERCULES OVERHAULED IN MALAYSIA

Jakarta ANTARA NEWS BULLETIN in English 14 Jun 86 p A3

[Text] Kuala Lumpur, 14 Jun (ANTARA)--Indonesian Ambassador to Malaysia Himawan Soetanto has said, in the framework of fostering friendly relations as close neighbours, the Indonesian government and the Indonesian Armed Forces in particular have taken the initiative to entrust Airod Malaysia with the overhaul of Indonesian Air Force Hercules planes.

The ambassador in his address at the delivery of the first Indonesian Air Force Hercules of Type C-130 HS plane for overhaul to Airod Management Board Chairman Datuk Haji Amir at Subang airport Friday, further said airplane technology is no longer the monopoly of advanced countries. Indonesia as well as Malaysia have now also the expertise, the science and technology pertaining to the airplane industry. Indonesia is now capable of producing several types of light planes and helicopters.

This cooperation, he said, is a historic event and should be the basis for future more extensive cooperation for mutual benefit.

The delivery of the Hercules plane to Airod was also attended by several Malaysian and Indonesian embassy officials, among them the Indonesian defence attache.

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CSO: 4200/1226

INDONESIA

CONSORTIUM FORMED TO CARRY OUT TRADE CONTRACTS WITH EAST EUROPE

Jakarta ANTARA NEWS BULLETIN in English 14 Jun 86 p A 1

[Text] Jakarta, 14 Jun (ANTARA)--A trade delegation of the Indonesian Chamber of Commerce and Industry (KADIN) which had made a tour of East European countries and Austria recently has agreed to form a consortium in an effort to fulfill the trade contract with those countries.

General Chairman of KADIN, Sukamdani Sahid Gitosardjono told a press conference here Friday that the inception of the consortium was aimed at mutual support in carrying out the contracts relating to price, transportation, insurance claim and terms of payment.

He also said that the consortium would also serve to materialize the results of the visit to Hungary, Bulgaria, Yugoslavia, Czechoslovakia, Rumania, Poland and Austria.

The East European Committee of Kadin would act as coordinator in helping the cooperation with the six East European countries and Austria, Sukamdani said.

Answering press questions, Sukamdani said that there were no more obstacles in direct or indirect trade activities with social countries, "as the government gives full support and facilities in establishing direct trade relations with those countries."

According to the guidance from President Soeharto, a every exclusive trade fair held by Indonesia in East Europe including East Germany and Soviet Union should be coordinated by KADIN, Sukamdani said.

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CSO: 4200/1226

INDONESIA

MINISTER SUMARLIN DISCUSSES REPAYMENT OF FOREIGN DEBT

Jakarta ANTARA NEWS BULLETIN in English 20 Jun 86 p A8

[Text] Jakarta, 20 Jun (ANTARA)--The Indonesian government to date never thought of requesting a delay or decrease of its foreign loan reimbursement, Minister of National Development Plan Prof. Sumarlin said.

"This is thanks to a government policy adopted since 1971, that we always make endeavours to fulfill our installment obligation", Sumarlin told the press after he together with Finance Minister Radius Prawiro reported the results of the IGGI meeting in The Hague to President Soeharto at Cendana Residence, Friday.

The 29th annual meeting of the IGGI, lasted from June 18 to 19, Indonesia had secured commitment of the donor countries and international agencies grouped in IGGI to provide an aid to 2.519 billion dollar for 1986-1987 fiscal year.

Answering press questions, Sumarlin explained Indonesian foreign debt at present amounted to about 27.5 billion dollar, excluding the aid pledged at the IGGI meeting.

In 1986-1987 the debt and interest to be paid would amount to 3.8 billion dollar, Sumarlin said.

Sumarlin has told ANTARA that the Indonesian debt provided by IGGI until June 1985 amounted to 25.4 billion dollar, 4.3 billion dollar of which had been repaid leaving the total debt of 21 billion dollar.

While the debt before the inception of IGGI totalled 2.1 billion dollar, 878 dollar of which had been repaid. [as published]

Answering questions on debt service ration (DSR), Sumarlin said, in regard to the loan from government sector the Indonesian DSR accounted to 28 percent.

If the private sector's loan was also included the DSR would reach 30 percent.

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CSO: 4200/1226

INDONESIA

AUSTRALIA GRANTS 2 IRIAN JAYANS REFUGEE STATUS

Jakarta ANTARA NEWS BULLETIN in English 19 Jun 86 p A7

[Text] Canberra, 18 Jun (ANTARA-AFP)--The Australian government Wednesday granted refugee status to two Irian Jayans but made it clear they would not be allowed to stay permanent in Australia.

Immigration and Ethnic Affairs Minister Chris Hurford said no decision had been made on the status of another nine Irian Jayans who also had sought refuge in Australia's Torres Strait Islands after arriving by canoe last year.

But he said in a statement the best solution would be for these nine people to voluntarily return to their homes in the Indonesian province.

In the meantime all 11 people would be granted temporary permits allowing them to stay and work in Australia for six months.

Hurford reaffirmed a cabinet decision of last year that the government would seek the resettlement in a third country of any Irian Jayans to whom it granted refugee status and would not allow them to remain permanently in Australia.

Observers said the government had adopted this policy to deter a potential wave of Irian Jayans from making the short passage across the Torres Strait to Australia's northernmost islands.

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CSO: 4200/1226

INDONESIA

FOREIGN OIL COMPANIES MOVING LOGISTICS BASES TO BATAM ISLAND

Jakarta ANTARA NEWS BULLETIN in English 20 Jun 86 p A4

[Text] Jakarta, 19 Jun (ANTARA)--Thirty-three out of 60 foreign oil companies working with Pertamina on a production-sharing basis have expressed their readiness to move their logistics bases from Singapore to Batam Island, some 20 km south of the island republic.

Of the total, 20 are now already operating, the rest are still in a preparatory stage, the Batam Industrial Development Authority (BIDA) disclosed to ANTARA here Thursday.

The removal of the logistics bases is in response to an appeal aired by the state-owned oil company on September 24, 1984 obliging all its contractors to move their supply bases to the Indonesian territory at the latest by the end of June 1985.

The appeal was prompted by the government's desire to utilize Batam Island, which has been developed into a bonded island, as a supply base or a staging area for oil operations in Indonesia.

In compliance with the removal, imports of equipment and other necessary supplies to support oil exploration and exploitation in the Indonesian territory must be shipped directly to Batam or other last ports of destination in Indonesia.

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CSO: 4200/1226

6 August 1986

INDONESIA

## COAL SELF-SUFFICIENCY EXPECTED IN 1987

Jakarta ANTARA NEWS BULLETIN in English 15 Jun 86 p A5

[Text] Jakarta, 14 Jun (ANTARA)--Indonesia will be able to meet its own demand for coal next year, producing 6,050,000 tonnes per year, spokesman of the Ministry of Mines and Energy Drs. Hardjoko Seputro stated here Saturday.

This is because the country will increase its coal output next year, particularly at the Ombilin coal mine, Bukit Asam (West Sumatra), and also privately managed mines in East Kalimantan, he said.

Coal consumption in 1987 is projected at 4,613,000 tonnes, bigger than this year which was projected at 4,180,000 tonnes. Coal production this year was projected at three million tonnes.

Indonesia has an estimated coal reserve of 23.2 billion tonnes. So far it has found a reserve of one billion tonnes scattered throughout Sumatra, Sulawesi, Kalimantan, Java and Irian Jaya.

Indonesia, according to Seputro, will depend more and more on non-oil fuel for domestic source of energy.

Coal is one of the alternatives after natural oil, and the government has since 1980 called on manufacturers to use coal in place of oil fuel.

Since 1970 the government has compiled a plan to use coal as a source of energy for generating electricity. The government has decided to build steam powered electricity plants using coal in large amounts. So far it has built four steam powered electricity plants, Suralaya, Bukit Asam, Paton and Ombilin.

In 1985 Indonesia exported 1,040,000 tonnes of coal, in the previous year 874,507 tonnes. The coal went to Asean countries, Bangla Desh, Japan, South Korea and Vietnam at US\$38 to 39 per tonne.

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CSO: 4200/1226

CEMENT, CLINKER EXPORTS EXCEED TARGET

Jakarta ANTARA NEWS BULLETIN in English 20 Jun 86 pp A9, A10

[Text] Jakarta, 19 Jun (ANTARA)--The realization of Indonesia's cement and clinker exports in April 1986 has exceeded the set target.

According to data at the trade ministry Thursday, the export of cement and clinker reached a total of 160,000 tons in April 1986, exceeding the target fixed at 140,100 tons.

The cement export was shared by PT Semen Padang plant shipping 42,450 tons to Bangladesh, PT Indocement Group--87,100 tons to Bangladesh, India, Brunei and Maldives; and PT Semen Andalas Indonesia--10,150 tons to Sri Lanka.

The clinker export was made by PT Indocement Group with a delivery of 20,000 tons to Singapore.

In May 1986, the government is planning to export 155,000 tons of cement and clinker. However, until May 13, 1986, the shipment has just reached a total of 57,594 tons with destinations to Bangladesh and Sri Lanka.

Meanwhile, the realization of the cement procurement and supply for the domestic market in April 1986 reached 815,668 tons, compared with the set target of 784,000 tons.

The increase in the domestic cement procurement was stimulated among other things by the growing demand for cement in the construction areas.

The market prices of cement throughout Indonesia during April have remained below the Local Basic Price, except in Banda Aceh and Surabaya where prices have gained a slight increase.

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CSO: 4200/1227

INDONESIA

MINISTER ON PALAPA SATELLITE SERVICE, SUBMARINE CABLES

BK181500 Jakarta SINAR HARAPAN in Indonesian 14 Jul 86 pp 1, 12

[Text] Jakarta, 14 July--A neighboring country still owes Indonesia about 4.2 billion rupiah in subscription arrears for having used the services of the Palapa communication satellite. Minister of Tourism, Posts, and Telecommunications Ahmad Tahir said this to newsmen at the Cendana presidential residence on Monday morning [14 Jul].

He also disclosed that the Indonesian authorities had discontinued Palapa satellite service for that country's television transmissions. Currently that country is only using satellite services for its data transmission system--and it pays the subscription fees regularly.

As usual, the minister did not mention the name of the neighboring country, but people know that it is the Philippines.

Commenting on the Palapa B-2P satellite, Tahir said that talks on its launching are now under way between NASA and the Indonesian Government. He said: "On the dates agreed upon, we will meet the U.S. authorities for another round of talks."

Earlier, the minister went to report to President Suharto on two major projects being implemented and scheduled for completion at the end of this year. These two projects involve the installation of a submarine communications cable aimed at supporting the existing satellite telecommunications network. The first project is the installation of a submarine cable linking Medan, Singapore, Colombo, Djibouti, Jidda, Alexandria, Tolermo (in Italy), and southern France. He said that this network will enable us to make contact with the Middle East and Western Europe. This project is expected to be completed in September this year and the inaugural ceremony will be held in both Singapore and southern France.

With the completion of this project, a submarine cable network will for the first time pass through the Indian Ocean. As is known, there already exists a cable network linking Medan, Singapore, and Jakarta.

Tahir also spoke on the northern cable network linking the country with Hong Kong and Taiwan, which he said, will ensure the country's links with the northern part of the region.

As for a submarine cable network linking Indonesia with Australia, Tahir said that both countries are now working together for its installation. He said: "The installation of the submarine cable linking Jakarta and Perth will be completed this year," adding that this is good news. Replying to a question, Tahir said that the submarine communications cable system is safer and more dependable than satellites.

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CSO: 4213/164

INDONESIA

EDUCATION MINISTER HOLDS TALKS WITH BRUNEIAN COUNTERPART

Jakarta ANTARA NEWS BULLETIN in English 18 Jun 86 p A1

[Text] Jakarta, 18 Jun (ANTARA)--Minister of Education and Culture Prof. Fuad Hassan has discussed the stepping up of cooperation in the field of education and culture with his Brunei counterpart Pehin Orang Kaya Laila Wijaya Dato Seri Setia Awang Haji Abdul Aziz now on a 3-day visit here.

After receiving a courtesy call of his Brunei counterpart at his office here Tuesday Fuad Hassan told the press that interesting matters discussed at the meeting included "how the two friendly countries develop their respective educational systems.

Fuad Hassan said that just like Indonesia, the Brunei Darussalam much thought was also devoted to the educational curriculum. In Brunei Darussalam there was a special agency dealing with the development of curriculum which was often evaluated and revised without triggering off an upheaval.

The exchange of view with his Brunei counterpart had reached a common ground that it was difficult to design a long term curriculum, as factors relating to the educational field like development of technology were moving fastly.

The ministers had also discussed exchange of words on literature and others considering the two neighbouring countries which were from the same root and have the same language.

Minister of Education and Health Pehin Orang Kaya Laila Wijaya Dato Seri Setia Awang Haji Abdul Aziz in his capacity as President of the South East Asian Ministers of Educational Organization arrived in Jakarta on Monday for a 3-day visit to observe projects of the organization in Indonesia.

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CSO: 4200/1226

INDONESIA

RELIGIOUS EDUCATION TO STAY IN SCHOOL CURRICULUM

Jakarta ANTARA NEWS BULLETIN in English 20 Jun 86 pp A2, A3

[Text] Jakarta, 19 Jun (ANTARA)--Minister for Education and Culture Fuad Hasan has stated the ministry never intended to take religious education out of the school curriculum.

"What the ministry is doing now is to consider all the subjects taught at school, not only the religious education, how they fit into the curriculum", he said after reporting to President Soeharto Thursday.

Minister Fuad Hasan made the statement following a report by a newspaper here that led people to believe that religious education would be taken out of or given less time in the school curriculum.

The minister had asked for an explanation from the head of the Research and Development Centre of the Ministry of Education and Culture Prof. Harsya Bachtiar who was the source of the report.

Based on the observation, the proportion of a subject thought to be too big would be reduced and those too small would be added, he said.

It has nothing to do with taking out a subject out of the curriculum, only the burden of certain subjects, he added.

"All we are doing is to coordinate the curriculum, not to take any subject out of it", Fuad Hasan went on to say.

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CSO: 4200/1227

INDONESIA

BRIEFS

MALAYSIA'S GHAFAR, SUHARTO TALKS--Malaysian Deputy Prime Minister Abdul Ghafar Baba has said that his talks with President Suharto at Binagraha, Jakarta, this morning covered political and economic issues in Southeast Asia. Speaking to newsmen after calling on President Suharto, Abdul Ghafar Baba said that Malaysia is studying the situation in Indonesia which is enjoying political stability and economic progress. Like Indonesia, Malaysia is making efforts to achieve political and economic stability. Abdul Ghafar Baba expressed the confidence that Indonesian-Malaysian cooperation within the ASEAN framework will be further enhanced in the future. Answering questions on the situation in his country, the Malaysian deputy prime minister said that his country is facing economic difficulties as a result of the world economic recession. Accordingly, it cannot accept more Indonesian workers. After calling on President Suharto, the Malaysian guest will meet Vice President Umar Wirahadikusumah and Amir Makhmud, chairman of the House of Representatives and the People's Consultative Assembly. [Text] [Jakarta Domestic Service in Indonesian 0600 GMT 16 Jul 86 BK]

JOINT SINGAPORE AIR EXERCISE ENDS--The joint "Elang Indopura 4" air exercise between the Indonesian Air Force and the Singapore Air Force which were taking place in the North Sumatera region since 15 July, was officially closed by Air Chief of Staff Vice Marshal Utomo. The closing ceremony at the Kelapa Said Air Force Base in Medan was attended by Singapore Air Commodore Colonel (Teng Siow Piew) and was witnessed by Regional Military Commander (Ali Genor) and also North Sumatera Police Chief Peter Sambo together with other high-ranking Air Force officials. The Indonesian Air Force Chief of Staff said during the closing ceremony that the joint air exercise, which is the fourth, has been carried out satisfactorily although there are still certain issues which need improvement. He said the Elang Indopura joint air exercise should be continuously held in future. The joint "Elang Indopura 4" air exercise involves 265 personnel from the Indonesian Air Force, 130 personnel from the Singapore Air Force, and is supported by 18 Skyhawk and F 5-E fighter aircraft, four helicopters, and four transport aircraft. [Text] [Jakarta Domestic Service in Indonesian 0700 GMT 19 Jul 86 BK]

FRENCH ENVOY CONCLUDES TOUR--House Speaker Amir Makhmud today [15 July] received outgoing French Ambassador Jean Soulier. Mr Jean Soulier is winding up his 5-year assignment here. [Summary] [Jakarta Domestic Service in Indonesian 0600 GMT 15 Jul 86 BK]

JAPANESE LPG CONTRACT--Indonesia and Japan have signed a contract under which Indonesia will export 1.95 million metric tons of liquified petroleum gas per year for a period of 10 years beginning 1988. The contract was signed in Jakarta on 15 July by Abdul Rakhman Ramli, president director of the State Oil and Gas Company, and representatives of seven Japanese companies. [Summary] [Jakarta Domestic Service in Indonesian 0600 GMT 15 Jul 86 BK]

NEW TIMOR WEEKLY INAUGURATED--Information Minister Harmoko launched a weekly newspaper known as SUARA TIMOR TIMUR in Dili on 16 July. The inauguration of the new weekly was part of the activities to commemorate the 10th anniversary of the incorporation of East Timor Province into the Republic of Indonesia. [Summary] [Jakarta Domestic Service in Indonesian 2300 GMT 16 Jul 86 BK]

1986 INVESTMENT ESTIMATE--Jakarta, 14 Jun (ANTARA)--Junior Minister for Promotion of Domestic Products/Chairman of the Investment Coordinating Board (BKPM) Ir. Drs. Ginandjar Kartasasmita has estimated that total investment in Indonesia this year will not less be than that of last year, although the current economic situation is more worsen compared with that of 1985. [as published] Total investment in 1985 was about US\$4.7 billion consisting of foreign investment of about US\$800 million and domestic investment scheme of about US\$3.9 billion. While according to data from the Central Bureau of Statistics (BPS), the total investment in 1984 was more than US\$4.157 billion and in 1983 was more than US\$4 billion. [Text] [Jakarta ANTARA NEWS BULLETIN in English 15 Jun 86 p A6] /9274

TRANSMIGRATION TO IRIAN JAYA--Mataram (West Nusa Tenggara), 16 Jun (ANTARA)--The province of West Nusa Tenggara is scheduled to send 50 transmigrant families consisting of 120 people to Merauke in Irian Jaya this week, head of the provincial office of the ministry of transmigration Drs. Soebagio disclosed here Monday. He said the new settlers constitute a pioneer batch from the province because it is for the first time West Nusa Tenggara sends its people to transmigrate in Irian Jaya. Drs. Soebagio also said that people in West Nusa Tenggara are interested in joining the transmigration program for resettlement in Irian Jaya after a continuous campaign and motivation in several regions of the province. The sending of the new settlers from West Nusa Tenggara to Irian Jaya is financed under the 1986/87 budget, he said, adding that previously West Nusa Tenggara had also sent transmigrants to South East Sulawesi. [Text] [Jakarta ANTARA NEWS BULLETIN in English 16 Jun 86 p A3] /9274

JAPANESE AID FOR TRANSMIGRANTS--Kendari, 16 Jun (ANTARA)--Transmigrants in Southeast Sulawesi will receive Japanese aid for training in the use of hand tractors, the head of the regional transmigration service, Ketut Berlin, said Monday. As many as 40 transmigrants representing 62 units of resettlement sites in the region 31,144 families will be involved in the training. Ketut Berlin did not disclose the amount of the aid. He said as many as 1,000 transmigrants in the region had received various training in agriculture, health-care and other fields using funds from the transmigration ministry, the Work Bank and other institutions. The training of the transmigrants is given to help them in adjusting to their new environment. [Text] [Jakarta ANTARA NEWS BULLETIN in English 16 Jun 86 p A4] /9274

TRADE SURPLUS--Jakarta, 19 Jun (ANTARA)--Indonesia's trade balance during the month of March 1986 had a surplus of US\$152 million, it was learned here Thursday. Data from the Ministry of Trade shows that the Indonesian export value during that month was registered at US\$1,491 million, while its import value was noted at US\$1,339 million, or a surplus of about US\$152 million. The commodities exported during that period consisted of oil and gas worth US\$914.3 million, and non-oil/gas commodities valued at US\$576.2 million. The oil and gas were exported to the United States and Japan, while other commodities were exported to the EEC (European Economic Community) countries, Hongkong, Singapore, South Korea, Middle Eastern countries and Eastern European countries. The non-oil/gas commodities comprised among others plywood, sawn-timber, tea, pepper, palm oil, coffee, rubber, rattan, vanilla, garments, cement, fertilizer and handicraft. [Text] [Jakarta ANTARA NEWS BULLETIN in English 19 Jun 86 p A3] /9274

NEW OIL, GAS FIND--Jakarta, 20 Jun (ANTARA)--Pertamina's product sharing contractor company, Unocal Indonesia Inc. (a U.S. oil company) has found natural gas and oil deposits at the Ragat-I exploration area, East Kalimantan. Pertamina's (state-owned oil company) Public Relations Bureau Thursday issued a press release that Unocal has a 10,419.5 land and off-shore exploration area in East Kalimantan based on a product-sharing contract with Pertamina signed on October 25, 1968. The Ragat-I exploration well is situated in East Kalimantan off-shore area, 25 km southeast of the Bekapal oil production field cultivated by France's Total Indonesia oil company. According to the study carried out from May 8 to 23, 1986, the Ragat-I well has a deposit of 4,515 barrels of natural oil and 3.8 million cubic feet of natural gas per day. For the time being, the Ragat-I exploration well has been closed since last June 5, 1986. [Text] [Jakarta ANTARA NEWS BULLETIN in English 20 Jun 86 p A4] /9274

INCREASED JAPANESE AID--Jakarta, 19 Jun (ANTARA)--The Japanese government during the 29th IGGI meeting in the Hague on June 18-19, said it would provide economic aid amounting to Rp.544 billion to Indonesia for the 1986 fiscal year. The equivalent US\$485 million aid which is to be channelled through ODA package (the Japanese government's foreign aid body) increase to 6.1 percent if compared with that of last year. It was said that Indonesia is the biggest recipient of ODA aid with a cumulative amount to US\$7.6 billion or about Rp.8,500 billion. The grant aid for the 1986 fiscal year is particularly for the development of agriculture, forestry, education and the development of human resources. Last year, Japanese grant aid totalled US\$49 million or Rp.55 billion. [Text] [Jakarta ANTARA NEWS BULLETIN in English 20 Jun 86 p A7] /9274

CSO: 4200/1227

MALAYSIA

RADIO COMMENTARY SUPPORTS COMMONWEALTH GAMES BOYCOTT

BK181027 Kuala Lumpur International Service in English 0800 GMT 18 Jul 86

[Station Commentary]

[Text] Malaysia is the first non-African country to join the boycott of the Commonwealth Games that will be held in Scotland next week. The decision has been welcomed by all sections of the Malaysian community. The Malaysian Prime Minister, Dr Mahathir Mohamed, at the Commonwealth Heads of Governments Meeting in the Bahamas last November, called for immediate economic sanctions against South Africa as the only possible measure to bring an end to the abhorrent apartheid policy. It is regrettable that largely owing to British refusal, the Commonwealth Association decided to embark on a futile mission to negotiate with the South African authorities. The outcome did not come as a surprise to the Malaysian Government and others who had viewed the whole exercise with scepticism. The so-called Eminent Persons Group had to save South Africa when the racist government launched raid on neighboring black African states.

Since then the news from South Africa has been truly horrendous in character. More repressive measures have been taken against African nationalists. At this critical juncture, the European Community sent the British foreign secretary, Sir Geoffrey Howe, in his capacity as its president, to South Africa on yet another mission. The reactions of black African leaders to this cosmetic gesture could not have been anything but one of utter dismay and anger. Meanwhile, the British Prime Minister and her government have refused to support calls, in particular from fellow Commonwealth states, for comprehensive economic sanctions. It is clear therefore that the anti-apartheid counties are forced to apply pressure on Britain itself apart from carrying on the campaign against South Africa.

The boycott of the Commonwealth Games reflects the strong feelings that the association's members have always displayed towards the prevalence of racism. What is most objectionable about the apartheid policy is that it is institutionalized and given the sanctity of a legal order. The Commonwealth Association on several occasions recorded its opposition to racism and racial prejudice.

At the Lusaka meeting of Commonwealth heads in August 1979, they pledged their cooperation in the elimination of racism and mentioned the need for positive measures to advance its elimination.

The Commonwealth Games provide a valuable occasion for athletes and sportsmen to participate in a worthwhile event and to promote goodwill, but it would be hypocritical to overlook the sensitivity of the African states towards the negative attitudes the British and European states are taking. The African states of the Commonwealth, and more particularly the frontline states that are close to South Africa, have every reason for wanting the emergence of a new political order in that rather problematical neighboring country. Malaysia supports the struggle of the people of South Africa against the monstrous regime that tries to perpetuate a discredited political system. The Malaysian decision not to participate in the Commonwealth Games is our gesture of moral support for all the African states and also the ideal of the Commonwealth Association.

/9716

CSO: 4200/1235

MALAYSIA

BRIEFS

PROTEST TO AUSTRALIA--Australia has received Malaysia's official protest over Prime Minister Bob Hawke's recent statement on the hanging of two Australians convicted of heroin trafficking. Its High Commission counsellor in Kuala Lumpur, Mr (Fitzgerald), confirmed this today. The Minister of Foreign Affairs, Tengku Ahmad Rithauddeen, yesterday urged the Australian High Commission to Malaysia to find out whether Mr Hawke did describe the punishment as barbaric. Mr Hawke also said the hanging could never be justified. Mr Hawke's remark has led to protest from several quarters in Malaysia. Kevin John Barlow and Brian Geoffery Chambers were executed at the Pudu prison on Monday after they were convicted for trafficking in 179 grams of heroin at the Penang airport in 1983. [Text] [Kuala Lumpur International Service in English 0800 GMT 11 Jul 86 BK]

DAP, PAS DIFFERENCES--Seremban, Thurs.--The DAP [Democratic Action Party] will not join the opposition front as long as PAS [Pan Malaysian Islamic Party] insists on including its objective of an Islamic State in the joint declaration. DAP president Dr Chen Man Hin, who is also the MP for Seremban, said the demand for an opposition front by certain circles to fight the Barisan Nasional in the general election must not mean that the parties should sacrifice basic fundamental rights. "The DAP will not sacrifice the fundamental right of freedom of religion even for the sake of an opposition front." That is why the DAP refused to be a party to the joint declaration signed by PAS, the PSRM [Socialist People's Party of Malaysia], SDP [Socialist Democratic Party] and NASMA [Nationalist Party of Malaysia]. Dr Chen said at a ceramah here today the joint declaration of the opposition front stating that it recognised the right of PAS to strive for an Islamic State violated Article 3 of the Constitution. The party's Central Executive Committee will meet tomorrow to make a final decision on the matter. [Text] [Kuala Lumpur NEW STRAITS TIMES in English 18 Jul 86 p 3 BK]

OPPOSITION FRONT'S NEW NAME--The four component parties of the United Opposition Front spearheaded by the Pan Malaysian Islamic Party [PAS] have agreed on a common name--the Harakah Keadilan Rakyat, abbreviated as HAK, or the People's Justice Movement. Representatives of the four parties--PAS, the Socialist Democratic Party, the Socialist People's Party of Malaysia, and the Nationalist Party of Malaysia--met at the PAS headquarters for more than 4 hours on 10 July and agreed on a 5-point joint declaration. [Summary] [Kuala Lumpur NEW STRAITS TIMES in English 11 Jul 86 p 1 BK]

QUARTER YEAR TRADE SURPLUS--According to the Statistics Department in Kuala Lumpur, Malaysia's trade surplus during the first 3 months of the year 1986 rose to 2.54 billion ringgit, up nearly 1 billion ringgit over the same period last year [1985]. [Summary] [Kuala Lumpur International Service in English 0600 GMT 14 Jul 86 BK]

/9716  
CSO: 4200/1235

PHILIPPINES

AQUINO APPROACH TO BALWEG LAUDED

Manila PHILIPPINE DAILY INQUIRER in English 19 Jun 86 p 4

[Editorial: "Talking Instead of Fighting"]

[Text]

AN example of the difference between the administration of President Cory Aquino and that of the deposed dictator is the current talk going on between Butz Aquino, Cory's emissary and Conrado Balweg, leader of the dissident Cordillera People's Liberation Army.

While Balweg has been seen by many people as a result of interviews with media, the sight of him posing for pictures with an official emissary of the government undoubtedly reassures them more than a hundred statements from military officials that the situation is under control.

Balweg represents the type of dissident more prevalent in the Philippine countryside than the New People's Army — a leader genuinely concerned about the condition of his people and a man who fought the government, not for ideological reasons, but because that government had become oppressive, exploitative and criminal in nature.

As long as Marcos headed that government, there was little chance that the rebels in the hills typified by Balweg would sit down and talk rather than fight and kill.

That he is talking to Butz Aquino speaks well of the new President, and of Butz himself, since the basis for any discussions of this nature is always mutual trust. It is clear that Balweg and his army trust Cory Aquino, and the new government in turn regards Balweg more as a wayward citizen to be brought back into the fold and nurtured.

Ideological as its basis for existence is, the New People's Army and even the Communist Party, have also found in the Aquino administration reasonable and populist government with which they can talk.

High officials of the Aquino government have indicated many times over that they have no serious objections to recognizing the Communist Party and allowing its participation in a pluralist society, provided it gives up the option of exercising its political rights through the power of the gun.

If the current talks include the CPP-NPA, then truly Ms. Aquino will have achieved the well-nigh impossible, an eyeball-to-eyeball meeting between two previously antithetical groups as well as their ideas and ideals.

In 20 years of rule, Mr. Marcos never got any of these dissident groups to the conference table, possibly because to him, peace was less attractive than a rabidly anti-communist posture that brought him US aid which he could deposit abroad or from which he could get commissions in arms purchases.

The talks may not achieve all the objectives that both sides would like to see possible, but the fact that the people who have been shooting at each other are now talking is already an achievement in itself.

/13104

CSO: 4200/1239

PHILIPPINES

TRADE MINISTRY STUDIES FOREIGN EQUITY RELAXATION

Quezon City ANG PAHAYAGANG MALAYA in English 19 Jun 86 p 7

[Text]

The Ministry of Trade and Industry is recommending the relaxation of policies on the 60-40 Filipino-foreign investment ratio in a domestic firm, land ownership, and the retail trade law in a bid to encourage foreign investors.

MTI sources said the three major policy areas are being reviewed in line with the expected 15 per cent increase in investments for this year and in 1987. These targets may not be achieved because of the dismal first quarter investment performance, without the corresponding changes in stiff investment rules.

The same sources said the law limiting to 40 per cent the maximum foreign ownership in a domestic enterprise could be relaxed on a case-to-case basis depending upon the type of industry and the amount of required capitalization and technology.

Foreign investors, many of whom are still reluctant to stake their money in what they see as uncertain political and economic situation in the Philippines, may be encouraged to invest if they will be given enough elbow room in terms of increasing their investments and hence, their control in domestic entity.

Another policy area being looked into is the constitutional provision on land ownership barring foreign indivi-

duals and companies from owning Philippine lands.

But sources said relaxation of land ownership laws will be difficult and will take time because it will require an amendment to the constitution.

The third policy area being reviewed is the Retail Trade Law which was originally conceived to Filipinize retail trade which were then mostly in the hands of Chinese entrepreneurs.

Now that the retail trade law has achieved its goal, sources said its provisions could be changed and re-aligned with the need of encouraging foreign investors.

For the first quarter of the year, foreign investments went up by 12 per cent but local investments went down by 66 per cent. Sources said the small increase in foreign investments did not compensate for its continued decline over the years.

While the possible relaxation of investment policies is certain to meet opposition from nationalist groups, sources said the MTI will be putting checks and balances to ensure that foreign investments only supplement and not replace local capital.

They said the country needs foreign investments since the limited domestic capital cannot at all finance business and industrial growth.

/13104

CSO: 4200/1240

PHILIPPINES

LAUREL PRC TRIP BRINGS TRADE, CREDIT

Quezon City ANG PAHAYAGANG MALAYA in English 19 Jun 86 pp 1, 6

[Article by Chit Estella]

[Text] An economic package that could reduce the Philippines' trade deficit was obtained by the Aquino government from the People's Republic of China, Vice President Salvador H. Laurel said yesterday.

Upon his arrival at the Manila International Airport, Laurel told newsmen trade agreements and credit loans from China are only the first of several things he accomplished in his three-day official trip to that country.

The second, he said, is an assurance from the Chinese government that it would never encourage, much less support, the local communist movement in any of its activities.

Although Laurel would not reveal the details of the agreements he signed with China, he

described his mission as "highly successful." He said the Chinese government has made a "definite commitment to help reduce the trade deficit."

Trade between the country and China is expected to increase and overall Philippine-Chinese relations will be closer than ever, Laurel said.

In addition to the unspecified economic benefits which the vice president said he has won for the country, diplomatic and cultural strides were also reportedly made.

A new Philippine consular office will be opened in Guangchow. A Chinese consulate, on the other hand, will be set up in Cebu, Laurel said.

Laurel also said the two governments have agreed to hold regular meetings on the ministerial and sub-ministerial levels to discuss issues of mutual interest.

/13104  
CSO: 4200/1240

PHILIPPINES

PRC TRADE MISSION CONCLUDES \$40 MILLION IN ORDERS

Manila MANILA BULLETIN in English 26 Jun 86 p 15

[Text]

The 28-man trade mission from People's Republic of China (PROC), who came here on invitation of Philippine International Trading Corp. (PITC), concluded US\$40 million worth of export orders after a two-week stay in the Philippines.

The delegation left Tuesday for Beijing.

Headed by Madame Ye Lingyun, the delegation was mandated to balance Philippine trade with China and to diversify China's imports from the Philippines.

Among the major items purchased by the Chinese were: 80,000 metric tons (MT) fertilizers, 12,000 MT copper cathodes, 10,000 MT copper concentrates, 10,000 MT bananas, 850 MT steel wires and rods, 500 cu.m. plywood, and 3,000

MT coconut oil.

Negotiations for the purchase of an undisclosed amount of tobacco leaf are still underway. Long-term arrangements for the export of coconut oil was also discussed.

In turn the Philippine purchased 6,000 MT soya bean meal, some amount of textiles, canned goods, machinery, equipment and assorted hardware items with a total value of US\$6.84 million. China also offered raw cotton and fabrics to garment exporters and some processed foods. Long-term supply of coal was also explored. According to delegation head Madame Ye Lingyun of the Chinese Ministry of Foreign External Relations and Trade (MOFERT), her

group came to the Philippines to buy Philippine products rather than to sell Chinese goods in an effort to narrow the widening trade gap between the two countries. The Philippines suffered a US\$666 million trade deficit with China during the last five years or a deficit of over US\$100 million yearly.

This is mainly due to the country's purchases of Chinese crude oil which in 1985 and 1984 accounted for 68 and 71 percent of total imports, respectively. This year imports of Chinese crude oil are being reduced. The Philippine National Oil Company (PNOC) has also negotiated a new pricing formula based on the prevailing spot prices of crude oil in the open market to bring down import costs.

/13104

CSO: 4200/1240

6 August 1986

## PHILIPPINES

## COJUANGCO PEPSI LINK, JAPANESE GOLD TRADING VIEWED

Manila PHILIPPINE DAILY INQUIRER in English 19 Jun 86 p 5

[Article by Hilarion M. Henares Jr.: "Two Stories on Danding Cojuangco"]

[Excerpt]

THE FIRST story is that Danding Cojuangco is coming back about the middle of July. He will be back, according to his friends, with a view to defending himself from accusations of cronyism, electoral frauds and political terrorism, confident that the Aquino administration will guarantee him due process. He will also help the PCGG pinpoint the hidden wealth of Marcos. Would you believe it?

Rumors abound that Danding told his close associates in a telephone conversation to prepare the way for his return, because he was simply tired of looking at the skyline of San Francisco, and of being summoned to Hawaii by the Marcoses to account for some of the hidden wealth.

He said he will return come hell or high water in mid-July to defend himself from the new government, tapping the services of Gabby Villareal and Dennis Navarro. Gabby is one of the assistants of Jose Concepcion of ACCRA, while Dennis was a former business reporter who became president of Danding's publicity and cloak-and-dagger outfit, Interpublic.

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The second story is that Danding owns Pepsi Cola — something I do not really believe. But many others do, including my friend Ricardo de Leon, retired president of the Atlantic Gulf, and of course the PCGG which is raring to sequester the Pepsi Cola Bottling Co.

Ernie Escaler, who many people believe is the front man for Danding, is out of town. Since the February revolution he has been demanding a thorough investigation by the PCGG to put the matter of ownership to rest. So far no action has been made because the PCGG was busy with the San Miguel imbroglio. But soon, even before Ernie comes back, the axe will fall.

What is the other story? Danding Cojuangco, after a decade-long business partnership with Johnny Ponce Enrile that started during the heyday of the United Coconut Mills (UNICOM), became one of the most trusted cronies of deposed President Marcos.

The PCGG insiders believe that Pepsi Bottling Co. bears the earmarks of a Danding takeover similar to those of San Miguel and 30 other companies owned by Danding. The shares of stocks are believed to have been endorsed in blank, and are owned either by Danding or by Marcos himself.

It is said that the top Pepsico management led by Roger Enrico, president and CEO of Pepsi Cola USA, were so depressed by the financial scandal in which local American officials manipulated the financial statements, and so intimidated by Marcos and his cronies, that they threw in the towel, and decided to sell out the franchise to the powers-that-be.

The powers-that-be consisted of several power blocs — the children of Marcos fronted by Chinese businessmen, the Danding Cojuang-

co group, the Enrile group, and the clerico-religious group headed by Ernesto Escaler.

The Pepsico officials who wanted out at all cost negotiated with almost all the groups, not only because their operation here has become non-viable and subject to political pressures, but also because they expected that the country was fast moving to a revolutionary situation. Pepsico decided to "give the big fishes some of the action," meaning the Cojuangco and Escaler groups.

The PCGG insiders think that there was a trust agreement which called for one group to take over the day-to-day management of the Pepsi operations. Also there is a stipulation that in case of political change, the Escaler group can vote the shares of Danding, or buy him out if Ernie so desires.

The Escaler "take-over" was orchestrated to highlight the Filipinization of Pepsi Cola as a desirable and inevitable development.

This is the Other Story, which deserves to be put into print, since I have stated again and again that in my opinion, the Pepsi Cola was sold to the Escaler group in a sweetheart deal.

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Remember the piece I wrote about Colonel Ona, the gold king? Well, Ms. Catalina Tinio de Guzman of the prominent Tinio clan, who runs the Good Samaritan Hospital in Cabanatuan, sent word through her nieces that indeed there are Japanese engaged in buying gold in

Carranglan, a mountainous town in Nueva Ecija. They load the gold in drums and transport them with an armed escort. According to her, they are there allegedly for a reforestation project.

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There is a large one-fourth page advertisement by the Philippine National Bank that appeared on June 5, 6, and 12 in the newspapers. What is so remarkable about this ad is that it advertised the bidding for only one property, a house with a swimming pool on a lot area of 678 sq. meters in No. 7 Geronimo St., Magallanes Village. The usual way is to advertise several properties only once. Why all this continuous effort to sell this particular property?

Well, this property happens to belong to Ricardo Silverio, erstwhile owner of Delta Motors which assembled Toyota cars. The story goes that the son of a high official in the Cory administration was eyeing this particular house for himself, and asked his papa to help him. His papa endorsed the son's request to PNB president Vicente Jayme, who in turn endorsed the request to another official of PNB whom we shall call Mr. X. The son called up Mr. X a few days later, saying "Did you receive my letter? Well, what have you done about it? What is delaying it?"

Mr. X answered, "I was at EDSA getting my ass blown off, and for what? For this? Sonny, if you want the house, you are gonna have to bid for it. And I will have other bidders for it even if I have to advertise the bid a thousand times till kingdom come!"

/13104

CSO: 4200/1239

PHILIPPINES

INQUIRER REPORTS ON CASH ADVANCES, PCGG NO-SHOWS, RAMOS' TEMPER

Manila PHILIPPINES DAILY INQUIRER in English 19 Jun 86 p 4

["Between deadlines . . ." by the INQUIRER Reportorial Staff: "A Sampling of Ramos' Temper"]

[Text]

SO you thought the last Independence Day rites were austere. Think again.

Cash advances made by certain Quezon City Hall officials amounted to a staggering P340,977. And that's just for one city in that creation of Imelda Marcos called Metropolitan Manila which has four cities and 13 municipalities.

Anyway, getting back to Quezon City, the officials who made the cash advances were: Nestor Borrromeo, secretary to the mayor, with P190,000; Cesar Sanghio, city parks superintendent, P70,000; Gerardo Magat, city planning head, P60,977 (for banners!); and Reuben Gabuya, who's with Jun Simon's personal staff, P20,000 (for Food! !).

Word has it that these officials have not yet properly liquidated the advances. They'd better do so soon, or else Audit Commission chief Teopisto Guingona may be forced to run after them.

\* \* \*  
Newsmen covering the sequestration commission, also known as the PCGG, on Tuesday walked out of the commission's briefing room after waiting for five long hours for Commissioner Ramon Diaz. Diaz allegedly "didn't feel like chatting with reporters."

Diaz joins Mary Concepcion Bautista in a string of no-shows at previously scheduled press briefings this week. The same can be said of Minister Jovito Salonga who, now that he's in power, remains the most elusive of all.

Reporters can now expect another lunch date with the PR staff of the newsmen's favorite commissioner (for one reason or another) Raul Daza because of the walkout.

Not too long ago, many of the people now holding lofty government posts were practically begging the media for coverage.

My, how things quickly change.

\* \* \*

Defense reporters had a sampling of Gen. Fidel Ramos' temper on Monday moments before the scheduled confrontation between Ex-Gov. Ali Dimaporo of Lanao del Sur and Regional Unified Command 12 chief Brig. Gen. Rodrigo Gutang at Camp Aguinaldo.

Just before the meeting, Ramos saw newsmen milling around Gutang. Thinking that the RUC 12 chief was making yet another statement critical of Dimaporo, the AFP chief walked over, stood face to face with Gutang, and in an unmistakably irate voice told the Brigadier: "Rod, stop making inflammatory statements to the press. We are trying to avert bloodshed here and find a peaceful solution. So shut up!"

Turning to the stunned newsmen, Ramos in friendlier tone said, "Pardon me, boys. But you're not to blame."

The dagger look he threw at Gutang clearly indicated whom he believed was to blame.

Later, he also approached Gutang's "adversary," Dimaporo. In his usual no-nonsense manner, Ramos told him: "Stop playing with us, Ali. What you returned to us were nothing but junk!"

The general was referring to the World War I and World War II-vintage guns the ex-governor "returned" to the government in Lanao del Sur last week.

\* \* \*

As far as the defense ministry is concerned the Dimaporo-Gutang feud is over.

But just before the two men embraced each other and made up before newsmen, the ex-Lanao Sur chief said he had received offers from Nur Misuari's faction of the MNLF - in an obvious attempt to exploit the brewing controversy - for protection.

Through emissaries, Misuari allegedly advised Dimaporo to take the offensive against the mili-

tary for what the secessionist leader explained was the "groundwork for complete Mindanao independence."

Dimaporo insists he declined the MNLF offer.

\* \* \*  
Tongues are wagging at the Manila International Airport.

Their topic? Gerardo "Gerry" Esguerra, MIA security chief, who came in together with Acting Manager Romy Santos.

They are asking: Who is Gerry Esguerra? What made him qualify as MIA security chief?

Well, we'll try to answer that.

Gerry Esguerra is a blue-blooded Atenean, finishing his grade school, high school, and college (we're not sure if he really got his diploma) at the Ateneo de Manila.

He was one of the original, "aktibistas," together with the late Edgar Jopson. An orator of sorts, he was a "Voice of Democracy" (an elocution contest) champion. He became president of the National Union of Students of the Philippines (NUSP). During martial law, he reportedly went underground.

He was later linked to the so-called April 6 Liberation movement which claimed responsibility for the bombing of a travel-agency conference at the PICC. Marcos was their real target, but somehow the explosive injured other people instead.

He also ran for Quezon City mayor in the 1981 local elections. That, too, was not much

of a success.

While the post Esguerra now holds requires a military background, his soldiering experience had been confined to being a PMT commander at the Ateneo High School in the mid-60s.

It's apparent his political patrons consider his being a former urban guerilla adequate "military experience."

Questions answered?

We tried.

\* \* \*  
Guess who's in charge of the finance ministry when Jimmy Ongpin is out of the country?

It's no other than Cesar Buenaventura, president of Pilipinas Shell Petroleum Corp., and reputedly a member of the Council of Trent.

Reliable sources say that Buenaventura is also the confidante of Ongpin and that most of Ongpin's appointments were either recommended by Buenaventura or had his concurrence.

The sources also say the Ongpin-Buenaventura tandem was responsible for the appointment of Jesus Ayala to the Monetary Board, the policy-making body of the Central Bank. Ed Espiritu, president of Metropolitan Bank and Trust Co., is also being eyed by the two to sit in the board. Buenaventura is also a member.

The sources add that Buenaventura is the "shadow" finance minister, and that all decisions must be coursed through him when Ongpin is out of the country.

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CSO: 4200/1239

PHILIPPINES

RAMOS COMMENTS ON AQUINO CABINET, 'NEW' MILITARY IN INTERVIEW

Manila PHILIPPINE DAILY INQUIRER in English 20 Jun 86 p 4

["Straight from the shoulder: by Luis D. Beltran: "No Political Statement from Ramos"]

[Excerpt]

WITH the growing tension between Defense Minister Juan Ponce Enrile and members of the Aquino Cabinet daily becoming more visible and more pronounced, the eyes of the country are on the man who is the glue holding the military establishment together.

That man is Gen. Fidel V. Ramos, who insists on being called chief of staff of the "New" ("please emphasize that") Armed Forces of the Philippines.

In the Revolution of 1986, Enrile and Ramos were the two persons who methodically dismantled the Marcos military machine by a combination of psychological warfare and sheer bluff buttressed by unexpected support from a wide divergence of military units. But it was Ramos who brought in loyal officers from far-flung areas and executed the military plans which bottled up Nichols Air Force Base and took control of the television towers. And it was to Ramos that the majority of defecting military commanders pledged their support.

It is Ramos who, today, is in direct daily contact with field commanders, most of whom he handpicked from the ranks of the oppressed and shunted aside. And it is Ramos whose support is vital to anyone who wishes to take power — or anyone who wishes to keep it.

\* \* \*

We joined an *Inquirer* reporter in an interview with Ramos in Camp Aguinaldo offices yesterday and found

the General busy with a long list of callers and military routine — in spite of the growing perception outside of the possibility of a military *coup d'etat*. Ramos brushed aside the idea of the military acting on its own to influence the nature of the political system, saying that the "New" AFP has now returned to its traditional role of being "supportive" of the civil government. The word "supportive" would pop up in his answers continuously. Supportive of the political decisions of the President. Supportive of the policies enunciated by the President. (He gave her fulsome praise for her feat of bringing different sectors together towards solutions in Region 11, Davao, where he rated the President "excellent"). Clearly "supportive" of President Aquino herself, he sidestepped the question of "how high" Communist infiltration of the present government was. Before that, however, he said this was nothing new, since the CPP-NPA had always tried to infiltrate the government.

\* \* \*

Asked if the sometimes chaotic nature of the Aquino Cabinet system interfered with a smoother solution to military problems, Ramos smiled and said: "Let's just say that it makes us busier." If he could be said to be mildly critical of the present administration, it was in the matter of ministers wrangling publicly, as he said disapprovingly that this should be stopped because unity was an

essential factor for political stability. Did the OIC system interfere with counterinsurgency and peace and order programs? Ramos replied that reports were constantly submitted to the President about "failures" in certain areas and the AFP left the political solutions to the Palace, but soldiers were not interested in recommending OICs or taking part in the political process.

\* \* \*

Aides of President Aquino have said that she is more "comfortable" with Ramos than with Minister Enrile, but Ramos is not the type to exploit that situation. He showed us copies of his recommendations for the promotions of brigadier generals to major generals, stressing a covering page on his recommendation - the recommendation of Minister Enrile for the same people - which included newly-promoted Maj. Gen. Jose Magno. Ramos said he had recommended all the service commanders and others, including Magno because Magno's performance and responsibilities (his favorite criteria for promotions) as well as seniority merited it, along with the others.

\* \* \*

Ramos does not have one political statement to make, unlike his "civilian spokesman for the military,"

Minister Enrile. He acknowledges instead, the right of the Commander-in-Chief to decide on matters of promotions "down to the lowest second lieutenant." It is a standard interview, with standard West Point-type answers, occasionally broken by the sometimes impish Ramos smile.

But would there be a *coup d'etat* against President Aquino? And if it happened, would Ramos support it?

Possibly, the best answer to that would be the fact that Ramos has constituted a special committee in the "New" AFP to study the role of the military establishment in the context of the political system being proposed for the next Constitution.

Meanwhile, Ramos says: "We're strictly playing it straight and we expect the political leaders, including the Minister of National Defense, to speak for us in the AFP. I cannot be like a civilian political leader, everybody has his role to play and ours is making sure that the AFP remains consolidated, united and operationally effective and credible. We would like to preserve the credibility we won in the Revolution."

And that credibility, many people will say, would be lost if the very military establishment which installed the People Power Government, were to be instrumental in its downfall.

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PHILIPPINES

ZAMBOANGA CHDF STILL LOYAL TO FORMER MAYORS

Dipolog City THE MINDANAO OBSERVER in English 2 Jun 86 p 5

[Text] A gnawing problem which, if left unattended to, might result to a crack in the local leadership of town mayors is expected to blow up anytime now in the wake of reports that some CHDF members of some southern municipalities of this province are still loyal to the replaced municipal mayors to the extent of snubbing the authority of the designated officers-in-charge.

The disclosure was made early this week by municipal mayors of southern towns who claimed the CHDF outfits were used as private armies of the replaced mayors to create an atmosphere of power and ward off notions of opposition from the constituents of the municipalities.

The CHDF units used as private armies were instrumen-

tal in the commission of untoward incidents to perpetuate the interests of the replaced mayors.

Instead of curbing down peace and order problems, the CHDFs were likely the ones to have initiated the trouble, the report said.

The mayors revealed the CHDFs have not totally severed its ties with the old mayors, which is viewed as "unhealthy" for the speedy recovery of reconciliation among political parties.

In the same vein, military higher ups assured the officers-in-charge any scalawag in the CHDF shall be weeded out immediately after thorough investigation has been conducted. (RAP)

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CSO: 4200/1232

PHILIPPINES

LOPEZ FAMILY EXPLAINS EFFORTS TO REGAIN ASSETS

Manila MANILA BULLETIN in English 15 Jun 86 pp 7, 16

[Statement issued by former Philippines Vice-President Fernando Lopez and Eugenio Lopez, Jr; date and location not provided]

[Text]

Over the past few weeks there have been published reports, unfortunately mostly emanating from anonymous sources, about alleged efforts by the Lopez family to regain control and/or ownership of assets that were seized by the past martial law government. Needless to say, these reports are inaccurate and misleading.

The Lopez family wishes to make its position clear on the issues raised against it.

1. Members of the family seek to redress an injustice perpetrated upon them by the martial law regime. We want nothing more than a reasonable settlement of our claims on the family-owned assets that were either forcibly seized or clearly underpaid by the Marcos government and its cronies.

2. The Lopez family feels it can contribute to the goals of the new government by doing what it knows best, namely, providing entrepreneurial and managerial leadership in business areas most familiar to the family prior to mar-

tial law.

3. In pursuing its objectives, the Lopez family has always sought and will continue to seek to identify its aspirations with those of the national interest, being fully aware of the urgent need for this country not only to create new wealth but to promote a more equitable distribution of that wealth as a means of achieving a stable, democratic and just society.

As everybody knows, with the advent of martial law, the Lopez family was subjected to a long period of persecution, primarily because Eugenio Lopez Sr., through the Manila Chronicle, dared to be openly critical of the graft and corruption of the Marcos regime by the early 1970s. This public criticism reached its heights in a series of front-page editorials and cartoons which exposed the issue of the hidden wealth of the Marcoses, long before the general public became fully aware of the extent of the capacity and greed of that con-

jugal dictatorship.

Hence, when martial law was declared, the Manila Chronicle was shut down; ABS-CBN was seized and used by Marcos and his cronies without any compensation; the family was compelled to sell under duress its controlling interest in Meralco Securities Corp. Eugenio Lopez Jr. was jailed for five years; Eugenio Lopez Sr. was forced to live and die in exile in the United States because he refused to come to terms with Marcos.

Another measure of the inhumanity of the Marcoses was that even when Eugenio Lopez Sr. was dying, his two sons in Manila who were not imprisoned were not allowed to visit him on his dying bed in San Francisco in July of 1975.

Like the rest of the Filipino people, the Lopez family rejoices that the nightmare years of the Marcos era are over. But now is a time for rebuilding and making a fresh start from the economic and political ruins of the Marcos regime. It is

only just that the Lopez family should now regain what was taken away from them.

The Lopez family seeks a settlement of its claims against Marcos and his cronies in two areas. The first one concerns the family's 28 percent shareholding in Meralco Securities Corp. (MSC), an entity which was established by Eugenio Lopez in 1961 and which controlled not only Manila Electric Company (Meralco) but also Philippine Electric Corp. (PHILEC), Philippine Petroleum Corp (PPC), Philippine Engineering and Construction Corp. (PECCO), Meralco Securities Industrial Corp. (MSIC), and a substantial interest in the Philippine Commercial and International Bank (PCIB).

These MSC shares were extorted from the family in 1974 under duress by Mrs. Marcos through the manipulations of his brother-in-law, Benjamin "Kokoy" Romualdez. There are two aspects of the family claim on this transaction. First, the family would like to claim the differential between the actual purchase price and the book value of those MSC shares at the

time of sale; secondly, the Lopez family corporation, Benpres Corp. is currently still in the position of an unpaid creditor of the Meralco Foundation in the amount of \$6.3 million, which represents the overdue installments on the sale of our MSC shares in 1974.

While the family is, at present, providing managerial services for Meralco in the person of Manuel Lopez, its president, this is not the same as regaining control and ownership of Meralco. If the government decides to take over control of Meralco, we are ready to abide by that decision. Similarly, the presence of Oscar Lopez as president of First Philippine Holdings Corp. and Eugenio Lopez Jr. as board chairman of PCIB are ultimately at the discretion of President Aquino and not because of equity ownership by the family in these corporations.

The other area where we seek redress, but where we would like again to play a role, is in media. Despite the fact that ABS-CBN broadcasting network was taken over by Mr. Marcos through his crony, Roberto Benedicto, no payment was made

whatsoever for the use of the ABS-CBN facilities during the entire period of the Marcos dictatorship. Similarly, the presses and other equipment and supplies of the Manila Chronicle were taken over by Mrs. Marcos through "Kokoy" Romualdez under terms and conditions that were dictated by Kokoy. The takeover of the above properties were facilitated by the simple expedient of imprisoning Eugenio Lopez Jr. on trumped-up charges.

In our perception, government policy on print media seems to be to leave them to private enterprise. The case of how much government participation there will be in broadcast media is still not defined.

Consistent with the apparent policy of leaving print media to private enterprise. The Manila Chronicle has resumed publication according to concepts consistent with social responsibility and equity. The new Chronicle will publish with a broader base of public equity participation. The public will, in due time, be invited to buy shares in the Chronicle in order to democratize its base. Under present government policy, any group of Filipino citizens may publish a newspaper to give meaning to the government's commitment to press freedom.

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CSO: 4200/1240

PHILIPPINES

BELTRAN ON PHILCOA, PCGG, PLDT DEVELOPMENTS

Manila PHILIPPINE DAILY INQUIRER in English 19 Jun 86 p 4

["Straight from the shoulder" by Louis D. Beltran: "No one is safe from ex-dictator"]

[Excerpt]

NOTABLE NOTES: Filipinos coming back from Los Angeles report that Local Governments Minister Aquilino Pimentel was in LA, occupying the Presidential Suite of the Bonaventure Hotel, one of that city's best hotels. That's a long distance from the mayor's office in Cagayan de Oro City certainly. . . Some people in Malacanang are saying that 140 of the members of the Reform the AFP Movement were carried on the payroll of the Philippine Coconut Administration (Philcoa) as security consultants. That's an unverified report which could be part of the destabilization plan against Defense Minister Juan Ponce-Enrile. The idea is apparently to force Enrile to resign and to appoint either Deputy Prime Minister Rafael Ilete in his place or AFP Chief of Staff General Fidel Ramos. Waiting in the wings is Major-General Jose Magno, currently the most-ranking officer in the AFP next to Ramos. If this battle weren't so dangerous, it would all be amusing. . . One of the Task Force members for the Cojuangco-Floirendo companies, Luis "Chito" Lorenzo, came to see us to explain the matter of the huge salaries and allowances which the task force is asking from the sequestered companies. Lorenzo says the Task Force members will not be the OICs for the companies but profes-

sional managers who are certainly worth the P15,000 each will get monthly. Lorenzo himself says that as far as he and fellow Task Forcer Paul Dominguez are concerned, whatever salary they get from the Task Force will go towards paying their own "volunteers". Lorenzo and Dominguez come from two of the wealthiest families in Davao. However, their good intentions do not change the question of morality involved in asking for money from companies which the PCGG itself is investigating. . . The money for those investigations should come from the P50-million budget allotted to the PCGG but apparently, up to now, only P1.5-million has been released by the Budget Ministry.

\* \* \*

Predictably, the old Marcos Cronies in the PLDT were re-elected to the board, with the group of Alfonso Yuchengco getting some seats. Control, however, will revolve in the hands of the same Cojuangcos who brought you the worst public utility in Philippine history. Two directors, however, were the cynosure of all eyes. PCGG representatives Ben Guingona and Mario Locsin were elected by the sequestered shares of Ferdinand Marcos in the hands of the PCGG - according to PCGG Commissioners Guingona and Locsin are therefore presumed to be

working on the basis of orders from Malacanang. Let us see which officers will be nominated by Guingona and Locsin — those officers will be presumed to have the imprimatur of the President herself, and whatever happens, she must take direct responsibility. The story is that Guingona and Locsin were recommended to Cory by the PLDT Cojuangcos, making the company one whole happy Family-run corporation.

\* \* \*

Incidentally, the leader of the PCCG Task Force isn't going to let matters rest with the PLDT, which he now calls the PLDT Railroad Company as a result of the stockholders meeting. Sison plans to take the case to the Tanodbayan, along with other cases he may file before the SEC as a minority stockholder. It seems that some \$7-million of the PLDT's money was deposited in a Hongkong bank and the interest sold to Filipino buyers. The money paid was in turn deposited into the PERSONAL account of two PLDT officials — who then gave the money in the form of contributions to then President Marcos and his wife. By the way, as an interesting footnote, the PLDT money in New York was kept in a Citibank branch that was — Voila and Behold — the same bank where Ms. Marcos kept her money. Convenient for all concerned, right?

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PHILIPPINES

DAVAO COLUMNIST LAUDS MARCOS, HITS "POLITICAL ENEMIES"

Davao City DAVAO STAR in English 26-29 Jun 86 p 2

["What are we in power for?" by Jose M. Santes: "President Marcos is the real true leader"]

[Text]

It is hypocritical, deceit, pretentious and unpatriotic to say that the country was brought back to the people. This was never been so. The cowards, those with guilty conscience, and the traitors left the country at the time of crises when their crusading was needed most, fictitious or real. Now they are back in vain.

\* \* \* \* \*

It is also wrong to say that democracy was returned to the people. This is another presumptuous pack of lies and hypocrisy. Nobody was deprived of his liberty except the enemies of the state; they be criminal elements, the subversives and unprincipled. I had my own trouble in Martial Law era. Martial Law was very good to well-meaning citizens, law-abiding Filipinos and those who pursue their business legitimately, but unsavory to the criminal elements and traitors to the country, the opportunists and corrupts and those with a guilty conscience.

\* \* \* \* \*

I had my own trouble during Martial Law. More than 100 people filed libel suits against me. Some took advantage of their government power. Not satisfied of filing some cases in fiscal offices and in courts, some were filed in the local military tribunal using government facilities. Of the five cases filed against me in the military Judge Advocate Government Office (JAGO), were dismissed immediately after thorough investigations. I did not employ a lawyer! I just reasoned on my own! One case lasted six days of eight hours a day investigation. All cases were dismissed. That means that the military tribunal officers are just honest and principled. I never landed in the stockade for even a second. That proves to show that democracy was very much alive in the country during the President Marcos regime. That prove to show that as far as the military is concerned, once the accused can prove his point, he is free and nothing to fear. Unlike the cowards with a guilty conscience had to leave for abroad and sell the Filipino people, the country and the government to the dogs.

\* \* \* \* \*

Despite that the Federal Judge of Hawaii handed down a decision to allow President Ferdinand E. Marcos of the Republic of the Philippines the return of his personal property worth \$7 million dollars, still some of his political enemies protested the order by the Hawaii Federal Court the release of the properties. That is man inhumanity to man. This is true to a country with people in power who resort to black propaganda, character assassination, trial by publicity, deceit, treachery, pack of lies and communistic designs. What I heard, President Marcos and First Lady Imelda Marcos are rationed for their foods by Filipino compatriots in Hawaii of Christian hearts.

This is premeditated, deliberate, intentional act of murder, and I hope, the 54 million Filipinos will condemn this kind of actuation.

\* \* \* \* \*

To my mind, President Ferdinand E. Marcos, is the real and true leader of the Filipino people by virtue of the last electoral result of which all law-abiding citizens, well-meaning citizens and those who pursue their business legitimately went to the polling precincts to cast their votes. They wasted their time, money and efforts to exercise the democratic suffrage on the basis of constitutional mandate. Millions worked hard for the re-election of President Marcos for the fourth term. They sacrificed their money, time and effort for the reelection of President Marcos of the Philippines with firm conviction that President Marcos is a one true real leader of the country and Filipino people because according to them, President Marcos is the best President of the Philippine Republic.

[words indistinct]

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PHILIPPINES

CONSTANTINO CRITICIZES AGRICULTURE MINISTER'S POLICIES

Quezon City ANG PAHAYAGANG MALAYA in English 18 Jun 86 p 4

[Commentary by Renato Constantino: "Nationalist agriculture"]

[Text] In contrast to the evolving policies of the Aquino government on agriculture, several nationalist-oriented groups are gearing their efforts to reversing the imported-input-dependent and debt-fueled agricultural program of the Marcos administration that favored transnational agribusiness and trading corporations. Masipag (Mga Magsasaka at Siyentipiko Tungo sa Pagpapaunlad ng Agham Pang-Agrikultura), ACES (Agency for Community Educational Services), and several social and natural scientists led by Dr. Burton Oñate favor the return to certain indigenous practices and are conducting experiments intended to deliver the Filipino farmer from perpetual bondage.

Their activities focus on alternatives to chemical fertilizers and pesticides and the return to the planting of traditional seeds.

Imported chemicals have killed the sources of additional farmer income and food like fish and frogs, leached the soil, polluted the rivers and destroyed the nitrogen-fixing bacteria that produce natural fertilizers. Farmers have found out that pesticides do not eradicate pests per se. Instead, they tend to create more hardy pests as most insects gain immunity while others, considered harmless before, turn into destructive bugs. Inorganic—or—petro-chemical-based materials are not the only form of farm inputs. Organic materials are cheaper and are not detrimental to the soil, the environment or man himself. While the use of organic materials

may not result in farm yields as high as those which utilize chemical fertilizers, financial requirements to support organic farming are much less. Net income for the farmer could therefore be higher. In fact some organic inputs such as humus from rice straw and animal manure can be acquired not only cheaply but for free.

Farmers have rediscovered organic farming. Southern Cotabato farmers have found that azolla, an aquatic fern which supplements protein content in animal feed, can also be used as a good substitute for chemical fertilizers. It is a biological source of N-fertilizer.

Dr. E.T. Castillo, a UP agronomist, points out that azolla can be an economical substitute for chemical fertilizers. Dr. P. C. Payawal of UP Los Banos says that azolla spores can be used to seed several hectares of rice land at a very low labor cost. Unfortunately, the use of azolla has not been encouraged since it could be a major competitor of the N-chemical fertilizers which are the products of transnationals.

With regard to pest control, positive steps have been taken to find new ways of fighting these destructive creatures. A search has been initiated to locate the natural enemies of pests that destroy our country's main agricultural crops: rice, corn, vegetables and coconuts. New techniques pit a tiny insect against the country's most destructive corn pest, the Asian corn borer. Also discovered are a

fungus which kills the larvae of the coconut black beetle and an extract from the neem plant that controls rice pests. On the whole, they have been perceived as excellent substitutes for toxic chemicals. They can be produced at low costs even at the barangay level. And best of all, they have only benign effects on human beings, animals and the general environment.

Animal manure is now the subject of renewed interest throughout the country. Livestock farmers are happily deriving extra income from its sale, for it is an effective, readily available and cheap fertilizer.

Perhaps tired of waiting for the government to wake up to the fact that appropriate technology will not be forthcoming from transnational sectors, critics like Dr. Burton Oñate who have raised very valid issues against the seed-fertilizer technology developed by IRRI, are now going to put up alternative centers to IRRI geared to using traditional rice varieties which are not dependent on imported chemical inputs. According to ACES, progressive farmers and scientists will establish thirteen mini-IRRI in actual farm sites to foster farmer-scientist research cooperation.

Masipag intends to develop crop cultivars and breeds which are less capital-intensive and less dependent on imported inputs than the present IRRI crops. Experiments in alternative inputs like organic fertilizers will be conducted so that cost of production of rice can be scaled down. Another

objective is the improvement of traditional varieties.

Given the emphasis on agriculture of the Aquino administration and its avowed pro-Filipino orientation, it is ironic that these alternative measures and studies appear not to be given priority as an important component in the country's agricultural program. The Minister of Agriculture has opted instead to help farmers by reducing the prices of the imported petrochemical based farm inputs through a reduction of taxes on these products.

By sacrificing government revenues and placing these transnational products within the reach of the small farmer, the new government has only promoted increased and continued dependence on foreign products. It cannot even be sure that the TNC producers of these farm inputs won't take advantage of the tax reduction to raise their prices.

The much publicized campaign promise to be the opposite of the Marcos administration was belied by Minister Mitra when he stated in a recent interview that "We are not interested in being different as much as in being effective. We are assuming that they (referring to his predecessors Arturo Tanco and Salvador Escudero) laid a very good foundation upon which we can continue building."

The pro-people posture of the Aquino government is being nullified by policies favoring foreign agribusiness, the World Bank and the IMF.

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CSO: 4200/1240

PHILIPPINES

CONCEPCION MEETS URBAN POOR, SCORNS IMF/WORLD BANK

Davao City PERYODIKO DABAW in English 24 May 86 pp 1, 6

[Text] Minister of Trade and Industry Jose Concepcion yesterday minced no words when he damned the IMF/World Bank before spokesmen of some 3,000 urban poor demonstrators at the Central Bank building.

Concepcion had gone there for consultations with sectoral groups in connection with President Aquino's visit to the city, when he saw a large gathering of urban poor representatives massed just outside the iron-grilled fence bearing placards.

Concepcion took time out to talk to them and heard their complaints, including their grievances against the "imperialistic activities" of the IMF and World Bank. The very mention of IMF/World Bank elicited a brief outburst from Concepcion, who blurted out, "To hell with the IMF/World Bank!" - to the approval of the crowd.

Saying that the Aquino administration was determined to promote national economic recovery that is anchored on nationalism, the minister said that the 2.2 billion-dollar interest the Philippines owed the IMF/WB as interest on the country's staggering loans from it was too high, and that the country could afford to pay only 1 billion dollars.

The difficulty in meeting its obligations to the IMF/WB has

forced the country to seek a restructuring of its loans in order to be able to pay them in the long run, he said.

The peaceful demonstration outside the building where President Aquino was meeting multisectoral groups was led by the militant BAYAN, with the demos carrying placards on which were written their grievances.

Composed of workers, farmers and urban poor the demos articulated their long-time cry of "down with U.S. imperialism" and for genuine national democracy.

Among their demands was the total revamp of the ministry of labor and employment and the NLRC, a stop to demolition of squatters shanties and relocation, the expropriation of lands in favor of the occupants, more employment and assurance that the homeless will be given adequate shelter.

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CSO: 4200/1239

PHILIPPINES

IMPACT OF RETURNING OVERSEAS WORKERS ON UNEMPLOYMENT

Dipolog City THE MINDANAO OBSERVER in English 26 May 86 p 5

[Article by DEPTHnews: "Returning overseas workers swell ranks of unemployed"]

[Text] Permanently returning overseas contract workers add to the Aquino government's problem of devising means to ease the nation's chronic unemployment situation.

The returnees further swell ranks of the unemployment because they could not immediately find local jobs except for those highly specialized skills happen to be in demand.

They also represent an additional layer to the social discontent being generated by the unemployment problem in the sense that their former high-paying jobs enabled improvements in their families' living conditions and such "good items" have now ended.

Calling attention to the problem are middle echelon labor ministry officials who disclosed that the new government still has to develop an approach to the plight of returning workers.

REDEPLOYMENT.

They said the problem is how to redeploy the returnees locally in the face of a dearth of

local employment opportunities because of the ongoing national economic crisis.

There is as yet no accurate ministry count of workers who have returned in the past two years nor is there a projection on the number of those coming home this year and the next, according to the officials.

Based on rapid constriction of the Middle East labor market for expatriate workers, the officials said the expectation is that larger numbers of Filipino contract laborers in the oil-exporting Arab countries will lose their jobs there this year and the following years.

They added that local recruitment for overseas work will likewise taper off since the crash in world oil prices would compel the Arab nations to further cut down on construction projects that require imported labor.

Narrowing of the Middle East labor market started in the early 1980s and such a development is forecast to con-

tinue for the rest of the decade unless world oil prices recover to again shower the exporters with excess petrodollars, ministry officials said.

The official cited ministry records which show that outflow of Filipino workers to the Middle East labor market has been progressively declining in the past four years. The records show that land-based workers placed in 1984 were 2.4% less than in 1983.

Started in the mid-70s by the deposed Marcos government, the export of Filipino labor helped ease the nation's unemployment problem and at the same time provided the government with a source of needed foreign exchange.

Earnings sent home by the exported laborers in the past 10-year period are estimated to have amounted over a billion dollars although no exact figures are immediately available.

ISSUES. The labor export policy has its economic and social costs as pointed out by both defenders and critics of the policy and such issues are among those awaiting resolution as the Aquino government takes over direction of the country's employment situation.

Among the issues listed by ministry officials are:

- \* Adoption of policies and programs of action that would facilitate reentry and reintegration of returning migrant workers into the family

community and local labor market.

- \* How to tap the returnees who represent skilled portion of the national work force, as contributors to national economic productivity is identified by the experts as one of the imperatives in turning the ailing economy around.

- \* Different and relatively better pay and working conditions abroad have raised the workers' job aspirations and income expectations as shown by an increasing number of cases wherein former contract laborers turned down local employment opportunities because of the low pay offered.

- \* Bulk of the nation's overseas workers are skilled in construction work. Such an industry is moribund domestically because of the economic crisis. In other words, there are jobs for them locally.

- \* Previous studies have shown that savings of overseas workers are not used for more productive purposes, such as capital for self-employment at home when their work contracts abroad terminate.

Starting in 1975, Filipino: who have gone abroad for work contracts totaled over two million, ministry officials reported. Such a number included those who were employed in the Middle East nations and other regions but not the permanent migrants.

The officials pointed out further that the Philippines is

not alone in facing the returning migrant workers problem since the same confronts India, Pakistan, Bangladesh, Thailand, South Korea, China and Taiwan which are the major suppliers of the Middle East labor market.

There are no easy solutions to the problem as found by a study conducted by the Bangkok-based United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

What can be done is for national governments concerned to evolve policies that will reintegrate the returning workers into the domestic labor market as efficiently and painlessly as possible, ESCAP advised. — Depthnews

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PHILIPPINES

CENSUS STUDY VIEWS RURAL MIGRATION TO MANILA

Dipolog City THE MINDANAO OBSERVER in English 2 Jun 86 p 3

[Article by DEPTHnews: "'Heartbreak city' warning ignored"]

[Text] Metro Manila continues to be the destination of majority of rural folk who yearly decide to move to other places in the country.

The trend has been constant in the past 10 years. Inflow of rural migrants to the city area during the first half of the 1980s is conservatively estimated at 150,000 each year.

This latest insight into the seemingly never-ending population congestion in Metro Manila is provided by a National Census and Statistics Office study on intra-regional migration trends in the nation.

The rural-to-urban flow restates earlier findings that government efforts at countryside development are still to attain levels where they can effectively arrest the migration trend.

Economic need is the main reason for rural folk uprooting themselves and taking chances in the city despite prior information that they are better off where they are or that more heartbreaks are in store for them; the study indicated.

NCSO also found that median age of in-migrants to the city is 22.2 years with females as the predominant majority.

Female in-migrants are classified by the study into students, those in the service occupations and those joining relatives who have successfully settled in the city.

Thirteen provinces are identified by the study as major contributors to the migration flow to the city. They are Pangasinan, Bulacan, Pampanga, Batangas, Laguna, Quezon, Albay, Camarines Sur, Iloilo, Cebu, Negros Occidental, Leyte and Samar.

On the regional basis, NCSO said bulk of the migrants come from Southern Tagalog, Ilocos, Central Luzon, Bicol, Eastern Visayas and Western Visayas.

The agency indicated that the regional and provincial sources of migrants to Metro Manila suggest what kind of socio-economic development is going on in those areas.

NCSO further adverted to national and international studies on demographic trends which

suggest that government bias for the urban areas in development is causing lopsided population distribution.

In its report on the global population situation in 1985, the United Nations Fund for Population Activities called attention of all governments, particularly those of Third World nations with high annual population growth, to the problem of congested cities.

UNFPA Director General Rafael M. Salas specifically cited a development which converts the cities from dynamos to economic growth into cardboard conglomerations representing urban misery.

A reflection of the Salas underscoring is the estimate that for every 10 Metro Manilans today, at least three to four reside in slum or squatter areas where basic needs to enable decent living are absent, such as adequate shelter, livelihood opportunities, educational and health care facilities.

The National Economic and Development Authority (NEDA), mother agency of NCSO, projected a Metro Manila population of 6.9 million as of 1985 which is expected to increase to 7.8 million by 1990 and further to 9.5 million by the turn of the century which is just years away.

Projected increase in Metro Manila's population in the

years ahead underscores the fact that majority of residents or the low-income will suffer further deterioration in living condition unless the government is able to modernize and expand basic services.

While in-migration is the dominant population development in Metro Manila, the NCSO study found that outmigration is also going on. Those leaving the city for provinces in various parts of the country consist mostly of former immigrants whose median age is 24.7 years or older than their opposite number.

NCSO said outmigrants are usually females who went to Manila at younger ages and decided to return to their rural places of origin for various reasons.

The study also noted that most of those who quit the Metro Manila area make for the provinces of Cavite, Rizal, Bulacan and Laguna implying that such movement is not really outmigration but what could be described as a city population spill-over to adjacent provinces as a result of over-congestion.

NCSO described results of its study as giving fresh emphasis to the need for the government to restudy its population policies, especially in the area of a more even distribution of the national population. — DEPTHnews

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CSO: 4200/1232

CENTRAL BANK GOVERNOR'S REPORT SEEKS MIDDLE COURSE

Manila MANILA BULLETIN in English 14 Jun 86 p 21

[Article by Juanito Concepcion]

[Text]

Disagreements within the Aquino administration on how various economic problems confronting the country, like how the payment of huge foreign debts could be handled appear to be deteriorating.

Central Bank Governor Jose B. Fernandez, in his first quarter report on the financial and economic developments, told President Corazon C. Aquino that the greatest problems facing the country today could come from inaction on one hand or extreme action on the other.

"There is a need to steer a cautious middle course both in domestic economic policies and in external relations. The country must particularly avoid actions which could inevitably lead to economic isolation," Fernandez said.

He made the statements apparently to

contest the selective debt repudiation being espoused by Economic Planning Minister Solita Monsod and other populist members of the Cabinet, a controversial posture which has elicited adverse reactions from foreign and some local bankers in Manila.

A number of foreign and local bankers have earlier said that a selective repudiation of the country's foreign debts could adversely affect restructuring of the country's foreign debts and may prompt various countries to deal only a cash basis with the Philippines in trade transactions.

The populist members of the Cabinet, however, maintain that the government could have moral and legal grounds for repudiating or disengaging from certain foreign debts, the availment of which

might have involved fraud and other questionable practices.

A number of loans obtained to finance the construction of the \$2.3 billion Bataan nuclear plant had been cited as likely targets of repudiation through litigation.

The delicateness of the selective debt repudiation issue and its possible adverse consequences has prompted Finance Minister Jaime V. Ongpin to suggest during a recent Cabinet meeting to work out the problem of fraud-stricken loans quietly instead of an aggressive posture that could put the country's foreign creditors in a defensive position.

Fernandez said that the posture of avoiding actions that could lead to economic isolation "is not necessarily synonymous with the surrender of sovereignty

or the meek acceptance of economic weakness."

"We must define for ourselves our own parameters for enlightened self-interest," he added.

The statements are apparently aimed at placating the populist members of the Cabinet who espouse selective debt repudiation due to strong nationalistic sentiments.

Fernandez, when asked to comment on the proposed debt repudiation, earlier said the government ultimately should have a single policy on the repayment of foreign debts.

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CSO: 4200/1240

PHILIPPINES

AUDIT CHAIRMAN OPPOSES NEW WAGE POLICY

Quezon City ANG PAHAYAGANG MALAYA in English 15 Jun 86 p 2

[Text] The government's policy of non-intervention in fixing the minimum wage "is a dangerous policy" which could deepen the poverties of labor without generating more employment, Commission on Audit chairman Teofisto Guingona said.

Guingona issued the statement in reaction to the proposed Program for Economic Recovery taken up during the last Cabinet meeting. The Aquino government is planning to maintain a policy of not intervening in setting the minimum wage.

Labor Minister Augusto Sanchez has said the government will not issue any wage orders for the year, but will work on lowering the prices of basic goods.

Guingona said this policy will not only fail in giving adequate compensation to the workers but will "also widen the social gap between rich and poor."

He said despite minimum wage, almost 50 per cent of Metro Manila companies pay lower rates - some as

low as P8 a day - "when the cost of living for a family of six is already P110 a day."

"This government is committed to a just wage. If we leave the determination of wages to market forces, those who are unskilled will either remain recipients of very low wages or be displaced by machines and technology," Guingona said.

He said the unequal competition of labor in a free enterprise economy "is open to grave abuse."

He said less than 30 per cent of the labor force is organized. Among organized workers, "much of genuine leadership for the true interest of labor is desired," he said.

"Experience shows that low wages will not necessarily generate more jobs," Guingona said. He said business firms are not averse to wage fixing or government granting protective measures to labor "provided the rules are clear and cogently reasonable." - Joey Salgado

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CSO: 4200/1240

## MONETARY BOARD FINES OFFICIALS IN 1983 CURRENCY VIOLATIONS

Manila MANILA BULLETIN in English 15 Jun 86 p 25

[Text]

The policy-making Monetary Board of the Central Bank has slapped administrative penalties on Mercedes T. Gotianun, former chairman and president of Family Bank and Trust Co., and another former bank officer for alleged violations of two CB directives which mandated all commercial banks to surrender all their foreign exchange to the CB during the height of the foreign exchange crisis late in 1983.

Gotianun and Joseph Yap, her son-in-law and former Family Bank's vice president, were given penalties amounting to some P500,000 for alleged violations in 1984 of CB Circulars 960 and 970.

The penalty was contained in Monetary Board resolution 229 issued last March.

Gotianun, who sold in mid-1984 her majority holdings in Family Bank to the Bank of the Philippine Islands for some

P900 million, however, denied committing the violations imputed to her and Yap.

Sycip, Salazar, Feliciano and Hernandez, the legal counsel of Gotianun and Yap, told the Monetary Board in a letter that their clients were not given the opportunity consistent with the requirements of due process to present any evidence to contest the charges levelled against them.

They also said Gotianun and Yap were no longer connected with Family Bank at the time the investigation was conducted by CB examiners.

A reinvestigation of the case was sought by the legal counsel of Gotianun and Yap to enable the latter to present evidence in their defense.

It was learned that the alleged violation of Gotianun and Yap arose from the payment of some \$3 million for the liquida-

tion late in 1984 of the letter of credit opened by Delta Motor Corp. to import its completely knocked down (CKD) packs from Japan.

Sources said the usance LC was issued by Family Bank in mid-1983 prior to the declaration by the government of a moratorium on the payment of all foreign debts in October of that year. It was shortly after this moratorium that the CB required all commercial banks to surrender to the CB all their foreign exchange holdings.

Because the usance LC of Delta was drawn early in 1984, Family Bank bought dollars from the blackmarket to cover its foreign exchange liability involving the LC issued by the bank for Delta.

The Monetary Board, to date, has not yet acted favorably on the request of Gotianun and Yap for a reinvestigation of the case levelled against them.

PHILIPPINES

ENRILE 'IDENTIFIES' THREE CLANDESTINE COMMUNIST BUREAUS

Cebu City SUN STAR DAILY in English 26 Jun 86 pp 15, 19

[Text] Defense Minister Juan Ponce Enrile today identified three communist bureaus working clandestinely in the labor, youth and peasant sectors for the underground movement.

These are the trade union bureau under the National Commission for Mass Movement of the Communist Party of the Philippines (CPP), the youth bureau, and the peasant bureau, Enrile said.

The youth and peasant bureau operate alongside with the trade union bureau, Enrile said in a speech before the Personnel Management Association of the Philippines at the Manila Hotel.

The association had some 800 member-firms representing a broad section of the private sector employing more than a million workers.

LEVERS

Enrile said all the three communist units are considered the main levers of the underground movement.

But the trade union bureau is considered the vanguard by the CPP because it is the one in proximate conflict with the capitalist sector.

The exploitation of this conflict — for admittedly, there is an inherent conflict

between labor and capital within our economic system — is considered the most important element in the success of a Marxist revolution, Enrile said.

The defense minister said it is understandable that the CPP gives more importance to its sustained infiltration and exploitation of the labor sector in the pursuit of the revolutionary goal.

Enrile cut short, however, in giving details on the activities of these communist labor fronts because of their confidentiality.

But Enrile said, the defense ministry is ready to release such information to legitimate management group on a confidential basis.

The preservation of our free enterprise system against the agents of subversion and insurgency is a duty that is equally shared by both the government and the private sector, Enrile said.

He said the position of the defense ministry on leftist infiltration of the labor sector should not be misconstrued with suspension or disfavored.

He also thanked the business sector for sharing intelligence information to the military. (PNA)

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CSO: 4200/1232

PHILIPPINES

BISHOP FORTICH DISCUSSES CEASEFIRE EFFORTS

Cebu City SUN STAR DAILY in English 26 Jun 86 p 2

[Article: "Bishop Favors Province By Province Peace Talks"]

[Text] Bacolod Bishop Msgr. Antonio Fortich yesterday said he is in favor of "province-to-province" peace talks with Communist rebels because on-going ceasefire negotiations for the whole country between President Aquino and top rebel leaders "will take long".

Fortich cited Negros Island as an example where local-level talks may succeed.

He said top-ranking Negros CCP-NPA have asked him to convey to President Aquino their immediate need to be able to use or buy at low rates sugarcane land sequestered by the government, among others.

Fortich, speaking to local newsmen, said some degree of land reform could be immediately worked out as an initial step towards a "meaning-

ful ceasefire" in Negros Island.

UNSTABLE

"Now there is a wide space for freedom, but, not yet, for their livelihood," Fortich said in a position paper resulting from secret talks with top-echelon Negros rebel leaders in a special plenum last June 9.

The 72-year-old church official said the rebel leaders expressed their desire to cooperate with Aquino's government.

But he added they were "frank enough" to say they were not ready to lay down their arms because they felt Aquino's government is still "unstable." Fortich said they did not elaborate on their reasons behind this assessment.

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PHILIPPINES

DAVAO PAPER PRINTS NPA ANALYSIS OF PEACE, ORDER BREAKDOWN

Davao City THE MINDANAO STANDARD in English 18-24 May 86 pp 1, 6

[Article by: The New People's Army]

[Text] Two months after Corazon Aquino assumed office as president, the country's peace and order situation still remains a serious problem. In Davao City, even under the new leadership of the City Mayor Zafiro Respicio and the Metrodiscom Commander Lt. Col. Jesus Magno, the alarming proportion of crimes affecting the citizenry have become a burning issue, posing a major challenge to the new administration.

The current peace and order problem of Davao City has three features (a) widespread cases of robbery, hold-up, theft, and extortion attributed to the Baun Gang, Celeste Gang, Buang Gang and Alsa Masa (b) on-going insurgency situation, (c) response reaction from the civil authorities and the military to the present local problems.

While there are varied analysis of the situation, the fact remains that cases of extortion, hold-up, robbery and even cold-blood killings are on the rise. From the month of January to May there were 101 killing, 34 salvaging, 12 instances of hold-up and robbery while there were only 3 NPA ambushes. In contrast to the rise of common crimes, the NPA tactical offensives were launched on a highly selective and limited number.

The Metrodiscom Commander, Lt. Col. Jesus Magno tackles this problem with a stepped up police work such as foot patrol and mobile patrol. He has put up a police station in Agdao, and plans to organize Barangay Tanods (Mindanao Daily Mirror April 1986). RUC's Col. Romeo Recina came out with an information that 83 fresh graduates of the Police Force from the first batch have been assigned to patrol duty. From the second batch fifty more will be added to the force.

THE RISE OF COMMON  
CRIME AND THE ALSA  
MASA SCHEME

For the past weeks, our local dailies featured cases of robbery, hold-up and extortion, victimizing businessmen, jeepney drivers, passengers, the poor as well as residents of subdivisions. Armed with handguns and high powered rifles these criminal elements have become increasingly aggressive. Facts point to the Baun Gang, Celeste Gang, Buang Gang and other groups as responsible for the above mentioned modus operandi. According to Ruel Sabagala the self-proclaimed leader of Baun Gang a statement he made on the air their group was formed and organized with the primary

objective of liquidating the NPAs. He admitted that the Baun Gang also engages in lumper and anti-social activities. The testimony of some elements belonging to the Baun Gang, who surrendered to the revolutionary unit during the Marcos regime, bare out the fact that Col. Nelson Estares, the head of R2 Intelligence Unit of the Philippine Constabulary issued fire arms to them. The members of these gang used to report regularly to the former Metrodiscom Chief Col. Laudemer Kahulugan at the PC Barracks, Witnesses including political detainees testified to the veracity of this information. Lately, one named Capt. Tomas Tomada of RUC has been implicated to these gangs. Lt. Col. Jesus Magno himself admitted that the Baun Gang and Celeste Gang were organized by Major Cesar Elinzano for the purpose of eliminating the Sparrow Unit.

Recent creation of the military is a para-military unit known as the "Alsa Masa." At one time, word spread in Agdao that this group was led by the deceased Barangay Captain "Baby" Aquino who manipulated and tested out how "People Power" would work in some areas in Agdao namely, Gotamco. Together with military elements some members of this group based in Gotamco waged a black propaganda campaign against the NPA. On May 11 some elements of Agdao Police field force together with 2 members of the Alsa Masa went to the tricycle terminal in Agdao and approached the tricycle drivers. The drivers were invited to the police headquarters near the Agdao market. They were told that Barangay Capt. Castillo wanted a dialogue with all tricycle drivers, the purpose of which was to transfer their terminal site due to the information they gathered that these

drivers were giving contributions to the NPA.

The above mentioned data prove that the military is the initiators of our problems. While they project the image as crime fighters and guardian of peace and order their hidden schemes belie their claims.

#### THE COUNTER-INSURGENCY CAMPAIGN DIRECTIVE

The Aquino government sounded its call for national reconciliation which addresses the revolutionary forces under the banner of the NDF-NPA. It has appealed for a ceasefire, which in principle has to be preceded with a dialogue and a formal agreement. However, the fascist element in her government betrays itself by the presence of Enrile and Ramos, while pretending to obey and abide by this policy, in fact, has stepped up the military's counter-insurgency campaign. Ramos stated: "The ceasefire is not an AFP policy" and argues that the CHDF must be maintained (We Forum April 8-14, 1986). Ramos is playing up a false need for an increase of military aid for the maintenance of a bigger force. The very act of sending more military troops to the different places in the archipelago proves the insincerity of the militarists within the AFP, who are bent on waging a counter-insurgency drive.

In its counter-insurgency campaign, the fascist military has made use of worn out tactics, consisting of black propaganda in many and varied forms such as the "Red Scare." In whipping up an anti-communist hysteria and by spreading false information and the so-called "psychological ground work" the military aims to isolate the revolutionary movement from the people. Another well-known tactic is the launching of terroristic acts which the military attribu-

tes to the NPA, thereby alienating and sowing fear in the minds and hearts of the people. The so-called OPLAN Everlasting of the Marcos-Ver typified such fascist tactic.

A most recent example of the fascist scheme whipped up by Ramos is the allegation that the NPA has defied the call for a ceasefire. He has played up the NPA ambushes in the national media. An analytical observer would surely notice that the National dailies' have given the NPA tactical offensives the headlines and front pages, complete with blown up pictures. This is a different tactic from the Marcos regime where NPA offensive are underplayed, if not completely distorted or "blacked out."

During the past weeks the frantic posture of the AFP is shown as we read the national paper on the vehemence shown by Enrile' towards Human Rights Chairman, Jose Diokno on his determined effort to pursue the investigation of military abuses. Diokno's move has placed the military on the defensive posture. By blowing up the NPA "atrocities" the AFP hopes to divert the mind of the public from its past and present crimes. Crude though this tactic, it can serve as a cover-up and at the same time create a 'polished' image of the AFP.

The NDF-NPA signified its willingness to dialogue, as a sign of goodwill towards the new administration. Its official statement was published in the National Dailies. The NDF-NPA official position was clearly articulated by Rolly Kintanar of the NPA Military Commission in an interview by Midweek on April 30, 1986. Kintanar stated 'We are open to negotiations with the Aquino government which would (hopefully) lead to a ceasefire.' A ceasefire means first-there has to be a cessation of hostilities, zoning,

strafing,, massacre and bombings. In other words-a halt to all military operations against the NPA while the NPA stops its attack on the AFP. But what Enrile and Ramos want is that we lay down our arms. This is an unreasonable condition, for one side to be disarmed while the other remained armed is for us tantamount to an act of surrender.

At the moment the process of choosing emissaries is taking place in order that such a dialogue can take place.

In the absence of a formal ceasefire agreement, the AFP continue to launch military operations, using military hardwares like helicopter gunships and fighter-bomber planes for aerial attacks which have already wrought great destruction to civilians. To mention some incidents in Davao City, after the February 22-25 revolt, 3 red fighters lost their lives in a raid conducted by airborne elements of the AFP in San Rafael Village last March 16, 1986. It was within that period that the military already called for a ceasefire. Ironically in this raid the airborne elements fired the first shot. On April 7, 1986, a responsible cadre was liquidated by the elements of the Alsa Masa. Contrary to the claims of the AFP that the NPA ignored the call of Pres. Aquino for reconciliation, after the Feb. uprising the NPA tactical offensive were highly selective and limited in recognition and respect to the New Presidents call. But because of the AFPs assault on the rev. forces we are forced to retaliate.

#### COVERT COUNTER-INSURGENCY OPERATION

From the statements of the local military, we can detect a pattern in the counter-insurgency operations. According to Lt. Col. Jesus Magno, their operation is directed against crimina-

lity such as robbery, hold-up and extortions. They hardly make mention of the insurgency problem, except passing remarks addressed to the NPAs "to stop taxation and collection from what he believes are oppressive measures felt by those they are exacting these acts. Could it be that Col. Magno and his force are kept ignorant of the military's covert operation in the guise of anti-criminality drive? or have they disregarded the higher command?

The local military command projects a benevolent image in dealing with the insurgency situation, but it far from the truth that they have eased up on counter-insurgency operations. In the city of Davao which they consider as NPA "laboratory" in guerrilla warfare, they are by no means in a position to disregard the directive from the top. The soft approach in their military operations stems from the fact that they lack sufficient evidence and data to launch such an offensive. The "hard line" tactic would be violative of the call for reconciliation of Pres. Aquino, hence the need for a combination of the hard and soft tactic in the implementation of the directive from their higher command (Enrile and Ramos).

The widespread crimes against property bear a similar trend to the masiao syndicate operations, with big businessmen as partner and the military officers as financier. It can be recalled that these crimes were not solved for a long period of time for the reason that these criminal activities were part of counter-insurgency plan. In the masiao as in the crimes committed by Baum Gang, Celeste Gang and Buang Gang are fronts for counter-insurgency operations.

In the city, as the cases of hold-up, robbery and extortion

escalate so has military operations intensified, with a different style from that of the Marcos regime. Forms of military activities are: the Alsa Masa scheme, the mobile and foot patrol, the issuance of arms to some rabid-anti NPA elements and the setting up of a Substation in Gotamco. The formation of an ICHDF in Jerome has been recently completed. Civilians who did not agree to the plans received threats. Other measures taken by the police and military elements are in the form of body search made on suspected individuals wearing jackets, loose t-shirts and polo, feared to be carrying firearms. The proliferation of these paramilitary units, the formation of permanent detachments from the P.C., Army, and Marines only add more problems to the already harrassed and frightened civilians, to the detriment of peace and order.

#### THE REVOLUTIONARY FORCES ENVISION PRINCIPLED PEACE

We recognize the possibility that some military elements in the AFP and the RAM movement are sincere in their belief of the nationalist and democratic aspirations of the Filipino people. We commend them for their effort to combat common crimes, but their attitude and understanding of the root causes of the insurgency problem is another story. As for the masses of Davao City — they view all forms of militarization as part of counter-insurgency campaign.

The military solution to the insurgency situation is not the right solution, which they ought to have learned from all these past 20 years of the U.S. Marcos dictatorship. The deterioration of peace and order stems from the excesses, abuses and violations of human rights committed by men in uniform in the

process of their so-called counter-insurgency campaign.

The revolutionary forces under the banner of the NDF-NPA want peace just as the rest of the Filipinos do, but we firmly believe that true peace can never be attained while there are still exploited peasants and workers or any single citizen from any walk of life whose legitimate rights are trampled upon. For as long as U.S. Imperialism continues to dominate our political economic affairs for as long as there are fellow Filipinos who are willing partners to these Imperialist master, peace will remain as an illusion.

Because we love our people and country, we cannot and will not lay down our arms in exchange for unprincipled peace.

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PHILIPPINES

BULLETIN COLUMNIST HITS GOVERNMENT RESPONSE TO CPP/NPA

Manila MANILA BULLETIN in English 15 Jun 86 p 6

[Commentary by Melchor P. Aquino: "Bold Move"]

[Text]

**U**NDENIED press reports have it that the Communist Party of the Philippines and the New People's Army would accept a ceasefire only as a part of an agreement on a "coalition government."

Also, there is continuing speculation in certain sections of the metropolitan press that the CPP and NPA are demanding that the government repudiate the Philippine-American military bases agreement before the start of ceasefire talks.

The silence of the government on these matters could mean that it regards them as negotiable at this point in time. The government could well be weighing its options in the face of the reported CPP-NPA demands. Then, too, the government might be disconcerted by the communist moves.

The general public as well as the government should realize that a rather high degree of intelligence informs the leadership of the communist movement, and that their every move is carefully crafted with an eye single to communist strategy and tactics.

As true communists, the CPP and NPA are engaged in a game of wits. In the words of former US Secretary of State Henry A. Kissinger, "To the communists, a

conference is a means to gain time to define the political framework of the next test of strength or to ratify an objective situation." The communists apparently want to know how far the Aquino government would go to strike a *modus vivendi* with them.

If the government is determined to maintain and enhance the country's political, social, and economic system, and if it is firmly committed to the democratic faith, it has no choice but to reject the Red demand for a coalition government. History shows that a coalition government is an effective communist instrument for the acquisition of control over a government. The road to the communization of different governments is strewn with the ghastly and telltale remains of coalition agreements.

To those who think that a coalition government might well work out in the Philippines, we offer the wise counsel of George Santayana, "Those who refuse to heed the lesson of history live to suffer from its repetition."

Once a coalition government is set up, the established order and duly constituted authority would be hostage to the communist movement. The Aquino government would lose the initiative in

the struggle between democracy and communism. The CPP-NPA would, on the other hand, be in an ideal position to seize the initiative.

President Aquino and her administration are committed to the faithful observance of the bases agreement until its stipulated expiration in 1991. As she put it shortly after her election, she will keep her options open after that date.

Be that as it may, the communists are grimly set on achieving the impossible — that is, persuade the President to dismantle the US-operated bases at Clark Field and Subic. If the communists achieve this objective, they shall have vastly boosted the fortunes of communism in the Philippines and the Asia-Pacific region. The removal of those bases would constitute an enormous accretion to

Soviet power and influence in a part of the world where the USSR is locked in a fight to the death with the United States:

Clark Field and Subic are the primary underpinnings of US military presence in the Philippines and the Pacific. Stated differently, Clark and Subic are the pivot on which turns the elaborate, mighty apparatus of US power in the Philippines and the Pacific.

The repudiation of the bases agreement would occasion a serious dislocation in the system of Philippine-American mutual defense, a development that would fit in with the strategy of international communism.

The Aquino government should parry the bold move by the CPP-NPA, bearing in mind the warning of history that the journey to Munich is fast and smooth once the first mile on the road is negotiated.

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PHILIPPINES

MALAYA REPORTER ON NPA REACTION TO INSIDE ABUSES

Quezon City ANG PAHAYAGANG MALAYA in English 16 Jun 86 pp 1, 10

[Article in the "Insight" series by Monica Feria--"Torture inside NPA camp: Bitter lessons"]

[Text]

There is more than a morality question in the use of torture and other forms of cruelty against prisoners. As a way of eliciting information it often just does not work and can mislead. Torture can make many a victim confess or admit anything the torturer wishes, and even incriminate people they do not even know.

As a punishment and deterrent, ideologues and rebel leaders should know best that torture has in many cases even made them more determined and daring.

It had come as a shock therefore, to hear confirmed reports that some officers of the rebel New People's Army, (NPA) particularly in far-flung Mindanao island, had used torture against suspected military

agents in their ranks.

As the story is now being told in one area, an NPA commander had detained a married couple suspected of being "deep penetration agents". When the woman escaped, the commander had apparently been seized by fears that some of his own security men could be agents. He tortured the husband and a guard suspected of having helped the woman escape and he elicited names of "other agents" before he killed them.

This set off a six-month storm of mistrust and internal strife that would

devastate the rebel group.

Last February, military operatives overran the camp of that commander and discovered prisoner cages. Some of the prisoners survived to tell and they eventually led an 80-man fact finding team from Butuan City to the site of a mass grave where 17 bodies were dug up - most of them chained and bearing torture marks.

It is believed that up to 25 people were tortured and killed in this rebel camp in Agusan del Norte. There could be more in other parts of Mindanao.

Fortunately, in this particular case, more sober rebel leaders from a

nearby camp stepped in to stop the carnage. They arrested the commander involved and his assistant and have set out to investigate the incident. After the February discovery, they tried to appease relatives and friends of those killed, announcing publicly that what happened in that camp was an aberration and that torture was not NPA official policy. They offered to help indemnify the victims, most of them known as long-time and self-sacrificing NPA comrades.

For human rights advocates, torture is indefensible regardless of alleged national, organizational or class interests. This has been said time and again with particular emphasis on violations of human rights by the state against its citizens. The government will always bear the greatest brunt of criticism on human rights violations. But private organizations who seek power in the name of public good must take it to heart.

Death and destruction are part of war. Years ago, the Supreme Court ruled in the case of Huk leader Jose Lava that crimes such as murder and arson simply fall under the general crime of "rebellion." Lawyer Juan T. David argued again in a similar case against Amado Hernandez that such crimes are inevitable in war and are committed with a political not a criminal mind.

This applies to both rebels and government soldiers. David argues consistently.

Rebellion, by the way, is only a crime if it fails, otherwise rebels are patriots like Bonifacio and Aguinaldo, David pointed out.

At the moment, the rebels are not an institutionalized public trust and do not fall under the jurisdiction of the government commission on human rights led by Jose W. Diokno.

It is only heartening to note that the NPA, a large mass-based opposition group, has finally opened itself a little to public criticism.

We hope both the Armed Forces of the Philippines, after 20 years of disrepute, and the challenger NPA, after their more recent embarrassments, can learn profoundly from their mistakes and excesses.

Recognition of their mutual weaknesses may yet be a small step forward towards greater human understanding.

It may not be difficult to understand the anger and despair a rebel will feel if he should suddenly suspect that his long time comrade is actually an enemy spy. Compounding his anger is the fact that the age of ideology has ushered in various interest groups all claiming to be the holders of the only "correct

line." Respect for differing political views is fast becoming a relic of an ancient liberal dream — before the cold war.

Some people may be willing to grant the NPAs a little more understanding because they are the underdog. And what about abuses by government soldiers who believed they were working in the "national interest?"

Understanding, however, can never mean condoning. At most, it focuses on the strains of intolerance, bigotry and dogmatism that can turn otherwise well-meaning crusaders into inhuman zombies.

On the other hand, it should introduce more urgency to the need to redress grievances that have given rise to hatred and rebellion.

The sad fact is, Diokno notes, cruelty among foes is a historical phenomena in the Philippines. Some see the solution to tribalistic conquest and violence in religion. Diokno stresses the need for a "new legal order" and continuing humanitarian education.

Respect for due process of law has yet to be more fully internalized — not only here but worldwide.

Due process is of course a harder and more tedious road. Too many people are willing to forego it in the name of expediency until one day they themselves become victims of emergency rule.

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CSO: 4200/1240

PHILIPPINES

NPA SUSPECTED IN FURTHER VEHICLE BURNINGS

Manila MANILA BULLETIN in English 16 Jun 86 p 8

[Article by Ped Velasco]

[Text]

TAGUM, Davao del Norte — Three more vehicles, including a 10-wheel truck, were burned by armed men believed to be New People's Army rebels in barangay Panibasan, Maco town, this province Friday afternoon.

This brought to nine the number of vehicles burned by armed men in the last two weeks in this province.

Col. Marcelo Blando, commanding officer of the 1st Scout Ranger regiment, said the three vehicles, two Toyota land cruisers and a 10-wheel truck, were stopped by about 30 armed men on the provincial road in barangay Panibasan at about 10:30

p.m. Friday.

One of the vehicles was a land cruiser owned by the Apex Mining Corp. Three executives of the mining firm were on board.

The armed men ordered the passengers of the vehicles to alight before they directed the drivers to drive to sitio Capayasan where the vehicles were set on fire.

The armed men removed the radio transmitter of the Apex vehicle before they ignited it.

Meanwhile, a Communist rebel was killed, while another was captured and three woman rebels surrendered during a series of raids conducted by Scout Rangers in Davao Oriental dur-

ing the last three days.

Killed in the raid in sitio Lukatan in Manay town, Davao Oriental, was a certain Rolando Minoza.

Found at the scene of firefight were garand rifle and assorted ammunition.

Captured in Baganga and Banay towns in Davao Oriental were Rodulfo Alcabo and Wilfredo Cambong. Those who surrendered in Baganga were Imelda Mente, 17; Agnes Lumabon, 18; and Evelyn Bagoso, 25, alias "Manet."

The women surrenderees yielded three homemade handguns to the military. (Ped C. Velasco)

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PHILIPPINES

RED CROSS, NPA TALK ON COMBAT RULES

Manila MANILA BULLETIN in English 19 Jun 86 pp 1, 9

[Article by Z. Dejaresco, Jr.]

[Text]

**TAGBILARAN CITY**  
— A Red Cross team from Switzerland and area commanders of the Communist Party of the Philippines-New People's Army (CPP-NPA) met in the hinterlands of this island province recently to discuss the role of combatants and the right of civilians and non-combatants to protection.

The conference was believed to be the first successful meeting between the Red Cross and anti-government forces in the country.

The delayed report was made by Mrs. Francisca S. Baluyot, Bohol Red Cross administrator, who accompanied the Red Cross team, during a recent interview with the Bulletin.

Mrs. Baluyot disclosed that it took two months of patient negotiations before the conference actually took place on May 23 "somewhere in Bohol."

The Red Cross team reached the conference site "after a very long walk of many hours, passing one night along the way," she

said. The team was guided by persons who were replaced by others along every kilometer of the route, perhaps to prevent earlier guides from knowing where the next set of guides would lead the Red Cross team.

With the Red Cross team were two Swiss officials of the International Committee of the Red Cross (ICRC) based in Switzerland. They were Jean Daniel Tauxe and Willi Fillinger.

The rendezvous was held in an undisclosed place with Commander Vargas, reportedly the overall commander of Bohol NPA, and five other field commanders in nearby areas who went to Bohol specifically for the conference.

No pictures were taken, said Mrs. Baluyot. The conference was in English and the conference atmosphere was very cordial throughout, she added.

She disclosed that Commander Vargas and the other field commanders assured the Red Cross team that they will appeal to other commanders and their men to respect the mission of the Red Cross and the role of non-combatants.

They also shared the belief, according to Mrs. Baluyot, that the Red Cross

is neutral, impartial, and engaged in humanitarian activities especially for the civilians.

Among the topics discussed by the team were:

1. The right of non-combatants to a respect of their lives and their moral and physical integrity.

2. Prohibition to kill or injure an enemy who surrenders.

3. The right of the wounded and the sick to be collected by their party.

4. The right of captured combatants and civilians under the authority of the adverse party to a respect of their lives, dignity, and convictions. They shall be protected against acts of violence and the right to correspond with their families.

5. The right of civilians, particularly women, children, and the elderly, to adapt to the style of our rival, without really changing too much in our game," he added.

Italian coach Enzo Bearzot conceded after the defeat that France had dominated the outgoing world champions in every aspect of the game and described the French midfield as "the best in the world."

Led by captain Michel Platini, who scored the first

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PHILIPPINES

CEBU REBELS TALK TO DAILY ON PEACE EFFORTS, KILLINGS

Claim Liquidations, Deny Catmon Surrender

Cebu City SUN STAR DAILY in English 24 Jun 86 pp 1, 2

[Text] Several celebrated killings in urban Cebu in the past two years were owned by the CPP-NPA through spokesmen yesterday, including that of a 68-year-old religious fanatic leader in Talisay early this month.

But the rebel representatives, in a meeting with two Sun•Star Daily news reporters yesterday, denied responsibility for the abduction of Redeemptorist priest Fr. Rudy Romano and the Balamban massacre of 9 farmers where they said military complicity was involved.

They also described as a "hoax" the well-publicized surrender of some 250 dissidents in the northern mountain barangay of Catmon, Cebu last April 10.

The so-called rebel-surrenderers are men of the late Gilbert Cudias, alias Kumander Pecos, who was allowed to escape to Danao by R2 intelligence operatives in 1983 to sow confusion by setting up a fake rebel groups, the spokesman explained.

"Ka Tomas," speaking for the CPP Cebu Provincial Committee, also said no sanction has been given to members to collect "taxes" from businessmen in Cebu.

"We don't have the capacity to tax or confiscate property of our class enemies," he said, re-

ferring to local businessmen. However, he did confirm that "voluntary contributions" from farmers in some mountain barangays is being practised.

KILLERS

"Ka Roger," representing the NPA Cebu, said two of the biggest operations of their urban wing, the Armed City Partisans (ACP) were launched against Federico Salalones Jr. and radioman Nabing Velez in May and June last year.

For both liquidations, seven guerrilla fighters, including women, were fielded to do the job.

He said the victims were closely working with the military, aside from other "activities against the people."

The highest-ranking military targets killed so far by the NPA Cebu are PC Maj. Wilfredo Aparri in Minglanilla and Maj. Jose Nuval in Villabulsita, Bulacao, the spokesman continued.

He also related the hunting down of the most recent victim, Felicisimo Lingawlingaw, 68, in Talisay.

He said Lingawlingaw was the top leader in Cebu the Tadtad, a religious fanatic group reportedly used as an anti-insurgency force by the military.

The murder of DYLA radio commentator Vicente Villordon last December was not done by NPA Cebu elements, the spokesman added. Asked about military reports that Mindanao Sparrow units killed Villordon, the CPP-NPA sources said it was possible but they have not been able to confirm this. EGM

## Liaisons, Negotiations Clarified

Cebu City SUN STAR DAILY in English 24 Jun 86 pp 1, 2

[Article by Eileen G. Mangubat]

[Text] Four spokesman for provincial Communist forces in Cebu yesterday denied that rebels are holding local-level talks for amnesty or surrender here.

The spokesmen - with a representative each from the Communist Party of the Philippines (CPP) Cebu Provincial Committee, New People's Army (NPA) Cebu and two from the NDF Cebu Preparatory Committee - talked lengthily with two Sun★Star Daily reporters in their first official interview with local media yesterday afternoon in an isolated house somewhere in Metro Cebu.

The rebels confirmed that "liaisons" are being maintained with Cebu Archbishop Ricardo J. Cardinal Vidal but clarified that all negotiations for a ceasefire with the Aquino Government are "centralized" in Luzon.

"It is the policy of the National Democratic Front not to conduct negotiation on the local level," said Rafael Flores (not his real name) or "Ka Raffy" who introduced himself as the newly-designated NDF Cebu spokesman.

The NDF, according to "Ka Raffy", is the umbrella of all revolutionary forces in the country, including the CPP-NPA.

Contrasted to "progressive groups" like the Bagong Alyansang Makabayan (Bayan) the NDF advocated the use of "imperialism, feudalism and bureaucratic capitalism".

No photographs were allowed to be taken during the interview. But rebel-representatives switched on their own tape-recorders as they chatted with reporters in the sala of a small house guarded outside by an armed sentry.

"Ka Tomas" the CPP Provincial Committee representative

said there was a need to counter "intrigues" being fostered against them by elements in the military and civilian government.

He referred Political Affairs Minister Antonio Cuenco in particular when he said the "Cuenco line" of offering rehabilitation to rebel-forces was "confusing" the public because there were more complex issues behind ceasefire talks.

Highlights of the four-hour interview:

**Ceasefire:** While no ceasefire has been declared by rebel forces in Cebu, the NDF said there is a "deliberate slowdown" in their armed operations here in keeping with the national NDF policy of "critical support" to the Aquino government.

"We have been holding back our horses," said Ka Tomas who maintained that the strength of the CPP's military wing, the NPA has grown several times over since it was established in Cebu in 1971.

He said one "Red-fighter" (the name used for an NPA operative) is equivalent to five soldiers.

### COUNTER-INSURGENCY

A stepped-up drive by the military to increase its presence in "strategic areas" in Cebu has been noted by the NDF which it views as contradictory to the reconciliation policy of the Aquino government.

The NDF said these areas where revolutionary forces also operate are in Pinamungahan, Toledo, Asturias, Talisay, Buhisan, Guadalupe, Banawa, and Balamban among others.

### MASS SUPPORT

Ka Raffy said the NDF has "maintained" its level of mass support as well as its rate of organizing barangays despite the advent of Aquino's government. However, he would not commit any figure other than an estimate that it ran into "the thousands" with the bulk coming

from the peasant class.

**The Balamban massacre.** Ka Tomas said the massacre of 9 farmers in Bry. Gaas last year was not the doing of armed revolutionary forces, whose presence he confirmed was real in several mountain barangays in Balamban and other neighboring areas.

He said the slain Anugot family "was not one of them" but suggested their deaths resulted from having been identified as rebels after an armed group on operation there had passed by their house to drink water. The massacre occurred soon after 3 suspected marijuana planters were shot down by NPA fighters, he said.

Ka Tomas named a CHDF member as one of the killers.

The marijuana trade in Balamban he said, involved most, if not all CHDFs and that the military "condoned" the practise for financial considerations or to boost its counterinsurgency efforts.

"The military is not sincere in their anti-marijuana campaign," he stressed.

### ROMANO ABDUCTION

The spokesman said the NDF and CPP/NPA had nothing to do with the activist priest's disappearance July 11 and have no leads to his present whereabouts.

Ka Tomas said their own investigation findings jive with published reports that two Military Intelligence Group (MIG) agents were seen among the men who kidnaped the priest.

He also named an alleged local criminal figure as one of the kidnapers of activist Levy Ybanez who disappeared near downtown Cebu City on the same day. He said the suspect was a "military asset". He also clarified that Romano was a "friendly force" but was not a member of the NDF or take part in its planning of activities.

## Rebels, Meeting Described

Cebu City SUN STAR DAILY in English 24 Jun 86 pp 1, 2

[Article by Edralyn L. Benedicto of Sun Star Daily

[Text] Four Cebu provincial committee representatives from the National Democratic Front (NDF), Communist Party of the Philippines (CPP) and the new People's Army (NPA) yesterday held talks with two Sun\*Star Daily reporters in an isolated house somewhere in Metro Cebu.

Their first "formal appearance" before Cebu media representatives was to "maximize the democratic space enjoyed under the Aquino government" and to clarify current issues directly involving the communist movement (see separate stories.)

The initial contact was made through a third party sometime last week.

### REPRESENTATIVES

The representatives identified themselves as:

\* Rafael Flores -- NDF Cebu preparatory committee spokesman;

\* Adora Sales -- media liaison for NDF;

\* Tomas Magtanggol -- provincial party committee spokesman; and

\* Ka Roger -- spokesman for the armed unit, the NPA.

### TREND

The group said the decision to talk with the two reporters was reached in keeping with the national trend initiated last April by NDF national committee officer Antonio Zunel who met with some media representatives in Manila.

"Ka Raffy" said the NDF has decided to set up its own media

liaison group in Cebu to disseminate information on their stand and activities.

He said the present political trend calls for a need to open themselves for interviews, although a little late compared to their Manila counterparts, primarily to clarify reports on the ongoing ceasefire talks and some killings blamed on them which they called were "big lies."

### PICKED UP

The reporters were picked up by a car at 1 p.m. in the downtown area. They were taken to a place within Metro Cebu. They walked for 20 minutes or so to a "borrowed house" of an NPA supporter.

The exchange lasted for four hours with the "rebels" making clarificatory statements on the ceasefire, the urban and rural killings, their fight against marijuana planters, system of taxation and organization, and their combat operations.

Outside, the reporters found a scabbie carrying a high-powered M 16 while Ka Roger cradled another gun in most part of the interview.

### DENIED

Ka Roger described the arm as an Ingram which he said was confiscated from one of the men of former Congressman Ramon Durano.

All of them, except for Ka Roger, spoke fluent English.

They all refused to be photographed.

### INITIAL MOVE

The walk back to the nearest village took about an hour as it was already dark. One rebel asked "Kapoy na?" (tired?) and apologized "Pasensya sa lapok" (sorry for the muddy road) with the reporters' huffing and slipping.

They said the interview was an initial move for further talks with medianmen in the future.

Commentary on Media Use, Durano Activities

Cebu City SUN STAR DAILY in English 25 Jun 86 pp 6, 14

[Commentary by Cerge M. Remonde: "Media as Commie tool"]

[Text]

It was not coincidence that local rebels met with two Sun\*Star Daily reporters here the other day while a group of Manila newsmen also met rebel leaders like Satur Ocampo and Tony Zumel in Luzon. It is obvious that the rebels are up to something and that the media have something to do with it.

Zumel said the NDF has maintained a policy of "critical support" to the Aquino government. Which means they will support her if it will be good for the NDF. And will criticize her if it is bad for them. In either case, heads or tails, the NDF wins.

The government policy towards rebels should be reviewed. It appears now that rebels have grown in strength and numbers. They have become bolder, and even cockier to freely operate within areas where they have never ventured before.

The Aquino government has shown enough sincerity in trying to reconcile with rebels by releasing all political detainees, including such hardcores as Jose Ma. Sison, Bernabe Buscayno, and the others. It is now the turn of the rebels to demonstrate their sincerity of seeking peace with the government.

The way some rebel lea-

ders are talking about conditions before smoking the peacepipe with the government seems to show a lack of genuine desire for peace on their part. On the contrary, some of them are booby-trapping the peace process.

Local rebels interviewed by Eileen and Edralyn have confirmed our opinion in this column on the Catmon surrender. That it was fake and that Tony Cuenco had been taken in. Or was it Tony Cuenco who took us in, in an effort to impress us of his worth as political affairs minister, whatever that means?

While Sun\*Star Daily may rejoice over its exclusive interview with local rebel leaders, some members of the local media community are cautioning against its being used as a tool for Communist propaganda now and in the near future.

Some people are still in the game of threatening others. An unidentified person has called up my secretary the other day with a message to go slow against Communists or we will suffer the fate of colleague Vic Villordon. That was after our column on Balamban came out where we denounced some left-oriented groups for peddling lies to destroy the military.

One of the favorite political dictums of Congressman Durano is to keep as many options open as a technique of succeeding in politics. Obviously, this is the reason why Durano is in the KBL, some of his men in the PNP, and now, the Nacionalista Party (NP). The grand old political fox is keeping all his options open. But will he still be successful in Cebu politics? Only time can tell.

A time should come when jeepney passengers will wake up to protect their rights against the whims and caprices of jeepney drivers who have abused their own right to strike to the detriment of the commuter. Until they do the riding public will continue to suffer. The government agency that is created to protect them is inutile to do so.

Beth Day Romulo is now writing an occasional column for the Manila Bulletin. Her first column dwelt on the problems of the new administration and the need for us Filipinos to get our acts together in order to succeed, instead of pouncing on each other's weaknesses and shortcomings. That is very instructive for an American married to a Filipino like Beth. Since most of us need to be told by others what to do, can we now take it from Beth?

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PHILIPPINES

DAVAO PEACE, ORDER APPEARS IMPROVING

Davao City MINDANAO TIMES in English 19-26 Jun 86 pp 1, 4

[Text] DAVAO CITY - The Davao situation appears to be improving.

This was the assessment gathered by the TIMES from various sectors as the killings have somehow abated while criminalities like robberies and thieveries have eased up a bit.

How long this situation will hold is still subject of speculation. The recent arrests and roundups made by the Metrodiscom, however, showed that some of those responsible for holdups have been former soldiers or policemen and some "assets."

One factor cited as a deterrent to crimes has been the willingness of the citizens themselves to help prevent criminalities in their neighborhoods and subdivision dwellers have started organizing themselves to ward off criminals from their areas.

The insurgency problem, however remains but not so much in the poblacion area than in the outlying areas in the barrios. It was learned that armed groups of the New People's Army are still

controlling remote areas. What is apparent is that instead of the sympathy and support they (NPAs) were getting before, many residents were already complaining of their armed presence instilling fear and collecting from the masses. Some areas are even complaining why the military authorities are not conducting operations in those affected areas as the citizens themselves without government initiative remained helpless.

The economic situation will still be an important factor in what is ahead in terms of stability in the countryside. The price of copra, an important indicator, is still very low.

The present economic crisis will be reflected in the figures of enrollment of the various schools in Davao. Museum I.D. will be distributed to students.

August-September- Lecture series. Guest lecturers will be invited to speak to students on topics ranging from Anthropology, Art, Sociology, and others.

SINGAPORE

EDITORIAL VIEWS BRITAIN'S STAND ON SOUTH AFRICA

BK191105 Singapore THE STRAITS TIMES in English 19 Jul 86 p 16

[Editorial: "The Iron Lady Must Bend"]

[Text] With all attempts at compromise having failed, the deadlock between Britain and the overwhelming majority of Commonwealth countries over the issue of economic sanctions against South Africa now threatens to have serious repercussions. The list of countries withdrawing from the Commonwealth Games, due to start in Edinburgh on July 24, is lengthening daily. And disquieting doubts are beginning to be raised over the future of the Commonwealth itself. Meanwhile, the blacks of South Africa continue to be repressed by a racist regime determined to cling on to power, seemingly at any cost. So where do we go from here?

For his part, the British Foreign Secretary, Sir Geoffrey Howe, is shortly to go to South Africa. He is, it seems, to make yet another attempt there to persuade the Pretoria regime to introduce fundamental reforms to roll back apartheid. He also hopes to get negotiations started between the government and leaders of the black community.

He is not likely to pull it off. For the regime in Pretoria does not have a particularly impressive record of being amenable to gentle persuasion. Besides, there is not a single leader of the black community who is willing to even hear him out.

Meanwhile, the rift within the Commonwealth will widen. The risk of an old alliance disintegrating will grow. And in Britain, the revolt within the Conservative Party, which has already begun among some backbenchers, will spread. This is likely to be the minimum price the British Prime Minister, Mrs Margaret Thatcher, will have to pay for her intransigence on the sanctions issue. Should she pay it?

There may appear to be compelling economic reasons for her to be reluctant to impose sanctions against South Africa. Britain is, after all, the largest foreign investor in the country and it owns billions of pounds worth of assets there. South Africa, moreover, has a large community of British origin. And Britain needs a number of strategic minerals which only South Africa can provide.

But the existence of these economic interests, and perhaps also a strategic one, argues for, not against, imposing sanctions. For the longer political change in South Africa is delayed, the more these interests will be threatened. For the black community will be forced to resort, more and more, to radical, meaning violent, means. And it is not countries such as Britain, but those such as the Soviet Union, which would ultimately stand to benefit.

Mrs Thatcher has argued that economic sanctions will not work and that they will hurt the blacks more than anybody else. But it should be clear by now that if anything, it is the lack of sanctions that has not worked. And the fact that the leaders of the black community in South Africa are themselves calling for sanctions should make it quite clear just whom they are likely to hurt more.

It is, therefore, time for Mrs Thatcher to reconsider her position, time for Britain to stand up and be counted. This is not only because the strength of feeling in the Commonwealth has reached a point where it can no longer be ignored. It is also because tougher measures against the Pretoria regime today are the only way to ensure that Britain's own interests in South Africa will be safeguarded tomorrow.

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CSO: 4200/1236

VANUATU

PRIME MINISTER ASKS UNITY ON NEW CALEDONIA

Hong Kong AFP in English 1224 GMT 17 Jul 86 BK

[Text] Sydney, July 17 (AFP)--Vanuatu Prime Minister Walter Lini was reported Thursday to have urged Melanesian nations to form a United bloc on New Caledonian independence at the South Pacific forum in Fiji next month. Father Lini told a meeting of Melanesian foreign ministers that France had totally ignored the wishes of New Caledonia's Kanak people, AUSTRALIAN ASSOCIATED PRESS (AAP) reported from Goroka in Papua New Guinea. He said the forum must "abandon the neo-colonial mentality from which it presently suffers" and make a strong stand on a timetable for independence in New Caledonia.

The 13-member forum is scheduled to vote next month on a proposal to have New Caledonia relisted with the United Nations decolonisation committee. Conference sources said later that the Melanesian bloc meeting had agreed to form a "spearhead" group to monitor developments on New Caledonia. They said Vanuatu, Papua New Guinea and the Solomons would ask the forum to send a high-level delegation to Paris to discuss the New Caledonian issue.

Cook Islands Premier Sir Thomas Davis, the forum chairman, has already gone to Paris as a guest of the government of Prime Minister Jacques Chirac to hear french views on New Caledonia.

Both Vanuatu and the Solomon Islands also had reiterated their refusal to support the Pacific nuclear-free zone treaty put forward at last year's forum meeting, the sources said. Nine of the 13 forum countries have signed the treaty. But only three have ratified it--five short of the required number to have the treaty registered with the United Nations.

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CSO: 4200/1238

MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM

WAYS TO ELIMINATE SOCIAL VICES DISCUSSED

Hanoi VAN HOA NGHE THUAT in Vietnamese No 5, Mar 86 pp 14, 13

[Article by Truong Thin: "Resolute Measures Are Needed Promptly To Get Rid of Emerging Social Ills"]

[Text] All the things that hinder social progress, debauch men, disrupt security, order, and social safety, and damage morality and the nation's customs are social vices.

Negative social manifestations which creep into the daily lives of each people, stratum, and age group can grow into social vices unless a struggle is systematically waged to exterminate them.

In recent years, social vices have developed in a confusing manner and have shown signs of worsening.

Prostitution has been on the rise in the cities. In many localities, whores and pimps ply their trade brazenly and almost openly, soliciting clients in public places. Pimps in Haiphong even go to the provinces to recruit women involved in love affairs and family disputes to turn them into harlots and thieves; worse still, some of them gang up with hoodlums to rob pleasure seekers of their motorbikes, bicycles, and watches (for instance, Thi Lien in Thuan Hai and Hai and his wife in Ngo Cam, Haiphong...).

Preliminary statistics of the security sector show that last year 13,761 persons engaged in prostitution were arrested, over 50 percent of whom were youths--a dangerous trend.

Some whores catering to foreigners steal their belongings whenever possible; in turn, foreigners may well use these tarts to disseminate counterrevolutionary propaganda and collect intelligence information.

Opium smoking has recently expanded at a rather fast pace in the north, particularly in the cities. Worthy of concern is that many addicts are youths, including children of middle- and high-level cadres. Hanoi addicts have begun to take dope injections--a replay of the situation in the southern provinces prior to Liberation. Moonshining has increased in many areas. An

entire village in Ha Son Binh practices moonshining will continuing to receive annual rice assistance from the government to fight famine.

Gambling has spread not only to cities but also to rural areas. Gambling dens are usually located in high-rise buildings and are closely guarded, or on barges and boats moored in the middle of a river to avoid detection.

Gambling often leads to burglary, robbery, killing, looting, and smuggling. A typical example is Tran Van Khoa, a gambling den owner on Hang Buom Street who, along with six gamblers, including Long-the-loser, called on Tien and Toan--his acolytes--to use a K-54 submachine gun and an AK bayonet to rob the remaining gamblers of their money. Luyen, owner since 1972 of a gambling den on Nha Tho Street, Hanoi, was recently caught redhanded by public security. Confiscated evidence included 435,530 dong, 5 taels of gold, 5 KD watches, a radio cassette, and a gold necklace. Nguyen, who ran a gambling house in the town of Hai Ninh, Quang Ninh, assembled 18 young gamblers for a game, during which he was knifed by Chan, a loser, feigning drunkenness. Nguyen's child, 17-year-old Hong, armed with an AK belonging to soldiers stationed in his house, shot and killed Chan on the spot. In Ham Yen District, Ha Tuyen, 14-year-old Hong, also a loser, killed an 11-year-old friend of his to get 200 dong to resume gambling.

Gambling has taken on diverse forms--Chinese chess is played for money in organs and enterprises, on the streets and in refreshment stalls. So are poker games, "tam-cuc" (a traditional Vietnamese card game featuring kings, mandarins, elephants, vehicles, guns, horses, and troops), numbers games, and bettings on even and uneven figures.... In 1984 alone, public security discovered 21,573 gambling cases and arrested 52,971 persons.

Superstition has also been on the increase in many places. Fortune tellers, sorcerers, necromancers, mole readers, chirographers, card readers, etc., have set up shop in every locality. It is worth noting that some bad elements have taken advantage of their education and a smattering of psychology to deceive the people and abuse women sexually. Witchcraft has spread to the young generation and even the intellectual elite. Not long ago, a 15-year-old teenager managed a private place of worship and called himself Trang Trinh ("Trang" was the first doctoral diplomat in the old imperial examination system, and Trang Trinh was a top "trang" in Vietnamese history). Hiep, an 11-year-old boy, caught cold during a visit to his father's grave and spoke wantonly, prompting his family to disseminate the rumor that his father soul had inhabited his body and that he was reincarnated as a "trang."

Also worth noting is that in some naval units, offerings to gods were made before a ship set sail. Ground breaking and inaugural ceremonies at some building projects undertaken by state-run corporations were laced with similar rites. This phenomenon is rooted in superstition and also in an eagerness to misuse public funds to throw eating and drinking parties.

Many savage criminal offenses are traced to those dealing in superstition; for instance, there are the cases of Dong Chi harming Kieu Van in Hanoi and that of Nguyen Thon Son, sorcerer, in Binh Tri Thien. The sorcerer held a 7-day, 7-night worship session in Ms Muc's home, saying that she was haunted by an evil spirit and that exorcism required sexual intercourse. Thus, he managed

to abuse Ms Muc nine times and Ms Hue, her own sister, three times before being denounced.

Juvenile delinquency usually prevails in the cities. Delinquents neglect study, drop out of school, and steal from their families and then from others before gradually involving themselves in professional robberies and organized crime, even murder and looting. In Thai Binh, authorities discovered a gang of 34 young professional thieves who were linked to 345 offenses. In Hanoi, three teenagers who broke into a home in the Giang Vo area resorted to a knife attack to escape arrest.

There are also vagrants frequently getting together at railway and bus stations, in markets and public parks, and on street curbs, asking for alms, waiting for leftovers in restaurants, scavenging trash cans, loitering, stealing, and engaging in prostitution. Some have even built sheds on sandbanks along rivers, along dikes, and under bridges to harbor hoodlums, harlots, gamblers, and smugglers, seriously disrupting social order and safety, tarnishing the beautiful and wholesome aspects of cities, and providing hooligans with hangouts. Other tramps follow foreign visitors in groups, begging for money and food, looking for opportunities to steal, and giving rise to noxious political effects. Some of these vagrants are active psychopaths wandering about the streets unclothed, singing, talking nonsense, disseminating anti-state propaganda, assailing the nation's leaders, and even--as they did in Hanoi--unexpectedly stabbing several people to death, frightening the people out of their wits.

Other moderately prevalent ills deserving mention are bureaucratism, arrogance, overbearingness, collusion between civil servants and dishonest traders, and bribery, causing numerous inconveniences and misfortunes to the masses. "Coming across with the payola" has become virtually a household word for those having to solve pending matters. These vices considerably harm the good feelings in human relationships, lower trust, and strengthen the tendency to treat money as an invincible force, making the people have less confidence in the CPV and the regime.

Social ills fuel crimes, disturb social order, hamper social and economic management, and have a detrimental political impact.

They considerably hinder the effort to build socialism, a new lifestyle, and a new socialist man in our country.

To thwart, repel, and eradicate social ills, we should:

- Classify targets to permit correct and effective remedies;
- Devote particular attention to reviewing and reorganizing manpower to provide laborers with decent employment;
- Open schools to rehabilitate human dignity;
- Open schools to cure drug addiction;

- Draw the young generation toward youth assault forces (as experiences in Ho Chi Minh City have shown);
- Transform and educate fortune tellers and witches, stimulating them to confess to deceptive tricks and pledge to abandon their superstitious practices, and shift them to labor under close management of local installations;
- Concentrate mentally ill persons, lepers, beggars, and vagrants into special zones, associating medical treatment with labor and using love and reason to convert them and make them embrace labor as a *raison d'etre*.
- Resolutely prosecute those resisting transformation in accordance with the law, suppressing them while warning others;
- Severely prohibit organs and enterprises from engaging in negativism, for which party committee echelons and unit chiefs are held fully responsible before the state; expand democracy to allow the masses to detect negative phenomena in organs and submit corrective suggestions; and
- Guide concerned sectors and forces to take synchronized steps under the leadership of party committee echelons and administration officials. This must be done right at the basic level, inside organs and enterprises as well as outside, in society.

Since solving social ills is an extremely complex undertaking that affects a large number of people, we must use all propaganda and educational approaches, all administrative, economic, and legal measures, and all capabilities combined to organize guidance, transformation, and suppression. However, to achieve efficiency, we must blend all organizations of the proletarian dictatorship into a single force engaged in continuous action. Only party committee echelons and administration officials--and not any isolated sector or force--can exert proper guidance. That is why, first of all, party committee echelons and administration officials must correctly understand and pay adequate attention to social ills. And this is the very essence of Directive No 51 of the CPV Central Committee Secretariat which calls for "building an orderly and civilized lifestyle and fighting social vices, thievery, gambling, moonshining, opium addiction, and prostitution."

9213/9312

CSO: 4209/541

INTERNATIONAL RELATIONS, TRADE, AND AID

VIETNAM

COOPERATION DESCRIBED BETWEEN SRV PROVINCE AND BOLIKHAMSAI

Hanoi NHAN DAN in Vietnamese 30 May 86 p 3

[Text] Bolikhamsai Province, in central Laos, was just established at the end of 1984. The year 1985 was the first year of cooperation and brotherhood between the provinces of Nghe Tinh and Bolikhamsai.

In March 1985, representatives from Nghe Tinh and Bolikhamsai met together and exchanged ideas on cooperation between the two provinces for the immediate and long-term future.

Implementing the agreement that was signed, Nghe Tinh sent agricultural specialists to help the friends in the techniques of intensive rice cultivation and prevention and control of livestock diseases in Khamkeut District. After a while, with the land, climate, and rice varieties of the friends, coupled with the our experience and techniques of intensive cultivation, rice yields in this area increased significantly. This year the area of rice under intensive cultivation in Khamkeut District was greatly expanded. Nghe Tinh specialists helped the friends inoculate 756 buffaloes, 237 cattle, and 403 swine against diseases and at the same time trained veterinary cadres for the friends and helped them set up veterinary first-aid kits. In aid to the friends, the province sent 100 tons of salt, 2 tons of insecticides for rice, and a considerable quantity of preventive drugs for livestock. Water conservancy cadres helped the friends complete the investigation, research, and planning for the economic and technical dialectics of the Nam Khien water conservancy project.

Construction Corporation No. 5 (of the Nghe Tinh Construction Service) has started construction on a general school to help the friends; they are trying to finish it early in order to turn it over to the friends for the 1986-87 school year. Construction engineers have completed the investigation, research, and construction plan for the town of Khamkeut. The province also sent a shipbuilding force in Trung Kien Cooperative to help Bolikhamsai Province build three 30-ton vessels. The first was launched on 30 January 1986. The province agreed to help the friends by training 27 vocational middle school students in various sectors. The Lao students are presently in a Vietnamese Language program.

During 1985, Nghe Tinh and Bolikhamsai exchanged goods on the basis of mutual benefits for each side, according to the agreement written by the two provinces.

During 1986, the two brotherly provinces plan to expand economic cooperation on the province as well as the district level. Nghe Tinh will help the friends set the production orientation, properly reorganize the cropwork and season structure, and convert agricultural production from one season to two a year.

9830

CSO: 4209/650

PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

MORE READERS OFFER IDEAS FOR FORTHCOMING PARTY CONGRESS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 26 Apr 86 pp 1, 4

[Contributing Ideas to Party Congress column]

[Text] Renewing Economic Management Mechanism

At the present time, the fact that the country as a whole is carrying out Resolutions 6, 7, and 8 on renewing the economic management mechanism requires that we put into effect the democratic ways of making decisions in various activities ranging from supervision and accounting to selection and recommendation of management cadres in our machinery, and as an immediate step openly offer self-criticisms and criticisms about all party members, including the ones who hold the highest leadership positions in production units, as well as in various businesses and occupations.

Under the system of bureaucratic centralism and state subsidies, workers were not yet really in control of distribution. Wages and bonuses were all distributed by managing cadres. Workers were not allowed to control production either, for they could not take part in discussing production plans and such issues as what to make, how much production, how to make better products, and goals and norms set by superior echelons. And even more. Under the pretext of the state being short of materials, many unit chiefs failed to create favorable conditions for workers to do productive work. More complainable was the fact that quite a few chiefs looked for poor-quality materials from unlawful corporations, gave them to their workers, and then boasted through impressive figures that they "have by themselves supplied materials for production to overfulfill their plans." As things did not proceed smoothly, income was declining, but workers who wanted to offer their ideas and to have things corrected were ignored by managing cadres at all levels.

Many leading cadres also used the pretext of "keeping things secret" to keep discussions within smaller circles in order to exert more decision-making authority over their subordinates' work positions and political fate. This even involved decisions that had to be discussed by quartets, which in many localities were weak. When it happened that a party committee secretary was also a director, the quartet concerned became a smaller trio. If a labor union secretary and a communist youth union secretary sided with each other

(even if they did not side with each other, they probably would not dare to object the director, particularly when the latter was also the party committee secretary), the trio would become a ... single-person group. At this point, the collective ownership right as represented by the labor union was to be deprived of its revolutionary content. There remained just a few meaningless words in very impressive reports: achievement of 100 percent of the collective ownership right of cadres, workers, and civil servants. Some units--this was a real story--organized conferences of workers and civil servants but invited only office chiefs and deputy chiefs to speak and let directors review everything. Workers and civil servants realized that they had been invited to take part only to remain idle for a full day just to "listen and drink tea." These people acted that way in order to prove to everybody that only they, the managing cadres, were important, deserved taking care of "important state affairs," and were capable of creating a fear for organization and for cadres. So what was important? As to the most important thing, namely, whether the decisions and measures they adopted would bring about economic results and encourage production, they did not seem to think much about it. Another proposed argument: the more they succeeded in creating a fear for leadership, the more successful they would be in seeking personal gains.

These happenings can no longer exist if we destroy the reasons for their existence. If we want to put workers in a position to exercise their collective ownership right, we must totally and quickly abolish the system of bureaucratic centralism and state subsidies, build a new appropriate management mechanism, and achieve real democracy in all related activities. Should our municipality learn from the Municipal CPV Committee of Haiphong, where Resolution 41 has been issued to set up pilot projects in 17 units to allow workers and civil servants to cast secret votes and to directly elect their directors for fixed terms? Only by taking these steps can we achieve, as Municipal CPV Committee Secretary Nguyen Van Linh has said, the goal of "The party trusts the people, who trust the party."

As we trust one another, please do not hide anything;  
For the more open and democratic we are, the more trustworthy we become.

Signed: Le Chan, Sea Transport Corporation 3.

#### Abolishing Privileges, Special Interests

The economic management mechanism that was based on bureaucratic centralism and state subsidies has so far caused a great deal of harm to the country; therefore, to abolish it is very necessary and consistent with the aspirations of all strata of our population.

New things are appearing and growing; our party has also adopted policies and resolutions to expand and promote these new things by building a new management mechanism suitable for the socioeconomic situation and laws in the first leg of our country's transition to socialism. This is extremely important for the real forward movement to restore the people's confidence in the party.

But if we have a new mechanism along with a series of new measures to carry it out while the machinery that carries it out is not renewed, the lethargic effects and old-fashioned thinking associated with this machinery will hamper the new mechanism that is being prepared for development and execution.

The change of economic thinking cannot be limited among managers of basic and local units but should also occur among high-ranking leaders--at the ministerial and central levels--because a small mistake at the top overall leadership level in terms of their way of thinking and recommending positions and policies will bring about adverse consequences on a nationwide scale.

Another reason is that in the country's top leadership position we have not only the CPV Central Committee, the Political Bureau, the Secretariat, the Council of Ministers but also the ministries, committees, and general or specialized management sectors. And it is in these committees and ministries that obstruction, lethargy, conservatism, bureaucratic centralism and state subsidies occur most frequently.

We must act in order to restore party rules and national discipline and to put an end to the present situation, in which party resolutions and state laws continue to be promulgated while their implementation and compliance, as well as control and supervision over their implementation (including disciplinary measures against violators and those who deliberately refuse to obey them), are neglected in a widespread manner. Where do we have the rules of organizations and the discipline of party members and cadres?

As the press has revealed that some foreign-trade units used foreign exchange to buy foreign cars, color television sets, radio-cassette players, and so on, and some leading cadres gave themselves special privileges and benefits beyond the level of material enjoyment prevailing in society, when will the Standing Committee of the Municipal CPV Committee and Municipal People's Committee issue specific directives to resolve this problem?

The above-mentioned ills not only make farmers, fishermen, cadres, and workers in the production installations that directly make products for export worry but also erode the confidence of combatants on the southwestern border, assault youths in the jungles, and teachers living on meager salaries and bearing hardships while helping to "cultivate people."

Signed: Tran Huu Van of the Municipal Marine Products Service

Law Enforcement, Machinery Organization

After we read the letters your newspaper has printed, particularly the one written by Mr Phan Minh Tanh and printed in the 9 April 1986 issue, we allow ourselves to contribute some ideas:

One, the laws have not yet been carried out in a serious manner.

Presently many party documents recognize that "the laws have not yet been

carried out in a serious manner," but we find that the efforts to correct them have been negligible so far. This state of things may have resulted from the fact that the legal concept of our cadres and party members remains incorrect.

The party assumes leadership over the society as a whole in regard to its implementing party policies and line; this must be linked with the party assuming leadership over the state in regard to seriously carrying out the laws. If it finds that the laws that have been issued are not appropriate for the new situation, the party must lead the state toward revising and supplementing them to suit the party line better, instead of letting the situation as it exists today, i.e., the laws being carried out not so seriously, continue.

The people have confidence in the party leadership, which is expressed by their obeying the state laws; if state organs, social organizations, and leading cadres (usually party members) do not carry out these laws in a serious manner, the people will not enhance their sense of obeying the socialist laws.

Two, the organization of the state machinery and cadres is far from rational.

We agree to the self-criticism article written by the Moscow Municipal Party Committee and reprinted in SAIGON GIAI PHONG on 9 April 1986, which contains this sentence: "...the party committees become more and more duplicates of the ministries" (rough quotation). We currently call for simplification of the indirect-staff organization. If we are not mistaken, in the last 10 years we have thrice resorted to merging and separating of staff. This time we hope it will be stable. In addition, as we have noticed, while the committees and sectors were reorganized, the offices of precinct people's committees were enlarged (in the past) and the party organs have so far expanded. What is necessary is to avoid duplication by closely looking into their functions and responsibilities, rather than simply merging them (for instance, at the precinct level, the industrial office and communications-transportation office in 1979 were merged and became industry/communications-transportation committees, which in 1981 were again split into two offices).

As we talk about organization of the machinery, we must talk about the responsibilities of cadres and civil servants within this machinery. We must raise responsibilities and boldly promote cadres. Lately we have read in SAIGON GIAI PHONG a story about Dr Tran Dong A and felt very encouraged. He has made good achievements in science, but had an unstable mental attitude leading to such deeds as fleeing by crossing the border and finally has been kept in his job after having affirmed his position in the fatherland. We hope that his case is not an exception. Some people in the municipality in particular, and in the South in general, have relatives who were involved with the old regime and have fled by crossing the border, but what is important is the reeducation the party has given to people. In the use of cadres, attention must be paid to this fact.

Signed: Nguyen Huu Danh, 227 Dien Bien Phu Street, 3rd Precinct

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CSO: 4209/610

ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

BRIEFS

NEZ'S IN LAMDONG--Since the beginning of the year, simultaneously with receiving resettlers from other localities, Lam Dong has sent nearly 1,000 families with 2,300 laborers from populous towns and villages in the 4 districts of Don Duong, Bao Loc, Di Linh, and Duc Trong to 9 new economic zones inside the province. Moreover, installations have sent 1,115 laborers to open virgin land, preparing resettlement centers for new arrivals. The province has invested 7 million dong in the program of population relocation and labor redistribution in the districts. The latter have built new economic zones specializing in planting long-term industrial crops and have mobilized surplus labor from towns, cooperatives, and agricultural production collectives to set up specialized-cultivation zones. [Text] [Hanoi NHAN DAN in Vietnamese 21 Apr 86 p 1] 9213/9312

CSO: 4209/541

AGRICULTURE

VIETNAM

EDITORIAL CALLS FOR CONCENTRATION ON PEST, FLOOD CONTROL

Nam Dinh HA NAM NINH in Vietnamese 23 May 86 p 1

[Text] The weather has been very complicated since the beginning of May. Heavy rains upriver have caused the surfaces of rivers to suddenly rise. Strong hurricanes occurred in our province and in some neighboring provinces. Rainfall amounts reached 140-200 mm in our province, causing floods in some of the districts in the northern and eastern parts of the province. The flooded rice area is approaching several tens of thousands of hectares. Insects and diseases have spread in all districts; the incidence of Brown Leafhopper 3 has grown especially bad. Areas have been overrun with leafhoppers in some places in Vu Ban and Y Yen Districts.

In agriculture, what is urgent and critical now is to concentrate very heavily on eliminating insects and diseases and to use every means available to prevent and counter natural calamities. Meetings not urgently needed must be postponed in time to concentrate cadres on these tasks. Districts, villages, and cooperatives must appoint cadres to go out and inspect fields and see that insecticides and gasoline are used right. In villages and cooperatives, key leadership comrades must provide personal and direct guidance and in every possible way contain and eliminate infestations of leafhoppers, not allowing them to spread over wide areas. The agricultural sector is to send the majority of cadres out to the basic level with the task of helping cooperatives guide pest and flood control efforts. The Agricultural Materials Corporation must strive to receive materials, phosphorus fertilizer, and insecticides and formulate plans for their timely distribution to the basic level. The water conservancy sector must be active opening spillways and running electric pumps to remove water, prevent flooding at the end of the season, and control flooding in areas where it has occurred. The season of violent rainstorms has come, so all dikes and culverts, especially in critical places, should be inspected and repaired wherever they leak or have collapsed.

Presently, the most urgent task in agriculture is to concentrate on eliminating pests and diseases damaging the rice crop and to control natural calamities. For that reason, sectors and levels, especially agriculture, water conservancy, and the basic level, must concentrate heavily on guidance. Implementing these two tasks will have decisive significance for ensuring success with the fifth-month crop.

9830

CSO: 5400/4387

LIGHT INDUSTRY

VIETNAM

BRIEFS

**SMALL-SCALE INDUSTRY, HANDICRAFTS**--In present-day Vietnam, small-scale industry and handicrafts play an important role in supplying consumer goods, accumulating funds, building the material-technical infrastructure, and promoting the overall development of the national economy. Even greater emphasis has been put on their development after 1975. The Government has enacted a number of policies to encourage it. By the end of the first quarter of this year, more than 4,000 cooperatives and nearly 10,000 production collectives with a total membership of 1.6 million have been organized. Yearly production includes more than 30,000 kinds of products with a total value of 45 thousand million dong and accounting for 45% of total industrial output value of the country, 70% of regional industrial output, and 20% of total export value. Eleven cities and towns produce each one thousand million dong and more worth of products. The first national competition for art handicrafts has just concluded in Hanoi: of the 2,000 exhibits 182 received prizes and 25 Golden Hands Medals were awarded to outstanding craftsmen. The potentials of this branch of the economy, however, have not yet been fully exploited. A number of product lines have disappeared. Highly skilled craftsmen are still few in number. Competent managerial cadres are lacking. The material and technical infrastructure is poor; labour productivity is low and product quality mediocre. State policies with regard to small industry and handicrafts need to be amended. [Text] [Hanoi INFORMATION-DOCUMENTS in English 16 Jun 86 pp 7, 8] /9274

**INVESTMENTS FOR EXPORTS**--Ho Chi Minh City has decided to implement, starting from the 3rd quarter of 1986, 18 programmes for investment totalling about 10 million dollars in productive bases in the suburbs with a view to creating stable sources of export goods. These include among others a programme for breeding pigs; one for raising groundnuts on 12,000-15,000 ha in Chu Chi district; breeding shrimps in areas totalling 1,000 ha in Duyen Hai; growing pineapple on 5,000-7,000 ha in Binh Chanh, etc. IMEXCO, the city's import-export corporation, will coordinate the programmes. Besides, the suburban districts may, through the agency of the local export companies, contract loans of 2-3 million dollars for investment in the production of export goods. [Text] [Hanoi INFORMATION-DOCUMENTS in English 16 Jun 86 p 8] /9274

CSO: 4200/1225

TRANSPORTATION AND COMMUNICATIONS

VIETNAM

'SAIGON 86' VIETNAM'S NEW CAR

Hanoi QUAN DOI NHAN DAN in Vietnamese 16 Jun 86 p 1

[Text] The 30-4 Auto Enterprise (of the Ho Chi Minh City Transportation and Communication Service) recently produced a series of "Saigon 86" sedans by using the La Dalat engines, which were improved by the Citroen Company (French). Each five-passenger car has a carrying capacity of 350 kilograms.



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CSO: 4209/684

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